

*Barry Hoolwerf and Theo Schuyt*

# Giving in Europe

*The current state of research on household donations, corporations, foundations and charity lotteries to charitable organisations in Europe.*



**An ERNOP publication**

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*The coordination of this study has been carried out from the Center of Philanthropic Studies at VU University Amsterdam and has been made possible thanks to a starting grant of the Dutch National Postcode Lottery.*



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# About the European Research Network on Philanthropy (ERNOP)

The European Research Network on Philanthropy (ERNOP) is an association that was founded in January 2008 by collaborating philanthropy researchers in Europe. Our mission is to advance, coordinate and promote excellence in philanthropic research in Europe. We aim to be an international and interdisciplinary network open to all researchers studying philanthropy. To date, around 200 members from more than 25 (mostly) European countries have joined ERNOP. ERNOP and its members work closely with other academic research networks that address related fields such as ISTR, ARNOVA and EMES. Also, ERNOP has developed a good relationship with European networks of philanthropy professionals such as DAFNE, EFC, EVPA and EFA.

ERNOP members study philanthropy, which is understood as private, mainly voluntary, contributions to public causes. However, we acknowledge that philanthropy has different meanings across Europe because of the large variations in the historical, social and legal background of philanthropy. ERNOP perceives all these different perspectives as being a strength, and aims to include them all in the study of philanthropy. ERNOP members actively publish their research in a wide range of mono- and interdisciplinary scientific journals, from economic journals to marketing, social policy and historical journals. We are proud of the fact that four ERNOP members are editors of the main specialised philanthropy journals (NVSQ, Voluntas, IJNVSM and VSR).

In order to further advance philanthropic research in Europe, ERNOP members from different countries and scientific disciplines have collaborated on numerous research projects and grant proposals, each bringing their own unique qualities and perspectives to the projects. New members are cordially invited to join collaborative proposals.

Since its inception in 2008, ERNOP has organised a biennial conference in a European city. At this conference, researchers studying philanthropy present their state-of-art research, exchange ideas and meet colleagues. The conference aims to contribute to the creation of a European philanthropy researcher identity. ERNOP is proud that this conference is considered to be the leading conference on European philanthropy research.

ERNOP aims to represent the study of philanthropy in Europe and to influence policy-making at a national and European level. Knowledge is of utmost importance for policy-making and this is no different for philanthropy. As there is no structural or comparable information about philanthropy between European countries, ERNOP aims to put philanthropy research on the philanthropy agenda of national and European policymakers.

## More information

More information about ERNOP, its aims, research projects, members and membership can be found on ERNOP's website, [www.ernop.eu](http://www.ernop.eu).

# 1. Foreword

*Theo Schuyt*<sup>1</sup>

## **Reframing philanthropy in European welfare states**

This study is an initial attempt to map philanthropy in Europe and presents a first overall estimation of the total philanthropic giving by households, bequests, foundations, corporations and charity lotteries. Excellent work has been done by the philanthropy researchers who volunteered to gather the data and write the country reports. Therefore, this study expresses the spirit, shared by all, of putting philanthropy back on the societal, political, economic, cultural and academic agenda of Europe. Academia gives voice to what is happening in society today. Citizen initiatives are prospering, the number of foundations – fundraising and grantmaking – is increasing, as is the number of legacies and bequests benefitting public causes, corporate social responsibility has been fully accepted by the business community and ‘the gospel of philanthropy’ is sounding louder and louder.

However, time and again Europeans have to explain that philanthropy is not an American invention. Although media icons such as the Pledge, the Gates Foundation and the Zuckerberg Initiative seem to overwhelm us, they learned it from us, from Europe. This study may also be seen as correcting this misleading image. Giving Europe sheds light on the authentic European philanthropic performance.

In the past charity and philanthropy flourished in Europe. In twentieth century Western Europe, welfare state regimes took on the responsibility for matters relating to poverty, social security, healthcare and education. Philanthropy did not vanish from the scene – it remained active in health, religion, welfare, culture and education – but it was side-lined by the expansion of the welfare state. In Eastern Europe communist regimes developed social services that covered a wide range of human and social needs. Now that the financial limits of the State – West and East – have been reached, deregulation and austerity measures in social provision are prompting people to take a fresh look at philanthropy and the role it could play.

Apart from these political shifts, philanthropy itself re-emerged autonomously at the end of the twentieth century. Driven by economic wealth and prosperity, demographic changes and a growing consciousness to ‘Do it Yourself’, these have all given way to a revival of philanthropic initiatives. ‘Modern philanthropy’ has arisen, different from ‘traditional philanthropy’, in that it goes beyond poor relief, welfare and education, and encompasses a broad spectrum of public causes including research, employment programmes, social ventures and investments, social innovation, nature preservation, and cultural heritage.

This study contributes to reframing philanthropy in the mindset of many policymakers and politicians in Europe, particularly those who equate ‘serving the public good’ with the welfare state and state intervention. They all-too easily denigrate philanthropy as a ‘pre-welfare state’ phenomenon; well-known from the past, but no longer of relevance in the Europe of today and tomorrow. This study,

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<sup>1</sup> President of the European Research Network on Philanthropy and founder of the Center for Philanthropic Studies at VU Amsterdam, the Netherlands.

however, shows convincingly that philanthropy is a modern trend, built on strong historical shoulders. European philanthropy has to be taken seriously.

Philanthropy is briefly defined as: 'private action for the public good' (Payton, 1988). More precisely, philanthropy stands for contributions (money, time, goods, expertise) voluntarily given by individuals, organisations, foundations and businesses to public causes, serving primarily that public good (Schuyt, 2010).

According to Prewitt (1999) philanthropy enhances pluralism in society. 'Philanthropy is distinct from politics, not because it rejects politics but because, for the philanthropy sector, the political route is not the only way to achieve goals for the common good in a democratic fashion'. Payton and Moody additionally emphasise the 'role of the pioneer' and the 'role of the citizen' in philanthropy, which is clearly of great importance in democracies: 'We have argued that philanthropy plays an essential role in defining, advocating and achieving the public good. Philanthropic actions are a key part of the ongoing public deliberation about what the public good is and how best to pursue it. ... Both government and philanthropy provide public goods. Sometimes they do so in partnership – government money is a primary source of funding for non-profit organizations – and other times philanthropy steps in to provide public goods ...when both the market and government fail to do so'. They add: 'Democracy needs philanthropy because democracy is not simply a political phenomenon'.

Philanthropy has to legitimise itself in two ways. Philanthropy is entitled to serve a public purpose, which calls for public accountability. However, it is even more important to say: philanthropic institutions make use of tax facilities, supported by governments and legislation. So 'private philanthropy' is not truly private in that sense. Governments favour 'pluralism' in society by – partially – withdrawing taxation. From this perspective philanthropy always has a double face: a private and a public one. The public side urges public accountability as well.

## **The relationship between governments and philanthropy**

The opportunities presented by the availability of private wealth 'outside' the State in Europe are raising challenges for governments and the voluntary and philanthropy sector. The two sides will have to find ways to come together and strengthen each other in serving the public good; they will have to resolve the 'state or market' and the 'welfare state or philanthropy' dichotomies and move towards a civil society without detracting from the important achievements of the welfare state; they will have to incorporate philanthropy in an egalitarian welfare state paradigm; and they will have to address the problem of arbitrariness in philanthropic efforts.

Government, market and philanthropy are three allocation mechanisms for achieving goals for the common good. Strangely enough, it appears that a monopoly of any one of these mechanisms does not lead to a viable society. A monopolist governmental regime – frequently described as 'communist' or 'socialist' – generates bureaucracy and restricts individual freedom. The market, on the other hand, enhances individual freedom but, as a monopolistic allocation mechanism, it generates intolerable uncertainty and widespread poverty. When philanthropy dominates, the result is paternalism and inequality. Perhaps a solution for the future lies in some form of interplay between these three



mechanisms, whereby the government guarantees a strong foundation, and the market and the philanthropic sector create space for dynamics and pluriformity.

This arrangement would inadvertently revive the principles of the French Revolution: freedom, equality and fraternity. These developments are appropriate in the transition from a European welfare state to a 'civil society' in which more attention is paid to the contributions and responsibilities of individual citizens, societal organisations and businesses.

## **How to integrate philanthropy into the European welfare state paradigm?**

Governments (public policy) and philanthropy represent two different worlds with regard to constituency, legitimacy, values and structure. Problems may occur if these worlds meet. On the one hand, some governments have a rather critical stance towards private philanthropy, mostly with the suspicion that 'the rich want to have tax reductions' or the threat of uncontrolled financial transfers to terrorist organisations. Or, on the other hand, some governments consider philanthropy to be an easy additional income source for their public policies (substitution).

For all governments it holds that – to a certain degree – philanthropy and the philanthropy sector represent a 'terra incognita', partially because the latter does not present itself adequately. In fact, the latter is yet another argument for the relevance of this Giving in Europe study.

If governments and philanthropy wish to interact, how can the possible barriers be overcome? Let me provide some suggestions that might show the road ahead. The organisational sociologist Litwak addressed the question: What could be done if groups have incompatible structures, although they have complementary aims? His answer is the 'matching principle'. Groups/organisations can optimally manage those tasks, which match them in structure. In other words: for certain types of tasks you need certain organisations that have the appropriate structure for those tasks. For certain types of tasks governmental organisations gain the appropriate structure to accomplish them. For example, if long-standing procedures inhibit experiments, philanthropic institutions may be called upon.

Governments and philanthropy do not match naturally. To diminish these barriers a gentleman's agreement may also appear to be a promising solution. This agreement can be equated with a public contract. Both parties promise to be open towards each other in the pursuit of public goals and to accept each other's independence on the basis of mutual respect and honesty. Contractual agreements – besides delivering benefits for both parties – help to avoid over-regulation and state bureaucracy. Contracts bring new dynamics to relationships and open doors to fresh ideas and innovations. Additionally, a contract is flexible, it is valid for a specific period, it evokes extra attention and energy, and above all, it offers legitimacy to the parties involved. In these public contracts, transparency and accountability are key elements.

## References and further reading

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## 2. Acknowledgements

This publication would not have been possible without an initial start-up grant from the Dutch Postcode Lottery. Although the contribution only covered a fraction of the efforts made for this study, it gave the impetus to start in the first place. We find that charity lotteries do contribute a lot to public causes, not only in the Netherlands but within Europe as well!

Furthermore, as editors, we build on the tremendous work of all national contributors. There would be no Giving in Europe study without them! Yes, it is the members of the European Research Network On Philanthropy that voluntarily contributed to this publication by describing the current state of research on giving. Some members solely covered giving by households, foundations, corporations and charity lotteries within their own country. Others worked within the spirit of ERNOP by collaborating with fellow ERNOP members within their country from other research institutions, each contributing according to their own expertise. We know that this publication took a long time and thank you for your patience along the way. But rest assured, through this publication, ERNOP has delivered once again!

Valuable feedback was also received from the audience present at the 7<sup>th</sup> International Conference of the European Research Network On Philanthropy, which took place on 9–10 July, 2015 at the ESSEC Campus in Cergy. Also, the preliminary results were presented at the 12<sup>th</sup> International Conference of the International Society for Third Sector Research on June 28–July 1, 2016 in Stockholm. Without the possibility of sharing the work in progress with the academic society, the current publication would not have been what it is today.

A special thanks also to our colleagues at the Center for Philanthropic Studies at the Vrije Universiteit Amsterdam. All too often, you saw another version of another factsheet on the table, and probably wondered how much longer this project would keep us away from other ongoing projects. Giving in Europe is a project that has already been on the agenda for years, and most likely will be in the years to come. We thank you for sharing your thoughts, questions and ideas. In particular we thank René Bekkers, who provided us with specific suggestions to make the most of this publication.

We also want to thank the Donors and Foundations Networks in Europe (DAFNE) for giving us the opportunity to share our results at the DAFNE Summer Meeting, which took place on May 25, 2016. Valuable questions were asked by the participating DAFNE members, which enabled us to hone our arguments regarding the societal relevance of this study. Many thanks also to all the DAFNE members for their feedback given at the final stage of the study, which proved that the information presented in this study is in accordance with what is known within the sector. None of this would have been possible without the collaboration and valuable questions from DAFNE coordinating director James Magowan or without DAFNE Chair Rosa Gallego, who gave us the opportunity to present this study. We look forward to an ongoing collaboration in pushing for collecting data.

This study was published by Lenthe, where the driving force behind this project was Don Akkermans and Edwin Venema. We thank them very much for their swiftness and flexibility in publishing this study.

Together, we believe that this study will be the beginning of a list of publications on the subject of giving in many European countries.

We also thank Oliver Jarvis and the team at Global Proofreading and Copy-editing Ltd. Thanks for proofreading texts from authors residing in 20 different countries, including a variety of uses of the English language. They were always fast to deliver, thanks.

Last, but definitively not least, we really want to thank Renske Sanders. Her patience in creating, checking, double-checking and triple-checking figures, table numbers and references has been remarkable, making this publication what it is. Renske also provided much valued input for the different country chapters. Renske, this endeavour would not have been the same without you, thanks a million!

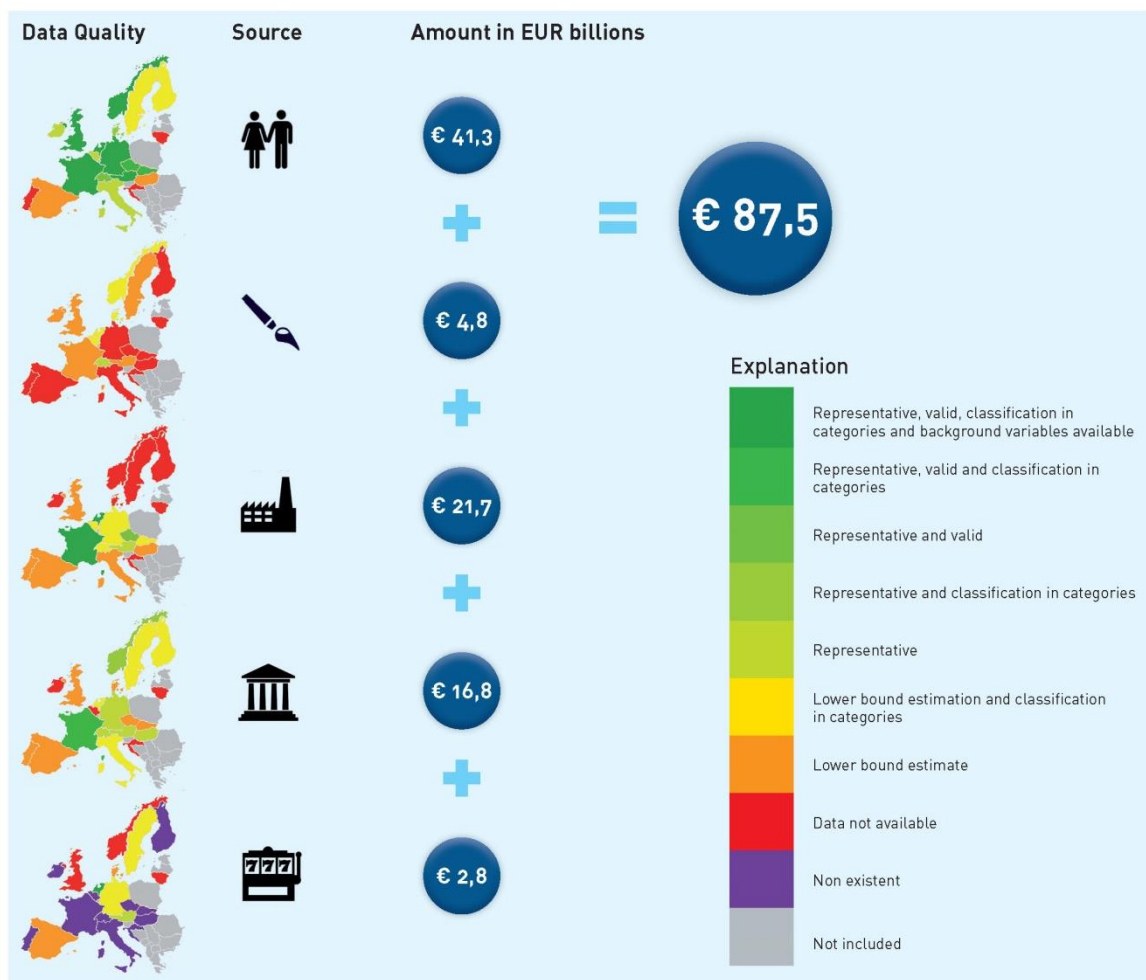
# Giving in Europe

## The current state of research on giving by households, corporations, foundations and charity lotteries in Europe

### About Giving in Europe

This factsheet<sup>1</sup> is a result of an initiative of the European Research Network On Philanthropy (ERNOP). Containing an overview of what we know about research on the philanthropy sector, it provides information about giving by individuals, bequests, corporations, foundations and charity lotteries in 20 European countries. The publication aims to stimulate researchers, policy makers and philanthropy professionals in fostering research on philanthropy and to inspire to exchange knowledge and information.

By using a standard template, ERNOP researchers have described the available data sets in their country. They provided the best total (lower bound) estimation available and classified donations to a range of different causes, based on the longitudinal Giving in the Netherlands study (GIN). For each dataset, Giving in Europe describes the target population, sampling criteria, validity and background variables that were included. In order to improve the usage of the information, the ERNOP members also described the data source(s), accessibility, availability, and studies carried out using the dataset.





























<sup>1</sup> Disclaimer: This factsheet has been financially supported by the Dutch National Postcode Lottery. This is not by any means a complete picture, but provides a lower bound estimation. The information contained in this factsheet is for general information purposes only. The information is provided by ERNOP and while we endeavor to keep the information up to date and correct, we make no representations or warranties of any kind, about the completeness, accuracy, reliability, suitability or availability with respect to this factsheet. Any reliance you place on such information is therefore strictly at your own risk. Any parties interested in further information underlying this factsheet are cordially invited to contact and collaborate with us. For more information, visit [www.ernop.eu](http://www.ernop.eu).

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**Factsheet**

## Giving in Europe 2013 (EUR millions)

							Population 2013 (millions)	GDP 2013 (EUR billions)
	Households	Bequests	Corporations	Foundations	Lotteries	*Total		
 Austria	€ 360	***€ 50	**€ 468	**€ 61	€ 11	€ 950	8,4	€ 322,9
 Belgium	***€ 402	*€ 140	***€ 378	n/a	n/e	€ 920	11,1	€ 392,7
 Croatia	n/a	n/a	n/a	n/a	n/e	n/a	4,2	€ 43,5
 Czech Republic	**€ 407	n/a	**€ 157	*€ 34	n/e	€ 598	10,5	€ 156,9
 Denmark	**€ 795	*€ 67	n/a	*€ 1.200	*€ 10	€ 2.072	5,6	€ 255,2
 Finland	*€ 152	n/a	n/a	***€ 306	n/e	€ 458	5,4	€ 203,3
 France	€ 3.400	***€ 600	€ 2.800	€ 1.640	n/e	€ 8.440	65,9	€ 2.116,6
 Germany	€ 6.300	n/a	***€ 11.222	€ 6.000	*€ 280	€ 23.802	80,6	€ 2.820,8
 Hungary	*€ 91	n/a	*€ 179	€ 179	n/e	€ 449	9,8	€ 101,3
 Ireland	**€ 378	***€ 26	n/a	n/a	n/e	€ 404	4,6	€ 179,4
 Italy	**€ 7.200	n/a	***€ 1.000	*€ 884	n/e	€ 9.084	60,2	€ 1.604,5
 Lithuania	n/a	n/a	n/a	n/a	n/a	n/a	3,0	€ 35,0
 Netherlands	€ 1.944	**€ 265	€ 1.363	*€ 290	€ 494	€ 4.356	16,8	€ 650,9
 Norway	**€ 503	*€ 36	n/a	**€ 373	n/a	€ 912	5,1	€ 393,4
 Portugal	n/a	n/a	***€ 113	*€ 149	n/e	€ 262	10,5	€ 170,3
 Slovakia	€ 96	n/a	*€ 63	*€ 21	n/e	€ 180	5,4	€ 73,8
 Spain <sup>i</sup>	***€ 1.014	n/a	***€ 343	***€ 413	***€ 1.909	€ 3.679	46,6	€ 1.031,3
 Sweden	*€ 545	***€ 98	n/a	**€ 656	*€ 130	€ 1.429	9,6	€ 435,8
 Switzerland	**€ 1.381	**€ 660	***€ 893	***€ 1.278	n/e	€ 4.212	8,1	€ 515,7
 United Kingdom	**€ 16.380	*€ 2.880	***€ 2.750	***€ 3.300	n/a	€ 25.310	64,1	€ 2.042,9
 Total	€ 41.348	€ 4.822	€ 21.729	€ 16.784	€ 2.834	€ 87.517	435,5	€ 13.546,2

\* Lower bound estimation, total estimation not available \*\* Other year \*\*\* Lower bound estimation and other year

i) Estimates for Spain produced by VU Amsterdam

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**Factsheet**

### 3. Executive summary

In many countries across Europe, philanthropy is being rediscovered as a source of funding for public goods and social innovation. Before the advent of the welfare state, philanthropists were major funders of social, cultural and religious institutions. The recent era of austerity has given way to a rediscovery of the rich tradition of giving in Europe.

However, facts on the size and composition of the philanthropic market in Europe are missing. Who donates what, and for what purpose? Without valid and reliable data, it is difficult to demonstrate and promote the societal significance of philanthropy. This study provides a comprehensive overview of what we know about giving by households, corporations, foundations and charity lotteries in 20 European countries. As such, it lays the groundwork for a *'Giving in Europe' study*, a comprehensive atlas of philanthropy. In due course, *Giving in Europe* will provide key figures and statistics about the philanthropic sectors in Europe by using a shared methodology.

By summarizing the current state of research on giving, this study has taken a step towards a benchmark tool for governments, foundations, and non-profit organisations. It gives an indication of the size of the fundraising sector and donation behaviour. This benchmark is important as governments redefine their responsibilities and the level of private giving is expected to increase. The country chapters also include a description of the degree to which philanthropy is covered as a source of income for charitable causes.

**Table 3.1 Philanthropic contributions in Europe, lower bound estimations, by source in 2013\***

Sources of contribution	million EUR	percentage
Individuals		
<i>In vivo</i>	41 348	47 %
<i>Bequests</i>	4 822	6 %
Corporations	21 729	25 %
Foundations	16 784	19 %
Charity lotteries	2 834	3 %
<b>Total</b>	<b>87 517</b>	<b>100 %</b>

*\*Because the coverage of available data sources is known to be incomplete, the figures represent lower bound estimates, and are based on 2013 data or the closest year available. For more details on the data please see the country reports in the full report.*

Based on the currently available data on the value of the philanthropy sector in 18 countries, we estimate that the philanthropy sector in Europe accounts for at least EUR 87.5 billion annually. This is a lower bound estimate. From the 20 contributors to the study, 18 were able to provide at least a lower bound estimate of giving by at least one source of philanthropy. There is not a single country in Europe that can provide a complete overview of donations from all sources. Also, macro data on the size and

scope of philanthropy were not at all available in Croatia and Lithuania. A number of European countries were not included in this study due to the unavailability of ERNOP members in the respective countries. Therefore, the total size of the philanthropy sector in Europe will likely be much larger than the €87.5 billion we have uncovered.

## Handle with care

Incomplete data on giving are available in a number of countries, notably Portugal, Spain, Ireland, Hungary, and Finland. For these countries, it is only possible to present a partial estimation of total giving for all sources of philanthropy. The estimated size of the philanthropy sector in these countries should thus be seen as a very lower bound estimation, and the actual amount is likely to be (much) higher. A more complete picture of the philanthropy sector is available in the Netherlands (EUR 4 356 million), France (EUR 8 440 million), Austria (EUR 950 million) Germany (EUR 23 802 million), Norway (EUR 912 million), Switzerland (EUR 4 212 million) and the Czech Republic (EUR 598 million). In these countries the total size of the philanthropy sector is based on a representative estimation of at least two sources of philanthropy. The total amounts as presented in the table are still considered to be a lower bound estimation, but we expect to have covered at least the largest share of the philanthropy sector in these countries. However, these amounts should still be interpreted with care, as, for example in Norway, giving by corporations is not included in the total amount.

The other countries included in this publication, the United Kingdom, Denmark, Slovakia, Belgium, Sweden and Italy, rely on lower bound estimations for most sources of philanthropy, although they vary in the extent to which a philanthropy source is covered. However, in any circumstances the lower bound estimation of €87,5 billion should be considered as a starting point. A more comprehensive but still conservative estimation amounts to €92,8 billion.

Within most of the countries included in this study, the data on giving by households are reasonable. Unfortunately, this does not hold for other sources of philanthropy. The quality of the data from both giving by corporations and giving by foundations (from endowment) is mixed. Many (multinational) companies mention their corporate social responsibility activities,

**Figure 3-1 Quality of data per country**

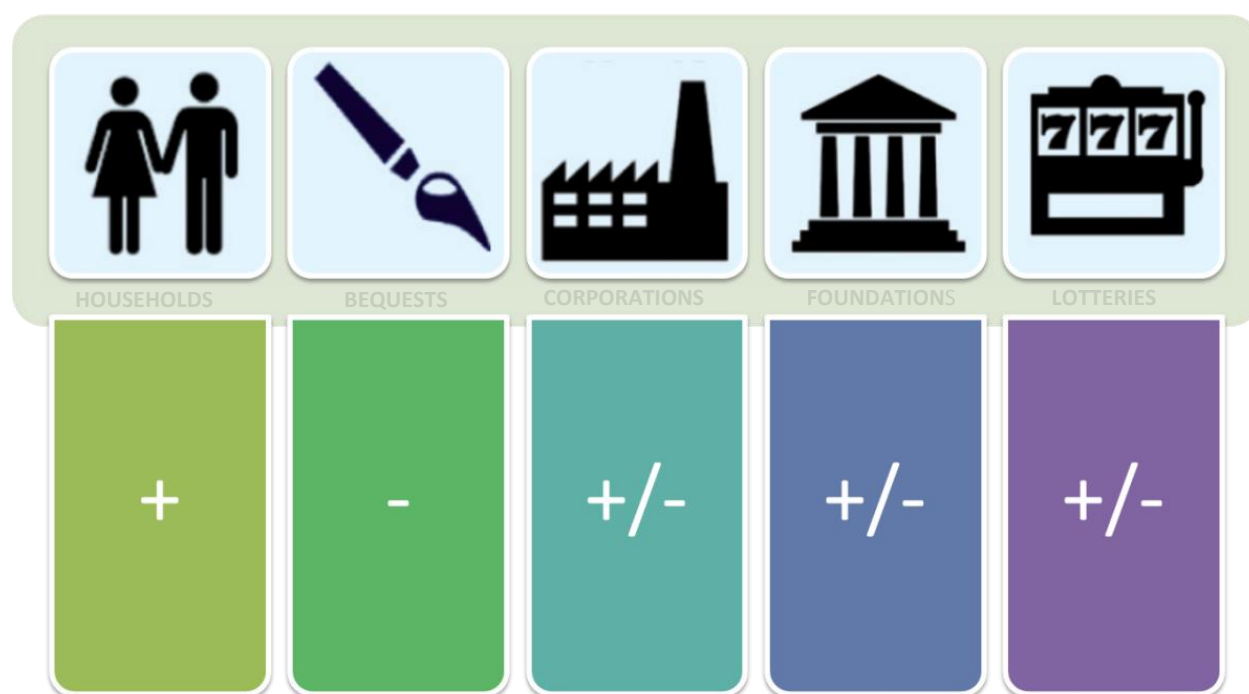
Country	Scale
Austria	+/-
Belgium	+/-
Croatia	-/-
Czech Republic	+/-
Denmark	+/-
Finland	-
France	+
Germany	+/-
Hungary	-
Ireland	-
Italy	-
Lithuania	-/-
Netherlands	+
Norway	+/-
Portugal	-/-
Slovakia	+/-
Spain	-
Sweden	-
Switzerland	+/-
UK	+/-

+ Representative data available for most sources of philanthropy  
 +/- Some representative data available, lower bound estimates for the majority of philanthropy sources  
 - Little representative data available for the majority of philanthropy sources and/or few lower bound estimates available for the remaining philanthropy sources  
 -/- No representative data available



sponsoring and philanthropic behaviour in their annual reports. However, surprisingly enough, there are few countries that provide representative, valid data on giving by corporations, neither categorisations regarding their supported goals nor background information about the donating companies. The same also goes for giving by foundations, which we have only an incomplete picture of in most European countries. This gap in information should be kept in mind when interpreting the presented numbers. Considering its potential for the future, it is striking that data on bequest giving are hard to find. At the moment, there is only one European country for which we can provide an estimate of the total amount of bequests to charitable goals, Switzerland. In 2007, the Swiss donated EUR 660 million through bequests; a considerable amount, especially when compared to the total amount that Swiss households donate to charitable goals (EUR 1 381 million). So, on the other hand, the current gaps may also turn out to be a positive surprise in the future.

**Figure 3-2 Average quality of data per source of philanthropy**



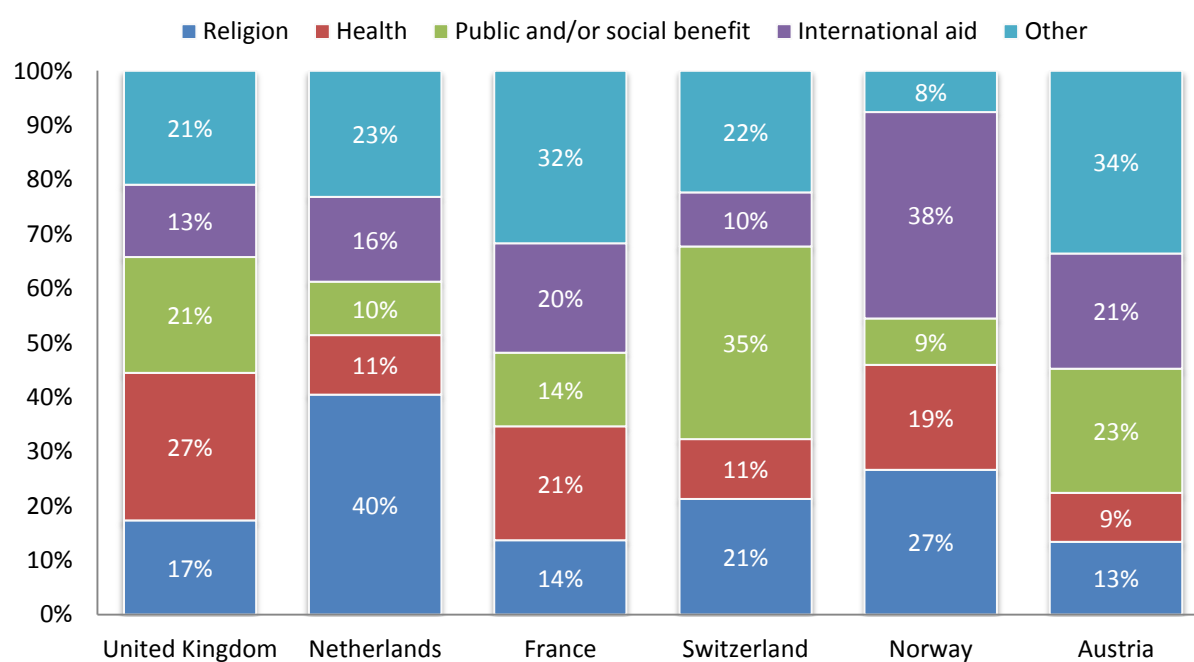
- + Representative data available in majority of the countries
- +/- Limited representative data available, lower bound estimates in the majority of the countries
- No representative data in majority of the countries

## **The popularity of charitable causes varies between countries**

Although the number of countries able to provide representative data on giving by households is limited, interesting discrepancies between them have arisen. Next to the differences in the amount given to charitable goals, differences in household preferences for charitable causes also seem to exist. For example, in the Netherlands, 40% of household donations goes to religious causes, while in France

and Austria only 14% and 13% of household donations are being donated to these organisations. Similar differences arise if we compare health-related causes, which cover 27% of household donations in the United Kingdom, compared to only 9% in Austria. Finally, differences also emerge with regard to international aid. Based on the data presented in this study, Swiss households donate relatively less to organizations related to international aid, with only 10% of the total amount going to this category. Much more different is the giving behaviour of Norwegian households, who give 38% of their donations to goals related to international aid. However, again, it must be noted that these difference might be the result of using different classifications and methods of data collection. Also, the current data do not allow for an in-depth explanation of these differences.

**Figure 3-3 Household donations to different charitable goals**



## Research Agenda and Recommendations

This publication shows that philanthropy is indeed widespread across the continent, and that the phenomenon is an unquestionable part of our European identity. It also shows a large variety in the amounts given by different sources of philanthropy and, where data is available, major differences in support provided to philanthropic goals. Considering the large differences in policies and public financial support for different philanthropic goals, questions arise regarding the effect of public policy on philanthropic behaviour in general, and more specifically, the effect of public support for different philanthropic goals. However, unfortunately, a lack of comparable data makes it very difficult to foster this discussion, and ERNOP will strive to put these questions on the agenda of the relevant policy officials.

The research has also identified the structure of the philanthropic sector and its umbrella organisations. With better data, research on giving in Europe can provide a benchmark for philanthropic organisations and it could serve a monitoring, signalling and agenda setting function. Differences in the giving behaviour of sources of philanthropy show opportunities for fundraising organisations, but also call for a better representation of the philanthropic sector. Gaps in data provide (or prohibit) effective fundraising or grant making opportunities for fundraising, particularly regarding corporate philanthropy and bequest giving. However, with a sensed ‘closing space for philanthropy’, the current gaps in the data on philanthropic donations by individuals, corporations, foundations and charity lotteries prevent a convincing and comprehensive story about philanthropy. Instead, the data on philanthropy remain – for the time being – a series of anecdotal evidence. This publication provides this evidence for the first time. Building the evidence base will provide a tool for the European philanthropy sector. By looking for joint initiatives and sharing data, ERNOP will engage with the philanthropy community achieving a better picture of the European philanthropy sector.

Finally, this study leads to recommendations that will guide ERNOP in achieving a ‘*Giving in Europe*’ study. In order to obtain comparable key figures and statistics about philanthropy in Europe, we should determine the definitions of (sources of) philanthropy and the usage of a standardised methodology. This accounts for data collection on giving by households, corporations, foundations (and charity lotteries). Meanwhile, as long as a comprehensive Giving in Europe study is not taking place, ERNOP should push for using the best methodologies on a national, level where data collection takes place, and have a coordinating role for the implementation. Also, as ERNOP we need to fill in the blank spaces, both by involving researchers from countries currently not included in the study and by trying to access existing data that were inaccessible for this study. With the existing data ERNOP should continue to explore differences in giving between countries and start to provide explanations for these differences.

## 4. Introduction

*Barry Hoolwerf<sup>2</sup>*

From the University of Latvia Foundation to the Calouste Gulbenkian Foundation in Portugal, and from the homes for the elderly in the Netherlands to the banking foundations in Italy, Europe has developed a rich and diverse philanthropy sector (Schuyt, 2010). Unlike many contemporary politicians and journalists who try to present otherwise, philanthropy is a European invention. Alexis de Tocqueville referred to Europe for examples of private action for the public good, and made sure they were included in the United States constitution. Rooted in Christian-Jewish tradition, many services now provided by the welfare state were once the domain of wealthy merchants, sympathetic individuals and generous townsmen. Philanthropy is anchored in the culture of Europe and its examples can be found across the continent.

Europe is a very diverse continent and has a very turbulent history. Catholicism is the main religion in many Southern European countries and Poland, while Protestantism swept through North-western Europe. Two world wars started on the European continent. Communism was part of daily life for millions of Europeans in the following years; Eastern European countries found their freedom relatively recently. Or, to mention another major transition, Spain and Portugal experienced change from nationalist governments to democratic elections. In many other European countries, the welfare state expanded rapidly, taking over, replacing and creating organisations that provided the services that had been the domain of philanthropists.

Despite these differences, philanthropy is unmistakably part of the European landscape today. Individuals, corporations and foundations give their money, time and expertise to charitable organisations in the domains of healthcare, education, culture, religion and international aid. What is more, it is not only the 'traditional' domains of philanthropy that are witnessing an increase in philanthropic support, but also 'modern' goals such as sports and the knowledge economy (Breeze et al., 2011).

It therefore makes sense that philanthropy research is also developing a European identity today. Despite its differences in historic developments and major differences in the incidences, sources and goals of philanthropy, the European Research Network On Philanthropy (ERNOP) is growing from a grassroots organisation into a professional association firmly rooted in the topic that is the subject of this study. Many ERNOP members voluntarily wrote the different chapters for this publication, showing that philanthropy truly is an undeniable part of our European identity.

Furthermore, it is therefore also no surprise that the European Commission has shown a growing interest in the philanthropy phenomenon and has commissioned a number of larger studies on several subdomains of philanthropy. In these studies, researchers from a number of European countries (of which many are ERNOP members), worked together in mapping and sometimes explaining differences in philanthropic contributions to European higher education institutes (Breeze et al., 2011), research

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and innovation (Gouwenberg et al., 2015), the impact of the third sector (TSI, ongoing), and volunteering and social innovation (ITSSOIN, ongoing).

These studies have in common that they show philanthropy as an important phenomenon for different goals in society. For example, the European Foundations for Research and Innovation (EUFORI) study showed that the number of newly established foundations in the field of research and innovation grew exponentially during the 1990s and 2000s.

However, despite the promising signs of an emerging philanthropy sector in Europe, it is still a phenomenon and a sector that is not very well understood. As a matter of fact, besides the anecdotal glimpses from national researchers and the great work that has been carried out on the subdomains of philanthropy, we know little about its actual scope, size and forms in Europe. For a better discussion and assessment of the (potential) role that philanthropy can play in solving societal problems, we need a clear picture of the size and scope of philanthropy. We do not know the size of the philanthropy sector in Europe. What amounts are donated by households, bequests, corporations, foundations and charity lotteries, and to what goals? To what extent can we draw a picture of the philanthropy sector in Europe, what is the quality of the data involved? These are the questions that are the subject of this publication. In doing so, it lays the groundwork and sets out a starting point for a comprehensive Giving in Europe project in the future, which aims to present the financial parameters of philanthropic contributions and the philanthropy sector in Europe.

Representative and comparable data and figures on giving in different European countries are necessary for reasons of academic interest and societal relevance. Without good data, we will not be able to put developments such as the growing number of foundations supporting research and innovation into the correct perspective (Gouwenberg et al., 2015). For example, we could ask ourselves whether the growing number of foundations supporting research and innovation is part of a larger trend, or whether this development is only seen for research and innovation foundations? Or does an increase in foundations focusing on research and innovation also imply that other goals are less frequently targeted by foundations? Also, we know that different surveys yield different results when asking about giving to charitable goals. If we want to explain the differences between giving by individuals from one country to another, we need reliable and comparable datasets to develop an answer. In addition, considering philanthropy is a part of our common European history and its roots in our European identity, measuring the size, scope and forms of philanthropy gives us a thermometer of prosocial surplus in our society. Europe is going through a turbulent period and our common European values are being tested by economic, social and religious upheavals. European private action for the public good shows that Europeans not only care about their own wellbeing. With the right data, we can find out which policies might stimulate philanthropy and which ones might hamper it.

As a by-product, it is expected that Giving in Europe will also create networks of philanthropic institutions, fundraisers, grantmakers, major donors and philanthropy researchers. By exchanging information, it will likely create and stimulate relations within the European philanthropic community, fundraising non-profits and policymakers (Schuyt, 2013). Not least, it will strongly enhance research on this important topic.

In 2007 a group of philanthropy researchers from different European countries sat down together to discuss the issue of the existing lack of data. They envisioned a collaborating network of researchers with a common spirit. They were enthusiastic about the role and future of philanthropy in Europe, but lacked the tools and infrastructure to do the research. The group decided to start the European Research Network On Philanthropy. Starting with only 12 members, their aim was to coordinate, to advance and to promote excellence in philanthropic research in Europe. After inviting some other researchers into the European philanthropy research family, they soon started to work on *The State of Giving Research in Europe. Household Donations to Charitable Organizations in Twelve European Countries* (Wiepking, 2009).

This first publication showed that in a number of countries, aggregated and population data on giving by individuals is available. However, it also showed that different countries use different surveys and different methodologies. Also, there was no common definition of giving. For ERNOP, this proved that much can be achieved by working together in developing questionnaires and collecting data. A number of biennial conferences have added to the exchange of ideas and to developing a standardised method of data collection. Based on the methodology used in Giving in the Netherlands, a Giving in Europe study would comprise giving by households, corporations, foundations and, where applicable, charity lotteries. Also, it would use standardised questions on goals and ways of giving.

Over the years, ERNOP has built up an association spanning the European continent and has expanded greatly in numbers. Although a European study to map the complete philanthropy sector in a standardised way remains an important aim of the network, its current composition enables the philanthropy research community to take another step forward.

There are currently three large surveys that include multiple European countries and questions on philanthropy (the Gallup World Poll (annual), the European Social Survey (2002) and the Eurobarometer (2004)). In these surveys, the number of people that report donations to different causes varies, and there are even large differences in the percentage of people that claim to give within any given country (Bekkers, 2016). Questions on giving by bequests, corporations, foundations and charity lotteries are not included.

This publication aims to grasp the size and scope of philanthropy in Europe. This is not by any means a complete picture, nor does it pretend that its conclusions should be regarded as being representative of the entire philanthropy sector in Europe. However, this publication does aim to point philanthropy researchers, policymakers and professionals in the philanthropy sector in the same direction and might inspire them to exchange knowledge and information. Containing an overview of what we know about research on the philanthropy sector in 20 European countries, it expands the previous ERNOP publication by adding more countries. What is more, since philanthropy is not only about giving by individuals, it provides us with the available information about what is known about giving by bequests, corporations, foundations and charity lotteries.

This publication provides an overview of the current state of giving research in 20 European countries. After presenting the definitions, we present an overview of the research on philanthropic income sources by describing the available data on a European level, and we provide an estimation of the total amount (or lower bound) given as well as the total amount according to a standardised classification from the longitudinal Giving in the Netherlands study (GIN) (Bekkers et al., 2015). ERNOP members described the different target populations, sampling criteria, validity and background variables that were included in the available national datasets. In order to improve the usage of this information, they also described the source(s) of the data, their accessibility, availability and studies carried out using the datasets. Finally, the country chapter contributors were asked what conclusions could be drawn based on this information. In this publication we limit ourselves to a general description of the data quality.

## **Sources of philanthropy**

In order to get a picture of the size and scope of the European philanthropy sector, we have distinguished between different sources of philanthropy. However, what is considered to be a philanthropic income source? Here we rely on a definition that has been used in the longitudinal Giving in the Netherlands study, which defines philanthropy as ‘voluntary contributions by means of money, goods and/or time (expertise), given by individuals and private organisations (foundations, corporations and charity lotteries), and serving primarily the public good’ (Schuyt, 2013). We have added ‘given to organisations’, because we are focusing on institutionalised philanthropy. This definition makes a distinction between three types of voluntary contributions, namely money, goods and time. Although volunteering by individuals is an important part of the voluntary contribution of individuals, measuring and monetising voluntary work is still very much a work in progress (see, for example, the work on the impact of the Third Sector, [www.thirdsectorimpact.eu](http://www.thirdsectorimpact.eu)).

Moreover, the possibilities for monetising volunteering is questionable and still very much an academic debate. Therefore, volunteering by individuals will not be a part of this paper. Giving by individuals also does not include any taxes that are being redistributed to non-profits serving the public good, such as church taxes (e.g. Germany, Finland), tax redistribution schemes (e.g. the UK) or percentage philanthropy practices (e.g. Slovakia, Hungary, Italy). Although these practices form an important source of revenue for many non-profits, the voluntary aspect of these practices is missing.

Bequests, making donations to charitable organisations by means of a testament or will, are a specific income source in the income portfolio of non-profit organisations. Acclaimed as one of the drivers of ‘the new golden age of philanthropy’, the unprecedented expected intergenerational transfer of wealth provides major opportunities for non-profit organisations (Havens and Schervish, 1999). As we can only rely on secondary sources, collecting data on bequests is more difficult than for in-vivo donations.

Despite legal differences between European countries of what is considered to be a foundation, foundation giving is defined as monetary donations from a private non-profit organisation derived from an endowment. By only including donations derived from endowments, instead of adding the total

expenditure by foundations, counting donations from individuals and/or other organisations twice is prevented.

Although this paper excludes individual volunteering, some voluntary work is included nevertheless. For corporate giving we tried to include the total contribution by a company as calculated by the LBG model – one of the most commonly used methods by corporations (see [www.lbg-online.net](http://www.lbg-online.net)). This includes cash and in-kind donations in addition to the value of the work hours donated through employee volunteering schemes and any management costs incurred in implementing community investment initiatives. As a distinction between absolute giving (no returns from the recipient) and sponsoring (the recipient delivers a non-monetary return) cannot easily be made, sponsoring is also included.

The final source of philanthropy comes from charity lotteries. Charity lotteries are not considered to be a conduit or form of individual giving, but specific organisations donating a considerable percentage of their revenue to charitable organisations. Also, charity lotteries are considered to be private players, independent from governments or politics. In many European countries, the revenue from (national) lotteries is redistributed to charitable organisations. However, in a number of cases they are a supplement to or replacement for government subsidies. As these lotteries are not independent organisations, for the purposes of this publication these lotteries are not included.

## **Philanthropic goals**

The standardised classification that has been used for mapping the current state of giving in Europe is based on the classification that can be found in Giving USA and the Giving in the Netherlands longitudinal panels survey (GINPS). The Dutch longitudinal biennial survey (running since 1995) uses the Giving USA classification, which is the longest running annual report on philanthropy in the world (since 1956). However, there are some small differences.

Both Giving USA and Giving in the Netherlands cover nine categories and try to cover the complete spectrum of philanthropic goals. For Giving USA, these categories are (1) religion, (2) health, (3) international aid, (4) the environment, nature and animal protection, (5) education, (6) human services, (7) arts, culture and the humanities, (8) public-society benefit and (9) foundations. Giving in the Netherlands does not include the ‘foundations’ category, but adds another category, namely ‘other’. Also, where Giving USA uses ‘human services’ as an independent category, ‘human services’ are considered to be part of ‘public-society benefit’ in Giving in the Netherlands. On the other hand, Giving in the Netherlands has added a specific category for ‘sports and recreation’, which would be classified as ‘public-society benefit’ in Giving USA. What are considered to be philanthropic goals are thus to some extent dependent on the national context. For the aim of mapping Giving in Europe, we have at least tried to include all the potential philanthropic goals. Next, we have provided broad categories that give a functional overview of significant philanthropic goals, instead of providing very detailed categories that might be considered independent categories in themselves in one country but do not exist in another, or might be considered too small.



Hence, for the aim of Giving in Europe we have used the following categories:

1. Religion
2. Health
3. International aid
4. Public and/or social benefit (national)
5. Sports and recreation
6. Culture
7. The environment, nature and/or animals
8. Education
9. Other (not specified)

Besides this classification, other classifications are of course possible. National bureaux for statistics use different classifications for societal goals, although other studies have used other classifications. For example, Lester Salamon and his team at John Hopkins University (US) (1999) developed an extensive classification that can be used for classifying philanthropic goals. This classification, the international classification of non-profit organisations (ICNPO), is too detailed for categorising charitable goals, thus making it less usable for the aims of this study.

## Data quality

In order to answer the questions of who gives what to which charitable goals in Europe, we must first ascertain how accurate the answers to these questions really are. In other words, we need to know whether the studies that have been carried out to collect data on giving by individuals, corporations, foundations and charity lotteries actually measure what they are supposed to. Regarding collecting data on giving, this is not always as easy as it might seem. Answers to questions on giving depend on the way those questions are asked, the number of prompts (Rooney et al., 2004) and the length of the survey (Bekkers and Wiepking, 2006). Different methodologies lead to different outcomes (Bekkers, 2016; Wilhelm, 2007).

In order to map Giving in Europe all the contributors were asked to describe the background to the data that were available in 2013. This study reports on data that was available in 2015 on giving in Europe in 2013. It might be that new data has become available more recently. They included the sources of the data collection (secondary sources or population surveys), the frequency of the data collection (if any) and the most recent year of the data collection. Regarding the target populations, the description of the data quality includes statements about representativeness, their response rates and validity. They further described the questionnaires they used, the instruments for data collection and their internal validity, but also the sources of the data (sponsors), their accessibility (public or private and the costs involved for retrieving the data), the locations, availability and studies carried out using the dataset. Finally, they gave a description about the background variables included in the dataset. With the aim of assessing the data quality, we used representativeness, validity, the availability of a classification in

categories of philanthropic goals and whether the dataset includes some (relevant) background variables.

All the authors used the same format for writing this book as far as possible. The central question was what is given, by whom, and for what purposes, by using a standardised categorisation of these purposes. Also, we looked into how we can use the available national data to compare with other national datasets. Can we provide a (part of) the picture that is the philanthropy sector in Europe? The final section will provide this overview, trying to ascertain the total size of the philanthropy sector in Europe, assessing the quality of the data and addressing questions on its usability. Finally, it will provide suggestions for a way forward.

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## 5. Research on Giving in Austria

Michaela Neumayr and Hanna Schneider<sup>3</sup>

### Introduction on Giving Research in Austria

Research on charitable giving is a rather young discipline in Austria. While polling institutes have been collecting data on individuals giving since 1996, scholarly research focusing on philanthropy has emerged only recently.

The main part of giving research is conducted at the *Institute for Nonprofit Management* (read: Institute for NPM) and the *Competence Centre for Nonprofit Organizations and Social Entrepreneurship* (read: Competence Centre for NPO & SE), both belonging to WU Vienna<sup>4</sup>. While the Institute for NPM conducts basic research, the Competence Centre for NPO & SE is mainly dedicated to contracting research. Research on foundations is carried out by Hanna Schneider, Michael Meyer and Reinhard Millner, with an emphasis on mapping the foundation sector in Austria, most recently with a focus on foundations involved in research activities (e.g. Millner, Schneider, & Meyer, 2014; Schneider, Millner, & Meyer, 2010, 2015). Michaela Neumayr and Michael Meyer engage in research on individual giving. Among their topics of interest are cross-country differences in individual giving, giving to specific charitable subfields, giving behaviour and lifestyle, and the tax deductibility of donations (e.g. Neumayr, 2015; Neumayr & Pennerstorfer, 2015; Neumayr & Schober, 2012). Christian Schober, Ina Pervan and Ena Pervan-Al Soquauer deal with individual and corporate giving, a recent study investigates the effects of tax deduction of donations (Schober et al., 2014). The dominant academic background of the staff at both institutes is management, business and economics.

Furthermore, research on charitable giving has been conducted at the *Institute of Higher Studies* (read: IHS), a non-profit research institute covering the areas of economics, political science and sociology.<sup>5</sup> In a series of studies it addressed the effects of increasing the tax deductibility of donations for additional purposes, since it was limited to donations to particular organisations in the field of research until 2009. The focus of the extrapolations was on the impact on private and corporate donations; the background was economics (Felderer, Fink, Kuschej, & Paterson, 2002; Paterson, 2005).

In addition to academic research, the commercial polling institute *Public Opinion GmbH – Institute for Social Research* (read: Public Opinion)<sup>6</sup> conducts population surveys on individual giving on a regular basis. Until now, data are available for 1996, 2000, and for each year from 2004 to 2014. Based on these data, Public Opinion issues purchasable reports with descriptive analyses (Public Opinion, 2014). In the last few years, Public Opinion has also collected data on corporate giving. Concerning this matter, the data for 2007, 2008, 2011 and 2015 are available. The contact person is sociologist Bernhard Hofer.

<sup>3</sup> WU Vienna, Institute for Nonprofit Management

<sup>4</sup> Institut für Nonprofit Management: [www.wu.ac.at/npo](http://www.wu.ac.at/npo); Kompetenzzentrum für Nonprofit Organisationen und Social Entrepreneurship: [www.wu.ac.at/npo/competence](http://www.wu.ac.at/npo/competence).

<sup>5</sup> Institut für Höhere Studien: [www.ihs.ac.at/](http://www.ihs.ac.at/)

<sup>6</sup> Public Opinion GmbH - Institut für Sozialforschung: <http://www.public-opinion.at/wordpress/>

Another institution concerned with data on charitable donations is the *Austrian Fundraising Association* (read: FVA)<sup>7</sup>, the largest platform for donation-collecting non-profits in Austria. On an irregular basis, the FVA conducts or commissions studies on current issues (e.g. bequest giving, corporate giving). Also, the FVA has access to data on the philanthropic income of about 250 (large) non-profit organisations, which it uses for making projections of the total volume of donations (e.g. Fundraising Verband Austria, 2013, 2014b). The contact person at FVA is Günther Lutschinger.

Finally, the Ministry of Finance possesses information on tax deducted donations, since this information is included in individual tax data. These data were used for multivariate analyses in 2011 (Neumayr & Schober, 2012). Since 2009, when the tax deductibility of donations was increased to additional causes, the Ministry of Finance has compiled descriptive data on the use of tax deductibility. Although these data are unpublished, there is aggregated information on the tax deducted donations available from statistical reports (Statistik Austria, 2015).

## **Giving by individuals**

### ***Descriptive statistics of giving by individuals in vivo***

The most recent data on private giving stems from a population survey conducted by the polling institute Public Opinion. Accordingly, 60 per cent of the adult population in Austria made a donation which on average amounted to € 110 in 2013 (resp. data for 2014: 62 per cent; € 112)<sup>8</sup>. In total, about € 360 million has been donated. Among the most popular recipients people donate to are children (24%), animals (22%), national emergency relief (20%) and religious organisations (15%) (Fundraising Verband Austria, 2014a, p. 8). In contrast, culture and education are far less relevant charitable causes in Austria: merely 2-4 per cent of the population have donated to cultural organisations; less than 1 per cent to the field of education (see table 5.1).

More in-depth information on giving by individuals is available from a survey conducted by the Institute for NPM and the Competence Centre for NPO & SE in 2011 (Neumayr & Schober, 2012). These data reveal that 65 per cent of the adult population has made charitable donations in the respective year; the average amount given per donor was € 91. Altogether, around € 410 million was donated in 2011. The most prominent charitable causes were religion, national and international emergency relief, health and animals (see table 5.2). With regard to the amount of money donated to charitable subsectors, data from the Institute for NPM and the Competence Centre for NPM & SE reveal that the largest amount is given to international relief, which obtained around 15 per cent of the total donations in 2011. Religious organisations are in close second with almost 13 per cent (see table 5.2). The most frequent donation methods used are payment slips, door-to-door solicitations and money transfer orders (regular donations via bank transfer). Money transfer orders also accounted for the largest share of all donations with 28 per cent, followed closely by payment slips with 27 per cent. In contrast, online donations accounted for only 2 per cent of all donations, with merely 1 per cent of the respondents claiming to have ever donated online (Neumayr & Schober, 2012).

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<sup>7</sup> Fundraising Verband Austria: <http://www.fundraising.at/>

<sup>8</sup> For better comparability with the other national reports we provide data for 2013, more current data for 2014 are available.

**Table 5.1 Percentage of individuals donating to different goals, 2011 and 2013**

	<b>% individuals that donated to (2013, Public Opinion)</b>	<b>% individuals that donated to (2011, Institute for NPM)</b>
Religion	14.6 %	17.3 %
Health	-	10.0 %
International aid	4.2 %	4.9 %
International emergency relief	7.4 %	11.3 %
Public/social benefit (national)		
- National emergency relief	20.3 %	13.0 %
- Handicapped people	6.8 %	3.3 %
- Children (and youngsters)	24.8 %	9.4 %
- Elderly	2.5 %	1.8 %
- Refugees, asylum seekers	2.3 %	1.6 %
Culture	4.2 %	2.1 %
Animals	22.1 %	9.7 %
Environment/nature	8.9 %	3.8 %
Education	-	0.8 %
<b>Total (%)</b>	<b>60.0 %</b>	<b>65.4 %</b>
<b>Mean amount donated per donor</b>	<b>€ 110</b>	<b>€ 91.4</b>

*Differences in the data from Public Opinion and the Institute for NPM are mainly due to the number of categories and the labels used for particular categories in the questionnaires. For example: “children” (Public Opinion) and “children and youngsters” (Institute for NPM).*

*Sources: Fundraising Verband Austria 2013; Neumayr, Schober 2012:26.*

**Table 5.2 Uses of donations by individuals in 2011**

	million EUR	% of total individual giving
Religion	54.6	13.3 %
Health	36.5	8.9 %
International aid	23.4	5.7 %
International relief	63.2	15.4 %
Public/social benefit (national)		
- National relief	30.4	7.4 %
- Handicapped people	8.6	2.1 %
- Children	43.5	10.6 %
- Elderly	4.1	1 %
- Refugees, asylum seekers	7.0	1.7 %
Culture	7.4	1.8 %
Animals	30.0	7.3 %
Environment/nature	18.9	4.6 %
Education	2.1	0.5 %
Other categories*	80.4	19.7 %
<b>Total</b>	<b>409.9</b>	<b>100.0 %</b>

\* Other categories include: homeless people, sports and recreation, human rights, addicted people.

Source: Neumayr & Schober, 2012:27.

### Data sources of giving by individuals in vivo

The above-mentioned data collected by the polling institute Public Opinion stem from a population survey conducted in 2013. Similar surveys were carried out in 1996, 2000 and annually since 2004. The target population are individuals living in Austria who are 16 years and older. The sample of 1,010 people was collected by using a quota-procedure and the interviews were conducted face-to-face. Information on the variables used for the sampling procedure and also on the questionnaire are underreported. Among the background variables are sex, age, level of education, household income, federal provinces, and the size of city, town or village. The Public Opinions' data on individual giving are not publicly available; however, a report with descriptive analysis can be purchased for € 900.<sup>9</sup> To the best of our knowledge, the data have not been used for any further studies.

The abovementioned data provided by the Institute of NPM and the Competence Centre for NPO & SE stem from a population survey conducted in September and October 2011. The target population was individuals older than 14 years and living in Austria, and the data collected refer to individuals giving in the last 12 months.<sup>10</sup> The sample (n=1,011) was drawn from a multistage-stratified-clustered address-random sampling, through which the target households were chosen. Within these households, the

<sup>9</sup> Publically available are [slides](#) with the key findings of the survey (Fundraising Verband Austria, 2014a).

<sup>10</sup> A similar survey was conducted in 2008 (see Neumayr & Schober, 2009). Both surveys were largely based on a questionnaire that had been applied in prior studies (in 1996, 2000 and 2004) by the Austrian Institute for Fundraising Organizations. This Institute, however, was dissolved in 2010. Nevertheless, the findings from these two surveys (2008 and 2011) are by and large comparable with the results of the three earlier studies.

adult to be interviewed was selected randomly using the Kish-Selection-Grid method (Schwedenschlüssel). The combination of these two approaches leads to data representative of the Austrian population. Nonetheless, minor deviations have been corrected by including allowances for sex, age and federal provinces. The data collection was outsourced to a polling institute (IFES) and the method of data gathering was face-to-face interviews conducted in the households of the respondents. The questionnaire used for the interviews included questions on attitudes and values, lifestyle, charitable giving by cause and method, questions about tax deduction of giving, on blood donations and donations of time, as well as background variables. Among the latter were age, sex, level of education, household income, occupation, religious denomination, number of children in the household, and size of the city, town or village. The full questionnaire (except the background variables) is included in the appendix of the report 'Giving in Austria' (Neumayr & Schober, 2012). The data are located at WU Vienna and are not publicly available. The funding for data collection and analysis stems from a research grant of the OeNB Anniversary Fund and from eight non-profit organisations who received tailored analysis for their organisations in return. A report with in-depth analyses based on the data can be downloaded for free.<sup>11</sup> Moreover, the data were used for a study explaining giving to specific charitable purposes.

### **Descriptive statistics on giving by bequest**

Bequest giving has not been a relevant issue until recently: according to a population survey, less than 1 per cent of the population included charitable bequests in their will in 2011 (Neumayr & Schober, 2012). This issue, however, has taken on greater significance in the last few years with the number and the amount donated by bequest giving rising. The reasons, therefore, are not only the increase in the total volume of bequests, since a generation that has accumulated enormous wealth is going to hand it down during the next few decades, but also professional fundraising initiatives put more emphasis on bequest giving. In 2012, the FVA launched an initiative to promote charitable bequests (see: [www.vergissmeinnicht.at](http://www.vergissmeinnicht.at) [forget-me-not]) with 41 donation-collecting organisations being part of the initiative.

As stated by the FVA, non-profit organisations received around € 50 million via bequest giving in 2012, which accounts for almost 10 per cent of total charitable giving by individuals (Fundraising Verband Austria, 2013, p. 12). This figure is based on data from a sample of non-profit organisations (Fundraising Verband Austria, 2013, p. 12). Information on the method used for this projection and whether the figure is representative of the whole non-profit-sector is not available.

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<sup>11</sup> See: [www.wu.ac.at/npo/competence/research/laufendeforsch/giving\\_in\\_austria\\_finale\\_2012.pdf](http://www.wu.ac.at/npo/competence/research/laufendeforsch/giving_in_austria_finale_2012.pdf)



## Giving by corporations

### Descriptive statistics of giving by corporations

Two institutions in Austria have conducted studies which specifically focus on corporate giving:

The Institute of Higher Studies (IHS) estimated the total volume of corporate giving to be € 92 million in 2000 and each donation to be € 6,277 on average (Felderer et al., 2002: 106 and 134). An update of this study in 2005 estimated corporate giving to be € 104.3 million (Paterson, 2005: 14). In terms of their propensity to give, 53 per cent of the respondent corporations in 2000 indicated that they donated money (Felderer et al., 2002: 135). In the final report no information is available on the different areas money was allocated to. Large enterprises have been overrepresented in the study.

Public Opinion conducted four studies on corporate giving, with a pre-dominant focus on small and medium-sized enterprises.<sup>12</sup> The first study, conducted in 2007 shows that on average each respondent corporation donated € 598. An extrapolation of these results amounted to € 121 million of total giving (Hofer & Pass, 2008: 2). In terms of the total number of companies surveyed, 82 per cent of all respondent companies stated that they had donated (Hofer & Pass, 2008: 2). No accurate data are available on the allocation of total corporate giving to specific purposes. The study in 2007 indicates that social services (with a specific focus on children, people with special needs, and the social needy) and national or local emergency relief are among the most popular purposes donated to; followed by public facilities, sports and environmental protection. A lot of corporations gave to different purposes simultaneously. The four most important triggers for giving by corporations were a humanitarian mindset, sympathy for the respective organisation or purpose, solidarity with vulnerable groups, as well as convincing fundraising (such as in the case of emergency relief) by NPOs (Hofer & Pass, 2008, p. 2f).

For the years 2008, 2011 and 2015 similar studies were conducted. In 2008, on average each corporation donated € 852. On an aggregated level donations for this year were estimated to be € 196 million. In this year 74 per cent of the respondents stated that they had donated money within the previous 12 months. For 2011 the average of giving amounted to € 1,447, and the total estimated amount of corporate giving amounted to € 468 million. Despite the economic crisis the relative share of enterprises that had given a donation had increased in 2011, to 92 per cent of all respondent corporations. For 2011 the results in terms of purposes given to are similar to the 2007 results, but donations for environmental protection increased in importance, whereas donations for people with special needs lost support (Public Opinion, 2011). In 2015 the average donation amounted to € 920. The extrapolated results included both corporate giving in the form of money and in-kind donations, as well as sponsoring; this amounted to € 300 million (Public Opinion, 2015). Most of the money donated was given to organisations on the local or regional level. For this year information was also available on the time horizon and regularity of giving. Different patterns were observable between small, medium-sized enterprises and large enterprises, whereas small and medium-sized enterprises predominantly decide from year to year whether to give and to which purposes to give to, and large enterprises predominantly

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<sup>12</sup> The study focuses predominantly on enterprises with less than 50 employees, which account for 98% of all enterprises in Austria. While larger enterprises have been included, so to make results representative, results on total volume of giving focus exclusively on enterprises with less than 50 employees.

have a long-term focus and give on a regular basis. In addition, the data also show reasons for not giving: among the top reasons for not giving are the view that enough money is spent through paying taxes, and the belief that too much money would be squandered in the organisation.

No direct comparison between the extrapolated results of the different studies is possible, due to different foci of the studies (large corporations in the case of IHS and predominantly small enterprises in the case of Public Opinion), different data collection methods, and different reference statistics in order to extrapolate the collected data. Table 5.3 summarizes the major results of all the studies.

**Table 5.3 Overview of different studies on corporate giving, based on the average giving amount and total giving**

Study	Year	Average giving amount per corporation in EUR	Total estimated corporate giving in million EUR
IHS (Felderer et al., 2002)	2002	6 277	92
IHS (Paterson, 2005)	2005	n.a.	104.3
Public Opinion (Hofer & Pass, 2008)	2007	598	121
Public Opinion (Public Opinion, 2008)	2008	852	196
Public Opinion (Public Opinion, 2011)	2011	1 447	468
Public Opinion (Public Opinion, 2015)	2015	920	300*

\*Total giving for 2015 includes sponsoring and in-kind donations.

### Data sources of giving by corporations

In terms of data sources used and data collection and analysis method chosen the following selections have been made:

In the aforementioned studies of the IHS, online surveys are the chosen data collection method (Felderer et al., 2002; Paterson, 2005). The IHS conducted the first study in 2002 based on the data from 2000 (Felderer et al., 2002) and updated the study (without further data collection) in 2005 (Paterson, 2005). IHS focused their study mainly on large enterprises and oversampled for specific sectors.<sup>13</sup> In terms of sample size the study conducted in 2002 reached out to 3 198 corporations and 6 per cent filled in the questionnaire, which are 191 corporations. Both studies were commissioned by the Austrian Ministry of Labour, Social Affairs and Consumer Protection.

Regarding the data provided by Public Opinion, telephone surveys were the chosen data collection method in 2007 (Hofer & Pass, 2008) and 2008 (Public Opinion, 2008). In 2011 (Public Opinion, 2011) and 2015 (Public Opinion, 2015), however, online surveys were sent out. All the studies are predominantly focused on small and medium-sized enterprises, which account for 98 per cent of all Austrian enterprises, thus the extrapolated results are mostly valid for this type of corporation. They claim to be representative in terms of enterprise size, geographical location and sector. 423 corporations were interviewed in 2007, 424 in 2008, 598 in 2011 and 585 in 2015. For any of the

<sup>13</sup> This is based on the assumption that specific sectors (e.g. finance and manufacturing) and larger corporations are more likely to give.

mentioned studies, neither the questionnaires nor the raw data sets are publicly available. Available, however, are reports with descriptive analyses; they can be bought for around € 900.

## Giving by foundations

### Descriptive statistics of giving by foundations

Austrian law allows for several types of foundations: (1) the [new] Federal Public Benefit Foundations and Funds (*Bundes-Stiftungs- und Fonds-Gesetz 2015*, BStFG 2015), (2) the Provincial Public Benefit Foundations, based on the Foundations and Temporary Funds Act (*Stiftungs- und Fondsgesetz* passed in 1974), which both have to pursue public purposes qua law. In 1993 the Law for (3) Private Foundations (*Privatstiftungsgesetz*) was introduced, in which Austrian legislation allowed for the setting up of foundations for the pursuit of private interests and/or public benefit (Schneider et al., 2010: 5-7). Moreover, there are specific laws in place for the 35 public purpose saving bank foundations and the Austrian Public Broadcasting Corporation (which is a foundation; *Rundfunk-Gesetz*, 1984).

A document analysis<sup>14</sup> of all foundation deeds (Millner et al., 2014) indicates that out of all foundations only 25 per cent have a primary public purpose. To be more specific, the Austrian foundation landscape consists of 2 609 private foundations with a predominant<sup>15</sup> private focus, 226 private foundations with a public purpose, 35 public purpose savings bank foundations established as private foundations, 216 public benefit foundations established under provincial law and 224 public benefit foundations established under federal law. The vast majority of foundations with a public purpose have an endowment. However no data are available that break down all foundations by type of financial source.

By adding up the estimated charitable expenditure of Austrian private foundations, that of federal and provincial public benefit foundations, as well as the actual figures provided by the Austrian savings bank foundations, it is estimated that yearly expenditure for public purposes was between € 29 and 61 million in 2010 (Schneider et al., 2015). While information is available on the areas of activities foundations operate in, information on the amount spent for each area of activity is lacking. Overall three areas are most prominent<sup>16</sup> (see table 5.4): most foundations are active in social services, education/research, and culture and recreation (Millner et al., 2014). In a nutshell, one can conclude that private foundations with a public purpose are predominantly active in education and research, public services and culture, federal public benefit foundations have a predominant focus on education and research, whereas provincial public benefit foundations are mainly involved in causes having to do with social service provision. Most recently a study on research foundations in Austria was conducted that showed detailed results in terms of amounts spent for foundations active in research and innovation (Schneider et al., 2015).

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<sup>14</sup> A document analysis of private foundation deeds was necessary in order to assess the number of private foundations with public purposes, and with regard to all three types of foundations to determine the specific purposes foundations give to. This information is included in the foundation deeds.

<sup>15</sup> While some of these foundations partially allow for fulfilling mixed purposes (which means that they were set up for the pursuit of private interests, but also might contribute to a certain extent to charitable purposes), concrete evidence often cannot be identified through an analysis of foundation deeds, as the respective information is often only stated in the complimentary deeds of a foundation, a document which is not publicly available.

<sup>16</sup> For savings bank foundations this information is not available.

**Table 5.4 Number and percentage of foundations by the goals they donate to, 2014**

	% of foundations (number of foundations)		
	Private foundations with a public purpose	Federal public benefit foundation	Provincial public benefit foundation
Religion	5 % (12)	2 % (4)	10 % (22)
Health	5 % (11)	9 % (19)	13 % (30)
International aid	1 % (3)	1 % (3)	0.4 % (1)
Public/social services (national)	38 % (85)	28 % (61)	59 % (132)
Culture, sport and recreation	29 % (65)	17 % (36)	13 % (30)
Environment/nature/ animals (inter)nat.	5 % (12)	0.5 % (1)	1 % (2)
Education and research	33 % (74)	59 % (127)	25 % (55)
Others	12 % (27)	18 % (38)	17 % (37)

*Multiple answers were possible; Source: Millner et al. (2014)*

### **Data sources of giving by foundations**

The data on the number of foundations are based on registered data<sup>17</sup> and include the full population of all foundations, while the data on financial indicators are based on personal Delphi-interviews with foundation experts, including multiple rounds of questionnaires, where the experts are confronted with the aggregated data of all the other experts (Schneider et al., 2010). Considering that it is very hard to gain access to foundation representatives, 22 experts on the foundation scene (such as lawyers, solicitors, tax advisers, academics and public representatives) with a good overview of large parts of the foundation sector have been selected instead. Experts were sampled according to the number of foundations they know and based on snowball-sampling methods. Thus, they cover about 1,000 foundations, which is about a third of the overall foundation sector in Austria. Besides information on the financial scope of the sector, the Delphi-interviews included questions on areas of activities, motivational factors as well as barriers and driving factors for foundation growth. The dataset itself is not publicly available. All the data are located at the Institute for NPM at WU Vienna. While the first study has been funded by the OeNB Anniversary Fund, the second study has been co-financed by the European Commission and the Austrian Federal Ministry of Science, Research and Economy.

## **Giving by charity lotteries**

### **Descriptive statistics of giving by charity lotteries**

<sup>17</sup> In the case of private foundations the Austrian companies register (Österreichisches Firmenbuch) provides information on all private foundations. In the case of public foundations established under provincial and federal law different countries hold information about foundation deeds. Since the new law for federal public foundations is in place, they are listed in a public register of the Ministry of Inner Affairs.

Today lotteries are not a very common vehicle to raise charitable funds in Austria. According to a population survey, solely around 3 per cent of the adult population bought tickets from charitable lotteries in 2011 (Neumayr & Schober, 2012, p. 21). While charitable lotteries were popular in former times, most notably after the First and the Second World Wars for funding reconstruction work, they are not very relevant nowadays. The funds raised by charitable lotteries amounted to € 2.6 million in 2004 (Fundraising Verband Austria, 2013, p. 12). Recently, charity lotteries gained slightly in importance due to the fact that joint lotteries (Gemeinschaftslotterien) are allowed. According to the FVA, the funds collected in 2013 accounted for € 11.2 million (Fundraising Verband Austria, 2013, p. 13). The total number of lotteries, however, is still very small: altogether just 12 non-profit organisations run charitable lotteries. Among them are the Association of Boy Scouts and Girl Guides of Austria and the Austrian Federation of the Blind and Partially Sighted. Another notable lottery is the Good Lottery Ticket, which is a joint fundraising vehicle of 13 non-profit organisations for raising funds together. Because of these joint lotteries, around 50 non-profits benefit from income raised by charitable lotteries (Fundraising Verband Austria, 2013, p. 13).

Aggregated data on the total amount raised by charitable lotteries are available from the Ministry of Finance for 2004 to 2010. Based on this information, the FVA extrapolated the amount to be € 11.2 million in 2013; information on the method used for this projection is not given. The abovementioned survey conducted at WU Vienna reveals a slightly smaller amount of money raised by charitable lotteries. Accordingly, € 8.6 million was donated by this method of giving in 2011. The mean amount donated to charity lotteries is approximately € 40 per donor (Neumayr & Schober, 2012, p. 24).

## Conclusion

Charitable giving is a widespread phenomenon in Austria: two out of three people make donations and three out of four corporations donate. However, in terms of non-profit funding, private philanthropy is not a very strong pillar; merely 7 per cent of the non-profit revenue originates from donations (Neumayr, Schneider, Meyer, & Haider, 2007, p. 7). Among the main reasons, therefore, is that the average amount individual and corporate donors give is modest in comparison with other European countries. Also, foundations with public purposes have not been a common donation vehicle so far, with very few flagship foundations in Austria. Moreover, major donors have played a very limited role and there has been little attention paid to bequest giving until recently. Having a well-established welfare state and a non-profit sector that is funded up to 50 per cent by public sources, a strong philanthropic culture has not fully developed yet.

The state of research on philanthropy mirrors these circumstances: basic information is available, but data are still incomplete and scattered for some sources of contributions, and the methods of collecting data are not synchronized. However, the picture is gradually becoming more complete. As shown in table 5.5, it is possible to provide a range for the total amount of money donated per year, which is estimated to be between € 512 and 939 million. The band width offered is fairly large and is an indicator of the heterogeneous data sources and study designs. Information on individual giving is probably developed best: we have data from population surveys dating back to 1996 which are representative of the population in Austria (except high-net wealth individuals who are certainly underrepresented in

these surveys). Moreover, the amounts estimated do not diverge much between the different studies, and time series show that the data are plausible and constant over time. Overall, donations by individuals make up between € 360 and 410 million. This amount also comprises contributions from charity lotteries since in the questionnaires on individual giving, questions regarding charity lotteries were included. The information on bequest giving is rather vague. Based on revenue data from non-profit organisations, bequest giving was estimated to be € 50 million in 2013. Whether these data are representative for the whole non-profit sector, however, is unknown.

**Table 5.5 Sources of contributions\***

Sources of contribution	million EUR (band widths)	percentage (band widths)
Individuals (2011, 2013)	360 – 410	44-70 %
- thereof in vivo	310 – 360	
- thereof bequests (2013)	50	
Corporations (2007, 2011)	123 – 468	24-50 %
Charity lotteries (2011, 2013)**	8.6 – 11.2	1-2 %
Foundations (2010)***	29 – 61	6-7 %
<b>Total</b>	<b>520 – 950</b>	<b>100 %</b>

*\* We provide band widths since the extrapolations of different studies diverge greatly. \*\* Donations via charity lotteries are included in the amount given by individuals. \*\*\* Giving derived from income from endowment only*

Estimates about philanthropic contributions by corporations range between € 123 and 468 million. This huge span is mainly due to the different methods used to gather and extrapolate data. The total yearly amount issued by foundations is estimated to be between € 29 and 61 million. Gaining access to foundations in general and to financial indicators in particular is very difficult in Austria; so that existing estimates rely mainly on the judgement of experts in the field. Overall, we can conclude that between half or two-thirds of the total philanthropic contributions stem from individuals, between a quarter and a half from corporations, about 6 to 7 per cent from foundations, and between 1 and 2 per cent from charity lotteries.

Due to a series of political, regulatory, socio-demographic and societal developments it is highly likely that philanthropic contributions will gain in importance in future years. The first awareness for charitable giving was triggered by a reform of the tax deductibility of donations. Austria is one of the countries in Europe that only lately introduced and increased tax deductions for donations. In 2009, the possibility of deducting charitable donations from income tax has been vastly increased. Until then, it was only possible to deduct donations for particular organisations in the field of research and education. On a symbolic level, this legal change signals that the government appreciates and promotes charitable giving. Furthermore, the deductions provide financial incentives for donors. Due to the progressive tax system in Austria, the law granting deductions favour high-income people, which might help to stimulate giving by wealthy people and major donations.

Moreover, in Austria, as elsewhere in many European countries, we will be confronted by the largest inter-generational transfer of wealth, originating from the generation born after the Second World War, which was able to accumulate substantial wealth. Against this backdrop, bequest giving will become more and more important, and might open up new opportunities for new foundations as well. Just recently announced reforms concerning foundations with a public purpose will set further incentives for new and existing foundations. Possibilities of deducting part of the initial endowment from income taxes, fewer bureaucratic procedures to set up a foundation, as well as regulations to put foundations on an equal footing with private donors as far as tax deductibility of donations is concerned, are the most important components of this reform. Additionally, recent welfare-state retrenchment calls for increased private responsibility. Non-profit organisations have to find new sources of income, among which donations delineate one option. These developments provide fertile ground for new donor types and forms, such as impact investment, venture philanthropy or crowd-funding, which have just recently appeared on the agenda in Austria. Along with these trends come new ways of thinking and funding relationships.

## **Links to other data sets.**

None of the datasets mentioned in this contribution are publicly available. Moreover, it is not possible to combine existing datasets.

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## 6. Research on Giving in Belgium

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### Introduction on Giving Research in Belgium

Knowledge of Belgian donation behaviour is very fragmented and there is no survey or research that maps all aspects of charitable giving. To get an overview of Belgians' giving behaviour, information from various sources and studies is needed.

One major source of data about giving is the King Baudouin Foundation. This public interest foundation is the major philanthropic player in Belgium. The KBF operates its own projects and hosts nearly 500 funds created by individuals, families and corporations who organise their philanthropic actions within the framework of the KBF. The KBF, therefore, has a large amount of data regarding the giving practices operated with the help of its services. These data remain the private property of the KBF. However, it would be possible to collaborate with the KBF to analyse part of these data.

The KBF is also the coordinator of frequent surveys about philanthropy and giving in Belgium. Since 2011, the KBF has been releasing its annual Barometer and Index of Philanthropy (produced in partnership with the Itinera Institute), which reports on the available data and evaluates trends, behaviour and perceptions in the world of philanthropy in Belgium. The KBF also set up in 2012 an 'Observatory for the non-profit sector', in order to raise awareness of the non-profit sector by collecting more data and thus spotlighting trends that arise over the years regarding developments in employment, volunteering and resources available to associations. In this way, the Foundation wants to use the [www.bonnescauses.be](http://www.bonnescauses.be)<sup>20</sup> website to boost the associations' profiles and make them more transparent to donors and governments, which is of crucial importance, as associations basically run on donations and subsidies. The Observatory releases annually a 'Barometer of non-profits', which includes a few figures about the non-profit revenues coming from private donations.

The HEC-Management School of the University of Liege hosts a Chair in Philanthropy and Social Investment, sponsored by the Inbev-Baillet Latour Fund, one of the biggest philanthropic funds in Belgium. The Chair was launched in early 2013, and is now developing an extensive research programme on Belgian foundations. In 2014, the Chair released an overview of Belgian foundations, based on the integration of the very few available data in Belgium. Researchers at the Baillet Latour Chair have also created an exhaustive database of private and public interest foundations in Belgium. Based on this foundation listing, the Chair launched in May 2015 a survey on foundations, aiming at collecting comprehensive data about the foundations' profiles, strategies, action modes and governance practices. The results were made available during the autumn of 2015. The Chair is also currently analysing national data about volunteering in Belgium. The results were communicated in October 2015. Lastly,

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<sup>20</sup> The objectives of this website are similar to other web platforms such as [donorinfo.be](http://donorinfo.be) or [ngo-livreouvert.be](http://ngo-livreouvert.be) mentioned later in the document, as these web platforms intend to gather budgetary data from Belgian NGOs and non-profits to increase the transparency of the sector and stimulate giving to these organisations.

the Chair has set up a qualitative research programme focusing on the perceptions and practices of Belgian non-profits and social enterprises regarding giving. This first exploratory research should be followed by a survey in the sector.

During the late 1990s and the first decade of 2000s, the Katholieke University Leuven, and especially the HIVA research centre, conducted a variety of research on the players and structures in civil society and the social economy, notably the 2007 research on foundations in Belgium (Gijssels and Develtere, 2007) commissioned by the KBF. However, the researchers involved have left HIVA since then, and it seems that the topic of giving is not currently being pursued by HIVA.

A few researchers at HoGent (University College Ghent) are also conducting research focusing on giving issues. Between 2012 and 2014, Ann-Sophie Bouckaert, Ilja De Coster, Tine Faseur, Joke Persyn and Eef Scheerlinck carried out research on private fundraising from the organisations' point of view. The focus was put on the actual practices of non-profits regarding fundraising.

Also, very much relevant is the research work carried out by the economist Philippe Defeyt and its Institute for Sustainable Development. The institute has already issued two short reports (2011 and 2014) about generosity in Belgium, based on the available public data. These reports highlight two major indicators of giving: the tax-deductible donations<sup>21</sup> and the data displayed by organisations collecting data about donations made to the main Belgian development cooperation organisations. More info about this research is provided in the earlier paragraphs.

Other interesting data about giving in Belgium come from organisations trying to promote giving in different fields, from different players and at different levels. In a non-exhaustive list, one can mention donorinfo.be, a platform aiming at providing objective information about Belgian non-profits; fundraisers.be, a fundraiser's association trying to gather all the relevant information for Belgian fundraisers; testament.be, a non-profit promoting philanthropic legacies in Belgium; or promethean, a non-profit promoting corporate philanthropy in Belgium.

In brief, data about giving in Belgium remain very scattered among players from the philanthropic sector at large. Apart from the philanthropy index and barometer of the KBF, most initiatives are one shots and aim at providing relevant and useful information for the players in the field. The development, at HEC-ULg, of an academic chair fully dedicated to philanthropy will help fill these gaps through the setting up of a long-term and comprehensive research programme regarding the Belgians' giving behaviour.

## **Giving by individuals**

### **Descriptive statistics of giving by individuals in vivo**

The World Giving Index 2014 shows that 41 per cent of the Belgian population donates money and 24 per cent is involved in volunteer work.

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<sup>21</sup> in order to be tax-exempted, the donation must amount to at least at €40/year to one non-profit institution.

The data provided by the Belgium Federal Public Service Finance evidences that the total amount collected by charities in Belgium in 2013 reached €550 million for a gross revenue of €228 billion. This equates to an average of 0.002 per cent of the income donated per person.

To gain an more in-depth insight into Belgians' overall charitable giving behaviour, the King Baudouin Foundation and the Itinera Institute have presented two survey tools: a philanthropy index (based on objective data) and a philanthropy barometer (based on subjective data). This index shows that there was strong growth in Belgian generosity between 2007 and 2008 and a slight decrease in 2009. The financial crisis has clearly had an impact on the generosity of the Belgian population. The study also showed that the willingness to give is getting better (Itinera Institute, 2011). According to the same survey, 50 per cent of Belgian citizens donate occasionally. The share of Belgian citizens giving on a regular basis is, however, significantly lower, i.e. 26 per cent. 25 per cent of Belgians consider philanthropy to be essential to the wellbeing of society. 51 per cent consider it to be important, but not essential (to the wellbeing of society). Belgians seem to be quite concerned about the causes that they donate to. Indeed, 61 per cent of Belgians declare that the cause is the primary motive for their donations and would therefore welcome initiatives establishing strong links between donations and their use.

These trends are interestingly challenged by a study carried out in 2010 by L'Institut pour un Développement Durable (Institute for Sustainable Development) (Defeyt, 2010) and updated in 2014 (Defeyt, 2014). This study focuses on two major indicators of giving: tax-deductible donations and the data displayed by organisations collecting data about donations made to the main Belgian development cooperation organisations. The 2010 study found that Belgian households between 1999 and 2009 had given an average of €300 million to charities per year (€130 million of which was tax deductible)<sup>22</sup>. This corresponded to 0.15 per cent of the total disposable income and an average of about €300 per year per family. The 2014 update found that donations increased significantly in 2010 and 2012, with in 2012 a historical maximum of €174 million of tax deductible donations<sup>23</sup>. However, these tax deductible donations are subject to great fluctuations with increases (linked to exceptional events such as natural disasters) and decreases. Coherently, donations made to development cooperation organisations increased from 9 per cent between 2012 and 2013. One can expect a similar trend for 2013-2014.

The 2014 update also indicates that, in the long run, the growth of tax deductible donations is higher than the growth of households' available income. However, the average donation tends to decrease. The average amount donated per household decreased from €305 in 1995 to €237 in 2012. This means that the total growth of donations relies on an increasing number of donors. It is also worth noting that, although the proportion of donors rises with the available revenue level, the proportion of donors is below 60 per cent in the more than €1 million taxable income category. One may assume that the richest Belgian citizens prefer to organise their generosity through foundations.

In 2012, postal service provider Bpost commissioned an online survey with 1 568 respondents in Belgium to map donation behaviour and the preferred communication channels of the Belgian

<sup>22</sup> 300 million , of which is 130 million tax deductible = 43,3%

<sup>23</sup> Total donation would be:  $174 = 43,3\%$  so  $100\% = 174 / 43,3 * 100 = 401,8$  (lower bound estimate, representative, not valid)

population. It showed that 70 per cent of respondents have already donated to an NGO, 13 per cent have the intention to do so, and 11 per cent are opposed to such donations (Bpost, 2012).

The development cooperation organisation sector is probably the most organised sector regarding budget transparency, especially as far as giving is concerned. The web platform [ong-livreouvert.be](http://ong-livreouvert.be) (or [ngo-openboek.be](http://ngo-openboek.be)) is managed by the two Belgian federations of development cooperation organisations (ACODEV and its Flemish counterpart *ngo-federatie*). It gathers annual figures for the vast majority of Belgian cooperation development organisations (106 organisations), in line with the transparency efforts made by NGOs. The 2013 figures show that Belgian accredited NGOs received together nearly €128 million in donations, which means a €13 million increase compared to 2012, but remains below the 2010 and 2011 figures (years characterised by natural disasters). However, the level is much higher than in 2008 and 2009, the years of the global financial crisis. These numbers include both donations by individuals in vivo and by bequest. Additional interesting information is provided on the platform about the equity in capital for the member organisations, with distinctions made for donations and bequests. We have not made the calculations, but the numbers should be made available on request to the NGO openbook platform.

Donorinfo is a Belgian public benefit foundation supporting the budget transparency of philanthropic organisations helping poor people, in Belgium or elsewhere. Since 2005, the foundation has been managing the website [donorinfo.be](http://donorinfo.be), which controls and reports the annual figures of 236 Belgian philanthropic organisations. Organisations are categorised by activity sector and types of beneficiaries. The latest barometer published in 2015 by Donorinfo shows that 57 per cent of these organisations' financial means come from private donors. The figures presented in the barometer consider private funding as a whole, without differentiating between in vivo or by bequest donations, or between individual and corporate giving. However, this database should allow more precise statistical processing.

**Table 6.1 Goals favoured by potential donors in Belgium: Itinera Institute/KBF-FRB, 2011**

	% individuals that would donate to
Religion	-
Health and health research	39%
International aid	18%
Public/social benefits (national)	21%
Culture	1%
Environment	6%
Education for everyone	11%
Other (not specified)	2%

**Table 6.2 Percentage of individuals donating to different goals and average amount donated: (Salamon et al., 1999), data from 1995**

	<b>% individuals that donated to</b>	<b>Average amount donated (million US dollars)</b>
Religion	3.3%	41
Health	10.5%	130
International activities	12.5%	154
Social services	31.5%	389
Culture and recreation	18.6%	229
Environment	0.2%	2
Education and research	1.1%	14
Dvlp and housing	7.5%	92
Civic and advocacy	0.3%	4
Philanthropy	6.3%	78
Professional associations	8%	99
<b>Total</b>		

**Table 6.3 Fundraisers.be, average data for the 2012 & 2013 revenues of 54 Belgian charities collecting at least €1 million /year donations**

	<b>% of the total donations in vivo</b>	<b>Average amount donated (million EUR)</b>
International aid	66.5%	137
Local solidarity	16.5%	34
Education and research	11.65%	24
Environment & animal protection	5.34%	11
<b>Total</b>	<b>100%</b>	<b>206</b>

Carton, Gijssels & Hustinx ( 2011) have conducted a study about giving in Flanders. The results show that in 2009 78.5% of the Flemish population (N=1.440) has given money and / or another form of financial aid during the past year. Only a minority (21.5 %) stated that they had never given money.

**Table 6.4 Percentage of money donated to different types of organisations and objectives**

	<b>% individuals that donated to</b>	<b>Another form of financial aid</b>
Religion	4.5 %	14.2 %
Health	30 %	52.4 %
International aid	22.3 %	36.6 %
Human rights	4.9 %	9.7 %
Environment	8.6 %	10.5 %
Other (not specified)	1.6 %	4.3 %

*In Flanders, % of positive answers, source: Carton, Gijssels & Hustinx (2011).*

Griet Verhaert (2010) conducted a survey in 2008 with more than 2 500 Flemish persons to investigate giving behaviour in Flanders. It showed that the following organisations received the highest total amount per person in 2008: Artsen Zonder Grenzen, Plan België and Kom op Tegen Kanker. Another study by Damen et al. (Damen et al., 2000, p. 6) with 1 500 Flemish respondents showed that the majority of respondents give to small initiatives (61.1 per cent), followed by the Red Cross (43.35 per cent), Kom op tegen kanker (33.8 per cent) and 11.11.11 (33.4 per cent).

### ***Data sources of giving by individuals in vivo***

**Table 6.5 Data sources of giving by individual in vivo**

<b>Sources</b>	<b>Data</b>	<b>Accessibility</b>	<b>Costs</b>
National Bank of Belgium	(register) Data on nonprofit revenues	Public (on request)	Free of charge
Federal Public Service Economy	(register) Data on donations from households' budget surveys (every 2 years)	Public (on request)	With cost
Federal Public Service Finance	(register) Data on tax deductible donations	Public (on request)	Free of charge
Philanthropy index – Itinera Institute/KBF-FRB	Index based on objective data -National Bank of Belgium Data on non-profits - Federal Public Service Economy data on donations from households' budget surveys -Public Interest Foundations and KBF-FRB Hosted Funds -Federal Public Service Finance Data on tax deductible donations	Public Public  Public /Private Public	Mostly free of charge
Philanthropy barometer– Itinera Institute/KBF-FRB	Survey by Ipsos Public Affairs – every 2 years 1000 Belgian citizens >18 y/o Phone survey	Private	?
Ong-livreouvert	Annual (register) data on detailed revenues for 103 development cooperation organisations in Belgium	Public/private	Free of charge
Fundraisers.be	Survey on 54 Belgian charities collecting > €1 million / y (data for 2012 & 2013)	Private	?
Donorinfo	Annual (register) data on detailed revenues for 236 Belgian charities	Public/private	?

### **Descriptive statistics on giving by bequest**

There is very little information available in Belgium regarding giving by bequest.

The philanthropy index published in 2014 by KBF in collaboration with the Itinera Institute evidences that about € 140 million was given to Belgian non-profits through charitable bequests in 2012. This amount is a little bit lower than in 2011, but shows, however, noticeable growth if we consider the progression between 2007 (about € 85 millions) and 2013.

The 2014 philanthropy barometer shows that, among the people surveyed, 12 per cent of people who have already made a will have included a charitable bequest in it.

Donorinfo, the Belgian public benefit foundation supporting the budget transparency of philanthropic organisations helping poor people, controls and reports the annual figures of 236 Belgian philanthropic organisations. For 2013, the foundation reports that 5.2 per cent of the revenue of the organisations in the database came from charitable bequests (i.e. € 40 648 791 out of a total of € 781 942 933 revenue).

The Fundraisers' Forum has also tried to identify the sectors and topics supported by gifts and bequests. In order to do that, it has tried to identify significant trends based on the average accumulated revenue for 2012 and 2013 by the main fundraising organisations in Belgium. The sample includes 54 organisations with revenues coming from private sources each giving at least € 1 million/year. Although some sectors are under-represented in the sample and some big NGOs are involved in diverse fields, the Fundraisers' Forum proposes a typology structured in 4 areas of focus, with the vast majority of charitable bequests dedicated to local solidarity (44 per cent) and international aid (38 per cent). However, the € 57 million of revenue from charitable bequests reported by the 54 surveyed organisations are much different from the numbers reported by the KBF. These trends must therefore be interpreted with caution.

**Table 6.6 Fundraisers.be, average data for 2012 and 2013 revenues of 54 Belgian charities collecting at least € 1 million /year donations**

	% of the total donations by bequest	Average amount donated (million EUR)
International aid	38 %	22
Local solidarity	44 %	25
Education and research	16 %	9
Environment and animal protection	2 %	1
<b>Total</b>	<b>100 %</b>	<b>57</b>

## Giving by corporations

### Descriptive statistics of giving by corporations

To the best of our knowledge, the only study about giving by corporations in Belgium has been carried out by Promethea – a non-profit organisation promoting patronage by corporations in Belgium – in collaboration with the market research company Ipsos. The study focused on the methods that Belgian companies with more than 20 employees use to deal with patronage and sponsorship. The first telephone survey was carried out in 2010 to collect data regarding 2009. The survey was updated in 2012 with a sample of 558 companies.



The results show that companies spent in 2011 a total of € 378 million on corporate sponsorship, 274 million of which was in cash. In-kind contributions (products, competencies, etc.) amounted to an estimated € 104 million. However, the actual figure is probably higher, because companies do not keep accurate records of their donations: 37 per cent of companies could not specify the amount given. The amount given in 2011 was about the same as in 2009.

The 2011 update also shows that the number of companies engaging in patronage and sponsorship in Belgium is rising. In 2011, 74 per cent of the companies surveyed were active in sponsoring and patronage. 79 per cent of the € 378 million comes from companies with fewer than 100 employees. The number of medium-sized enterprises acting as sponsors in 2011 rose by 30 per cent to a total of 15 750 companies compared with 2009. The number of large companies acting as sponsors rose by 18 per cent in the same period.

With 89 per cent of companies engaging in patronage and sponsorship, the financial sector remains the most active sector. This corresponds to a 20 per cent increase in the number of finance companies engaging in giving. The trend is similar in the industry and transportation sectors.

The annual budget dedicated each year to patronage by 65 per cent of sponsor companies is below € 10 000. However, 30 per cent of the companies with 200 employees or more have sponsoring budgets higher than € 50 000.

**Table 6.7 Percentage of corporations donating to different goals and mean amounts donated, 2011**

	% corporations that donated to
Religion	-
Health (scientific and medical research)	23 %
International aid and Public/social benefit (national)	66 %
Sports	65 %
Culture and historic patrimony restoration	25 %
Environment/nature/ animals (inter)national	20 %
Education	34 %
Other (not specified)	8 %
<b>Total</b>	<b>100 %</b>

**Table 6.8 Uses of donations by corporations in 2013**

	Percentage
Religion	-
Health (scientific and medical research)	4 %
International aid and Public/social benefit (national)	24 %
Sports	40 %
Culture and historic patrimony restoration	20 %
Environment/nature/ animals (inter)national	2 %
Education	4 %
Other (not specified)	6 %
<b>Total</b>	<b>100 %</b>

### **Data sources of giving by corporations**

The data presented in the previous section come from the 2012 Promethea-Ipsos survey, based on the 2011 data, and updating a similar survey in 2009.

The target population was composed of 558 companies with more than 20 employees. The survey was carried out by phone with the relevant managers.

## **Giving by foundations**

### **Descriptive statistics of giving by foundations**

In Belgium, the data on foundations are really scarce, different sources have to be combined and there are no comprehensive and updated data available on the amounts foundations give related to their initial endowment.

In addition, not much research has been conducted on the foundation sector in Belgium until now, and previous studies did not give a comprehensive view of this sector. Existing research only focuses on the legal status of public benefit foundations, while there has been an additional legal status for private foundations since 2002. A study by Mernier and Xhaufclair (2014) is the most recent update on the foundation sector in Belgium, and the most comprehensive, six years after the survey conducted by the King Baudouin Foundation (Gijssels, C., Franchois, E., & Van Opstal, W. (2008)).

The 2006 survey on Belgian foundations was based on a sample of 173 foundations, most of them with the legal status of public benefit foundations. At the end of 2006, 362 public benefit foundations were listed, and researchers estimated that about 200 private foundations had been created since 2002. In total, the foundations represented in the study spent more than € 572 million in 2005. The total assets of the 15 largest foundations in Belgium were about € 213 million. The foundations in the sample were mainly supporting arts

and culture (28 per cent), healthcare (27 per cent) and education (23 per cent). In financial terms, it appears that 23 per cent of the money granted by the foundations in the sample was concerned with expenditure for assistance in providing employment. Education and training accounted for 15 per cent of the total aid granted, healthcare for 11 per cent, and scientific research for 10 per cent. 9 per cent of the financial support went to development and international relationships, 8 per cent to arts and culture, 7 per cent to housing and neighbourhood development, and 6 per cent to general interest services. Other areas of intervention (such as sports, legislation and civil law, religion and environment) were significantly less. 62 per cent of the total financial support granted by the foundations in the sample remained in Belgium and 38 per cent went abroad, mainly to other EU countries, EFTA countries and to Africa. As this 2006 survey only concerned 173 public benefit foundations, this did not give a comprehensive picture of the Belgian sector's patterns of donations.

The study by Mernier and Xhauflair (2014) collected all the data available on Belgian foundations at the end of 2012, including an in-depth analysis of the foundations' legal statuses published in the Belgian Monitor when they were created. It provides an update on the sector. At the end of 2012, 1 326 foundations were listed in Belgium. 491 of those 1 326 are public benefit foundations. Compared to the 2006 survey, this means about 35 per cent growth in 6 years. 835 are private foundations, but 65 per cent (i.e. 545) of the latter have a general interest mission, as indicated in their mission statements. This makes a total of 1 036 foundations working in the general interest sector in Belgium. These figures evidence strong growth in the number of foundations in Belgium, particularly where private foundations are concerned. Since the coming into force of the May 2 2002 Law, an average of 54 private foundations are created each year.

Until now, the uses of donations by foundations in Belgium are not known as such. However, it is possible to use the Baillet Latour Chair Foundation's database to identify the primary area of activity of each foundation through the coding of its main mission detailed in its legal status. With the help of this method, we observe that Belgian foundations are primarily active in the field of arts and culture (20 per cent of the sample), and social welfare (18 per cent). Health is the third activity sector where Belgian foundations are the most active. Entrepreneurship and regional development are areas where foundations are less present. In table 6.9 below, we summarise these areas of activity and try to connect them with the Giving in Europe project's template categories for the uses of contributions. This is, however, a considerable methodological bias, as the actual uses are probably substantially different from the missions stated in their legal statuses.

**Table 6.9 Primary areas of activity of Belgian public interest foundations and Belgian private foundations with general interest mission, listed in 2013.**

<b>Baillet Latour Chair database Analysis by foundation's main mission</b>			<b>Giving in Europe</b>	
<b>Categories</b>	<b>Number</b>	<b>Percentage</b>		<b>Percentage</b>
Religion/Spirituality/Community	54	5 %	Religion	5 %
Health/Medical research	151	15 %	Health	15 %
International development	86	8 %	International aid	8 %
Social work	193	19 %	Public/Social benefit (national)	29 %
Regional development	15	1 %		
Entrepreneurship	17	1 %		
Civil society	80	8 %		
Arts, Culture and National heritage	211	20 %	Culture	20 %
Environment/Nature/ Animals	43	4 %	Environment/Nature/ Animals	4 %
Education/Training	60	6 %	Education	6 %
Other	70	7 %	Other (not specified)	12 %
Science and Scientific research (not medical)	56	5 %		
<b>Total</b>	<b>1 036</b>	<b>100 %</b>		<b>100 %</b>

With the Law of May 2, 2002, 3 foundation profiles are distinguished: small, big and very big foundations. The criteria used are the number of employees, the total assets and the annual revenues. To be considered a very big foundation, the foundation must have more than 100 full-time staff on average, or exceed at least two of the three following criteria: 50 full-time staff, € 6 250 000 as annual revenue or € 3 125 000 as total assets. A big foundation is a foundation that does not meet the criteria of the very foundations and that exceeds at least two of the three following elements: 5 full-time staff, € 250 000 as annual revenue or € 1 000 000 as total assets. Finally, small foundations are those that do not fulfil the very big or big conditions. Depending on its profile, the accounting requirements for a foundation differ. Up to now, the very big and big private foundations have to deposit their annual accounts at the National Bank of Belgium, Centrale des bilans. These data are publicly accessible. The small private foundations have to deposit their annual accounts with the clerk of their corresponding court office. These scattered data are not aggregated at a national level. The requirements are not similar for public benefit foundations. Whether they are small, big or very big, public benefit foundations have to deposit their annual accounts with the clerk of their corresponding court office.

Again, these scattered data are not aggregated at a national level. This means that there is no centralised database on the balance sheets of foundations in Belgium. Nevertheless, most of the biggest public benefit foundations already automatically deposit their annual accounts at the National Bank of Belgium, although they are not required to do it. At the end of 2012, the total assets of the public interest foundations which had deposited their accounts at the National Bank of Belgium (68 foundations) reached € 1 374 billion, while it was equal to € 870 million in 2006 (44 foundations). The total assets of the 15 largest foundations<sup>24</sup> amounted to € 1.1 billion at the end of 2012. The biggest foundation in Belgium is the King Baudouin Foundation. In 2012, the King Baudouin Foundation was hosting 558 funds, which altogether represented a total of € 213 million.

It should be noted that the amounts granted by foundations in each domain are not available without direct contact with the foundations. At the end of 2013, approximately 1 250 foundations acting in the public interest were registered. Out of these 1 250 foundations, approximately 500 are public benefit foundations and the other 750 are private foundations. In May 2015, the HEC-ULg Baillet Latour chair in 'Philanthropy and social investment' launched a comprehensive survey of all these 1 250 Belgian public interest foundations. The data collected provided insight into the strategies and practices of foundations.

The data sources about foundations in Belgium are detailed in table 6.10.

## Data sources of giving by corporations

**Table 6.10 Data sources for the foundation sector in Belgium**

Sources	Data	Accessibility	Costs
ConcertES	Database on social economy for Wallonia and Brussels	Private	With cost
National Bank of Belgium	Accounting data	Public	With cost
National Social Security Office	Employment data	Public	With cost
Federal Public Service Justice	List of the public benefit foundations	Public	Free of charge
Federal Public Service Finance	Fiscal data	Public	Free of charge
Banque Carrefour des Entreprises	Administrative data	Public	Free of charge
Belgian Monitor	Statuses of the foundations	Public	Free of charge
King Baudouin Foundation	Data on the hosted funds	Private	Free of charge
Website of the foundation (if any):	Activity report, financial data	Public	Free of charge

<sup>24</sup> Assuming that the biggest foundations actually deposit their accounts with the National Bank of Belgium.

## Giving by charity lotteries

### Descriptive statistics of giving by charity lotteries

In Belgium, the current legal framework for lotteries comes from the Law on Lotteries of 1851 and the National Lottery Act 2002. The National Lottery changed in 2002 from a semi-public institution to a limited liability company governed by public law, as set out in the National Lottery Act from 2002. The Belgian State is the only shareholder, and the Belgian Minister of Budget and Government Companies is the supervisory authority of the National Lottery. The Minister of Finance, for example, reports annually to Parliament on the operations of the National Lottery, and all the playing rules have to be approved by the Minister, which are then laid down by a royal decree. In this way, the Minister of Finance decides if new games can be proposed and under what conditions.

Since 1851 lotteries have been prohibited in Belgium unless they have a public benefit as their principal aim. The exclusive right to organise lotteries for public benefits in Belgium has been in possession of the Loterie Nationale/Nationale Lottery (National Lottery) since 1991. As the National Lottery has the monopoly on organising lotteries at a national level, no other nationwide lotteries exist. At the municipal or provincial level, however, it is possible to receive an incidental license to organise a raffle or tombola. The license can only be awarded if the profits of the tombola are exclusively destined for a public benefit. In recent years, on average about 50 raffles have been organised each year. An example of such a raffle is the annual raffle for the Belgian Red Cross. There are no available data regarding the amounts collected from these tombolas.

In order to fulfil the criterion of a lottery for a public benefit, the National Lottery must reserve a part of its turnover for subsidies. The total amount is set each year by the Belgian cabinet via a Royal Decree. The annual subsidy has to be divided between the federal level (73 per cent) and the three Belgian Communities (27 per cent). The respective governments subdivide the subsidies.

In 2012, the total subsidy was set at € 225.3 million ( $\pm 20$  per cent of the turnover). € 163 477 680 in subsidies were allocated to the Federal level. In 2013, the total subsidy was a little lower, set at € 214 million, with € 155 million allocated to the Federal level. Subsidies for the federal level go to areas regulated by the law, such as the National Disaster Fund, the Belgian Fund for Food Safety, or the Development Cooperation. Endowments are allocated to institutions and organisations with a humanitarian, social, scientific, cultural, sports, educational or national heritage character: for instance, the King Baudouin Foundation, the Belgian Red Cross, Child Focus, the Belgium Institute for Road Safety, the Royal Theatre of La Monnaie, the Museum of Fine Arts etc. Part of the subsidies are granted within the framework of three thematic calls for projects, regarding 'sustainable development', the operationalisation of the 'Millenium objectives', and 'Social inclusion and fight against poverty'.

Table 6.11 shows the total amounts of money given by the National Lottery in 2012 and 2013, and the distribution of the money between the purposes of the different pools. As far as the purposes' typology is concerned, we are forced to use the National Lottery societal report, because the background data could not be made available to us in time.

**Table 6.11 Uses of donations by the Belgian National Lottery, 2012 and 2013**

	<b>2012</b>		<b>2013</b>	
	<b>Million EUR</b>	<b>Percentage</b>	<b>Million EUR</b>	<b>Percentage</b>
International aid (humanitarian aid)	88.4	54 %	82.8	53 %
Public/social benefit (national) (Social)	42.7	26 %	42.4	29 %
Culture	12.6	8 %	10.5	6.5 %
Science	2.2	1 %	2.9	1.5 %
Sports	5.7	4 %	5.3	3 %
National heritage	11.9	7 %	11.3	7 %
<b>Total</b>	<b>163.5</b>	<b>100 %</b>	<b>155.3</b>	<b>100 %</b>

In 2012, € 24 475 854 in subsidies went to the French-speaking community, € 36 825 427 in subsidies to the Flemish-speaking community, and € 521 039 in subsidies to the German-speaking community. In 2013, € 23 321 043 in subsidies went to the French-speaking community, € 34 915 175 in subsidies to the Flemish-speaking community, and € 494 987 in subsidies to the German-speaking community. At the level community level, the subsidies go to initiatives and projects with relation to the disabled, the elderly, the environment, education and sports.

The National Lottery is also obliged to actively cooperate in the prevention and treatment of gambling addiction by supporting initiatives in these areas.

Although the National Lottery does distribute a significant part of its sales to good causes, it does not meet the criteria of a charity lottery. One could argue that this is more public welfare than charity, seeing that the allocation of subsidies is firmly regulated and controlled by the public authorities, and directed towards general interest missions and organisations.

## Conclusions

In the light of the above, giving an estimation of the total giving in Belgium for 2013, or even for previous years, remains very tricky. The available data, whether they concern giving by individuals, by corporations or by foundations, are very incomplete and fragmented. Moreover, it is quite difficult to have a longitudinal understanding about how giving in Belgium is evolving, as many surveys are only one-offs, or because the survey methodologies have evolved, making comparisons difficult.

Many numbers are not available for 2013. However, we can try to estimate the total giving in Belgium for 2012, bearing in mind that the numbers used are incomplete, and that it corresponds to a low estimate, as many donations are below the radar of administrative services and survey attempts, and because we do not have any information about the foundations contributions. As corporate sponsorship numbers are not available for 2012, we have used the 2011 numbers and stipulated this in table 6.12.

The total contributions for 2012 in Belgium amount at least at € 751 million. If we add the King Baudouin Foundation's contribution for 2012, i.e. € 22 297 586, the total amount increases to € 773 million. We must not forget, however, that the 2012 National Lottery subsidy included a € 12 390 533 specific funding allocation to the KBF. The problem is that we do not know if this amount has been entirely allocated as gifts, or if part of this amount was also allocated to cover some operating costs at the KBF. This problem will also arise with other big public interest foundations, such as Child Focus, the Queen Paola Foundation etc., which also receive specific funding allocation from the National Lottery, or with many others that may receive one-off subsidies from the latter. When the numbers are made available regarding foundations' contributions, notably based on the Baillet Latour Chair 2015 survey, we will have to pay particular attention to this issue in order to avoid any double-counting in the country's total contributions.

**Table 6.12 Sources of contributions in 2012**

Sources of contributions	million EUR	Data sources	Data year
Individuals/tax deductible in vivo donations	402	Sustainable development Institute	2012
Individuals/charitable bequests	140	Philanthropy Index KBF/Itinera Institute	2012
<i>Individuals /sub-total</i>	542		
Cash corporate sponsorship	378	Promotheta/Ipsos survey	2011
National Lottery Federal subsidy	- <sup>25</sup>	National Lottery	2012
Foundations	n.a.	n.a.	n.a.
<b>Total (without foundations)</b>	<b>920</b>		

As far as the uses of the contributions are concerned, it is much more complex to compare and summarise the available data. The first problem is that the purposes' typologies used by the main providers of the data on giving differ significantly from one source to another, and at this stage of the research, it was not possible for us to access their databases to reorganise the data following the template provided. This may, however, be possible for some (e.g. National Lottery). The second problem is that the years for which the data are available differ from one data provider to another. The third problem is that, even if most data provided are objective data, some are only trends identified through surveys on more or less representative samples (for instance data on individuals' in vivo contributions); others are statistics based on the mission expressed by the organisation (this is the case with the Baillet Latour Chair data on the foundations' missions, based on the coding of the main missions indicated in the foundations' legal statuses). In brief, trying to summarise the uses of the contributions based on such incomplete and dissimilar data is like comparing apples and oranges. In table 6.13, we tried, however, to put the available data in perspective, although this required a lot of methodological 'adjustments'. It remains very difficult to draw any conclusions based on this table.

<sup>25</sup> As a general principle, amounts from lotteries that are decided upon by governments or include political interference are excluded from total amounts, because it is not considered as private actor.



**Table 6.13 Uses of contributions in 2012**

<b>Uses of contributions</b>	<b>Individuals/In vivo donations</b>	<b>Individuals/ Bequests</b>	<b>Corporations</b>	<b>Foundations</b>	<b>National Lottery</b>
<i>Source</i>	<i>Philanthropy Barometer KBF/Itinera Institute</i>	<i>Fundraisers.be</i>	<i>Promethea/ Ipsos</i>	<i>Baillet-Latour Chair @HEC-ULg</i>	<i>National Lottery societal report</i>
Year	2011	Average 2012/2013	2012	2013	2012
WARNING !	Goals favoured by potential donors in Belgium; phone survey on 1000 Belgian citizens	Sample of 54 charities collecting at least 1 million €/y	Phone survey with 558 responding companies with > 20 employees	Analysis of the prime fields of action detailed in the foundations legal statuses (mission)	Quite dissimilar purposes typology
Religion	n.a.	n.a.	n.a.	5%	n.a.
Health	39%	n.a. Probably included in education and research	4% (Scientific and medical research)	15%	n.a.
International aid	18%	38%	24% (International aid and public/social benefit (national))	8%	54%
Public/social benefit (national)	21%	44%		29%	26%
Culture	1%		20% (and national heritage)	20%	8%
Environment/ nature/ animals (inter)national	6%	2%	2%	4%	
Education	11%	16% (Education & research)	4%	6%	
Sports			40%		4%
Science				5%	1%
National heritage					7%
Other (not specified)	2%	n.a.	6%	7%	

As a final conclusion, we should point out the significant gaps in the knowledge about giving in Belgium. Diverse players from the philanthropic field provide the available data, with very little coordination between them. In the academic field, very few researchers or research centres focus on the topic of giving. Research and surveys about giving and related topics seem to be very dependent on academics' individual research interests and funding. As a consequence, there are no longitudinal studies available about giving or certain aspects of giving. The exceptions to this are the KBF/Itinera index and barometer of philanthropy in Belgium that were updated in 2014, and the report on generosity authored by Philippe Defeyt from the Sustainable Development Institute, also updated in 2014. However, the methodology used for the index and the barometer have not been made publicly available. Both exceptions regard giving by individuals.

As far as foundations are concerned, since the late 1990s, a few one-off surveys have been carried out by academics, sometimes in collaboration with the KBF. The Belgian Network for foundations does not seem to be ready to set up such a research programme, probably because it is lacking the necessary personnel and financial means. The new Baillet Latour Chair in Philanthropy, however, launched in 2014 an extensive and comprehensive research programme on Belgian foundations, which should help fill the data gaps.

As regards corporate philanthropy, the development of Promethea will probably foster the production of data on giving by corporations. New surveys should certainly include within their scope companies with fewer than 20 employees, as the economic landscape in Belgium involves many small and very small businesses (in Wallonia, more than 90 per cent are (very) small businesses). Moreover, as Belgian law differentiates between sponsoring and philanthropy, it is necessary to refine the survey in order to understand the different types of contributions.

Regarding charity lotteries' contributions, the situation is quite simple in Belgium, because the only organisation is the National Lottery, which publishes each year a detailed allocation of subsidies. It may, however, be necessary to gain access to raw data, in order to reorganise it in coherence with the purposes' typology proposed for the Giving in Europe Project.

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## 7. Research on Giving in Croatia

*Gojko Bežovan*<sup>26</sup>

### Introduction on Giving Research in Croatia

The topic of philanthropy in Croatia is not adequately addressed as a research topic nor covered by empirical findings. There is a scarcity of research on philanthropy and statistical databases are very poor in this respect. It could be said that philanthropy is neither a research topic nor a policy issue in Croatia. It is only occasionally debated in public, usually in the context of specific activities concerning humanitarian aid or actions, often covered in the media, who highlight the negative image of humanitarian organisations. Providing humanitarian aid has often been accompanied by alleged misuses of donations, which has led to a negative perception of humanitarian organisations by the public. Therefore, in 2014 the Croatian Government initiated a proposal for a new act on humanitarian aid, with the main aim of increasing transparency in collecting and providing humanitarian aid. This proposal was based on the concepts, among others, of: defining clearer criteria for organisations to get permission to collect and distribute aid, and greater control over humanitarian actions and using donations (Ministry of Social Policy and Youth, 2014).

As regards the research on giving, as mentioned earlier, there is a lack of comprehensive and up-to-date research, as well as official statistical data.

The abovementioned proposal of the act on humanitarian aid in its introductory part serves as a source of information of a number of humanitarian actions undertaken, and on the value of donations over the last couple of years.

The data from official statistics are mostly not publicly available. The Croatian Central Bureau of Statistics (CROSTAT) collects data through the Household Budget Survey, which encompass several questionnaires. They include the following questions regarding donations:

- Articles of food and beverages for personal consumption – gifts received and given
- The value of received gifts in cash from persons outside households
- Giving in cash to persons in the country and abroad
- Voluntary contributions in cash to religious and humanitarian organisations

Data on individual and business tax deductions (tax incentives for donations) are collected by the tax administration of the Ministry of Finance, but are also not publicly available. According to the USAID 2012 CSO Sustainability Index, this benefit is rarely used in Croatia, both because the benefits are not widely known and because the process for claiming tax relief is very complicated. As a result, some citizens make donations to humanitarian campaigns without reporting them on their tax returns (USAID, 2013).

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The BA thesis of Mirna Bašić (Bašić, 2014) gives an overview of humanitarian donations by telephone. Croatian Telecom (T-HT) guarantees the phone numbers for humanitarian actions can be called free of charge, based on proposals from organizers and on the decision of the committee<sup>27</sup>. The author shows an increase in humanitarian actions for which the phone number was approved from 2004, reaching a peak in 2010, followed by a decrease. However, the number of actions per year that can use this phone number is limited.

Earlier research (Bežovan, Zrinščak, 2007) indicated an increase in citizens' donations to humanitarian causes, which was explained by the modern technological possibilities which make donations easier (e.g. via phone calls). According to the same research, 66.8 % of citizens gave donations in cash or in kind to humanitarian causes. Prior research by Bežovan (2005) showed that nearly 70 % of citizens donated money or other material goods.

More recent research, a follow-up of the CIVICUS CSI from 2011 (Bežovan, Matančević, 2011), is somewhat reduced in data. It contains empirical findings on philanthropy in variables in the structure of the income of organisations, although the data on individual philanthropy, available in the previous SCI 2003-2005, are missing here.

## **Giving by Individuals**

### **Descriptive statistics of giving by individuals in vivo**

There is no available recent research on individual philanthropy in Croatia. The Civicus Civil Society Index (CSI) from 2005 provided an insight into the practice of individual giving in Croatia. Accordingly, 66.8 % of citizens gave donations in cash or in kind, with an average of 1.2 % of a person's annual income (Bežovan, Zrinščak, 2007; Bežovan, Matančević, 2010). This research stressed the problem of the socio-cultural environment, i.e. low levels of trust, which is not conducive to developing a philanthropic culture.

The Household Budget Survey (**questionnaire**), implemented by the National Bureau of Statistics, contains the following information:

- Articles of food and beverages for personal consumption – gifts received and given
- The value of received gifts in cash from persons outside households
- Giving in cash to persons in the country and abroad
- Voluntary contributions in cash to religious and humanitarian organisations

However, this information from the survey is calculated according to the total consumption of households, and there are no micro data on gifts and voluntary contributions.

### **Data sources of giving by individuals in vivo**

There are no available public data or research on giving by bequest.

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<sup>27</sup> <http://www.t.ht.hr/odgovornost/humanitarni-telefon/index.asp>

## Giving by Corporations

### Descriptive statistics of giving by corporations

Corporate philanthropy is still a rather new and under-researched phenomenon in Croatian academic research.

Some more recent data from the Civicus Civil Society Index in Croatia from 2011 (Bežovan, Matančević, 2011) contain findings on the approximate structure of income of CSOs, including income from *indigenous corporate funding*. Accordingly, 38.5 % of organisations receive donations from the corporate sector, which constitute on average 8 % of an organisation's total income. In the previous CSI 2003-2005 research (Bežovan, Zrinščak, 2007), it was indicated that some better developed corporate players had started to develop the practice of corporate social responsibility, which was seen as an important contribution to the development of civil society, and to positive social change. Data from 2006 show that only five business organisations had registered their foundations, and that several business organisations regularly donated funds to other foundations (Bežovan, Zrinščak, 2007; Bežovan, Matančević, 2011).

The Croatian tax system provides incentives for donations, whereby businesses can donate up to 2 % of their income to the public good, which is tax-deductible. Some research insights suggest that only a few businesses use tax incentives for donations (Bežovan, Matančević, 2010).

The web portal DOP<sup>28</sup> (DOP = *Društveno odgovorno poslovanje*; English = Corporate Social Responsibility) promotes corporate social responsibility in Croatia. One of the main goals of the project was setting up the National Network for CSR in 2010. This network assembles on a voluntary basis associations and other organisations from the public, private and civil society sectors, with the aims of increasing the number of business players implementing CSR, improving policy for CSR, raising public awareness and promoting CSR good practice. The 'Indeks DOP' (engl. CSR Index) database can be found on the DOP webpage.

## Giving by Foundations

### Descriptive statistics of giving by foundations

In Croatia, there are currently 216 registered foundations. A list of registered foundations (including information on their addresses, registration numbers, and tax numbers, as well as a short description of their aims and scopes) is publicly available in the 'Book of Foundations' on the Ministry of Public Administration webpage.

There is no recent research on foundations in Croatia. A study by Bežovan (2008), an action-oriented, empirical piece of research on the role, development and achievements of foundations in Croatia, was an important contribution to a more in-depth understanding of the environment in which Croatian foundations operate, their roles, and their strengths and weaknesses.

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<sup>28</sup> [http://www.dop.hr/?page\\_id=30](http://www.dop.hr/?page_id=30)

The Internet page '*Za.Dobrobit*' (engl. For.Wellbeing)<sup>29</sup> serves as a platform for philanthropic initiatives and actions, as an innovative way of financing and supporting projects and initiatives from civil society organisations. At the same time, the aim of this webpage is to promote a culture of giving and advocating the common good. This platform can be joined by individual activists, associations and foundations. At the moment, there are 29 foundations registered on the *Za.Dobrobit* platform.

The National Foundation for Civil Society Development, the leading foundation for financing the programmes and projects of CSOs, publishes annual reports on their income and donations<sup>30</sup>.

In 2012 the ODRAZ association, with support from EU funds, implemented the research 'Assessment of capacities of community foundations in Croatia' (Odras, 2012)<sup>31</sup>. The main aims of this research were to assess the capacities of community foundations to benefit from the EU funds; to analyse the programmatic framework of the EU for philanthropy, and to analyse the importance of community foundations for smaller CSOs in rural areas. The research was based on secondary data (document analysis) and on field research in the form of questionnaires, focus groups and stakeholders' meetings.

## Giving by Charity Lotteries

### Descriptive statistics of giving by charity lotteries

Giving by lotteries is regulated by the Act on Organising Games of Chance and Prize and by the Annual Government Regulation on Criteria for Establishing Beneficiaries and the Manner of Distribution of a Part of the Income from Games of Chance. It is administrated through different ministries, governmental offices and through the National Foundation for Civil Society Development (public foundation), with respect to a defined proportion for particular public needs.

The data on the structure and amount of those funds are publicly available in the annual reports of the respective administrative bodies (ministries, national foundations etc.). There is no complementary secondary research on this issue.

## Conclusion

Research on philanthropy in Croatia is still in its early stages of development, and there are very little available data, both in terms of research findings and statistical data. However, the available data sources do not make it possible to analyse the structure and amount of contributions by the various fields (uses of contributions). There are not even any reliable data on the total contributions from sources of contribution. Statistical data on private giving (partially collected by the National Bureau of Statistics) and on tax incentives for donations from individuals and businesses are not fully available. Deeper insight into the practice of giving in Croatia could be achieved by empirical field research with national coverage, and by different sources of philanthropy. An important step towards promoting

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<sup>29</sup> <http://www.zadobrobit.hr/>

<sup>30</sup> <http://zaklada.civilnodrustvo.hr/frontpage>

<sup>31</sup> [http://www.tacso.org/doc/hr20130204\\_cassessment.pdf](http://www.tacso.org/doc/hr20130204_cassessment.pdf)



philanthropy research in academia would be the institutionalization of this discipline at the university level (e.g. founding a Chair on Philanthropy).

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## 8. Research on Giving in Czech Republic

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### Introduction to Giving Research in Czech Republic

#### Legal framework

The legal basis for philanthropy is now found in the new Czech Civil Code (act. no. 89/2012 Coll.), in effect from 1 Jan 2014. This civil code introduced a range of diverse instruments for asset administration both *inter vivos* and *mortis causa*. One notable feature is the broader space for the autonomous will of the property owner/settlor/testator. In comparison with other European codes, the owner of the property has a very wide choice of instruments and solutions from which to select the most suitable one. In foundation law, the Civil Code contains two forms with a legal character: foundation (art. 306 ef. CC) and foundation fund (Art. 394 ef. CC). A foundation can establish an affiliated fund (*přidružený fond*, Art. 349 ef. CC). A “trust-like” fund, *svěřenský fond*, was also introduced (Art. 1445 ef. CC), which is arranged following the Quebec style; it is possible to use it for philanthropy. The affiliated fund and the trust fund do not have separate legal characters.

In inheritance law, it is possible for a testator to express their will in a testament (1494 ef. CC) and in an inheritance contract (Art. 1582 ef. CC). There is also a legacy (1594 ef. CC), which can be made by the testator (in testament) in favour of a legatee.

In obligation law, the donation contract *inter vivos* (Art. 2055 ef. CC) and the donation contract *mortis causa* (Art. 2063 ef. CC) are related to philanthropy.

The new legal framework is intended to return Czech law to its European roots and to be more flexible. The future will soon show if the scope of applicability will extend into legal practice.

In administrative (public) law, there is a special legal regime in the tax law: Income Tax Act no. 586/1991 Coll., Tax Act no. 280/2009 Coll., Senate Act on the Acquisition of Immovable Property no. 340/2013 Coll., etc., Public Collection Act no. 117/2001 Coll. and Lottery Act no. 202/1990 Coll. (all of those acts as subsequently amended).

#### Research

Civil society/philanthropy research is still in its embryonic stages in the Czech Republic. The first attempts at systematic research were not made until the beginning of this century, and today, more than ten years later, there are only a few research centres and not many individuals that have taken up civil society and philanthropy as the principal direction of their study and research. In the decade since 2003, when systematic research started, there have only been two large, long-term, and systematic projects that have produced solid and longitudinal data:

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<sup>33</sup> School of Business Administration, Anglo-American University, Prague

- Satellite Account of Non-profit Institutions, by the Czech Statistical Office, since 2004;
- Survey of Public Funding for Non-State Non-Profit Organisations, by the Government Council for Non-State Non-Profit Organisations, since 1999;
- and one comprehensive mapping project that has covered all the forms of non-profit organisations in the country:
- Mapping the Non-profit Sector in the Czech Republic, by the Centre for Non-profit Sector Research, 2003-2008.

There are only two research centres in the Czech Republic that are fully devoted to ongoing, systematic research into civil society and the non-profit sector that have a team of researchers and a solid publication output:

- The Centre for Non-profit Sector Research at Masaryk University, Brno
- The Department of Civil Society Studies at the Faculty of Humanities, Charles University, Prague

There are other centres of systematic research whose main interest lies in a wider or different field, but which also conduct civil society/non-profit sector research in an ongoing and systematic way as part of that wider field:

- The Institute of Sociology of the Academy of Sciences of the Czech Republic
- The Centre for Social and Economic Strategies at the Faculty of Social Sciences, Charles University, Prague

Finally, there are academic and research institutions where research into civil society and the non-profit sector is implemented, but only by individual academics/researchers scattered around in different departments: The University of Economics, Prague; the Czech University of Life Sciences, Prague; Jan Evangelista Purkyně University, Ústí nad Labem; South-Bohemian University, České Budějovice; University of Pardubice; the University of Ostrava; Tomáš Baťa University, Zlín; the Silesian University, Opava. Of these, the individuals in most institutions teach and publish articles on the management of NPOs. Only three places have produced more substantial and more systematic research: The University of Economics, Prague, Purkyně University, and the University of Pardubice.

## **Giving by individuals**

### **Descriptive statistics of giving by individuals in vivo**

There are no systematic statistical data on individual giving available in the Czech Republic. To provide descriptive statistics of giving by living individuals, we have therefore looked at three separate indicators, which will not provide a full picture of individual philanthropy, but can at least indicate trends over the past several years.

The first indicator is from data on giving in the Czech Republic collected by the Czech Statistical Office from three sources, which are described later. Two of these data sources are not publicly available. Here

we present data from the Satellite Account of Non-profit Institutions (available only until 2012). These figures include donations from people (households) to non-profit organisations.

The development over time of the donated amounts is shown in table 8.1.

**Table 8.1 Uses of donations by individuals from 2005 to 2012**

Year	2005	2006	2007	2008	2009	2010	2011	2012
Amount of gift in million EUR	478	441	598	418	406	397	396	407

*Source: Czech Statistical Office*

The second indicator about individual giving is found in the statistics from the Ministry of Finance about applications by natural persons for tax deductions on charitable donations made to NPOs. Most individual donations in the Czech Republic are made to collection boxes in the street and through text messages, i.e. without a consequent request for a tax deduction.

The development over time of the donated amounts is shown in table 8.2.

**Table 8.2 Number of taxpayers and total amount of the value of donations in millions (EUR)**

Year	Number of taxpayers	The total amount of the value of donations in million EUR
2006	132 470	49
2007	141 093	53
2008	110 614	52
2009	113 928	54
2010	116 959	55
2011	121 216	53
2012	124 096	57
2013	138 966	55

*Source: Ministry of Finance*

The third indicator is the Donors Message Service (Dárcovská DMS). The Czech Republic was the first country to introduce the DMS. The project was initiated by the Czech Donors Forum, and gained significant popularity in the country and abroad. Donations via the DMS are easy to measure; the results are available at the Czech Donors Forum. In 2014, people in the Czech Republic contributed nearly one million EUR to a variety of non-profit projects by text message donations. The number of non-profit projects involved in this text message donation service changes every month; in 2014, people contributed to almost 280 various non-profit projects.

Data on giving and philanthropic behaviour from individual donors are not collected on a regular basis and are, therefore, available only to a limited extent, typically from ad hoc surveys conducted by market research companies at the request of local non-profits. We obtained interesting information, for

example, from a recent survey by STEM / MARK entitled “How Are We Doing with Charity and Philanthropy?” According to reports over the last three years (2012-2014), 68% of Czechs (n = 2 471) contributed in some way to the charity or charitable purposes.

**Table 8.3 Percentage of individuals donating to different goals, 2012-2014.**

	% of individuals who donated	percentage
Religion	NA	NA
Health	49 %	NA
International aid	15 %	NA
Public/social benefit – national	35 %	NA
Culture	12 %	NA
Environment/nature/animals – international	37 %	NA
Education	NA	NA
Other		
<i>children</i>	67 %	NA
<i>socially weak</i>	21 %	NA
<i>other</i>	8 %	NA
<b>Total</b>	<b>68 %</b>	<b>100%</b>

*Source: survey by STEM / MARK*

### **Data sources of giving by living individuals**

1/ **Satellite Account of Non-profit Institutions (Satelitní účet neziskového sektoru):** The Czech Statistical Office (CZSO) presents macroeconomic data about the aggregate amount of donations made by households (S.15) to non-profit organisations (NPO; S.15). The figures are publicly presented. This is an outcome from the NI 1-01 survey (see paragraph 3); its calculation is then completed and adjusted according to the ESA 2010 methodology and balanced between the sectors. Figures are available for 2005 to 2012. The data are published for every year during the time period T + 20 months (20 months after the end of the relevant period).

2/ **Ministry of Finance - Financial Administration:** Tax-deductible items are one of many forms of tax relief. Claiming deductions from donations is restricted by legally established limits. The minimal sum of all of the donations is limited in both absolute and relative terms – it must be at least 2% of the total tax base, or at least 1 000 CZK in aggregate [c. 36 *EUR*]. These figures include all donations dedicated to public purposes. The statistical survey does not include tracking where these funds go.

3/ **Annual National Accounts (Roční národní účty):** The CZSO presents the macroeconomic data about the aggregate amount of donations made by inhabitants of the Czech Republic in the figure stated under item number D.75 (*Miscellaneous current transfers*) for donations made by households (S.14) to other institutional sectors (the\_ESA 2010 methodologies). The data are not publicly available; they can be

obtained by submitting a specific request to the CZSO. The figure represents the outcome of many questionnaire surveys; its calculation is then completed and adjusted according to the ESA 2010 methodology and balanced between the sectors. The figures can be obtained for 2005 to 2013. The data are published for every year during the time period  $t+9$  months, the final version during the time period  $t+15$  months.

**4/ Data from the NI 1-01 survey:** These data are not public; they can be purchased from the CZSO as an anonymised dataset where the respondents are NPOs. The data can be used to determine the amounts of donations from inhabitants of the Czech Republic to individual NPOs, to characterize a donee (i.e. NPO) in terms of its age, region and size (according to employees, assets, turnover etc.), and to characterize a donation in terms of the NPO area (the NACE, COPNI). The data are collected annually, the respondents are NPOs, and the inquiry about donations is made with respect to the revenues of NPOs. The figures can be obtained for 2002 to 2013. The data are collected for the most relevant part of the population of NPOs. The sampling criteria are: an annual census of all the NPOs that have more than nine natural-person employees; data for the NPOs that have nine or fewer employees are collected once every five years in a breakdown according to their legal forms (e.g. foundations in 2009, associations in 2012, church legal entities in 2011 etc.).

### **Descriptive statistics on giving by bequest**

No official or comprehensive statistics exist for bequests. In the Czech Republic it is possible to bequeath property in a will to a foundation or another non-profit organisation, and to determine the purpose for which the property will be used. There is no tradition of bequests to charities, or a tradition of understanding the testament as a natural expression of a person's will to make decisions about their assets after their death. Thus, foundations still inherit relatively rarely. Several private foundations have made an effort to familiarize the public with this phenomenon, but research on this subject has been limited. The research project "Survey on accepting legacy donations and testing the communication concept" by the Coalition for Easy Giving yielded interesting results. The coalition brings together 17 major non-profit organisations that work together to remove obstacles to individual philanthropy in the Czech Republic. The research sample was made up of people over the age of 60. The basic findings showed that seniors do not consider the topic of inheritance and wills to be taboo. Only a quarter of the respondents (26.9%) indicated that talking about these issues is not appropriate. An absolute majority (58%) of the respondents declared that inheritance, bequests and related topics are important and personally relevant to them.

In general, although the results seem to be satisfactory, the open answers suggested a certain reticence on the part of seniors to bequeath property in their wills to non-profit organisations. Only 9% of the general population of the Czech Republic regularly support some publicly beneficial activity. Approximately 50% make occasional or exceptional contributions. The number of contributors among seniors is significantly higher.

According to the cited research, the proportion of both regular and occasional donors is especially strong in the group of people over 65 years old: approximately 50%. The main declared motive is solidarity with people in need.

A willingness to contribute both occasionally and regularly increases with the level of education. The decision to not donate is more prevalent in the group of people with no higher education and in men (18%, compared to 8% of women).

About a third of people contribute because they believe it is necessary to help the needy. Almost 23% declared their main reason for contributing to charity as being that helping is “the right thing”. Ten percent contribute because it makes them feel good (a warm glow etc.). For people who do not want to contribute, the main reasons cited are their own poor financial situation (44%) and mistrust of non-profit organisations (36%). About 10% of men are convinced that the state should systematically deal with the situation.

### **Data sources of giving by bequests**

Official, reliable and regularly collected data on bequests are not available. Currently only one ad hoc research project has been undertaken, by the Coalition for Easy Giving.

#### *Method of data collection:*

- Computer-assisted personal interviewing (CAPI) – a direct method of data collection, ad hoc "face-to-face" interviews.
- Structured questionnaire – closed and open questions, scale evaluation (Likert scale, numeric rating scale).

#### *The term of data collection:*

- 14th-16th June 2014

#### *Respondents:*

- Target group – Czech seniors (over 60 years of age)
- Sample Size: 160
- Sex: men (n = 68, 42.5%) / women (n = 92, 57.5%)
- Hometown: Prague (n = 81, 50.6%) / Hradec Kralove (n = 79, 49.3%)

This research project examines the motives for philanthropy, but the questions are related to the motives for all forms of donations, not only bequests. The information collected about donations by will (legacy) can thus be considered incomplete and unsystematic.

## **Giving by corporations**

### **Descriptive statistics of giving by corporations**

There are two main sources of corporate giving data: the Ministry of Finance and the CZSO.

The Ministry of Finance publishes aggregated data based on the income tax reports filed by corporations. Therefore, the data are only for those donations for which a company applied for a tax deduction and represent all tax-deductible donations, including non-profits, but also organisations in

public administration or public universities. While it is generally assumed that this number is close to reality, as the limit on tax deductions for corporations has been relatively high (5% of their tax base) and it is expected that most corporations apply for tax deductions for their donations, we show that it is significantly below the amount published by the CZSO.

The Ministry publishes only the aggregate amounts of donations in the Czech Republic and its regions. No further details about the donating companies or receiving organisations are available. The data are available for 2000-2013. For 2013, we can therefore say only the following:

At around 5% of all legal persons, 17 505 corporations donated € 88 000 000, making the average donation € 5 014. To allow for a comparison with the data provided by the CZSO, we provide data for 2012: 17 571 corporations donated € 94 000 000, making the average donation € 5 376.

The CZSO collects and publishes various data on non-profit organisations, including donations received from corporations. The aggregate statistics are available on the CZSO website ([www.czso.cz](http://www.czso.cz)) for 2005-2012; the data for 2013 were published in the second half of 2015. The data are collected annually. Further details are provided further in this chapter.

For 2012, the CZSO states that non-profits received € 157 000 000 from corporations, i.e. over 60% more than the amount announced by the Ministry of Finance. Interestingly, the gap between the two numbers has been growing over time; in 2005 the amount provided by the CZSO exceeded the number from the Ministry by less than 10%.

In addition to these two official sources, several surveys have focused on estimating and understanding corporate philanthropy in the Czech Republic. Two key organisations working in this area are able to provide information and some data about the philanthropic behaviour of corporations: The Czech Donors Forum ([www.donorsforum.cz](http://www.donorsforum.cz)) and the Business Leaders Forum ([www.csr-online.cz](http://www.csr-online.cz)). However, their evidence is often anecdotal and reflects the information provided by their members. They conduct surveys on philanthropy, but not on a regular basis. The Czech Donors Forum surveyed its members in 2014; the results are not publicly available. The Business Leaders Forum conducted a survey on 153 companies on CSR in 2012. As the focus was more general, it contained only limited information about giving (it was one of the options for engagement in CSR).

### **Data sources of giving by corporations**

The main source of data is the CZSO. There are three types of datasets available:

**1/ Satellite Account of Non-profit Institutions:** This dataset includes information about the donations given by corporations to non-profits (as explained above), published as miscellaneous current transfers (D.751), transfers from non-financial and financial institutions (S.11, S.12). This dataset is published annually and is available on the CZSO website (also in English). It is an outcome from the NI 1-01 survey (as mentioned earlier in this chapter); its calculation is then completed and adjusted according to the ESA 2010 methodology, and balanced between the sectors. The figures can be obtained for 2005 to 2012.



**2/ Individual data provided by non-profits:** This dataset contains individual anonymised data collected by the CZSO from non-profits annually through the NI 1-01 survey. These data are not publicly available; they are available for purchase from the CZSO. This dataset includes information about the amounts of donations received from corporations, the type of donating company, and the type of receiving non-profit (age, size, financial data, location, specialization etc.). The NI 1-01 survey is available for download from the CZSO website. For details, see earlier in this chapter.

**3/ Individual data provided by corporations:** This dataset contains individual anonymised data collected annually by the CZSO from corporations with 50 or more employees. The data are not publicly available; they are available for purchase from the CZSO. The data include information about the donations provided by the companies (with more than 50 employees) to non-profits, various indicators about the corporation (e.g. age, size, financial data, location, specialization etc.) The P 5-01 survey used to collect the data is available for download from the CZSO website. The figures can be obtained for 2002 to 2013.

## **Giving by foundations**

### **Descriptive statistics of giving by foundations**

There are three basic descriptives for foundations in the Czech Republic. First, the **total number (1,854 )** of registered foundations is provided by the CZSO. The CZSO lists only some characteristics of the foundations, and it collects data on only some of them - see section B).

Data on the **mean amount donated (EUR 278.788)** by a foundation in a given year can be retrieved from the Czech Donors Forum annual report, which collects data on approximately 111 of the most important and largest foundations. Please note that this another sample compared to the CZSO sample. Finally, we are able to find data from the same source on the **total amount of donations (EUR 33.7)** provided by foundations in 2013. All of the remaining types of data (especially related to donations to specific sectors) are collected by the CZSO, but are charged and need to be communicated directly with the Office.

### ***Data sources of giving by foundations***

There are several data sources on giving by foundations in the Czech Republic; however, very few of them may be seen as having a broad or representative character for this area.

First, there are data collected by the CZSO. These are the most reliable as they are the most exact in terms of the number of existing foundations (according to their legal status), but actually the collected data on foundations cover only those with more than nine employees (i.e. about 1% of foundations). These data are not public; they can be purchased from the CZSO as an anonymised dataset where the respondents are NPOs. The data can be used to determine the amounts of donations from foundations to individual NPOs, and to characterize a donee (i.e. NPO) in terms of its age, region and size (according to the employees, assets, turnover etc.), and to characterize a donation in terms of the sector (the NACE, COPNI, ICNPO area of the donee). The figures can be obtained for 2008 to 2013.

Another public type of data are those provided by the special annual reports of the Government Council for Non-Governmental Non-Profit Organisations. However, these data are substantially unrepresentative of all foundations operating in the Czech Republic, as they only describe the foundations that were funded by the state *Foundation Investment Fund*, which was expected to secure the rise of a strong and independent foundation sector after 1989. It was established in 1992 and its primary goal was the distribution of resources gained from the privatization of state property during the economic transformation. At the first step (1999), about € 17 000 000 was distributed among foundations focusing mainly on social and humanitarian services, healthcare, culture, human rights protection, the environment and education. At the second step (2002) about € 30 000 000 was distributed to foundations focusing mainly on regional and community development, children and youth, family, and culture. In the first phase, 39 foundations were selected and provided the support, and in the second phase 64 foundations were selected and provided the support. The whole process of financial transfers concluded in 2014. These data are quite specific and contain information on giving, including the number, area and amount of donations both from public and non-public foundation resources. The annual reports for these foundations are available for 2001-2013.

The third type of data source on Czech foundations are the annual reports of the Czech Donors Forum, an umbrella association of 64 major Czech foundations that coordinate their activities and media coverage, exchange ideas, cooperate in advocacy activities related to the legal regulation of the field etc. These reports provide the annual data on selected foundations (111 cases in 2013), describing their endowments, donations given, donations received, areas of activity, and so on. These annual reports are available for 1999-2013, and the data were collected annually from 2003 to 2013 by means of surveys. The wording of the surveys is not publicly available. This dataset is not publicly available either, but cooperation can be negotiated with the Czech Donors Forum. It contains data about foundations (the number of employees, assets and region) and donations (the field and recipient type).

## **Giving by charity lotteries**

The concept of charity lotteries, as known in other countries, does not exist in the Czech Republic. Lotteries and other similar games are represented in the Czech Republic almost exclusively by gambling activities. According to the law, they have always been, and still are, partly dedicated to the public good. The system of charitable deductions has recently been amended; unfortunately, this means that after 2012 there are no reliable data about this phenomenon. At the end of 2011, the following system was in effect. Lottery operators directed part of their income directly to specific public benefit organisations. Since 2012, 80% of contributions have gone to municipalities and 20% to the central government budget. With lotteries and similar games, 70% of payments go to the state budget and 30% to community budgets. The impact data are not known. The following data describe the situation in 2011; the volumes and the structure of the payment are certainly different today.

In 2011, lottery operators (regulated according to Act 202/1990, Coll.) transferred a total amount of € 125 700 000 for public purposes. Compared to 2010, it was a decrease of € 8 300 000 (6%). In comparison with 2009, it was an increase of approximately 3%. For the games authorized by the Ministry of Finance, approximately € 117 990 000 was transferred.

As in previous years, in 2011 the largest share of funds, € 75 150 000, were used for sport and recreation purposes. Compared to 2010, this represents a decrease of 7%.

Municipalities received a total of € 15 250 000 from lottery operators in 2011, which represents about 21% less than in 2010. The share of municipalities in the total transferred amount was 12.2%, approximately 2.4 percentage points less than in 2010.

Foundations and charitable operators were given a total of € 15 250 000. In this area, there was a decrease compared to 2010 of 12%. The proportion of the total amount compared to 2010 decreased by 0.8 percentage points.

About 16% of the funds released to the public benefit recipients were distributed between ecology (€ 490 000), culture (€ 9 120 000), education (€ 1 670 000), health (€ 2 140 000) and social services (€ 6 700 000).

### **Descriptive statistics of giving by charity lotteries**

The following two tables reflect the situation with payments transferred for public purposes. These contributions were required to pay the operators of lotteries and betting games at the end of 2011. It is evident that the structure in which these contributions are presented by the Ministry of Finance is illogical and does not respect any international classification. However, other data on these cash flows are not available.

**Table 8.4 Overview use of the funds for public purposes (2011)**

	million EUR	percentage
Environment/nature/animals – international	0.49	0.4 %
Culture	9.12	7.3 %
Foundations	15.16	12.1 %
Municipalities	15.36	12.2 %
Social services	6.70	5.3 %
Sport	75.05	59.7 %
Education	1.67	1.3 %
Health Care	2.15	1.7 %
<b>Total including slot machines in municipalities</b>	<b>125.70</b>	<b>100 %</b>

*Source: Ministry of Finance 2011*

**Table 8.5 Uses of donations by (charity) lotteries, 2011**

	million EUR	percentage
Religion	NA	NA
Health	2.15	NA
International aid	NA	NA
Public/social benefit – national	6.70	NA
Culture	9.12	NA
Environment/nature/animals – international	0.49	NA
Education	1.67	NA
Other (not specified)	NA	NA
<b>Total</b>	<b>NA</b>	<b>100 %</b>

*Source: The results of the operation of lotteries and other similar games.*

### **Data sources of giving by charity lotteries**

This information is publicly accessible on the Ministry of Finance website. The data are not available after 2012 because of new legislation. This is because part of the levies from lotteries is being centralized in the state budget (and decentralized in municipal budgets). Therefore, if we create a new time series in the future, they will probably be difficult or impossible to compare to the existing ones.

These data were collected from 2006 to 2011, when the new legislation came into force. They were collected by the Ministry of Finance, resp. the regional tax offices. The data were truly reliable and regular, derived from the regular tax returns of the subjects organizing lotteries and similar (gambling) games. The six-year time series reflects the amounts and structure of funds paid from the yields of lotteries to publicly beneficial purposes. There is also a reliable overview of the reporting entities, and a full list of recipients of this financial support from the non-profit sector, including the specific amounts of money received.

### **Conclusion**

The legal basis for philanthropy is found in the new Czech Civil Code (act. no. 89/2012 Coll.), in effect from 1 Jan 2014. The Civil Code introduced a range of diverse instruments in the area of asset administration *inter vivos* and *mortis causa*. One notable feature is the broader space for the autonomous will of the owner of property/settlor/testator. In comparison with other European codes, the property owner has a very wide selection of instruments and solutions from which to choose.

But the problem of the quality of available resources characterizing giving in the Czech Republic still remains. Given the fragmented data collection methods and the different nature of each resource, as

well as due to the unavailability of complete data, we are able to provide aggregate data only in a very reduced structure.

**Table 8.6 Sources of contributions in 2013.**

Sources of contribution	million EUR	percentage
In Vivo (2012)	407	68%
Bequests	NA	NA
Corporations	157	26%
Charity lotteries	NA	NA
Foundations <sup>34</sup> (2012)	33.7	6%
<b>Total</b>	<b>598</b>	<b>100%</b>

*Source: Czech Statistical Office, Czech Donors Forum*

The problems with mapping giving in the Czech Republic, in terms of its amounts and structure, can be summarized in two areas:

First, there is a lack of reliable and systematically collected data. Academic production in this direction is totally inadequate. This is disturbing because it shows a lack of interest in the surveyed area in the academic world; unfortunately, it is evident that a similar lack of interest is to some extent reflected in the Czech general public.

The only public authority agency that systematically collects data about giving is the CZSO. Its data are the most reliable; however, as demonstrated in the previous parts of our survey study, even this system has its limitations and shortcomings. Even without detailed analysis, it is clear that the available resources do not provide a representative picture of giving in the Czech Republic. The CZSO are still the best developed, but there are exceptions. These include cases where the data are not public; they can only be purchased, and – as is the case with foundations – only as anonymised datasets.

Another public type of data are those provided by the special annual reports of the Government Council for Non-Governmental Non-Profit Organisations, even if they are usually significantly less reliable.

Finally, some data and information are collected by specialized agencies, umbrella NGOs and professional organisations. This can happen in the form of ad hoc surveys, regular yearbooks, limited member databases etc.

However, some donations remain hidden from any statistical monitoring. This applies particularly to the area of distribution of the proceeds from lotteries. The situation is even more complicated because in the Czech Republic there are no typical charity lotteries. Likewise, there is a lack of information on bequests. This is probably the most important reason for a complete change of the Civil Code. This change was crucial and has spread throughout the entire giving area.

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<sup>34</sup> Giving derived from income from endowment only

## Links to other data sets

No links to other data sets.

## References and further reading

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[http://aspi.law.muni.cz/sborniky/dny\\_prava\\_2011/files/prispevky/02%20FINANC/Roman%20Vybiral.pdf](http://aspi.law.muni.cz/sborniky/dny_prava_2011/files/prispevky/02%20FINANC/Roman%20Vybiral.pdf)

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Czech Statistical Office, Data from the NI 1-01 survey: <https://www.czso.cz/csu/czso/ekonomicke-vysledky-neziskovych-instituci-2013-ny1lgysswa>

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Ministry of Finance: <http://www.financnisprava.cz/cs/dane-a-pojistne/analyzy-a-statistiky/udaje-z-danovych-priznani>

<http://www.mfcr.cz/cs/soukromy-sektor/monitoring/vysledky-z-provozovani-loterii/2011/prehled-vyuctovani-prostredku-2011-2859>

The Government Council for Non-Governmental Non-Profit Organisations:

<http://www.vlada.cz/en/ppov/rnno/basic-information-45510/>

<http://www.vlada.cz/cz/ppov/rnno/dokumenty/nif-2012-114004/>

[http://www.vlada.cz/assets/ppov/rnno/dokumenty/HI\\_2012.pdf](http://www.vlada.cz/assets/ppov/rnno/dokumenty/HI_2012.pdf)

Czech Donors Forum: <http://www.donorsforum.cz> & <http://www.donorsforum.cz/o-nas/vyrocnizpravy.html>

Business Leaders Forum: <http://www.csr-online.cz>

Foundation Investment Fund: <http://www.nca.info/en/foundation/nif.html>

## 9. Research on Giving in Denmark

Anton Sylvest Lilleør & Anker Brink Lund<sup>35</sup>

### Introduction on Giving Research in Denmark

Research on private giving is a marginal field in Danish social sciences. Moreover, the few studies on philanthropy and gift giving that actually have been published primarily take a historical and qualitative approach. The aim has typically been to examine the role of benevolent organisations and civic institutions in the wake of the abolition of absolutism and the constitution of 1849.

Notably, Bundesen et. al. (2001) examined the historical roles of voluntary social organisations in social policy and the development of a welfare system. The argument is that in the transformation from agrarian communities towards an industrialized society the philanthropic organisations helped lay the foundations for a welfare state. As of today, when tax-based welfare services face challenges, philanthropic ideas and organisations are invited by state and market players to play a formative role in shaping society.

In his genealogy of social work, Villadsen (2004) labelled this new development “the return of philanthropy”. In a later critical study of modern welfare provision he identifies similarities between modern welfare and what he calls “good old” philanthropy (Villadsen, 2011). In line with this, Egholm Feldt (2007) deals historically with these relations between the state and grant-giving foundations, demonstrating how bourgeois philanthropy has contributed to shaping the particular Danish type of welfare state.

In addition to these descriptions and historically informed case studies, three developing and more quantitative oriented areas of research deserve mention:

First, comprehensive quantitative studies on voluntary work have been undertaken in the last 10 years, originally as part of the international research project *The Johns Hopkins Comparative Nonprofit Sector Project* (see, for example, Fridberg & Henriksen, 2014 and Koch-Nielsen et. al., 2006). Voluntary work can be perceived as philanthropy insofar as it is intended for the benefit of others than oneself, for example, by giving time or care instead of money. Furthermore, in the most recent study of voluntary work, a survey-based chapter on the individual giving of money was included (Taxhjelm, 2014).

Second, in 2013 the CBS Center for Civil Society Studies was established in order to advance Danish research on civil society activities. The centre focuses, among other things, on philanthropic foundations, predominantly from quantitative and historical perspectives (see Lund & Meyer, 2011, Lund, 2015, and Lund & Berg, 2015), but the results of this work have not yet been fully published.

Third, charities and philanthropic foundations are subject to considerable attention from think tanks, consultancies and charity associations. Most importantly, ISOBRO\*, the Danish Fundraising Association has published analyses on the development in funding of their member organisations (see, for example,

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<sup>35</sup> CBS Center for Civil Society Studies, Copenhagen Business School

ISOBRO & Deloitte, 2014), while a yearly publication from the Danish consultancy Kraft & Partners deals with key developments and tendencies in the industry of foundations, focusing, e.g., on taxation, evaluation and transparency.

In short, Danish research on philanthropy is limited in scope and scale. In the following pages we study what is currently quantifiable about giving in Denmark. We focus on the available monetary data, and do not attempt to estimate the monetary value of voluntary work and membership-based charity, e.g., self-help and church activities.

## **Giving by individuals**

### **Descriptive statistics of giving by individuals in vivo**

Approximately 1 000 organisations in Denmark have been authorized in accordance with the *tax assessment act* section 8a (Skatteministeriet, 2014) to receive donations from individual givers, who thus qualify for tax deductions corresponding to a maximum yearly amount donated of approximately € 2 000. The organisations report donations to the tax authorities, and the individuals' due tax is reduced accordingly. Consequently, the tax authorities have accurate data on giving by individuals, but unfortunately it has not been possible to gain access to this data. Therefore, we will have to consult other sources of data to shed light on giving by individuals in vivo. In a recently published comprehensive quantitative study of voluntary work in Denmark, a chapter on the individual giving of money was included (Taxhjem, 2014). The data were collected through a phone-based survey (CATI) where a representative sample of Danes aged 16 to 85 were contacted with a response rate of 67 % to follow (Fridberg, 2014a: 23-24). In this study, the data from 2012 are compared to similar data from 2004, which were collected as part of the international research project *The Johns Hopkins Comparative Nonprofit Sector Project* (see Koch-Nielsen et. al., 2006). In the 2012 survey, method, definitions and response categories were adopted in order to maintain comparability with the 2004 survey and other research projects following the guidelines from *The Johns Hopkins Comparative Nonprofit Sector Project*.

Table 9.1 shows the percentage of individuals aged 16 years or more donating to different purposes and the mean amount donated in 2012. The total percentage of individuals donating proved to be fairly stable from 2004 to 2012, which gives us reason to expect the data from 2013 to be not much different from 2012 (Taxhjem, 2014: 251).



**Table 9.1 Percentage of individuals donating to different purposes and the mean amount donated in 2012. Data extracted from Taxhjeml (2014)**

	% individuals that donated to	Mean amount donated EUR
Religion	5 %	540
Health	47 %	98
International activities	40 %	86
Social area	13 %	90
Culture	4 %	244
Environment	7 %	125
Education	5 %	158
Amateur sports	13 %	240
Other	19 %	122
<b>Total</b>	<b>71 %</b>	<b>267</b>

While almost half of Danes aged 16 years or more donate to health and international activities, the mean amount donated in these two areas is relatively small. In the case of religion the tendency is the opposite, since only 5 % donate to religion, but with a mean amount donated of € 540. It must be noted that although the total mean amount donated is € 267, approximately 75 % of the giving individuals give less than € 208. This is due to the fact that most Danes give relatively small amounts of money, while few Danes give very large amounts of money.

Based on the data from the table above and the number of individuals in the population, we are able to calculate the total sums given by individuals to different purposes, which are summarized in table 9.2.

**Table 9.2 Giving by individuals to different purposes in 2012. Data calculated on the basis of Taxhjeml (2014)**

	million EUR	percentage
Religion	107	13 %
Health	183	23 %
International activities	137	17 %
Social area	47	6 %
Culture	39	5 %
Environment	35	4 %
Education	31	4 %
Amateur sports	124	16 %
Other (not specified)	92	12 %
<b>Total</b>	<b>795</b>	<b>100 %</b>

Health and international activities are the primary purposes of giving followed by sports and religion. Social causes, culture, the environment and education are minor fields of giving. Since there are no other data sources available it is difficult to assess the accuracy of the data presented above. As already described the data were collected and analysed in accordance with generally accepted methodological principles, which gives us no reason to doubt the quality of the data. However, individuals might tend to overestimate their giving to charity when answering a survey. Consequently, the total amount given by individuals in vivo might be somewhat lower than the € 795 million reported in table 9.2.

### **Descriptive statistics on giving by bequest**

Not much data on individual giving for charity by bequest are publicly available. We do not know the mean amount given by bequest, nor the number of individuals which have given by bequest. However, ISOBRO, the Danish Fundraising Association, has examined the funding of their member organisations, including some data about the amounts given by bequest to their member organisations (ISOBRO & Deloitte, 2014). The findings are based on a survey sent to the member organisations. ISOBRO estimates that the survey is representative and that the total income of the organisations that responded is equivalent to approximately 75 % of the total income of organisations which have been authorized to receive donations in accordance with the *Tax Assessment Act* Section 8a, as described above. In order to get a more accurate account of the real amounts given, the amounts shown in the table have been multiplied from 75 % to 100 %. The table shows the amounts distributed to different types of organisations.

**Table 9.3 Charitable bequests given to organisations fundraising for charity in 2013. Data extracted from ISOBRO & Deloitte (2014)**

	million EUR	percentage
Religious organisations	7	10 %
Health/disability organisations	39	58 %
International aid organisations	16	24 %
National social organisations	3	5 %
Environment/nature/animals organisations	2	3 %
<b>Total</b>	<b>67</b>	<b>100 %</b>

Health/disability organisations and international aid organisations receive the biggest amounts from charitable bequests, although it must be noted that the total amount received from charitable bequests is relatively small compared to giving by individuals in vivo. On the other hand, the actual amount given by bequest might be somewhat larger, since giving to charity organisations, which have not been authorized to receive donations, are not included in the data presented above. Consequently, the € 67 million should be regarded as a minimum of non-family giving by bequest.

## **Giving by corporations**

### **Descriptive statistics of giving by corporations**

Initially, in the first paragraph, we explained that individuals are allowed tax deductions when giving money to organisations which have been authorized to receive donations in accordance with the *Tax Assessment Act* Section 8a. This is also the case for corporations. Corporations are allowed annual tax deductions corresponding to up to 15 % of their taxable income. As is the case with individual giving these rules form the basis of quite accurate data on giving by corporations, but unfortunately it is not possible to access the data. This leaves us with no quantitative data on giving by corporations. We neither know the total, nor the mean amount donated by corporations, nor the proportion of corporations donating to charity. The following section therefore contains more qualitative reflections which might be helpful in future efforts of collecting quantitative data.

Vallentin (2013) examines in what ways Corporate Social Responsibility (CSR) can be perceived as philanthropy. Philanthropy is one type of CSR characterized by corporations giving to charity. Vallentin argues that Danish corporations in recent years have increased their attention towards communicating and highlighting their responsible actions. Philanthropy, then, is a very suitable way of communicating social responsibility.

Providing data on giving by corporations is complicated by the fact that corporations not only give money, but also give time, products or services to charity. For example, corporate volunteering is a kind of corporate philanthropy which has become more common in Denmark, making it possible for employees to do voluntary work during working hours (Vallentin, 2013: 21).

Furthermore, some Danish companies donate products or services instead of money. It gets even more complicated to estimate corporate giving in Denmark when taking into consideration that a large proportion of major Danish corporations are so-called Foundation owned Businesses (FoBs), e.g., the brewing corporation Carlsberg, the pharmaceutical corporations Novo Nordisk and Lundbeck, and the shipping corporations A.P. Møller-Mærsk and Lauritzen. This rather special model of ownership in the private sector formerly generated tax privileges, competitive advantages and prevented foreign takeovers of corporations. As we shall see in the following section, the FoBs are obliged by self-imposed stages to donate considerable amounts of money to worthy causes. This specific way of giving must be taken into consideration when examining giving by non-foundation-owned corporations in Denmark.

## **Giving by foundations**

### **Descriptive statistics of giving by foundations**

The Danish landscape of philanthropy consists of many small foundations donating limited amounts of money. We estimate a population of at least 14,000 self-governed entities, including 1,350 so-called FoBs (presented earlier in this chapter). These FoBs have a total equity of roughly € 57 billion, of which more than half relates to the top 100 largest companies. If we look at their philanthropic activities, some corporate funds have none of these activities at all, and among the rest of them annual distributions with philanthropic aims vary from 0.4 % to 10 % of capital assets. On average, they distribute about 2 % of their accumulated wealth (Lund & Meyer, 2011).

Data from the CBS Center for Civil Society Studies show that in 2013 Danish philanthropic foundations gave approximately € 1 200 million. The top-twenty donors accounted for more than 80 % (Lund, 2015). The two primary areas of giving by foundations are the arts and sciences. Lund & Berg (2015: 8) estimate that foundations provide approximately 10 % of the total funding of Danish cultural activities, primarily for purposes related to art museums.

In a case study of 12 Danish philanthropic foundations, Fejerskov & Rasmussen (2014: 16-17) identify a growing trend in the way Danish foundations are engaging internationally. Having traditionally mainly supported Danish organisations working abroad, more Danish foundations today are working directly with international players and organisations in developing countries, although the majority of the foundations' support is still given to activities in Denmark and selected countries where the FoBs do business.

## **Giving by charity lotteries**

### **Descriptive statistics of giving by charity lotteries**

In Denmark charity lotteries can only take place with a license from the Danish Gambling Authority. Associations, organisations, committees or institutions can apply for a temporary license that needs to be renewed by reapplication every time a lottery is to take place. With the license follows an obligation to report the accounts of the lottery and a requirement to donate at least 35 % of the total sales to charity. We can distinguish three types of charity lottery.

The first type is local associational lotteries, which are often organized by local associations in order to strengthen their economy. There are no publicly available data on the amount of money given by these charity lotteries, since the Danish Gambling Authorities do not publish the reports from these lotteries, or the statistics based on the reports.

The second type is national charity lotteries, which are lotteries organized by national charity organisations. The profits from national charity lotteries are donated to specific charitable purposes. ISOBRO, the Danish Fundraising Association, estimates that in 2011 approximately € 10 million was given by these kinds of lotteries, of which The Danish Cancer Society gave approximately 75 %.

The third, and also largest, type of lottery is the national state-controlled lotteries. Four state-controlled Danish charity lotteries have been granted permanent license to organize lotteries. Two of them, Landbrugslotteriet and Varelotteriet, donate their profits primarily for community development, and social and humanitarian purposes. The net amounts donated are not publicly available. The two others, Danske Spil and Klasselotteriet, are owned by the state and their profits are distributed to charity in accordance with the act on the distribution of profits from lotteries, horse racing and dog racing (Kulturministeriet, 2010). This act states that the profits must be transferred to a number of pools administrated by ministries and organisations. Associations can then apply to the pools for funding for charitable activities. However, it should be noted that considerable amounts of money from the pools, e.g., in the social area and the area of healthcare, are distributed to associations depending on the

association's proven ability to fund raise money. By this mechanism, associations that have already achieved private funding are rewarded by the Danish government as eligible for extra funds.

Table 9.4 shows the approximately total amount of money given by the two biggest charity lotteries in 2013 and the distribution of the money between purposes of the different pools.

**Table 9.4 Giving by the two largest Danish state-controlled charity lotteries in 2013 (*Danske Spil* and *Klasselotteriet*). Data and distribution key extracted from Kulturstyrelsen (2015) and Kulturministeriet (2010)**

	million EUR	percentage
Culture and sports	164	70 %
Health and fighting disease	7	3 %
Social area	24	10 %
Research	1	1 %
Nature and outdoor life	8	3 %
Education and youth	30	13 %
<b>Total</b>	<b>234</b>	<b>100 %</b>

Culture and sports are the primary areas of giving by charity lotteries. For a number of reasons, the total amount given by charity lotteries might be somewhat bigger than the € 234 million reported in the table. First, the estimated € 10 million given by national charity lotteries should be added; second, the two smallest of the permanently licensed lotteries are not included; and third, the local associational lotteries are not included. Consequently, € 244 million should be regarded as a minimum of giving by charity lotteries. However, it is our assessment that the correct amount is not very far above that reported, since some of the giving by temporary local charity lotteries might already have been reported as individual giving. People might perceive it as more charity than lottery when participating in local lotteries, thereby reporting their money spent on charity lotteries as just charity when answering the surveys mentioned in the first paragraph on giving by individuals.

Finally, it is worth considering whether the state-controlled charity lotteries should actually be regarded as charity. The proportions given to each area are regulated in the act on the distribution of profits from lotteries, horse racing and dog racing, and the state is thereby through the law and its ownership of the lotteries intervening in this area of giving. One could argue that this is more an act of public welfare than charity.

## Conclusion

Table 9.5 sums up what we know about the minimum amounts given by individuals, corporations, grant-giving foundations - including Foundation owned Businesses (FoBs) - and charity lotteries.

**Table 9.5 Estimated minimum giving in Denmark in 2013**

Sources of contribution	million EUR	percentage
Individuals	862	42 %
<i>In vivo</i>	795	
<i>Bequests</i>	67	
Corporations	-	-
Foundations	1 200+	58 %
(Charity) lotteries	(244+)	-
<i>(State-controlled charity lotteries</i>	234) <sup>36</sup>	
<i>Non-state-controlled charity lotteries</i>	10	0.5 %
<b>Total</b>	<b>2 072</b>	<b>100 %</b>

Research-based knowledge on these different types of giving in Denmark differs greatly, e.g., we know a lot about giving by individuals, but next to nothing about giving by corporations, and far too little about lotteries - including valid estimates of transaction costs (Møller & Nielsen, 2009). We already have access to data on giving by the two largest state-controlled charity lotteries and an estimate of giving by non-state-controlled national charity lotteries, but the total amount reported should be regarded as a minimum, since we do not have access to the data on the two smallest of the state-controlled lotteries or all the local associational lotteries. Furthermore, one could argue that giving by state-controlled lotteries is more public welfare than charity.

When it comes to giving by individuals we are in better shape. The survey-based data give us an account of giving by individuals *in vivo*, which, despite being of good methodological quality, might be overestimated due to self-reporting. Data on the funding of fundraising organisations provide a minimum amount of giving by bequest. As regards both corporations and individuals, the tax authorities have very accurate data on giving eligible for tax deductions. The CBS Center for Civil Society Studies in turn has initiated a constructive dialogue with the tax authorities in order to gain access to data of this kind.

It must also be noted that we have not included giving through membership organisations. In a Danish context this renders a notable bias in the area of religion, since 75 % of Danes are members of the national church (*Folkekirken*), financed by a special (membership only) church tax generating € 771 million in the fiscal year 2013 (Denmarks Statistik, 2013). We have no data documenting giving to congregation churches outside *Folkekirken*. This task would indeed be a demanding but relevant one to be addressed in future research.

<sup>36</sup> As a general principle, amounts from lotteries that are decided upon by governments or include political interference are excluded from total amounts, because it is not considered as private actor.

To complete the picture, we also need more information about non-monetary giving. Fortunately, a comprehensive research program is in progress documenting the value of voluntary work and other non-monetary civil society contributions (Boje et al., 2014). 38 % of the population aged 16 years or more volunteer (Fridberg, 2014b: 34). On average these people spend 16 hours a month on voluntary work (Fridberg, 2014b: 43). Not all voluntary work can be perceived as strictly philanthropic, however. Accordingly, we need more research on motives (Habermann, 2001, and Henriksen, 2014: 121-122). Based on these insights it must be emphasized that in order to get a comprehensive account of giving in Denmark, monetary donations must be combined with estimates of gift giving in terms of time.

In line with this, the CBS Center for Civil Society Studies carries out targeted research on giving behaviour by Foundation owned Businesses (FoBs), an area in which Denmark is an extreme case, with an unusually large number of high-spending players (Lund, 2015). An interesting topic for future studies could be comparing FoBs with other forms of corporate giving across Europe - including Business initiated Foundations (BiFs). Both types of business organisations may create blended value (Emerson, 2003), i.e., mixing commercial and philanthropic bottom lines, but significant differences between BiFs and FoBs in giving behaviour are to be expected.

Finally it must be stressed that the relatively few quantitative studies available on Danish philanthropy lack standardized approaches for valuating gift giving. The different data sources are built on a diversity of definitions, a variety of categories and different methodologies, which all together weakens the comparability in terms of input, output, outcome and impact. Future standardization efforts should not, however, be made at the expense of the more qualitative and historical approaches to philanthropy which, as described in the introduction, have led to valuable insights into the peculiar Danish traditions of gift giving by private citizens, lotteries, corporations and last but not least: Foundation owned Businesses.

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## **Links to other data sets.**

No links to other data sets.

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## 10. Research on Giving in Finland

*Henrietta Grönlund*<sup>37</sup>

### Introduction on Giving Research in Finland

Research on giving, and more generally on philanthropy, is scarce in Finland. There are no comprehensive statistics or surveys which would give an overview of philanthropic giving in the country. There are no professorships, faculties, or schools of philanthropic studies or giving. Individual researchers (and students in their theses) at different universities and polytechnics study themes related to giving, but the research is fragmented and random. Only a few regular surveys on giving have been conducted, primarily by organisations other than universities.

One of the regular (biannual) surveys on giving is conducted by the Taloustutkimus market research company, and is funded by Finnish philanthropic and non-profit organisations such as the Red Cross Finland and Save the Children Finland. The focus of this survey is on individual philanthropy, covering themes such as ways in which individuals want to give and the causes they want to support. Another survey on individual giving was commissioned by MTV, a large Finnish media company, in 2012, 2013, and 2014. These surveys were also carried out by a market research company. Additionally, Finland is included in large international surveys which measure giving in different countries such as the World Giving Index, the World Values Survey, and the European Social Survey.

Individual studies and surveys on giving have also been commissioned by Finland's Slot Machine Association (which distributes funds from gaming to non-profit organisations in the social and health sector, approximately € 300 million annually), the Finnish Fundraising Organisation Vala (a network organisation for non-profits), and Citizen Forum (a service centre for volunteers, voluntary organisations, and professionals working in the field of volunteering). The studies were carried out by market research companies. The focus of these usually one-off surveys ranges from individual giving (who, how much, to what causes, attitudes) to the opinions of non-profits on the present state of fundraising (how fundraising is organized, what ways of giving constitute their income, what their goals of fundraising are, how they perceive the future, and the societal condition of fundraising). The Citizen Forum also conducted a survey on business executives from small and middle-sized companies in 2014. The study focused on mapping the situation corporations' giving (how much corporations give, to what types of causes).

The National Police Board collects information related to the fundraising permits that they grant. The information includes the revenue of fundraising campaigns. This information is registered manually, it does not separate fundraising from individuals and corporations, and each organisation that has applied for a permit is reported separately. Thus, the information is difficult to use for research purposes as such. Also Finland's Slot Machine Association and Ministries collect information from the organisations that they fund. The information collected by the National Police Board and Finland's Slot Machine

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Association has been used in research, and although they give insight into the results of fundraising in Finland, they do not form a reliable overview, as different organisations have different ways of reporting costs and profits (Saari & Saukko, 2011; Saukko, 2012). To conclude, Finnish research on giving is limited. The following is concerned with what is known about giving in Finland.

## Giving by individuals

### Descriptive statistics of giving by individuals in vivo

No data with all the requested information about giving by individuals or households in Finland can be found. The few available data on individual giving include information on whether respondents have donated money or not. Approximately 70 % have according to different surveys (Hyväntekeväisyys, 2014; MTV survey on individual giving, 2012, 2013, 2014; Pessi, 2008). On the other hand, in the World Giving Index study the five year average of donating money in Finland was only 45 % (World Giving Index, 2014). According to the Hyväntekeväisyys survey (2014) women, older respondents, and those with higher education are more likely to donate than men, young respondents (15-29), and those with less education. The area of habitation was not connected with whether the respondent had donated or not in this survey (Hyväntekeväisyys, 2014). The MTV survey (2014) also asked what motivates respondents to give. The most popular reason was clearly compassion.

Only one survey (from 2008) includes information on the causes which the respondents had donated to. Also, the causes differ from those that were called upon in this study. The causes and the percentage of the respondents that had given to each cause are shown in table 10.1.

**Table 10.1 Percentage of respondents donating to different goals (N=1000)**

Charitable subsector	% of respondents
Veterans	50 %
Children (Unicef, Plan, World Vision etc.)	47 %
International emergency relief	40 %
Salvation Army's Christmas fund-raising	34 %
Different local fund-raising (Rotary, Lions, Schools)	32 %
Social causes (mental health patients etc.)	25 %
Fund-raising related to nature (WWF, Greenpeace etc.)	21 %
Other	22 %
Do not know, do not want to say	<1 %
<b>Total all causes<sup>38</sup></b>	<b>70 %</b>

<sup>38</sup> Data collected in 2008, results originally reported in Finnish in Pessi, 2008, and in English in Grönlund & Pessi, 2015

The most common causes that the respondents had given to were veterans, children, and international emergency relief. Veterans of the Winter War and Continuation War in the 1930s and 1940s against the Soviet Union are highly regarded in Finland, which is evident in that over two-thirds of the donors have donated to veterans. Funds for veteran organisations are collected through nationwide street collection fundraising campaigns. Red Cross Finland, Unicef Finland, and The Evangelical-Lutheran Church also organize these street collection campaigns to help people in Finland and abroad. The Salvation Army, a popular cause among donors, collects donations on the streets, especially at Christmas. These collections and campaigns make donating easy, which may also have an effect on the popularity of these causes. Nature and social sector organisations are not as active in these fundraising campaigns, but rely more on traditional membership fees and monthly donations, which may at least partially explain why not as many donors have donated to these causes. However, all organisations are increasingly using face-to-face marketing on the streets to find new monthly donors.

According to the 2008 data (Pessi, 2008; Grönlund & Pessi, 2015), men, people over 50 years of age, and those living outside the capital region of Helsinki are more likely to give to veterans compared to women, younger age groups, and those living in the capital region. Instead, women and those living in the capital region were more likely to give to international emergency relief. Women, those living in the capital region, and people under 35 years of age were also more likely to give to fundraising related to nature than men, those living outside the capital region, and older people. Higher education was connected to donating to international emergency relief, children, and the Salvation Army (Pessi, 2008). A survey (conducted in 2014) on individual giving by the Finnish media company MTV asked respondents (N=1633) whether they had given to domestic or foreign causes. In that survey 59 % of respondents had given to domestic and 27 % to foreign causes.

Two studies (Hyväntekeväisyys, 2014; MTV, 2014) asked respondents about the causes they would prefer to give to. In the Hyväntekeväisyys study the most preferred causes were health (finding cures for illnesses such as cancer), children in Finland, young people, and the elderly. In the MTV survey the most preferred causes were causes related to children, young people, health, social exclusion, poverty, and veterans. The MTV survey also asked whether the respondents would prefer a domestic or a foreign cause. 53 % preferred a domestic and only 3 % a foreign cause. 27 % did not care about whether the cause was domestic or foreign, and 16 % did not want to give at all.

Information about the amounts donated to different causes is not available in Finland. Respondents in some surveys were asked to estimate the amount of money they donate in a year, but not to categorize the donations to different causes. Thus, no recent information on mean amounts to different causes can be found. The MTV survey (2014) asked respondents (N=1633) to estimate the total amount they give per year. 24 % estimated they give less than 10, 13 % estimated they give € 10 to 19, 19 % estimated they give € 20 to 49, 12 % estimated they give € 50 to 100, and 16 % estimated they give more than € 100. 15 % could not estimate the amount they gave. Thus, the majority of the respondents gave less than € 50 per year.<sup>39</sup> Another recent survey (Hyväntekeväisyys, 2014) gives a similar result. 56 % of

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<sup>39</sup> Total lower bound estimation is based on the average donations per category multiplied with the total population aged above 18.

respondents had donated less than € 50 or had not donated at all (13 %). 28 % had donated € 51 to 500, and only 2 % had donated more than € 500, 13 % of respondents did not give an answer. Older respondents and those with a higher education give more compared to younger respondents and those with less education (Hyväntekeväisyys, 2014).

The MTV survey (2014) also asked about the frequency of giving monetary donations. As mentioned above, 30 % of respondents did not give at all during the last year, but 13 % gave at least once per month, 5 % gave once every two months, 31 % gave a few times per year, and 22 % gave once per year. Again, women, older respondents, and those with a higher education gave more often than men, younger respondents (18-24), and those with less education (MTV survey, 2014).

Both the MTV survey and the Hyväntekeväisyys survey also asked respondents about the ways of giving. The MTV survey asked what ways the respondents had taken part in supporting different causes. The most popular ways to participate were giving monetary donations to non-profits, donating clothes or other goods, and buying products from non-profits to support their cause (MTV survey 2014). The Hyväntekeväisyys survey asked the respondents about the ways in which they had given, and also in which ways they would most like to give, asking them to choose 1 to 3 ways from a list of 25 ways of giving. Both the most common ways in which the respondents had given and the most preferred ways of giving were street collections, giving clothes or other goods, giving donations in church, playing games that support charities (see the chapter on charity lotteries below for further information), and buying products which support a cause (Hyväntekeväisyys, 2014).

Finland does not have a practice of tax designation where individuals (or corporations) can designate a percentage of their taxes to charitable causes. However, Finland has a Church Tax, which is a mandatory tax collected from all members of either of the two national churches, the Evangelical-Lutheran Church of Finland (74 % of Finns were members of this church in 2014) and the Orthodox Church of Finland (1 % of Finns were members of this church in 2014). The congregation from each of these churches decides the size of their Church Tax. In 2014 the size of the Church Tax ranged from 1 to 2.2 %. The total amount collected through this tax was € 924 747 632 in 2014 (Tax Administration, 2015).

### **Data sources of giving by individuals in vivo**

*Finland's Slot Machine Association data* (N=1000) was a telephone survey conducted in 2008 by TNS Gallup. The group of respondents is representative of the Finnish population (aged 15–70), excluding the area of *Ahvenanmaa*, an autonomous region of Finland. The respondents in this survey were asked about the ways in which they had helped other people. Different ways of helping were proposed, and the respondents identified the ways in which they had helped. Giving to fundraising was one of the ways of helping that was proposed. If the respondent answered 'yes' to having given, the type of cause he or she had given to was identified (table 10.1 above). The data are representative and externally and internally valid, but they do not represent the situation today very well as they were collected in 2008. The data and the questionnaire are available in Finnish (in Pessi, 2008). Background variables include age, gender, area of habitation, size of the place of residence, occupation, employment status, education, political stance (which party they would vote for), income level, and the size of the household. The data consist of several questions related to giving and helping behaviour and attitudes.

The source of the data is Finland's Slot Machine Association, and studies that have been carried out using the dataset include Pessi (2008) and Grönlund & Pessi (2015).

*MTV survey on individual giving* is survey data that has been collected three times (2012, n=1843; 2013, n=1747; 2014, n=1633) as an Internet panel survey. The surveys were carried out by the market research company Think if Laboratories. The surveys represent the Finnish adult population (18-) excluding the archipelago of Ahvenanmaa (an autonomous region of Finland) regarding age, gender, and area of habitation. They are representative and valid externally and internally. Background variables include gender, area of habitation, education, employment status, household type, and income. The source of the data is the Finnish media company MTV. The survey is private, but MTV permitted this study to use the data (in excel format). No actual studies have been carried out using these data, the results have been reported as journalistic content in MTV broadcasting.

*Hyväntekeväisyys (Charity)* –survey by the Taloustutkimus market research company is a bi-annual survey, last conducted in 2014 (N=3582). It is representative of 15-74-year-old Finns regarding age, gender, area of habitation, education, and employment status. The survey is representative and valid externally and internally. The source of the data is Taloustutkimus, which gave the general results of the latest survey (excluding questions related to the individual non-profits who are sponsoring the survey) in pdf-format to be used in this study. The data are not available as they can only be used by Taloustutkimus. Background variables include gender, area of habitation, education, employment status, household type, and income, and the survey also includes questions on ways of giving (what ways they have donated with several options), the preferred ways of giving (how they would like to give with several options), preferred (which causes they would want to give to, select 1-3 causes) and non-preferred causes with several options, part of which have been reported above. The sponsors of the survey include Finnish non-profits such as Red Cross Finland, Save the Children, World Vision, WWR Finland, and Unicef (altogether more than 20 organisations; some of the smaller organisations are not included every year).

### **Descriptive statistics on giving by bequest**

No data on giving by individuals by bequests in Finland were found. The Hyväntekeväisyys survey (2014) asked the respondents whether they had directed their bequest to a charitable organisation. The proportion was less than 1 % of the respondents. The same survey asked about the ways in which the respondents would like to give. One of the options was by bequest. This question measures the most interesting ways of giving, and instructs respondents to choose the 1-3 ways of giving they find most suitable for themselves. Only 1 % of the respondents included giving by bequest in their choices (Hyväntekeväisyys, 2014).

Vala, a Finnish Fundraising Association, has commissioned surveys (conducted by the Taloustutkimus market research company) on fundraising to representatives of non-profits (Kansalaisjärjestöjen nykytila-analyysi, 2014). In these surveys (2011, n=120 and 2014, n=125) representatives of non-profits estimated the importance of different methods of giving to their work. 13 % of the respondents included giving by bequest among the most important methods of giving.

## Data sources of giving by bequests

Not available

## Giving by corporations

### Descriptive statistics of giving by corporations

The Citizen Forum commissioned a telephone survey (conducted by the Taloustutkimus market research company) to CEOs /owners of small or middle-sized corporations in 2014 (n=604) on supporting non-profits. The corporations included employed 5 to 250 employees, and the sample is representative regarding province, size of the corporation (in employees), revenue, and industry in its target group. The survey uses the word 'support', which can also mean other ways of support in addition to monetary support. Also, the survey does not exclude sponsoring.

**Table 10.2 Percentage of corporations (with 5 to 250 employees) supporting different goals, 2014 (n=604)**

	% corporations that supported	Mean amount donated
Religion	1 %	
Health	12 %	
International aid	<1 %	
Public/social benefits (national)	*	
Culture	1 %	
Environment/nature/ animals (inter)national	<1 %	
Education	Not included	
Other (not specified)	**	
<b>Total</b>	<b>67 %</b>	<b>n/a</b>

\*10 % youth; 7 % disabled; 5 % war veterans

\*\*28 % sports (sponsoring and giving not separated from one another)

### Data sources of giving by corporations

Citizen Forum survey to CEOs of small or middle-sized corporations are survey data (telephone interviews, N=604) from 2014. It was commissioned by the Citizen Forum (a service centre for volunteers, voluntary organisations, and professionals working in the field on volunteering), and was carried out by the Taloustutkimus market research company. The survey targeted CEOs /owners of small or middle-sized corporations. The corporations included employed 5 to 250 employees, and the sample is representative regarding province, size of the corporation (in employees), revenue, and industry. The data are externally and internally valid within the target group. The background variables include industry, revenue, and location of the corporation, as well as the age and gender of the respondents.

The respondents were also asked about their personal interest in volunteering and volunteering causes. The data are available to be used in the present study. The results have not been used in research, but have been reported in the Finnish media.

## Giving by foundations

### Descriptive statistics of giving by foundations

The latest information about giving by foundations is from 2003 (Manninen, 2005). More recent statistics or surveys have not been published. Although the existing information is old, it provides an overview of the situation in Finland. The Register of associations and foundations collects this type of information and could possibly allow it to be used in this study if asked for.

**Table 10.3 Number of foundations donating to different goals and mean amount donated, 2003 (as reported in Manninen, 2005) N=537**

	Number of foundations	Mean amount donated EUR
Religion	4	36,321
Health	54	460,730
International aid	13	47,654
Public/social benefits (national)	38	436,410
Culture	Not included	-
Environment/nature/ animals (inter)national	*	
Education	97	630,224
Other (not specified)	**	
<b>Total</b>	<b>537</b>	

*\*Environment: 11 foundations, mean amount € 194 700; Animals: 2 foundations, mean amount € 244 680*

*\*\* Other goals include, for example, different sciences/research to which a significant number of foundations donate significant amounts (see table below).*

**Table 10.4 Uses of donations by foundations in 2003**

	million EUR	percentage
Religion	0.21	0.1 %
Health	41.93	13.7 %
International aid	0.95	0.3 %
Public/social benefits (national)	26.18	8.6 %
Culture	Not included	-
Environment/nature/ animals (inter)national	*	



Education	96.42	31.5 %
Other (not specified)	**	
<b>Total</b>	<b>306.25</b>	<b>100 %</b>

*\*Environment € 3 309 900 (1.1 %); Animals € 734 040 (0.2 %),*

*\*\* Different sciences/research 61 703 740 (20.1 %)*

### **Data sources of giving by foundations**

The above introduced survey data were collected from Finnish foundations in 2003 (Manninen, 2005). The survey was sent to all foundations on the Register of associations and foundations (2 560 foundations); 788 of them responded, making the response rate 31 %. The survey is externally and internally valid, but the results are rather outdated as the data were collected in 2003. The background variables include information about the type, age, size (employees), and assets of the foundations. The survey included several questions on the operations (income, donations etc.) of the foundations. The publisher of the research is Cupore, a Foundation for cultural policy research, and the report and the questionnaire used are accessible in Finnish. Location and availability were not examined. The results of the survey were reported in Manninen (2005) in Finnish.

## **Giving by charity lotteries**

### **Descriptive statistics of giving by charity lotteries**

No information on giving by charity lotteries can be found. However, in Finland the profits of gaming are directed to supporting charities and other non-profit organisations. Some information about this system and the funds directed from individuals to these causes are included as they may be of interest in constructing a general overview of Finnish giving.

The Finland's Lotteries Act grants three organisations the responsibility of organizing gaming in Finland, and their profits are used for promoting health and social welfare, the arts, science, youth work, and sports through various organisations. The operations of these three actors are supervised by the state. The state also makes the official decisions on grants.

In 2013 Finland's Slot Machine Association distributed € 301 million to 779 social and health sector non-profits (RAY database, 2015). In 2013 the Ministry of Education and Culture distributed € 524.5 million, collected through Finnish Lottery Veikkaus, to the arts, sports, science, and youth work. 42.8 % (€ 224.6 million) of the total was distributed to the arts, 27.7 % (€ 145.4 million) to sports, 19.5 % (€ 102.2 million) to science, and 10 % (€ 52.4 million) to youth work (Veikkaus CSR Report and Annual Report, 2013). The third organisation, Fintoto, organizes horse betting, and raises funds to promote horse breeding and equestrian sports in Finland. In 2013 the amount of Fintoto's revenues which went to supporting horse breeding and equestrian sports was € 34.3 million (Fintoto, 2015).

**Table 10.5 Amounts granted by RAY to social and health sector causes in 2013 (RAY funding database)**

	million EUR
Sickness and disabilities	95.2
Mental health, substance abuse, and addictions	47.3
Health and well-being	54.9
Children and families	30.4
Elderly	21.0
Non-profits operating in multiple fields (e.g. Red Cross Finland)	25.3
Youth	11.8
Caregivers (relatives)	9.8
Unemployed and employment	2.2
Rescue services	3.1
<b>Total</b>	<b>301</b>

**Table 10.6 Amounts (€) granted by the Ministry of Education and Culture in 2013 (Veikkaus CSR report and Annual report 2013)**

	million EUR
Art	224.6
Sports	145.3
Science	102.2
Youth work	52.4
<b>Total</b>	<b>524.5</b>

### Data sources of giving by charity lotteries

RAY (Finland's Slot Machine Association) funding database, used above, is a public internet database including all funding to social and health sector non-profits by RAY. The database includes information on both applications and decisions of funding annually (including the years 2000-2015) and the data can be examined according to location, subsector, and the type of grant. The database can be used in Finnish and in Swedish.

## Conclusion

The above introduced studies give a fragmented – and in many parts deficient – picture of giving in Finland. A representative picture unfortunately cannot be formed. There are no comprehensive statistics or surveys which would give a good overview. The best available sources of information are surveys commissioned and conducted by market research companies. These surveys are commissioned by non-profits and media companies instead of universities that lack professorships, faculties, and schools focused on philanthropy.

An overview is given above on the proportion of individuals who give to charitable causes in Finland, the scale of the amounts they give, and the subsectors or causes that are most interesting to them. This information can also be examined in relation to several background variables. However, the total amount of giving or information about the amounts given to different subsectors or causes are not available. Comprehensive data on giving by corporations, giving by bequests, and giving by charity lotteries are almost non-existent. The information that can be found is limited and partially outdated.

Although Finland has a long history and a strong culture of CSOs and philanthropic activity, philanthropic giving is not a cultural norm. This is possibly due to the strong welfare state, which all tax-payers fund jointly. The ideology behind this model has also influenced the political measures securing and advancing philanthropic giving. For example, there are no fiscal incentives for individual donations in Finland (restricted incentives for corporations). The lack of research and information on philanthropic giving probably originates from this background.

Nevertheless, philanthropic giving has become increasingly visible and public, and has steadily grown to become a more accepted part of Finnish culture. Also, fundraising is becoming more and more professional. To foster this development and to better understand philanthropic giving in Finland, proper research is urgently needed.

## Links to other datasets

The datasets are scarce and probably not possible to combine with each other. Some of the datasets are not available, and they often also use different background variables. The MTV3 surveys (2012, 2013, 2014) on individual giving can be combined.

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# 11. Research on Giving in France

*Arthur Gautier<sup>40</sup> and Laurence de Nervaux<sup>41</sup>*

## Introduction on Giving Research in France

Research on philanthropy in France is both scarce and diverse. The scarcity stems from the fact that for a long time, dating back to the French Revolution, private giving was not encouraged and thus remained quite secret, as the French State was considered the sole ruler and custodian of the common good. However, for the past few years, there seems to be a new interest for giving research, which may be connected to a strong renewal and increased visibility of philanthropic practices in the country since the 1970s (Gautier, Pache and Mossel, 2015).

The diversity of philanthropic research in France is remarkable. Private giving has been studied by a variety of historians, anthropologists, sociologists, political scientists, economists and management scholars. As highlighted below, knowledge is extremely scattered across disciplines, and it is difficult to have a comprehensive picture of the whole. Besides, most of these research efforts have been made by individual scholars rather than research teams. To the best of our knowledge, the Philanthropy Chair at the ESSEC Business School<sup>42</sup> is the only academic research centre in academia specialised in private giving research.

Most French historians who study philanthropy have focused on the 19<sup>th</sup> century, during which organised philanthropy – secular and religious – progressed significantly (Delalande, 2011; Duprat, 1993; Marais, 1999). But other scholars have also published on religious giving before the French Revolution (Brejon de Lavergnée, 2011) as well as the influence of American foundations in Europe during the 20<sup>th</sup> century (Tournès, 2008, 2010).

In the revisited tradition of Marcel Mauss, anthropologists and sociologists in France and in Québec have produced a major stream of publications to rehabilitate giving as a cornerstone of social relations and exchanges, not only in archaic but also in modern societies, alongside state and market dynamics (Chaniel, 2008; Godbout & Caillé, 2007; Godelier, 1996). In a different genre, anthropologist Marc Abélès published a fascinating study of ‘new philanthropists’ in the Silicon Valley and two studies on the giving patterns of very wealthy Europeans, including the French (Abélès & Kohler, 2009, 2014).

Another stream of French sociology scholarship used a critical lens to analyse philanthropy as a domination mechanism of financial and political elites to further their class interests (Dezalay & Garth, 1998; Guilhot, 2004, 2006). Recent works by young sociologists and political scientists offered comparative, empirical studies contrasting France and the United States (Chelle, 2011; Duvoux, 2014; Rozier, 2009). Finally, we should mention Anne Bory’s (2013; Bory & Lochard, 2009) sociological work on corporate volunteering and corporate social responsibility.

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<sup>40</sup> ESSEC Business School

<sup>41</sup> Fondation de France

<sup>42</sup> <http://chair-philanthropy.essec.edu/>

Besides the contributions of Edith Archambault (1996, 1997) to the *Johns Hopkins Comparative Nonprofit Sector Project*, few economists in France have published on philanthropy. Exceptions include Landais and Fack's (2010; 2009) insightful research on the efficiency – or lack thereof – of tax incentives for charitable giving in France. Management scholars in France also recently published works on various aspects of giving, such as the marketing of bequests (Rieunier & Michel, 2013), the effects of non-profit brand image on giving behaviour (Michel & Rieunier, 2012) and the rise of family philanthropy (Gautier & Pache, 2014). Unsurprisingly, French management scholars have published several articles and books on corporate social responsibility (Acquier & Gond, 2007; Gond & Igalens, 2014; Igalens & Gond, 2005), which generally encompass corporate giving, but few of them actually focus on donations *per se*. Gautier and Pache (2015) recently published a comprehensive survey of the academic literature on corporate philanthropy across management and social sciences.

Outside academia, relevant research on philanthropy has mainly been conducted by CerPhi<sup>43</sup>, a private research institute, which publishes regular surveys and studies on individual giving, and Fondation de France's Observatory<sup>44</sup>, which aims to analyse and improve the understanding of the scope and mechanisms of philanthropy, most notably foundations. Every year, the non-profit organisation Recherches & Solidarités<sup>45</sup> publishes an interesting report on individual giving, while a biennial survey on corporate giving is published by Admical<sup>46</sup>, France's leading professional association of corporate donors. A few generalist books written by consultants and practitioners (Debiesse, 2007; Seghers, 2009) round out the available data on philanthropy in France. Despite the quality of these contributions, we still lack a systematic, exhaustive survey of giving in France, as will be shown in the following pages.

## Giving by individuals

### Descriptive statistics of giving by individuals in vivo

In France, the main recipients of individual giving are 'associations', which are non-profit organisations formed by a group of individuals to accomplish a common purpose. In 2012, there were roughly 1.3 million associations in France, with annual expenses of € 70 billion. About 23 million French people (45 per cent of adults) are members of at least one association, and an estimated 16 million French people (32 per cent of adults) are active volunteers in one or more associations (Archambault & Tchernonog, 2012). However, philanthropy only accounts for 5 to 8 per cent of their revenues (Tchernonog, 2007). Other giving recipients in France include foundations and public organisations.

Since a law passed in 2003, French citizens have benefitted from very favourable fiscal incentives to give, which are all the more attractive since the French pay higher taxes than in most OECD countries. Every year, French households can subtract 66 per cent of their gifts to eligible organisations from their income tax, within the limit of 20 per cent of all taxable incomes, but with the option to spread this reduction over 5 years if the 20 per cent threshold is met. This system is more enticing than a simple tax base reduction, as exists in the United States, for instance. No available data currently exist on the rate

<sup>43</sup> <http://www.cerphi.org/qui-sommes-nous/cerphi-english/>

<sup>44</sup> <http://www.fondationdefrance.org/Outils/Mediatheque/Etudes-de-l-Observatoire>

<sup>45</sup> <http://www.recherches-solidarites.org/>

<sup>46</sup> <http://www.admical.org/>

of use of these fiscal incentives, but awareness has probably increased in recent years as eligible organisations – whether associations, foundations or public organisations – have strongly publicised these incentives to potential donors (Gautier et al., 2015).

The main source of data on individual giving comes from the Ministry of Finance's department of public finances. Every year, the DGFIP<sup>47</sup> publishes data on the amounts given to eligible organisations that are declared by French households in their tax documents. In 2013, approximately € 2.25 billion was declared by 5.5 million households, which accounts for more than 20 per cent of all French households. The average sum given per taxpaying household in 2013 was just above € 400.

Building upon the DGFIP datasets and adding their own collected data, two private research organisations (CerPhi and Recherches & Solidarités) publish regular reports on giving by individuals in France. Using 2011 data, CerPhi published a report in 2012 with France Générosités (the leading professional association of fundraising organisations in France) to show that donors mostly belong to the upper middle class (29 per cent of giving households declared revenues above € 45 000 and contributed 37 per cent of all donations in 2013), and are older than the general population (33 per cent of giving households were 70 or older; but only 19 per cent of French people are 70 or older).

Recherches & Solidarités publishes a yearly study on the generosity of the French, which combines DGFIP data and first-hand data collected every year from a representative sample of fundraising organisations in France. In the 2014 issue, the sample was composed of 137 large associations, as well as Catholic and Protestant Church authorities, representing 40 per cent of all collected donations in France. This sample remains stable every year and the data are collected either directly from organisation representatives or from published financial statements. According to Recherches & Solidarités, in 2013, more than € 4 billion was collected in total from individual donors. Among these, € 470 million went to the Catholic Church and € 24 million to the Protestant Church. This figure is merely an extrapolation from a sample of 137 associations, and the study is very unclear about its method for extrapolating data. The €4 billion figure is much higher than the declared donations, as measured by DGFIP (€ 2.25 billion), as it is every year, because many French citizens do not declare their donations in their tax documents and hence do not benefit from the fiscal advantages. This is particularly true for small gifts by hand, as is practised in churches. Declared and collected donations from individuals seem correlated over the past 20 years, yet since 2003 and the new fiscal incentives, we observe slightly stronger increases in declared donations.

Another dataset was collected in 2009 by the Center for Philanthropic Studies at VU University in Amsterdam, as part of a broader data collection in Europe. The French data were collected by market research firm TNS Sofres. 4,612 French households regularly participating in survey research were invited to participate in an online survey, and 1 195 respondents filled in the questionnaire. The data were weighted for the characteristics of age, gender, social class, region and household size to make them representative of the French population. The survey focused on measuring household donations in the past year to 10 charitable sub-sectors, as shown in table 11.1.

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<sup>47</sup> Direction Générale des Finances Publiques.

**Table 11.1 Percentage of individuals donating to different causes and mean amount donated in 2009 (population: all French households)**

	<b>% households that donated to</b>	<b>Mean amount donated in EUR</b>
Religion	14 %	117
Health	37 %	68
International relief	19 %	82
Public and social benefits	25 %	65
Culture and arts	6 %	112
Nature, environment and animals	12 %	57
Education	15 %	77
Sports and recreation	7 %	94
Civic rights and advocacy	8 %	107
Other causes (not specified)	11 %	57
<b>Total</b>	<b>66 %</b>	<b>181</b>

*Source: Center for Philanthropic Studies at VU University in Amsterdam, 2009.*

According to these data, 66 per cent of French households indicated having made at least one donation to non-profit organisations in 2009, and the average household donated € 181. Obviously, there is a strong discrepancy with the DGFIP data, which shows that only 20 per cent of households gave in 2013 with an average amount of € 400. Of course, the data collection methods are very different (officially declared donations by 5,5 million French households in their tax statements versus an extrapolation based on an online survey of 1.195 respondents). As the figures vary considerably between both studies, we suggest standing back and considering the extrapolated data as indicative only.

The Center for Philanthropic Studies survey shows that health – including medical research (37 per cent), public and social benefit (25 per cent) and international relief (19 per cent) are the three most popular causes among the French. A yearly opinion survey conducted by TNS Sofres on behalf of France Générosités showed that for the same year (2009), the French cited medical research (44 per cent), child care and protection (42 per cent), and poverty relief (30 per cent) as ‘priority causes’ for giving. In 2012, the same three causes were the most cited by respondents, but in a different order: child care and protection (36 per cent), poverty relief (35 per cent) and medical research (29 per cent). As for Recherches & Solidarités, its yearly study includes information about the giving intentions of individual donors. In 2014, in a sample of 1.019 respondents, 69 per cent of French donors declared supporting (or having supported) poverty relief, followed by health (62 per cent), medical and scientific research (59 per cent), and child protection (54 per cent). There are obvious discrepancies between the sources. Categories used to describe causes are not the same across the surveys, and the way the questions are formulated also differ, making it very difficult to compare the surveys.



To estimate the total amounts donated to each cause, our only option was to multiply the mean amount donated by an approximation of the number of households who declared donating to the selected cause (using the 2009 data from the Center for Philanthropic Studies). The results are shown in table 11.2. A total amount of € 3,4 billion corresponds to our calculations. This is higher than the 2013 DGFIP figure (€ 2,25 billion), but lower than the one provided by Recherches & Solidarités (€4 billion). It appears that the majority of individual giving in France goes to health (21 per cent), religion (14 per cent), and public and social benefit (14 per cent). We observe that religion is only the fifth most popular cause, but the second in amounts donated, due to a high average gift. In contrast, environmental causes were supported by 12 per cent of households, but only accounted for 6 per cent of the total amounts. However, these figures are only estimations based on a single survey from 2009. In France, there is a lack of robust and systematic data on giving in vivo, especially regarding the causes supported by individuals or households.

**Table 11.2 Uses of donations by individuals to different causes (calculated on the basis of CPS, 2009)**

	million EUR	percentage
Religion	459	14%
Health	704	21%
International relief	436	13%
Public and social benefits	455	14%
Culture and arts	188	6%
Nature, environment and animals	192	6%
Education	323	10%
Sports and recreation	184	5%
Civic rights and advocacy	240	7%
Other causes (not specified)	176	5%
<b>Total</b>	<b>3,357</b>	<b>100%</b>

*Source: Center for Philanthropic Studies at VU University in Amsterdam, 2009.*

### **Descriptive statistics on giving by bequest**

The data on giving by bequest is even more scarce. Although bequests are a major source of revenue for several large NGOs – especially catholic organisations such as Apprentis d’Auteil, Caritas France, but also the Catholic Church itself – we largely ignore the size and scope of giving by bequest in France. According to a report released in 2009 by Ernst & Young, based on a small sample of 17 organisations entitled to receive bequests<sup>48</sup>, the latter accounts for less than 20 per cent of their resources on average. Some organisations receiving gifts in vivo receive almost no bequests, while some receive more

<sup>48</sup> In France, only a subset of associations, foundations and public organisations entitled to charitable giving can also receive a bequest, with a full exemption of transfer taxes.

than € 20 million every year! In the Ernst & Young panel almost all the bequests (99 per cent) are made by French citizens and, most of time (80%), are not earmarked for a specific use.

In a 2007 survey published by TNS Sofres on behalf of France Générosités, and using a sample of 5,002 French citizens over 60 years old, only 4 per cent of respondents considered bequeathing all or part of their assets to a non-profit organisation. Among them, the main motivations were to support a cause that they value highly (40 per cent) and to avoid handing over a large part of their assets to the State (34 per cent). Moral and religious beliefs are also often cited. Most testators in France are single or widowed females, living in the Paris region, with superior education and revenues, according to the same survey. A third study was conducted in 2010 by a fundraising agency called /EXCEL, which analysed 1 600 bequests received by 12 different associations between 2001 and 2009 (using their financial statements). The results confirm the impact of gender on bequests (75 per cent of bequests were made by women). Besides, the bequests were mostly made by childless people (89 per cent) and widowers (66 per cent), while 60 per cent were also in vivo donors. The average sum bequeathed was € 50 000.

The total amounts bequeathed in France each year are unknown. Yet CerPhi estimates a rough number of € 600 million, based on the financial statements of a sample of 30 major associations and foundations, excluding churches. The /EXCEL survey features a list of 25 organisations that received the most bequests in 2008, including the Catholic Church, for a total of € 506 million. While this range of € 500-600 million per year seems conservative, there are from time to time exceptional bequests of tens of million euros, which completely distort the yearly average.

## **Giving by corporations**

### **Descriptive statistics of giving by corporations**

Corporate philanthropy in France can be traced to industrial paternalism in the nineteenth century. But for most of the twentieth century, it lost legitimacy and visibility as the welfare state rose and businesses were not expected to contribute anymore to the common good. It is not until the late 1970s that corporate giving made a comeback, and it has kept growing in influence since, in large part due to the lobbying efforts of a leading professional organisation: Admical. In 1990, a law passed to allow businesses to create foundations bearing their names, which was forbidden until then. Also, the aforementioned 2003 law also benefited corporations, allowing them to subtract 60 per cent from their corporate tax of their gifts to eligible organisations, within the limits of 0.5 per cent of their annual turnover.

Since 2006, Admical has published every other year the only regular survey of giving by corporations in France. While it has evolved over the years, the methodology remains roughly the same: a phone survey is conducted by the polling company CSA with executives and managers in charge of corporate giving. The sample is usually composed of 800-1.000 respondents, representative of the characteristics of French businesses. The results from the survey are then extrapolated to the whole population of French businesses.

In 2014, the Admical-CSA survey was conducted in February with 1,019 respondents, and showed that 12 per cent of businesses in France had given the year before. The figure jumps to 21 per cent when considering only companies with 20 employees and more<sup>49</sup>. How does this figure contrast with previous years? The three former surveys showed an increase in the proportion of businesses practising philanthropy: 23 per cent in 2008, 27 per cent in 2010, 31 per cent in 2012. The 2014 survey suggests a clear setback that Admical attributes to two factors: the persistence of the economic downturn in France and a poor political climate, suggesting future cuts in tax incentives for philanthropy.

Through data extrapolation, it is estimated that businesses with over 20 employees gave € 1.8 billion in 2014. Since 2008, this global corporate giving estimate shrank from € 2.5 billion in 2008 to € 2 billion in 2010 and € 1.9 billion in 2012. With businesses between 1 and 20 employees included, though, the overall giving amount jumped to € 2.8 billion in 2014. However, these numbers are mere approximations as there are no systematic, available public data on corporate giving. The French administration sparingly published some data on tax relief granted to corporate donors: in 2010, the State relinquished € 331 million of corporate tax, implying that corporations used the fiscal incentives for a total of € 551 million (since 60% of declared gifts are subtracted from corporate tax). In 2013, the figures jumped to € 675 million and € 1 billion, respectively, and were expected to reach € 750 million and € 1.25 billion in 2014. These figures differ from the Admical surveys, both in terms of volumes and trend. One obvious explanation for this discrepancy is that many businesses give without using the tax incentives system, but more data would be needed to confirm this hypothesis.

The Admical survey asked each representative of giving corporations which causes they supported. This means that the population studied was not all French corporations, but those that actually had given over the past year. As is shown in table 11.3, in 2014, the most widespread causes for corporate philanthropy were – surprisingly – sports and recreation (56 per cent of corporate donors supported sports and recreation), health (28 per cent) and education (27 per cent). Social and public benefits, and culture and arts each were only selected by 23 per cent of businesses. According to Admical, small businesses tend to overwhelmingly support sports and recreation (such as local amateur sports clubs) while culture and arts, public and social benefits, and the environment are favourites of larger businesses. Since businesses can support several causes, the percentages do not add up to 100 per cent. Besides, the Admical survey does not provide information about the average gift for each cause.

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<sup>49</sup> Before the 2014 issue, the Admical surveys did not include companies under 20 employees, thus overlooking giving by (very) small businesses.

**Table 11.3 Percentage of corporations donating to different causes, 2014 (population: giving corporations in France)**

	% corporations that donated to	Mean amount
Culture and arts	23 %	-
Education	27 %	-
Health	28 %	-
Higher education and research	6 %	-
International relief	13 %	-
Nature, environment and animals	5 %	-
Public and social benefits	23 %	-
Sports and recreation	56 %	-
<b>Total</b>	-	-

*Source: Admical, 2014.*

The amounts donated by corporations show different patterns of giving than the mere choice to support one or several causes. Although sports and recreation is the most popular choice among giving firms, it only received 5 per cent of all corporate donations in 2014. Conversely, public and social benefits, by far the most financed cause with 38 per cent of total gifts (an estimated € 1,064 million), was only supported by 23 per cent of corporate donors. Other well-financed causes are health (16 per cent, € 448 million), culture and arts (13 per cent, € 364 million), and higher education and research (12 per cent, € 336 million). These numbers are extrapolated on the basis of the giving budgets provided by the 1,019 respondents. There are no other data to compare with.

**Table 11.4 Uses of donations by corporations to different causes, 2014**

	million EUR	percentage
Culture and arts	364	13 %
Education	140	5 %
Health	448	16 %
Higher education and research	336	12 %
International relief	224	8 %
Nature, environment and animals	84	3 %
Public and social benefits	1,064	38 %
Sports and recreation	140	5 %
<b>Total</b>	<b>2,800</b>	<b>100 %</b>

## Giving by foundations

### Descriptive statistics of giving by foundations

Many of France's largest foundations today were created in the 19th century; however, only since 1987 have foundations had legal status in France. Traditionally, there has been much control and mistrust from the French State over the creation and operation of foundations, which explains, among other causes, their relatively small numbers compared to other developed countries. Since the creation of Fondation de France in 1969, and especially over the past fifteen years, however, legal and fiscal advances – notably the creation of endowment funds in 2008 – have considerably encouraged the creation of foundations, fuelling their recent growth in numbers, assets and expenses.

Since 2001, the Observatory of Fondation de France has conducted a national survey addressing all foundations and funds in France. This survey is the main and most reliable source of data on foundations in France. The data are collected through a questionnaire addressed to all foundations via mail and email. Additional data are collected by way of the French Ministry of Interior and in French Prefectures. The latest survey was conducted in the summer of 2014 and published in June 2015, based on the 2013 accounts. The dataset for this survey contains information provided by – and collected on – 85 per cent of foundations in France. The report contains information on the number of foundations, assets and expenses, and employment, according to legal status, causes supported, types of activities and types of founders.

According to Fondation de France, there were 2 229 foundations in France in 2014, a sharp increase since 2001 (over 120 per cent) when 1 009 were identified. In an analysis of 2013 accounts, their assets amounted to € 21.9 billion, with € 7.4 billion in expenses – not only grants to beneficiaries but also operating costs, salaries etc. Foundations employ an estimated 84,000 staff. There are seven legal statuses of foundations in France, including corporate foundations, making it difficult to distinguish giving by corporations and by foundations in France – especially as corporations are not obliged to choose the corporate foundation status. It is highly probable that some corporate donations are counted twice when comparing the Fondation de France and Admical surveys.

All foundations fall into two broad types: *operating foundations*, which fund and operate their own activities with resources such as public subsidies and contracts, fees from services, individual donations and bequests, and *grant-making foundations*, which fund and support other organisations (through grants) or individuals (through prizes or stipends), with the most resources coming from endowment revenues and individual donations and bequests. The former is the older of the two models and accounts for 70 per cent of French foundations, as well as the majority of foundation staff, but the latter has been growing quickly in recent years. The figures in table 11.1 and 11.2 include both types of foundations, so it is accurate to refer to 'expenses' rather than 'donations' or 'grants' only. Fondation de France evaluated € 1.5 billion to be the total amounts of grants distributed by French foundations in 2013.

The main causes supported by French foundations in 2013 were public and social benefits (29 per cent of foundations are involved in this area), health – including medical research (18 per cent), and culture and arts (17 per cent). Education is the only other cause selected by more than 10 per cent of

foundations (11 per cent). Among other noteworthy causes not appearing in table 11.5 is scientific research – outside medical research (4 per cent). Popular causes among corporations such as sports & recreation and the environment are seldom supported by foundations. Religious giving, chosen by 14 per cent of French households, is also very rarely supported by foundations (1 per cent).

**Table 11.5 Percentage of foundations supporting different causes (population: all French foundations), 2013**

	% of foundations that supported	Mean amount donated in EUR
Religion	1 %	-
Health	18 %	-
International relief	4 %	-
Public and social benefits	34 %	-
Culture and arts	17 %	-
Nature, environment and animals	4 %	-
Education	11 %	-
Other causes (not specified)	11 %	-
<b>Total</b>	<b>100 %</b>	-

*Source: Fondation de France, 2015.*

As far as foundation spending is concerned, two causes receive the lion's share: health (39.8 per cent), including medical care, research and mental health, and public and social benefits (36.5 per cent), with areas such as poverty relief, housing and unemployment. This concentration of funds in these two major causes leaves others quite underfunded. For instance, culture and arts were supported by 17 per cent of foundations, but only 5.3 per cent of expenses were used for this cause. In France, many of the largest foundations with sizable budgets – notably operating foundations – manage medical institutions and conduct scientific research, whereas domains such as the arts are supported by much smaller foundations.

**Table 11.6 Uses of expenses by foundations to different causes, 2013**

	million EUR	percentage
Religion	22	0.3 %
Health	2 967	39.8 %
International relief	82	1.1 %
Public and social benefits	2 721	36.5 %
Culture and arts	276	3.7 %
Nature, environment and animals	134	1.8 %
Education	395	5.3 %
Other causes (not specified)	857	11.5 %
<b>Total</b>	<b>7 454</b>	<b>100 %</b>

*Source: Fondation de France, 2015.*

Since their inception in 2008, endowment funds (*fonds de dotation*) have been very popular philanthropic vehicles and have almost outnumbered foundations in only five years of existence. According to Fondation de France, there were 1 842 endowments funds in 2014. However, it is reported that between a third and half of endowment funds were created empty, with little or no activity. Very easy to set up, endowment funds did not require an actual endowment to be created, until recently. But some very large funds were also created by wealthy individuals and prominent organisations, such as the Louvre or the Picasso museums. For the sake of clarity, endowment funds were left out of table 11.5 and 11.6. According to an estimation of Fondation de France, endowment funds disbursed € 100 to 150 million in 2013, with assets of between € 600–700 million.

## Giving by charity lotteries

Decades ago, especially after the First World War, national lotteries were organised to support wounded and disabled veterans. This is no longer the case, as there are no large-scale, organised charity lotteries in contemporary France. La Française des Jeux – now called FDJ Group – is a public enterprise 72 per cent owned by the State, which enjoyed a monopoly on lotteries and sports betting until very recently. FDJ's landmark lottery, 'Loto', was created in 1975, but the company has launched several new games since then. In 2014, sales reached € 13 billion, of which € 8.5 billion (65 per cent) were redistributed to winners. The rest was collected by the State, redistributed to lottery distributors, and used to cover FDJ's expenses and to promote 'responsible gaming'. Nothing is redistributed to non-profit organisations.

## Conclusion

Table 11.7 proposes a conservative estimation of giving in France, relying on the most rigorous data available. As detailed above, since sources diverge for giving by individuals, we decided to use the data provided by the French administration (DGFIP) for 2013, which is not only the lowest figure of all three

sources<sup>50</sup>, but also the only one that is actually measured and not extrapolated from a small sample. As for bequests, we have no other option but to use CerPhi's broad estimation based on the financial statements of 30 organisations. Corporate giving data are provided by the 2014 Admical survey, which is also based on a survey and then extrapolated to all French businesses. For a prudent estimation, considering the discrepancy between the Admical surveys and the French administration data, we decided to count the amounts given by businesses over 20 employees only (€ 1.8 billion). As for foundations, Fondation de France's data relies on a large-scale questionnaire answered by 85 per cent of all French foundations, which are reliable and representative. We decided to only count the amounts of grants distributed by foundations in 2013 (€ 1.54 billion), and not all their annual expenses (€ 7.4 billion). One difficulty is that some giving by corporations may be counted twice in table 11.7, since businesses can give directly or through a foundation. We also included the estimated giving by endowment funds, also provided by Fondation de France.

**Table 11.7 Estimated sources of contributions in 2013 in millions**

Sources of contribution	million EUR	percentage
Individuals	2 850	45 %
○ In vivo (source: DGFIP, 2013)	2 250 <sup>51</sup>	36 %
○ Bequests (source : CerPhi)	600	10 %
Corporations (source: Admical, 2014)	1 800 <sup>52</sup>	29 %
Foundations (source: Fondation de France, 2015)	1 540	24 %
Endowment funds (source: idem)	100	2 %
<b>Total</b>	<b>6 290</b>	<b>100%</b>

While there is a surging interest in philanthropy among French scholars, robust and systematic data on giving are still missing. At least, there is some reliable data on all areas of giving in France, but the methodologies vary, and categories – especially beneficiary causes – are not consistent across the surveys. It is thus not possible to aggregate the data regarding the use of giving by different sources. Regarding the methods, we remark that most of the data are extrapolated from surveys on small to medium-sized samples. In an ideal world, public data on giving would be collected, aggregated and published in real time by the French administration, at least for those gifts for which a tax break is provided to individuals and corporations. Big data and open government initiatives are heading in this direction. An even better opportunity would be to collect and publish the unified data across European countries, which we hope ERNOP can contribute to in the coming years.

## Links to other data sets.

No links to other data sets.

<sup>50</sup> The two other being Recherches & Solidarités, 2014, and the Center for Philanthropic Studies, 2009.

<sup>51</sup> Please note that in the summarising table on Giving in Europe, the CPS amount has been used (3.4 billion euro).

<sup>52</sup> Please note that in the summarising table on Giving in Europe, the amount provided includes business with less than 20 employees.



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## 12. Research on Giving in Germany

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### Introduction on Giving Research in Germany

Research on philanthropy in Germany is being conducted in several ways by various researchers, disciplines and institutions (Adloff, 2005; Priller and Sommerfeld, 2005; Zimmer et al., 2013; Helmig and Boenigk 2012; Mews and Boenigk, 2015; Wilke, 2009). A central institution which is responsible for collecting and analysing Giving Research for Germany does not exist. Recently, in September 2016, a nationwide project called 'Forum Civil Society Research' [Forum Zivilgesellschaftsforschung] was started under the umbrella of the *Donors' Association for the Promotion of German Science and Humanities* [Stifterverband für die Deutsche Wissenschaft]. It aims to prepare a comprehensive data collection on civil society until 2018, i.e. as a joint effort of all institutions in Germany which conduct regular, ongoing research on civil engagement. This is due to the fact that in Germany knowledge and data about giving money, in kind, time or even blood donations is fragmented, and the research studies available are often one-off and analyse single aspects of giving. Previous studies have mostly focused on the Johns Hopkins Comparative Non-Profit Sector Project and documented details on the non-profit sector in Germany (Zimmer, Priller and Anheier, 2013). In this context two aspects are of importance. First, readers should reflect that a lot of data on the German non-profit sector, and therein on giving, was collected in the mid-1990s, and therefore is no longer up to date. Second, most of the studies focused on sector-specific aspects and not explicitly on Giving Research or data sources explicitly on giving. This chapter, however, aims to give a systemized and comprehensive overview of the state-of-the-art of Giving Research in Germany. In the following research landscape overview we present an outline of the institutions and their scientific background. Herein we differentiate between Giving Research from: (1) independent institutions and network projects, (2) universities and other academic institutions, and (3) research-oriented initiatives from non-profit practice. Finally, we systemize Giving Research in Germany by data access possibilities and thereby hopefully encourage future research studies.

### Giving Research at independent institutions and network projects

The *German Central Institute on Social Issues* [Deutsches Zentralinstitut für Soziale Fragen DZI, founded in 1893 and located in Berlin] is a key player in the topic of giving in Germany. The mission and character of the DZI is to be an independent information and documentation centre in the overall area of social and welfare work. The DZI differentiates three main working areas: (1) The donor advisory service, mainly known for awarding the *DZI Seal-of-Approval* [Spendensiegel] to money-collecting non-profit

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organisations, (2) the library and literature database on social and welfare work, and (3) the publishing department editing the monthly magazine '*Social Work*' [Soziale Arbeit] and other publications. By 2015, 232 charities had successfully applied for the DZI Seal-of-Approval (DZI, 2015a). Moreover, the DZI annually updates its detailed *statistics on the financials of the sealed charities* [DZI Spenden-Almanach], complemented by studies and surveys on the overall donation volume and the donation volumes of single, significant fundraising campaigns (DZI, 2015b).

Furthermore, various studies on donation volumes and donors' attitudes have been published at or in cooperation with the *Berlin Social Science Center* [Wissenschaftszentrum Berlin für Sozialforschung] over the past 25 years (Priller and Sommerfeld; 2005; Priller and Schupp, 2011).

Also, several German foundations serve the mission of enriching Giving Research in Germany. For example, the *Donors' Association for the Promotion of German Science and Humanities* [Stifterverband für die Deutsche Wissenschaft], the *Bertelsmann Foundation* [Bertelsmann Stiftung] and the *Fritz Thyssen Foundation* [Fritz Thyssen Stiftung] supported this goal by financing the project '*Civil Society in Figures*' [ZIVIZ- Zivilgesellschaft in Zahlen]. The ZiviZ project is the newest available research on the German non-profit sector, and the results show that the non-profit sector consists of over 615 000 organisations with approximately 2 284 410 employees (for detail see [www.ziviz.info](http://www.ziviz.info); Krimmer and Priemer, 2013). Also, the *Jacobs Foundation* [Jacobs Stiftung] and the *Hans Böckler Foundation* [Hans Böckler Stiftung] have supported research projects in cooperation with the *Berlin Social Science Center*.

### **Giving Research at universities and other academic institutions**

In Germany, universities and other academic institutions with specialized chairs and research teams on non-profit organisations are very limited, and consequently professorships with a very narrow focus on Giving Research do not exist. Table 12.1 presents an overview of the universities at which Giving Research is realized. However, please note, that such an overview can never be comprehensive or even up to date. Besides the non-profit/giving researchers listed, several other public management and healthcare management research(ers) exist, which are not included in this overview. Giving Research in Germany is interdisciplinary minded and comes from the following disciplines: Business administration, economics, political science and sociology.

**Table 12.1 Giving Research at German universities and other academic institutions**

University	Focus/Center	Discipline	Researcher(s)
Heidelberg University	Center for Social Investment	Interdisciplinary	Prof. Dr. Geibel; Prof. Anheier, PhD, Dr. Volker Then; Dr. Georg Mildenberger
Leibniz University Hannover	HRM in NPOs	Business Adm.	Prof. Dr. Hans-Gerd Ridder Dr. Hans-Jürgen Bruns; Dr. Rebekka Skubinn
University of Freiburg	Public & Non-profit Management	Business Adm.	Prof. Dr. Jörg Lindenmeier Prof. Dr. Iris Saliterer Dr. Ann-Kathrin Seemann
University of Hamburg	Public & Nonprofit Management Civil Society Non-profit Economics	Business Adm. Sociology Economics	Prof. Dr. Silke Boenigk; Dr. Jurgen Willems Prof. Dr. Frank Adloff Prof. Dr. Andreas Lange
University of Mannheim	Public & Non-profit Management	Business Adm.	Prof. Dr. Bernd Helmig Dr. Julia Thaler
University of Münster	ifpol: Civil Society	Political Science	Prof. Dr. Annette Zimmer
University of Potsdam	Public & Non-profit Management Sociology of Wealth	Business Adm. Sociology	Prof. Dr. Isabella Proeller Prof. Dr. Wolfgang Lauterbach
Technical University of Kaiserslautern	Sustainable Management	Business Adm.	Prof. Dr. Katharina Spraul
Technology Art Sciences Cologne	Social Sciences	Business Adm.	Prof. Dr. Michael Urselmann
WZB Berlin Social Science Center	Science Center	Sociology	Dr. sc. Eckhard Priller

### **Giving Research initiatives initiated and supported by non-profit practice**

The *German Donor Council* [Deutscher Spendenrat e.V.] is an umbrella association of non-profit organisations with a focus on humanitarian, animal and ecological missions, and supports Giving Research projects. Regarding Giving Research, the most relevant contribution of the *German Donor Council* is the realization of an annual donor survey, the so-called *Balance Sheet on Giving* [Bilanz des Helfens/Charity Scope], which is conducted in cooperation with the market research institute GfK Germany. In addition, we assume that many individual projects and forms of cooperation between non-profit practice and single giving researchers exist. In this section, we focus on more formally established research initiatives. For example, the *German fundraising association* [Deutscher Fundraisingverband] supports fundraising research in its mission. In 2010, the *German Red Cross Blood Donation Service North East* [DRK-Blutspendedienst Nord-Ost] agreed on research cooperation with the University of Hamburg. This research team is specialized in blood donation management aspects such as motives for blood donation, segmentation and blood donation satisfaction (Boenigk et al., 2014).

### **Giving Research by data source**

Within the previously mentioned ‘Civil Society in Figures’ study an additional document on relevant data sources was published (Tamm et al., 2011). Here it is explained that first of all, giving data comes from official statistical sources [Federal Statistical Office] and panel surveys, such as the socio-economic panel (SOEP, 2011; Wagner et al., 2007); herein the data sets are available for researchers. First, the Federal Statistical Office provides two types of data on giving: Every five years the *sample survey of income and expenditure* [Einkommens- und Verbrauchsstichprobe] (Destatis n.d.) gives information on donations and membership fees. Every year – but with a time shift of approximately four years – the income tax statistics give information about the annual amounts of donations and of membership fees that have been accepted for tax exemption (Urselmann and Loos, 2015). Second, the socio-economic panel collected data on individual giving in its panel in 2010. Furthermore, two market research institutes, GfK and TNS Infratest, collect giving data on a regular basis. These data sets are not available to share for research, but the empirical results are regularly documented.

Most of the listed data sources collect giving information on a regular basis; monthly, annually or every five years, and ask about money donations and other behavioural aspects of giving in Germany.

The data on time donations are published in the so-called *German Survey on Volunteering* [Deutscher Freiwilligensurvey]. Until now, this survey has been realized in four waves in 1999, 2004, 2009 and 2014. The anonymized and edited data of the *German Survey on Volunteering* is available for scientific use (DZA, 2015). The data on giving blood are limited, but in the Socio-Economic Panel from 2010, some questions on blood donations in Germany were also integrated.

**Table 12.2 Data sources on giving in Germany**

<b>Data collected by</b>	<b>Name of the survey/source</b>	<b>Time and sample of the data collection</b>	<b>Information on</b>
Federal Statistical Office	Income and Expenditures Income Tax Statistics	Every five years; 60 000 households Every year, all income tax payers	Donations, fees, tax Donations, fees
TNS Infratest (Panel)	Donor Monitor	Every year, 4 000 households	Money Donations Image/Awareness
	German Socio-Economic Panel (SOEP) (2010)	Irregular, in 2010 questions on money and blood donations	Money Donations Blood Donations
GfK /German Donor Council (Panel)	Charity Scope/Bilanz des Helfens (2015)	Every month, 10 000 individuals	Money Donations Time Donations
DZI German Central Institute on Social Issues	Donation Almanac (2015)	232 NPOs with the DZI Seal-of-Approval	Money Donations
DZA German Center on Gerontology	German Survey on Volunteering	Four waves 1999, 2004, 2009, 2014	Time Donations
Donors' Association for the Promotion of Science and Humanities, Bertelsmann Foundation, Fritz Thyssen Foundation	Civil Society in Figures (ZIVIZ) (2012)	Phase 1 (2010): Use of the data of the Federal Statistical Office (Unternehmensregister) Phase 2 (2012): NPO Survey	Non-profit Sector

Despite the fact that the research landscape is fragmented, the Giving Research initiatives have developed over time. In July 2014, DZI and WZB organized a round table meeting where 15 national experts in the field of statistics on charity and giving discussed how to further improve cooperation and how to reduce data insufficiencies and methodological inconsistencies. However, there is room for a more intense debate and for collaborative giving projects on a national level as well as under the umbrella of the ERNOP network ([www.ernop.eu](http://www.ernop.eu)).



## **Data on Giving in Germany**

### **Giving by individuals**

The information available on cash and in-kind donations made by individuals (in contrast to time donations) is rather fragmentary and partially inconsistent; the different surveys also employ partially different concepts and methods. Statistical information on individual giving has, however, slightly improved in the past ten years.

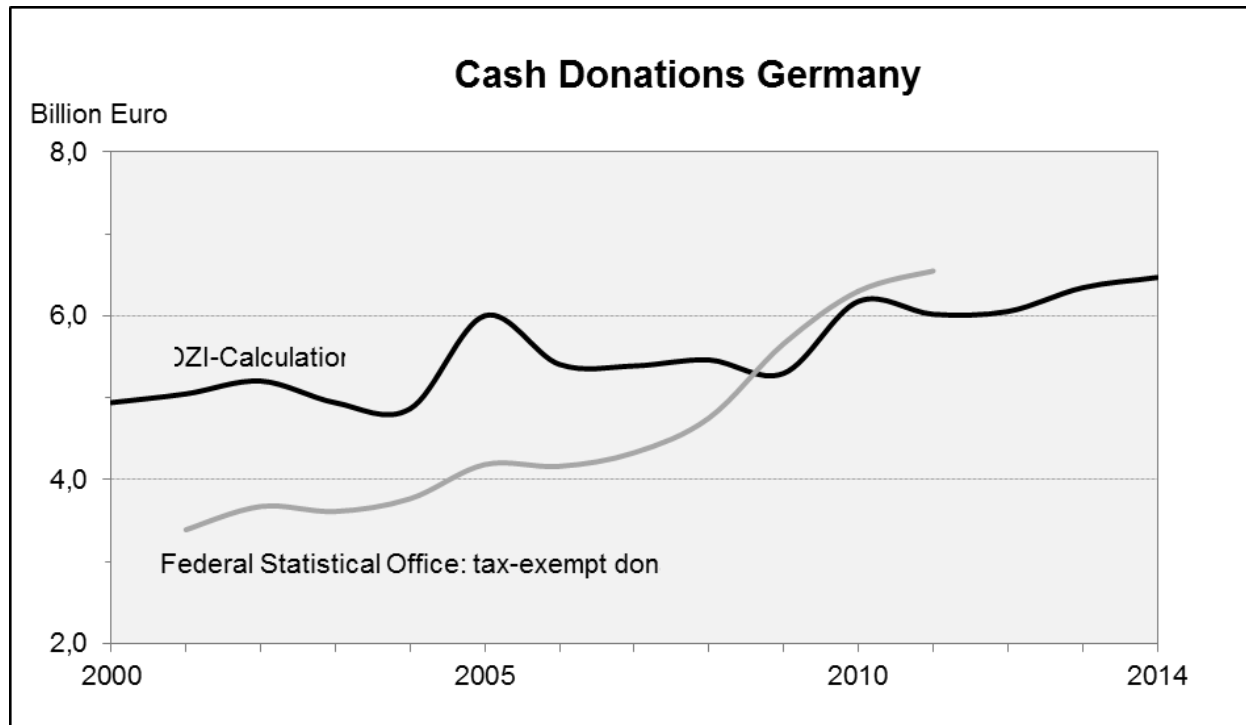
#### **a) Donor percentage**

The estimation on the percentage of donors among the German population differs between a minimum of 25% and a maximum of about 50%. In the database of the SOEP survey, a representative panel of the German population, Shehu et al. (2015) show that 42.96% of the German population are non-donors, 17.01% money donors, 11.36% time donors, 6.76% blood donors, and the rest give in more than one form of donation. However, it seems obvious that the majority of the population in Germany does not donate, in contrast to – following the World Giving Index 2015 (CAF, n.d.) – comparable developed countries such as the UK (75%), the Netherlands (73%), Canada (67%), the US (63%) or Sweden (60%). In the short term, this trend is in a double sense not in accordance with the figures of the German Donor Council and GfK, according to which the donor rate (respondents aged 10 years and older) in the first nine months of 2014 was at 25.6% (2013: 27.8%). It fell and rose again to 27.1% during the same period in 2015. In total, it is significantly lower than as estimated by Gallup. Tracing both surveys over an extended period of about five years, one sees a rather stable donor rate, which, in the case of the German Donor Council and GfK remains at about 26%, while the CAF and Gallup studies indicate around 46%. The published differences in methods alone do not provide a satisfactory explanation for the different levels of these values.

#### **b) Donation volume**

According to the DZI, German households spent approximately € 6.5 billion in donations for charitable purposes in 2014; this represents a moderate increase compared to 2013 (€ 6.3 billion). Excluding specific circumstances due to catastrophes, however, general donations clearly increased by +4.4% in 2014. The extrapolation shown below (Graph 1) is based on the DZI Index as well as on calculations of the total donations from households, which were published in 2009 by the *Berlin Social Science Research Centre* (WZB) and the *German Institute for Economic Research* (DIW) in 2011. Further details on the methodology and the development of donations were communicated 09.03.2015 in a detailed press release by the DZI (DZI, 2015).

**Figure 12-1 Cash Donations Germany**



Following the data collection '*Donation 2015: Trends and Forecast*' [Spendenjahr 2015: Trends und Prognosen], published in the middle of November 2015 by the German Donor Council (Deutscher Spendenrat) and GfK SE Panel Services Germany, the amount of donations developed very positively and increased from January to September 2015 by 13.6% compared to the same period the previous year. Spendenrat and GfK quantified the amount of donations in the first nine months with € 3.4 billion (2014: € 2.7 billion). The number of donors increased from 17.3 million in 2014 to 18.4 million in the first nine months of 2015. The main reason for this increase lies in the special donations after the earthquake disaster in Nepal in April 2015 as well as in the generous donations to refugees and to help stricken countries in the Middle East that are in crisis. Also worth mentioning in this context are the sustained economic growth in Germany and the payroll increases for large segments of the population.

### **c) Donation purposes**

Regarding the allocation of funds to different common purposes, the Balance Sheet on Giving 2015 (German Donor Council, n.d) shows the bulk of giving goes to humanitarian aid (79% in 2014). 5.7% is spent on welfare purposes, 2.9% on culture and heritage conservation, 2.7% on environmental/nature conservation, 2.4% on sports, and 7.4% on other non-profit purposes.

### **d) Number of non-profit organisations collecting donations**

There is no detailed information or even estimations of the total number of charitable organisations in Germany. This is due to the fact that the term 'donation organisation' is not clearly defined. In 2013, the project '*Civil Society in Figures*' published the 'ZIVIZ Survey 2012'. It provided a comprehensive inventory of the civil society structures in Germany in 2012. Among other subjects such as 'civic engagement and

paid work', 'financial resources' and 'third sector organisations between civil society and the market', this report gave a synopsis of the basic structure of the civil society sector with detailed statistics. In 2012 some 580 284 registered associations, 17 352 foundations under civil law, 10 006 non-profit limited liability companies and 8 502 cooperatives existed in Germany. The ZIVIZ Survey 2012 showed that the sector was financially supported as follows: 41% by membership fees, 27% by earned income, 20% by donations and sponsorship, 10% by public funds, and 2% by other sources. Unfortunately, no differentiation has been made between the categories of donations and of sponsorship. In 2016, an updated ZIVIZ-survey is planned.

For many years, the number of registered associations has been collected by the V & M Service GmbH. For 2014, it gives the number of 588 801 registered associations. They can be distinguished as follows according to purpose:

**Table 12.3 Purposes of the registered associations in Germany**

<b>Mission focus of the association</b>	<b>Number of associations</b>	<b>Percentage</b>
Leisure / supporting folklore	202 774	34.4%
Social / welfare services	107 391	18.2%
Sports	90 724	15.4%
Professional / trade associations / politics	90 328	15.3%
Interest groups / citizens' initiatives	52 089	8.9%
Art / Culture	28 556	4.9%
The environment / Nature	8 665	1.5%
Other	8 274	1.4%
<b>Total in 2014</b>	<b>588 891</b>	<b>100%</b>

At the end of 2014, according to current figures provided by the Association of German Foundations, there were 20 784 foundations under civil law. There are no accurate estimates of the number of non-registered associations and ecclesial foundations for Germany (which are certainly significant). All these organisations welcome any donations. Only a small part – conservatively estimated to be 2 000 to 3 000 – carry out fundraising activities on a regular basis in a systematic and nationwide fashion.

## **Giving by corporations**

The most recent publicly available report that includes giving by corporations comes from the *Federal Ministry for Family Affairs, Senior Citizens, Women and Youth* [Bundesministerium für Familie, Senioren, Frauen und Jugend, BMFSFJ] (2012a, 2012b). For this report, the *Cologne Institute for Economic Research* [Institut der deutschen Wirtschaft Köln] surveyed a panel of 30 000 corporations in 2011, of which 4 392 corporations reported civil engagement, and subsequently 2 500 corporations provided more detailed answers on the forms of their engagement. An updated version of this report is expected

to be presented to the *Federal Cabinet* [Bundeskabinett] in October 2016, then handed over to the *German Bundestag* before it can be subsequently published (Zentrum für zivilgesellschaftliche Entwicklung, 2016). Therefore, the following information relates to the previous report. The civil engagement of corporations in Germany is often treated within the broader notion of corporate citizenship and corporate social responsibility (see Backhaus-Maul et al., 2010; Bertelsmann Stiftung, 2005; Fifka, 2012; Herzig, 2006; PricewaterhouseCoopers, 2012). Table 12.4 illustrates that corporate engagement takes place in a variety of sectors with a focus on sport and recreation as well as education, kindergartens and schools.

**Table 12.4 Percentage of corporations engaged in different sectors (BMFSFJ, 2012a; 2012b)**

	Yes significantly	Yes but only a little	No
Sport and recreation	39.0	29.2	31.8
Education, kindergartens and schools	37.0	38.3	24.7
Social/Integration	23.1	30.9	46.0
Art and culture	17.9	31.4	50.7
Universities, Research	14.5	21.5	64.0
Health	13.2	19.9	66.9
The environment/disaster relief	11.8	21.2	67.0
International/development aid	7.4	12.7	80.2
Human rights	3.6	12.7	83.6

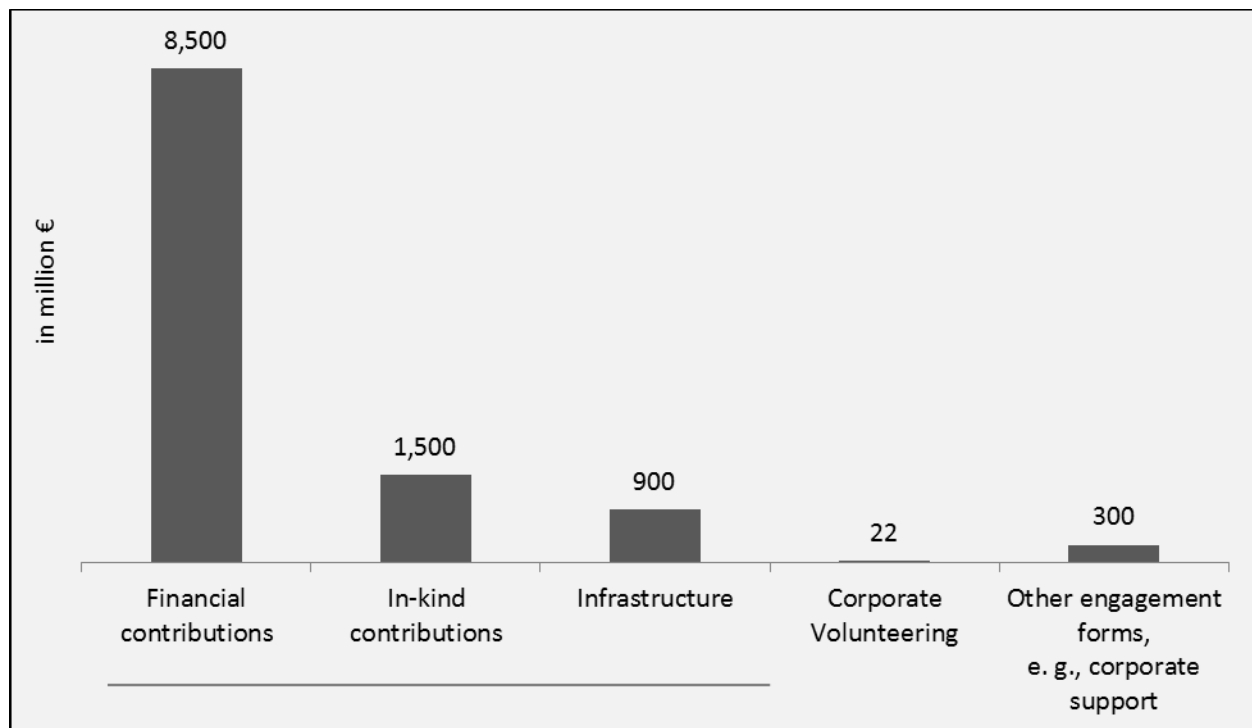
With regard to further findings on corporate engagement in Germany, different forms can be distinguished. Both practitioners and academia often separate corporate giving and corporate volunteering (e.g., BMFSFJ, 2012a; 2012b; Braun and Kukuk, 2007; Braun, 2010; CCCD, 2007). Corporate giving includes money, in-kind and product contributions, as well as infrastructure support and free services to non-profit organisations (Braun and Kukuk, 2007). Corporate volunteering is generally defined as the voluntary engagement of employees during their working hours (Herzig, 2006). The BMFSFJ (2012) further defines corporate support as a third form where corporations realize their civil engagement via intermediaries.

#### **a) Corporate giving**

Corporate giving is the most important form of corporate civil engagement in Germany, both in terms of monetary volume and reported popularity (BMFSFJ, 2012a; 2012b). shows that corporations gave € 8.5 billion in monetary contributions, € 1.5 billion in in-kind contributions and € 900 million in infrastructure support. Similarly, 84% of the surveyed corporations indicated that 55% contributed in-kind donations and 40% offered infrastructure to charitable causes (BMFSFJ, 2012a; 2012b). The results are in line with several earlier studies from academia (Braun, 2010; Maaß and Clemens, 2002; Mecking,

2010) and market research institutions (e.g. Forsa, 2005). However, the overall validity of the research on corporate giving in Germany is still relatively poor, i.e. even less consistent than the data available on private household giving (DZI, 2010, pp. 70-71). While most studies so far have generated their data by surveying corporations, data on corporate giving can also be extracted from annual reports and the tax data of corporations (Neumayr, Schober and Schneider, 2013). This is due to the fact that, similar to monetary donations by individuals, monetary donations by corporations are tax deductible if they comply with certain standards as outlined by the *Income Tax Act* [Einkommenssteuergesetz EstG §10b] (Bundesministerium für Justiz und Verbraucherschutz, 2015).

**Figure 12-2 Civil engagement by German corporations (BMFSFJ, 2012a, 2012b)**



### **b) Corporate volunteering**

Corporate volunteering has become increasingly popular in recent years (Herzig, 2006), yet in terms of the estimated value of € 22 million it is still rather insignificant in size (figure 12-2). The percentages of corporations engaged in corporate volunteering differ depending on the respective report. For example, the BMFSFJ (2012a; 2012b) indicates that 50% of the corporations engage in corporate volunteering, Herzig (2006) reports only 38.4%, whereas the American Chamber of Commerce and Roland Berger (2011) speak of 83.5%. To date, corporate volunteering is more often initiated by employees than by the companies themselves, or it originates from long-term partnerships (Herzig, 2006). So far, the empirical research on corporate volunteering in Germany has mainly focused on the motivations of corporations to engage in corporate volunteering (e.g. Herzig, 2006; Pinter, 2006). Finally, and in addition to the reports about Germany in general, research on corporate volunteering at a local level (the example of Bremen) has also been published (Kamlage et al., 2013).

### **c) Corporate support**

Corporate support as defined by the BMFSFJ (2012a; 2012b) includes civil engagement that happens via intermediaries, for example in the form of social lobbying, corporate foundations, social commissioning and social enterprises, and is estimated at around € 300 million (figure 12-2). However, this definition is not uniformly agreed upon, as, for example, Mecking (2010) includes corporate foundations in corporate giving. In any case, corporate foundations represent an important vehicle for corporations with respect to their giving, and many of the large German foundations are actually corporate foundations (BMFSFJ, 2012). For instance, one of Germany's largest corporate foundations *Robert Bosch Stiftung GmbH* is active in the sectors of education and health as well as in arts and culture, and has contributed over € 1.3 billion to charitable causes since its inception in 1964 (Robert Bosch Stiftung GmbH, 2016).

To conclude, the research landscape regarding giving by corporations in Germany is fragmented, as the research reports are published by various players, e.g. the government, practitioners and universities. Public data sources are not yet available, as the data from the cited reports have been collected and stored by individual researchers. However, the data from the cited study from the BMFSFJ (2012a; 2012b) are available for research purposes on request at the *Cologne Institute for Economic Research*.

## **Giving by foundations**

### **Descriptive statistics of giving by foundations**

Reliable and comprehensive information on the foundation sector in Germany is still not available to a satisfying extent. Nevertheless, there are some longstanding and good sources of data. In particular, the two large umbrella organisations provide useful databases that are used for general information and scientific research. The foundation sector in Germany is highly concentrated and dominated by the largest organisations. The *Association of German Foundations* [Bundesverband Deutscher Stiftungen] highlights that already the 15 largest foundations spend nearly € 1 billion per year and the overall amount spent is probably some € 15 billion (in 2004) (Hopt et al., 2006). This figure has to undergo some critical scrutiny. The most important analytical problem is that the different organisational forms that all come under the same legal definition of a public benefit foundation derive very different shares of the expenditure from either their capital interest or donations. The sources of foundations' income are not only giving by endowment and donations but also market income for goods and services and public subsidies.

These different sources of income are important to different types of foundations and to foundations that work in different fields in varying degrees. In particular, foundations that work in an operative way in the field of social services obtain most of their income not from capital interest or donations, but from market income and subsidies. Foundations in the educational sector seem to derive their income more often directly from donations and capital interests (Anheier, 2015, 11). Estimations that try to narrow the focus down to the amount of foundations' income that qualifies as giving by the foundation sector come to a total of some € 6 billion per year (Then, 2006).

**Table 12.5 Number of foundations donating to different goals and the mean amount donated in 2013**

	Number of foundations	Mean amount donated <sup>1</sup>
Religion	n/a	n/a
Health	n/a	n/a
International aid	n/a	n/a
Public/social benefit (national)	4 429 (28.8%)	n/a
Culture	2 342 (15.2%)	n/a
The environment/nature/ animals (inter)national	648 (4.2%)	n/a
Education	2 362 (15.2%)	n/a
Science and research	1 912 (12.4%)	n/a
Other (not specified) public benefit	2 880 (18.7%)	n/a
<b>Total</b>		<b>Apr. € 12.5 billion<sup>2</sup></b>

*Source: Association of German Foundations [Bundesverband Deutscher Stiftungen], 2013*

For the same analytical problems, a proper attribution of expenditures to income sources is not possible with the available data. In order to fill this gap, we would have to assess the income share of the different sources on an organisational level. With this information we could weigh up the respective expenditure and get a much better picture of the field than before.

### **Data sources of giving by foundations**

Unfortunately, in Germany no statistics derived from public foundation registration are available. The main source of statistical information about the foundation sector in Germany is the *Association of German Foundations* [Bundesverband Deutscher Stiftungen], which is one of the two large umbrella organisations for foundations. The data from the *Association* are based on the database of member-organisations, which covers the largest part of the sector since on the database there are over 20 000 foundations. The database is kept up to date through surveys that are performed on a regular basis. The *Association of German Foundations* disseminates own publications on research on the foundation sector. One regular publication is the *record of German foundations* [Verzeichnis Deutscher Stiftungen], which is a searchable version of the database, the annual *Foundation Report* [Stiftungs Report] and some topic-centred publications. Other sources of data on the German foundation sector consist mainly of single research projects and initiatives to survey the larger non-profit sector or civil society organisations. One informative source that should be mentioned is the current project on *Roles and*

<sup>1</sup> The difficulty with this column is that the available statistics do not differentiate between the expenditures of foundations that derive from different income sources. Giving in a more narrow sense could only come from endowments only. But foundations receive income from a variety of different sources like endowment, business activities, public funding and many more. The data indicate that about 50% of foundations' expenditure is derived from endowments.

<sup>2</sup> Please note that this is total spending and not the approximation outlined above (see Anheier, 2015).

*Positions of German Foundations* [Rolle und Positionierung deutscher Stiftungen], conducted by the Hertie School of Governances and the Centre for Social Investment (Anheier, 2015).

## **Giving by charity lotteries**

German law on gambling has a special category of lotteries, called lotteries with minor danger of addiction. Those lotteries have to use at least 30% of their sales for social purposes. Most of these lotteries are charity lotteries; many of them are local and are in the style of tombolas or the like. There are three big and well-established national lotteries that are explicitly socially motivated and operate all over Germany. They are the *German Television Lottery* [Deutsche Fernsehlotterie, formerly ARD-F Fernsehlotterie 'A place in the sun'], *Aktion Mensch* [formerly Aktion Sorgenkind] and the *Glücksspirale*.

All were, at least for a period of time, connected to TV shows that combined entertainment, marketing, some information on the funded projects and organisations, and games with the winners draw. The oldest lottery is the German Television Lottery, which was established in 1956 as 'A place in the sun' [Ein Platz an der Sonne] to give families and children from West Berlin the opportunity to spend a holiday in a nice place. Later the scope was widened and the beneficiaries now include elderly and handicapped people, hospices and organisations that provide support for families and children. Aktion Mensch was established in 1964 as Aktion Sorgenkind and concentrates mostly on support for handicapped people and the promotion of an inclusive society. It is the biggest charity lottery in Germany. 'Glücksspirale' was established in 1969 to raise money for the Olympics in 1972 and the football world championship in 1974. 'Glücksspirale' is basically a pension lottery. The main prize is a lifelong pension. 'Glücksspirale' uses 27% of its income on social purposes. In the beginning its focus was on sport and social issues. Nowadays it funds sport, social purposes, listed buildings and other purposes (often environmental) with 25% each. The money is transferred to partner organisations that are responsible for distribution (the German Olympic Sports Confederation [Deutscher Olympischer Sportbund], the Federal Association of Non-statutory Welfare [Bundesarbeitsgemeinschaft der freien Wohlfahrtspflege], the German Foundation for Monument Protection [Deutsche Stiftung Denkmalschutz]).

A newcomer is the *Deutsche Sportlotto* established in 2014, which only became operational in 2015. There also exists the German Lottoblock, an umbrella organisation of different bodies of state-owned Lotto companies organized on the federal state level. These lotteries also organize the TOTO, which is basically a sports betting operation where players make bids on the results of soccer matches. These lotteries have to pay a concession fee (legally contested) of 23% of their income (in addition to the lottery tax). The federal states have to use the generated income for social issues, youth help, sports etc. But these lotteries are not considered to be charity lotteries. In total the income generated by the 'Deutscher Lotto und Toto Block' is much higher than that from the Soziallotterien (around € 7 billion per year, with around € 1.3 billion going to the federal states for social purposes). But it might not be seen as a form of giving, as the gamblers do not intend to help with social issues. It is usually assumed that this connection is not explicitly known by gamblers.



### a) Descriptive statistics of giving by charity lotteries

The German Television Lottery publishes its balance sheet in the Federal Bulletin [Bundesanzeiger]. The last year reported is 2013, unofficial numbers for 2014 are available from the lotteries. As 'Glücksspirale' is part of the Deutscher Lotto und Toto Block, it is organized in federal state societies, so it is hard to get aggregated data. The Deutsche Lotto und Toto Block publishes aggregated numbers on its website. Detailed information on the supported initiatives, projects and organisations is available in principle but is not always easily accessible.

**Table 12.6 Number of charity lotteries donating to different goals and the mean amount donated, 2013**

	Number of charity lotteries that donate to	Mean amount donated
Religion		
Health		
International aid		
Public/social benefit (national)	3	n/a
Culture	1	60 480 000
Environment/nature/ animals (inter)national	1	60 480 000
Education		93 362 070
Other (not specified)	1	60 480 000
<b>Total</b>		

	million EUR	percentage
Religion		
Health		
International aid		
Public/social benefit (national)	234.73	
Culture	15.12	
Environment/nature/ animals (inter)nat.	15.12	
Education		
Other (not specified)	15.12	
<b>Total</b>	<b>280.09</b>	<b>100%</b>

## Conclusion

Table 12.7 summarizes all the currently known data about the amounts of giving by individuals, corporations, foundations and charity lotteries in Germany. This list should be considered with some caution because, as outlined above, the data sources are not systematized comprehensively in many fields, are based on extrapolations or do not report the current state of affairs. However, at first glance and for an overview, the amount of € 24 billion can serve as a point of reference.

**Table 12.7 Giving in Germany (minimum estimates) in millions**

Sources of contribution	million EUR	percentage
Individuals In vivo bequests	6 500 <sup>59</sup> n/a	27 %
Corporations	11 222	47 %
Charity lotteries	280	1 %
Foundations <sup>60</sup>	6 000	25 %
<b>Total</b>	<b>24 002</b>	<b>100%</b>

Giving Research in Germany is often fragmented, both in institutions and research fields. We know that individuals, corporations, foundations and charity lottery make up this field. Some of these key players are comprehensively analysed; others lack systematic and comprehensive scientific studies. Also, as the differing numbers from the various studies on giving by individuals indicate, no definite amount can be given. So far, a lot of effort has been made and some reliable data sources have already been established. Further research should focus on matching the methods and approaches in order to provide a degree of comparability and to bring together this split research topic.

Furthermore, there is a special case that should be mentioned within the discussion on giving. Germany is a secular state and neutral regarding different religious faiths. Religious associations can be statutory corporations if they wish (and if they fulfil some very basic conditions such as, e.g. a certain continuity and size). Derived from a historical path, churches (with the status of statutory corporations) have the right to collect taxes with the assistance of the state. It is contested whether church taxes collected in this way may be seen as private giving. We do not want to make a final decision here, but we would argue that church taxes in Germany are voluntarily paid. No one has to be a member of a church and it is not difficult to leave a church, which is done by a simple declaration at the registrar's office. The church tax is collected as a percentage of the income tax one owes (8-9%, depending on the federal states) and of tax on income from capital returns. Church taxes are fully tax deductible, and if they were not taken into account, the total of private giving would be changed drastically. The two big confessions

<sup>59</sup> For the total overview, an amount of 6.300 million euro's has been used, since this was the estimated amount for 2013.

<sup>60</sup> Giving derived from income from endowment only (Then 2006). Current studies (Anheier 2015) estimate this amount with € 12, 5 billion; however, this latest source is unclear about the question whether the "budget" stems from endowment only or is combined with earned income.

organized at the *German Bishops Conference* [Deutsche Bischofskonferenz] and the *Protestant Church in Germany* [Evangelische Kirchen] specify the incomes from church taxes in 2013 as being € 5.46 billion and € 4.84 billion, respectively, a total amount of nearly € 10.3 billion (Kirchensteuern n.d.). Given that the debate about the state of church taxes has not yet been concluded, this amount is not listed in table 12.7. However, it should be kept in mind when discussing giving in Germany.

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## 13. Research on Giving in Hungary

*Marianna Török and István Sebestény<sup>61</sup>*

### Introduction on Giving Research in Hungary

There are several initiatives that are working towards the development of a philanthropic culture, volunteering and the not-for-profit sector. However, there is no institution that focuses on the research of philanthropy and the availability of data is limited in Hungary in this area. Most researchers rely on the data provided by the Hungarian Central Statistics Office (KSH), the National Tax Authority (NAV) and, if available, independent research data.

There are several organisations that either focus on research in a related area or do capacity building, and conduct research and generate data related to philanthropy from time to time:

- The most active research group in the philanthropy-related research field is the Association for Nonprofit Research (Nonprofit Kutatócsoport Egyesület), an association for informal networking and collaborative research on issues related to not-for-profits, among them philanthropy. Several books and research results have been published under their aegis, and their website is the most extensive resource of publications related to this theme ([nonprofitkutatas.hu](http://nonprofitkutatas.hu)) in Hungary.
- Among the capacity building organisations there is the Donor's Forum (Magyar Adományozói Fórum), which works towards the development of philanthropy in Hungary and publishes reports, case studies and best practices.
- The National Volunteer Center (ÖKA) was established to create the necessary infrastructure for volunteering and the development of a volunteering culture. The cooperation and work of five non-profit organisations enabled the execution of this idea, so in September 2002 the National Volunteer Centre (ÖKA) was able to start its operations officially.
- The Nonprofit Information and Training Center (NIOK) Foundation aims to strengthen civil society in Hungary and build an environment supportive of the long-term future of NGOs. NIOK promotes the sustainable and efficient functioning of NGOs by providing capacity-building services and strengthening the NGO sector's links to local government, the business sector and society as a whole. NIOK is a public benefit open foundation, a member of the European Network of National Civil Society Associations (ENNA), V4 and the Viability Network.
- There are individual researchers from very different backgrounds: statistics, economics, social sciences and social policy. Key individuals in the research field related to philanthropy are: Mária Arapovics (ELTE PPK), Anna-Mária Bartal (Pázmány Catholic University), János Bocz (KSH), Klára Czike (Hungarian Volunteer Center), László Harsányi (Nonprofit Research Group), Éva Kuti (Nonprofit Research Group), Ádám Rixer (Károli University) István Sebestény (Hungarian Central Statistical Office), Marianna Torok (Consultant) and some other people.

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## Giving by individuals

The main sources of information on individual charitable giving available in Hungary are the Hungarian Central Statistical Office (KSH) and the National Tax Authority (NAV). In addition, there are occasional data sources when research funding is available to researchers.

The KSH dataset (KSH 2015, 2.47) indicates that support from individuals in 2013 provided 5.1 % of the revenues of the classic civil not-for-profit organisations with its 26 920.5 million HUF (€ 91 million)<sup>62</sup> support (reaching 32.4 % of the sector, i.e. 18 307 organisations). As individuals are not entitled to any tax benefits for charitable donations, reporting and data availability on individual charitable giving is very limited.

There was a population survey initiated by the Nonprofit Kutatócsoport Egyesület (Association for Nonprofit Research) and carried out in partnership with the Hungarian Central Statistical Office (Czakó et al. 1995). This sample survey collected data on the giving habits and voluntary

activities of 14 833 randomly selected adults (18 years of age or over) in 1993. The respondents were questioned using the in-home personal interview technique. The questionnaire was broadly similar to those of several other European and North American research projects. A follow-up survey of 5 000 randomly selected Hungarian citizens (14 years of age or over) (Kuti and Cziike 2006) shows that nearly four-fifths of the population aged fourteen and over (i.e. nearly seven million people) were involved in making at least one kind of donation out of the following: financial donations, donations in kind, unpaid voluntary activities and blood donations, the most popular form of donations being financial

donations (two-thirds of the population aged 14 or over donated money), while in-kind donations were nearly 50 %.

The research could not be repeated for financial reasons. At this point there is no information when the research can be repeated.

## Giving by corporations

For corporations, donations to Hungarian not-for-profit organisations with Public Benefit Organisation (PBO) status are tax-deductible under limited conditions. Companies may also enjoy tax benefits for donations to the National Cultural Fund and the National Relief Fund. To claim a deduction, a company must be in possession of a certificate for tax purposes provided by the beneficiary organisation (Act LXXXI/1996 Section 7(1)(z), 7(7)).

The KSH dataset (KSH 2015, 2.47) indicates that support from corporations in 2013 provided 10.1 % of the revenues of the classic civil not-for-profit organisations with its 52 926.4 million HUF (€ 179 million) support reaching 19.3 % of the sector (10 891 organisations).

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<sup>62</sup> Exchange rate of 1 Euro=295.7 HUF based on MNB (Hungarian National Bank)

The most recent research on corporate giving was conducted by the Magyar Adományozói Fórum (Hungarian Donors Forum) (Magyar Adományozói Fórum 2015), which used data from the tax authorities for 2009, 2010 and 2011, and questionnaires to the 216 top companies in Hungary, which generated 40 returned forms from the ones regarding current and upcoming trends in their giving. As a result, this research (Magyar Adományozói Fórum 2015, 3) recognized a strong trend in corporate giving due to the legal and taxation changes that had occurred. The changes are striking regarding the number of companies reporting donations to the Tax Authorities, and the amounts of benefits used by the companies:

**Table 13.1 The amount of tax deductions in a given year**

Year	The amount of benefits claimed in HUF	Number of entities
2009	24 006 583 000	12 207
2010	3 986 544 000	3 343
2011	3 606 406 000	2 535

## Giving by foundations

Most not-for-profit organisations in Hungary register as associations or foundations. Registering as a foundation does not necessarily mean being a grant-making entity; moreover, there are very few private grant-making foundations. There are some state-financed public foundations that are hybrid organisations, that belong financially to the state and legally to the non-profit sector, and were established by the government to ensure the provision of public duties (prescribed by law). Public foundations receive annual budgetary support from ministries.

In 2013 there were 21 174 not-for-profit organisations registered as foundations, according to the KSH (19 332 reported financial activity for generating resources and expenditure, 273 of them had resources coming in but no expenditure, 912 has had no revenue coming in using its reserves, and 657 had not used any resources). In addition, there were 1 326 public foundations, most with financial activity.

Foundations accounted for 18.1 % of the total revenues of the not-for-profit sector (224 969.6 million HUF) while public foundations accounted for 2.2 % of the total revenues of this sector (27 409.7 million HUF)<sup>63</sup>. (KSH STADAT 3.2.7.)

There is information available on the giving by not-for-profit entities by the KSH<sup>64</sup>. It reveals that almost 12 000 not-for-profits provided resources to support individuals and organisations.

The total amount of donations reached 131 billion HUF, most of it being financial support (114 417 million HUF) going to other organisations (KSH STADAT 3.2.9.), out of which 72 billion HUF (€ 243 million) in financial support was provided by private (€ 179 million) and public foundations (€ 64 million) (KSH 2015, 2.94).

<sup>63</sup> [http://www.ksh.hu/docs/hun/xstadat/xstadat\\_eves/i\\_qpg005a.html](http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qpg005a.html) Accessed: 28, April 2015

<sup>64</sup> [http://www.ksh.hu/docs/hun/xstadat/xstadat\\_eves/i\\_qpg007.html](http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qpg007.html) Accessed: 28, April, 2015

**Table 13.2 Number of not-for-profit organisations providing support and the monetary value of their support, 2013**

Form of support	Number	Amount, million HUF
<i>Financial support:</i>		
to individuals	5 118	23 226
to organisations	5 533	91 191
Both	9 592	114 417
<i>All support:</i>		
to individuals	6 526	35 126
to organisations	6 869	95 423
<b>TOTAL</b>	<b>11 859</b>	<b>130 549.0</b>

Not-for-profit entities provided support in several fields of activities in 2013 (KSH 2015, 2.97), education being by far the most preferred area of support (table 13.3).

**Table 13.3 The amount and proportion of financial support allocated by not-for-profit organisations, 2013**

Areas of support	Total	
	million HUF	%
Culture	14 510.0	12.7 %
Religion	1 113.4	1.0 %
Sport	2 899.8	2.5 %
Hobby	1 196.7	1.0 %
Education	48 177.2	42.0 %
Research	1 350.6	1.2 %
Healthcare	2 232.6	2.0 %
Social care	13 326.7	11.6 %
Fire brigades, security	67.4	0.1 %
Environmental protection	1 302.7	1.1 %
Regional development	2 923.9	2.6 %
Economic development	1 331.8	1.2 %
Rights protection	2 395.2	2.1 %
Public safety	539.8	0.5 %
Multi-purpose support	13 258.8	11.6 %
International relations	1 275.8	1.1 %
Interest representation	5 833.8	5.1 %
Political	680.8	0.6 %
<b>Total</b>	<b>114 417.0</b>	<b>100 %</b>

Charity lotteries do not exist in Hungary. There is one lottery entity, the Szerencsejáték Rt. This entity has a charitable activity based on its business plan. In 2015, for example, 0.75 % of its income was used for activities administered by the Szerencsejáték Service Nonprofit Kft. (Szerencsejáték Zrt. 2015).

Bequests are a very rare form of donation in Hungary, there is no data source that could provide information on the total amount given.

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## 14. Research on Giving in Ireland

*Maria Gallo<sup>65</sup> and Gemma Donnelly-Cox<sup>66</sup>*

### Introduction on Giving Research in Ireland

In this report on the state of giving research in Ireland, we provide a qualitative picture of the philanthropic landscape that reflects the paucity of data and published giving research for the period 2010-2015. Rather ironically, in spite of the limited information available, the profile of philanthropy in Ireland in the public sphere has increased substantially over the past five to seven years. A number of researchers have published papers and chapters concerned with the 'philanthropic infrastructure' of the country<sup>67</sup>. Topics have included the impact of the financial crisis on philanthropy, fundraising, corporate philanthropy, community philanthropy and giving circles, and the foundation sector. None of these, however, have conducted giving research, and at present the data sources for systematic research on giving are limited.

In the same period, there has been a concerted effort to raise the profile of philanthropic giving. Two bodies, the Forum on Fundraising and Philanthropy (a state-appointed committee) and Philanthropy Ireland (a nonprofit membership association for philanthropic entities) have worked to raise public understanding of and commitment to philanthropic giving. In 2013, the One Percent Difference Campaign was launched jointly by the Forum and Philanthropy Ireland. This national, year-long campaign to raise awareness of philanthropy—including volunteering and giving—challenged Irish citizens to give 1 per cent of their time or money to the wider Irish community. While this campaign was successful in attracting high profile celebrity spokespeople, there has been no formal assessment of the campaign's effectiveness/impact. In 2015, there was limited publicly-accessible research on giving in Ireland. The research on giving that does emerge on giving in Ireland tends to be from various private sources, in ad hoc studies and lacks the potential for long-term comparability or reliability.

The Forum on Philanthropy and Fundraising with Philanthropy Ireland presented a report to the Irish government in 2012 outlining an ambitious action plan to increase philanthropy, in particular giving, in Ireland. One of the key recommendations from this report includes investing in the research data on giving, including the improvement and centralisation of data collection on philanthropy giving through the Central Statistics Office (CSO) quarterly household survey. Moreover, it recommended that the State bodies, such as the CSO and Revenue also '...be mandated to provide an annual report on vital statistics for the charity sector in Ireland, including trends in charitable giving, employment, economics contribution etc., using data from all relevant sources' (Forum on Philanthropy and Fundraising 2012, p.

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<sup>66</sup> Trinity College Dublin

<sup>67</sup> See, for example, Donoghue et al., 2007 (fundraising); Daly, 2008 (nonprofit landscape); Prizeman and McGee, 2009 (fundraising); Donnelly-Cox and Cannon, 2010 (impact of financial crisis on philanthropy); Donnelly-Cox, O'Regan and McHugh, 2012 (corporate philanthropy); INKEx, 2012 (analysis of nonprofit annual reports); Eikenberry and Breeze, 2014 (giving circles); Kelleher and Millar, 2013 (fundraising); The Wheel, 2014 (Irish nonprofits landscape); Russell Brennan Keane, 2012 (analysis of Irish nonprofits survey on challenges facing the sector).

17). At the time of print, in 2015, the collation and dissemination of such central statistics and the potential for longitudinal comparisons had not yet come to fruition.

The Charities Act 2009 provides a regulatory framework for charities in Ireland, and with the establishment of the Charities Regulatory Authority in 2014 still in its infancy, it is anticipated that an aspect of this role will also include the gathering of statistical information from registered charitable organisations on their donations, fundraising and philanthropic activity. As an all-encompassing role on charity regulation, the Charities Regulatory Authority will monitor the compliance of charitable organisations in Ireland and the functions of the Commissioners of Charitable Donations and Bequests transfer to this Authority from the end of 2014. While this is a promising development, it will improve access to data on the income of charitable organisations, but is less likely to elaborate on the sources of those funds.

Overall, the research related to Irish philanthropy remains disparate and includes a few key researchers examining the concept in terms of its potential economic value and its relationship to non-profit management and public goods, such as in higher education. The new state infrastructure in place for charities, the interest emerging at a postgraduate level study and the political will to keep philanthropy on the national agenda will hopefully enable further development of philanthropic research over the next decade. Since Prizeman and O'Regan (2009) presented the latest edition of this publication, some positive developments related to philanthropy and promoting giving in Ireland have emerged, although the context and the challenges in conducting research due to the limited data available remain half a decade later.

## **Giving by individuals**

### **Descriptive statistics of giving by individuals in vivo**

The Central Statistics Office collected information on charitable donations and subscriptions through the Household Budget Survey (HBS), based on a representative random sample of households. The most current information available is 2009-2010, with a new survey 2015-2016 currently in process. While these statistics provide some insight into the average weekly giving by households for charitable causes, the data are limited to households and not individuals, and the survey provides respondents with a limited definition of what a charitable cause is. On average, households in Ireland give € 4.40 per week in charitable donations (CSO 2012, p.12), which would equate to € 228.80 per annum, equivalent to 1.7 per cent of household income (Ibid, p. 13). The survey results break down donations by location (urban and rural and also by region) as well as by gross household income. Based on these figures, it is possible to estimate the total giving by private households in 2009-2010 from all sources is circa € 378 million.

Comparison with the 2004-2005 version of the HBS, as was previously noted by Prizeman and O'Regan (2009) is difficult, as the survey questions and the units of measurement differed. The respondents were asked to include volunteer subscriptions, including giving to schools for extra-curricular activity, club memberships and religious giving.

While the tax system provides a tax return to charity on individual charitable donations totalling more than € 220, the threshold only applies if that amount is given to a single charity. Thus, if a taxpayer gives € 500 to five charities at € 100 each, there is no tax benefit to any of the charities. The tax arrangements also make it more difficult to trace individual giving to charitable organisations. Donations from an individual who gives to multiple causes and/or multiple organisations under this threshold of € 220 for any one donation even achieving or exceeding this threshold amount will not be recorded. The Forum on Philanthropy and Fundraising has recommended modifications to the system of tax efficient giving to address these anomalies.

Fundraising Ireland, a development body / membership organisation for professional fundraisers, recently commissioned a series of surveys on individual giving. It was conducted by Amárach, a private consultancy firm (2015). Three years of comparable data are available on individual giving, although the focus is on all types of giving, including informal ad hoc or one-off donations, such as to charity shops and church gate collections, noting only 3 per cent were donations by post with the average donation of this kind being just under € 40 (ibid). The data analysis comparisons are primarily to understand changes to donor behaviour and attitudes to different methods of donation solicitation. For example, the survey illustrates that the average donation for a Christmas appeal increased from € 10 in 2013 to € 12.50 in 2014.

A series of organisational studies exist in Ireland historically that examine non-profit organisations, including donations from individuals. In the previous edition of this publication, Prizeman and O'Regan (2009) cite the Centre for Nonprofit Management, the Trinity College Dublin survey in 2005 (Donoghue et al., 2006) examining 4 214 nonprofit organisations, and noting their diverse income streams including from individual donors. Research on organisations such as this one include a focus on the organisation over the individual donation, and thus are useful in further understanding the culture of giving in Ireland over offering a data set to shed light on individual giving in Ireland. Other research studies focus on organisations, such as Donoghue et al. (2007), a study that examined the scale of fundraising in charitable organisations in Ireland with the aim of informing the regulation of such fundraising practice. Thus, it may be argued that the extant giving research in Ireland is oriented towards building a culture and infrastructure for philanthropy, fundraising and giving. However, as the research studies cited above were conducted once and the authors were unable to repeat them on a regular basis as initially planned, it is not possible to use such sources to provide further insight into the status quo.

There is other research related to individual giving in Ireland that demonstrates the dissimilar nature of the data available and the focus primarily on the organisations receiving individual donations instead of the individual donors themselves. In addition, the definition of individual giving is wider than simply a donation to a charitable cause. For example, the recent report by the Wheel (2014), which includes the results of a survey of over 500 non-profit organisations across Ireland, states that individual giving represents 25 per cent of income for these organisations (p.11), although individual giving is all-encompassing, from individual donations and wills/legacies to all types of fundraising activity, including receipts from events, community-based collections and lotteries.

Until the charities regulator requires returns from all organisations with charitable status, the most accessible source of nonprofit income data is that available in annual returns of nonprofit organisations with a charity number that are also companies limited by guarantee, as this group of non-profits must lodge their annual report with the Companies Registration Office (CRO).<sup>68</sup> A number of studies have turned to the CRO for non-profit data. For example, INKEx demonstrated that it would be possible to extract, and organise in a searchable database, annual report data from the more than 7 000 CRO-registered non-profit organisations in Ireland (INKEx, 2012). INKEx data were used by Kelleher and Millar (2013) to analyse the fundraising activity of these organisations. The authors of both reports note the challenges they faced in using the data extracted from annual accounts, as for CRO accounting purposes it is required only to be included in a single income line item (Kelleher & Millar, 2013; INKEx, 2012).

### **Data sources of giving by individuals in vivo**

Data sets on individual giving in Ireland is limited. The Household Budget Survey (HBS), outlined in the previous section, is conducted every six years, and provides some data related to charitable giving and volunteer subscriptions. Despite the longitudinal nature of the HBS as a representative randomised sample of households running since 1951, the nature of the questions related to donations by households to charitable causes has varied and is not comparable (Prizeman and Regan, 2009). Privately commissioned data sets, such as Fundraising Ireland/Amárach, can provide a representative sample and comparability over a number of years. However, the research focus of the questions employed differs from the objective of understanding sustained, philanthropic giving in depth. Moreover, there is no guarantee that these private data would become available for public use and analysis.

### **Descriptive statistics on giving by bequest**

There are limited data available on giving by bequest in Ireland. In 2010, the Community Foundation for Ireland commissioned a report promoting charitable bequests in Ireland. According to the background research for this report, which was based on data accessed from The Commissioners for Charitable Bequests (now a function of the new Charities Regulator), in 2009 about € 26 million was donated through bequests to Irish charitable causes (CFI, 2010, p. 7).

To promote bequests and legacy giving in Ireland, MyLegacy.ie was established in 2003 as a partnership between 60 nonprofit organisations in Ireland (MyLegacy.ie Website).

## **Giving by corporations**

### **Descriptive statistics of giving by corporations**

The past two decades has seen the development of the Irish philanthropic infrastructure, including the establishment of two key organisations Philanthropy Ireland and Fundraising Ireland, which has contributed to encouraging corporate giving (Donnelly-Cox, O'Regan, McHugh, 2010).

Philanthropy Ireland commissioned research related to corporate giving with the aim to: 'Investigate the Landscape of Corporate Giving in Ireland and to Gain an Understanding of Attitudes Towards

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<sup>68</sup> This statement is based on the assumption that the researchers will be able to access this data. While it is currently possible to access CRO data, building a sufficient database is both time-consuming and expensive.



Philanthropy with a View to Providing Philanthropy Ireland with Insights to Encourage more Businesses to become Involved in the 1% Difference Campaign' (PI 2014, p.2). This research concentrates on interviews of 150 companies in Ireland from multi-nationals to small and medium-sized businesses spanning a range of industry sectors.

On average, the research findings show 80 per cent of companies engage in corporate philanthropy of some kind (ibid, p.8). Citing the importance of 'giving back' as the main purpose for engaging in corporate philanthropy, these companies supported multiple causes, including Health (38 per cent), Poverty (34 per cent), Young People (34 per cent) and Children (33 per cent) (ibid, p.9). With little data available on corporate giving in Ireland, this research contributes to understanding this segment of giving. This research also demonstrates the need for comprehensive and perhaps nationally derived data to provide further depth into corporate giving.

## **Giving by foundations**

The EURFORI study (European Foundations for Research and Innovation) provides a comprehensive overview of the very small population of R&I foundations, and an outline of the minute foundation sector in Ireland (Donnelly-Cox, Cannon & Harrison, 2014).

Donoghue (2007) offers a summary of the unique nature of foundations operating in Ireland:

'...fundraising is an important defining characteristic of Irish foundations. Playing a complementary role to the state was regarded as important, although if foundations were greater in number they might have more opportunities to adopt a social change role, which was seen as a vision for the future. What is most apparent about Irish foundations, however, is their relative lack of visibility and awareness of their potential as vehicles of philanthropy' (p.212).

In a comparative analysis of foundations Anheier and Daly (2007), Ireland is categorised as a peripheral statist model, with few foundations with a role as '...service providers to compensate for public sector short-fall' (p.19).

The reliance on a few foundations who provide significant donations will leave Ireland in a difficult position after 2016. In 2013, after investing over € 800 million, (\$1.2 billion), Atlantic Philanthropies (AP) announced an exit from investing in Irish charitable causes since 1987. A review of AP investment describes the foundation's '...catalytic role in Ireland, from stimulating a knowledge economy by re-invigorating the higher education system, to protecting and expanding human and civil rights, to fundamentally transforming the design and delivery of services for children, older adults and people with disabilities' (Atlantic Philanthropies, 2015, p.3). The development of the Irish philanthropic infrastructure in higher education institutions, including the establishment of university trusts, can be attributed to Atlantic Philanthropies wishing to invest in the sector without directly replacing State funding (Gallo 2014). Along with the One Foundation, Atlantic Philanthropy will cease grant-making activity in Ireland in 2016, leaving a significant void in a country with a limited number of philanthropic foundations.

## **Giving by charity lotteries**

According to the Association on Charity Lotteries in the European Union the Irish charity lottery sector is quite small. The National Lottery and a number of smaller lotteries for charitable purposes operate in Ireland (ACLEU, 2015). In 2012, the government announced the phasing out over three years of the Charities Lottery Scheme, a subsidised scheme for smaller lotteries. The Rehab Group lottery and other charitable organisations benefitted from this Exchequer funded scheme, and in 2014 it emerged in the public domain the small profits yielded by these smaller lotteries due to the Scheme, thus leading to an examination of fundraising practices in the charitable sector and a perceived loss in confidence by the public in charitable fundraising activity (Wheel, 2014).

There are little detailed data recorded on the use of funding from the National Lottery and smaller charitable lotteries. The National Lottery reports ‘€ 205.9 million or 30.1 per cent of sales was raised for good causes...for distribution by the Government to projects and communities throughout Ireland’ (National Lottery, 2014, p. 6). Despite this commitment to giving through this main lottery fund, the funding is distributed to government departments and agencies (National Lottery Beneficiary Fund, ND); thus, a clear picture of the use of funding is not available.

## **Conclusion**

In 2014, Ireland ranked 4<sup>th</sup> in the World Giving Index (CAF 2014) leading to several media headlines purporting Irish generosity. In addition, the Irish government has recognised the importance of the development of the philanthropic sector and fundraising, stating a target of increasing philanthropic giving by 60 per cent by 2016, from € 500 million to € 800 million (Forum on Philanthropy and Fundraising, 2012, p. 9). To achieve this ambitious target, there is recognition of the importance of changing the Irish culture on philanthropy and giving, from informal giving practices to more sustainable, long-term investment. Moreover, the need for tax simplification to reform the complicated and cumbersome tax system is also noted. Most importantly for the purposes of this research is the recognition of the importance of creating and maintaining data and data sets on giving in Ireland. There is an appetite to explore and expand the State statistics on charitable giving, such as collecting more data on charitable giving through the Household Budget Survey (Forum on Philanthropy and Fundraising, 2012).

There are some limited data sets on fundraising in an organisational context and on various giving groups, including individuals and corporations. The data on philanthropy, fundraising and giving remain disparate and uncoordinated. There is great interest in building giving data sets in Ireland to contribute to understanding and enhancing philanthropic giving in Ireland. A promising development to improve the data on philanthropy in Ireland was launched in June 2015. Benefacts, reports to be ‘Ireland’s Nonprofit Data Portal’ (Benefacts Web site, 2015) and aimed to bring together data from multiple public sources in an accessible format. Funded through a multiple of private philanthropic sources along with the Department of Public Expenditure and Reform, Benefacts may prove to offer a clear and comparable picture of philanthropy in the Irish nonprofit sector.

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## 15. Research on Giving in Italy

*Lucia Boccacin and Linda Lombi*<sup>69</sup>

### Introduction on Giving Research in Italy

‘What drives people to help others? What are the underlying motivations for altruistic behaviour? Do transactions of this nature have a mainly economic value or do aspects of generosity and the absence of exploitation prevail?’ (Parker, 1981, p. 30).

Long the focus of sociological thought regarding the prosocial aspect of donation behaviour, these questions continue to guide empirical research on the topic. A necessary step towards a response would seem to be a discussion of some of the symbolic codes that underlie the act of giving. These regard altruism/the gift, trust and solidarity (Boccacin, 2005). The altruistic dimension is critical to understanding the phenomenon of donations and its social dimension. Altruism, in fact, seen as a concern for others that becomes the principle of action (Bulmer, 1986), implies an intentional behaviour that has the improved welfare of other as its objective, without personal interests or expectations of rewards (Eisenberg, 1982).

Sociological theory has repeatedly clarified the multidimensionality of altruism at a social level (Anheier, Rossi & Boccacin, 2008). A lowest common denominator emerges from among the various interpretations and meanings of the concept and its practice - a person’s awareness of the existence of a need and the voluntary and intentional desire which stimulates altruistic behaviour and an act of donation in order to change this situation of distress and difficulty. The social implications of this behaviour which emerge through this dynamic were clearly identified by Titmuss almost fifty years ago and are still valid today: ‘...the grant, or the gift of unilateral transfer – whether it takes the form of cash, time, energy, satisfaction, blood or even life itself – is the distinguishing mark of the social...’ (Titmuss, 1968, p. 22). At the end of his famous study on blood donation, he writes ‘Freedom from disability is inseparable from altruism’ (Titmuss, 1970, p. 246). Altruistic and donative behaviour is further characterized by its objective relational weight, because the self-sacrificing action, as such, cannot be disinterested in the condition of others. (Donati, 2011).

A second symbolic code underlying giving, in addition to the altruistic-donative aspect of donations, is the understanding of trust as a fundamental and qualifying trait of social ties. This trust implies a reliability on a person or system in connection with a particular set of results or events (Giddens, 1990). The altruistic, donative and trust momentum implicit in donations is embodied in the symbolic code of solidarity (Donati, 2003), understood in particular as a propensity towards helping others.

The term solidarity, etymologically, identifies the existence of a solid bond: it involves the acceptance of a moral commitment, a ‘concrete’ responsibility which refers to a sense of belonging to the same human community. The concept of solidarity implies joint action and, consequently, the refusal of individual

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solutions, both in free rider form as well as more simply as a rejection of the individual dimension as exclusive (Evers-Laville, 2004). It is related to that of subsidiarity, which allows a dynamic relational that respects and enriches the different social subjectivities (Boccacin, 2014).

In summary, altruism, trust and solidarity are the symbolic and cultural roots that give rise to the specific and tangible action of cash donations. It is through these observable specific and tangible actions that we can also detect traces of intangible and symbolic elements critical to the subjective and inter-subjective processes which affect the actions of the donor.

### **The sources<sup>70</sup>**

Donation and succession data from ISTAT (Italian National Statistics Institute) 2000 to 2009 (<http://www.istat.it/it/archivio/21343>) provided the basis for the Italian scenario, but no official nor specific national survey currently exists that could outline the overall picture. Similarly, data relating to income from charity lotteries are not available and are therefore not discussed in this report.

The data presented in this report are therefore derived from the following sources:

- 1 The ISTAT 2011 census of industry, public and non-profit institutions: a survey conducted to provide information concerning the main characteristics of enterprises, non-profit organisations and public institutions. The census date of reference was 31 December 2011. Specifically, data on donations and bequests are included in the census of a total of 301,191 non-profit organisations (see ISTAT, 2014).
- 2 'Italian Solidarity': an annual survey conducted with CAPI (Computer-Assisted Personal Interviewing) methods and edited by the Doxa Research Institute. The survey investigates the behaviour of Italians relative to charitable donations. The data referred to in this report relate to the year 2012. The sample consisted of 1 000 persons representative of the population over 15 years of age and identified through a three-stage stratified sampling process (Doxa, 2013).
- 3 'The social commitment of companies in Italy': a study conducted biennially by SWG [Italian market research group] for the Osservatorio Socialis di Errepi Comunicazione through online interviews (CAWI - Computer Assisted Web Interviewing). The scope of the references is made up of companies with over 100 employees. The sample representative of this range is based on the parameters 'field of membership' and 'macro area'. The results for the years 2011 (sample consisting of 823 companies) and 2013 (400 companies) (Osservatorio Socialis, 2012, 2014) were examined for this report.

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<sup>70</sup> The authors wish to thank Alice Zanchettin for the valuable support offered during the data retrieval and statistical information.

- 4 Research on donations by the Osservatorio Socialis in 2014 in partnership with Ixè Ltd., a quantitative survey involving 1 000 subjects representative of the Italian adult population and conducted with CATI (Computer-Assisted Telephone Interviewing) and CAMI (Computer-Assisted Mobile Interviews) methods (Osservatorio Socialis, 2014b).
- 5 The ACRI Report (Association of Foundations and Savings Banks) containing information on 88 banking foundations. For economic and financial management data, budgets for the year ending December 31, 2013 were examined (Acre, 2014).
- 6 Data collected by the Italian Taxation and Revenue Office and released by the Ministry of Labour and Social Policy on the donation of the so-called 'five thousandth' for the year 2012.

## **Giving by Individuals**

### **Descriptive statistics of giving by individuals in vivo**

According to Doxa (2013), 29.6 % of the Italian population over the age of 15 made a donation during 2012, down 5 percentage points from the previous year. An analysis of the data reveals that women donate more than men (34 % vs 25 %), as do those who belong to the more mature age group (15-34 years: 12 %; 35-54 years: 34 %; over 54 years: 38 %). Territorially, those who live in the north give more frequently (north-west: 34 %; north-east: 39 %) than those who reside in the centre, south and islands (24 % for both regions). The level of education, according to the study commented here, has a negligible influence on giving (university degree: 30 %; high school graduation: 31 %; compulsory school years only: 28 %). The percentage of donors increases among those who do voluntary work (41 %) and those who are dedicated to religious activism (44 %).

This study shows that the main recipients of the donations are medical research (58 %), provision of emergency humanitarian aid (41 %), the long-distance adoption of a child (12 %), initiatives to combat poverty in Italy (12 %), animal protection (9 %), protection of the artistic heritage (4 %), environmental protection (2 %), support of the Catholic Church (2 %), and aid for children (1 %).

The average amount donated was € 43, an increase from the 2011 survey results (€ 37), but still lower than the previous decade (weighted average from 2001 to 2012: € 54). The total monetary donations was € 640 million, equal to € 10.66 per capita. Although men give less frequently than women, as seen above, the amounts are on average higher (males: € 51; females: € 38). Adults give more than the younger groups (15-34 years: € 22; 35-54 years: € 35; over 54: € 54), and the inhabitants of central Italy give more compared to other regions (centre: € 48; north, south and the islands: € 29).

Most donations are made directly (49 %). The following methods of transfer are used: SMS (40 %), post office payments (33 %), bank transfers (9%), credit cards (2 %), bank direct debit (1 %), and the Internet (1 %).

However, the collection methodology of the Doxa data has been criticised because, in the opinion of some scholars, it underestimates the average figure paid since it does not include relevant sources such as parish donations and the five thousandths (a 'percentage philanthropy', whereby individuals may nominate to transfer a percentage of their income tax to a public benefit organisation) (Aa. Vv 2014).

The article 'Quanto donano gli Italiani' in the journal Vita in March 2015 suggests a far higher number (€ 7 200 million), € 116 (Aa. Vv., 2015) <sup>71</sup>. This wide difference between the Doxa survey estimates and that of the above article is caused mainly by parish donations, an amount equal to € 2.6 billion with an average of € 100 thousand per the parish (ibid). According to the survey conducted by the Osservatorio Socialis (2014), which also includes five thousandths payments (more details below), the percentage of Italians over 18 who have donated stands at 49 %, higher among women and among those who are aged 45 years or more. This study also differs from the Doxa study mentioned above in that it shows a greater propensity to donate by persons who have a higher level of education.

As mentioned above, another important source for the examination of individual donations in Italy is made up of data on the so-called five thousandths, i.e. that part of their taxes that every citizen-taxpayer may annually decide to allocate, when completing their tax returns, to entities carrying out activities with a social objective. According to the financial statements of the first 20 associations in receipt of the five thousandths, € 380 million was received during 2013 (Aa. Vv., 2015).

An analysis of the data submitted each year from the Italian Taxation and Revenue Office to the Ministry of Labour and Social Policy reveals that in 2012 approximately € 395 million was transferred, of which approximately € 265 million was destined to groups involved in voluntary work, € 56 million to scientific research, € 52 million to medical research, € 13 million in social activities carried out by the municipalities and € 8 million to amateur sports associations (Ministry of Labour, 2012).

## **Giving by Corporations**

### **Descriptive statistics of giving by corporations**

Specific attention should be given to the contribution offered by companies through donations that express, from a sociological perspective, social responsibility on the part of businesses. According to estimates from an Osservatorio Socialis report on the social involvement of companies, Italian companies with more than 100 employees invested over € 1.05 billion in Corporate Social Responsibility (CSR) in 2011 (€ 100 million more than 2009) in support of humanitarian, environment, art and culture, corporate welfare (Osservatorio Socialis, 2012). In 2011, there was a slight decline in the number of companies investing in CSR in Italy; 64 % invested in CSR compared to 69 % of the previous survey in 2009. However, overall, the total amount donated increased. The average value of the investment also increased, from € 161 (2009) to € 210 (2011). The major investors were located mainly in the north-west and in the south/islands. They were also mainly businesses with a turnover of over € 100 million.

Later data show a recovery in CSR investment: according to the 2014 study, 73 % of companies invested in social responsibility initiatives and/or environmental sustainability during 2013 (Osservatorio Socialis, 2014). However, the average investment fell to € 158 in 2013, for an investment total of about € 1 billion. Nevertheless, not all the payments were destined for philanthropic causes. The areas of greatest investment, as declared in the latest survey were, in order, energy saving and reduction of waste (65 %),

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<sup>71</sup> The article 'Quanto donano gli Italiani', published in the journal Vita in March 2015, adds to this amount 4.5 billion euro defined, in a generic way, as "other donations". This data is based on ISTAT 2011 census of non-profit institutions. Whereas this entry has not been further specified, we decided not to include it in our estimate.



projects for the benefit of employees (55 %), pollution and waste disposal (53 %), humanitarian support solidarity (38 %), payments in favour of sports (31 %) and of the arts and culture sector (24 %).

According to a secondary analysis carried out by Cesare Rizzi for the Food Bank on 'Raccolta fondi dalle Aziende – Corporate fundraising' (2013), only 2.5 % of Italian companies are 'donors', that is to say, they donated to the third sector, while overall donations (excluding sponsorship and causes related to marketing) amounted to approximately € 300 million a year, 0.022 % of the GDP (Rizzi, 2013).

## **Giving by Foundations**

### **Descriptive statistics of giving by foundations**

#### ***Giving by foundations of banking origin<sup>72</sup>***

An analysis of the XIX report edited by Acri on foundations of banking origin (Acri 2014) shows that the foundations transferred € 884.8 million, a decrease of 8.4 % over the previous year (2012: € 956.8 million). The number of interventions or actions was 22,334, a slight increase over the previous year (2012: 22 204, see table 15.1).

The seven principal recipient sectors of the disbursements made in 2013 received 95.5 % of the total transferred. These sectors are, in order, those connected with art and cultural activities (30.4 %), research and development (14.5 %), social welfare assistance (13.5 %), education and training (11.9 %), volunteering, philanthropy and charity (11.8 %), public health (7.7 %) and local development (5.6 %). In five cases in 2013 there was a decrease from the previous year (education, education and training: -27.3 %; art, cultural activities and heritage: -11.8 %; volunteering, philanthropy and charity: -10.9 %; local development: -10.2 % and social welfare assistance: -3.7 %). Two cases present increases compared to 2012 (+25.3 % for public health and +8.2 % for research and development).

Other donation areas account for a residual amount of less than 5 % of the total. A comparison with the 2012 data shows contrasting trends, with net increases for sport and recreation (+39.7 %), civil rights (+41.7 %), for religion and spiritual development (+22.8 %), and downturns in the fields of environmental protection and quality (-11.9 %), the protection of the family and the values associated with it (-39.9 %), and crime prevention and public safety (-59.5 %). However, as the report says, the low values of these amounts should be treated with caution when assessing the magnitude of the deviations in the residual areas mentioned.

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<sup>72</sup> These make up a group different from those referred to as pro-social foundations as included in the census on non-profit institutions referred to above in paragraph 4.

**Table 15.1 Distribution of disbursements by the banking foundations per beneficiary sector. The years 2012 and 2013 compared**

<i><b>Distribution of disbursements per beneficiary sector (2013-2012)</b></i>								
SECTORS	2013				2012			
	Number		Amount		Number		Amount	
	Interventions	%	million EUR	%	Interventions	%	million EUR	%
Art, cultural activities and heritage	7 681	34.4	269.2	30.4	7 872	35.5	305.3	31.6
Research and development	1 222	5.5	128.3	14.5	1 244	5.6	118.5	12.3
Social welfare assistance (1)	2 495	11.2	119.8	13.5	2 712	12.2	124.5	12.9
Education and training	3 759	16.8	105.3	11.9	3 427	15.4	144.8	15.0
Volunteering, philanthropy and charity	2 790	12.5	104.6	11.8	2 682	12.1	117.3	12.1
Public health	1 121	5.0	68.4	7.7	1 129	5.1	54.6	5.7
Local development <sup>(1)</sup>	1 464	6.6	49.7	5.6	1 379	6.2	55.4	5.7
Environmental protection and quality	336	1.5	16.2	1.8	354	1.6	18.4	1.9
Sports and Recreation	1 138	5.1	12.1	1.4	1 117	4.9	8.6	0.9
Family and related values	234	1.0	10.5	1.2	218	1.0	17.4	1.8
Civil and political rights	47	0.2	0.5	0.1	35	0.2	0.3	0.0
Religion and spiritual development	33	0.1	0.2	0.0	18	0.1	0.2	0.0
Crime prevention and public safety	14	0.1	0.2	0.0	17	0.1	0.4	0.1
<b>Total</b>	<b>22 334</b>	<b>100.0</b>	<b>884.8</b>	<b>100.0</b>	<b>22 204</b>	<b>100.0</b>	<b>965.8</b>	<b>100.0</b>

<sup>(1)</sup> In the 2013 survey the interventions in the field of social housing (equal to € 6.1 million) were registered in the local development sector rather than social assistance.

Source: Acri (2014, p. 240).

### ***Individual and private contributions destined for third sector organisations***

The ISTAT census of non-profit institutions in 2011 collected information on 301 191 organisations (see ISTAT 2014). These included voluntary organisations, associations for social advancement, non-governmental organisations (NGOs), social solidarity cooperatives, non-profit organisations, and prosocial foundations. This study is an important source for the examination of relevant data on the recipients of payments.

The data reveal that these bodies distributed funds in the form of gifts, donations, and bequests amounting, in total, to € 4 584 545 733. This represents an average of 7.2 % of the revenue of these institutions (ISTAT 2014). € 4.3 billion, classified as 'other revenue from private sources' must be added to this figure. Overall, therefore, private donations received in 2011 from the third sector amounted to about € 9 billion, of which half was from individuals. For the latter, it should be emphasized that there is a strong heterogenic link to the sector of main activity: the entities that collect more contributions, offerings, donations, and bequests are those working in the field of philanthropy/promotion of volunteerism, cooperation, and international solidarity. More than 50 % of the budget revenues of these types of entities came from donations of the type described above. It follows, then, that the sectors deriving a greater percentage of their income from these resources are those concerned with the protection of rights and political activity (11.9 %), culture, sport, and recreation (9.2 %), and the environment (9.1 %, see table 15.2).

**Table 15.2 Contributions, offerings, donations, and bequests in the budgets of non-profit organisations according to the sector of prevailing activity. Year 2011 Value in %**

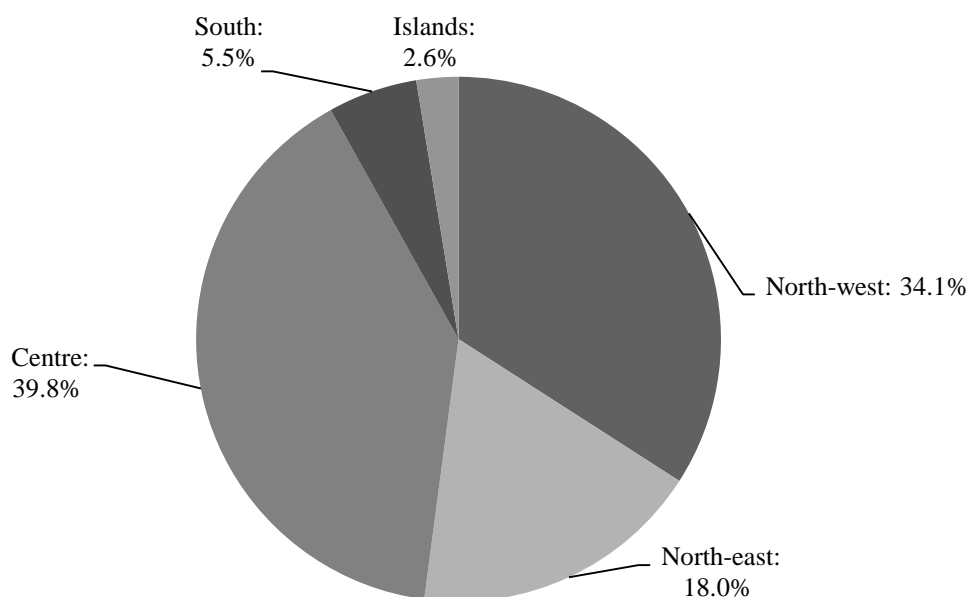
	percentage
Culture, sports, and recreation	9.2 %
Science and research	6.8 %
Health	3.5 %
Social aid and civil protection	6.6 %
Environment	9.1 %
Economic development and social cohesion	3.1 %
Protection of rights and political activity	11.9 %
Philanthropy and promotion of volunteering	6.7 %
International co-operation	53.8 %
Religion	51.3 %
Labour relations and representation of interests	4.6 %
Other activities	0.8 %
<b>Total</b>	<b>7.2 %</b>

*Source: ISTAT (2014).*

Geographically, non-profit organisations in central Italy attract the highest amounts of contributions in the form of gifts, donations, and bequests (39.8 % for a total of € 1,824,956,080). The north-west is next

highest (34.1 % for a total of € 1 562 664 830) and the north-east (18 %, € 825 537 723), while the south and the islands collect only 8.1 % of the total (€ 371 387 100).

**Figure 15-1 Contributions from offerings, bequests, and donations earmarked for non-profit institutions. Distribution % for macro-region**



### ***Third sector organisations involved in fund raising***

The ISTAT census of non-profit organisations in Italy (ISTAT 2014) shows that 19.7 % (59 413 of the total number) of the institutions promote fund raising in order to finance their own operations.<sup>73</sup> Divided according to sector of prevailing activity, institutions involved in international cooperation and international solidarity are more likely to have declared an involvement in fund raising (80.5 %). After these, but at some distance, are institutions dealing with philanthropy and the promotion of volunteering (36.0 %), health (34.9 %), social assistance and civil protection (33.6 %; see table 15.3).

<sup>73</sup> The ISTAT survey questionnaire collected two distinct variables regarding donations from individuals and revenues from fund raising, and these variables were not subsequently crossed and re-aggregated. This makes it unfortunately not possible to assume more information from an aggregate of the two sources.

**Table 15.3 Fund raising among non-profit institutions for the sector of prevailing activity. Year 2011**  
Absolute values

<b>MAIN ACTIVITY SECTOR</b>	<b>Fundraising</b>		<b>No funds raised</b>		<b>Total</b>	
	<b>Absolute values</b>	<b>%</b>	<b>Absolute values</b>	<b>%</b>	<b>Absolute values</b>	<b>%</b>
<b>Culture sports and recreation</b>	33 092	16.9	162 749	83.1	195 841	100
<b>Education and research</b>	3 138	20.2	12 381	79.8	15 519	100
<b>Health</b>	3 832	34.9	7 137	65.1	10 969	100
<b>Social aid and civil protection</b>	8 424	33.6	16 620	66.4	25 044	100
<b>Environment</b>	1 559	24.8	4 734	75.2	6 293	100
<b>Economic development and social cohesion</b>	1 010	13.5	6 448	86.5	7 458	100
<b>Protection of rights and political activity</b>	1 500	22.0	5 322	78.0	6 822	100
<b>Philanthropy and promotion of volunteering</b>	1 745	36.0	3 102	64.0	4 847	100
<b>International co-operation</b>	2 870	80.5	695	19.5	3 565	100
<b>Religion</b>	1 640	24.2	5 142	75.8	6 782	100
<b>Labour relations and representation of interests</b>	504	3.1	15 910	96.9	16 414	100
<b>Other activities</b>	99	6.0	1 538	94.0	1 637	100
<b>Total</b>	<b>59 413</b>	<b>19.7</b>	<b>241 778</b>	<b>80.3</b>	<b>301 191</b>	<b>100</b>

*Source: ISTAT (2014, p. 13)*

Once more a strong national gap emerges: non-profit organisations engaged in fund raising are located mainly in the north-west (33.0 %) and north-east (32.2 %), while the lowest recorded distributions are seen in central Italy (26.7 %) and, especially, in the south (19.2 %) and the islands (15.8 %).

## **Giving by charity lotteries**

Not existing

## **Conclusion**

While in Italy there is no official national survey to precisely measure the overall flow of donations in any recent year such that the total amount donated and the distribution by geographic area may be calculated, an analysis of the different sources consulted in this report allows an estimation of the phenomenon and the outlining of several trends.

The data show, in fact, some convergences. More women and members of the older population group donate than of the youngest group (although men donate higher amounts). The north of Italy registers more donations, but the highest total amount donated in a geographical area is recorded in the centre of Italy, as evidenced by both the data on individual donations as well as those relating to revenue for charitable institutions of the third sector. However, it is currently difficult to estimate the amount per capita of individual donations due to the differences in the financial flows examined. Vita, in the article already mentioned, estimated the annual flow of donations in Italy to be € 11.5 billion. The sum is derived from the sum of individual donations (€ 4.6 billion), offers to parishes (€ 2.6 billion) and other private donations (€ 4.4 billion). The total figure, recalculated on the basis of inflation rates for the last three years, may be currently estimated at € 12 billion (Aa. Vv., 2015). However, it is worth pointing out that this is an estimate and is not supported by any single official survey. As we are unable to distinguish the different sources of 'other private donors', we cannot include the figure in the overall number of Giving in Italy (€ 9.1 billion). Giving in Italy is thus based on giving by individuals (€ 7.2 billion), foundations of banking origin (€ 0.9 billion) and giving by corporations (€ 1.0 billion).

Another important element that emerges from the analysis is the presence of a greater propensity to donate by persons engaged in voluntary activities and in solidarity actions carried out in the religious sphere. This, as noted by other researchers (Principles, Jensen & Lamura, 2014; Boccacin, Rossi & Bramanti, 2011), demonstrates how generosity is expressed in concrete actions of an altruistic nature, aimed at providing support not only on the economic front, but also on the social and relational ones. The 'virtuous cycle of giving', then, begins by which those engaged in solidarity activities donate economically and support different prosocial activities in various ways, thus contributing actively to the development of a civil culture (Donati & Colozzi, 2004).

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## 16. Research on Giving in Lithuania

*Eglė Vaidelytė & Eglė Butkevičienė<sup>74</sup>*

### Introduction on Giving Research in Lithuania

Philanthropy and giving research are at the margins of academic interest and statistics in Lithuania. Due to specific historical and political experience based on the non-existence of a philanthropic tradition during the communist period, an underdeveloped philanthropic culture, for many years giving was not identified as a social phenomenon or a relevant object of research. The historian Aleksandravicius (2004) argues that contrary to an old philanthropic tradition that has its origins at Middle Ages, in present day Lithuania it is still rather weak due to the civic tradition gaps that arose during the Soviet occupation period. Now there are a few researchers in Lithuania who can identify their academic focus on philanthropy studies and a few empirical systematic data on philanthropy in Lithuania.

Nevertheless, some qualitative studies and quantitative surveys have been conducted in recent decades, and are introduced below as milestones of philanthropy research in Lithuania. The qualitative research on the perception of philanthropy and philanthropic action “Philanthropy in post-communist Lithuania” was carried out in spring 2003 by Eglė Vaidelytė as a part of her PhD research in sociology. For the empirical analysis Vaidelytė (2006) also employed the results of the representative quantitative survey “Philanthropy in Lithuania 2003”<sup>75</sup>. This survey up to now is the only representative survey that reflects a holistic view of public perceptions and attitudes towards philanthropy in Lithuania.

In her PhD thesis Vaidelytė (2006) characterizes philanthropy in Lithuania by particular and sometimes contradictory features, a dichotomist perception of philanthropy, and inconsistent philanthropic action. Post-communist Lithuania society identifies philanthropy with the Christian paradigm with a strong focus on social issues, although philanthropic players often come up against traditional values from the pre-WWII (pre-communist) period, contemporary political culture, socio-economic factors and by actions provoked by the way of living in the contemporary society. The high expectations of the state to foster philanthropic initiatives are also mentioned.

The abovementioned specificity of the perception of philanthropy is also revealed in the survey that was carried out in 2004 and that focused on the 50 biggest Lithuanian private companies<sup>76</sup>. The results indicated that the private companies of that time were donating solely to social projects (BAPP, 2005). Surprisingly or not, similar tendencies of the perception of philanthropy in society that eventually became public policy were reflected a decade later in a EUFORI study<sup>77</sup>, which revealed that Lithuanian businesses do not really understand or are aware of the business benefits that different philanthropic

<sup>74</sup> Public Policy and Administration Institute, Kaunas University of Technology

<sup>75</sup> The survey was conducted by the public opinion research agency Baltijos tyrimai and was funded by the Lithuanian Open Society Foundation in 2003.

<sup>76</sup> The survey was carried out by the market research company TNS Gallup and was funded by the Baltic - American Partnership Program in Lithuania (BAPP).

<sup>77</sup> The EUROpean Study On Foundations (EUFORI) (2011-2014) funded by the EC Directorate General Research and Innovation, coordinated by the Center for Philanthropic Studies at VU University Amsterdam.

models serve, and that Lithuania lacks consistent government policy towards philanthropy issues (Jatautaite, Vaidelyte 2014). Another project on philanthropy to be mentioned is the “National Strategy for Culture Philanthropy in Lithuania”<sup>78</sup>, which was based on qualitative research including 20 in-depth interviews on cultural philanthropy issues with philanthropy players (donors, recipients and intermediaries). The results of this research indicated that the majority of philanthropy players have high expectations in terms of government support for cultural philanthropy and public policy fostering philanthropic giving (Vaidelyte et al. 2014).

The above-presented short overview of giving research proposes that in present-day Lithuania philanthropy research has still not reached its full momentum. The following pages strive to make a portrait of philanthropy in Lithuania, although the lack of statistics and consistent empirical data limits the analysis. The accessed data are summarized and described in the chapters below.

## Giving by individuals

### **Descriptive statistics of giving by individuals in vivo**

*Statistics Lithuania*, a portal for official statistics in Lithuania, does not provide data on giving by individuals.

Therefore, the only sources of data on giving by individuals are public opinion surveys based on subjective identifications of charity practices/behaviour. According to data from different surveys conducted in 2012-2013, the shares of respondents who indicated they had donated to charity vary over quite a wide range:

According to the World Giving Index, 12 % of respondents reported they had given money to a charity in the past month in 2013 (CAF, 2014).

**Methodology of the survey.** *Nature of the data:* a public opinion survey conducted in 2013 as Gallup’s World View World Poll. *Target population:* populations of different countries (including Lithuania). *Representativeness:* representative survey of the Lithuanian population. *Sampling criteria:* the total sample included 1,000 respondents; the samples are probability-based. The survey was conducted using face-to-face or telephone interviews. *The main aim of the survey:* to rank countries in terms of the percentage of people who had donated money to charity in the last month.

**The main findings of the survey.** The report included three main dimensions that had been analysed: helping a stranger, donating money and volunteering time. In Lithuania 12 % of respondents reported they given money to a charity in the past month in 2013; 13 % of respondents indicated they had volunteered time in the past month. Lithuania is 119th out of 135 countries with a total ranking percentage score of 21%.

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<sup>78</sup> Project funded by the Lithuanian Council for Culture and coordinated by the Future Society Institute.

According to the research on giving carried out by the Civic Responsibility Foundation in Lithuania “Charitable giving to Non-governmental Organizations by Lithuanian Residents”<sup>79</sup> in 2013, 67.4% respondents reported that over the past 12 months they had donated to charity.

**Methodology of the survey.** *Nature of the data:* a public opinion survey conducted 15-19 June 2013 by UAB “Rinkos tyrimų centras” (Market Research Centre, UAB). *Target population:* the Lithuanian population (over 18 years of age). *Representativeness:* a survey of the Lithuanian population; the socio-demographic characteristics of the respondents reflect the breakdown of the Lithuanian population by sex, age and place of residence. *Sampling criteria:* the total sample included 1 000 respondents. The survey was conducted online. *The main aim of the survey:* to identify patterns of charitable giving to non-governmental organisations by Lithuanian residents.

**The main findings of the survey.** 67.4 % of respondents reported that over the past 12 months they had donated to charity. Most of the respondents who had donated money or things to non-governmental organisations had offered a donation to the Food Bank. Also, more than one out of ten respondents had offered a donation to a church, religious community or Caritas. One fifth (20.7%) of the respondents said they had donated money during television and other charity campaigns (Civic Responsibility Foundation, 2013). According to the report of this study, “the respondents were asked, if they would do a donation, which sector they would prefer. 66.1 % of the respondents would give preference to social and health-oriented organisations, 43.9 % of the respondents would give preference to organisations working with children and young people, 25 % for organisations working in education. <...> Respondents who during the past year had donated money to charity were asked which types of organisations or institutions the money was given to. Most respondents maintained that they had given financial support to organisations working in the area of health and social care (62.7 %). A little more than a half of respondents who had donated money to charity had given money to non-governmental organisations (52.7 %). Nearly a third of the respondents had donated money to religious communities and associations (31.6 %)” (Civic Responsibility Foundation, 2013). The future tendency is related to the decline of donations as “40 % of Lithuanian residents who had donated money or things to non-governmental organisations said that they for sure (7.9 %) or likely (32.1 %) in the future would donate more money than in the previous year to NGOs”. Considering the amount of donated money, the report reveals that “two-thirds (66.4 %) of respondents who had given money to NGOs in the past 12 months, had donated up to 50 Lt (approx. € 14.48), 23.2 % said they had donated between 50 and 100 Lt, and 10.4 % more than 100 Lt. (approx. € 28.96)”.

According to the research project “International Social Survey Programme: Monitoring of Lithuanian social problems (ISSP-LT)” conducted by the Kaunas University of Technology and funded by the Research Council of Lithuania, 27.4 % of the respondents had donated money or other things, or had supported non-governmental organisations in some other way.

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<sup>79</sup> The survey was carried out by the Market Research Centre “Rinkos tyrimų centras” in June 2013

**Methodology of the survey.** *Nature of the data:* a public opinion survey conducted during the period 4<sup>th</sup> October – 14<sup>th</sup> November 2013 by UAB “Baltijos tyrimai”. *Target population:* Lithuanian population (age range 15-74 years). *Representativeness:* representative survey of the Lithuanian population. *Sampling criteria:* the total sample included 2 170 addresses with 1 194 interviewed respondents. The survey was conducted using face-to-face interviews. *The main aim of the survey:* to monitor social problems in Lithuania.

**The main findings of the survey.** According to the survey results, approx. one third of the respondents (27.4 %) had donated money or other things, or supported non-governmental organisations in some other way.

According to the representative survey results conducted in 2012 by the public opinion research agency RAIT, more than half of respondents (54%) declared they had donated money during the last 12 months.

**Methodology of the survey.** *Nature of the data:* a public opinion survey conducted in May and June 2012. *Target population:* Lithuanian population (age range 15-74 years). *Representativeness:* representative survey of the Lithuanian population. *Sampling criteria:* the total sample included 1 012 respondents. The survey was conducted using face-to-face interviews. *The main aim of the survey:* to identify the popularity of donation portals among citizens and to reveal the donation habits in society.

**The main findings of the survey.** According to the survey results, the best-known donation portal in 2012 was Aukok.lt (12.8 % knew about this portal already), while each of the other donation portals was mentioned by less than 3 % of the respondents. The second best-known donation portal was “Bedu turgus” (2.9 % of the respondents knew about this portal already). Respondents with more years of education and a job, as well as schoolchildren and students, were more likely to indicate that they knew about the donation portals. The amount of donations ranged from 1 Litas (approx. € 0.29) to several thousand Litas; nonetheless the average amount of donations was 30 Litas (approx. € 8.7). The survey predicts a decline in donation practices over the next 12-month period, as the number of respondents who indicated their intention to donate during the next 12 months decreased (52 % said they would donate). The survey also revealed tendencies to make donations in clothes, food or other material things. As the survey shows, 32 % of the respondents indicated that they had donated material things. Women are more likely to donate material things than men. Married, urban residents with a higher income are also more likely to donate material things than single, rural residents with a lower income.

Nevertheless, the distribution of 2 % of personal income tax cannot fully be acknowledged as philanthropy, although these practices are important for understanding sponsorship and donation tendencies in Lithuania. As Article 34 (3) of the Law on Personal Income Tax of the Republic of Lithuania indicates, after the end of the tax period Lithuanian residents can re-distribute up to 2 % of their personal income tax for the sponsorship of Lithuanian entities that are entitled to charity and sponsorship under the Law on Charity and Sponsorship. The tax administrator transfers an amount not exceeding 2 % of the income tax payable on the basis of an annual income tax return to Lithuanian entities that are entitled to charity and sponsorship under the Law on Charity and Sponsorship.

Residents do not have an obligation to do this; it is done on voluntary basis. In this way the law entitles all Lithuanian residents with a taxable income to participate in the sponsorship of non-government sector organisations.

### **Descriptive statistics on giving by bequest**

No data on individual giving for charity by bequest are publicly available. Thus, we cannot identify the amount given by bequest, nor the number of individuals, which have given by bequest.

This practice is more common in the US, having in mind Lithuanians who live in the United States. One of the examples could be the case of Balis Gircys, a person of Lithuanian origin who lived in Chicago in the US and who donated his wealth of \$ 68,726.89 US by bequest to the General Consulate of Lithuania in Chicago (see: <http://www.delfi.lt/news/daily/lithuania/konsulatui-cikagoje-grazintas-lietuvio-palikimas.d?id=8867651>).

## **Giving by corporations**

### **Descriptive statistics of giving by corporations**

There is no clear information on charitable giving by corporations. The only available aspect of information is the statistics on charitable giving by legal entities in Lithuania that might include giving by corporations as well.

The general data on charitable giving by legal entities in Lithuania since 1996 are provided by Lithuania Statistics. The data since 2000 are available online. There are three types of information on charity and support by legal entities in Lithuania (see <http://www.stat.gov.lt/lt/>):

- General review of charity and support received - Charity and support received by the donor.
- Support recipients of charity and support - Charity and support received by legal persons.
- Donors of charity and support:
  - Lithuanian legal entities - donors of charity and support.
  - Average amount of support provided by a Lithuanian legal person.

According to the data of Statistics Lithuania, in 2013 Lithuanian legal persons-donors donated € 60.00 million as cash funds, € 1.6 million as services, and € 18.8 million as tangibles. Thus, in 2013 the total amount of donations by Lithuanian legal persons-donors was € 80.4 million.

The average amount of support provided by a Lithuanian legal person is € 9 900 (Source: Statistics Lithuania, 2013).

## **Giving by foundations**

### **Descriptive statistics of giving by foundations**

In Lithuania there are hardly any truly confidential statistics as regards the total number of NGO (including) foundations and their classification against legal status.

Overall, there were 1 213 charity and support foundations (with 233 full-time employees) and 5 211 public establishments (with 2 510 employees) in Lithuania in 2009<sup>80</sup>. In fact, the number of foundations has remained fairly stable to date, while the number of public establishments has slightly increased. About half of the charity organisations are foundations. About a quarter of the latter (about 500) are private and/or family foundations. The majority of other foundations were established either by groups of individuals or NGOs. The activities of foundations vary a lot depending on their founders' goals, target groups, funding sources etc. For example, there are foundations that were established to support schools, libraries, kindergartens, museums etc. There are over 20 corporate foundations. Also, many popular politicians (including the former president and his wife – the Alma Adamkiene Charity and Support Fund) have separate foundations. There is an increasing tendency among wealthy Lithuanians - both living in Lithuania and expatriates - to set up legal funding entities or to provide funding otherwise.

In 2013 charity and support funds received donations amounting to € 4.0 million from legal entities based in Lithuania and € 116 300 000 from foreign legal entities (Statistics Lithuania, 2014).

There are no data on the support provided by charity and support funds for individuals. Considering the support provided by charity and support funds for Lithuanian legal persons in 2013, the total amount of donations was € 72 404 000. According to Statistics Lithuania, Lithuanian legal entities received € 22 916 000 in cash from charities and/or foundations, € 510 000 in the form of services and € 48 978 000 in the form of in kind donations. In 2013 the support used by charity and support funds was € 140 544 000.

All Lithuanian legal entities that are entitled to charity and sponsorship under the Law on Charity and Sponsorship include charity and support funds. According to the data of Statistics Lithuania, in 2013 Lithuanian legal persons received support amounting to € 109 607 800.

## **Giving by charity lotteries**

### **Descriptive statistics of giving by charity lotteries**

Charity lotteries are not a popular benevolent activity in Lithuania. Unfortunately there are no systemized data available on charity lotteries in Lithuania. Charity lotteries are rather a rare event in Lithuania and are mostly organized at single benevolence events during the Christmas holiday period etc. The best-known charity lottery in Lithuania up to now is the one that takes place every year at the Vienna Ball. The funds raised by the charity lottery at the Vienna Ball are dedicated to health issues.

Another popular charity event is an International Charity Fair that has taken place every year for the last 13 years during the Christmas period, as well as other activities including a charity lottery. Other charity lotteries in Lithuania happen occasionally and are focused on social care issues, for example the charity

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<sup>80</sup> Department of Statistics of Lithuania, 2009.

lottery for Save the Children, charity lotteries in local communities during the Christmas or Easter holidays etc.

There are no statistics on charity lotteries in Lithuania, nor has a survey been conducted on charity lotteries in Lithuania yet. What was possible to find out from a content analysis of Lithuanian Internet portals was that there were four charity lotteries in 2013: the charity lottery that took place at the Vienna Ball, an international charity fair and two charity lotteries organized by higher education institutions. All the above mentioned charity lotteries focused on health or social support issues. The funds raised at the Vienna Ball charity lottery in 2013 came to € 2 000. These funds were dedicated to hospital renovation. The figures from the other charity lotteries are not available.

## Conclusion

There are few representative surveys revealing giving tendencies in Lithuania, so the philanthropy landscape in Lithuania has a limited view. The majority of the conducted research is focused on specific fields of philanthropy; the available data are rather fragmented and difficult to compare. Table 16.1 below shows the total giving for legal entities in 2013.

**Table 16.1 Support received by all Lithuanian legal entities in 2013 [all types of donors]**

	million EUR	percentage
Religion	7.5525	6.9 %
Health	9.8186	8.9 %
International aid	N/A	-
Public/social benefits (national)	14.9878	13.7 %
Culture	10.7785	9.8 %
Environment/nature/ animals (inter)nat.	0.4413	0.4 %
Education	9.4217	8.6 %
Other (not specified)	56.6074	51.7 %
<b>Total</b>	<b>109.6078</b>	<b>100 %</b>

*Source: Statistics Lithuania, 2013*

The challenge in evaluating philanthropy in Lithuania is that different national and international representative surveys use different methodologies, and the share of respondents who declare that they had donated to charity varies over rather a wide range. According to the World Giving Index, in 2013 Lithuania ranked 112 out of 135 (CAF, 2014). However, contrary to the results of international surveys, national research indicates that the majority of Lithuanians donate to charity. Research on giving carried out by the Civic Responsibility Foundation in Lithuania “Charitable giving to Non-governmental Organizations by Lithuanian Residents” declared that in 2013 more than half of Lithuanian

habitants said that over the past 12 months they had donated to charity. The growing popularity of crowd funding is revealed in another national representative survey that was conducted in Lithuania in 2012. According to the survey results the majority of respondents declared they had donated money or goods during the last 12 months. On the other hand, the data from the European Social Survey (ESS6, 2012) indicate that the majority of Lithuanians (76.4 %) declared that in the last 12 months they had never been involved in the work of voluntary or charitable organisations.

Qualitative surveys in 2004 and 2014 indicated that the perception of philanthropy peculiar to Lithuania and based on a traditional understanding of giving has not changed much over the last decade. The respondents indicated that the main problems in philanthropy are related to the role of the State and public policy towards philanthropy issues in Lithuania. On the other hand, philanthropy in Lithuania also lacks private initiatives and civic engagement. Lithuania still lacks forms of philanthropy such as charity lotteries or giving by bequest. The qualitative and quantitative data indicate that the main field of giving in Lithuania is focused on traditional philanthropy values related to social issues. According to national and international surveys, the main recipients of donations, especially individual ones, appear to be health, social support, and the church or religious communities.

As discussed above, there are several initiatives fostering a philanthropic culture and practice in Lithuania related to the media, or virtual space, private charitable giving. At present the best-developed continuous statistical data on charity and philanthropy are provided by Lithuania Statistics. However, the scope of the data provided by Lithuania Statistics is rather limited; it is just focused on the giving and receiving of legal bodies, and it is not possible to acquire data on specific aspects such as charity lotteries, individual donations etc. Thus, the question of institutionalized initiatives on longitudinal giving research is still rather open.

## **Links to other data sets.**

It is almost impossible to compare the Lithuanian data on philanthropy and giving, or to link them to other data sets. However, as it was mentioned above Statistics of Lithuania proposes some limited possibilities to compare statistics on charity and support, i.e., certain amounts given over the years. The International Social Survey Programme (ISSP) includes a general question on charitable giving and the European Social Survey Round 6 (2012) includes a question on involvement in work for voluntary and charitable organisations that are also linked to philanthropy initiatives.

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## 17. Research on Giving in the Netherlands

*Barry Hoolwerf, Renske Sanders and Dave Verkaik<sup>81</sup>*

### Introduction on Giving Research in the Netherlands

In the Netherlands, the primary institution for research on philanthropy is the Center for Philanthropic Studies (CPS) at the Vrije Universiteit of Amsterdam (VU). Furthermore, at the Erasmus University and the Rotterdam School of Management (also Erasmus University) there is a group of researchers that is working on philanthropy-related issues. Most of these researchers are affiliated with the Erasmus Centre for Strategic Philanthropy (ECSP). Also, research on philanthropy is being conducted at Maastricht University and Utrecht University. Finally, University College Windesheim (Zwolle) has an interest in philanthropy research as well.

The Center for Philanthropic Studies at the Vrije Universiteit (VU) Amsterdam has been the leading center of expertise on philanthropy in the Netherlands since 1995. By initiating and developing the longitudinal survey on giving in the Netherlands, it has established itself as an important source of information on giving by households, corporations, foundations, and charity lotteries in the Netherlands. In 2008, it was one of the founders of the European Research Network On Philanthropy (ERNOP), and since then has become one of the leading research centres studying philanthropy in Europe.

The Center produces research and courses that contribute to the professionalization of philanthropy. As philanthropic studies are multidisciplinary by nature, both teaching and research at the Center are fed by multiple disciplines, including the social and behavioural sciences (economics, psychology, sociology, public administration, organisational sciences) and law.

Research at the Center for Philanthropic Studies quantifies the origin, destination, and effects of philanthropy at the micro, meso, and macro levels in the form of charitable giving, volunteering, and bequest giving. All sources of contributions are studied, including households, foundations, corporations and lotteries. In addition, the Center studies the behaviour of non-profit organisations, charities and foundations, as well as, policy and laws related to philanthropy. As new forms of financing and collaboration enter the stage, the Center is currently investigating crowdfunding, social enterprises, venture philanthropy, and social impact investments.

The Erasmus Centre for Strategic Philanthropy (ECSP) was established in 2009 by two schools at Erasmus University, the Erasmus School of Economics, the Rotterdam School of Management, and a leading Dutch family foundation. It is an independent center located on the Erasmus University campus in Rotterdam to facilitate access for academics in the disciplines of economics, management, social sciences, law, history, and philosophy. The ECSP aims to be a knowledge and learning center that contributes to the performance and effectiveness of the philanthropic sector. Its mission is to support, stimulate, and challenge non-grantseeking European foundations in realizing their full potential for societal benefit. It offers capacity building services to establish and set up foundations and their main

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stakeholders. The Center initiates boundary-crossing research projects, develops competence-oriented training and education programs, and provides complementary advisory services on request, as well as emphasizing its intermediary role between academics and practitioners, and supporting the learning dialogue between these groups.

At Maastricht University the Elisabeth Strouven Foundation has founded a chair of philanthropy and social innovation. The chair is part of the European Center for Corporate Engagement at Maastricht's University School of Business and Economics. The chair has a specific focus on giving by the elderly, as they account for a large part of individual donors and are expected to be the major driver behind the 'golden age of philanthropy'. The latter refers to the expected intergenerational transfer of wealth in the coming decades.

A number of foundations have also founded a fellowship for studying Maecenas and civil society, with a specific focus on the recession that took place between 2008-2013 in Western Europe. The fellowship is attached to the Interdisciplinary Center of Culture, Citizenship and Human Rights at Utrecht University. Finally, University College Windesheim (Zwolle) mainly focusses on teaching about fundraising, grant making, and sponsoring.

## **Giving by individuals**

The most complete data source on giving by individuals is the Giving in the Netherlands Panel Survey (GINPS), which asks household representatives about their giving behaviour in a calendar year. The following information is derived from the latest version of giving in the Netherlands, which came out in 2015. The average amount donated in money and in kind by Dutch households in the calendar year 2013 was € 204, virtually identical to that of 2011. In 2013, 88% of Dutch households gave to charitable organisations with an average of € 232 over the entire calendar year. 47% gave in kind, with an average value of € 113. While we see an increasing popularity of giving money and goods to charitable causes, the average amount these households contribute seems to be decreasing.

Households most often give to health (74%), followed by the environment, nature and animals (44%), and international aid (41%). While less than a third of Dutch households (29%) give to religion, it receives the highest amount. Donations to religion represent 43% of the total amount donated by Dutch households. Organisations that provide international aid and health organisations receive 12% and 13% of the total amount of household gifts, respectively.

Although traditional door-to-door collection remains the most popular way of donating money in the Netherlands, its popularity has decreased. While in 2005 90% of households donated to a door-to-door collection, in 2013 this declined to 78%. Many other ways of donating have also decreased in popularity since 2011. New forms of giving such as giving through text messaging or via the Internet have gained slightly in popularity during recent years.

Similar to the previous 'Giving in the Netherlands' edition, it shows that the giving behaviour of Dutch households follows the Pareto Principle rule: 20% of the households are responsible for 80% of the total amount donated. There are large differences in giving behaviour between households. 12% of Dutch

households do not donate to charitable causes, and over a quarter of households (26%) donated less than € 25 in 2013. At the other end of the spectrum, one in every seventy (1.5%) Dutch people gave more than € 2,000. This group accounts for over a quarter (27%) of the total amount of charitable contributions in the Netherlands. A substantial proportion of these large donations comes from wealthy Dutch people.

Differences between households in giving behaviour are associated with socio-economic characteristics such as age (older people donate more), education (more highly-educated people donate more), income and wealth (the more the financial resources, the higher the amounts donated), and religion (religious Dutch people, especially Protestants, donate more). Households seem to do more charitable giving as they hold more altruistic values, and as the frequency with which they are asked for donations increases.

Although total charitable giving appears to be relatively stable across time, we find an interesting dynamic beneath the surface. Many households remain loyal donors to organisations operating in health, while the other sectors comprise more incidental than loyal donors (Bekkers et al., 2015).

**Table 17.1 Percentage of individuals donating to different goals and the mean amount donated, 2013**

	<b>% of individuals that donated to</b>	<b>Mean amount donated EUR</b>
Religion	29 %	300
Health	74 %	36
International aid	41 %	72
Public/social benefit (national)	35 %	29
Culture	11 %	69
Environment/nature/ animals (inter)national	44 %	44
Education	10 %	48
Sports and recreation	13 %	38
Other (not specified)	10 %	154
<b>Total</b>	<b>88 %</b>	<b>233</b>

**Table 17.2 Uses of donations by individuals in 2013**

	million EUR	percentage
Religion	787	40 %
Health	213	11 %
International aid	304	16 %
Public/social benefit (national)	190	10 %
Culture	57	3 %
Environment/nature/ animals (inter)national	150	8 %
Education	41	2 %
Sports and recreation	42	2 %
Other (not specified)	160	8 %
<b>Total</b>	<b>1 944</b>	<b>100 %<sup>a</sup></b>

<sup>a</sup>The percentages do not add up to 100 due to rounding off.

### **Data sources of giving by individuals**

The Giving in the Netherlands Panel Survey (GINPS) is the primary source of data on giving in the Netherlands. Since 1995 the Giving in the Netherlands Study has been carried out on a biennial basis by the Center for Philanthropic Studies at Vrije Universiteit Amsterdam, and since 2003 this has been conducted through a longitudinal panel survey, called GINPS (Giving in the Netherlands Panel Survey). After the first study was commissioned by a number of foundations in the Netherlands, the following biennial studies were paid for by the Dutch government. Currently, Giving in the Netherlands is financed by the Dutch Ministry of Security and Justice.

Through GINPS the representative data on household giving are collected. The research target population is all households in the Netherlands, but they are approached through individuals aged 18 and over (no maximum age). The data are collected every even year about a calendar year before, while the reports are published in the years after data collection. Data collection for Giving in the Netherlands 2015 thus took place in 2014, and the reports about donations made in 2013.

A total of 1 505 representatives from Dutch households were surveyed in the 2012 wave of the Giving in the Netherlands Panel Survey (GINPS). From these 1 505 respondents, 1 320 also participated in the GINPS 2010 wave. In the 2014 panel 1 271 participated, of which 652 also participated in 2012. By subsequently surveying the same respondents for each study, GINPS creates great opportunities and advantages with regards to analyzing the backgrounds and effects of philanthropic behaviour. All the data (for every panel), questionnaires used, instruments, and a user manual (in English) are available for research purposes and on request from the Center for Philanthropic Studies ([www.giving.nl](http://www.giving.nl)).

Next to the online panel, the reported information on giving by households is based on an extra sample of high networth individuals and non-western immigrants. The former are included due to their large contribution to the total amount of giving by households, the latter because they are underrepresented on the regular online panel. In order to make representative statements about giving in the Netherlands, the data on giving are weighted according to gender, age, education, household composition, and geographical location. Next, the data on the two groups mentioned are additionally collected through:

- A postal survey on HNW households
- Face-to-face interviews to include non-western immigrants.

The GINPS contains many background variables and the survey includes many questions related to giving to charitable organisations, including, among others, individual characteristics (gender, age, income, household composition, religious affiliation, education, social status, and political affiliation) and ways of donating, charitable goals, decision-making processes, and trust.

Many studies have been carried out using the GINPS datasets. A simple search on Google Scholar results in over 60 publications that have used GINPS household data. Most publications are related to explaining differences in giving behaviour between households. A non-exhaustive list of publications derived from the GINPS data can be found in the References and Further Reading List.

## **Giving by bequest**

The data on giving by bequest are limited. The only source that provides a categorization of donations to charitable organisations by bequest is the Central Bureau for Fundraising (Centraal Bureau Fondsenwerving, CBF), a national organisation overseeing fundraising activities by fundraising foundations. Under a number of conditions, fundraising organisations may apply for a seal of approval by the CBF. One condition is delivering a specification of income from fundraising, including bequests.

In 2013, 476 fundraising foundations reported to the CBF, of which 196 received at least one gift through a bequest, accounting for € 265 million. This amount is also reported in the Giving in the Netherlands study.

However, an important shortcoming is that not all organisations have to report to the CBF. For example, religious organisations are the largest recipient of *in vivo* donations, but only a fraction of these organisations report to the CBF. Also, many local organisations like museums, schools, universities, and hospitals do not report to the CBF and are therefore not included in the reported amount.

**Table 17.3 Uses of charitable bequests in 2013**

	million EUR	percentage
Religion	6.5	2.4 %
Health	83	31.4 %
International aid	61	23 %
Public/social benefit (national)	69.6	26.3 %
Culture	2.7	1 %
Environment/nature/ animals (inter)national	41.5	15.7 %
Education	0.6	0.2 %
Sports and recreation	-	-
Other (not specified)	-	-
<b>Total</b>	<b>264.9</b>	<b>100 %</b>

Another source that can be used to determine the total amount of giving by bequest in the Netherlands is by making use of Statistics Netherlands (Centraal Bureau voor de Statistiek, CBS). Statistics Netherlands collects data from multiple sources (e.g. the tax authorities), and thus can provide a more comprehensive picture of the market for bequests. However, after 2005 organisations with a public benefit purpose (Algemeen Nut Beogende Instellingen, ANBIs) were exempt from paying inheritance tax and were no longer obliged to report to the tax authorities. As a consequence, this resulted in a decrease in the number of ANBIs that reported to the tax authorities, from 5 000 ANBIs in 2005 to 2 572 ANBIs in 2012. In 2005 the average amount received through bequests was € 76 000, which increased to € 105 000 in 2012. We can thus only provide an estimation of the total amount by extrapolating the average amount received by ANBIs in 2012 (€ 105 000) with the total number of ANBIs estimated to receive income from bequests (5 201), which is € 544 million.

#### **Data sources of giving by bequests**

The data at the CBF are collected annually at the organisation level (at the recipient side) for all CBF reporting organisations. These CBF organisations represent the largest fundraising organisations in the Netherlands (churches and local organisations excluded). The data derived from the annual reports is thus a lower bound estimate. Because the data are derived from the recipient side, no background variables are available, although Giving in the Netherlands includes a question on testaments in the household survey (see previous paragraph). Datasets are available from the CBF ([www.cbf.nl](http://www.cbf.nl)).

Statistics Netherlands provides data through its website [www.cbs.nl](http://www.cbs.nl). A specific link to the data on bequests can be found in the References and Further Reading List. The data available are only those amounts reported to the tax authorities. Legacies that only went to inheritance tax-exempt

organisations are thus not included, and the total amount mentioned in the previous paragraph is based on an extrapolation for the total estimated number of organisations with a public benefit purpose.

## **Giving by corporations**

Giving in the Netherlands 2015 reports on corporate philanthropy (giving) and sponsoring in 2013 (de Gilder, 2015). Corporate giving and sponsoring in terms of money, goods, and/or corporate volunteering is business as usual for Dutch companies.

In 2013 70% of all corporations gave money by donating directly or through sponsoring activities. This percentage is equal to the 2011 data, when 71% of corporations donated directly or sponsored activities organized by nonprofit organisations. According to the Giving in the Netherlands Study estimations, the relative proportion of sponsoring (66%) decreased and the proportion of corporate giving increased (34%) compared to 2011 (70% and 30%). From this study, we also learn that 60% of corporations do not make a distinction between giving and/or sponsoring. This applies to small companies in particular. In terms of activities, donating money is most popular for both sponsoring (64%) and corporate giving (69%), followed by donating through corporate volunteering (21%) and sponsoring through corporate volunteering (24%). In-kind corporate giving (11%) and sponsoring (13%) is least popular among Dutch companies.

Regarding charitable goals, sports, and recreation is the most popular goal for corporate giving and sponsoring. However, we find that both in absolute amounts and relative to other charitable goals, sports and recreation are becoming less popular compared to the previous wave of Giving in the Netherlands. In 2011, sports and recreation received an estimated amount of € 585 million, which accounted for 42% of the total amount of giving and sponsoring in the Netherlands. In 2013 the total amount dropped to € 433 million, and accounts for 32%.

It seems that corporations do not utilize philanthropy strategically. A vast majority of the corporations do not have a specific policy on corporate philanthropy and/or sponsoring, and only a small group of corporations communicates about their philanthropic activities to internal or external parties.

Corporations that utilize a charitable giving policy strategy operate more 'strategically': they communicate more often, but also tend to give higher amounts to charitable causes.

Although corporations seem to be increasingly aware of the concept of corporate social responsibility (CSR), we do not see an increase in corporations engaging in CSR. Many corporations have initiated new CSR initiatives, but these do not seem to crowd out sponsoring or corporate giving.



**Table 17.4 Percentage of corporations donating to different goals and mean amount donated<sup>82</sup>, 2013**

	<b>% of corporations that donated to</b>	<b>Mean amount donated EUR</b>
Religion	7 %	1 644
Health	15 %	834
International aid	7 %	841
Public/social benefit (national)	8 %	556
Culture	5 %	865
Environment/nature/ animals (inter)national	7 %	550
Education	6 %	2 326
Sports and recreation	14 %	1,012
Other (not specified)	9 %	823
<b>Total</b>	<b>70 %</b>	<b>1 988</b>

**Table 17.5 Uses of donations by corporations in 2013**

	<b>million EUR</b>	<b>percentage</b>
Religion	177	13 %
Health	155	11 %
International aid	67	5 %
Public/social benefit (national)	139	10 %
Culture	80	6 %
Environment/nature/ animals (inter)national	47	3 %
Education	148	11 %
Sports and recreation	433	32 %
Other (not specified)	117	9 %
<b>Total</b>	<b>1 363</b>	<b>100 %</b>

**Data sources of giving by corporations**

The Giving in the Netherlands survey data on corporate giving and sponsoring was collected online through a representative sample of Dutch companies in spring 2014. The survey was conducted on 1

<sup>82</sup> Gifts in cash only (sponsoring and gifts in kind excluded).

201 respondents responsible for corporate giving and/or sponsoring within their company, and was carried out by TNS/NIPO. Weightings were applied to extrapolate the sample to the total population. The population characteristics were derived from the Dutch Chamber of Commerce. One remark regarding the population is that a large number of self-employed respondents are included in the population. These 'companies' can make donations, but these donations are part of the income tax for households. Their donations could thus also be seen as giving by households.

The questionnaire and data are available on request from the Center for Philanthropic Studies at VU Amsterdam. The figures are based on self-reporting by corporations. The desirability bias is limited due to the anonymity of corporations.

A wide variety of aspects such as the number of employees, revenue, and other characteristics that might affect the amount given were included as background variables.

## **Giving by foundations**

Information about foundations, their assets, and expenditure in the Netherlands is scarce. However, although incomplete and far from representative, some research has been done on foundations supporting the public good. Based on this information, it is possible to make a picture of the foundation sector in the Netherlands.

In general, foundations in the Netherlands are classified according to their main source of income. Most foundations receive their income from external sources or derive their own income from an endowment. Based on the main source of income, a distinction is made between fundraising foundations, endowed foundations, hybrid foundations, and foundations with other fixed sources of income (Hoolwerf et al., 2007). The first type of foundation raises money from different sources on a structural basis, be it from the general public, the government, and/or charity lotteries. Other types of foundation have a more structural source of income, such as the proceeds from assets given by a donor (endowed foundations), or structural income from periodic grants from the government or charity lotteries (foundations with other fixed sources of income). The former may also decide to hand over the foundation's proceeds to another foundation. These types of foundation are known as designated funds.

Endowed foundations are also characterized by a considerable variety of aspects. However, a general distinction can be made. On the one hand, there are older (small) family foundations that have very specific aims. On the other hand, there are larger foundations that were founded recently, that have broader aims, and are a result of privatization or the accumulation of wealth by families during recent decades. A final type of foundation that is distinguished by its revenue structure are foundations with a more diverse income structure. These foundations are known as hybrid foundations.

Regarding the number of foundations in general, there is little information available in the Netherlands. The register of the Public Benefit Organisations' (ANBI) from the Tax Authorities of the Netherlands has registered 45 601 foundations. However, this number includes many small fundraising foundations, as well as a large number of nonprofit organisations such as schools, museums, hospitals, etc. Not included

are organisations with a collective public benefit status (e.g. churches) and public benefit organisations under public law (Gouwenberg and Hoolwerf, 2015).

Most larger fundraising foundations are registered at the Central Bureau on Fundraising in the Netherlands (CBF). In 2013, 516 foundations reported their financial accounts to the CBF. Out of these 516 foundations, 448 reported income from an endowment (Gouwenberg and Hoolwerf, 2015). As this chapter only reports on foundations supporting charitable goals from an endowment, we will only report these amounts in the table on the uses of foundations in 2013.

Another source of information is the Knowledge Base Philanthropy (Kenniskbank Filantropie). This organisation aims to collect information about all the ANBI organisations in the Netherlands. In 2015 more than 30 000 organisations registered with this database. However, as this register remains incomplete, it remains difficult to assess its representativeness. On this database, 1 148 foundations are registered as endowed or hybrid foundations, of which 338 are 'designated funds'. In order to collect data on giving by (endowed) foundations for Giving in the Netherlands, 810 registered foundations (both endowed and hybrid) were requested to complete an online survey (Gouwenberg and Hoolwerf, 2015). Out of these 810 foundations, 141 provided information about their expenditure in 2013.

**Table 17.6 Number of foundations donating to different goals and the mean amount donated, 2013**

	Number of foundations <sup>83</sup>	Mean amount donated EUR
Religion	24	172 184
Health	37	632 186
International aid	36	430 742
Public/social benefit (national)	62	728 577
Culture	42	1 249 319
Environment/nature/ animals (inter)national	18	360 356
Education	43	399 803
Sports and recreation	31	355 558
Other (not specified)	33	269 388
<b>Total</b>	<b>141 (endowed foundations only)<sup>a</sup></b>	<b>€ 1 304 964</b>

<sup>a</sup>Most foundations support more than one goal

<sup>83</sup> Based on endowed & Hybrid foundations only

**Table 17.7 Uses of donations by foundations in 2013<sup>84</sup>**

	million EUR	percentage
Religion	6	2 %
Health	47	16 %
International aid	31	11 %
Public/social benefit (national)	62	21 %
Culture	78	37 %
Environment/nature/ animals (inter)national	26	9 %
Education	18	6 %
Sports and recreation	11	4 %
Other (not specified)	9	3 %
<b>Total</b>	<b>290<sup>a</sup></b>	<b>100 %<sup>b</sup></b>

<sup>a</sup>The figures are based on support from endowed foundations and fundraising foundations (derived from income from endowment)

<sup>b</sup>Due to rounding off the percentages might not add up to 100%.

From subsequent surveys in the Giving in the Netherlands Study, we see that most grants from endowed foundations were given to (national) societal goals, and culture and the arts (Gouwenberg and Hoolwerf, 2015). Fundraising foundations have a different focus, as they largely focus on international aid and health. In the Netherlands, international aid foundations receive a large share of the Dutch Official Development Aid (ODA) to finance their projects abroad. However, it should be pointed out that even without government subsidies, international aid is the main focus of Dutch fundraising foundations.

Table 17.7 reports on the goals supported by foundations in 2013 (both endowed foundations and support from fundraising foundations as derived from income from an endowment). In 2013 foundations donated at least € 290 million to charitable goals. This is a lower bound estimate, as only a small share of the endowed foundations participated in the survey.

### **Data sources of giving by foundations**

The data on foundations in the above section are based on a secondary analysis of the database from the Central Bureau for Fundraising (CBF). The information in this database was complemented with data from an online survey that was filled in by 141 endowed foundations, out of the 810 foundations that were registered with the database of the Knowledge Base in 2015.

The figures are based on self-reporting. The background variables included are very limited. The survey was made primarily out of items assessing spending and income sources. The data on foundations as

<sup>84</sup> This figure includes giving by endowed foundations and giving by fundraising foundations with money that was derived from dividends.

reported in Giving in the Netherlands were obtained from the Center for Philanthropic Studies at VU University Amsterdam. The CBF data were obtained from [www.cbf.nl](http://www.cbf.nl), and the Knowledge Base Philanthropy can be contacted via [www.kennisbankfilantropie.nl](http://www.kennisbankfilantropie.nl). The datasets can be used for secondary, non-commercial purposes, and analyses.

Next to the Giving in the Netherlands Study, more information on foundations in the Netherlands can also be obtained from the Association of (endowed) Foundations in the Netherlands (FIN), [www.verenigingvanfondsen.nl](http://www.verenigingvanfondsen.nl).

## **Giving by charity lotteries**

The Netherlands is home to six charity lotteries supporting a wide range of charitable goals (religion, research, and education are not included). These are: Vriendenloterij, Nationale Postcode Loterij, Bankgiro Loterij, Samenwerkende non-profit Loterijen, the Stichting Nationale Sporttotalisator, and Sporttech BV. Three of them (i.e. Nationale Postcode Loterij, BankGiro Loterij, and Vriendenloterij) are part of the Nationale Goede Doelen Loterijen N.V. The Samenwerkende non-profit Loterijen (collaborating non-profit lotteries) represent five lotteries organized by larger fundraising organisations in the Netherlands.

The *Stichting Nationale Sporttotalisator* (Lotto) mainly sponsors charitable organisations in the field of sports, culture, social welfare, and public health. On 31 March 2016 Lotto merged with the Dutch National / State Lottery and is no longer part of the Dutch charity lottery landscape. Finally, Sporttech BV mainly focusses on supporting sport related to horses.

Gambling in the Netherlands is governed by the Games of Chance Act (Wet op de Kansspelen)

providing a regulatory framework for the Dutch gambling industry. This law allows charity lotteries to operate within a legal framework and sets a minimum percentage of sold tickets that must be donated to charity (50%). In 2015 the government legalized the online gambling industry for both local and foreign organisations. This has put the Dutch charity sector under increasing competitive pressure.

At the moment, the Dutch government is considering allowing foreign organisations to access the Dutch lottery market. This too will most likely have consequences for the lotteries' incomes.

**Table 17.8 Uses of donations by charity lotteries, 2013**

	million EUR	percentage
Religion	-	-
Health	36	7 %
International aid	115	23 %
Public/social benefit (national)	86	17 %
Culture	63	13 %
Environment/nature/ animals (inter)national	91	18 %
Education	-	-
Sports and recreation	68	14 %
Other (not specified)	35	7 %
<b>Total</b>	<b>494</b>	<b>100 %</b>

### **Data sources of giving by charity lotteries**

Information about charity lottery donations can be derived from the annual reports of the non-profit lotteries.

The target populations were the non-profit lotteries; all Dutch lotteries that transfer their proceeds to charitable causes were selected in the sample. This should provide a complete picture of the non-profit lotteries operating in the Netherlands.

The data sources are the annual reports of the non-profit lotteries themselves (Vrienden Loterij, Nationale Postcode Loterij, BankGiro Loterij, Samenwerkende non-profit Loterijen, the Stichting Nationale Sporttotalisator, and Sporttech BV).

No background variables were included, since there are only six major non-profit lottery institutions in the Netherlands. Their annual reports are publicly available on the lotteries' websites. To the best of our knowledge, no studies have been carried out using the datasets, or about the datasets themselves.

## **Conclusion**

For the Netherlands, representative and valid data on charitable donations by individuals, corporations, and charity lotteries are available due to the extensive bi-annual research carried out by the Center for Philanthropic Studies at Vrije Universiteit Amsterdam. Data on bequests and foundations are more challenging to obtain. Churches, museums, hospitals, and educational institutions do not report their incomes from bequests, and data on the financial support from a large number of endowed foundations

are unavailable. The amounts presented for these sources should be interpreted as lower bound estimates.

**Table 17.9 Sources of contributions in 2013**

Sources of contribution	million EUR	percentage
Individuals		
<i>In vivo</i>	1 944	45 %
Bequests	265	6 %
Corporations	1 363	31 %
Charity lotteries	494	11 %
Foundations <sup>85</sup>	290	7 %
<b>Total</b>	<b>4 356</b>	<b>100 %</b>

**Table 17.10 Uses of contributions in 2013**

	million EUR	percentage
Religion	977	22 %
Health	535	12 %
International aid	577	13 %
Public/social benefit (national)	547	13 %
Culture	281	6 %
Environment/nature/ animals (inter)national	356	8 %
Education	208	5 %
Sports and education	554	13 %
Other (not specified)	321	7 %
<b>Total</b>	<b>4 356</b>	<b>100 %</b>

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### References and further reading

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#### Online resources:

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<http://www.erim.eur.nl/centres/strategic-philanthropy/>

## 18. Research on Giving in Norway

*Karl Henrik Sivesind*<sup>86</sup>

### Introduction on Giving Research in Norway

Philanthropy has only in recent years become a significant force in society in Norway, and thereby also increasingly a research topic. Still, volunteering and non-market transactions are the primary way for the population to support nonprofit organisations. However, the share of the population that donates money is increasing as a result of an increasingly professional operation by fundraising organisations focusing on recruiting personal sponsors and regular donors. In addition, a number of large foundations have changed the foundational landscape since year 2000. Partly as a result of rich families and persons donating money to grant-making foundations in science, medicine, culture and arts, and partly as a result of conversion of mutual insurance companies and saving banks to limited companies, resulting in foundations representing the former mutual ownership. As a result, the research on giving in Norway also has increased in recent years.

Research on individual giving has primarily been done at the Institute for Social Research. Donations from households were an important part of the Johns Hopkins Comparative Nonprofit Sector Study, done for the first time in Norway for the year 1997 (Sivesind, Lorentzen, Selle, & Wollebæk, 2002; Sivesind et al., 2004). Data on household giving was updated for 2004 (Sivesind, 2007) and 2009 (Sivesind, 2012, 2015; Wollebæk & Sivesind, 2010). In this chapter, some new data for 2014 will also be presented.

Several studies of foundations have also been conducted at the Institute for Social Research (Lorentzen, 2001, 2004; Lorentzen & Dugstad, 2010; Sivesind & Arnesen, 2015), by The Norwegian Gaming and Foundation Authority (Lotteri og stiftelsestilsynet, 2012; The Norwegian Gaming and Foundation Authority, 2013), and by the University of Agder (Prof. Morten Øgård, and dissertations by PhD Susan T. Furrebø, Master Nicole Elgueta Silva, etc).

Deloitte conducts an annual survey of fundraising organisations in Norway in collaboration with The Norwegian Fundraising Association (Norges Innsamlingsråd). The focus is on changes in sources of funding for the various organisations.

Corporate social responsibility has been studied primarily at Norwegian Business School, in particular by Prof. Atle Midttun and Senior Researcher Caroline Ditlev-Simonsen, who has a PhD on the topic.

In the following, the focus will be on data that can be used to make national estimates for giving in Norway.

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## Giving by individuals

### Descriptive statistics of giving by individuals in vivo

In 2014, 70 per cent of adults from 16 – 79 years reported in a representative population survey that their household donated to voluntary organisations during the last 12 months.<sup>87</sup> In 2009 the share was slightly higher (76 per cent), but it had increased strongly since 1997 (51 per cent). The average household donated € 325 to nonprofit organisations in 2014. An estimate based on average donations multiplied by population in different population strata (6 household types<sup>88</sup>, 7 regions), shows that the Norwegian households donated about € 500 million [NOK 4,5billion] (see table 18.1), which is equivalent to 0,2 per cent of the Gross Domestic Product. This is the same share as in 2009. However, since GDP has grown, the current value of the donations is much higher in 2014 for the receiving organisations. Table 18.1 shows the per cent of donors and average and median amount donated to different types of nonprofit organisations in 2015.

**Table 18.1 Percentage of individuals belonging to households donating to different categories of voluntary organisations and mean amount donated, 2014**

	% that donated	Mean amount donated EUR	Median amount
Health	36 %	130	60
Social services	20 %	108	60
International aid	53 %	175	60
Religion	15 %	437	60
Other	15 %	122	60
<b>Total</b>	<b>70 %</b>	<b>306</b>	<b>144</b>

The largest share of the Norwegian population donates to international aid organisations with 53 per cent, up from 44 in 2009. Here we find the nonprofit organisations with the highest incomes from regular donors and personal sponsors on Deloitte's list, such as SOS Children's Villages, Plan Norway, and Save the Children. Other international aid and mission organisations, i.e. Red Cross, UNICEF, The Mission Alliance, Amnesty International, and the Strømme Foundation, also get large incomes from such donations (Deloitte, 2015). In addition, The Norwegian Association of the Blind and Partially Sighted, with activities primarily in Norway, is on the top ten list. The second largest share of Norwegians (36 per cent) donates to health organisations, down from 48 percent in 2009). Here we find the Norwegian Cancer Society [Kreftforeningen] which mainly funds medical research and the Norwegian Heart and Lung Patient Organization [LHL] which is a patient interest organisation but also operates clinics and hospitals paid for by the public authorities. Other important organisations in this area are the Norwegian Women's Public Health Association [NKS] with 50,000 members and the Norwegian Health Association

<sup>87</sup> This includes those who confirmed their household donated, but did not know or would not answer how much money they gave

<sup>88</sup> Singles, couples and multiple family household, with and without children.

[Nasjonalforeningen for folkehelsen] with 100,000 donators and 35,000 members; both of these organisations are advocacy and member organisations but also are providers of health services paid for by the public authorities. Some of the large nonprofit organisations in this area operate large rescue and ambulance services, such as the Norwegian Society for Sea Rescue with 68 000 members and Norwegian Air Ambulance Foundation [Stiftelsen norsk luftambulanse] with 713 000 support members. The Red Cross, Norwegian People's Aid and the Norwegian Rescue Dog Association are active in search, rescue, and first aid operations. Additionally, large organisations exist for blind, deaf, handicapped, rheumatic, and many other people with diseases and disabilities. In recent years, the number of smaller organisations for people with specific diagnoses has grown rapidly.

Many of the health organisations illustrate that the traditional way of supporting nonprofit organisations in Norway is by passive membership. These members could be recruited to become active for shorter or longer periods as participants in organisational events, volunteers, elected representatives, and donors. More recently, it has become common to recruit donors that are not among the members through direct marketing and direct dialogue in the streets.

Organisations active in social services receive donations from 20 per cent of Norwegians, down from 31 in 2009. The Red Cross and Norwegian People's Aid have large parts of their activities at the local association level in this area. Some religious organisations are important in care for extremely poor, homeless, and drug and alcohol addicts, such as the Salvation Army, the Blue Cross Norway, and the Church City Mission [Kirkens bymisjon]. Many people who donate to these organisations may consider it as a contribution to social services rather than to religion when answering the giving survey questions. Even as the population gets more secularized, these organisations are highly respected for their social care for people that government's services fail to reach.

Religion gets donations from only 15 per cent of the population, the same share as in 2009. This includes religious congregations, mission organisations, and the Norwegian Church Abroad, but also non-religious organisations as the Norwegian Humanist Association [Human-etisk forbund]. These life stance organisations are grouped together with the religious organisations because they get public support per registered member just like a religious society. Thus, the distinction between religious causes and secular causes is not absolute in the Norwegian data, but this category is strongly dominated by religious organisations. In addition 15 percent of the population donated to other categories of organisations.

Norwegians give on average € 325 to nonprofit organisations<sup>89</sup>. The largest average donation goes to religion and life stance organisations with € 438 in average donations. Some religious societies are very concerned about their autonomy; some even refuse public support, thus raising a large share of their income from active members is a high priority. The second largest average donations go to international organisations with € 175. Then follows health with € 130, other with € 122, and social services with € 107. However, since there is an uneven distribution of giving, a few persons give very large amounts, average numbers tend to exaggerate the size of the donations. If we look at median amount donated in 2014 in the right column in table 18.1, the figures are much lower. The median annual donated amount

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<sup>89</sup> The top 0,5 percent of the donations have been replaced with average donations in each category to limit the effect of the most extreme outliers.

for all categories in total was just € 144. For each of the categories of organisations the median was € 60, except religion with € 96.

Table 18.2 shows estimates of the amounts each category of organisations got in donations by individuals in a twelve month period in 2014. The largest amount goes to international aid with € 191 million, followed by religion with € 134 million. Although the average amount is larger in religion, the share of the population that gives is much smaller than in international aid organisations. Then follows health with € 97 million, social services with € 43 million and other with € 38 million. Since 2009, religion has climbed from being number 3 after health to be number 2 on the list of largest total donated amounts.

**Table 18.2 Uses of donations by individuals in 2014**

	million EUR	percentage
International aid	191	38 %
Religion	134	27 %
Health	97	19 %
Social services	43	9 %
Other	38	8 %
<b>Total</b>	<b>503</b>	<b>100 %</b>

### **Data sources of giving by individuals in vivo**

The data on giving by individuals in Norway are from a stratified, representative population survey on giving and volunteering from 2014 based on telephone interviews conducted by Statistics Norway with 1,921 respondents aged 16–80 (response rate of 63 per cent). Similar surveys have been conducted with about 5 year intervals (Arnesen, 2015). The funding comes from the Ministry of Culture or in collaboration from several ministries. The data from 2014 includes, in addition to donations, volunteering for voluntary organisations, for private enterprises or the public sector, and direct volunteering for persons outside of the household. The survey also includes personal background variables normally used in population surveys, some of which come from register data.

### **Descriptive statistics on giving by bequest**

There are no Norwegian individual-level data on giving by bequests to voluntary organisations. However, Deloitte asks fundraising organisations about income from different sources in their annual survey. It is important to note that the data is from a survey of 135 fundraising organisations, of which only 57 responded (Deloitte, 2015). Traditionally, the Salvation Army and the Cancer Society get the largest sums from bequests, and these and many of the large organisations are covered by Deloitte's survey. However, the total sum donated through bequests is probably much larger than the € 36.1 million total. A large number of contributions to smaller organisations probably add up to substantial amounts. We know from newspapers that even local associations may occasionally get a surprisingly

large amount from a bequest. However, there is large variation from one year to the next in such donations, both for large and small organisations.

Table 18.3 shows that The Salvation Army (€ 11.4 million) and The Cancer Society (€ 10.0 million) got by far the largest sums in 2013, followed by SOS Children's Villages with € 3,7 million.

**Table 18.3 Uses of charitable bequests in 2013**

	million EUR	percentage
Salvation Army	11.4	32 %
Cancer Society	10.0	28 %
SOS Children's Villages	3.7	10 %
Norwegian Church Aid	1.4	4 %
The Norwegian Association of the Blind and Partially Sighted	1.4	4 %
Red Cross	1.0	3 %
Norwegian Health Association	0.9	2 %
The Church City Mission	0.9	2 %
The Norwegian Rheumatism Association	0.3	1 %
Other (not specified)	5.0	14 %
<b>Total</b>	<b>36.1</b>	<b>100 %</b>

Source: (Deloitte, 2015: 31)

If we try to sort the organisations in categories by their main activity (ICNPO categories), we find that religion (The Salvation Army and The Church City Mission) received the largest amount with € 12.3 million, followed by health, which includes the Cancer Society and the Norwegian Health Association, with € 10.9 million. Next are international aid organisations, including SOS Children's Villages, Norwegian Church Aid and Red Cross<sup>90</sup>, that get € 6.1 million. The Norwegian Association of the Blind and Partially Sighted and The Norwegian Rheumatism Association are classified in civic and advocacy organisations and get a total of € 1.8 million.

### **Data sources of giving by bequests**

The most important data source is Deloitte's reports from annual surveys of fundraising organisations in Norway in collaboration with The Norwegian Fundraising Association (Norges Innsamlingsråd). The focus is on changes in sources of funding for different organisations. However, only around 40 percent of the organisations that got the questionnaire respond to the surveys. The target group is mainly national fundraising organisations. Organisational surveys to national and local/regional organisations conducted

<sup>90</sup> The Red Cross has also a large part of their activity in Norway in particular in social services. Here, we assume that the bequests support mainly the international aid.

by the Centre for Research on Civil Society and Voluntary Sector includes questions about income from bequests, but the number of organisations that report such income is too small to allow a reliable estimate (Gulbrandsen & Sivesind, 2013; Sivesind, 2012).

## **Giving by corporations**

### **Descriptive statistics of giving by corporations**

We don't have any sources that cover giving by corporations on a national level.

## **Giving by foundations**

### **Descriptive statistics of giving by foundations**

In 2011 there were 7,612 foundations in Norway with a total book equity of € 11.2 billion, according to data from the Foundation Register. A survey conducted by the Norwegian Foundation Authority, showed that 3,400, or 60 % of the total of 5,844 foundations in the survey, were grant-making foundations with a total book equity of € 4.8 billion and € 373 million in grants. The grants were on the same level as the two previous years. The survey covers 77 percent of the foundations, representing 93 percent of the book equity in Norway (Lotteri og stiftelsestilsynet, 2012). In addition, one fourth of the foundations that did not have grant-making as an explicitly stated purpose in the statutes still gave grants. Extra-stiftelsen and other foundations registered by the Fundraising Control distributed € 123 million in grants, but had only € 114 million in book equity, since their grant-making is based on annual income from fundraising and lotteries. A total of 825 grant-making foundations were located in Oslo, 432 in Hordaland County including Bergen, Finnmark County up north only had 7, while the remaining counties varied from 150 to 33 (Lotteri og stiftelsestilsynet, 2012).

Table 18.4 shows, that among the 2,581 foundations that had grant-making as their only purpose in the statutes, 18 % supported research, with 31 % of the total grants of € 124 million, followed by education, which received 15 %, social purposes 13 % and culture 12 % of the grants. This means that the dedicated grant-making foundations in Norway have a strong orientation towards research in terms of the number of foundations, and even more so when it comes to the total amount given in grants. The focus is in particular on natural sciences and medicine.

Table 18.4 shows the distribution of grants only from 2,581 foundations that have grant-making as their sole purpose. Foundations that are both operative and grant-making (933) or only operative (2,330) did not get the survey-question about which purpose they gave grants to. We therefore don't know if these shares are representative for all the foundations that gave grants in 2011, and have not tried to estimate the amount for the different categories in table 18.4. It is also important to note that in recent years, several large foundations have been established that have significantly increased both the grant-making and operative activities of the foundation sector in Norway.

**Table 18.4 Uses of donations by foundations in 2011**

	million EUR	percentage
Research		31 %
Sports		6 %
Culture		12 %
Religion		2 %
Social services		13 %
Education		15 %
Other		20 %
<b>Total</b>	<b>373</b>	<b>100 %</b>

*Source: (Lotteri og stiftelsestilsynet, 2012: 19)*

### **Data sources of giving by foundations**

A survey was conducted by the Foundation Authority in 2012 with a response rate of 77 % of all foundations, representing 93 percent of the booked capital in Norway. The questionnaire is included in the report (Lotteri og stiftelsestilsynet, 2012). In addition, the Foundation Register has data for all foundations in Norway on booked equity, if the foundation is commercial or general purpose, statutes, board members, business address etc. Unfortunately, the register does not include data on grant-making. That is why the survey from 2012 is a very important source.

The Foundation Register is open for search [online](#).

## **Giving by charity lotteries**

### **Descriptive statistics of giving by charity lotteries**

There is a general ban on lotteries, bingo and gaming operations in Norway, so legal gaming operates under exemptions. The gross turnover in the registered gaming and lottery market amounted to € 3,959 million (Lotteri og stiftelsestilsynet, 2014: 38-40). The most important games are related to sports and lotto operated by the state-owned games company Norsk Tipping with 73% of the gross turnover in the gaming market, horserace betting operated by the foundation Norsk Rikstoto with 12 percent, The Extra Lottery operated by Norsk Tipping, from which proceeds is distributed by a foundation to health and rehabilitation organisations, with 6 % of the gaming market. In addition, there are games and lotteries operated by private actors: Bingos arranged by commercial enterprises – after having received authorisation – on behalf of humanitarian or socially beneficial organisations with 5 % of the gaming market. National lotteries and local/regional lotteries accounted for only 1.6 % each. This used to be a substantial source of income for voluntary organisations but is now less profitable as a result of competition from Norsk Tipping (Gulbrandsen, 2012). In addition comes bingos arranged by local voluntary associations and neighbourhoods (forenings- og bygdebingo) and not by commercial enterprises (0.7 %), and games on ships (0.4 %) (Lotteri og stiftelsestilsynet, 2014: 9).



Table 18.5 is based on “Annual statistics report from The Norwegian Gaming and Foundation Authority 2013” (Lotteri og stiftelsestilsynet, 2014: English summary p. 38-40). From the gross turnover in the registered, legal gaming and lottery market of € 3,959 million, the players collected 2,805 million in prize money. This left € 1,154 million in net turnover to be distributed to operators, entrepreneurs, site owners (45 %), as well as charitable purposes, which with some small exceptions means voluntary associations and organisations (55 %). This does not include unregistered online gambling on web-sites outside of Norway with a net turnover estimated to about € 90 million in 2013 (Rambøll, 2015).

**Table 18.5 Uses of proceeds from registered gaming and lotteries to charitable purposes, 2013**

	million EUR	percentage
Sport	285.0	44 %
Culture (Distributed over the state budget and by the Government)	110.5	17 %
Music/culture/recreation	20.4	3 %
Horses/horse sports	75.7	12 %
Health	66.7	10 %
Social and humanitarian	61.2	10 %
Other	5.6	1 %
Unspecified (to be included in categories	17.4	3 %
Combat gaming addiction	1.5	0 %
<b>Total</b>	<b>644.1</b>	<b>100%</b>

*Source: (Lotteri og stiftelsestilsynet, 2014: 10)*

A large part of the proceeds from Norsk Tipping is distributed according to percentages determined by the parliament. The share for sports has increased gradually from 45.5 and reached 64 per cent in 2015, culture's share decreased from 36.5 to 18 per cent, while social and humanitarian organisations (*samfunnsnyttige og humanitære organisasjoner*) still get 18 per cent. This support is partly distributed by the Government and partly channelled from ministries through voluntary umbrella organisations that distribute support for local activities, i.e., The Norwegian Confederation of Sports and three voluntary umbrella organisations in the fields of music, amateur theatre, and children and youth organisations. The gamers may also decide which local voluntary association should get 5 per cent of their stakes, the so-called 'grass root share'.

In the category Sports in table 18.5, the most of the money comes from Norsk Tipping's determined share to sports and from the grass root share, in addition to smaller amounts from other games and lotteries. In culture the two main sources are proceeds from Norsk Tipping's determined share and transfers from ministries. In addition there are income from the grass root share, bingo and some smaller amounts from other games and lotteries. Horses and horse sports get all the income from Norsk

Rikstoto. In Health the largest sums come from the Extra Lottery and from Norsk Tipping. In Social and humanitarian organisations, which includes emergency preparedness organisations, there are organisations like the Red Cross, Norwegian People's Aid, Norwegian Society for Sea Rescue, the income comes mainly from Norsk Tipping's determined share. In addition there are some smaller amounts from national lotteries, some other games, and the grass root share. Other organisations include religion and political organisations and some other smaller categories that get income from bingo, lotteries and the grass root share. Finally, Norsk Tipping must also use part of the proceeds to fund the government's action plan to combat gaming addiction.

This shows that it is impossible to draw a line between what is a charity lottery and a commercial gaming operation in Norway. Proceeds from all kinds of gaming and lotteries are distributed, directly or indirectly via ministries and umbrella organisations, to charitable purposes which mainly are different kinds of voluntary organisations, for the most part in sports, culture and recreation. Proceeds from Norsk Tipping are also of vital importance for health, and social and humanitarian organisations.

Among the voluntary organisations there is a discussion of what the consequences of licensing online gaming from web-sites outside Norway would be. Although the net turnover has increased by 162 percent from 2005 to about € 90 million in 2013 (Rambøll, 2015), this is still very little compared to the legal gaming market € 1,154 million in net turnover. The receiving organisations are worried that a diminished role for Norsk Tipping would imply that they would get a much smaller share of the gross turnover. Commercial gaming companies normally distribute a much larger share in prize money, even if they should be licenced and start paying taxes to Norway.

As a general principle, amounts from lotteries that are decided upon by governments or include political interference are excluded from total amounts, because it is not considered as private actor.

### **Data sources of giving by charity lotteries**

There are annual statistics reports covering all registered gaming and lotteries in Norway from The Norwegian Gaming and Foundation Authority with an English summary published on the website [www.lottstift.no](http://www.lottstift.no).

## **Conclusion**

Table 18.6 shows that half of all income to philanthropic contributions in Norway came from individual donations. Gaming and lotteries accounts for just 31 percent, even when income from all registered activities are included. Grants from foundations were 18 percent and the contribution from individual bequests to some of the largest fundraising organisations was just 2 percent. These figures do not include donation from corporations or large donations from individuals that don't go through foundations. The latter are too infrequent to show up in a reliable manner in population surveys on donations to voluntary organisations. Donations from households to charitable purposes other than voluntary organisations are also not covered by the survey.

**Table 18.6 Sources of contributions in 2013 in millions\***

Sources of contribution	million EUR	percentage
Individuals In vivo	503	55 %
Individuals Bequests	36	4 %
Corporations	n/a	n/a
Foundations <sup>91</sup>	373	41 %
Registered gaming and lotteries	n/a	n/a
<b>Total</b>	<b>912</b>	<b>100%</b>

\* The year is 2011 for contributions from foundations and 2014 for individual in vivo donations, see tables above.

Table 18.7 shows rough estimates for how the philanthropic contributions are distributed to different purposes (ICNPO-categories). Sports get the largest share with 20 percent, followed by religion, health, culture, and education and research with 12 each. Somewhat smaller shares go to social services with 11 percent, and other with 9 percent. This shows that when all sources of contributions are seen together, there is a relatively even distribution of funding. Sports get a lot of money from gaming and lotteries (determined share from Norsk Tipping and grass root share), but little from donations and foundations. International aid gets money mainly from donations. Culture gets money from gaming and lotteries (determined share from Norsk Tipping), but also from foundations. Health and Social Services get money from donations, bequests, foundations (research in medicine), and gaming and lotteries (Extra lottery and a determined share from Norsk Tipping to social and humanitarian organisations), and consequently have a broader set of sources than the other categories.

**Table 18.7 Uses of contributions in 2013**

	million EUR	percentage
International aid (9)	221	14 %
Religion (10)	181	12 %
Sports (1 200)	316	20 %
Health (3)	180	12 %
Culture, art and recreation (1 100 and 1 300)	181	12 %
Social services (4)	166	11 %
Education and research (2)	183	12 %
Other (not specified)	128	8 %
<b>Total</b>	<b>1 556</b>	<b>100%</b>

<sup>91</sup> Giving derived from income from endowments only

The total amount of monetary donations from these sources was € 1.56 billion. In comparison, more than 60 % of the population volunteered during the last 12 month period in 2014, and a very large part of that time was used to generate cash income for the organisations through flea markets, coffee and hot dog sales, as well as through arranging sports and culture events and festivals. According to Statistics Norway, the replacement value of 15,000 fulltime equivalent working years of volunteering in 2013 was € 8.6 billion [NOK 76.86 billion]. The estimated value of the households' donations to voluntary organisations was in comparison € 503 million in 2014 or just 6 % of the added value of volunteering. In addition, the Norwegian population supports certain organisations by buying books, toilet paper, washing detergents, and fleas and by a large number of passive memberships that cannot be considered as normal market transactions. Furthermore, nonprofit organisations generate value added through their welfare services and other operations paid for partly by the government and partly by the citizens. Outside of the welfare field, Norwegian nonprofit organisations generate surprisingly large share of their income through their own activity, whereas the share from donations is close to the average of western EU-countries (Arnesen, Sivesind, & Gulbrandsen, 2016; Sivesind, 2007, 2012; Sivesind et al., 2004; Sivesind & Selle, 2010). Even if one may argue that the value of volunteering set as the normal pay per hour in similar industries is too high<sup>92</sup>, there can be no doubt that volunteering and non-market transactions still are the most important contributions from the Norwegian population to nonprofit organisations. However, this support is not included in the tables in this chapter.

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<sup>92</sup> The value added of volunteering is the replacement value according to the UN Handbook on Nonprofit Institutions in the System of National Accounts (United Nations, 2003).

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# 19. Research on Giving in Portugal

Madalena Eça de Abreu<sup>93</sup> and Ana Simaens<sup>94</sup>

## Introduction on Giving Research in Portugal<sup>95</sup>

Giving research is still relatively scarce in Portugal when compared to other countries (Wiepking, 2009), particularly when it comes to the quantification of giving by individuals, households, companies, foundations and lotteries. Despite some examples of data collected on these topics, to the best of our knowledge there is no systematic and periodic data collection. Our intention is not to be exhaustive. Still, based on our knowledge and of those individuals and organisations that we have asked for support in the endeavour of finding data, we present below examples of existing data and studies covering these topics, particularly in Portugal.

Regarding donation practices **by individuals** in Portugal, a few examples of studies conducted at the national or international level help understand the area of giving by individuals in Portugal.

First of all, a study developed by the Link Association and made public in 2013<sup>96</sup> concluded that 30% of Portuguese people regularly contributed with donations to social solidarity actions. This study compared its results with a previous study conducted by the same association and concluded that, while in 2010 46% stated that they did not contribute to any solidary cause, by 2013 this percentage had increased to 54%. According to this study, the Portuguese were “more sensitive and cooperating” with their social actions, as only 12% of the respondents said that they did not know or that had not thought about it. In terms of the profiles of the individuals, the study did not find any differences between men and women, and the most supportive ones were aged between 45 and 54 and were located on the north coast of Portugal. In terms of causes supported, the most dominant ones were: 1) children and the elderly (76% of respondents), 2) the disabled (54%), 3) patients (51%) and 4) homeless people (48%). Finally, in terms of types of donations, most respondents referred to the purchase of food (74% versus 56% in 2010), followed by volunteer work (35%), donations to street public collections (31%) and when paying for shopping (27%).

Second, at the international level, the World Giving Index (Foundation, 2014), which also covers Portugal, is another example of data related to giving to charities by individuals. According to the 2013 data, in terms of money donated to charities, Portugal ranked number 64 and scored 24%; this was compared to a ranking of 60 and a score of 27% from 2012 (Foundation, 2013). As mentioned in the

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<sup>95</sup> The literature and studies on fundraising were intentionally excluded from this report. Even if giving and fundraising are closely related, we are interested in the giver's perspective, irrespective of any fundraising activity.

<sup>96</sup> The research team did not have access to the report in due time, so the data reported here are based on [http://www.tsf.pt/vida/interior/portugueses\\_estao\\_mais\\_solidarios\\_e\\_preferem\\_doar\\_alimentos\\_3517691.html](http://www.tsf.pt/vida/interior/portugueses_estao_mais_solidarios_e_preferem_doar_alimentos_3517691.html), visited in 7.10.2015. According to this source, the study was conducted between 17th and 28th May by the GfK company through direct interviews in the homes of the respondents, a representative sample of the resident Portuguese population in mainland Portugal consisting of 1 021 individuals aged between 18 and 64 years old, with a proportional distribution between the different regions of the country.

report, the World Giving Index relies on a simple average of the responses from the three key questions, which are the money donated to charity, volunteering time and helping a stranger. Each country is given a percentage score, and the countries are then ranked based on those scores.

Finally, there are some valuable examples of research on the reasons for donation practices by individuals. For instance, Abreu (2012) concluded that non-religious people, although not showing a high level of religiosity, also tend to give high donations and choose both religious and secular organisations for their donations. Furthermore, based on a pool of 612 respondents, Abreu, Laureano, da Silva, Dionísio, and Alwi (2013) concluded that besides gender and age, religious affiliation, compassion, altruism, egoism and religiosity impacted on the level of the volunteerism of the donor. Along the same lines of thought, Abreu, Laureano, da Silva, and Dionísio (2015) concluded that religiosity influences donation practices, and is a predictor of donation practices. Using panel-data, another study concluded that Portuguese contributions by individuals are significantly related to the local economic cycle, i.e., Portuguese people give more if the local economy is growing (Mourão, 2007a, 2007b).

Regarding giving **by corporations**, a recent study intended to indicate a picture of corporate support for communities in Portugal (Casca & D&B, 2013), which is presented in later in this chapter. Other topics related to corporate charitable giving in Portugal have been covered in the literature. Some examples include, for instance, the economic and fiscal perspectives (e.g., Taborda & Martins, 2009), or the disclosure of corporate giving (e.g., Branco & Delgado, 2011; Branco & Rodrigues, 2008a, 2008b).

When it comes to giving **by foundations** there is some important but insufficient information. The number of foundations in Portugal has significantly increased since the 1980s (Franco & Duarte, 2009), nowadays being around 800 (Franco, 2015). A study about research foundations as part of the FOREMAP project (Franco & Duarte, 2009) shed some light on this set of foundations. In the case of the twelve largest-known research foundations surveyed, 46% of the total research expenditure, which was about € 25.2 million, was applied in grants (Franco & Duarte, 2009). Moreover, the latest EUFORI Study conducted in Portugal (Franco, 2015) highlighted that non-profit organisations, a sector that includes private foundations, accounted for 0.12% of the GDP in R&D total expenditure in 2012.

These last data refer to support only for research. Nevertheless, as noted by Rodrigues, Mota, Saúde, Vidal, and Trindade (2007) philanthropic donations for science – what the authors refer to as scientific philanthropy – is still undeveloped in Portugal, when compared to other countries such as the UK or Ireland.

Finally, we found data about giving **by charity lotteries** in Portugal, where the organisation that manages the charity lotteries is *Santa Casa da Misericórdia de Lisboa* (Holy House of Mercy of Lisbon). In 2013 and 2014 about € 542 million and € 537.1 million, respectively, went specifically to the funding of good causes and sponsorships. These were distributed in various areas such as social action, health, sports, culture and social protection, among others.

To conclude, the scarcity of systematic data collection and data available represents a great opportunity in terms of future research in Portugal. The development of a nationwide project such as Giving in the Netherlands (<http://www.giving.nl/>) or Giving USA (<http://givingusa.org/>) would be of a great importance not only for researchers, but also for practitioners and society in general.



## **Giving by individuals**

### **Descriptive statistics of giving by individuals in vivo**

To the best of our knowledge, and based on a request for available data to different companies, social economy organisations and experts in these topics, there is no systematic data collection on giving by individuals or households in Portugal. One study was identified in the introduction, but the lack of more detailed information about this study or other studies in this topic has prevented us from providing any sources of estimates.

### **Descriptive statistics on giving by bequests**

No data available on bequests.

## **Giving by corporations**

### **Descriptive statistics of giving by corporations**

To the best of our knowledge, and based on a request for available data to different companies, social economy organisations and experts in these topics, there is no systematic and repeated data collection on giving by corporations in Portugal that goes beyond individual reporting. The most comprehensive study that we could find was conducted by Sair da Casca and Informa D&B and was made public in December 2013 (Casca & D&B, 2013).

According to this study, corporate donations in 2012 reached € 112.6 million. These donations came from about 54 500 companies, 20% of the total number of companies, representing 0.07% of their total turnover. Also, 96% of the companies surveyed accounted for 17% of the donations, while 0.04% of the companies (22) accounted for 42% of the donations in value (more than € 500 000).

In terms of the dimensions of the companies, the average donation by micro companies (under € 2 million) was 480 euros; by small companies (between € 2 and 10 million) it was € 2 535; by medium companies it was € 9 494; and by large companies (over € 50 million) it was € 157 867. Also, more than half of the donations were provided by large companies. That is to say, large companies (0.7% of those making donations) were responsible for 54% of the donations. However, the majority of companies giving donations were micro companies (86%), accounting for 20% of the total amount of donations.

This study identified a negative evolution from 2010 to 2012, not only in terms of the number of companies donating (-11%), but also in terms of the amounts being donated (-15%) and the average donation per company (-4%). Nevertheless, large companies increased their importance and about 70% of the donations came from companies that donated on a regular basis.

In 2012, 69% of the donations were made by the following sectors: Retail (25%, with an average of € 2 038 per company); gas, electricity and water (16%, with an average of € 54 246); wholesalers (15%, with an average of € 2 463); and manufacturing industries (15%, with an average of € 1 660). Services, although representing less than 10% of the donations, were the fourth sector making more donations.

The amount donated increased with age of the firms, with 58% coming from mature firms (over 20 years old), which represented an average donation per company of € 4 088. Geographically, 52% of the

donations came from Lisbon (an average donation of € 5 144 per company), followed by 28% from the North (an average donation of € 1 602 per company).

In terms of the banking and insurance sectors, treated separately in the analysis because of their reporting specificities, this study revealed that 25 out of 43 reports from banks revealed donations and a union feed of € 22 615 177; while 4 out of 45 insurance companies reported a total of € 1 585 656.

To conclude, since there is no track record of corporate donations, and based on a study (Casca & D&B, 2013) that concluded that the amount of corporate donations in 2012 reached € 112.6 million, this can be properly seen as the lower bound for corporation donations.

### **Data sources of giving by corporations**

The methodology used in the study presented above (Casca & D&B, 2013) is explained in the report. This study covered all entities or legal persons that showed business activity in each year of study (2010-2011-2012), with an average of 294 000 entities per year. All the sectors were included, except for the banking and insurance sectors. Non-commercial companies, as well as social organisations and individual entrepreneurs were excluded. In the case of the banking and insurance sectors, considering the nature of its financial reporting, we conducted the analysis separately. Data sources included an analysis by Informa D&B and data from the Ministry of Justice, IES and SICAE.

## **Giving by foundations**

### **Descriptive statistics of giving by foundations**

Once more, to the best of our knowledge, and based on a request for available data to different companies, social economy organisations and experts in these topics, there is no systematic data collection on giving by foundations in Portugal. An example of a study that partially addresses giving by foundations is referred to in the introduction. This lack of information has prevented us from providing any sources of estimates. In addition, one can follow the EUFORI Study for Portugal (Franco, 2015) in order to find some information on the most significant Portuguese foundations' general expenditure.

## **Giving by charity lotteries**

### **Descriptive statistics of giving by charity lotteries**

In Portugal, the organisation that manages the charity lotteries is *Santa Casa da Misericórdia de Lisboa* (Holy House of Mercy of Lisbon). All the net results coming from State social gaming (charity lotteries) are distributed by a list of beneficiaries, in accordance with the provisions of the Law, to fund actions of a social, cultural and sporting nature, for instance<sup>97</sup>. The identification of the beneficiary organisations is defined in the Law Decree 56/2006 of March 15th, changed by Law Decree 44/2011 of March 24th and Law Decree 106/2011 of October 21st. The results are channelled to those organisations for the development of activities such as health promotion and the prevention of illness and disability programs, to fight poverty and social exclusion, as well as for civil protection, social security, policing sports events, school sports and social and senior tourism. The *Santa Casa da Misericórdia de Lisboa* is

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<sup>97</sup> [http://www.scml.pt/pt-PT/areas\\_de\\_intervencao/jogos/missao/](http://www.scml.pt/pt-PT/areas_de_intervencao/jogos/missao/), retrieved on September 30<sup>th</sup> 2015

itself a beneficiary, by reversing in favour of its social action the amount of expired prizes of Euromillions and the National Lottery.

In 2013, of the total amount wagered in social gaming, about 97.5% was returned to society, representing a total value of € 1 746 million<sup>98</sup>. This return took different forms, including prizes; the application of results in the pursuit of social goals; sponsorship; indirect taxes; investment in responsible gaming and the defence of the legality of the gambling market; and support for business economic activity. Of these € 1 746 million, about € 542 million (30.2% of sales) went to the funding of good causes and sponsorships. The results assigned for funding good causes (excluding sponsorships) accounted for € 539 2 million and were distributed among the various areas in the following way: a) Social action: 63.3%; b) Health: 16%; c) Sports: 11.2%; d) Culture: 4.6%; e) Social protection: 2.7%; f) Other: 2.2%.

In 2014 the amount returned to society was 96.7%, representing a total of € 1 818.3 million<sup>99</sup>. The amount for the pursuit of good causes (€ 534.7 million) and sponsorships (€ 2.4 million) accounted for 28.6% of the total sales, corresponding to a total of € 537.1 million. These results distributed for good causes and sponsorships were distributed among the various areas in the following way: a) Social action: € 338.1 million; b) Health: € 85.9 million; c) Sports: € 62.1 million; d) Culture: € 24.5 million; e) Social protection: € 14.5 million; f) Other: € 11.9 million.

### **Data sources of giving by charity lotteries**

Annual Reports issued by *Santa Casa da Misericórdia de Lisboa*.

## **Links to other data sets.**

Based on the analysis conducted, it is not possible to combine two or more data sets in Portugal, or to link them to other data sets that provide information on these topics.

## **Conclusion**

Based on the research landscape, data, and data sources it is not possible to have a representative picture of giving in Portugal. In fact, the absence of a track record of quantitative data on the philanthropic tradition in Portugal has been noted before (Franco, 2015). Nevertheless, international sources such as the World Giving Index (Foundation, 2014), together with other national sources presented in this report helped us understand this area. Still, the lack of systematic and repeated data collection and data available represents a great opportunity in terms of future research on giving in Portugal. International examples, such as the Netherlands and the USA could be used as benchmarks.

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<sup>98</sup> Jogos Santa Casa, Annual Report 2013

<sup>99</sup> Jogos Santa Casa, Annual Report 2014

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## 20. Research on Giving in Slovakia

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### Introduction on Giving Research in Slovakia

The overall situation of the research of giving in Slovakia can be characterised as less developed and not yet grown in a separate research area. There has not yet been any systematic production of research knowledge on this issue in Slovakia. Efforts by different players are scattered<sup>101</sup>. This document attempts to capture the diversity of this field of research in Slovakia as of 2015 and its key players.

Academic research represented by research articles suggests that the topic of giving is not within the research focus of universities and academies of science. There is no single research article by Slovak social and economic scientists on giving. This is also reflected in surveying digital catalogues of bachelor and master theses at universities.

An interesting indicator reflecting this is the effort of the Center for Philanthropy, which organises an annual competition and award for the best student bachelor and master thesis on the topic of philanthropy and giving since 2007<sup>102</sup>. Typically, 6 - 12 works are reviewed annually and less than a quarter deal with some aspects of private individual, corporate or foundation giving<sup>103</sup>. These would be discussed most typically from the perspective of psychology, sociology, economics and management studies.

The bulk of the existing production of knowledge on giving by individuals, corporations or foundations has been conducted by non-profit sector actors and their associations or corporations<sup>104</sup>. Commonly, it has a character of analytical sector studies combining representative empirical public opinion surveys or surveys with the target population (for example, corporations). This analytical production typically presents basic information and data on giving by individuals, corporations and foundations - without an explicit research framework, questions and hypotheses typical for an academic type of research.

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<sup>100</sup> Center for Philanthropy, Bratislava

<sup>101</sup> For example, in relationship to studying the sources of financing of non-profit organisations or their fundraising.

<sup>102</sup> In 2010 the award enlarged its scope to the Czech Republic due to the mutual language proximity.

<sup>103</sup> Zborník zo siedmeho ročníka súťaže o najlepšiu bakalársku alebo diplomovú a dizertačnú prácu na tému filantropia, dobrovoľníctvo a tretí sektor. [Almanac of the 7<sup>th</sup> Annual Competition for Best Bachelors, Diploma or Dissertation Thesis on the Topics of Philanthropy, Volunteering and Third Sector]. 2013. Centrum pre filantropiu. Electronically available at: <http://www.cpf.sk/files/files/zbornik7-web.pdf>

<sup>104</sup> For example, the Children of Slovakia Foundation in 2004 and then in 2007 the Donors Forum – an association of foundations and grant-makers – commissioned a quantitative representative study on philanthropic giving in Slovakia through a public opinion survey.

Also, corporations commission research either for their PR purposes or for their internal purposes - for example, marketing analysis related to their social responsibility. Research outputs related to PR purposes are publicly available<sup>105</sup>. Research that serves internal corporate purposes is privately owned.

The most important institution regarding the collection and publication of hard data on socio-economic development in Slovakia is the Statistical Office of the Slovak Republic. It maintains the SLOVSTAT database, which presents time series data on various indicators. On the statistical research on households, it captures the expenditure structure of households including financial gifts.

On the giving of corporations, the relevant data are available within the Ministry of Finance Tax Authority and the Ministry's think tank Institute of Financial Policy (IFP).

Another relevant data storage on giving is the Registry of Financial Statements, which collects financial statements from corporations and some non-profit organisations. These data are accessible online and provide some insight into giving mostly in the corporate sector, but also among foundations.

There are no recent studies on philanthropic giving that would be based on the hard statistical data of households or through their tax returns.

Annual studies on corporate giving were produced by the above-mentioned Donors Forum between 2005 – 2009<sup>106</sup> based on surveys of a couple of dozen corporations operating in Slovakia.

The Donors Forum also produced annual analytical reports on the State of Slovak Foundations for 2005 – 2009<sup>107</sup>, which was based on the reported data by foundations in their annual reports submitted to the registration authority. On the foundations, another type of survey was produced annually between 2006 – 2012 by the Center for Philanthropy, which ranked the foundations based on their economic activity and published basic economic data on foundations.<sup>108</sup>

## **Giving by individuals**

### **Descriptive statistics of giving by individuals in vivo**

The statistics on giving by individuals in Slovakia is rather limited. What is available is only the data on monetary gifts of households (average amount given by a household per year) and public opinion

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<sup>105</sup> See the press release of TNS Global s.r.o. 'Slováci podporujú charitu' [Slovaks support charitable giving], which presents the outcome of simple empirical survey on charitable giving in Slovakia by individuals. [http://www.tns-global.sk/sites/default/files/files/ts1210\\_charita.pdf](http://www.tns-global.sk/sites/default/files/files/ts1210_charita.pdf)

<sup>106</sup> Prieskum o stave a trendoch v oblasti firemnej filantropie na Slovensku [Survey on the State and Trends in Corporate Philanthropy in Slovakia in 2007], Internal Report, Donors Forum and Trend Weekly, Fórum donorov, 2008. Abstract online available at: <http://www.cpf.sk/files/files/AbstraktFF2008.pdf>

<sup>107</sup> Správa o stave slovenských nadácií. Analýza údajov za r. 2008 [Report on the State of Slovak Foundations. Analysis of data for 2008], Internal Report, Fórum donorov, December 2009. Electronic report available at: <http://www.cpf.sk/files/files/Sprava%20o%20stave%20slovenskych%20nadacii%202008.pdf>

<sup>108</sup> Rebríček najväčších slovenských nadácií [Ranking of Largest Slovak Foundations], Centrum pre filantropiu n.o., 2013. Available electronically at <http://www.cpf.sk/sk/rebricek-nadacii-2012/>

representative surveys. But even those are rather not very recent (the most recent is from 2011). More reliable hard data on giving by individuals through tax returns and tax statistics are not available because in the income tax system there are no tax-related incentives for giving for individuals. As a result the tax administration does not collect data on giving by individuals.

The only existing statistics in vivo is the 2012 survey of private households' income and expenditure by the Statistical Office of the Slovak Republic. Based on this survey, the average amount of monetary gifts was €66,84 per person per year. The data on the goals of these gifts are not available.<sup>109</sup>

The situation of households' income and expenditure based on various sources of data was described in a recent (2012) study by the National Bank of Slovakia as a part of the Household Finance and Consumption Survey coordinated by the European Central Bank<sup>110</sup>.

Due to the lack of other data, table 20.1 presents the data from the 2004 and 2007 representative public opinion research mentioned below, and the figure on the mean gifts donated collected through the 2012 survey on households.

**Table 20.1 Percentage of individuals donating to different goals and the mean amount donated. Different sources (2004, 2007, 2012)**

	% individuals that donated to <sup>111</sup>	Mean amount donated EUR
Religion	33 %	n.a.
Health	45 %	n.a.
International aid	14 %	n.a.
Public/social benefits (national)	46 %	n.a.
Culture	11 %	n.a.
Environment/nature/ animals (international)	2 5% (env.) 22 % (animals)	n.a.
Education	9 %	n.a.
Other (not specified)	n.a.	n.a.

<sup>109</sup> "Ostatné hrubé peňažné výdavky súkromných domácností v roku 2012" [Other gross monetary expenditure of private households in 2012], electronically available at <http://slovak.statistics.sk/PortalTraffic/fileServlet?Dokument=bcd987e0-c571-4424-9dce-de7>

<sup>110</sup> Senaj M. - Zavadil B.: Výsledky prieskumu finančnej situácie slovenských domácností. Príležitostná štúdia Národnej banky Slovenska. August 2012. Electronically available at [http://www.nbs.sk/\\_img/Documents/PUBLIK/OP\\_1-2012\\_Senaj\\_Zavadil\\_hfcs.pdf](http://www.nbs.sk/_img/Documents/PUBLIK/OP_1-2012_Senaj_Zavadil_hfcs.pdf)

<sup>111</sup> Závěrečná správa prieskumu pre Nadáciu pre deti Slovenska [Final Report on Research made for the Children of the Slovakia Foundation], December 2004, Focus, Center for Social and Marketing Analysis, Bratislava.



<b>Total</b>	<b>37 % (2004) 46 %<sup>112</sup> (2007)</b>	<b>66.84<sup>113</sup></b>
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Descriptive statistics on the uses of donations by individuals is not available in Slovakia. However, when looking at the income structure of non-profit organisations it is possible to identify the number of gifts and contributions from individuals, and based on the classification of non-profit organisations according to economic activities it is also possible to roughly identify the distribution of these gifts according to the activity of the recipient.

**Table 20.2 Uses of donations by individuals in 2013<sup>114</sup>**

	<b>million EUR</b>	<b>percentage</b>
Religion	10.99	11 %
Health	0.32	0 %
International aid	n.a.	0 %
Public/social benefits (national)	18.69	19 %
Culture	0.46	0 %
Environment/nature/ animals (inter)nat.	n.a.	0 %
Education	17.23	18 %
Other (not specified)	48.66	51 %
<b>Total</b>	<b>95.94</b>	<b>100 %</b>

### **Data sources of giving by individuals in vivo**

The main source of data of household giving (not individuals) is the online database SLOVSTAT, which is operated by the Statistical Office of the Slovak Republic. Its chapter on Demography and Social Statistics contains monthly, quarterly or yearly time series of economic and social development data for the whole territory of the Slovak Republic. The data cover the estimation of financial income and expenditure. The sampling units are private households, not individuals. The reporting sample of households is created by a random two-step stratified sample of data from the last Population Census.

The relevant data are estimates of the gross money expenditure of private households classified by different social groups and by purpose. The monetary gifts outside the household are subsumed into the category '*other expenditures*', which includes other expenditure such as property tax or income tax. The

<sup>112</sup> Filantropia na Slovensku. Prieskum verejnej mienky pre Fórum Donorov. Tlačová správa. [Philanthropy in Slovakia. Public opinion survey for Donors Forum. Press Release]. Donors Forum, 2007.

<sup>113</sup> 2012 Households Income and Expenditures SLOVSTAT online database: Other gross monetary expenditures of private households in 2012, electronically available at <http://slovak.statistics.sk/PortalTraffic/fileServlet?Dokument=bcd987e0-c571-4424-9dce-de7>

<sup>114</sup> Income of non-profit organisations as gifts from individuals, as reported in the Statistical Office of the Slovak Republic for 2013.

most recent and publicly available data on monetary gifts by households were published in the publication *'Incomes, Expenditures and Consumption of Private Households in the SR'*, which presents the results of the processing of the Household Budget Surveys. The 2012 data were collected in 4 704 randomly selected households from the whole SR, which were readily willing to offer information about their budgets.

It should be noted the data capture only very limited aspects of giving. For that reason the complementary source of information on the giving of individuals in Slovakia are public opinion surveys.

One of the most comprehensive sources of comparative data of giving by individuals in Slovakia represent the quantitative representative studies on philanthropic giving in Slovakia through the public opinion surveys commissioned by the Children of Slovakia Foundation in 2004<sup>115</sup> and the Donors Forum<sup>116</sup> in 2007. Both surveys were designed and implemented by the FOCUS agency on a representative sample of the Slovak population over 18 years through face-to-face interviews and recorded from data collection forms. The respondents were selected through quota sampling based on gender, age, education, nationality, size of domicile and region. These studies looked at the basic characteristics of individuals who participate in giving; the identification of the most frequent criteria used in making a giving decision. The data from these surveys are available on request. It should be noted that the FOCUS agency conducted a number of public opinion surveys on these issues with consistently similar methodologies in time series reaching the mid-nineties, which provides the benefit of long-term time comparisons.

The most recent and publicly available quantitative empirical survey based on a public opinion survey on individual giving was made by the TNS Global Ltd. in December 2011, which presented the results on the socio-economic characteristics of individuals who participate in giving, their preferred way of making the gift, what the purpose they prefer to support is and the main reason they do not contribute to charity. The survey was conducted with respondents older than 15 years. The respondents were a representative sample of population by age, gender, education and size of the place of residence. The data from this survey are available in various formats such as data (spss, xls) or as charts and tables (xls, html) .<sup>117</sup>

As mentioned in the first paragraph, there are also other descriptive statistical data on individual giving that are owned by corporations. However, these data are not available<sup>118</sup>.

## **Descriptive statistics on giving by bequest**

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<sup>115</sup> Záverečná správa prieskumu pre Nadáciu pre deti Slovenska [Final Report on Research made for the Children of Slovakia Foundation], December 2004, Focus, Center for Social and Marketing Analysis, Bratislava.

<sup>116</sup> <http://www.donorsforum.sk/>

<sup>117</sup> See footnote 5 above.

<sup>118</sup> The authors approached several corporations with the request to learn under what conditions they would be able to provide access to these data, but had not received any response from them at the time of submitting this report.

Giving by bequest is quite unusual and rare in Slovakia today. This obviously does not mean that it does not exist.

There is no favourable tax treatment of giving by bequest to charitable purposes and the taxation of the intergenerational transfer of wealth within a direct family is zero. For these reasons giving by bequest is not captured and tracked by any of the potential players involved in philanthropy or by the state.

The specific area of bequest is that of deceased persons who have no descendant family or relatives and whose wealth is then typically transferred to the state and becomes an income of the municipality. There are views that these assets can be transferred to foundations as well, although this practice is not present<sup>119</sup>.

### **Data sources of giving by bequests**

The Statistical Office of the Slovak Republic does not collect any data regarding the giving of bequests. It collects only data on households' income, within which there are data on the received bequests as household income.

Data on the bequests of persons without descendants, which are then transferred to municipalities, are individually accessible in the final financial statements of municipalities, where this income is recorded as a specific line item in the income statement. Identifying sources of aggregated data on this type of bequest would require further research at the Ministry of Finance and other government authorities processing the financial data from municipalities.

Another source of data on bequests is the Central Registry of Bequests maintained by the Notary Chamber of the Slovak Republic since 2003. The Registry contains the data on bequests (so called Notary Bequest Records) that were entered into the custody of Public Notaries even before 2003. These may also include bequests for charities. There are anecdotal stories of bequests given to charities and churches, so it is reasonable to expect that within this Registry there are relevant data. However, these data are not accessible to anybody, except public notaries who act as commissioned court officers in processing these bequests.

## **Giving by corporations**

### **Descriptive statistics of giving by corporations**

The only descriptive statistics of giving by corporations is available within the statistics related to the gift matching mechanism of the percentage tax designation. Within the Slovak taxation system, corporate entities are allowed to designate 2 per cent of their income tax for charitable purposes. As of 2010 the system has been upgraded, so that the 2 per cent tax designation is possible only **with 0,5 per cent gift matching**, which has to be given from the company's profits. Those who choose not to make the 0,5 per

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<sup>119</sup> Notes of the author from the discussion at the Conference on Charitable Bequests organised by the Association of Community Foundations in Slovakia, November 2011, Bratislava

cent gift are entitled to designate only 1,5 per cent of their income tax<sup>120</sup>. As of 2010 there are data available based on the income tax statements of corporations that present the figures on the amount of the 0,5 per cent gift matching. Only 10 per cent of companies that use the tax designation system make these gifts. The total amount of gifts reported by corporations in their income statement increased from €8 417 mil in 2010 to €13 42 mil in 2012. The data on these gifts with some additional context data are presented in table 20.3 below.

**Table 20.3 Tax Statistics on Corporations that use Gift Matching to Tax Designation (2010-2012)**

<b>Taxation Period</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Total Number of Corporations Submitting Tax Statement*	173 088	181 736	200 082
Number of Corporations with the Tax Duty	66 948	70 869	76 145
Total Tax Duty of Corporations	€ 1 565 092 992	€ 1 625 638 784	€ 1 647 452 426
Number of Corporations that designated 2 per cent of Income Tax (i.e. those that reported gifts in Tax Returns)	2 420	2 065	1 954
Number of Corporations that designated 1,5 per cent of Income Tax	23 148	24 947	27 444
Total Amount in € designated by 2 per cent from Income Tax	€ 8 915 949	€ 11 533 841	€ 10 773 361
Total Amount of <b>Corporate Gifts</b> as Matching to 2 per cent Income Tax	€ 8 417 539	€ 11 191 087	€ 13 423 537

*Source: Institute of Financial Policy, Ministry of Finance of the Slovak Republic*

It should be noted, however, that the €13,42 mil. of gifts made by corporations in 2012 within these statistics do not necessarily reflect the total corporate giving in Slovakia. The reason is that the gifts made by corporations that are not reported with the gift matching of the percentage tax are not recorded in these data. Indirectly this is supported by a view that looks at the income structure of not-for-profit organisations, as captured by the Statistical Office<sup>121</sup>. These data show that non-profit organisations (which include all different forms of non-profit organisations including some other types of organisations) reported €63 mil. in 2013 of received gifts from financial and non-financial corporations. However, as there are no other tax-related incentives for giving of corporations to public benefit purposes, there are also no available data on comprehensive corporate giving at the source – i.e. at the level of the corporation that makes the gift.

<sup>120</sup> In April the Ministry of Finance announced that as of 2016 those who will not provide the gift matching will be able to designate only 1% of income tax (instead of 1,5% that is applicable at present).

<sup>121</sup> Slovstat database. Compared with Molokáč-Hagara (2015:3)

There are also several other supplementary data on corporate giving, which are based on surveys organised by non-profit organisations that cooperate with corporations in the area of corporate social responsibility and the promotion of corporate philanthropy. These include the Pontis Foundation, which is a certified agency for the London Benchmarking Group methodology on measuring corporate social investments, including corporate giving. Another is the Donors forum, which hosts the Club of Corporate Philanthropy, which has conducted a survey among major corporations on their corporate philanthropy activities. However, these provided data only with limited validity given the small size of the survey samples.

**Table 20.4 Uses of donations by corporations in 2013<sup>122</sup>**

	million EUR	percentage
Religion	5.20	8%
Health	0.46	1%
International aid	-	0%
Public/social benefits (national)	11.25	18%
Culture	0.10	0%
Environment/nature/ animals (international)	-	0%
Education	6.81	11%
Other (not specified)	39.39	62%
<b>Total</b>	<b>63.21</b>	<b>100%</b>

### Data sources of giving by corporations

The statistical data on corporate giving as a matching to percentage tax system are available at the Institute of Financial Policy at the Ministry of Finance of the Slovak Republic, a governmental think tank focused on financial policy, which has access to data from the Ministry of Finance including the Financial Authorities (Tax Administration)<sup>123</sup>.

There are two additional **potential** sources of data on giving by corporations, although both sources need an additional more in-depth inquiry to identify and extract these particular data on giving from the data sets they have available.

First is the (already mentioned above) online database SLOVSTAT of the Statistical Office of the Slovak Republic providing financial indicators of financial (insurance, banks) and non-financial (various

<sup>122</sup> SLOVSTAT database. Gifts from financial and non-financial corporations to non-profit organisations according to economic activities (SK-NACE Rev. 2) in € in 2013. The classification of SK-NACE does not cover some categories.

<sup>123</sup> <http://www.finance.gov.sk/Default.aspx?CatID=44>

economic activities) corporations<sup>124</sup>. These data include financial results, the structure of revenues, expenditure, liabilities and receivables, and stocks. Gifts are identified as a whole including financial gifts, tangible and intangible assets, stocks and services, so it is not possible to identify only financial gifts. There is also data gathering on the economic indicators of Slovakia that is a part of the national Program of Statistical Surveys for 2012-2014. The data collected there are classified, are not public and serve only for governmental statistical purposes. As mentioned above, the SLOVSTAT provides also data on the income structure of non-profit organisations. However, these data do not capture the full scope of giving of corporations, as non-profit organisations are not the only recipients of corporate giving – but also individuals or other public (municipalities) and private institutions (companies).

The second major *potential* source of recent and comprehensive data on giving by corporations exists in the *Central Registry of Financial Statements*<sup>125</sup>. The Registry is maintained by the Ministry of Finance and is available on-line, and it presents the financial statements of legal personalities that have been obliged by law to submit electronically its financial statements to the Registry on an annual basis since 2014. These include all kinds of commercial private corporations (limited companies, joint stock companies, etc.). Financial statements also include line items specifying the number of gifts provided by the accounting unit. It is possible, therefore, to retrieve these data for a particular company. It should be noted that the financial statements provide only financial information but no information on the purpose of the gifts. However, the notes to the financial statements may provide additional information on the gifts as well.

However, the system does not allow for the processing of multiple or all data on the user end. Therefore, it is not possible to retrieve the amounts for segments of corporations or for all corporations that submit their records to the system. It is likely that the system would allow processing of these data in the future, and also that the Ministry of Finance would have access to these data in aggregated form.

In terms of academic research, more comprehensive research was carried out by Katarína Svitková of the CERGE-EI at Charles University ‘*Corporate Philanthropy in the Czech and Slovak Republics*’ in 2006<sup>126</sup>. This is a quantitative study with two surveys from Czech Republic data covering 577 companies in the Czech Republic and 152 companies in Slovakia during the period of 2001-2004.

## **Giving by foundations**

### **Descriptive statistics of giving by foundations**

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<sup>124</sup> Non-financial corporations are incorporated entrepreneurial subjects running business to make a profit in all branches of activity except banking and insurance. Subsidised organisations covering their expenditure by more than 50 per cent of revenues are also included. Those enterprises that are not corporations (households, tradesmen, freelancers and farmers) are excluded. Financial corporations are subjects principally engaged in financial intermediation and auxiliary financial activities. Sector financial corporations included the National Bank of Slovakia, commercial banks, subjects engaged in financial leasing, exchange offices, administration companies, commercial insurance companies etc.

<sup>125</sup> <http://www.registeruz.sk/cruz-public/domain/accountingentity/simplesearch>

<sup>126</sup> <https://www.cerge-ei.cz/pdf/wp/Wp312.pdf><https://www.cerge-ei.cz/pdf/wp/Wp312.pdf>

Giving by foundations in Slovakia can be gathered from three sources: One is the SLOVSTAT online database of the Statistical Office of the Slovak Republic; second is the online Registry of Financial Statements, which also includes foundations and their annual reports, and the other is the Registry of Foundation maintained at the Ministry of Interior of the Slovak Republic, which also contains annual reports as well as registration data and bylaws.

The descriptive statistics on foundations based on these data sources is very limited and provides only data on the total giving of foundations, but without additional structuring of the purposes of giving. Some effort is made by the Center for Philanthropy, which uses the data from the Annual Reports of foundations stored at the Registry of Foundations.

On the number of foundations there are discrepancies in the two main sources: The Statistical Office of the Slovak Republic reported 328 foundations in 2013<sup>127</sup>. The Ministry of the Interior reported towards the end of December 2013 450 active foundations and 950 foundations in total (which includes foundations that are in liquidation or inactive)<sup>128</sup>.

In 2013 the Slovstat database informed that gifts provided by foundations reached €17,32 mil. The amount of giving of foundations based on the data retrieved by the Center for Philanthropy from the Annual Reports of foundations was €21 127 000<sup>129</sup>. In both cases the data relate to total giving, and not to giving from the revenues consisting of endowments.

The number of foundations donating to different goals was 423<sup>130</sup> in 2013.

### **Data sources of giving by foundations**

The SLOVSTAT database provides statistical data on all provided gifts and contributions provided by foundations during the period 2005-2013. Provided gifts include financial or non-financial gifts provided to non-financial corporations, financial corporations, entrepreneurs, budgetary or subsidiary organisations, other non-income generating institutions and the population. This means that the gifts are not only from endowments, but also from other resources. The target population of foundations is based on the Register of Organizations of the Statistical Office of the Slovak Republic as of December 31 of last year. The target population is selected on an annual basis, and uses two groups of organisations. Group 1 includes at least 1 employee and an annual turnover of more than € 6 640, and group 2 includes organisations with a turnover less than €6 640 and with 0 employees. Organisations with a €99 582 turnover are fully included. Based on these data, in 2013 gifts provided by foundations reached €17 32 mil.

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<sup>127</sup> Slovstat online database

<sup>128</sup> Email correspondence with the Ministry of the Interior and the Center for Philanthropy

<sup>129</sup> Data from the Register of Foundations at the Ministry of the Interior of the Slovak Republic. Own research of Center for Philanthropy.

<sup>130</sup> Ministry of the Interior of the Slovak Republic, Register of Foundations.

Another source of data on foundations is the Registry of Foundations maintained by the Public Administration Department at the Ministry of the Interior, which is the registration authority of foundations<sup>131</sup>. This Registry may serve as a primary source of data for the classification of foundations based on the area of their activity. However, there is no aggregate summary of foundations available, and it would require retrieving the registration data on the foundations (through the online database) and making a decision on the distribution of foundations into thematic categories. It is very common that foundations' areas of activity are not singular, but multiple. Therefore, distributing them into single thematic categories would not fully reflect reality.

According to the Law on Foundations, each foundation has to submit its Annual Report for the previous year by June of the consecutive year. The law stipulates that the report should include information on the sources of income, as well as the types of expenditure, and specifically on beneficiaries and the amounts provided. The reports also include an audited financial statement. The reports are submitted in paper form, so retrieving the data requires manual transcription of the data from the annual reports. The Center for Philanthropy has conducted an annual survey on the list of the largest foundations based on the collection of data from annual reports from the Registry of Foundations for each year starting in 2006 and ending in 2012. Its results have been published on its website<sup>132</sup>. The Center for Philanthropy has collected selected data on 1 051 foundations that are kept within the Registry of Foundations. These data cover the following financial indicators: total assets value, value of registered endowments, total income, income from individuals, income from corporations, income from state subsidies, income from institutions, income from percentage tax, income from the rental of one's own property, total expenditure, and the total amount of grants made. The amount of giving of foundations based on the data retrieved here for 2012 comes to €21 127 000.

Another source of data on foundations is the online Registry of Financial Statements that collects financial statements of accounting units. These are primarily corporations, but also non-profit organisations and among them, also foundations. There are records on financial statements that relate to 570 foundations. However, the online interface provides data only on individual foundations. It does not provide aggregated data. The data in the Registry include: scans of financial statements or financial statements in electronic form, extraction of selected data from financial statements and other documents such as notes to financial statements and annual reports, mostly in pdf format. The data from the Registry can be retrieved by the public on a particular organisation. There is no public user interface that would allow the retrieval of data for descriptive statistical purposes. However, it is possible to use the open API for the batch retrieval of data for downloading and further processing. All the data that are reported into the Registry are considered as public data and are therefore accessible to the public<sup>133</sup>.

<sup>131</sup> <http://www.ives.sk/registre/startrnd.do>

<sup>132</sup> <http://www.cpf.sk/sk/rebricek-nadacii-2012/>

<sup>133</sup> <http://www.registeruz.sk/cruz-public/static/api.html>



## **Giving by charity lotteries**

### **Descriptive statistics of giving by charity lotteries**

There are no charity lotteries at present operating in Slovakia. Recent (2010,2012) amendments to the lottery laws opened this possibility, although the launch of the first charity lottery has not yet happened in Slovakia. There is one existing initiative that is looking for financing co-investors.

### **Data sources of giving by charity lotteries**

There are no relevant data sources.

## Conclusion

The sources of contributions are only indirectly identified through the statistics of non-profit organisations' income.

**Table 20.5 Sources of contributions in 2013 in millions**

Sources of contribution	million EUR	percentage
Individuals	96	53 %
In vivo	n.a.	
Bequests	n.a.	
Corporations	63	35 %
Charity lotteries	-	-
Foundations <sup>134</sup>	21	n.a.
<b>Total</b>	<b>180</b>	<b>100%</b>

The uses of the contributions are not available due to the lack of available data.

Based on the research landscape, data and data sources it can be concluded that:

- Giving in Slovakia is insufficiently gathered within the statistics and in there is a lack of basic quantitative and qualitative information on its size, orientation and sources.
- There is limited attention paid towards giving from the academic research community.

The picture of giving in Slovakia is not representative due to the lack of statistical data on its sources and orientation. The current efforts of the government in the gradual conversion from analogue to digital interaction with taxpayers or accounting units opens up new opportunities for accessing the data in a comprehensive and real-time mode.

Generally, the situation with the data on giving is very poor, in particular, the more in-depth understanding of where the gifts go in terms of goals or areas. There is relatively rich data on foundations, which can be retrieved through a thorough review of their annual reports, but which require an additional effort. Similarly, there are data available on corporations, although it requires an effort to connect through the API at the Registry of Financial Statements.

Limitations on the data will continue on the giving of individuals due to the lack of tax incentives for giving and no mechanisms of the tax system to capture the giving among households or individuals, except for selective surveys or public opinion surveys.

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<sup>134</sup> Giving derived from income from endowments only

Completely unavailable are data on bequests, and this area deserves a special research focus to better understand what really happens there.

Charitable lotteries are non-existent in Slovakia, so there is nothing to report on.

## **Links to other data sets.**

No data sets were identified as available for linking.

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## 21. Research on Giving in Spain

Ana Felgueiras<sup>135</sup> and Marta Rey-García<sup>136</sup>

### Introduction

Research on philanthropic giving in Spain is relatively recent, scarce, mostly unsystematic and still facing conceptual ambiguities. The vast majority of the few existing studies from which we can retrieve data on philanthropic giving tends to focus on philanthropic foundations, and are conducted by a small number of researchers devoted to fields other than philanthropic studies. They tend to either contextualize partial aspects of philanthropy within broader research projects on the third sector or social economy sector, or to focus on certain types of philanthropic foundations (e.g. family foundations or those devoted to research and innovation).

It should be noted that the only longitudinal dataset on individual giving was created in 2014 and refers only to donations that are deducted in the form of individual income tax. Other sources on household, foundation or corporate giving in Spain are either non-existent or barely accessible to researchers. The data sources are generally highly fragmented. No research infrastructure or stable institution specialized in the phenomenon of philanthropy exist in Spain, although steps have been taken by organisations and individual academics to advance research in this field.

### Research perspectives and limitations

First, existing research most often analyses certain types of philanthropic foundations within the broader context of third sector research on non-profit organisations' (NPOs') financial and human resources, with the final aim of estimating the sector's contribution to GDP and employment. However, the fact that the National Statistics Agency (INE) has not implemented a satellite account for NPOs constitutes a serious barrier against the development of meaningful, comprehensive research under such a macro-economic perspective. Second, non-profit research has been frequently undertaken from a social economy approach covering a wide range of NPOs, going beyond the typical legal formulas of non-profit foundations and associations to include religious institutions, cooperatives, savings banks, labour societies etc. The third sector approach is represented by sociologists such as Professor Ruiz de Olabuénaga, following the academic work by Professors Salomon and Anheier in Spain, mainly as part of the Johns Hopkins Comparative Nonprofit Sector Project (Ruiz Olabuénaga, 2006). The social economy approach is represented by the economic research developed by Professor García Delgado and by CIRIEC-Spain, mainly from the University of Valencia. Using this approach, only certain types of philanthropic foundations are analysed and giving by these institutions becomes mixed up with the undertakings of other non-profit organisations with radically different models of operations (Rey-García & Alvarez-Gonzalez, 2011).

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In regards to research that adopts a meso-approach and/or trying to collect data on individual and institutional donations to NPOs, most publications have focussed on either: 1) a specific set of NPOs oriented towards social action and services, the so-called Social Action Third Sector (SATS) –i.e. studies originating from the Luis Vives Foundation and its *SATS Yearbook*–; or 2) philanthropic foundations – in particular studies by INAEF, Instituto de Análisis Estratégico de Fundaciones [the Institute for the Strategic Analysis of Foundations], an applied research initiative launched in late 2009 by the Spanish Association of Foundations (AEF). In fact, foundations are the philanthropic players that have received the most research attention to date in Spain. However, it should be noted that the public benefit activity of foundations cannot be identified with foundation giving in the case of Spain. The word ‘foundation’ does not evoke the same philanthropic, grant-giving connotation as in the US or the UK; it rather refers only to a non-member type of non-profit organisation. Spanish organisations can use two alternative formulas to incorporate NPOs from a legal and tax perspective: associations or foundations, the latter having important administrative advantages. Consequently, in terms of the number of entities, foundations are estimated to account for approximately half of the tax-favoured NPOs existing in Spain; but only a minor portion of foundations is devoted to philanthropic giving to individuals or other NPOs, most foundations devoting their resources instead to operating their own programs.

In this scenario, where individual giving and corporate giving tend to remain under the research radar, the recent (February 2015) report commissioned by INAEF (elaborated by Rubio Guerrero, Sosvilla Rivero and Méndez Picazo (2015)), is very welcome. The report constitutes the first work in Spain that includes longitudinal, qualified data on donation amounts declared for deduction by individual taxpayers and private companies, and it characterizes the typical Spanish donor, its behaviour and evolution from 2002 to 2010. Qualified data are provided for the following two types of giving: 1) amounts donated and deducted in individual tax income forms (IRPF), the main characteristics of tax filers that deduct these donations (income, gender, age, marital status, nationality, number of descendants, the Autonomous Community and province the taxpayers live in, relationship with the house, and whether they perform an economic activity or not); and 2) the amounts deducted as donations to NPOs in corporate tax, typifying corporate donors by their income bracket and amount declared for deduction. The data come from AEAT, Agencia Estatal de Administración Tributaria [the State Agency of Tax Administration], IEF, Instituto de Estudios Fiscales [the Institute of Tax Studies from the Ministry in charge of Finances and Public Administrations] for 2002-2010, and the corporate tax forms ISOC, Impuesto Sobre Sociedades [Corporate Tax] made available by AEAT for 2004-2010. Although, as the authors remark, the report is based on tax data, it takes into consideration only those donations that are declared for tax purposes, not taking into account those that go undeclared, for example because the donors do not have tax-benefit motivations or they have not filed their income tax forms (e.g. it is only compulsory for an annual gross income above a legal threshold, currently established at € 22 000).

## **Main players and research projects**

Three journals have devoted their attention to philanthropy in Spain on a regular basis: *Revista Española del Tercer Sector*, *CIRIEC-España*; *Revista de Economía Pública, Social y Cooperativa* and, to a lesser extent, *Información Comercial Española*, *ICE: Revista de Economía*. Among non-academic publications,

the journal *Documentación Social* and the FOESSA reports, both research initiatives connected to the Spanish Cáritas (the Confederation of Catholic Church Charities for Social Assistance), have mainly focused on SATS-related issues; while the Spanish Association of Fundraising has regularly published reports on household giving to certain NPOs, or on the profiles of individual donors.

The top private funder of philanthropy-related research has traditionally been ONCE, Organización Nacional de Ciegos de España [the National Organization for the Blind] and its foundation. Other key private institutions publishing and/or funding this type of research have been Fundación de las Cajas de Ahorros (FUNCAS) [the Foundation of Savings Banks], Fundación BBVA and Fundación la Caixa. Both Fundación ONCE and Fundación la Caixa have funded research on foundations by INAEF since its inception, together with other prominent private foundations. Fundación ONCE has mainly funded research using the social economy approach. As examples we can refer to the series under the direction of Professor García Delgado (economics background) or the 2010 publication directed by Professor Monzón (economics background) on the macro-estimates of the Spanish social economy, with 2008 data.

Beyond INAEF, the main institutes and organisations producing non-academic reports on philanthropy-related issues have been Fundación Luis Vives and ESADE's Instituto de Innovación Social [the Institute of Social Innovation]. In addition to editing the aforementioned *Revista Española del Tercer Sector*, in 2010 and 2012 the Luis Vives Foundation produced a biannual report on the SATS that included data on social action NPOs' financial resources. Following the ICNPO criteria (the Johns Hopkins project) a panel of 819 SATS organisations (2008 data published in 2010) and 716 SATS organisations (2010 data published in 2012) was created. The yearbook published in 2012 with the 2008 data indicates that SATS accounted for approximately 29 000 active NPOs, including associations, foundations and other NPOs – i.e. federations, confederations and the three special charter NPOs (the Spanish Red Cross (CRE), ONCE and Spanish Cáritas). SATS organisations work primarily in social action (38.6%), social integration (23.2%) and healthcare (22.1%). At a regional level both Observatorio del Tercer Sector [the Observatory of the Third Sector] and the Foundation Coordinator in Catalonia are worth being mentioned.

In addition to these players, a reduced number of international and national research projects developed during the last few years have contributed to the knowledge of philanthropy-related issues in Spain. This is the case for the research projects on philanthropy undertaken by Professor Marta Rey-García (the University of A Coruña), mostly in collaboration with Professor Luis Ignacio Álvarez-González (the University of Oviedo), their scientific background being management and marketing. They have collected data on philanthropy in Spain since 2009, and have conducted quantitative and qualitative research focussing on foundations, corporate philanthropy and fundraising through national campaigns for charitable causes and charitable lotteries. The results from a series of international and national research projects developed during the last few years with their participation have been disseminated through several collective publications concerned with the following themes:

**The foundation sector.** The previously mentioned INAEF project ([www.fundaciones.org/es/inaef](http://www.fundaciones.org/es/inaef)) was launched in 2009 with the mission of filling the historical research gap in philanthropic foundations in Spain. Under that umbrella and between 2009 and 2011, Professors Rey-García (PI) and Álvarez

developed and completed what constitutes the first comprehensive study of the Spanish foundation sector. This research project estimated the real size of the sector as consisting of 9 050 active foundations by 31/12/2009, with a total of 12 921 registered and not formally disbanded (consistent with previous estimations of 30% of registered foundations being inactive in Spain); and characterized by their organisational features and the socioeconomic impact of those that are active (Rey-García & Álvarez-González, 2011). INAEF published two later studies using different methodological approaches. The second study (elaborated by Galindo Martín, Rubio Guerrero & Sosvilla Rivero, 2012) considered active foundations to be those which are registered and not formally disbanded according to the information from 16 protectorates; with an estimation of 13 334 active foundations in 2008 and 13 731 foundations in 2009. A subsequent study (Rubio Guerrero, Sosvilla Rivero, & Méndez Picazo, 2014) included an additional category of 'effective active foundations' (similar to those denominated 'active foundations' in the first study) and presented revised figures for 2008 and 2009, and provisional estimates for 2010, 2011 and 2012. The latest report (Rubio Guerrero, Sosvilla Rivero & Méndez Picazo, 2015) represents an expansion of the research interests of INAEF by analyzing individual and corporate giving through tax sources.

**Professionalization, partnerships with firms and social innovation involving foundations.** These three issues have been addressed in a recent research project funded by the government of Spain, entitled 'Foundations as a key factor of Spanish firms' corporate social responsibility strategy. Bi-directional analysis of the foundation-firm relationship following a marketing approach', PI being Professor Sanzo (the University of Oviedo, management and marketing background). The results from the effects of foundation-business partnerships have been already published in the *Nonprofit and Voluntary Sector Quarterly* (2015) and *Service Business* (2015); while the impact of the dynamic capabilities of the capacity of foundations to develop social innovations was analysed also in the context of the ITSSOIN project – funded by the EC – in an article published in *The Service Industries Journal* (2015). Regarding the effects of the professionalization of the foundation sector and the growing interaction between philanthropic foundations and businesses, a very recent study supported by the International Research in Philanthropy Awards (IRPAs) (Sanzo Pérez, M.J., Rey-García, M., & Álvarez González, L.I., 2016) has analysed the influence of foundations' professionalization and engagement in partnerships with firms on foundations' productivity. The results confirm the existence of a 'U-shaped' relationship between professionalization and foundations' capability to reach more beneficiaries with lower assets; a positive effect of professionalization on revenue generation capability; and a positive effect of partnerships with businesses on foundations' asset-per-beneficiary ratio.

**Research and innovation foundations.** The EUFORI project (European Foundations for Research and Innovation, 2012-2014, <http://euforistudy.eu>), funded by the EC, includes a Spanish report with results from a quantitative and qualitative assessment, comparative analysis, and the trends and potential of foundations supporting research and innovation (R&I). Professor Rey-García has been the PI for Spain and the country report, co-authored by Professor Álvarez, and recently released (Rey-García, Marta; Álvarez González, Luis Ignacio, 2015) characterizes Spanish R&I foundations and measures their main economic parameters for the first time. A database of 458 R&I foundations was produced from multiple sources (229 answered a structured online questionnaire). Spanish R&I foundations participating in the



study hold over € 4 690 000 in assets, a total of over € 980 million in income, and have spent over € 773 million on R&I (2012 data). The report further identifies their main strengths and opportunities, and includes conclusions and recommendations relevant for the competitive improvement of R&I foundations.

**Corporate and family foundations.** Two recent research projects funded by the Spanish government that have dealt with these types of foundations should be mentioned; first, the previously mentioned 'Foundations as a key factor of Spanish firms' corporate social responsibility strategy'. Second, a project focussing on family foundations and philanthropic entrepreneurial families called BOLDE 'Business organisation in late development economies: a dynamic, comparative study of the Urquijo Group', whose PI was Professor Puig (University Complutense de Madrid, management and history background). One of the results of this project was an article comparing the philanthropic propensities of entrepreneurial families in the US, Germany and Spain (Rey-Garcia and Puig-Raposo, 2013). Beyond these projects, the issue of accountability and transparency of corporate foundations has received special attention (Rey-García, Martín-Cavanna and Álvarez-González, 2012). Likewise, a working paper issued by Cátedra Fundación Ramón Areces de Distribución Comercial [Chair on Retail Management of the Ramón Areces Foundation] (Rey-García and Marta, 2012) studied institutional philanthropy by retail firms, utilizing foundations connected to the top 50 global retailers in a multiple case study. This study showed that on one hand, top global retailers have a high philanthropic propensity (64% have a connected instrumental foundation), and on the other hand that the potential benefits of connected instrumental foundations go beyond those attributed to conventional CSR and traditional corporate giving according to the previous literature, to include an improved competitive advantage and control of intangible and financial assets.

**Civic participation and philanthropy.** A monograph in the journal *Información Comercial Española* (ICE) with a comprehensive analysis of philanthropy in Spain, including a conceptual framework for philanthropy and civic participation, challenges the trends of the non-profit sector, and a contribution to establishing the size and impact of the third sector in Spain has been recently published (Montes Gan and Rey-García eds., 2013), following on from a previous monograph coordinated by the renowned sociology professor Pérez Díaz (2008).

**Fundraising campaigns for charitable causes.** An academic journal article with a historical overview and an estimate of the funds raised through national campaigns for charitable causes between 2002 and 2009, including giving through the tax designation scheme and charity lotteries, has been recently published (Rey-García, Álvarez-González and Valls-Riera, 2013).

## Giving by individuals

As previously mentioned, few empirical and comprehensive studies on giving by individuals exist in Spain beyond the 2015 INAEF report profiling the typical Spanish donor on the basis of donations to NPOs deducted from taxable income in their annual individual income tax forms. From four different works we can highlight the following quantitative data on individual giving to NPOs (the values are expressed in nominal euros):

- **To NPOs and declared for deduction in individual income tax forms (2010):** 2 521 097 taxpayers (from a total of 19 257 120 tax forms filed) deducted charitable donations from their taxable income with a total amount of € 94 827 846; the average donation being € 37.61. The largest number of donors (32.77%) is included in the annual income bracket of € 30 000 – 60 000. This segment deducted donations of a total of € 33 922 851; the average donation being € 41.06. The taxpayers deducting donations were predominantly men (69.93% of taxpayers declaring donations), who also donated larger amounts (€ 152.59 compared to € 145.41 by women). The largest number of donors was aged 50 – 54 (17.38% of taxpayers deducting donations), followed closely by those aged 55 – 59 (16.79%). The average donation by 50 – 54 year-olds totalled € 157.66 and by 55 – 59 year-olds it was € 131.10. The donors were predominantly married couples (75.56% of the total taxpayers declaring donations); the average donation being € 149.03. 98.50% of the taxpayers declaring donations were Spanish nationals. However, on average they donated less than foreigners (150.28% compared to 152.36%). Taxpayers with no children donated more frequently (44.94% of the total taxpayers declaring donations) than those with children (Rubio Guerrero, Sosvilla Rivero and Méndez Picazo, 2015).
- **To foundations:** 32.3% of foundations declared individual donations and bequests to be among their main revenue sources in 2010 (data from the online questionnaire for 1 432 active foundations). The INAEF study estimated the total revenue of the sector to be € 5 597 000 in 2008 (data from 3 288 foundations) (Rey-García and Álvarez-González, 2011).
- **To the SATS:** according to the panel data, 69.1% of SATS organisations received private funding in 2010 (n=716). Private funding represented 18.2% of their total funding (n=415), 23.2% coming from individuals (n=513). The total revenue (public, private and their own funding) of SATS for 2010 totalled € 17 467 500 (Fundación Luis Vives, 2012).
- **To NPOs in general:** the latest report by the Spanish Association of Fundraising (2014) published in November 2014 presented data for the previous 12 months. 19.2% of the individuals indicated they had donated to a NPO during the previous year (n=1 485). From those who had donated and had indicated the amount, the average donation was € 133 per year (including sponsorships and non-sponsorships) (n=454) (Spanish Association of Fundraising, 2014).

### **Specifications on data sources**

Rubio Guerrero, Sosvilla Rivero and Méndez Picazo (2015), for the INAEF report, collected data from the universe of individual income (IRPF) tax filers of the AEAT, Agencia Estatal de Administración Tributaria [State Agency of Tax Administration] for the period 2005 – 2010 and from a sample of the IEF, Instituto de Estudios Fiscales [the Institute of Fiscal Studies from the Ministry in charge of Finances and Public Administrations] for 2002 – 2010. IEF used a stratified (province, income, individual/joint tax form) random sample of 1 904 554 taxpayers for 2010. For the other years included in the study the size of the sample was the following: 907 399 (2002); 936 678 (2003); 941 029 (2004); 952 578 (2005); 964 489 (2006); 1 351 802 (2007); 1 867 594 (2008); 1 928 494 (2009).

The data referred to by Rey-García and Álvarez-González (2011) came from the first INAEF project (2009-2011). The unit of analysis consists of Spanish foundations. The data refer to 2008 and were collected from a combination of data sources: 58 registries and protectorates, the historic database of the Spanish Association of Foundations, directorates and an online structured questionnaire. Altogether the study included the economic data (as of 31/12/2008) for over 3 800 foundations, reaching a territorial coverage rate of around 90%. An online questionnaire was completed by 2 229 foundations, which represents a return rate of 24.63% of the total number of 9 050 active foundations (from a total of 12 921 registered, non-disbanded foundations). The sampling error was  $\pm 1.8\%$  and the confidence interval was 95% ( $z=1.96$ ;  $p=q=0,5$ ).

Fundación Luis Vives (2012) used the panel data from an initial set of 2 400 social action NPOs. An online questionnaire was completed by 716 NPOs from a total of 29 739 active organisations as of 31/12/2010 (a sampling error of  $\pm 3.7\%$  and a confidence interval of 95.5% ( $p/q=50/50$ )). Private funding included funding from individuals, businesses, savings banks, foundations and other private entities, but it did not include membership fees, revenues from assets, fees from service delivery and product sales, which were considered to be their own funding.

The Spanish Association of Fundraising (2014) used two samples: (1) a random sample of the population  $\geq 18$  years old (1 200 interviews) and (2) a booster sample for members/donors of the different NPOs collaborating in the study (762 interviews). An online structured questionnaire (for individuals  $\leq 55$  years old) and a personal interview also supported by a structured questionnaire (for individuals  $> 55$  years old) were used.

### ***Giving by individuals through the tax designation scheme***

The tax designation scheme was first implemented for IRPF (personal income tax) forms filed in 1988, parallel to tax reforms paving the way for the entry of Spain into the European Common Market (1986). After undergoing a few reforms, its current design allows taxpayers to voluntarily assign 0.7% of their tax liability accrued before deductions to the Catholic Church and/or 'other social benefit purposes' (i.e. the most notably socially active NPOs). Therefore, and although mediated by the national tax agency, giving through the tax designation scheme represents in its origin an individual decision and expresses a willingness to donate, and that taxpayers do not choose the NPO directly, but delegate that choice to the State. The bottom line is that individuals feel that they have given to charitable causes, irrespective of who makes the final distribution. The data do not differentiate between individual and household donations, and are restricted to those who file their IRPF forms (only compulsory from a certain annual income upwards) and declare deductible donations.

Rey-García et al. (2013) provide the most recent data for the years 1999 – 2009 on the amounts raised and the distribution of funds through the tax designation scheme. In this section we present the figures for 2009 (expressed in euros 2010):

- € 234.2 million was allocated to the Catholic Church in 2009. The Church receives its allocation directly, and no information is available on how the funds are distributed to different activities.

- € 275 million was allocated to social-benefit purpose NPOs in 2009. This portion is distributed to both secular and Church-related NPOs, through national competitive calls for projects on social action/care oriented towards the most vulnerable sectors of the population (78% of the funds); on international cooperation and development (19% of the funds); and on environmental sustainability (3% of the funds).

### **Specifications on data sources**

Rey-García et al. (2013) collected data from the annual reports and websites of the national tax agency and from the Ministry in charge of Employment and Social Affairs.

#### ***Giving by individuals through national charitable lotteries***

Data are available on how much money NPOs receive from charity lotteries but not on how they distribute it. The State has a monopoly on national lotteries and games. However, the government has longstanding agreements with three large NPOs – ONCE, CRE and AECC, the Spanish Cancer Campaign – granting them exceptional shares of national lotteries revenues. The 2002 – 2010 data were presented in a recent publication by Rey-García et al. (2013). In this section we highlight the 2010 figures (expressed in euros 2010):

- ONCE has been recognized as the representative of the interests of blind and visually impaired people since 1939 (and later extending its representation to other physical and intellectual disabilities) and manages its own charitable lottery: ‘Cupón pro ciegos’ [the Coupon for the Blind]. ONCE’s gross revenues obtained from charitable lotteries and games in 2010 reached € 1 863 000.
- CRE has managed its own charitable lottery since 1980: ‘Sorteo del Gran Premio del Oro’ [Gold Grand Prize Lottery]. Gross revenues reached € 27 400 000 in 2010. In addition, CRE benefits from a special annual charitable lottery managed by the Government on its behalf: ‘Sorteo de la Cruz Roja’ [Red Cross Lottery], taking place every year at Christmas and in the spring since 1924. In 2010 CRE received € 15 100 000 from this second lottery.
- Since 1989 the government has managed a special annual charitable lottery on behalf of AECC. In 2010 AECC received € 3 300 000 from this charitable lottery.

### **Specifications on data sources**

Rey-García et al. (2013) collected data from the annual reports and websites of the involved NPOs, the national tax agency and LAE (State Lotteries and Bets).

#### ***Giving by individuals through national campaigns for international emergencies***

Rey-García et al. (2013) have published the only existing academic study on donations (individual and corporate) to national campaigns for international emergencies. In this section we present the amounts raised by the two most recent nationwide campaigns, which also allow for international comparisons, the SE East Tsunami in 2004 and the Haiti earthquake in 2010 (the amounts are expressed in euros 2010):

- € 55 966 875 was given to 23 international cooperation NPOs for the 2010 Haiti earthquake, the average donation being € 151.72 per individual. It is worth mentioning that € 33 200 000 was given to CRE alone, the average donation to CRE being € 80 per individual.
- € 32 770 000 was given to CRE for the 2004 SE Asia tsunami, the average donation being € 101.32 per individual (given that CRE was the leading campaigner, the figures are broadly representative).

### **Specifications on data sources**

Rey-García et al. (2013) combined data from the Spanish Association of Fundraising (2011) and CRE (real amounts). The first report used 1 437 online interviews with a structured questionnaire for men and women ≥ 18 years old throughout the Spanish territory (sample error +2.95%; p=q=50%; confidence interval =95%).

## **Giving by corporations**

Seldom can we find disaggregated data on corporate giving; the exception goes to the aforementioned 2015 INAEF report, which includes the analysis of corporate giving on the basis of deducted donations from the taxable corporate income on corporate tax forms for the fiscal years 2004 to 2010. Studies on the sources of non-profit funding most often only differentiate between public and private funding. Depending on the studies the latter may include donations coming from individuals and private firms, their own income (sales of services, membership fees, revenues from assets), foundations and other NPOs, or a combination of the former. From the few existing studies that include disaggregated quantitative data on corporate giving the following figures can be highlighted (expressed in nominal euros):

- **To public-benefit NPOs and declared for deduction on corporate tax forms (year 2010):** 7 114 entities deducted donations to NPOs (from a total of 1 420 707 forms presented) with a total amount of € 103 909 101; the average donation being € 14 606. The largest number (1 820) of corporate donors is included in the income bracket € 1 500 000 – 6 000 000. This segment deducted charitable giving with a total amount of € 4 207 088 (the average amount donated being € 4 178) (Rubio Guerrero, Sosvilla Rivero and Méndez Picazo, 2015).
- **To foundations:** 34.8% of foundations declared corporate donations and bequests to be among their main revenue sources in 2010 (data from the online questionnaire for 1 432 active foundations). The total revenue of Spanish foundations in 2008 was € 5 597 000 (n=3 288) (Rey-García and Álvarez-González, 2011).
- **To the SATS:** 69.1% of the organisations received private funding in 2010 (n=716). Private funding represented 18.2% of their total funding (N=415) and 10.8% came from private companies. The total revenue of SATS for 2010 was € 17 467 500 (Fundación Luis Vives, 2012).
- **To national campaigns for charitable causes:** private companies gave € 29 819 261 (2010) to 23 international cooperation NPOs for the Haiti earthquake, of which € 4 300 000 went to CRE alone; the average corporate donation to CRE being € 2 800. In addition, private companies gave € 3 365

000 (2004) to CRE for the SE Asia tsunami; the average corporate donation being € 2 438. Given that CRE was the leading campaigner, the figures are broadly representative (Rey-García et al., 2013).

Another study, although less representative, is worth being mentioned because it is based on data collected from donors rather than recipients. The authors surveyed 26 IBEX 35 companies. For 2008 the study revealed a median of philanthropic investments in Spain of USD \$ 14 100 000; corresponding to a median of 0.11% of the companies' revenue. Areas related to education (28%), culture (18%) and economic development (15%) received the largest shares of the average amount companies allocated to philanthropy. In addition, 41% of the companies' philanthropic budget was invested in international activities (Urriolagoitia and Vernis, 2012).

### **Specifications on data sources**

Rubio Guerrero, Sosvilla Rivero and Méndez Picazo (2015), for the INAEF report, used data from AEAT [the State Agency of Tax Administration] on legal entities that had deducted donations to NPOs on corporate tax forms corresponding to the fiscal years 2004 to 2010.

Rey-García et al. (2013) combined data from the Spanish Association of Fundraising (2011) and CRE (see the previous headings for details). The data in Rey-García and Álvarez-González (2011) came from the first study of the INAEF project (see the previous sections for details). Fundación Luis Vives (2012) used panel data (see previous sections for details).

Urriolagoitia and Vernis (2012) used a sample of 35 Spanish companies drawn from the IBEX 35, the index being made up of the 35 most liquid securities traded on the Spanish market. 26 of the 35 companies in the index were included in the sample. The data sources consisted of companies' reports combined with a survey using a structured postal questionnaire.

## **Giving by foundations**

As has been previously mentioned, private giving is rarely disaggregated in the existing studies. Only two of them (Rey-García and Álvarez-González, 2011 and the Luis Vives Foundation) provided the following qualified data on giving by foundations, in both cases to other NPOs (the values are expressed in nominal euros):

- To other foundations: the first INAEF study indicated that 6.8% of foundations declared donations and bequests from other foundations to be amongst their main revenue sources in 2010 (data from the online questionnaire for 1 432 active foundations). The total revenue of Spanish foundations in 2008 was € 5 597 000 (n=3 288) (Rey-García and Álvarez-González, 2011).
- To SATS: according to the panel data 69.1% of the organisations received private funding in 2010 (n=716). Private funding represented 18.2% of their total funding (n=415) and 13% came from foundations. The total revenue of SATS for 2010 was € 17 467 500 (Fundación Luis Vives, 2012).

## Specifications on data sources

The data in Rey-García and Álvarez-González (2011) came from the first study of the INAEF project (see the previous sections for details). For Fundación Luis Vives (2012) see the previous section for details.

Regarding the data on other economic variables in foundations different from giving, publications resulting from the national research project entitled 'Foundations as a key factor of Spanish firms' corporate social responsibility strategy. Bi-directional analysis of the foundation-firm relationship following a marketing approach' (MICINN-09-ECO2009-11377) used the data collected from multiple sources, including 325 valid questionnaires that were received from a sample of 525 foundations randomly selected from the INAEF census of 31/12/2009.

## Conclusions

In spite of a long and generous tradition of philanthropy in Spain that is mostly connected to the Christian roots in the country, but not solely, quantitative research on the subject is at an incipient stage. The terms under the umbrella of private giving are inconsistently conceptualized across the studies, and the datasets are segmented, geographically disperse, not regularly updated and often inaccessible for research purposes. Although we have a snapshot of the significance of the private funding of the non-profit sector and some of its segments (in particular foundation-type NPOs and SATS), the actual amounts given are not available; it is often hard to disaggregate the data according to the type of donor and virtually impossible to identify the actual redistribution or usage of the amounts donated across the different goals or fields of activity of the NPOs.

The primary data sources are generally highly inconsistent in terms of concepts and variables, and are seldom accessible for research purposes. For the most part they are widely dispersed from a geographical point of view, and scattered across partial and non-systematically updated public and private databases providing aggregated amounts only. The only exception to this overall scenario is the micro-data of the national tax agency (AEAT) on individual and corporate tax filers that deduct donations to public-benefit NPOs. On the basis of these data, the Institute of Fiscal Studies (IEF) built in 2014 a statistically representative panel of individual tax filers covering the fiscal years 2002 to 2010. This panel opens up the possibility for more systematic, comprehensive research on individual giving, although it is limited to that falling under tax control. However, it should be noted that this data source on individual and corporate giving only refers to donations that are subject to deduction from those who are not exempt from filing their tax forms, and who decide to deduct their donations only when filing them. Bequests and undeclared *in vivo* donations are left out, and we should not forget that these may represent a significant part of giving.

The first exploitation of these data from tax sources was made in the recently released report produced for INAEF, but generally the secondary data sources are seldom updated on an annual basis. Besides, there is no report, institute or research project systematically covering giving as a whole on a national scale. Among the most recent national-scale reports on the partial aspects of philanthropy two should be highlighted as exceptions to this lack of continuity. The first is the yearbook of the subsector of social action NPOs published by the Luis Vives Foundation in 2010 and 2012; the second is the INAEF project of

the Spanish Association of Foundations, focusing on philanthropic foundations in general rather than on giving to/from foundations. Both have been conducting quantitative research on philanthropy most often from the perspective of and using data from beneficiary entities rather than from donors. The most recent IAEF report, however, may represent a turning point in this trend. Should it be continued it can provide qualified data and longitudinal comparisons, although limited to individual and corporate giving that falls under tax control.

Although we can have partial overviews of the importance of giving by individuals, private firms and foundations to certain NPOs (namely SATS and foundations), it is not possible to provide qualified data on the amounts donated in Spain, either in total (beyond those deducted by individual and corporate tax payers), and even less to different philanthropic goals.

From the study on national campaigns for charitable causes, we know that Spain was among the top donors to the SE Asia tsunami in 2010, indicating a willingness to give to international emergencies. The longitudinal data allow us to know that individuals/households also regularly donate to the Catholic Church and/or 'other social benefit purposes' through the tax designation scheme. From the Luis Vives reports we know that individual, corporate and foundation giving constitute important funding streams of social action NPOs. From the first INAEF study we know that the majority of philanthropic foundations operate in the fields of education and research, culture and recreation, and social services. Existing research provides quantitative longitudinal data on how much Spaniards have spent on each of the existing charity lotteries; however, there are no data on which philanthropic areas receive how much money. From the latest report produced for INAEF we can get the most comprehensive profile of the Spanish donor: a 55 – 59 male of Spanish nationality, married but with no children, who is a homeowner, who lives in the Madrid area, and who has an economic occupation and an annual income of € 30 000 to 60 000. Yet, and once again, it is not possible to know to which philanthropic areas individual and corporate taxpayers donate.

It is worth mentioning that in the present overview of the state of giving research in Spain we have focused only on empirical research including quantitative financial data on giving. However, there are additional studies of a more conceptual or theoretical, qualitative, legal-fiscal, institutional or historical nature that should not be forgotten and that are relevant in order to gain a full picture of Spanish philanthropy, particularly empirical research in connection with entrepreneurial families, family firms and foundations connected to them (see, for example, Rey-García and Puig-Raposo, 2010 and 2013).

All these recent research efforts suggest philanthropy is emerging as research-worthy subject in Spain. The 2014 panel of individual tax filers of the Institute of Tax Studies from the Ministry in charge of Finances and Public Administration opens the door to more systematic research on individual giving, contributing to overcoming the traditional generalized lack of accessible, updated, nationwide, quantitative data on the sources of philanthropic giving. However, two main challenges for further advancing research on giving remain. The first is an overwhelming lack of data on the public benefit application of those resources by NPOs. The second is the lack of conceptual and methodological consistency, resulting in the weak comparability of data from secondary sources. The combination of no systematic data gathering on the different types of donors (most notably foundations or individuals and



corporations beyond those deducting donations on tax forms) along with the heterogeneity and fragmentation of conceptual and methodological developments make it difficult to generate a full picture of giving at this stage.

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## 22. Research on Giving in Sweden

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### Introduction on Giving Research in Sweden

Research on giving is a relatively underdeveloped field in Sweden. Charitable giving is widespread and extensive, but the average donation is small and fundraising was until recently carried out by unpaid, non-professional members of a few large charitable organisations. Giving follows the pattern of other civil society activities in Sweden in that it is a popular movement with widespread grass roots organisation and participation. Giving is also influenced by the Scandinavian type of welfare state, which seems to direct donations to international aid and medical research, while domestic medical and social care and education receive fewer donations, both because of a lesser need and a general perception that such causes lie within the realm of government responsibility (Vamstad and von Essen, 2013). Research on giving has, therefore, been sparse in traditional areas of philanthropy studies such as donor behaviour, and economic or psychological theories on giving and fundraising. Instead, much of what research there is, is on the history of social movements. A few historians have written about organisations concerned with charitable causes in the 19<sup>th</sup> century and their typical objects of study are local philanthropic societies, large social movements like the Labour and Temperance Movements, religious organisations, and large aid organisations like the Red Cross (Förhammar, 1997; 2000; Jordansson and Vammen, 1998; Karlsson, 2012; Plymoth, 2002; Qvarsell, 1993). Research on contemporary giving in Sweden is mainly conducted at the Institute of Civil Society Studies at Ersta Sköndal University College in Stockholm and at the Stockholm School of Economics. Ersta Sköndal University College conducts a recurring national survey of giving and volunteering, and philanthropy is generally studied within the context of other civil society areas such as voluntary work, member organisations, and citizen participation. The institution is multi-disciplinary with researchers representing social work, political science, sociology, business administration, and theology. Research at the Stockholm School of Economics includes some work on economic theories of giving, as well as research on foundations. The researchers are typically in the fields of business administration or economics. Giving and philanthropy are, however, not the primary research fields at either of these two institutions; the research is rather limited. Ersta Sköndal University College employs about 20 civil society researchers, but only three or four of them (for example, Vamstad, von Essen and Svedberg) could be said to be philanthropy researchers. The Stockholm School of Economics has about ten researchers in the civil society field, and two or three of them (for example Berman, Wijkström and Einarsson) conduct research related to philanthropy. There are, in addition to these two centres of civil society studies, a few individual philanthropy researchers spread among various universities and other research institutions in Sweden. Seen as a whole, they represent a diverse set of disciplines, with researchers from history (e.g. Förhammar), social work (e.g. Levander), economics (e.g. Braunerhjelm), ethics (e.g. Romare) health studies, (e.g. Eklöf), and gender studies (e.g. Jordansson). Overall, the Swedish philanthropy research community is small and thinly spread, and there is no major research centre or resource devoted exclusively to the study of philanthropy. There is, however, growing interest

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in research on giving, driven in a large part by the ongoing professionalization of fundraising in Sweden. There is also emerging interest in newer areas of philanthropy research, like corporate social responsibility and social enterprises, especially in the economic sciences (Frostenson and Borglund, 2006; de Geer, Borglund and Frostenson, 2009; Nilsson, 2009; Gawell, Johannisson and Lundqvist, 2009). It seems plausible that the Swedish research on giving might be catching up with that in other countries, and that Sweden might reach a more “normal” or average level of research in this field. There is, however, still a long way to go before that can be achieved.

## **Giving by individuals**

There are three sources of data on giving by individuals in Sweden, where the two major ones are the Ersta Sköndal national study of giving and volunteering, and the official statistics on giving to accredited charities collected by the Swedish Fundraising Control. The latter data source includes all the major charitable organisations and practically all charitable giving in Sweden. In addition to these, the Swedish Fundraising Council (FRII) also conducts an annual survey of certain aspects of giving, the results of which are presented in a report made in cooperation with PricewaterhouseCoopers.

The Ersta Sköndal study has been conducted five times since 1992, and it provides data not just about giving, but volunteering, informal social care, membership, political activism, and generalized trust. It allows, in other words, for an analysis of giving in relation to a number of other civic activities. The segment on giving was first included in the 2004 study and widely expanded in the 2014 study. This study is based on a large random sample of respondents who were asked about their civil society activities, using structured telephone interviews. The segment on giving includes questions on how and how much the respondents give, as well as their attitudes towards giving. Specific attention is given to their attitudes towards giving in relation to the welfare state and to giving as a moral act. The Swedish Fundraising Control is in itself a non-profit organisation that is funded and run by a coalition of the large confederations of trade unions and the Confederation of Swedish Enterprise, or in other words the central organisations on the labour market. Their mission is to monitor fundraising and to give accreditation to organisations adhering to sound fundraising and accounting practices. In doing so, they also collect data on giving to the 411 accredited organisations. The Swedish Fundraising Council is an umbrella organisation for many of these 411 organisations, and they also collect and keep some data on giving. Their annual report is in part based on a structured interview study with a representative sample of 1 000 respondents from a large national panel. The questions regard how the giving is done and how the respondents want to give, as well as their trust in charitable organisations, with a focus on providing the member organisations with operational data for their fundraising. The specifics of the three data sets are described in figure 22-3.

**Figure 22-3 Description of the three datasets**

	<b>Ersta Sköndal University College</b>	<b>Swedish Fundraising Council</b>	<b>Swedish Fundraising Control</b>
Nature of data	Survey performed in 1992, 1995, 1999, 2004, 2009 and 2014	Survey performed in 2013 and 2014	Financial statistics
Target population	General public	General public	
Sampling criteria	Random sample of 2 250 (2014)	Representative sample of 1 000 panellists	Statistics for giving to 411 organisations
Response rate	56% (1 258/2 250)(2014)		
Technique	Structured telephone interviews	Structured interviews	Accounting
Background variables	Extensive general (age, income, etc.), civil society activities, trust	Some general	None
Funding	Swedish Research Council	Swedish Fundraising Council, PriceWaterhouseCoopers	Fees from organisations
Accessibility	Private	Private	Public
Location	Ersta Sköndal University College	Swedish Fundraising Council	Swedish Fundraising Control
Availability	Available for secondary analysis	Not available	Available
Completed studies	Five main reports, numerous research papers (see further reading)	Two annual reports	Official statistics presented annually

The Ersta Sköndal study is the by far the most appropriate for research; it has the most extensive and diverse set of variables and it is designed exclusively for research purposes. The two other data sets are good for some descriptive purposes. The purpose of the annual reports presented by the Swedish Fundraising Council is to provide the member organisations with accessible data on giving in an effort to promote fundraising. The report includes, for instance, an index measuring giving to charitable giving in relation to the consumption of sweets and ice-cream in Sweden. The purpose of such an index is, of course, to provide the fundraising organisation with an argument for increased giving by showing that Swedish people on average spend (five times) more on sweets and ice-cream than on charitable giving.

The statistics provided by the Swedish Fundraising Control is entirely different; it simply measures the volume of giving to 411 organisations, including all of the major ones. The Ersta Sköndal study also provides some descriptive statistics not covered by the two other data sets. One such example is the combined statistics of the percentage of individuals that donated to different causes. The Ersta Sköndal study uses a wide definition of giving, where anyone not explicitly stating that he or she has not been giving is considered a giver. Any type of giving and any size of giving is counted, which is why 80% of the respondents are counted as givers. The percentage of givers to different causes is presented in table 22.1 from the 2014 round of the Ersta Sköndal study.

**Table 22.1 Percentage of individuals donating to different goals in 2014**

	% individuals that donated to
Religion	19 %
Health*	45 %
International aid	56 %
Public/social benefit (national)	29 %
Culture	8 %
Environment/nature/ animals (inter)national	26 %
Education	-
Other (not specified)	5 %
<b>Total</b>	

*Source: Ersta Sköndal University College \*Medical research*

These results mostly confirm previous research on Swedish giving (Vamstad and von Essen, 2013). One surprising finding from the 2014 study is the relatively high figure for domestic social benefits. Between one third and one quarter of the respondents stated that they had been giving to such social causes in Sweden, which could indicate that giving to domestic causes is on the rise. The Ersta Sköndal study also includes data on the size of the donations, but these are measured as a total for each respondent and each respondent might have donated to more than one cause. The average sum of donations for the last 12 months was € 194, controlling for a few outliers.

There are no statistics on the total giving by individuals to various causes, but a rough estimate of the distribution between them can be made from the data collected by the Swedish Fundraising Control. They present numbers for the total giving to the 20 largest organisations, which represent about 66% of the giving to accredited organisations. Individuals donated a total of € 646.8 million in 2013, but the sum of the categories in table 22.2 is only € 427.9 million. There are no statistics on giving to non-accredited organisations, but the accreditation system has extensive coverage in Sweden, the most serious organisations are accredited, all organisations of any size are, and the statistics therefore represent practically all donations to organisations in Sweden. The numbers representing the 20 largest organisations in table 22.2 have a relative distribution between causes similar to the one in table 22.1table 22.1, even though some causes were left out because they were not represented among these particular organisations.

**Table 22.2 Uses of donations to the 20 largest organisations by individuals in 2013**

	million EUR*	percentage
Religion	20.5	4.8 %
Health**	86	20.1 %
International aid	220.2	51.5 %
Public/social benefit (national)	51.2	12 %
Environment/nature/ animals (inter)nat.	40.4	9.4 %
Human rights (Amnesty international)	9.6	2.2 %
<b>Total</b>	<b>427.9 (646.8)***</b>	<b>100 %</b>

*Source: The Swedish Fundraising Control \*1€=9SEK \*\* Medical research \*\*\*Total for all organisations: 646.8*

International aid and medical research remain by far the largest causes for Swedish donors, which is also evident in table 22.1. The donations to religious causes are lower in table 22.2 than would be expected from table 22.1, but only one religious organisation was represented among the 20 largest; the Church of Sweden. Environmental organisations receive relatively little funding considered how frequently Swedes give to them, which in part could be explained by the fact that younger donors are over-represented among those giving to these organisations.

The research on individual giving has, in conclusion, made a lot of progress in recent years. Both the Ersta Sköndal study and the annual study and report from the Swedish Fundraising Council are important additions to the official statistics provided by the Swedish Fundraising Control. The growing interest in research on giving should be seen in light of the changes in giving itself in Sweden. More data and more research are the logical consequences of the growth and diversification of giving, as well as of the professionalization of fundraising and civil society as a whole.

## Giving by bequest

Giving by bequest is one of the least popular forms of giving in Sweden. The reason for this has most likely both to do with tradition as well as more mundane reasons such as tax legislation. There are generally few tax incentives for giving in Sweden, and there are no incentives for giving by bequest. It is an underdeveloped area from a fundraising perspective, and this, in combination with the fact that bequests often concern rather large sums of money, has led to growing interest in this type of donation among fundraising organisations in recent years. The Swedish Fundraising Council represents these organisations, and their annual study therefore includes some basic data on the donor attitudes towards bequests. It is their study that shows us that giving by bequest is the least popular form of giving in Sweden. Only 13% of the respondents state that they “definitely” would consider giving by bequest, while another 30% said that they “perhaps” would. A thought-provoking finding is that the respondents between 18 and 29 years old are the most positive towards bequests, while those between 50 and 79



are the least positive (FRII 2015). Giving by bequest is in spite of the low popularity a substantial source of income for Swedish charities. The 2015 report from The Swedish Fundraising Council shows that 62 major organisations collected donations through bequests, and that the total sum of these donations amounted to 882 million SEK, or € 98 million. It is, in other words, easy to see how even a small increase in willingness to give by bequest could result in significant gains for fundraising organisations. This € 98 million is included in the total sum of individual giving, but we do not know how it is distributed among the different causes in table 22.2. We do know, however, that giving by bequest is to a great extent directed towards medical research, which is something that has been recognized by fundraising organisations.

The Ersta Sköndal study makes no mention of giving by bequest, and the official statistics from the Swedish Fundraising Control does not single out this or any other ways of giving. There is, therefore, relatively little information about this type of giving, but the push to gain awareness of it might very well lead to better data and more research in the future.

## **Giving by corporations**

Sweden has a long but relatively undocumented history of corporate giving to charitable causes. Philanthropic causes were formed around the leading industrialist families during the second half of the 19<sup>th</sup> century, and several of them are still active today, even if in many cases they have switched their focus from relieving social needs to promoting research over the years (Einarsson, 2009). Swedish industry is traditionally centred on a limited number of large corporations aimed at the export market, and it is hence relatively internationalized. International trends in corporate giving such as corporate social responsibility have for this reason become quite widespread in Sweden. Still, there is also a great deal of scepticism towards CSR in Sweden since the concept challenges deep-rooted perceptions of the role of corporations in Swedish society (de Geer, Borglund and Frostensson, 2009). This contradiction is explained by de Geer et al. (2009) as an illustration of the flexibility in the concept that has allowed CSR to gain a foothold in the Swedish welfare state context. The perception of the role of corporations in society might be part of the reason why there are no tax incentives for corporate giving to charitable causes. A more important reason is the strongly held Swedish principle that public money should be used for public causes, the legitimacy of high taxes and the whole tax system depends on the tax money being spent on public goods chosen by political representatives (Trägårdh and Vamstad, 2009). The tax regulation for corporations states that they cannot deduct charitable gifts from their taxes, but they can deduct business expenses. Corporations can, in other words, only make a deduction if they can show that they have received something of material value in return for their expense, and the good that will come from giving to charities is not considered “material” by the Swedish tax authorities (Trägårdh and Vamstad, 2009).

The available data and research on corporate giving in Sweden are limited. While the availability of data and the amount of research on giving by individuals has increased, corporate giving is in large part still uncharted territory in Swedish philanthropy research. The annual reports from the Swedish Fundraising Council include not only a recurring study on individuals, but also a study based on a theme that varies from year to year. The 2015 study focused specifically on corporate giving in an effort to shed new light

on this overlooked area. A structured telephone interview study with representatives from 201 Swedish corporations was conducted for this reason, and the results showed that 48% of them both cooperate with civil society organisations and run their own projects. 34% stated that they cooperate with more than one organisation. The study did not map which causes they were currently supporting, but one question in the structured interviews asked them what causes they would choose if they had to prioritize. They could choose more than one alternative; the results can be seen in table 22.3.

**Table 22.3 “What causes would you give priority to if you had to choose?” 2014**

	percentage
Children and young people in Sweden	67 %
The environment	42 %
Sport	41%
Public/social benefits in Sweden	34 %
Research	28 %
Culture	19 %
Human rights	18 %
Children and young people abroad	18 %
Aid and development abroad	17 %
Other (not specified)	3 %

*Source: The Swedish Fundraising Council*

Corporate givers clearly choose differently from individual givers when it comes to charitable causes. Corporations seem to be more concerned with causes in Sweden and in their local community, which can be partly explained by the motives for giving that they stated in the interviews. The by far most important motive was “giving back to society” (71%), followed by “strengthening the brand” (49%) and “motivating employees” (39%). The study from the Swedish Fundraising Council was a one-off effort and there are little other data to be found in this area.

## Giving by foundations

The Swedish foundation sector is extensive, old and under-researched. The most recent data – from 2002 – state that there are about 14 500 large foundations and perhaps as many as twice that number of smaller ones (Einarsson, 2009). The number of smaller foundations is difficult to estimate since only foundations with more capital than € 38 000 (350 000 SEK) need to register with the County Administration Board. These foundations make up a substantial part of charitable giving in Sweden, but there are surprisingly few data and research on Swedish foundations. The latest extensive mapping of Swedish foundations took place in 2002, but an update is presently being done at the Stockholm School

of Economics, and was published in 2015<sup>138</sup> (Wijkström and Einarsson, 2004). The initial research had funding from the Bank of Sweden Tercentenary Foundation and the generated data are owned by the Stockholm School of Economics. The data have resulted in a number of research publications (Einarsson, 2009; Wijkström, 2007). The Stockholm School of Economics has the foremost research resources in the area, with several researchers devoted to the subject and participation in international research projects such as FOREMAP 2009 and EUFORI 2014 (Einarsson, 2009; 2014).

The main data source for foundations in Sweden is the County Administration Boards, the central government agencies in each of the 21 counties and regions in Sweden. The County Administration Boards handle the registration of foundations and they keep the files on existing foundations. The 14 500 foundations found in the 2002 overview were distributed between a wide range of causes.

**Table 22.4 Number of foundations donating to different goals and their assets, 2012**

	Number of foundations	Assets million EUR*
Culture and recreation	1 420	1 400
Education	2 420	3 800
Research	2 800	9 600
Healthcare	670	1 100
Social services	4 100	4 700
Environment	300	300
Development and housing	870	4 400
International activities	320	200
Religion	670	900
Unclassified	290	200
<b>Total</b>	<b>13 860</b>	<b>26 600</b>

*Source: Wijkström and Einarsson (2015)*

It should be emphasized once more that monetary value has changed significantly since 2002; these historical data could be converted to today's worth by increasing the numbers by 18%, which would bring up the total assets to € 20 112 million. The 2002 study also made a first ever attempt to estimate the annual grant making by Swedish foundations. This attempt faced many methodological challenges, which are presented in great detail in Wijkström and Einarsson (2004), but the pioneering efforts by the two researchers were still an important contribution, one that has yet to be repeated. Their findings about the annual grant making can be seen in table 22.5.

<sup>138</sup> Unfortunately, this update came too late to be included in this overview.

**Table 22.5 Uses of donations by foundations in 2002**

	Number of grants	million EUR	percentage
Religion	410	9	1 %
Health	480	10	2 %
International aid	170	3	0.5 %
Social benefits (national)	3 140	77	12 %
Culture	790	14	2 %
Environment/nature/ animals (inter)national	150	3	0.5 %
Education	1 990	62	9 %
Research	2 130	444	68 %
Development and housing	370	29	4 %
Other (not specified)	310	3	0.5 %
<b>Total</b>	<b>9 940</b>	<b>656</b>	<b>100 %</b>

*Source: Wijkström and Einarsson (2004) \*€ 1=9 SEK, based on 2002 SEK*

The most striking result from this study is, of course, the complete dominance of research grants as the preferred type of donation from Swedish foundations. The most interesting result is probably the fact that no fewer than 3 140 grants and € 77 million were awarded to domestic social causes in 2002. Giving by foundations, like giving by corporations, differs significantly from giving by individuals.

## Giving by charity lotteries

All established charity lotteries in Sweden are registered with the Swedish Gambling Authority. This government agency is also the best source for data on charity lotteries, even though lotteries are not recognized as being charitable in their descriptive statistics. The charity lotteries fall into the category of “popular movement lotteries” (*“folkrörelsernas spel på lotterier”*) and it is doubtful that all civil society organisations in that category could be called charitable. Twenty organisations are on the list of popular movement lotteries, and it includes both clear cases of charities like the Swedish Cancer Trust and less obvious cases like The Swedish National Pensioners’ Organization. The latter example is an interest organisation, as are the three temperance organisations on the list. The distinction between charities and interest organisations is, however, not clear cut in the Swedish context. Both the pensioners’ organisation and the temperance organisations provide a lot of public good works like open social activities, education, and health and safety work. All the organisations are popular civil society organisations, and the only organisation on the list that should definitely not be considered a charity is the Social Democratic Party. Charity lotteries, or lotteries benefiting civil society organisations, bring in a total annual income of about € 656 million and profits of € 180 million.

The by far largest charity lottery in Sweden is the Swedish Post Code Lottery, the Swedish version of a concept developed in the Netherlands. The revenue of the Swedish Post Code Lottery was € 233 million in 2013, which is almost four times that of the second largest lottery. The Post Code Lottery is also one of the main reasons why there are only 20 organisations on the list of charity lotteries at the Swedish Gambling Authority. The Post Code Lottery distributes funds to 49 Swedish charity organisations, most of which used to have their own lotteries. Once an agreement is made between the Post Code Lottery and one of these 49, the receiving organisation must stop conducting their own lotteries, which has raised concerns in Sweden that the Post Code Lottery is monopolizing the lottery market as well as transforming it according to its professional business structure. The dominant position of the Post Code Lottery also makes it a bit difficult to provide good data on charity lotteries. The gifts from the Post Code Lottery have therefore been divided up into its 49 parts in the following two tables, in order to provide a more accurate picture of giving from charity lotteries. The first table concerns the number of charity lotteries and different causes, and the Post Code Lottery beneficiaries are included individually, since the Post Code Lottery gives money to practically all of these causes. One problem with this approach is that the figures for the 49 post code beneficiaries show what they receive from the Post Code Lottery, while the figures for the remaining 20 with their own lotteries show the income minus the expenses, or the profits they can spend on their causes. These figures are comparable in that the funding from the Post Code Lottery is also after expenses.

**Table 22.6 Number of charity lotteries donating to different goals and mean amount donated, 2013**

	Number of charity lotteries	Mean total funding EUR*
Religion	-	-
Health	13	1.6
International aid	22	1.3
Public/social benefits (national)	14	2.4
Culture	2	6.1
Environment/nature/ animals (inter)national	4	2.7
Education	-	-
Sports	5	4.4
Human rights	2	1.1
<b>Total</b>	<b>61</b>	

*Source: The Swedish Gambling Authority and The Swedish Post Code Lottery \*Total income after expenses/number of organisations, € 1=9 SEK*

Some of the 69 charity lotteries were excluded due to a lack of data. The number of charity lotteries is, as seen from this table, relatively low, and the mean sums are therefore in some cases skewed by a few outliers. The culture category includes a special culture fund kept by the Post Code Lottery and the

sports category includes gifts from the *Folkspel* lottery, which collects large sums from voluntary organisations, mainly but not only sports organisations. The following table shows the total income from charity lotteries for a few different causes:

**Table 22.7 Uses of donations by charity lotteries, 2013**

	million EUR	percentage
Religion	-	-
Health	20.5	16 %
International aid	28	22 %
Public/social benefits (national)	34	26 %
Culture	12.3	9 %
Environment/nature/ animals (inter)national	10.7	8 %
Education	-	
Sports	22	17 %
Human rights	2.2	2 %
<b>Total</b>	<b>129.7</b>	<b>100 %</b>

This approximately € 129.7 million consists of gifts from charity lotteries conducted by civil society organisations and the Swedish Post Code Lottery, but it is not only those giving from lotteries that benefit charitable causes in Sweden. There are two major players in Swedish gambling that are not included in these figures; the State-owned *Svenska Spel* and the horse racing company *Aktiebolaget Trav och Gallop (ATG)*. Svenska Spel controls about 55% of the Swedish market for lotteries and gambling. Most of their profits go straight into the State budget, but about € 27.8 million is used to sponsor five national sports associations, as well as amateur sports. ATG is an interesting player since it itself is owned by the Swedish equestrian organisations and a surplus of € 178 million goes into Swedish equestrianism annually. One could, in other words, add another € 200 million to the sports column in table 22.7. There are, in conclusion, fairly precise statistics on charity lotteries in Sweden, mainly because it is a strictly regulated area. There are, however, no more sophisticated data sources that could provide information about charity lotteries beyond the simple description of how much money they bring in and for what.

## Conclusion

The data on charitable giving in Sweden are lacking in many areas, and it is not possible to make an estimate of the total giving in Sweden with any accuracy. Giving by corporations and foundations is especially difficult to measure, which is a significant limitation considering that charitable giving from

these players is potentially substantial. Table 22.8 illustrates the poor state of the Swedish data sources on giving.

**Table 22.8 Sources of contributions in 2013, 2002 in millions**

Sources of contribution	million EUR	percentage
Individuals	647	45 %
In vivo	545	
Bequests	98	
Corporations	n.a.	
Charity lotteries	129,7	9 %
Foundations*	656*	46 %
<b>Total</b>	<b>1 429<sup>139</sup></b>	<b>100 %</b>

\*2002

It is difficult to value the significance of a number like € 1 429 million. The corporate giving is missing, but the figures for the other types of giving are also only best guesses. The giving by individuals is measured by the giving to 411 accredited charity organisations. This represents a very significant part of the total giving – probably about 95% or so – but we do not know exactly how much. The giving by charity lotteries is measured by using data from several sources, data that are comparable but not identical. It is also unclear which lotteries should be included; the total giving from popular movement lotteries is € 180 million. The € 129.7 million comes from lotteries in civil society, but one could imagine including State lotteries as they also contribute to private charity organisations. Giving by foundations makes up almost half of the total giving in this table, and it is fairly certain that this type of giving really is the most extensive. The numbers are, however, very old, and it is a painstaking task to go through the 14 500 large foundations in order to update them<sup>140</sup>. The lack of data and the difficulty of combining them have prevented researchers from making an estimate of the total giving for different causes in Sweden. Table 22.9 is, therefore, a rather original contribution to Swedish philanthropy research. One problem with this table is that we only know the distribution of giving by individuals for the 20 largest organisations, or about 66% of the total. The different causes therefore only add up to € 1 213.6 million.

<sup>139</sup> Amounts may defer due to rounding off.

<sup>140</sup> At time of writing, new data collection by the Stockholm School of Economics is underway and it is likely that these data will be published by the time this report comes out.

**Table 22.9 Uses of contributions in 2013**

	million EUR	percentage
Religion	29.5	2 %
Health	116.5	10 %
International aid	251.2	21 %
Public/social benefits (national)	162.2	13 %
Culture	26.3	2 %
Environment/nature/ animals (inter)national	54.1	4 %
Education	62	5 %
Research	444	37 %
Development and housing	29	2 %
Sports	22	2 %
Human rights	13.8	1 %
Other (not specified)	3	1 %
<b>Total</b>	<b>1 213.6 (1 432.5)*</b>	<b>100 %</b>

*\* Only 66% of giving by individuals included*

The single greatest charitable cause in Sweden is, in other words, research. All of this € 444 million comes from foundations, and the numbers are a little misleading since some of the research grants from foundations might not be what we usually think of as charitable. The foundations are in many cases set up by wealthy industrialists, and some of the research is performed in order to provide Swedish industry with new products and ideas.

An interesting finding from this overview is that individuals, foundations and charity lotteries give to distinctly different causes. Giving in Sweden is, according to the established description, directed towards international aid, and other causes not covered by the universal welfare state. The reason for this description is that the research on Swedish giving has focused almost exclusively on giving by individuals. That is, as is clear from this overview, only part of the picture; foundations and charity lotteries do not follow this pattern, and neither do the corporations from what we know about their prioritized CSR projects. The availability of data on giving by individuals has increased in recent years and there is a need for more research in this area. It is clear, however, that the need for more data and more research is even greater in other areas of giving. To create a more complete understanding of all types of charitable giving will be a great challenge for the small, Swedish philanthropy research community.



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## 23. Research on Giving in Switzerland

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### Introduction on Giving Research in Switzerland

Except for legal issues, research on philanthropy does not have a long tradition in Switzerland. It is only lately that the topic has received more attention. The only Swiss university with a specialized institute investigating philanthropy is the University of Basel, although research on related fields such as non-profit management or fundraising has been conducted at the universities of applied sciences and the University of Fribourg for longer. One common problem is data availability. While there are good datasets on volunteering and monetary donations by individuals, there are no comprehensive or detailed datasets about organisational giving. This is due to the fact that neither foundations nor charities are obliged to publish their financial data. Data about corporate donations are also only partially available. In order to improve this situation a parliamentary interest group on philanthropy has been formed that is attempting to address these issues in politics. Among other things, they are demanding that the tax authorities in cooperation with the Swiss Federal Statistical Office gather data on individual and corporate donations, as well as foundation spending, and create anonymized datasets for research purposes. The main research centres are the following:

The Center for Philanthropy Studies (CEPS) is the leading research institution on philanthropy in Switzerland. It was established in 2008 through an initiative of SwissFoundations, the umbrella organisation of grantmaking foundations. The CEPS is involved in various research projects in topics ranging from mission investing and performance measurement to social innovation or the management of non-profit organisations. One core area of research is grantmaking foundations. Together with SwissFoundations and the Center for Foundations Law of the University Zurich the CEPS publishes the Swiss Foundation Report every year, which includes statistical data on the foundation sector.

The Verbandsmanagement Institute (VMI) at the University of Fribourg is the oldest research centre in the field of non-profit management in Switzerland. Its research focuses on membership organisations, non-profit management and fundraising, among others. They also use the data of certified funds receiving social aid and relief organisations to analyse the sources of income and spending.

The Center for Foundation Law at the University Zürich does research into the legal environment of foundations. It is attempting to achieve full documentation of the relevant domestic and foreign case law and the literature related to foundation law.

The Institute of Political Science of the University of Bern is responsible for conducting the research of the Freiwilligenmonitor (Volunteering Monitor). This study is repeated every 3 to 5 years and focuses primarily on voluntary work within the Swiss population. Additional questions about the donation behaviour of individuals are included in the questionnaire.

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The Center for Leadership and Values in Society (CLVS-HSG) at the University St. Gallen is primarily concerned with answering questions about the public value of corporations and organisations, or their contribution to the common good.

The Institute for Market and Social Research gfs-Zürich is a private company that was commissioned to research donation behaviour in the Swiss population by a group of NPOs from 1997-2014.

## **Giving by individuals**

Swiss NPOs on average cover 8% of their costs through donations. They earn 57% through providing paid services, and 35% is covered through contracts with the state (Helmig et al., 2010). Looking at these numbers one might draw the conclusion that donations are not very important for Swiss NPOs. However, quite the contrary is the case. The numbers are blurred due to the many governmental subsidies and private incomes of large social welfare providers, as well as membership fees from sports clubs and trade associations. Religious institutions and international aid organisations still receive more than 40% of their income through donations, and environmental organisations around 20%. Without philanthropic contributions, they would have major problems maintaining their operations.

In Switzerland evaluations of giving by individuals are available from multiple sources. One data source is the annual donation survey of the Institute for Market and Social Research gfs-Zürich, which was commissioned during the period 1997-2014 by a group of non-profit organisations. The data were gathered from face-to-face interviews with around 1 500 respondents a year (random- quota selection). The results were published annually in short donation reports called Spendenmonitor. The 2-5 page-long publications only gave basic information about donations in Switzerland. The commissioning organisations received detailed reports and could ask for the inclusion of questions on special interests in the surveys. The results show that the mean donation per household equals around CHF 490. There are significant differences between the German-speaking and the French-speaking parts of Switzerland. In French-speaking Switzerland the mean is considerably lower (CHF 285) than in the German-speaking part (CHF 552). This difference can be explained through differing cultural views on the responsibility of the state in providing welfare services (von Schnurbein / Bethmann, 2010). A Swiss household supports four different organisations on average every year (gfs, 2014).

Another data source is the numbers provided by the ZEWO. The ZEWO is a private foundation that sets the governance standards for Swiss charities, and provides a certificate that demonstrates to donors that funds are used efficiently. The ZEWO monitors aspects such as corporate governance, the efficient use of funds and fundraising costs. This foundation conducts annual surveys among its 440 members. The public reports cover the following issues: comparative donation statistics, distribution, categories, topics and the total income of donations. The total amount of donations in Switzerland is then calculated on the basis of a projection based on these data. The ZEWO estimates that the total amount of donations in Switzerland equals around CHF 1.7 billion<sup>142</sup> (€ 1 381 000), from which two-thirds are given to ZEWO-certified organisations (ZEWO, 2014). At irregular intervals the ZEWO publishes reports

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<sup>142</sup> Exchange rate for 2013: 1 Euro is equal to CHF 1.23

on current issues, such as fundraising efficiency or performance measurement, using the data of the certified organisations.

The most extensive data source is the Volunteering Monitor. This study is initiated and largely financed by a civil society organisation called the Schweizerische Gemeinnützige Gesellschaft (SGG) in collaboration with Migros-Kulturprozent (a fund from the largest supermarket chain in Switzerland) and the Swiss Federal Statistical Office. The results are published in book publications (Ammann/ Farago, 2007; Stadelmann et al., 2010). A detailed methodological report as well as the questionnaire used is available on the Internet ([freiwilligenmonitor.ch](http://freiwilligenmonitor.ch)); the research data output can be ordered separately. The first surveys were undertaken in 2006 and 2009 (published in 2007 and 2010) and the latest data were available at the end of 2015. The main focus of the Volunteering Monitor is, as the name suggests, the state of formal and informal time donations in Switzerland. However, questions about monetary donations are included in the survey, but only play a minor role in the publications.

The study of the Volunteering Monitor was conducted by a market research institute (DemoSCOPE AG). The interviews of the 2010 Monitor were held between September 14 and December 12 2009 using Computer Assisted Telephone Interviews (CATIs). The survey was designed as a cross-sectional study with a target population of the entire Swiss population (including foreigners) older than 15 years of age and speaking one of the three official Swiss languages (German, French, Italian). They must also have a landline phone connection. The final dataset consists of 6 490 valid interviews. The sample was selected by a random-random-process. The person to be interviewed in any given household was chosen by the last birthday method.

An analysis of the 2009 survey has shown that 76 % of the Swiss population donates money or non-cash contributions. The majority of the Swiss population gives less than CHF 300. The median donation per person per year is around CHF 250. Around 12 % donates amounts greater than CHF 1 000 (Stadelmann-Steffen et al, 2010). Despite the financial crisis, there was no noticeable change compared to the survey in 2006, except for a slight shift away from funding international aid towards supporting ill or disabled people in local areas. One can see that the giving behaviour of people in Switzerland as a whole remains stable, or even shows an upward trend, as can be derived from the ZEWO statistics mentioned above. The Volunteering Monitor further analyses the individual characteristics of donors such as their age, level of education, income or size of the household. Unfortunately it does not show the total or mean amounts donated to specific topics.

In terms of percentages donated to causes no reliable numbers exist. We therefore refrain from making estimations that cannot be solidly based on data. As a data source for the total amount of funds donated to different categories we use the data from *The Johns Hopkins Comparative Nonprofit Sector Project* (Helmig et al., 2010). It shows the total amount of donations classified by the ICNPO. Based on their calculations the total amount of donations equals around CHF 1.9 billion<sup>143</sup> (€ 1 377 000). However, as a consequence of international standardization, donations to state-funded churches (e.g. the Catholic Church and the Reformed Church) are not included in this figure.

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<sup>143</sup> Exchange rate for 2010: 1 Euro is equal to CHF 1.38 (CHF 1 is equal to 0,725 Euro), CHF 1.9 billion = rounded number

**Table 23.1 Donation incomes according to the ICNPO classification**

	million EUR <sup>144</sup>	percentage
Religion	289	21 %
Health	149	11 %
International aid	135	10 %
Public/social benefit (national)	481	35 %
Culture & sports	225	17 %
Environment/nature/animals	51	4 %
Education	27	2 %
<b>Total</b>	<b>1 359</b>	<b>100 %</b>

*Source: Helmig et al., 2010, p. 186*

## Giving by bequest

The total sum of bequests is estimated to equal around CHF 1.1 billion (Stutz/Bauer/Schmugge, 2007) / € 660 000<sup>145</sup>, where large chunks flow into the establishment of new foundations and not necessarily to existing non-profit organisations. For 2013, the ZEWO published the total amount of CHF 140 000 000, which its members receive from legacies. This value corresponds to 12.7 % of the total donation amount of CHF 1.1 billion of all the ZEWO-certified organisations. Other non-profit organisations draw attention to the option of giving by bequests. In order to encourage people to think about their legacies 16 Swiss charitable organisations combined forces and founded the MyHappyEnd platform. They shared costs to produce a joint video that encourages the inclusion of charities in peoples' wills. There are no reliable data sources about the areas that receive bequests.

In the coming years we might see a strong increase in the money donated to charities as legacies. The inheritance law is under review. A new law most probably will decrease the legal amount allowed for close relatives, which in turn frees up more funds to be given to charitable organisations.

## Giving by corporations

Data on corporate giving are rare in the Swiss context. Available studies focus primarily on corporate volunteering in Switzerland, such as Ammann et al. (2004) or Lorenz et al. (2011). At the beginning of their study Ammann et al. (2004) give a brief overview of how companies support the general public. Their sample consists of 641 respondents who answered a survey sent out to 3 923 subscribers of a magazine for employers, although the data gathered do not represent the typical Swiss economic landscape. Within the group of respondents large companies are overrepresented. However, the data

<sup>144</sup> Exchange rate for 2010: 1 Euro converts to CHF 1.3 (CHF 1 is equal to 0.7 Euro)

<sup>145</sup> Exchange rate for 2007: 1 Euro converts to CHF 1.6 (CHF 1 is equal to 0.6 Euro)

allow initial clues. They found out that 92.4 % of the companies donates time (giving employees time for voluntary engagements, joint activities or pro bono services), 74.1% money, and 50% make material donations. On average, Swiss companies donate CHF 330 per employee per year. For this reason, the total estimated amount of corporate donations is CHF 0.8 to 1 billion (€ 893 000)<sup>146</sup>.

Other studies take a broader view and look at corporate citizenship in general, such as Wehner et al. (2009). The authors conducted an online survey with more than 2 000 Swiss corporations on philanthropic engagement. They found out that 76 % of the corporations are engaged – either passively in the form of donations or sponsoring, or actively by volunteering or offering their expertise free of charge. The sport sector benefits most (71 %), followed by the cultural (59 %), educational (53 %) and social sectors (38 %).

There are only two studies that explicitly examine corporate giving. The first one by Castelli (2010) distinguishes on a theoretical level between three instruments of giving: donations, sponsoring and corporate foundations. He does not provide data for the entire economic sector in Switzerland, but for one specific case – the SwissRe corporation.

In contrast, a survey by the Ethos foundation (2014) analyses the relationship between corporate governance and political as well as philanthropic donations. The authors focus on the information and communication processes of the 100 largest listed companies in Switzerland. They want to know how transparently corporations inform the public about their activities. To answer this question they used annual reports, sustainability reports, codes of conduct, and further specific documents and information located on corporate websites, which were made public by the end of 2013. The authors see philanthropic donations as being embedded in the context of corporate citizenship, and define them as any form of donation without the expectation of return. These include cash payments, in-kind gifts, the establishment of corporate foundations or volunteering. This classification with regard to Castelli's (2010) understanding shows the fragmentation and diversity of the field. There is no broadly accepted or clear definition provided by Swiss authors.

The results of the report show that only 53 % of the 100 companies provide information about their political and philanthropic donations. This number also includes companies that have informed the general public about not donating money to any institution (12 %). Only 14 out of 36 companies donating due to a philanthropic reason published the total amount they donated. The exact number is, however, unknown. The information was made available primarily in the annual reports, followed by the websites, the codes of conduct and finally the sustainability reports. Further quantitative data are not available on the subject of corporate giving in Switzerland.

## **Giving by foundations**

In Switzerland around 13 000 charitable foundations exist. There are 16 foundations for every 10 000 inhabitants, which makes Switzerland one of the countries with the highest density of foundations in relation to its overall population worldwide (Eckhardt, B./ Jakob, D. / von Schnurbein, G., 2015).

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<sup>146</sup> Exchange rate for 2013: 1 Euro is equal to CHF 1.2

However, data about foundation spending are very limited. All the numbers that exist are rough estimations. This is due to the liberal foundation law in Switzerland, which does not oblige foundations to publish any financial data. Theoretically the data are available, as foundations have to send reports to their supervisory authorities; however, these data are not given out to researchers.

The basic departure of almost all studies on foundations is the commercial register. Only when a new foundation is officially added to the register does it receive its legal personality. The information published in the register is: the date of the establishment and the name and address of the foundation, its board members (active and previous), the name of the managing director (if authorized to sign), the auditing company, as well as the deeds of the foundation.

Estimations about the total volume of foundation giving range from CHF 1.5 to 2 billion (€ 1 278 000)<sup>147</sup>. The total assets held by foundations are estimated to be around CHF 70 billion (von Schnurbein/Bethmann 2010). Due to the absence of publically available data, estimations about the target areas of foundations' giving are hard to make. One lead is the results of a self-declaration of the approximately 100 members of SwissFoundations in 2012. In total they gave CHF 282 037 011. This sum was subdivided into the granting areas of education, research & innovation (CHF 97 387 717; 34 %), social (CHF 72 556 811; 26 %), culture (CHF 56 191 790; 20 %), international development aid (CHF 41 904 377; 15 %) and the environment (CHF 13 996 317; 5 %).

This differentiation does not include religion. Members of SwissFoundation, however, give money to projects in Switzerland and abroad that are executed by church-led organisations such as Caritas or HEKS (the social aid and development organisation of the protestant churches). The available data do not allow an estimation of giving to religion by foundations.

## Giving by charity lotteries

The lottery in Switzerland is split between two main players responsible for delivering lots and implementing the lottery as a whole. The 'Loterie Romande' is responsible for the French-speaking cantons, and its counterpart for the German- and Italian-speaking cantons is named 'Swisslos'. Both institutions are organized as associations, were founded by the government and are supervised by 'Camlot' (the Swiss Lottery and Betting Board). The profits made by the associations flow into the cantons' finances as funds. The distribution is based on the population size and the number of people buying lottery tickets. The funds are separated into two categories: sports and culture, where culture includes a broad range of topics from arts to social services to leisure. More than 12 000 projects are supported each year. The exact amount of money given to the funds is available on the homepage of the 'Loterie Romande' as well as on the homepage of 'Swisslos'. An overview of all funded projects is listed in the cantons' annual report. An application for funds can be made by any Swiss citizen or organisation. Specific rules apply in each canton. As a consequence, lottery giving is predominantly perceived as state spending and not as civic engagement. However, projects that already receive state subsidies are not allowed to file requests to the lottery fund.

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<sup>147</sup> Exchange rate for 2010: 1 Euro converts to 1,3 CHF (1 CFH converts to 0,7 Euro)



The data available are mainly published on the cantonal Internet platforms. However, a combined dataset on selected projects or on the exact amounts donated does not exist. Hence, the data reported in the following table were derived from the cantonal reports. We summed up all the reported funds that were distributed directly by the cantons. The total amount of money distributed by the lottery funds in 2013 totalled almost CHF 470 000 000 (€ 382 000 000)<sup>148</sup>. Considering the public background of these lotteries, we will not include them in the overall figure of giving in Switzerland.

**Table 23.2 Uses of donations by charity lotteries, 2013**

	million CHF	percentage
Sports	108 334 783	23.06 %
Culture	169 482 644	36.07 %
Preservation of historical monuments	52 014 355	11.07 %
Welfare and elderly people	30 710 971	6.54 %
Youth	15 040 670	3.20 %
Health and disability	10 258 998	2.18 %
Education & research	16 662 931	3.55 %
Environment and international aid	28 373 553	6.04 %
Tourism and development	8 281 700	1.76 %
Others	30 706 493	6.54 %
<b>Total</b>	<b>469 867 098</b>	<b>100 %</b>

*Source: CEPS*

## Links to other data sets.

As can be seen above, the number and quality of the datasets for philanthropy is improving. The best datasets exist in terms of time donations (volunteering) and monetary donations. The Volunteering Monitor dataset is available for any non-commercial purpose. It is possible to combine it with other datasets. The CEPS has done so for a study project leading to the Palgrave Research Companion to Global Philanthropy, edited by Pamala Wiepking and Femida Handy (2016). The data could be recoded to run several quantitative analyses, and to combine them with datasets from other countries. The new 2015 dataset is also available for research purposes.

## Conclusion

Even though the data are incomplete, it has become evident that philanthropic giving plays an important role in Switzerland. International aid and environmental organisations in particular depend on

<sup>148</sup> Exchange rate 2013: 1 euro converts to 1.23 CHF

donations on a large scale. The social sector receives heavy state subsidies and earns income by providing services. However, especially through donations NPOs are able to innovate and further develop services. Government contracts are normally strict in terms of cost control and only pay for pre-defined services.

In Switzerland many welfare services were first developed and financed by civil society. Pension insurance and subsidies for people in need were founded privately before becoming institutionalized. Even though spending on social services is increasing, a strong sense of civic responsibility persists due to an enduring liberal tradition. The federalist structure of the country and the direct democratic system offer many opportunities for private participation and stimulate widespread engagement for public welfare. An estimated total of 90 000 non-profits for a population of eight million inhabitants prove the thriving significance of the philanthropic sector. The sector's collaboration with the state is based on the principle of subsidiarity. However, the non-profits preserve a high degree of independence in both agenda setting and financial earnings.

The available data are most extensive in relation to individual giving. Following a statistical analysis, the results show that people most likely to give are protestants, women, people with higher education levels and home owners. That is not to say that others give far less or not at all. Interestingly, people following a religion other than Protestant or Roman Catholic tend to give more on average in Switzerland.

The large amounts of individual and organisational giving can be seen partly in the great amounts of disposable wealth within the Swiss population. To hear examples of large donations of over CHF 20 000 000 to zoos or museums is not unusual. Some of these are made anonymously as Swiss tradition normally does not allow boasting about charitable giving. At the same time there are ongoing efforts to establish a Swiss Giving Pledge and to bring the philanthropic engagement of wealthy Swiss people more into the public eye. Philanthropy by individuals, companies and grantmaking foundations is stimulated by the population's disposable wealth, the nation's liberal legal framework, which is simple to use in practice, and the international perspective. Switzerland combines a high standard of financial services and legal stability with access to international organisations and networks. This combination makes the nation attractive for both (ultra) high net worth individuals and international non-profits.

Research into giving by foundations and corporations is in its developmental stages. However, a lot of information is still needed that is missing due to difficulty in data accessibility. It would be huge step forward if the tax authorities were to create anonymized datasets for research purposes. This would allow a much more in-depth view of the numerous private contributions to the public good in Switzerland.

The following table includes all the available data. However, the numbers are based on estimations and do not all come from the same year. This descriptive statistics must be treated with caution, even though they give an overview based on the best data available. As these numbers are taken from different sources, double counts (e.g. corporate foundations as corporate donations and foundation giving) cannot be ruled out entirely. Another important thought to bear in mind is the exchange rate

between the euro and the Swiss Franc. As the table is based on rough estimations we decided to use parity. The real exchange rate from April-May 2015 averaged around € 1.00 = CHF 1.04. From September 2013 to January 2015, the Swiss Franc was pegged to the euro with an exchange rate of € 1.00 = CHF 1.20. This currency fluctuation affects the comparability of the numbers in euros across Europe.

**Table 23.3 Sources of contributions, in millions**

Sources of contribution	million EUR	percentage
Individuals		
In vivo (2013/2014)	1 381	33 %
Bequests (2007)	660	16 %
Corporations (2013)	893	21 %
Charity lotteries		
Foundations (2010)	1 278	30 %
<b>Total</b>	<b>4 212</b>	<b>100 %</b>

Due to a lack of specific data we have not divided the total sum of donations into different uses of contributions. Further research will hopefully allow a more specific point of view on the usage of private funds for the public good.

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## 24. Research on Giving in United Kingdom

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### Introduction on Giving Research in the UK

Charities in the UK receive funding from different sources. Within subsectors we notice differences in the funding mix of charities of the charity population. The picture is much more complex than might be implied by normative utterances, that charities are simply bodies funded by private donations.

Charities use resources derived from various sources in pursuit of their charitable objectives. There are plenty of studies that can deliver great examples of this in the UK. For example, there are studies of the proportion of the population engaged in giving to charity and the amounts they give, of variations over time and across birth cohorts in household giving (Smith et al., 2011), or of giving to particular causes (Atkinson et al., 2012). Other elements of the funding mix such as major (greater than £1 million) charitable donations (Breeze, 2014), or grantmaking by the UK's largest charitable foundations (Pharoah et al., 2015), have also received attention.

All these studies have in common that they provide informative analyses of significant elements of charitable giving. But they still leave us in the position of not being able to see the whole picture. These studies enable us to identify parts of the size and scope of giving in the UK, but not in a position to comprehend the whole. However, an attempt to estimate the value of total private giving from all sources to charities has been made, estimating it to be worth £19 billion, including gift taxes paid back to charities on gifts (Pharoah et al., 2015).

Additionally, the aggregate statistics in the Annual Almanac of Civil Society (NCVO, 2015) provide a very broad picture of the income sources of charities, below which there is considerable variation between charitable causes and between individual organisations. Hence, the Annual Almanac of Civil Society will be an important source of information for the numbers presented in this chapter, next to the UK Giving of the Charities Aid Foundation.

### Giving by individuals

#### Descriptive statistics of giving by individuals in vivo

“Asking is as old as giving, and therefore found throughout history” (Mullin, 2007), (Sargeant and Jay, 2014). Indeed, a large share of the income of charitable organisations comes in the form of private donations in the income mix of the charitable sector as a whole. These private sources of income include donations, legacies and income from the endowments and investments of charities. Substantial amounts are generated in this way – individual donations to English and Welsh charities were estimated to be around £10 billion (€ 11.75 billion) per annum in 2012/2013, with a further £2 billion (€ 2.35

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billion) received by charities in the form of legacies in a typical year, as well as some £3 billion (€ 3.525 billion) in investment income from charities' assets (NCVO, 2015) (£1.00 GBP = € 1.175).

Mohan also finds considerable variations both between charitable causes, and between individual charitable organisations (Mohan and Breeze, 2016). In an analysis of who benefits from charitable expenditure, Mohan draws on the sample data for the financial year 2009-10 for some 7 000 English and Welsh charities with incomes greater than £500,000 (€ 580,000) (£1.00 GBP = € 1.16). This threshold is as such because of the reporting requirements of charities of this size; we can expect a robust and consistent classification of financial information (Morgan, 2010, 2011) in accordance with the Statement of Recommended Practice (SORP) prepared by the Charity Commission. This sample is representative of charities which, collectively, account for over 90 % of the total income resources of English and Welsh charities.

**Table 24.1 Uses of donations by households 2009/2010 in € millions**

<b>International classification of nonprofit organisations</b>	<b>Household donations in million EUR</b>	<b>Share of total household donations %</b>
Primary and secondary education	271	2.9%
Social services	1 670	17.6%
Housing	289	3.0%
Religious congregations	1 647	17.3%
International activities	1 264	13.3%
Culture / arts	405	4.3%
Grantmaking foundations	941	9.9%
Employment / training	61	0.6%
Medical research	1 093	11.5%
Hospitals / rehabilitation	539	5.7%
Other health services	358	3.8%
Nursing homes	588	6.2%
Environment	329	3.5%
Other education	43	0.5%
<b>Total<sup>152</sup></b>	<b>9 500</b>	<b>100%</b>

Another important source of information on giving in the UK is *UK Giving 2014*. *UK Giving* has been published by the Charities Aid Foundation since 2004/2005. Due to differences in methodology, accounting years and definitions, a direct comparison between the years is not straightforward.

<sup>152</sup> 7 000 English and Welsh charities with incomes greater than € 580 000 and only those ICNPO categories which account for at least 2 % of the total income, (£1.00 GBP = € 1.16) in 2010

The data in the *UK Giving 2014* survey contain collected information about charitable giving from adults aged 16 and over in the United Kingdom. In 2014 the survey ran in February, May, August and November as a module on the GfK NOP's face-to-face omnibus study. 5 068 face-to-face interviews were conducted in 2014. The interviews were carried out in peoples' homes using Computer-Assisted Personal Interviewing (CAPI).

The GfK NOP face-to-face omnibus employs a quota sample of individuals with randomly selected sampling points. The sample is a three-stage design, sampling first parliamentary constituencies, then the output areas within those selected constituencies, and finally the respondents within the output areas. The sample is based on 175 sampling points. Within each selected constituency, an output area is selected for each wave. These output areas are selected at random, but with some stratification control so that the sample of areas drawn is representative of the sample of constituencies, and therefore of the United Kingdom in demographic terms. For each selected output area, a list of all residential addresses is produced. This listing is taken from the Royal Mail's Postal Address File, which is a list of all addresses in the United Kingdom, and is updated monthly. The interviewer will then interview a target number of individuals within each output area, adhering to demographic quotas which determine the sort of people spoken to. The sample will, if necessary, be weighted in order to ensure that it is fully representative in terms of the known population data on age, sex, social class, number of adults in a household, working status and region.

Those interviewed were asked about their charitable giving and social actions over the previous year, and for each occasion that they recalled doing so, were then asked if they had participated in that activity during the previous four weeks. All those donating money and/or sponsoring someone for charity were asked further questions about the causes donated to and the amounts given. To identify the causes given to, the respondents were shown a card which lists fifteen different causes, and the respondents/donors assigned charities themselves to a cause group from the list according to their own judgement. The respondents were then asked how much they donated to each cause. Those donating directly to charity were also asked about the method they had given with.

The data collected from respondents are checked carefully before an analysis is carried out. The data are amended where appropriate to remove obvious reporting/recording errors. Checks are made on particularly high value donations and to remove any outliers or potential over-claims. For example, those saying that they had given to charity in the last 4 weeks, but cannot remember *either* the cause *or* the amount given.

The *UK Giving 2014* report suggests an estimated total amount donated to charity by UK adults in 2014 of £10.6 billion (€ 13.88 billion)<sup>153</sup>, which is similar to levels calculated previously from the *UK Giving* data.

Clearly the changes to the survey methodology were wide-ranging, with the questionnaire, data capture periods and annual definition all being subject to change. As such the previous waves of *UK Giving* are

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<sup>153</sup> Conversion rate GBP to EUR 2014 : £1.00 GBP = € 1.31

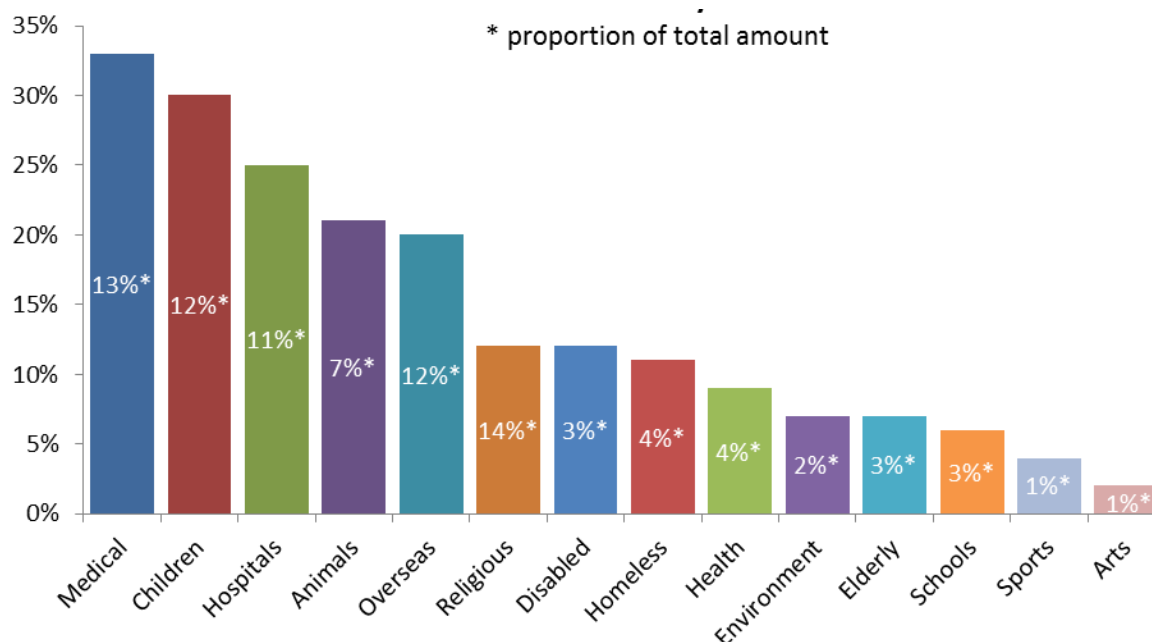
not directly comparable. We have, however, undertaken a recalibration exercise in an attempt to retain a broad historical trend in order to put the 2014 results in context.

The *UK Giving* analysis provides the following picture for individual giving in the UK for 2014:

- Eight out of ten people (79 %) participated in at least one charitable giving or social action activity in the 12 months prior to interview, with over half (57 %) having done so in the last month.
- In terms of giving money to charity (either directly or through sponsorship of an individual), 70 % report doing so in the 12 months prior to interview, and 44 % in a typical month.
- As identified previously by *UK Giving*, those most likely to give money are female, older and in higher socio-economic strata.
- The typical monthly amount given by a donor in 2014 was £14 (€ 18.30).
- This level is similar to the typical gift recorded over the ten years of *UK Giving*, when it ranged from £10 (€ 13.31) to £15 (€ 19.65)
- As has been the case for the entire lifetime of *UK Giving*, 'medical research' is the cause supported by the largest proportion of donors (33 % in 2014), followed by 'children and young people' (30 %) and 'hospitals and hospices' (25 %)

However, 'religious causes' achieve the largest share of donations in terms of total monetary value (14 %), as the typical donation of £20 (€ 26.62) is much higher than the overall average.

**Figure 24-4 Proportion of donors giving to different causes and proportion of the total amount donated by cause**



Source: Charities Aid Foundation 2015



Finally, in the Giving Trends Top 300 Foundation Grant-Makers 2015 Report, Pharoah et al. (2015) mention a breakdown of private charitable giving. The amount donated by individuals and major donors is estimated at £12.5 billion (€ 16.38 billion). In terms of the differences from other sources, this report includes big donations from major funders to universities, which are not included in charity accounts (because universities are not required to report to the Charity Commission).

### **Descriptive statistics on giving by bequest**

Also based on sample data for the financial year 2009-10 and for some 7 000 English and Welsh charities with incomes greater than £500 000 (€ 580 000), Mohan briefly explores the distribution of legacy income in more detail. Since making a bequest requires a conscious decision embodied in a will, it also implies that individuals have made a considered assessment of their charitable priorities. Therefore, analyses of the distribution of legacy income, and also the way in which the distribution differs from that of other forms of charitable income, offers some important insights into the impact of charitable giving.

On average, some £2 billion (€ 2.62 billion) per annum is received by English and Welsh charities in the form of legacies. Various organisations (English universities, various national museums and galleries) which do not appear on the register of charities are estimated to receive perhaps a further £200 million (€ 262 million) from legacies. If we were to extrapolate these amounts for the entire UK population (including Scotland and Northern Ireland), we could add another 10 %. The relative amount, mentioned in the Civil Society Almanac, is fairly stable, and does not defer much from the estimated amount by Legacy Foresight. This consultancy organisation monitors and estimates total legacy giving and puts the total amount of giving by bequest in 2014 at £2.2 billion (€ 2.88 billion) (Pharoah et al., 2015). By way of comparison, Inland Revenue statistics on the total value of estates at death suggest that in any given year, individuals leave in excess of £50 billion (€ 65.5 billion). Thus, charitable legacies to charities in any given year equate to approximately 4 % of the total value of estates. This proportion is considerably higher than estimates of the proportion of household income given to charity, which typically equates to around 0.5 %. However, as far as can be judged from previous estimates of income from legacies, this proportion has not varied a great deal over time.

There is considerable variation between charities regarding the likelihood of receiving legacy income: animal protection (83 %), nursing homes, hospitals and rehabilitation (both 70 %), and medical research (58 %) are frequently mentioned in a will. Conversely, fewer than 10 % of charities in the fields of law and legal services, economic, social and community development, and employment and training, received legacies.

Approximately half of all legacy incomes received by English and Welsh charities accrues to three categories of charity: medical research, a broad social services category and animal protection. This – particularly the latter – may well accord with popular perceptions of the destination of charitable funds. Eight-figure bequests to donkey sanctuaries have certainly received media coverage, but such bequests are rare. Other fields of activity receiving more than 5 % of the total were nursing homes, hospitals and rehabilitation, religious organisations, and emergency and relief charities, followed by international development (4.7 %).

While five out of six charities in the field of animal protection receive legacies, this is not a large field of charitable activity (with the exception of a small number of very large organisations), so this equates to around 200 charities. In addition, we should also consider the relative size of the legacy income received by these organisations, as well as the distribution within each subsector. A small number of animal protection charities – examples might be the Royal Society for the Prevention of Cruelty to Animals, the People’s Dispensary for Sick Animals, the Royal Society for the Protection of Birds – dominate the legacy market, regularly receiving in excess of £10 million (€ 13.31 million) per annum in this way. While a high proportion of animal welfare charities receive legacies, most are small nature reserves or wildlife trusts.

## **Giving by corporations**

Data on giving by corporations can be derived from the corporate giving by the FTSE 100 companies report of the Charities Aid Foundation and/or the Civil Society Almanac of the NCVO. The first estimates corporate giving by the FTSE 100 companies at £ 2.1 billion (€ 2.75 billion), the second estimates UK corporate giving at £ 700 million (€ 917 million).

One possible explanation for this large difference is that a set of large national cultural institutions - e.g. the major museums and galleries in London - are technically non-departmental public bodies. These organisations, as with universities (see individual giving) do not report to the Charity Commission. However, they do get a lot of corporate and major donor support. Second, the difference is because the NCVO figure is only based on financial figures, not estimates of in-kind support. It is drawn from charity accounts and so refers to funds received by charities. There is also an overlap with the FTSE 100 figure because some of that giving takes place through company foundations – e.g. the Wellcome or Leverhulme Trusts (academic research) or the Lloyds Bank foundation (a grantmaking trust, usually supporting small organisations).

What is included as giving by corporations in the CAF report? The CAF report on corporate giving describes the donations made by corporations and private companies towards charitable causes. This can be in the form of a cash or in-kind gift to a charity or community organisation. As such, corporate giving has been defined as the total contribution by a company as calculated by the LBG model – one of the most commonly used methods by corporations. This includes cash and in-kind donations in addition to the value of work hours donated through employee volunteering schemes and any management costs incurred in implementing community investment initiatives. The sum of these donations constitutes the total donation figure, and includes donations made both in the UK and overseas.

The figures used in the CAF report paper are those reported by FTSE 100 companies in their Annual Reports and/or Corporate Responsibility reports from 2009 to 2014. The companies used for this report are those that were constituents of the FTSE 100 as of 15 December 2015. For the sake of continuity, the list has remained unchanged and companies listed on this date have been included regardless of when they joined the FTSE 100.

There are 16 companies in this report that were not in the first report we produced on corporate giving by the FTSE 100 in 2014. These companies have all joined the FTSE 100 since December 2013, when the

list for the previous report was taken. Throughout the report, the year refers to the accounting year ending, i.e. 2014 refers to the accounting year 2013/14.

The donation figure produced in accordance with the LBG model has been used where supplied, otherwise the total 'charitable donations' or an equivalent figure has been used. For the majority of companies, this donation figure is not supplied with any further information in the annual reports and/or corporate responsibility reports.

Since a change in legislation in 2013, a total of thirteen FTSE 100 companies have chosen not to specify their corporate donations for one or both financial years. As such, their contributions, if they made any, could not be included in this year's report. These thirteen companies collectively donated £17.2 million (or 0.7 % of the £2.4 billion total) to charitable causes in 2012, the last financial year in which reporting corporate donations was mandatory (Charities Aid Foundation, 2016).

## **Giving by foundations**

There is no distinct legal definition of a 'charitable foundation' in the UK (Pharoah and Zimmeck, 2015). Most frequently, 'foundation' or 'trust' is used to describe charities with private, independent and sustainable income that fulfil their purposes by funding or otherwise supporting individuals or other organisations. In that sense 'foundations' are identified as much by what they do, as by how they derive their funding. This gives rise to great diversity. For example, the Association of Charitable Foundations (ACF) has over 300 members including many large independent foundations; local and community trusts; family trusts; corporate foundations; and broadcasting appeals. The core of the ACF's membership is drawn from grantmaking trusts, although increasing numbers are becoming involved in other types of foundation activity, especially research, policy and influencing work, as well as social investment. Although many foundations support the voluntary sector, foundations have never been restricted to funding charities.

So, for example, foundations fund and support universities, research, education and individuals. They can also support public and private sector bodies to deliver a foundation's charitable goals. The key aim for trustees has always been to find the best way to deliver their charitable purposes.

Together, these organisations accounted for £ 2.5 billion (€ 3.3 billion) in 2014 (Pharoah et al., 2015). However, it should be noted that this amount does not cover all the funding flowing through foundations, some of which is derived from governments and members, but only on the philanthropic element.

So, instead it focuses on large, independent, charitable foundations, i.e. those that:

- Derive their income from private, philanthropic sources either as ongoing income or in the form of gifts that are invested as endowments;
- devote 50% or more of their charitable spending to making grants;
- are principally grantmaking, and do not provide direct services;
- fall within the top 300 by the value of their annual grants.

The main source of information on charitable foundations in the UK is the mandatory annual reports which have to be submitted to regulators. There are no formal or administrative data on grantmaking foundations as a group or sector, because they are not a distinct charitable form (see above). Foundations have to be identified through scrutinizing individual charity accounts, using criteria such as private sources of funding and a high proportion of expenditure devoted to grantmaking. This is time-consuming and means that studies of the scale and scope of charitable foundations are based on smaller surveys of the largest foundations (for example, the top 300), as defined by the value of grantmaking. The Wellcome Trust accounts for one-fifth of the top 300 foundations' grantmaking by value, and the five largest trusts together account for more than two-fifths (Pharoah, 2011; Pharoah and Zimmeck, 2015).

## Giving by charity lotteries

Lotteries have long been used to generate funds while providing players with a chance of winning a prize. The most significant of these is the UK National Lottery, launched in 1994, with 28 % of the purchase price of lottery tickets going to 'good causes' – the scheme has so far raised £34 billion, supporting almost half a million projects.<sup>154</sup>

The distribution of money to good causes is the responsibility of 12 independent bodies appointed by the UK government. In 2013/14 £1.6 billion<sup>[2]</sup> was made available for distribution to good causes and was allocated to the different distributing bodies according to a formula set by the Department for Culture, Media, and Sport – 40 % for health, education, environment, and charitable causes, and 20 % for each of arts, sports and heritage (NCVO, 2016).

However, although the lottery is operated by a limited corporation (the Camelot Group), it is heavily regulated, and the aims of its donations are almost unanimously decided by government-controlled organisations. Therefore, although a major source of income for many charitable organisations in the UK, we will not include the national lottery in the total amount of giving.

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<sup>154</sup> Information on the total value of lottery funding for good causes and the number of projects funded is from <http://www.lotterygoodcauses.org.uk/good-causes>

## Conclusion

Based on the information as presented, we may conclude that data on philanthropic giving in the United Kingdom are available to some extent, but lacks standardized methods of data collection. This makes it difficult to compare different sets of data. Also, data collection is being conducted from the perspective of the income sources of charitable organisations, and not necessarily from the perspective of donors. This might result in errors when adding the figures to a total amount on the one hand, while missing donations made to organisations that are not part of the sample. The information below must thus be considered as an indication of the UK philanthropy sector, and nothing more. That being said, it is also worth making the point that the estimations are based on a sample of charity accounts covering over 90 % of the economic weight of the sector, measured in terms of income and expenditure (regarding giving by individuals in England and Wales), and are even more comprehensive for the other reports regarding giving by individuals. Underestimations are more likely for giving by corporations and foundations, but following the pareto principle we feel confident that the amounts presented represent the biggest share of charitable sources in the United Kingdom.

**Table 24.2 Sources of contributions in millions**

Sources of contribution	million EUR	percentage
Individuals		
In vivo(2010 & 2014)	13 880 – 16 380	65 %
Bequests (2014)	2 880	11 %
Corporations (2014)	917 – 2 750	11 %
Charity lotteries	n/a	n/a
Foundations ( 2014)	3 300	13 %
<b>Total</b>	<b>25 310</b>	<b>100 %</b>

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## 25. Conclusion

Barry Hoolwerf<sup>155</sup>

The previous chapters provided a per country description of the current state of giving research in 20 European countries. Now, to what extent can we provide a picture of the philanthropy sector in Europe? Does it give us answers to the questions that were raised in the introductory chapter? What amounts are donated by households, bequests, corporations, foundations and charity lotteries, and to what goals? What is the quality of the data involved? And to what extent can these data be used? Can this information be a benchmark for philanthropic organisations in Europe? Are policymakers able to assess the philanthropic surplus?

What can we learn from the country chapters? Every chapter started with an overview of the philanthropy research landscape in that country, followed by a description of the available data on a national level. For each country, the total amount (or lower bound) given to different causes and the total amount according to a standardised classification were estimated. If one thing is for sure, that is research on philanthropy is carried out by a wide variety of academic disciplines.

### Results

This study reports on data that was available in 2015 on giving in Europe in 2013. It might be that new data has become available more recently. From the 20 contributors to the study, 18 were able to provide at least a lower bound estimation of giving according to at least one source of philanthropy. Unfortunately, macro data on the size and scope of philanthropy are not available in Croatia and Lithuania. Based on the available (lower bound) estimations of the philanthropy sector in 18 countries, we estimate that the philanthropy sector in Europe accounts for at least EUR 87.5 billion. A more comprehensive but still conservative estimate amounts to EUR 92.8 billion.<sup>156</sup>

**Table 25.1 Sources of contributions**

Sources of contribution	million EUR	percentage
Individuals		
In vivo	41 348	47 %
Bequests	4 822	6 %
Corporations	21 729	25 %
Foundations	16 784	19 %
Charity lotteries	2 834	3 %
<b>Total</b>	<b>87 517</b>	<b>100 %</b>

<sup>155</sup> European Research Network On Philanthropy and Center for Philanthropic Studies, Vrije Universiteit Amsterdam

<sup>156</sup> This amount is based on the assumption that the amount of giving in the missing countries is the median percentage of giving in terms of GDP (0.36%) per country. Additionally, regarding the countries that have white spots for some sources of philanthropy, the missing amounts were calculated by taking the median percentage that a source of philanthropy proportionally represents in all the countries included in this study.

Figure 25-5 Giving in Europe Factsheet

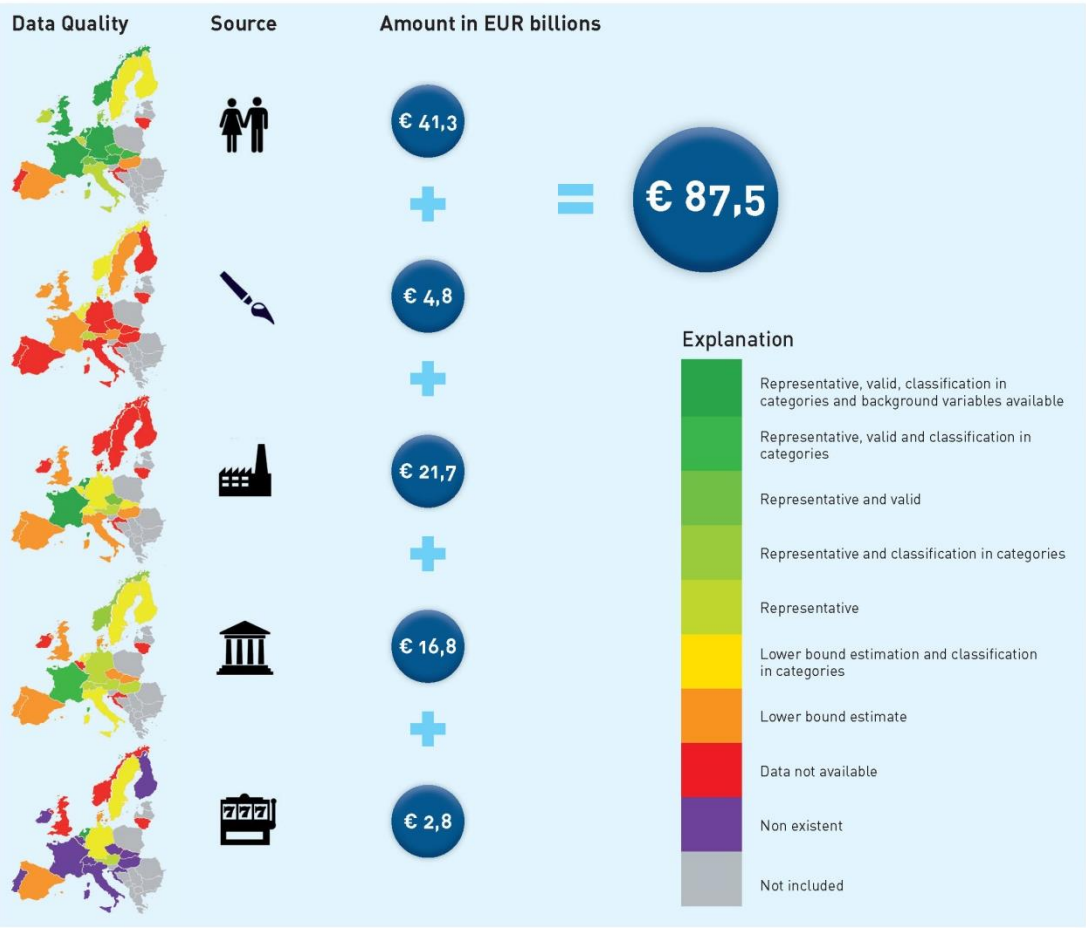
# Giving in Europe

## The current state of research on giving by households, corporations, foundations and charity lotteries in Europe

### About Giving in Europe

This factsheet<sup>1</sup> is a result of an initiative of the European Research Network On Philanthropy (ERNOP). Containing an overview of what we know about research on the philanthropy sector, it provides information about giving by individuals, bequests, corporations, foundations and charity lotteries in 20 European countries. The publication aims to stimulate researchers, policy makers and philanthropy professionals in fostering research on philanthropy and to inspire to exchange knowledge and information.

By using a standard template, ERNOP researchers have described the available data sets in their country. They provided the best total (lower bound) estimation available and classified donations to a range of different causes, based on the longitudinal Giving in the Netherlands study (GIN). For each dataset, Giving in Europe describes the target population, sampling criteria, validity and background variables that were included. In order to improve the usage of the information, the ERNOP members also described the data source(s), accessibility, availability, and studies carried out using the dataset.





























ERNOP.EU

Factsheet



## Giving in Europe 2013 (EUR millions)

	 Households	 Bequests	 Corporations	 Foundations	 Lotteries	*Total	Population 2013 (millions)	GDP 2013 (EUR billions)
 Austria	€ 360	***€ 50	**€ 468	**€ 61	€ 11	€ 950	8,4	€ 322,9
 Belgium	***€ 402	*€ 140	***€ 378	n/a	n/e	€ 920	11,1	€ 392,7
 Croatia	n/a	n/a	n/a	n/a	n/e	n/a	4,2	€ 43,5
 Czech Republic	**€ 407	n/a	**€ 157	*€ 34	n/e	€ 598	10,5	€ 156,9
 Denmark	**€ 795	*€ 67	n/a	*€ 1.200	*€ 10	€ 2.072	5,6	€ 255,2
 Finland	*€ 152	n/a	n/a	***€ 306	n/e	€ 458	5,4	€ 203,3
 France	€ 3.400	***€ 600	€ 2.800	€ 1.640	n/e	€ 8.440	65,9	€ 2.116,6
 Germany	€ 6.300	n/a	***€ 11.222	€ 6.000	*€ 280	€ 23.802	80,6	€ 2.820,8
 Hungary	*€ 91	n/a	*€ 179	€ 179	n/e	€ 449	9,8	€ 101,3
 Ireland	**€ 378	***€ 26	n/a	n/a	n/e	€ 404	4,6	€ 179,4
 Italy	**€ 7.200	n/a	***€ 1.000	*€ 884	n/e	€ 9.084	60,2	€ 1.604,5
 Lithuania	n/a	n/a	n/a	n/a	n/a	n/a	3,0	€ 35,0
 Netherlands	€ 1.944	**€ 265	€ 1.363	*€ 290	€ 494	€ 4.356	16,8	€ 650,9
 Norway	**€ 503	*€ 36	n/a	**€ 373	n/a	€ 912	5,1	€ 393,4
 Portugal	n/a	n/a	***€ 113	*€ 149	n/e	€ 262	10,5	€ 170,3
 Slovakia	€ 96	n/a	*€ 63	*€ 21	n/e	€ 180	5,4	€ 73,8
 Spain <sup>i</sup>	***€ 1.014	n/a	***€ 343	***€ 413	***€ 1.909	€ 3.679	46,6	€ 1.031,3
 Sweden	*€ 545	***€ 98	n/a	**€ 656	*€ 130	€ 1.429	9,6	€ 435,8
 Switzerland	**€ 1.381	**€ 660	***€ 893	***€ 1.278	n/e	€ 4.212	8,1	€ 515,7
 United Kingdom	**€ 16.380	*€ 2.880	***€ 2.750	***€ 3.300	n/a	€ 25.310	64,1	€ 2.042,9
 Total	€ 41.348	€ 4.822	€ 21.729	€ 16.784	€ 2.834	€ 87.517	435,5	€ 13.546,2

\* Lower bound estimation, total estimation not available \*\* Other year \*\*\* Lower bound estimation and other year

i) Estimates for Spain produced by VU Amsterdam

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**Factsheet**

However, as is made clear in the above figure, (very) limited data on giving are available in a number of countries, notably Portugal (EUR 262 million), Spain (EUR 3 679 million), Ireland (EUR 404 million), Hungary (EUR 449 million) and Finland (EUR 458 million). For these countries it is only possible to present a partial estimation of the total giving for all sources of philanthropy. The estimated size of the philanthropy sector in these countries should thus be seen as a very lower bound estimation and the actual amount is likely to be (much) higher. A much clearer picture of the philanthropy sector is available in the Netherlands (EUR 4 356 million), France (EUR 8 440 million), Austria (EUR 950 million), Germany (EUR 23 802 million), Norway (EUR 912 million), Switzerland (EUR 4 212 million) and the Czech Republic (EUR 598 million). In these countries, the total size of the philanthropy sector is based on at least a representative estimation of at least two sources of philanthropy.

The total amounts as presented in the above table are still considered to be a lower bound estimation, but we expect to have covered at least the largest share of the philanthropy sector in these countries. However, these amounts should still be interpreted with care, as, for example in Norway, giving by corporations is not included in the total amount. The other countries included in this publication, the United Kingdom (EUR 25 310 million), Denmark (EUR 2 072 million), Slovakia (EUR 180 million), Belgium (EUR 920 million), Sweden (EUR 1 429 million) and Italy (EUR 9 084 million) rely on lower bound estimations for most sources of philanthropy, although they vary in the extent to which a source of philanthropy is covered. It is clear that in any circumstance the lower bound estimation of EUR 87.5 billion should be considered as a starting point.

If we take a closer look at the availability of the data for the different sources of philanthropy, we find that the data on giving by individuals are the most available. For 13 countries we can at least give a representative estimate of the total amount donated by individuals. These countries include the four largest European economies in terms of GDP, namely Germany, the United Kingdom, France and Italy. In absolute terms, the United Kingdom population donates the most to charitable goals (EUR 16 380 million), about EUR 256 per individual. This is much more than the country that comes second, Germany, where individuals donated an estimated total of EUR 6 300 million in 2013, which is only EUR 78 per individual. For Europe's fifth largest economy, Spain, we can only present a lower bound estimate for giving by households, and the same accounts for five, albeit smaller, countries for which representative data on giving by individuals are not available.

It must be noted that although most surveys measuring giving by households aim to be representative, this does not necessarily mean that these surveys have similar outcomes. In several country chapters we find that even representative household samples result in different estimations of the total amount given to charitable causes. For example, in France the total lower bound amount for households varies between EUR 2 250 million and EUR 4 000 million, almost twice the amount. Other variations, although smaller, can also be found in other countries.

It is clear that these variations make a strong argument to handle the collected data with care, and methodological assumptions must be clearly stated. Before making any statements, clear explanations should be given as to how the data were collected and what population they represent.

It makes it even more difficult to start answering the question as to which charitable goals are supported by philanthropy. Where 13 countries might provide a representative estimate of the total amount, only eight can break it down into specific categories. What is more, these categories do not correspond with the categories as introduced with the aim of mapping the current state of research on giving. However, with some recalibration of the categories, we are able to give a first answer to the question: What charitable causes receive what donations from households from six countries?

**Table 25.2 Categories**

Country	Netherlands		Norway		France		Austria		United Kingdom		Switzerland	
Goals	millions €	%	millions €	%	millions €	%	millions €	%	millions €	%	millions €	%
Religion	€ 787	40%	€ 134	27%	€ 459	14%	€ 55	13%	€ 1.647	17%	€ 289	21%
Health	€ 213	11%	€ 97	19%	€ 704	21%	€ 37	9%	*€2578	27%	€ 149	11%
International aid	€ 304	16%	€ 191	38%	****€676	20%	€ 87	21%	€ 1.264	13%	€ 135	10%
Public and/or social benefit	€ 190	10%	€ 43	9%	€ 455	14%	€ 94	23%	**€2020	21%	€ 481	35%
Other:	€ 450	23%	€ 38	8%	€ 1.063	32%	€ 138	34%	€ 1.989	21%	€ 303	22%
Culture, arts, recreation and sports	€ 99	5%	-	-	€ 372	11%	€ 7	2%	€ 405	4%	€ 225	17%
Environment, nature and/or animals	€ 150	8%	-	-	€ 192	6%	€ 49	12%	€ 329	3%	€ 51	4%
Not specified	€ 160	8%	€ 38	8%	€ 176	5%	***€80	19%	*****€941	10%	-	-
Research and education	€ 41	2%	-	-	€ 323	10%	€ 2	0%	*****€314	3%	€ 27	2%
<b>Grand Total</b>	<b>€ 1.944</b>	<b>100%</b>	<b>€ 503</b>	<b>100%</b>	<b>€ 3.357</b>	<b>100%</b>	<b>€ 411</b>	<b>100%</b>	<b>€ 9.498</b>	<b>100%</b>	<b>€ 1.357</b>	<b>100%</b>
Population in millions (2013)	16,8		5,1		65,9		8,4		64,1		8,1	

\* Includes medical research, hospitals, rehab facilities, nursing homes and other health-related services

\*\* Includes social services, employment/training and housing

\*\*\* Other categories include: homeless people, sports and recreation, human rights, addicts

\*\*\*\* Includes civic rights and advocacy

\*\*\*\*\* Includes primary and secondary education, and other education, but does not include universities

\*\*\*\*\* Includes donations to grantmaking foundations

Although the number of countries in this overview is limited, some categories are combined (culture, arts, sports and recreation) and others are included in a larger container category (culture, arts, recreation and sports, the environment, nature and animals, research and education, and any other unspecified charitable goals), interesting discrepancies between them emerge. Next to the differences in the amounts given to charitable goals, differences between household preferences for charitable causes also seem to exist. For example, in the Netherlands 40% of household donations go to religious organisations, while in France and Austria only 14% and 13% of household donations go to these organisations. From the 2010 Eurobarometer we know that in France 27% of the population believe in God, which is more or less similar to the Netherlands (28%). In Austria 44% of the population believe in God, but religious institutions receive relatively fewer donations from households.

Also of interest is the difference in the relative importance of supporting international aid. Based on the data presented in this study, Swiss households donate relatively less to organizations related to international aid, with only 10% of the total amount going to this category. Much more different is the

giving behaviour of Norwegian households, who give 38% of their donations to goals related to international aid. However, again, it must be noted that these difference might be the result of using different classifications and methods of data collection. Similar differences arise if we compare health-related causes, which cover 27% of household donations in the United Kingdom, compared to only 9% in Austria.

As well as giving during one's lifetime (in vivo), households can also donate by means of a testament or will. Considering its potential for the future, it is striking that data on bequest giving are hard to find. One possible explanation might be that (some) non-representative data are available, but are simply not on the radars of the researchers involved in this initiative. Besides, other experiences with data collection on giving by bequest resulted in being reliable on secondary sources, and these sources are not always accessible. Nevertheless, at the moment there is only one European country for which we can provide an estimate of the total amount of bequests to charitable goals, Switzerland. In 2007 Swiss donated EUR 660 million through bequests. This is a considerable amount, especially when compared to the total amount that Swiss households donate to charitable goals (EUR 1 381 million). In other words, bequests account for almost one third of the total amount donated by households in Switzerland. Unfortunately, data for giving by bequest are much less available in other countries, and only lower bound estimates can be provided. Even worse, in ten out of the twenty countries that are part of the overview presented in this study, no data on giving by bequests are available. It is therefore clear that the EUR 4.822 million only covers a small portion of the total market for giving by bequests.

Both the quality of the data from giving by corporations as well as giving by foundations (from endowment) are mixed. Many (multinational) companies mention their corporate social responsibility activities, sponsoring and philanthropic behaviour in their annual reports. However, surprisingly enough, there are few countries that can provide representative, valid data on giving by corporations and that can also make a categorisation regarding goals supported and/or include background information about the companies making the donations. For France and the Netherlands these data is available, with the Dutch data being the most detailed. However, for France the amount only includes corporate donations, while the Dutch data also include sponsoring and corporate volunteering. This makes it difficult to compare both numbers, and this difficulty also occurs in several other country reports. In any case, the amounts presented as giving by corporations, as well as the total amount of EUR 21.428 million, should thus again be regarded as lower bound estimations, and country comparisons are difficult.

The European Foundations supporting Research and Innovation (EUFORI) Study was the first to systematically map the contributions of European foundations within a specific domain (Gouwenberg et al., 2015). During the study it became clear that data on foundations are not readily available. In fact, for many European countries we do not know the number of foundations, let alone their income and/or expenditure (Gouwenberg et al., 2015). From the EUFORI Study, we learned that foundations contribute at least EUR 5 billion to research and innovation in Europe. However, if we only considered their contributions from their endowments, these foundations would contribute EUR 3.7 billion to research and innovation (Hoolwerf, 2014). This is an example of why only expenditure derived from endowments should be included if foundations' expenditures are included in the total sum of philanthropic donations

in Europe. Next to income from endowments, foundations may also function as a conduit for donations from individuals and/or government subsidies. However, individual donations are already included in giving by individuals, and government subsidies are not considered to be private money. This is an important reason why it is not possible to compare the presented amounts with other numbers presented by umbrella organisations. For example, the Donors Associations and Foundation Networks in Europe (DAFNE) present numbers on foundations' support in Europe, but include government subsidies and/or expenditure where foundations act as a conduit (DAFNE, 2014). Unfortunately, this also makes it even more difficult to provide a good estimation of their contribution to public goals.

This difficulty is reflected in the quality of the data presented in this publication. There is only one country in which representative and valid data on foundation giving are available, France. In other countries such as Germany, Switzerland, Norway, Austria and Hungary an estimation of total giving by foundations can be made, but its validity is weak. Also, with the exception of Norway, no classifications in terms of supported charitable goals can be made. For all other European countries, a lower bound estimation of foundation giving is the best available, while Ireland, Belgium, Croatia and Lithuania cannot provide an estimation at all. Considering this, we should interpret the EUR 17 049 million as a lower bound estimation of foundation support for charitable goals in Europe.

For the purposes of Giving in Europe, giving by charity lotteries is considered a specific form of institutional giving. Charity lotteries are independent private organisations not constricted by governmental and/or political influence in deciding what causes they support. This operational definition has large consequences for a total estimation of philanthropic support by charity lotteries. In many European countries we can find lotteries that raise money for charitable organisations and/or goals. Also, these lotteries go back a long way as a tool for raising money. However, most lotteries that are used to raise money for the public good are also subject to (some form of) governmental and/or political influence. For example, in 1694 the English government introduced the Million Lottery, and then used the revenue from the lottery to fund the public good, namely their war efforts against France (!) (Murphy, 2005). More positively, the National Lottery was commissioned to introduce the National Olympic Lottery Scratchcards to raise EUR 900 million (GBP 750 million) to host the 2012 summer Olympics, thus creating a direct crowding-out effect regarding the subsidies needed to host the games. Similar examples can also be found in other European countries. Because of their semi-public nature, these types of lottery are excluded from the data presented in this study.

However, in other countries private, independent charity lotteries do play a major role in funding a large number of philanthropic organisations. For example, charity lotteries in the Netherlands donated EUR 494 million to charitable causes. Although these lotteries are regulated by the State (gambling laws), they remain independent in choosing the causes they support. For this reason, these charity lotteries are included in the overall figure of giving in Europe.

## What to do with the data

In almost all European countries the governments provide for the needs of their citizens. However, next to public provision, private initiatives supplement governments in providing for the needs of those who cannot count on the political preferences of the average voter. Also, philanthropy steps in where organisations with primarily financial interests may fail to deliver. This publication shows that European philanthropy is indeed widespread across the continent, and that this phenomenon is an unquestionable part of our European identity. It also shows a wide variety in the amounts given by different sources of philanthropy and, where the data are available, major differences in the support provided for philanthropic goals. Regarding possible explanations, accumulated wealth in terms of GDP only covers a limited extent of philanthropic purchasing power. Considering the large differences in policies and public financial support for different philanthropic goals, questions arise regarding the effects of public policy on philanthropic behaviour in general, and the effects of public support for different philanthropic goals more specifically. However, unfortunately a lack of comparable data makes it very difficult to continue with this discussion.

Furthermore, the collected data point to philanthropic organisations and their umbrella organisations. With better data, research on giving in Europe can provide a benchmark for philanthropic organisations and could serve as a monitoring, signalling and agenda-setting function. Differences in the giving behaviour of sources of philanthropy can be identified, opportunities for fundraising organisations can be revealed, but also a better representation of the philanthropy sector in the policy-making arena is important. Gaps in the data hinder effective fundraising and grantmaking for charitable causes, particularly regarding corporate philanthropy and bequest giving. In a 'closing space for philanthropy', the current gaps in the data on philanthropic donations by individuals, corporations, foundations and charity lotteries do not provide a convincing or comprehensive picture of philanthropy. Instead, the data on philanthropy remains – for the time being – a collection of mostly anecdotal evidence. This publication summarises that evidence for the first time. Building this evidence base will provide a tool for the European philanthropy sector. By developing joint initiatives and sharing data, ERNOP is engaging with the philanthropy community to achieve a more comprehensive picture of the European philanthropy sector.

For many years political discussions about the future of most Western European welfare states have been about two alternatives: the government or the market. This study shows that philanthropy is a serious player. The time has come to resolve the 'state or market' and the 'welfare state or philanthropy' dichotomy and to move towards a civil society without detracting from the important achievements of the welfare state. In other words: to incorporate philanthropy into an egalitarian welfare state paradigm.

Governments, the market and philanthropy are three allocation mechanisms for achieving goals for the common good in Europe. Perhaps the solution for the future lies in some form of interplay between these three mechanisms, whereby governments guarantee a strong foundation, and the market and philanthropy sector create space for dynamics and pluriformity. These developments are appropriate in

the transition from a European welfare state to a European 'state of welfare'. This arrangement would inadvertently revive the principles of the French Revolution: freedom, equality and fraternity.

## **The road ahead**

Mapping the current state of research on giving in Europe was an initiative that resulted in a figure that can be regarded as the – first time ever – estimate of a lower bound amount that we could consider to be the size of the philanthropy sector in Europe. This figure should be regarded as a starting point and an appeal to researchers, professionals working in and for the philanthropy sector in Europe, and policymakers to invest in data collection on philanthropy. To do this exercise again in the future would mean doing it better. So, if we were to engage in this effort again, what would we consider doing differently? What have we learnt?

One outcome of this study is that it is not possible to give an answer to the question about the goals of philanthropy in Europe, or at best to a very limited extent. If one reason has become clear, then it is that a categorisation of the amounts donated to different charitable goals simply does not exist on an aggregate level. However, one other reason lies in the applicability of the categories that have been used. Although comprehensive, it proved to be difficult for some to translate the information into the different categories being used in this study. What is more, some causes that are considered to be charitable in one country, are not in another. One consequence of this is that the potential of the philanthropy sector in a country with a broader understanding of the philanthropy sector is greater than in countries with a narrower understanding of what is considered to be the 'public good' and what is not.

In this study philanthropy is defined as 'voluntary contributions by means of money, goods and/or time (expertise), by individuals and private organisations (foundations, corporations and charity lotteries), to other organisations, and serving primarily the public good' (Schuyt, 2013).

In some countries, such as Germany for example, we find a practice that is not completely voluntary, but that results in direct donations to a charitable cause. The 'church tax' has to be paid by all members of a church and is a fixed percentage of their annual income. One could argue that, as church membership is voluntary, the practice of church tax could thus also be regarded as philanthropy. In other countries, particularly post-communist countries, we find practices of 'percentage philanthropy' or tax designation mechanisms. These mechanisms are a fiscal facility provided by national governments whereby citizens (and sometimes corporations) can designate a percentage of their income tax (around 1 to 3%) to charitable organisations (Strečanský and Török, 2016). Also, as these mechanisms have an element of giving which accounts for a relatively large share of the income of individual organisations, it could be argued that these amounts should also be included in the overall figure of Giving in Europe. On the other hand, considering the aspect that it is a form of taxation and cannot be averted, it is simply a conduit for disseminating tax revenues to non-profit organisations. As such, the tax designation mechanism cannot be considered philanthropy.

One consequence of applying definitions is that it almost always excludes practices that have some elements of the definition in it, or that resemble a phenomenon to some extent. Also, these mechanisms might have an influence on the practice that is part of the definition, for example, that the amount being donated to organisations that receive money through tax designation schemes receive fewer (crowding out) or more (crowding in) philanthropic donations from other players. This could be one explanation for the relatively low share of household donations going to religion in Austria (13%). However, as one of the elements of philanthropy is that it is considered to be voluntary, tax-related schemes are not included if we are estimating the size of the philanthropy sector, but a clearer understanding of how these mechanisms function and how they relate to philanthropic donations might be worth exploring.

In this publication we have included an estimate of a lower bound amount given by foundations in Europe. By foundation giving we mean monetary donations from a private non-profit organisation that are derived from endowments. By only including donations derived from endowments, instead of adding the total expenditure by foundations, counting donations from individuals and/or other organisations twice over is prevented. However, next to grantmaking, foundations can also carry out their own programs. Both these operating and grantmaking types of foundations are commonplace in a number of European countries. For example, the Calouste Gulbenkian Foundation in Portugal and La Caixa Foundation in Spain are both operating and grantmaking foundations. From the European Foundations for Research and Innovation (EUFORI) Study, we have learnt that in southern European countries 80% of the total number of foundations in the domain of research and innovation are operating types, while in Scandinavia 85% of these foundations are grantmaking types. However, in terms of income, we have learnt from the EUFORI Study that grantmaking foundations are on average four times larger if compared with their operating counterparts (Gouwenberg et al., 2015). In other words, while operating foundations are dominant in a number of European countries in terms of numbers, they most likely account for a relatively small amount of support. Nevertheless, as these organisations are also considered to be engaged in making voluntary contributions by means of money, goods and/or time (expertise) with the aim of the public good, these foundations could be part of a follow-up study on Giving in Europe.

Questions also arise if we want to include corporate foundations and/or foundations that receive structural income from very high net worth individuals. Using the model that underlies Giving in Europe, donations from corporations to corporate foundations are considered to be corporate giving. The same goes for regular donations from very high net worth individuals to their 'personal' foundations. If we apply the current methodology, these donations would be included in the amount given by households, and would not be considered to be foundation giving. Applying this methodology would not be problematic if the distribution of donations were not so skewed, meaning that a small share of the population is responsible for the largest share of the total donations. Hence, in order to make representative estimates of giving by corporations and/or households, we should take into account that the largest donors should be oversampled in the population sample.



Also, what should be done with lottery income? Income from lotteries is problematic for two reasons, namely the 'private' and 'voluntary' nature of lotteries. The first refers to what extent lottery money should be considered to be private giving. If one thing has become clear from mapping giving in Europe, then it is that it shows that income from lotteries play a major role in a number of charitable organisations. In fact, in every European country charitable organisations receive income from lotteries. However, the way this money is redistributed varies from country to country, and in most countries the government decides on the redistribution of income from major (national) lotteries.

Secondly, although a large percentage of the revenue from charity lotteries goes to charitable causes, the 'voluntary' aspect of these transfers is debatable. In every country governments have set a minimum percentage of revenue that should go to charitable causes. This percentage is obligatory, so it could thus be argued that it resembles 'percentage philanthropy' or the tax designation mechanisms we discussed earlier. This does not account for lotteries organised by charitable organisations themselves of course, where the total revenue, after deducting prizes and organisational costs, goes to charitable causes. However, should this revenue be seen as income from philanthropy? Or is lottery income to be considered a form of revenue for services?

Finally, if one thing became clear during this exercise of mapping the current state of research on giving in Europe it is that a lot of work still needs to be done to attain a comprehensive picture of giving in Europe. The challenge lies not only in collecting more data (filling the gaps), or better data (more representative), but perhaps much more in collecting comparable data. We have seen that inside countries large discrepancies occur if the data are collected using different methodologies. What is more, even if the same methodology were applied, it should also be noted that differences within surveys will likely lead to different results (Rooney et al., 2004; Bekkers & Wiepking, 2006; Wilhelm, 2007). The importance of methodology is exemplified by the current available surveys that include questions related to giving (Gallup, the Eurobarometer and the European Social Survey), and that come with different answers to similar questions because of the different timing and framing of the related questions. If we continue on the road ahead it will be very difficult, perhaps even impossible, to reach a point where we can be sure about the comparability of the data collected. However, this joint initiative has also shown us that there is good infrastructure already in place to collect data.

This study lays the groundwork to achieve a 'Giving in Europe' study. In order to get comparable key figures and statistics about the philanthropy sectors in Europe, we should determine the definitions of philanthropy (sources) and the usage of a standardised methodology. This accounts for data collection on giving by households, corporations and foundations (and charity lotteries). Meanwhile, as long as a comprehensive Giving in Europe study is not taking place, ERNOP should insist on using the best methodologies on a national level where data collection takes place and on having a coordinating role in its implementation. Also, as ERNOP we need to fill in the blank spaces, both by involving researchers from countries currently not included in the study and by trying to access existing data that were inaccessible for this study. With the existing data ERNOP will continue to explore differences in giving between countries and will start to provide explanations for these differences. Europe has a philanthropy sector totalling at least EUR 87.5 billion. The European Research Network On Philanthropy

will continue to work on pushing for a shared method of data collection. Everyone interested in joining this effort is welcome!

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