

Giving in Europe

The state of research on giving in 20 European countries

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Research on Giving in Portugal

The state of research on giving by households, corporations, foundations and charity lotteries to charitable organisations in Portugal



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Research on Giving in Portugal

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Introduction on Giving Research in Portugal⁹⁶

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 2013⁹⁷ 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 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.

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⁹⁶ 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.

⁹⁷ 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, 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.

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 Siva, 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 instance⁹⁸. 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*

⁹⁸ http://www.scml.pt/pt-PT/areas_de_intervencao/jogos/missao/, retrieved on September 30th 2015

Misericórdia de Lisboa is 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 million⁹⁹. 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 million¹⁰⁰. 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.

⁹⁹ Jogos Santa Casa, Annual Report 2013

¹⁰⁰ Jogos Santa Casa, Annual Report 2014

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A stylized map of Europe in white, set against a light blue background. The map shows the outlines of the continents and major islands.

About Giving in Europe

Philanthropy is not an American, but a European invention. 'Giving in Europe' shows: European philanthropy takes itself seriously.

This study is an initial attempt by members of the European Research Network On Philanthropy (ERNOP) to map philanthropy in Europe and presents a first overall estimation of the European philanthropic sector. Containing an overview of what we know about research on the philanthropy sector, it provides data and an assessment of the data on giving by households, bequests, foundations, corporations and charity lotteries in 20 European countries.

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. What amounts are donated by households, through 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?

In answering these questions, this publication aims to stimulate researchers, policy makers and philanthropy professionals in fostering research on philanthropy and to inspire to exchange knowledge and information. For more information visit www.ernop.eu.