

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 %
Total	87 517	100 %

**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 is likely to 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, sponsoring and philanthropic behaviour in their annual reports. However, surprisingly

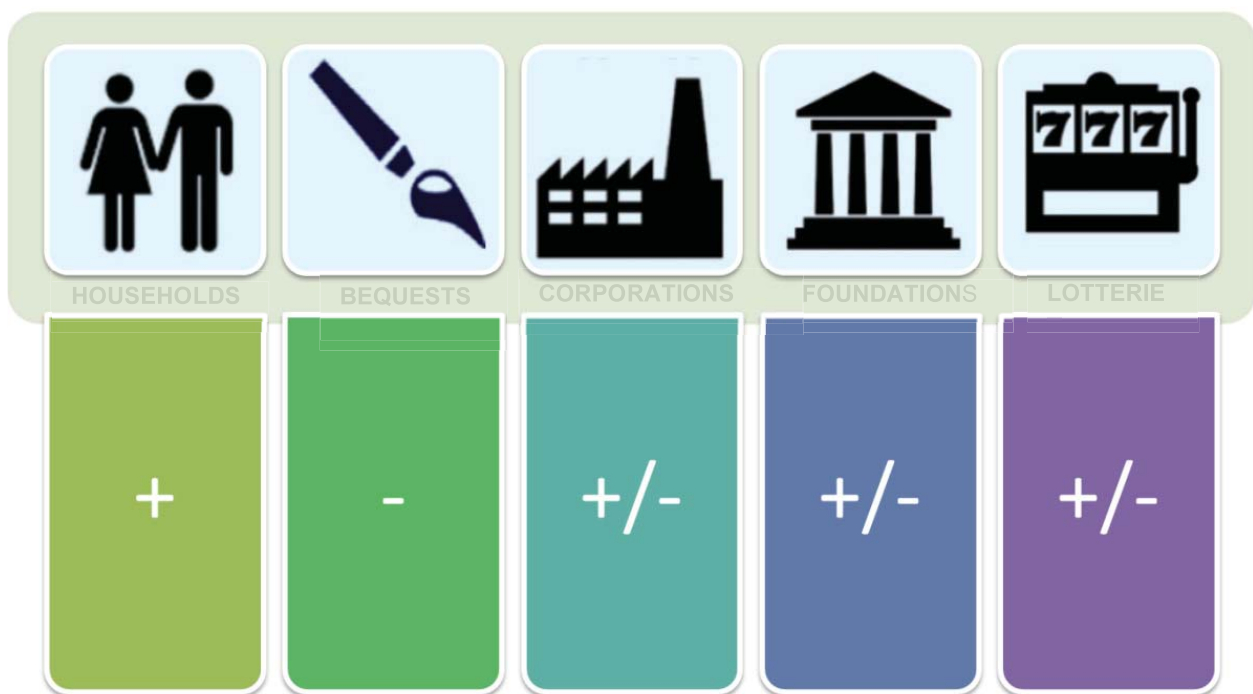
Figure 3-1 Quality of data per country

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*

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



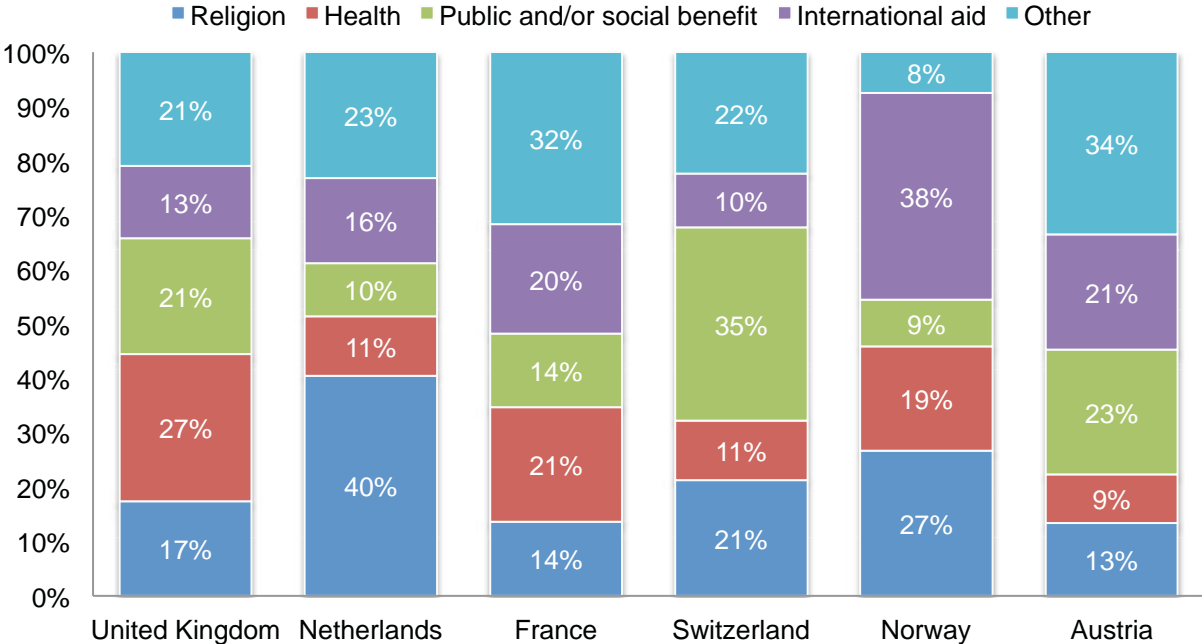
- + *Representative data available in majority of the countries*
- +/- *Limited representative data available, lower bound estimates in the majority of the countries*
- *No representative data in majority of the countries*

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.