**Evaluating Philanthropic Environment in 33 European Countries during 2018–2020**

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# Abstract

This paper examines the philanthropic environment in 2018-2020 in 33 European countries. It analyzes the economic, political, regulatory, and socio-cultural incentives and barriers to philanthropy in Europe.

Given philanthropy’s unique role in supporting sustainable development, there is a growing interest in understanding the conditions in which philanthropy can thrive and the barriers that constrain philanthropic activities in a country. This topic has become even more imperative since the beginning of the pandemic when communities worldwide faced unprecedented challenges. Prior research suggests that an enabling philanthropic environment is largely shaped by external factors in a country, such as “the legal and regulatory framework,” political stability, perception of corruption, government effectiveness, economic conditions, and socio-cultural characteristics (Thindwa et al., 2003; Moore & Rutzen, 2011; Anand & Hayling, 2014; Epperly & Lee, 2015; Garcia, et al., 2019). However, there is still very limited cross-country comparative research examining various external factors and the philanthropic environment.

This study is a comprehensive effort to examine the enabling environment for philanthropy in Europe and other regions pre- and during the pandemic. Data were collected using expert questionnaires at the country and regional levels. The questionnaire contains eleven indicator questions in order to assess the environment on six factors—ease of operating a philanthropic organization; tax incentives for giving; cross-border philanthropic flows; political environment; economic conditions; and socio-cultural environment. Along with information-rich narratives, the research also provides overall scores for each factor at the country- and regional levels.

Our analysis reveals positive and negative changes in philanthropy occurred between 2014-2017 and 2018-2020 at the country and regional levels within Europe. The paper identifies key themes that shaped philanthropy in Europe from 2018 to 2020, provides an outlook of future developments in philanthropy across the continent, and compares philanthropic environment in Europe to that in other regions.

The study serves as a useful tool for the development of policies that support the growth of philanthropy by enhancing our understanding of how different factors interact to improve or constrain the philanthropic environment at the country- and regional levels.

# Introduction

This paper reveals the current landscape of the European philanthropy by examining the philanthropic environment during the period of 2018–2020 in 33 European countries (See Appendix A). Building upon a previous study which examined the philanthropic environment during the period of 2014-2017 in Europe, this paper also provides comparisons between the two studies.

Given philanthropy’s unique role in supporting sustainable development, there is a growing interest in understanding the conditions in which philanthropy can thrive and the barriers that constrain philanthropic activities in a country. This topic has become even more imperative since the beginning of the pandemic when communities worldwide faced unprecedented challenges. Prior research suggests that an enabling philanthropic environment is largely shaped by external factors in a country, such as “the legal and regulatory framework,” political stability, perception of corruption, government effectiveness, economic conditions, and socio-cultural characteristics (Thindwa et al., 2003; Moore & Rutzen, 2011; Anand & Hayling, 2014; Epperly & Lee, 2015; Garcia et al., 2019). However, there is still very limited cross-country comparative research examining various external factors and the philanthropic environment.

This study is a comprehensive effort to examine the enabling environment for philanthropy in Europe before and during the pandemic. Data were collected using expert questionnaires at the country and regional levels. The questionnaire contains eleven indicator questions in order to assess the environment on six factors: ease of operating a philanthropic organization; tax incentives for giving; cross-border philanthropic flows; political environment; economic conditions; and socio-cultural environment. Along with information-rich narratives, the research also provides overall scores for each factor at the country and regional levels.

The European philanthropic environment showed modest improvement at the continental level from 3.99 in the 2014–2017 time period to 4.09 in the 2018–2020 time period. However, this improvement was not uniform across Europe. While the East—including the Balkans, Central Europe, and Southern Europe (a total of 20 countries)—faced a slight decline, the West—Western Europe and Northern Europe (a total of 13 countries)—experienced a modest improvement in the overall score for philanthropy.

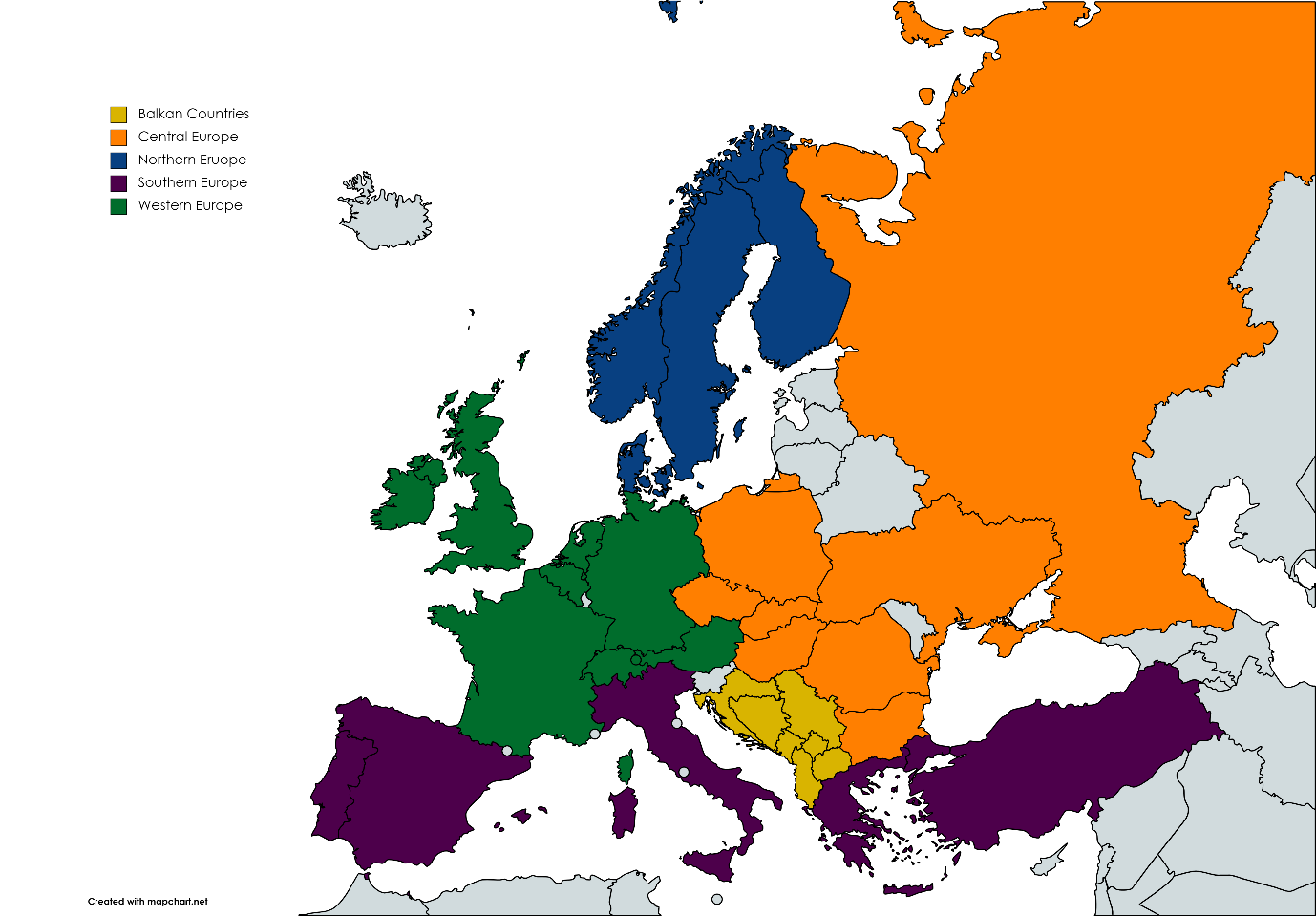
Country and regional reports suggest that a consistent and enabling regulatory environment, state collaboration, and strong philanthropic traditions and societal values are essential to nurture philanthropy. While in Europe, a continent where each of the six factors measured in this paper—ease of operating a philanthropic organization, tax incentives, cross-border philanthropy, political environment, economic environment, and socio-economic environment—show a moderate improvement from the 2014–2017 time period to the 2018–2020 time period, country-level data provides timely and relevant information about issues that are likely to threaten the philanthropic environment in the old continent.

Looking ahead, the future of philanthropy is likely to be characterized by collaboration, new technologies, and digitalization of giving across Europe. In the continent there are still significant score variability between countries, but regional initiatives—such as Philea, ERNOP, and Transnational Giving Europe—seem to lead to a more effective European-level advocacy for philanthropy that can not only enhance the philanthropic infrastructure in the continent but might also increase the public knowledge about and trust towards philanthropic organizations.

# Methodology

This paper measures the philanthropic environment between 2018 and 2020 within and across 33 European countries which were included in the *2022 Global Philanthropy Environment Index* (GPEI) researched and published by the Indiana University Lilly Family School of Philanthropy. The GPEI includes regulatory, political, economic, and socio-cultural factors, as well as incentives and barriers to domestic and cross-border giving.

**EUROPEAN COUNTRIES INCLUDED IN THE GLOBAL PHILANTHROPIC ENVIORNMENT INDEX**



***Data***

To gather the necessary country-level data for the GPEI, a questionnaire is completed by one or more experts from each of the countries represented. The country experts have extensive knowledge and experience of the sector in their respective countries, and most are based in those countries.

The survey contains 11 questions used to develop scores for the six main factors measured by the index. [[1]](#footnote-1) For each question, the expert provides a narrative of roughly 300 words along with a score on a scale from 1 to 5 using a scoring guideline provided with the survey. A score of 1 indicates a very unfavorable environment, while a score of 5 indicates a very favorable environment. The six indicator scores are then averaged to create an overall score for the country’s philanthropic environment. The experts also provided information about the reality of the philanthropic environment within the country, including the impact of laws and regulations, experience within the philanthropic sector, and insights about what factors matter within each country.

**What are the Indicator Questions of the Global Philanthropy Environment Index?**

*1. Ease of Operating a Philanthropic Organizations*

This factor encompasses laws and regulations covering the formation, operation, and dissolution of philanthropic organizations. The scoring of the factor is based on the following three questions:

1. To what extent can individuals form and incorporate the organizations defined?
2. To what extent are philanthropic organizations free to operate without excessive government interference?
3. To what extent is there government discretion in shutting down philanthropic organizations?

*2. Tax Incentives*

This factor covers policies that govern taxes and potential deductions on making and receiving donations. The following two questions guide the scoring:

1. To what extent is the tax system favorable to making charitable donations?
2. To what extent is the tax system favorable to philanthropic organizations in receiving charitable donations?

*3. Cross-border Philanthropy*

This factor addresses incentives and barriers in making and receiving cross-border donations. There are two indicator questions:

1. To what extent is the legal regulatory environment favorable to sending cross-border donations?
2. To what extent is the legal regulatory environment favorable to receiving cross-border donations?

*4. Political Environment*

The factor is composed of two key aspects: the relationship the government has with the philanthropic sector, and the policies and practices that govern the sector. These are represented by the following questions:

1. To what extent is the political environment favorable for philanthropy?
2. To what extent are public policies and practices favorable for philanthropy?

*5. Economic Environment*

This factor looks at the economic conditions within a country and how these either promote or hinder both individual and institutional philanthropy. This factor consists of a single question:

1. To what extent is the economic context favorable for philanthropy?

*6. Socio-Cultural Environment*

This final factor examines how social values influence key conditions for philanthropy such as philanthropic traditions, public trust, awareness of philanthropy, and perceptions of philanthropic organizations. This factor also includes one question:

1. To what extent are socio-cultural values and practices favorable for philanthropy?

Beyond the six primary indicators, the survey also asks experts to provide information about areas such as legal forms of philanthropic organizations, most supported causes, average registration time and cost, major events affecting philanthropy, and recommendations for improvement. (Based on Indiana University Lilly Family School of Philanthropy, 2022)

***Review process***

After questionnaires were completed and collected, the Indiana University Lilly Family School of Philanthropy research team reviewed the scores and narratives and conducted additional research to verify the information provided. In certain cases, additional information was provided by the country experts following this initial review.

The reviewed questionnaires were then sent to the respective regional reviewers to validate the scores. In total, there were five European regions, each with a dedicated regional expert. Additionally, Türkiye was part of the Middle East and Northern Africa region, while Russia was one of countries from the Central Asia and South Caucasus region. Once the regional reviewer read the narrative and reviewed the scores, they developed a short report of the developments and trends in the entire region. Each regional reviewer also convened a meeting with the country experts and a member of the research team to discuss the developments in the regions, review any questions about the regional expert’s comments, and to provide feedback on how to improve the GPEI in the future.

In the final step, the Global Advisory Council reviewed the scores and narratives from a global perspective and provided feedback about potential final adjustments. Following this step, the research team calculated the final values for each factor by country and by region and finalized the index.

# Key findings

Between 2018 and 2020, the world observed numerous natural and human-made disasters, economic shocks, migration crises, and the start of the COVID-19 pandemic. While people around the world responded to these challenges by helping others through giving, volunteering, and practicing other forms of generosity, the environment for philanthropy needs further attention in order to provide an enabling and supportive ecosystem for generosity worldwide.

In Europe, 86 percent of the 33 countries had a favorable environment for philanthropy in 2018–2020, while more than one third of the countries (13) reported a less favorable economic environment for philanthropy. Furthermore, one third of the countries (11) also reported a less favorable political and socio-cultural environment, despite the emerging needs of philanthropy.

Path dependency still matters in Europe, as the environment for philanthropy clearly differs between Western and Eastern Europe. While Northern and Western Europe has a highly favorable environment for philanthropy (scoring an average of 4.72 and 4.59 respectively), Southern Europe (3.54) has only a modestly favorable environment for philanthropy followed closely by the Balkan Countries (3.64) and Eastern Europe (3.66). Focusing on the six factors, the biggest score variability between East (including the Balkan Countries, Central Europe, and Southern Europe) and West (including Northern Europe and Western Europe) can be seen in the economic environment (at a score difference of 1.54), followed by the political (at a score difference of 1.34) and socio-cultural environment (at a score difference of 1.29).

In 2018–2020, the country with the highest average overall score was Liechtenstein at 4.91, followed by Norway (4.83), Switzerland (4.83), Germany (4.78), and Belgium, Finland and the Netherlands (each country at 4.75). It is worth noting that Liechtenstein, Norway, Switzerland, and Germany were the top four countries at the global level as well.

*“Liechtenstein (4.91) had a highly favorable regulatory, political, economic, and socio-cultural environment for philanthropy. Liechtenstein allowed tax deductions for charitable contributions to domestic philanthropic organizations as well as to organizations located in the European Economic Area (EEA) and Switzerland for both individuals and businesses. Liechtenstein’s philanthropic sector benefits from a strong tradition of philanthropic values modeled by the princely family and taught in schools.“* (Indiana University Lilly Family School of Philanthropy, 2022, p. 39.)

The countries with the lowest overall score were Türkiye (2.61), Albania (3.13), Hungary (3.14), Russia (3.44), and Portugal (3.49), meaning that these countries reported a less favorable philanthropic environment.

## *Regional results by factor*

### *4.1.2. Overall score*

This score is based on the average score of the six factors: ease of operating a philanthropic organization, tax incentives, the ability to send and receive cross-border donations, political environment, economic environment, and socio-cultural environment. The global average score is 3.63, while the European average score is 4.09. Northern and Western Europe have the highest scores, placing above both the European and global averages (Figure 1). These regions have well-established systems for philanthropy and managed to maintain them throughout the COVID-19 pandemic, which puts them ahead of other regions examined in this paper. However, there are potential risks on the horizon from tension between entrenched systems and the need for innovation, as well as uncertainty in political and cultural environments. The scores for the Balkan Countries, Central Europe, and Southern Europe were lower than the European average, but the regions still scored around the global average. The pandemic had a particularly harsh impact on the economic environments for these regions, which limited the resources available to the philanthropic sector.

**Figure 1: OVERALL SCORES BY REGION, 2018–2020**

Source: Indiana University Lilly Family School of Philanthropy, *2022 Global Philanthropy Environment Index*

*“Northern Europe is characterized by high levels of organizational freedom and civic participation as well as by a policy environment favorable to philanthropy. Philanthropy is deep-rooted in the culture of Nordic societies and the importance of individual giving, venture philanthropy, and social investment is increasing while government funding remains a significant source of revenues for philanthropic organizations in the region. ... [T]he levels of time donations (volunteering) are quite high in comparative terms.“* (Enjorlas, 2022, p. 1.)

### *4.1.2. Ease of operating a philanthropic organization*

This score measures the ease with which philanthropic organizations can be set up, operated, and dissolved. The global average score is 3.97, while the European average score is 4.60 (Figure 2). All regions of Europe have scores above the global average, with Central and Southern Europe being slightly closer to the global average with 4.10 and 3.98, respectively. These regions still have relatively positive, stable environments, but a lack of fully developed regulatory frameworks in some and issues adhering to regulations may explain the lower scores. Northern Europe (5.00), Western Europe (4.81), and the Balkans (4.57) have a highly favorable environment. All three regions note that the scores are simply a continuation of already very positive environments, although some individual countries have reformed laws to ease burdens on philanthropic organizations. This factor shows the lowest score regional score variability at 1.02, ranging from 3.98 (Southern Europe) to 5.00 (Northern Europe).

**Figure 2:** **EASE OF OPERATING A PHILANTHROPIC ORGANIZATION SCORES BY REGION, 2018–2020**

Source: Indiana University Lilly Family School of Philanthropy, *2022 Global Philanthropy Environment Index*

*“Philanthropy seems to have a relatively stable environment in Southern Europe. Clear legal requirements exist to establish POs. The Greek expert stated concern of the lack of solid regulatory framework. The Italian third sector reform appears to have provided a new framework for the entire sector. A new law on foundations is in the pipeline in Portugal.“*  (Surmatz, 2022, p. 2.)

Note: Türkiye is not included in the Southern Europe Regional Report.

### *4.1.3. Tax incentives*

This score measures the availability of tax incentives for charitable giving, both for donors making donations and for philanthropic organizations receiving donations. The global average score is 3.52, while the European average score is 3.94 (Figure 3). Western Europe is the only region with a score above the European average. This high score reflects the multiple options for tax deductions for individual and corporate donors, as well as tax incentives offered for the receiving organizations. Northern Europe has a score around the European average, which reflects conflicting approaches across the region. For example, while Sweden re-introduced incentives, Norway removed tax incentives for giving. Central and Southern Europe have scores slightly above the global average. The Balkans have the lowest score at 3.46, scoring right under the global average. The last three regions also see very different approaches to tax incentives, and complex laws and burdensome processes to qualify limit participation.

**Figure 3: TAX INCENTIVES SCORES BY REGION, 2018–2020**

Source: Indiana University Lilly Family School of Philanthropy, *2022 Global Philanthropy Environment Index*

*“In Western Europe, charitable giving to POs is privileged. There are different limitations for donors, such as the tax deductibility is limited to 10-20 percent of the taxable income. (...) Charitable donations by business corporations are also deductible up to a specific limit. POs are favored, enjoying total relief from corporate tax in most countries, depending on whether the respective public authorities—tax lists, registries—approve their status as charities or public benefit organizations. In some countries, POs also benefit from relief in property taxes and even in VAT.“* (Meyer, 2022, p. 2.)

### *4.1.4. Cross-border philanthropic flows*

This score measures the ease of sending money across borders for charitable purposes. The global average score is 3.51, while the European average score is 4.21 (Figure 4). Northern Europe (4.75) and Western Europe (4.35) have the highest scores in the region, since most of the countries in these regions are part of the European Union or European Economic Area, where all cross-border donations between member countries are treated like domestic donations. While the Balkan Countries (3.91) and Southern Europe (3.65) have the lowest scores in the continent, they are still higher than the global average. As tax incentives are often not as robust and tax laws are overly complex, cross-border giving in these countries is negatively affected, despite their European Union membership. However, some countries—such as Spain—are working to improve these regulations.

**Figure 4: CROSS-BORDER PHILANTHROPIC FLOWS SCORES BY REGION, 2018–2020**

Source: Indiana University Lilly Family School of Philanthropy, *2022 Global Philanthropy Environment Index*

*“Finland, Sweden, and Denmark are member states of the European Union, leading to more fluid cross-border transactions. In general, there are no additional costs, required government approval, or any other restrictions to send or receive cross-border charitable contributions. Norway is a member of the European Economic Area (EEA), which ensures that sending cross-border donations has no additional cost, but only listed international organizations can get tax-exempt gifts from private individuals and companies. Norwegian philanthropic organizations can receive cross-border donations without any additional costs.“* (Enjolras, 2022, p. 3.)

### *4.1.5. Political environment*

The political environment score measures the level of support for philanthropy from the government, particularly within government and the dialogue around the nonprofit sector. The global average score is 3.51, while the European average score is 4.05 (Figure 5). Northern and Western Europe scored the highest, at 4.94 and 4.61 respectively. In these regions, philanthropic organizations are generally seen as important social actors, and governments often directly support them. However, particularly in Western Europe, efforts to limit the activities of certain issue groups and spending cuts could put more pressure on the philanthropic sector in the future. Central Europe, the Balkan Countries, and Southern Europe score much lower, not reaching even the global average. In these regions, the sentiment is much more mixed. While some countries—such as Ukraine or North Macedonia—show open support for philanthropic organizations, other countries like Hungary, Slovakia, and Serbia have tension between the government and the philanthropic sector.

**Figure 5: POLITICAL ENVIRONMENT SCORES BY REGION, 2018–2020**

Source: Indiana University Lilly Family School of Philanthropy, *2022 Global Philanthropy Environment Index*

### *4.1.6. Economic environment*

*“This is a very sensitive, complex and constantly changing area in post-communist countries (in both directions, for better and for worse).*

*Positive trends can be observed in Romania, where (...) since mid-2019 the governmental approach toward POs transformed and is now in good standing as the space for POs is expanding. (...) Similarly, in Ukraine, the government recognizes the role of POs as change agents.*

*The situation is relatively stable in the Czech Republic. (...) Slovakia has signaled that the political and economic system does not fully recognize the potential of independent groups as actors and agents of social change.*

*And then there are countries with downright tense environments for CSOs to operate in. In Bulgaria, the period between 2018 and 2020 was marked with tension between the government and CSOs. (...) In Hungary, the political environment continues to be not so favorable for philanthropy. Traditional channels of advocacy and attempts to negotiate with state institutions remain ineffective. (...) In Poland, the two electoral victories of the populist-conservative party have petrified the political landscape. Negative outcomes like decreasing the quality of legislative processes, lack of public consultations, corruption or aggressive police interventions against women’s rights, LGBT or environmental activists have been developing since then, showing how fragile Polish democracy is.“* (Hyánek, 2022, p. 5-6.)

Note: Russia is not included in the Central Europe Regional Report.

This score measures the level of economic development in a region and its impact on the philanthropic sector. The global average score is 3.46, while the European average score is 3.88 (Figure 6). Northern and Western Europe again have the highest scores, outpacing the global average by over a point, likely due in part to the ability for many governments to provide at least some relief to philanthropic organizations with financial struggles. Meanwhile, the Balkan Countries, Central Europe, and Southern Europe have scores below the global average. A major reason for this performance was the outsized impact of the COVID-19 pandemic. For example, Italy suffered multiple waves of high infection rates with resulting lockdowns. While the country eventually received assistance from the European Union, the financial strain on the entire country also hit philanthropy hard. The discrepancy between the regions results in the largest score range for the European regions at 1.91, ranging from 3.09 (Balkan Countries) to 5.00 (Northern Europe).

**Figure 6: ECONOMIC ENVIRONMENT SCORES BY REGION, 2018–2020**

Source: Indiana University Lilly Family School of Philanthropy, *2022 Global Philanthropy Environment Index*

*“Overall, countries in the region have struggled to successfully develop their economies, due to issues such as mismanagement, corruption, and high unemployment. In addition, the COVID-19 pandemic—and natural disasters such as the 2019 earthquake in Albania and the 2020 earthquakes in Croatia—exacerbated these problems and hindered the slowly improving economic conditions that countries started to see which has further decreased the space for philanthropy.“* (Indiana University Lilly Family School of Philanthropy, 2022, p. 3.)

### *4.1.7. Socio-cultural environment*

The socio-cultural environment factor captures the level of trust and civic engagement in a region. The global average score is 3.82, while the European average score is 3.86 (Figure 7). This narrow distance between the European average score and the global average score reflects that every region of the world with different types of philanthropy has a relatively favorable socio-cultural environment for philanthropy, rooted in traditions, religions, and local cultures. Northern Europe scores at 5.00. Looking at Denmark, which individually was also ranked 5.00, some key aspects of this culture include high trust in organizations and belief in their contributions, as well as a high propensity to actively participate in these organizations. Meanwhile, Central Europe, the Balkans, and Southern Europe have scores below the global and continental average. Some issues mentioned across the regions include a lack of understanding of the work of philanthropic organizations and how it contributes to society, as well as a lack of trust for more formal forms of philanthropy. Philanthropic organizations also struggle to build sustainable levels of funding, which can result in them becoming dependent on state funding to operate. This can also raise questions about their operations and goals.

**Figure 7: SOCIO-CULTURAL ENVIRONMENT SCORES BY REGION, 2018–2020**

Source: Indiana University Lilly Family School of Philanthropy, *2022 Global Philanthropy Environment Index*

*“The high dependence on government money can be a problem for some parts of the philanthropic/nonprofit sector (especially service organizations). This danger is greater when there is not widespread support for private philanthropy and giving in a particular country. A major problem is the low awareness of the real nature of nonprofit organizations—their motives, their goals, and their contributions to society. Many people believe that their activities are not sustainable. The general public can be described as poorly informed, but a significant part of the political representation and public administration.“* (Hyánek, 2022, p. 7.)

Overall, the regional scores indicate that although there is work to do in the Eastern part of the continent, regions—such as the Balkan Countries, Central Europe, and Southern Europe—have promoted certain aspects of the enabling environment for philanthropy well. Particularly, the scores for ease of operating a philanthropic organization and cross-border philanthropic flows stand out as they are the two areas where all of the regions scored better than the global average. On the other hand, the economic environment and the socio-cultural environment show that the Eastern part of the continent has a much less favorable environment than the West.

## *Regional changes by factor between 2014–2017 and 2018–2020*

The following section details how the European philanthropic landscape has changed over time by comparing the philanthropic environment of 30 European countries[[2]](#footnote-2) between the 2014–2017 time period and the 2018–2020 time period.

The overall score increased from 3.99 to 4.09 between 2014–2017 and 2018–2020. Four of the five factors—ease of operating a philanthropic organization, tax incentives, cross-border philanthropy, and the political environment for philanthropy—showed an increase at the continental level (Figure 8).[[3]](#footnote-3) The political environment score shows the biggest improvement over time, while the socio-cultural environment score showed a slight decrease (-0.01).

**Figure 8: EUROPEAN AVERAGE SCORES BY FACTOR BETWEEN 2014–2017 AND 2018–2020**

Source: Indiana University Lilly Family School of Philanthropy, *2022 Global Philanthropy Environment Index*

Nineteen of the 30 countries included in this analysis showed an increase in their overall philanthropic scores (Figure 9). Norway reported the highest level of improvement (10%) and Poland experienced the biggest drop (-8%) between 2014–2017 and 2018–2020.

**Figure 9: NUMBER OF COUNTRIES WITH CHANGES THAT AFFECTED THE OVERALL PHILANTHROPIC SCORE BETWEEN 2014–2017 AND 2018–2020**

Source: Indiana University Lilly Family School of Philanthropy, *2022 Global Philanthropy Environment Index*

# The Future of European philanthropy

The future of philanthropy in Europe has the potential to be very dynamic. While the long-term effects of the COVID-19 pandemic on European philanthropy are still unclear, the various crises have led to opportunities for philanthropy, such as deeper collaboration and networking, increasing digitalization of giving, and the enhancement of informal and new ways of giving.

European regional experts have highlighted that a key trend for philanthropy is an increasing level of networking and collaboration. Experts from Southern and Central Europe mentioned the importance of joint policy making and service provision with the governments to address the increasing socio-economic disparities and other societal issues.

Another key trend is the digitalization of giving, as all the five regional experts mentioned the digital transformation and technological innovations that are likely to innovate both giving and fundraising. Online and mobile giving, crowdfunding platforms, and crypto giving—just to mention a few— are seemingly continuing to increase, which could lead to the revitalization of giving. However, new technologies will make philanthropy face new challenges.

Finally, as new ways of giving and volunteering are emerging, informal philanthropy is gaining space on the old continent as well. To better understand these acts of generosity and to provide a more complete landscape of philanthropy in Europe, not only practitioners but also researchers need to pivot to capture such activities.

# Limitations

This paper provides a snapshot of the European philanthropic environment during a specific time period and focuses on a limited number of European countries. Additionally, the data collection relies on expert questionnaires, which may introduce some level of subjectivity. Future research should continue to enhance the methodology and to include European countries that are often underrepresented in global research—such as Baltic countries—to further analyze the evolving philanthropic landscape in Europe.

# Conclusion

This paper provides valuable insights into the opportunities and challenges that the philanthropic environments of 33 European countries faced during the 2018-2020 time period. The findings indicate a modest improvement in the European philanthropic environment, with an increase in the average score from 3.99 in the 2014-2017 time period to 4.09 in the 2018-2020 time period. However, this improvement was not consistent across the continent: while the West— which includes Western and Northern Europe—experienced and improvement, the East—which includes the Balkan countries, Central Europe, and Southern Europe—faced a slight decline in the overall score for philanthropy.

The paper emphasizes the importance of both a consistent and enabling regulatory environment as well as cross-sectoral and cross-country collaborations to enhance philanthropy in Europe. It also identifies areas of concern and potential threats to the philanthropic environment in Europe, including economic challenges, political uncertainties as well as the low level of public knowledge about and trust towards philanthropic organizations. Looking ahead, the future of philanthropy in Europe is expected to be characterized by collaboration, innovative technologies, and the spread of informal ways of giving.

This paper provides valuable insights for policymakers, practitioners, and researchers to better understand and support philanthropy in the region, contributing to sustainable development and social impact.

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# Appendix A.

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **COUNTRY** | **REGION** | **EASE OF OPERATING A po** | **TAX INCENTIVES** | **CROSS-BORDER FLOWS** | **POLITICAL ENVIRONMENT** | **ECONOMIC ENVIRONMENT** | **SOCIO-CULTURAL ENVIRONMENT** | **OVERALL SCORE** |
| Albania | Balkan Countries | 3.60 | 2.40 | 3.00 | 3.25 | 3.00 | 3.50 | 3.13 |
| Austria | Western Europe | 5.00 | 4.50 | 4.00 | 4.50 | 4.00 | 4.00 | 4.33 |
| Belgium | Western Europe | 5.00 | 4.50 | 4.50 | 5.00 | 5.00 | 4.50 | 4.75 |
| Bosnia and Herzegovina | Balkan Countries | 5.00 | 3.25 | 3.50 | 3.30 | 3.00 | 3.00 | 3.51 |
| Bulgaria | Central Europe | 3.83 | 3.75 | 4.25 | 3.50 | 3.00 | 3.00 | 3.56 |
| Croatia | Balkan Countries | 4.77 | 3.60 | 3.75 | 3.25 | 2.80 | 3.80 | 3.66 |
| Czech Republic | Central Europe | 4.50 | 3.95 | 4.10 | 4.20 | 3.30 | 3.20 | 3.88 |
| Denmark | Northern Europe | 5.00 | 4.00 | 4.00 | 5.00 | 5.00 | 5.00 | 4.67 |
| Finland | Northern Europe | 5.00 | 3.50 | 5.00 | 5.00 | 5.00 | 5.00 | 4.75 |
| France | Western Europe | 4.33 | 5.00 | 4.00 | 5.00 | 4.50 | 5.00 | 4.64 |
| Germany | Western Europe | 4.67 | 5.00 | 4.00 | 5.00 | 5.00 | 5.00 | 4.78 |
| Greece | Southern Europe | 4.63 | 4.00 | 3.75 | 3.30 | 3.10 | 2.40 | 3.53 |
| Hungary | Central Europe | 3.83 | 3.25 | 3.50 | 2.25 | 3.00 | 3.00 | 3.14 |
| Ireland | Western Europe | 4.73 | 4.25 | 4.25 | 4.00 | 3.80 | 4.50 | 4.26 |
| Italy | Southern Europe | 4.77 | 4.50 | 4.20 | 4.50 | 3.80 | 4.50 | 4.38 |
| Kosovo | Balkan Countries | 4.60 | 4.25 | 4.10 | 4.15 | 3.00 | 3.50 | 3.93 |
| Liechtenstein | Western Europe | 4.93 | 4.90 | 4.90 | 4.90 | 5.00 | 4.80 | 4.91 |
| Montenegro | Balkan Countries | 4.67 | 3.50 | 4.50 | 3.45 | 2.80 | 3.80 | 3.79 |
| Netherlands | Western Europe | 5.00 | 4.75 | 5.00 | 4.75 | 4.50 | 4.50 | 4.75 |
| North Macedonia | Balkan Countries | 4.67 | 3.50 | 5.00 | 3.50 | 4.00 | 3.00 | 3.94 |
| Norway | Northern Europe | 5.00 | 4.00 | 5.00 | 5.00 | 5.00 | 5.00 | 4.83 |
| Poland | Central Europe | 4.00 | 4.00 | 4.50 | 2.50 | 4.00 | 3.00 | 3.67 |
| Portugal | Southern Europe | 4.00 | 3.65 | 3.30 | 4.00 | 3.00 | 3.00 | 3.49 |
| Romania | Central Europe | 4.13 | 3.00 | 5.00 | 4.35 | 3.90 | 3.80 | 4.03 |
| Russia | Central Europe | 3.33 | 3.65 | 3.50 | 3.15 | 3.50 | 3.50 | 3.44 |
| Serbia | Balkan Countries | 4.67 | 3.75 | 3.50 | 3.30 | 3.00 | 3.00 | 3.54 |
| Slovakia | Central Europe | 4.40 | 4.20 | 4.05 | 3.40 | 3.50 | 3.30 | 3.81 |
| Spain | Southern Europe | 4.33 | 3.75 | 4.00 | 3.50 | 4.00 | 3.40 | 3.83 |
| Sweden | Northern Europe | 5.00 | 4.00 | 5.00 | 4.75 | 5.00 | 4.00 | 4.63 |
| Switzerland | Western Europe | 5.00 | 4.85 | 4.50 | 4.60 | 5.00 | 5.00 | 4.83 |
| Turkey | Southern Europe | 2.17 | 2.00 | 3.00 | 2.00 | 2.50 | 4.00 | 2.61 |
| Ukraine | Central Europe | 4.73 | 3.95 | 4.05 | 3.85 | 2.40 | 3.70 | 3.78 |
| United Kingdom | Western Europe | 4.67 | 4.00 | 4.00 | 3.75 | 4.00 | 4.00 | 4.07 |

1. The 2018 version of the index did not include a specific factor for economic environment. [↑](#footnote-ref-1)
2. Note: There is no available data on Belgium, Lichtenstein, and Romania in the 2014-2017 time period. [↑](#footnote-ref-2)
3. Note: There is no available data on the economic environment in the 2014-2017 time period. [↑](#footnote-ref-3)