



The Netherlands

Italy

Lithuania

Bulgaria

Russia

2017  
Report  
on the  
State of  
Civil  
Society  
in the  
EU and  
Russia



EU-RUSSIA CIVIL SOCIETY FORUM  
ГРАЖДАНСКИЙ ФОРУМ ЕС-РОССИЯ

EU-Russia Civil Society Forum (CSF) is an independent network of thematically diverse NGOs, established as a bottom-up civic initiative. Its goal is to strengthen cooperation between civil society organisations and contribute to the integration of Russia and the EU, based on common values of pluralistic democracy, rule of law, human rights, and social justice. Launched in 2011, CSF now has 160 members: 69 from the EU, 82 from Russia, and 9 international organisations.

The Forum serves as a platform for members in articulating common positions, providing support and solidarity, and exerting civic influence on governmental and intergovernmental relations. These goals are pursued by bringing together CSF members for joint projects, research and advocacy; by conducting public discussions and dialogues with decision-makers; and by facilitating people-to-people exchanges.

**EU-Russia Civil Society Forum | Secretariat**

Badstr. 44, 13357 Berlin, Germany

tel + 49 30 46 06 45 40

research@eu-russia-csf.org

www.eu-russia-csf.org



2017  
Report  
on the  
State of  
Civil  
Society  
in the  
EU and  
Russia

Disclaimer: This document has been produced with the financial assistance of our donors. The contents of this publication are sole responsibility of the EU-Russia Civil Society Forum e.V. and can in no way be taken to reflect the views of our donors.

©2018 by EU-Russia Civil Society Forum e.V.  
All rights reserved.

ISBN 978-3-947214-02-0

# CONTENTS

<b>Preface</b> . . . . .	5
<b>Overview</b> . . . . .	7
Methodology and data. . . . .	7
Similar and different challenges: Scarce funds, negative public image and inter-sectoral cooperation. . . . .	9
Best practices: Diversifying income, reconnecting with the public and overcoming inter-sectoral divisions. . . . .	14
<b>The Netherlands: Good conditions, but many perceived challenges.</b> . . . . .	18
Civil society sector in numbers. . . . .	19
Legal framework and political conditions. . . . .	21
Data. . . . .	23
Challenges. . . . .	24
Solutions and best practices. . . . .	29
International cooperation. . . . .	31
Conclusions. . . . .	33
References. . . . .	34
<b>Italy: Stability in light of growing challenges.</b> . . . . .	38
Civil society sector in numbers. . . . .	39
Legal framework and political conditions. . . . .	40
Data. . . . .	43
Challenges. . . . .	44
Solutions and best practices. . . . .	48
Conclusions. . . . .	52
References. . . . .	53
<b>Lithuania: Slow but visible progress.</b> . . . . .	56
Civil society sector in number . . . . .	57
Legal framework and political conditions. . . . .	58
Data. . . . .	60
Challenges. . . . .	61
Solutions and best practices. . . . .	67
Conclusions. . . . .	73
References. . . . .	74
<b>Bulgaria: Growing instability.</b> . . . . .	78
Civil society sector in number. . . . .	79
Legal framework and political conditions. . . . .	81
Data. . . . .	83
Challenges. . . . .	84
Solutions and best practices. . . . .	89
Conclusions. . . . .	92
References. . . . .	93

<b>Russia: A zoom in on best practices in fundraising.</b> . . . . .	98
Legal framework and political conditions. . . . .	100
Data. . . . .	102
Challenges. . . . .	103
Best fundraising practices. . . . .	106
CSOs international cooperation: Changing significance?. . . . .	110
Conclusions. . . . .	111
References. . . . .	112
Information about contributors. . . . .	114
Annex I: Questionnaire. . . . .	119
Annex II: In-depth interviews questionnaire. . . . .	122
Impressum. . . . .	128

## PREFACE

By Elena Belokurova and Kristina Smolijaninová

We are very pleased to publish the second volume of the State of Civil Society in the EU and Russia. The inspiration for the 2017 Report came from members of the EU-Russia Civil Society Forum. The Report's primary goal is to capture similarities and differences in the shape and nature of challenges faced by civil society organisations in Russia and the EU, with a view of enhancing mutual understanding and knowledge and, consequently, creating better opportunities for cooperation and exchange. The first issue, Annual Report (2016), contained academic research in four EU countries (Germany, Spain, Poland, Hungary) along with Russia<sup>1</sup>.

The positive reception encouraged us to explore further countries. In cooperation with the Centre for German and European Studies (Saint Petersburg State University - Bielefeld University), we have organised a research workshop in Saint Petersburg in April 2017. The new researchers met contributors from the previous year as well as experts on civil society and civil society organisations (CSOs) from different countries.

Through the research we take a participatory approach aimed at the inclusion of civil society representatives. We used methodology based on an online survey and in-depth interviews conducted in Russia and four new EU countries: Italy and the Netherlands as "old" member states and Lithuania and Bulgaria as new members. All case studies were conducted by researchers in their home countries, placing them into the broader political, social and economic development of the respective country. We are grateful to all the experts and advisers for their contributions, comments, criticism, support and inspiration.

This year's research demonstrates ambiguous and divergent trends in the situation of civil society organisations in Europe. While those nations traditionally more friendly to CSOs, like the Netherlands and Italy, are showing less encouraging trends, Lithuania has tried to create more sustainable system to support CSOs. In Bulgaria and Russia, state policy is oriented towards division of the civil society sector and replacement of independent CSOs with those connected with the politicians and state structures. One thing is clear: CSOs in all the countries are now experiencing turbulent times, their value and role in society being questioned. To counter this, they should develop new survival strategies and solutions. These are described in this Report, and together, they provide a picture of how the CSOs are adapting to the new challenges and are able to survive in spite of all the difficulties.

The third issue of the annual Report will be published at the beginning of 2019 and will feature Czech Republic, Greece, Ireland, Romania and Russia. We hope that our efforts in better understanding the civil society will bear results and more effective cooperation and exchange among the civil society organisations of different countries, which will contribute to the resolution of the highlighted challenges of the European civil society.

<sup>1</sup> The first issue of the annual Report on the State of Civil Society in the EU and Russia in English and Russian as well as other related materials of the project from different years is at: <http://eu-russia-csf.org/home/projects/state-of-civil-society/report-2016/>





## OVERVIEW

By Andrey Demidov and Elena Belokurova

The second issue of the Report continues to bring together knowledge on trends in the development of civil society organisations in Europe. As in the first issue, the primary goal was to capture similarities and differences in the shape and nature of challenges that CSOs in both Russia and the EU member states face, with a view to enhance mutual understanding and knowledge and, consequently, create a larger foundation for cooperation.

We concentrated on answering these main research questions:

- 1 How have context conditions changed for CSOs in the countries under scrutiny and how do representatives of CSOs assess these changes?
- 2 What are the most important challenges that CSOs have encountered?
- 3 How do CSOs tackle those challenges and what strategies, instruments and tools do they create to cope with the challenges?

These questions are answered for five countries: Italy, Lithuania, the Netherlands, Bulgaria and Russia. The research on each of these cases was conducted by different authors using the same methodological tools. The outcomes are presented in the country chapters. This section discusses the methodology and provides a comparative overview of the main findings.

## Methodology and data

The Report relies on the methodological approach developed for the 2016 Report. There are in-depth case studies of five countries conducted through a mix of two methods: an online survey of CSOs and in-depth semi-structured interviews with representatives of NGOs.

To collect and evaluate the context conditions for CSOs in every country, which would be partially generalised across the five countries, an online survey was conducted among CSOs. A questionnaire containing a short form of questions was agreed upon by the researchers, translated into national languages, placed in electronic forms and sent to respondents.

Civil society is a multi-dimensional concept that refers to many forms of citizens' activities so we studied a dimension of its organised facet: CSOs. We departed from the definition of civil society adopted by the Forum, whose definition is that it refers to 'registered and non-registered non-profit and non-governmental organisations, civic initiatives and social movements excluding political parties, religious communities, educational and scientific institutions, trade unions, and employers' organisations'<sup>2</sup>. Our principal goal was to focus on a category of organised forms of citizens' mobilisation for a wider public purpose.

2 See: <http://eu-russia-csf.org/home/about-us/>

Then we constructed the sample for our online survey through a combination of random and quota samples. The link to the survey was sent to as many actors as possible using such tools as mailing lists and listing services, snowball techniques and so on. In order to ensure a more or less balanced representation of survey participants, the invitation to participate was sent to organisations representing certain sectors and more or less in proportion to the size of those sectors and areas in their respective countries. In doing so the authors could use existing secondary sources such as previous research, registers of organisations in their home countries or use the rule of a 'minimal quota' (minimum 10 organisations per sector).

**In Bulgaria**, the link to the online survey was sent to 3,500 contacts and reached 2,321 organisations. Only 77 CSOs responded to the survey questions. The author conducted 10 in-depth interviews.

**In Italy** the sample included 413 organisations out of which 66 participated in the survey. The author conducted seven in-depth interviews.

**In the Netherlands** the authors attempted to reach 506 organisations, received 45 responses and interviewed seven representatives of CSOs.

**In Lithuania** the survey reached 250 organisations and 63 responded. The author conducted 11 in-depth interviews.

**In Russia** the survey was sent to around 6,000 contacts. Only 96 answers were received and nine in-depth interviews were conducted.

The relatively low response rate in all the cases is explained by the specifics of the online survey and that it was sent out in summer. For these reasons a representative sample of CSOs cannot be guaranteed and the results cannot be understood as representing the entire CSO sector, or all civil societies in these countries in spite of the efforts to reproduce the CSO structure in the sample. The results do express, however, the opinion of those CSOs active, interested and motivated in understanding the general situation. Some are connected to the Forum, some not. Their opinions are valuable and show trends and visions especially because the data come not only from closed, but also from open questions, which provide more information and explanations.

The online survey consisted of three open and nine closed questions (see the questionnaire in the Annex). Among the closed questions, four concerned background information on the organisation (field of activity, age of the organisation as well as number of active members and level of activity) and two questions dealt with perceived changes and challenges to the organisations based on six dimensions (state funding, private donations, public opinion, legal situation, voluntary engagement and media reporting). Two open questions asked about the respondents' perceptions of the challenges for CSOs, for their organisations and about best practices.

The second stage of research was to conduct in-depth oral interviews with representatives of CSOs in order to access actors' bottom-up perspectives on trends in civil society in their home countries. Research questions 2 and 3 were central to the interview stage. We asked our authors to contact the heads of organisations and collect respondents' answers about

the main **challenges** that CSOs face and the **best practices**/instruments/tools/strategies and so on of dealing with those challenges. After joint discussions all authors reached a common understanding of the formulations and meaning of the questions in the interview and questionnaire to ensure consistency of meaning across the five cases.

The Russian case differs from the others as it is the one country where cases were examined for the second time because of its special significance for the Forum. The context for CSOs in Russia is unlikely to have changed much in a year, we decided to give this chapter a focus on best practices for dealing with decreasing financial resources and funding. We were interested in knowing how Russian CSOs deal with this, where our previous Report found similarities in all five cases and which showed signs of deepening rather than disappearing. So, the chapter places an emphasis on CSOs' strategies for overcoming the scarcity of funds and financial resources and best practices in funding and fundraising such as crowdfunding, social entrepreneurship, private donations, community foundations, corporate charity, state support and so on.

The research results are presented in their respective chapters following the same structure including three main themes: 1) an overview of political and legal conditions for CSOs; 2) an overview and analysis of the major challenges; and 3) an in-depth description of the best practices of dealing with challenges. A more detailed description of each case can be found in the following chapters, but an overview of some trends and features is presented here.

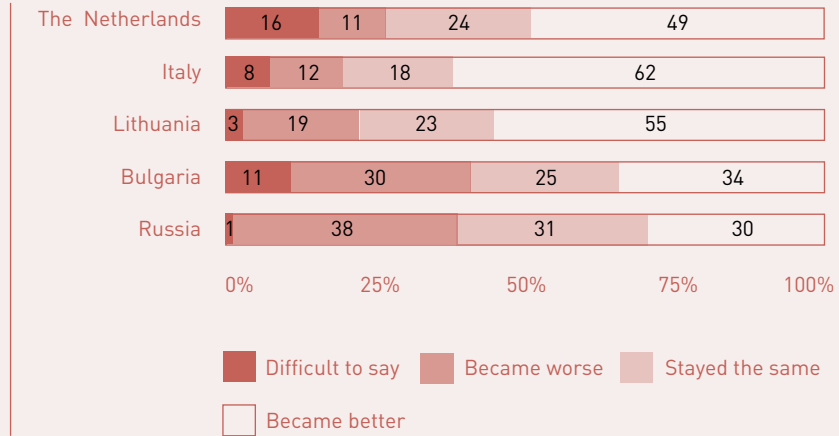
## Similar and different challenges: Scarce funds, negative public image and inter-sectoral cooperation

The data on CSOs' assessment of the context conditions for their work across the five countries draw a diverse picture this year in comparison with 2016, when the research identified an interesting spatial trend: the context conditions were progressively worsening and the challenges increasing from West to East. Thus, Spanish and German NGOs viewed the conditions for their work as improving and progressing yet CSOs in Poland, Hungary and Russia were sceptical. In 2017 the data demonstrate that the picture is more complex and does not reconfirm the well-known conclusion about a deteriorating political and legal environment for CSOs in Eastern member states and in Russia, or a stable or constantly improving situation in Western member states.

Figure 1 shows that CSOs in Lithuania (55%) are almost as positive in their assessments of how much their home context has improved as counterparts in Italy (62%) and more than the Netherlands (49%). Fewer Bulgarian (34%) and Russian (30%) CSOs reported improvements in the overall conditions for work. In Russia the largest percentage of respondents (38%) claim the situation had worsened. Yet an almost equal percentage of Russian CSOs (31%) think the situation has not changed much. Although the survey sample is not ultimately representative, the figures on Russia show there are three groups of CSOs: prevailing pessimists, careful optimists and neutrals.

Figure 1 Pan-national assessment of how the domestic situation changed over the last three years<sup>3</sup>

Source: 2017 survey



A look at the challenges that CSOs in the five countries face reveals there is much in common between CSOs in seemingly different contexts. As in 2016 the main challenge CSOs commonly face is financial (Figures 2, 3 and 4), with CSOs across all five countries naming financial challenges as their most significant difficulties. Respondents consistently report that the problem of obtaining funds to sustain the work of their organisations is central; however, the reasons behind these financial hardships vary across the countries. For Italian and Dutch CSOs the financial challenge is a side-effect of the economic crisis and recession and is related to austerity measures and social cuts implemented by national governments. In the Netherlands respondents also notice a decrease of support from private corporations and donors; however, for CSOs in Bulgaria, Lithuania and Russia, the financial challenge comes from persistent difficulties in obtaining state funds which in some cases, as in Russia, may even increase as the state introduces new financial programmes. Respondents mention that accessing those funds is extremely difficult because of non-transparent procedures, bureaucracy and generally biased attitudes of governments that allocate funds to certain organisations. In Lithuania and Bulgaria, in addition, previously available foreign funding has been gradually drying up after accession to the EU whereas accessing EU Funds, although possible, remains problematic because of the complexity of the process. CSOs in Bulgaria, Lithuania and Russia continue working on an unstable financial basis in the form of project funding and a shortage of resources to sustain their daily activities between projects. Russian CSOs, unlike their Bulgarian and Lithuanian counterparts, report an increasingly positive experience with private donations and philanthropy.

In summary, one can see that the increasing burden of financial difficulties appears as a similar experience for CSOs, not only for this year's five cases, but also for the 2016 cohort.

The funding problem is often connected with the relation of CSOs to state authorities. Bulgarian and Russian CSOs report a continuation of tense relations with the authorities as one of their biggest challenges. Problematic relations with the state trouble counterparts in other countries too, however, there are important differences. For instance in Lithuania the peculiarity is a general lack of recognition of the potential of CSOs on the part of the state and a disagreement over the rules of cooperation between the two sectors. In the Netherlands CSOs report a general cooling of their previous 'cosy' relationship with the state primarily through the drying up of state support and a government withdrawal from civil society. In Italy CSOs report a lack of clarity about the rules of cooperation with the state and mention that the authorities often resort to arbitrary measures against CSOs

<sup>3</sup> All percentages on some graphs in the Report may not round up to 100% due to rounding error

and that their practices are non-transparent. In Russia and Bulgaria, however, CSOs speak about the openly hostile attitudes of state authorities in light of the diminishing independence of the judiciary and weakening law enforcement. This makes their challenge quite distinct among cohort nations.

Figure 2 How do you evaluate the context conditions for your NGO with regard to financing?

Source: 2017 survey

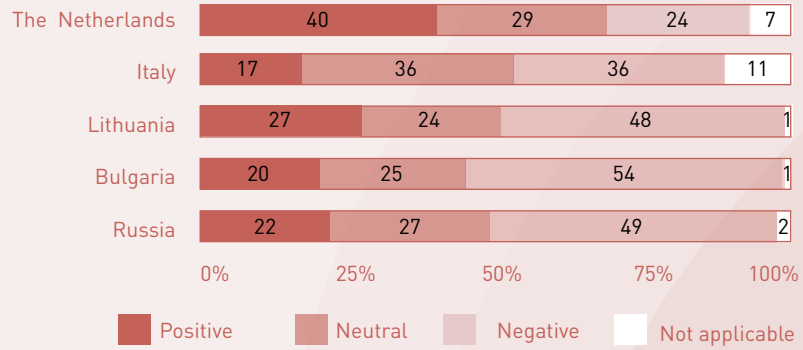


Figure 3 How do you evaluate the context conditions for your NGO with regard to state financial support?

Source: 2017 survey

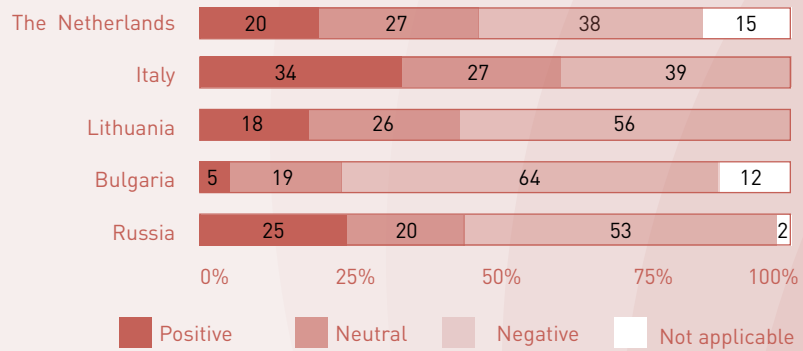
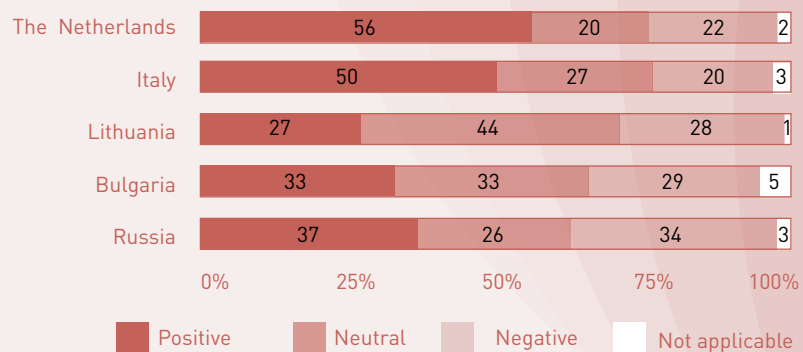


Figure 4 How do you evaluate the context conditions for your NGO with regard to private donations?

Source: 2017 survey



The second common challenge that the data revealed was that CSOs across all five countries report problems with a complex erosion of their public image and reputation (Figures 5 and 6). The categories 'media coverage' and 'public opinion' received the next highest number of 'negative' or 'very negative' evaluations from respondents after 'financing in general', 'state financial support' or 'state political support' (Figures 5 and 6). Respondents in all countries mention that, to a greater or lesser extent, their organisations experienced a decline in public trust and respect for their work and an increase in public scepticism that

CSOs pursue noble and respectable goals. In Bulgaria respondents referred to government smear campaigns that aim at creating a bad image of CSOs in public discourse. These campaigns target CSOs working in human rights, environmental protection or anti-corruption. This is similar to the concerted action of the Russian government which divides the CSO sector into 'bad' ('foreign agents') and 'good' organisations as reported by CSOs. In Italy and Lithuania, CSOs have experienced defamatory attacks in the media. In Lithuania CSOs reported falling media interest in their work and an increase in numbers of politicised media attacks on them. In the Netherlands the problem with media coverage is also reported as a pressing one; CSOs claim it is becoming increasingly difficult to maintain their reputations in light of media scandals and 'revealing stories' about CSOs' activities and growing public cynicism regarding CSO work especially in such fields as migration and human rights. The data reveal a worrying trend across all contexts: a gradual erosion of public consensus about the role of CSOs in society and an increase in media-led smear campaigning initiated, as many respondents mentioned, by governments.

Figure 5 How do you evaluate the context conditions for your NGO with regard to media coverage?

Source: 2017 survey

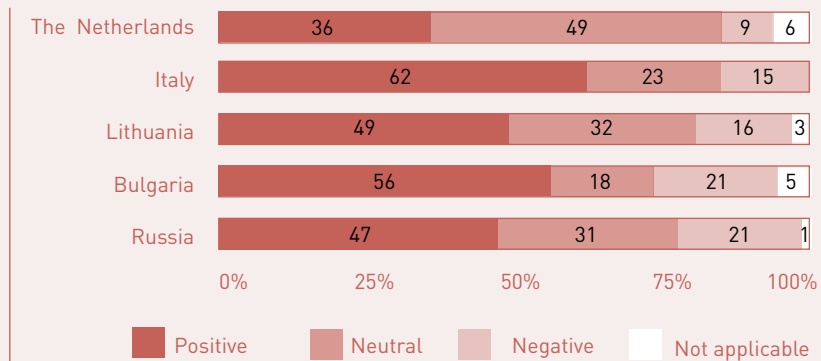
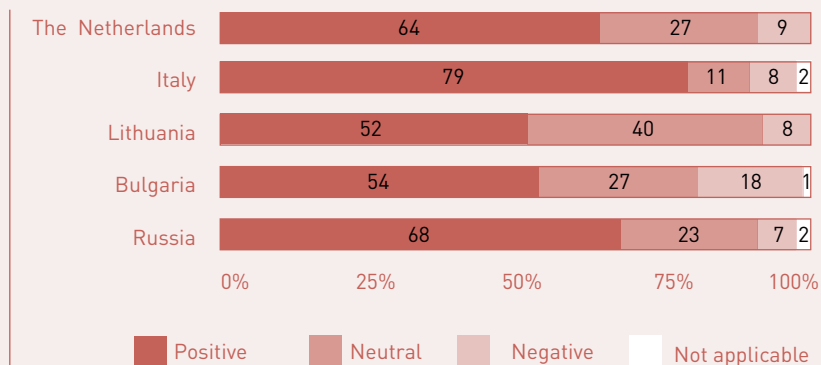


Figure 6 How do you evaluate the context conditions for your NGO with regard to public opinion?

Source: 2017 survey



The third common challenge mentioned by CSOs in all five countries was difficulties in inter-sectoral cooperation. Respondents said that remaining, and in some cases increasing, divisions between CSOs, competition for funds, donors and volunteers visibly hindered productive and goal-achieving work. Perhaps this challenge is most visible in Bulgaria, Russia and Lithuania, where respondents said that a lack of inter-sectoral cooperation harmed attempts at a concerted response to government attacks, or, as in Lithuania, to a joint pressure on the government to open the policymaking process to CSOs. In the Netherlands and Italy competition and polarisation affected the financial stability of CSOs as they competed for decreasing resources.

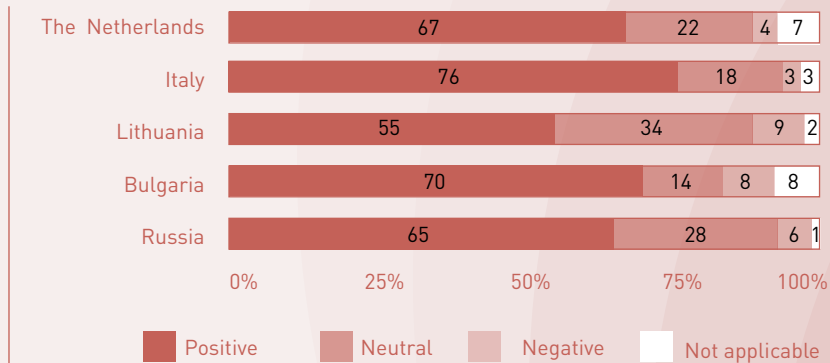
CSOs in Lithuania, Bulgaria and the Netherlands cited organisational challenges around how they worked. In Lithuania and Bulgaria the most prominent problems were the well-known troubles of being understaffed, a ‘brain drain’ (the loss of professionals or general lack of qualified professionals), overwork and, as a combined effect of these factors, growing apathy and disillusionment.

In the Netherlands the challenge lies in the need to effectively reorganise existing internal structures and fix communication flows between separate departments and sub-divisions in CSOs such as, for instance, between the fundraising and project departments. Dutch respondents also said they are in the midst of a change of CSO internal governance (management) models. This in turn created a unique challenge that requires CSOs to retrain personnel.

In Italy CSOs now face the challenge of introducing new technologies and communication tools. This is a challenge which, as one can see below, is relatively unknown to Russian NGOs.

Figure 7 How do you evaluate the context conditions for your NGO with regard to volunteering?

Source: 2017 survey



The challenge of attracting volunteers (Figure 7) traditionally comes up in respondents’ accounts of existing problems, but not for all countries. Attracting volunteers and establishing continuous cooperation with them is an important problem for CSOs in the Netherlands according to the respondents, and Bulgaria and Lithuania yet Italian and Russian CSOs hardly mention it. Russian and Italian respondents report a significant increase of public engagements through individual volunteering, or individual philanthropy.

## Best practices: Diversifying income, reconnecting with the public and overcoming inter-sectoral divisions

The second part of the research was connected with a search for the best practices and solutions, which help CSOs cope with challenges. The data show that CSOs across all the countries do not passively accept the many challenges. They show a readiness and willingness to change, innovate and transform old methods and formats of work in order to respond to growing difficulties. The data also show that CSOs in all five cases resort to similar techniques and tools to achieve these goals.

Addressing the challenge of diminishing funds is the main task that consumes much of a CSOs' attention and creativity. Across all five countries CSOs attempt to diversify their sources of financial income, first by reaching out to private business and corporations and exploring the potential of new technologies (Internet-based crowdfunding). They also actively invest in professional growth in the fields of fundraising and professional training of employees. The Dutch, Lithuanian and Italian CSOs are especially active in engaging in professionalisation.

As a response to the challenge of a crumbling public image and growing alienation from the public, as well as to fix the problem of diminishing financial resources, CSOs across the five countries explored new forms of communication with target groups. These include their direct constituencies such as groups in the public and volunteers, and increasingly, donors and private corporations. CSOs reformulated their communication strategies and invested in continuous communication customised for every potential donor or partner from the private sector. In general CSOs are concerned about improving their image in their home contexts, so they invest in public relations, are more active in 'storytelling' about their activities in the media in order to increase transparency and retain close and direct contacts with communities.

Having realised the negative implications of polarisation and tense relations with counterparts in home contexts, CSOs are investing in overcoming inter-sectoral fragmentation and competition. They establish complex partnerships with other CSOs and rethink the format of these partnerships so they last beyond one project. The latter is relevant for CSOs in all countries, but in contexts such as in Bulgaria and Russia reaching out to other CSOs also serves the purpose of mobilisation against concerted governmental attacks.







# The Netherlands

19	Civil society sector in numbers
21	Legal framework and financing
23	Data
24	Challenges
29	Solutions and best practices
31	International cooperation
33	Conclusions
34	References

# **The Netherlands: Good conditions, but many perceived challenges**

By Pamala Wiepking and Fengjing Zhang

The Netherlands is a Northern EU member state with a strong civil society and a strong welfare state. There are favourable conditions for civil society, and especially good are the institutional conditions for CSOs, which can easily form and register. Yet there are challenges, the major ones relate to decreasing financial support, increasing public distrust, difficulties in attracting and retaining donors and volunteers, and internal organisational challenges such as hiring and retaining well-trained professional staff.

## Civil society sector in numbers

The sector is among the world's most comprehensive. The John Hopkins Comparative Non-profit Sector Project (Salamon, Sokolowski, & Associates, 2004) ranked the Netherlands number one nation at the end of the 20th century in relative private philanthropic contributions to society in terms of both money and time. Salamon et al. (2004) estimated that the value of private giving and volunteering make up 4.95% of GDP, the highest of all countries in the study. The Netherlands also ranked highest for third sector input to the economy (Brandsen & Pape, 2015). The Charities Aid Foundation World Giving Index has consistently included it among the top countries for contributions to society in the form of monetary donations, volunteering and helping strangers (CAF, 2015). It is estimated that 36% of the Dutch participated in volunteering in 2016, and 81% donated at least once to charity in 2015 (Bekkers, Schuyt, & Gouwenberg, 2017).

Civil society is strongly shaped by social and historical developments. The three most important developments in the Netherlands relate to (de-)pillarisation, privatisation and decreasing public financial support (Habraken, Meijs, Schulpen, & Temmink, 2013). From the second half of the 19th century on, the Netherlands was highly pillarised around religious and ideological social groups. Protestants, Catholics, Socialists and Liberals rarely interacted and organised their lives within their own pillar, including political parties, broadcasting associations and CSOs, such as schools, hospitals and sports and hobby clubs (Brandsen & Pape, 2015; Lijphart, 1968). The CSOs established were split on religious and political lines, like other parts of society. The key identifying factor for these CSOs is that they "served the public by serving their own group" (Habraken et al., 2013, p. 745). During the process of de-pillarisation in the second half of the 20th century, new CSOs continued to form, but serving all of society (Burger, Dekker, Toepler, Anheier, & Salamon, 1999). There was a process of privatisation in the 1990s following a general move towards privatisation and liberalisation across the West (Habraken et al., 2013). The shift towards privatisation forced CSOs to compete for funding, with each other, and with for-profit organisations, leading to more professionalisation among CSOs.

Traditionally, CSOs are predominantly funded through government subsidies. Salamon and Sokolowski (1999) estimated that in 1995 public sector sources contributed 59% of CSO income in the Netherlands, above the 40% average for the 22 countries in the project. Public contributions were pronounced in the health care sector where 96% of funding came from public sources followed by education (91%) and social services (66%) (Burger et al., 1999). In the early 21st century, however, the government significantly decreased public support

for CSOs in areas including culture and arts, sports, welfare and international relief (Hab-  
 raken et al., 2013). CSOs were forced to diversify their sources of income and many shifted  
 focus to private donors and income from fees. More recent numbers are unavailable, but it  
 can be expected that relative to other countries the percentage of public funding for CSOs  
 still remains high.

These social and historical developments resulted in a relatively large and diverse civil  
 society operating within a strong welfare state. The tax authorities estimate that there are  
 about 55,000 registered Algemeen Nut Beogende Instellingen [ANBI: Public Good Promot-  
 ing Organisations] (Belastingdienst, 2012) with 17.1 million people living in the Nether-  
 lands (CBS, 2017).

There are no recent data available illustrating the composition of civil society. The Compar-  
 ative Non-profit Sector Project showed that in 1995 the health sector was the largest civil  
 society workforce, employing 42% of the non-profit workforce (Burger et al., 1999). The edu-  
 cational sector employed 28% and social services 19%. Other sectors employed less than 5%.

The Centraal Bureau Fondsenwerving [CBF; Central Bureau of Fundraising] registers in-  
 formation for CSOs that voluntarily register to be accredited and collates information about  
 funding they provide. In 2012 CBF registered information about 1,102 organisations (CBF,  
 2012). Table 1 shows the percentage of funding distributed by those 1,102 registered CSOs.

Table 1 Percentage of funding distributed to civil society organisations

Source: CBF, 2012

Sector	Total funding provided (millions of euros)	% of funding provided
International relief, human rights	1,408	40
Social services	887	25
Health	12	12
Nature, environment, wildlife	357	10
Culture, arts	239	7
Animals	108	3
Religion	77	2
Education	10	0.3
<b>Total</b>	<b>3,498</b>	<b>100</b>

For the organisations registered with the CBF, the organisations active in international  
 relief and human rights distributed the most funding to civil society followed by those in  
 social services and health. Religious organisations provided 2% of the funding to civil soci-  
 ety, see Table 1, but it is likely that few religious organisations register with the CBF, which  
 limits the representativity of the information provided by the CBF.

An alternative perspective on civil society composition can be derived from the level of pri-  
 vate funding distributed to sectors. The Giving in the Netherlands Panel Study measures

the private donations of a representative sample of households every two years. Table 2 shows the aggregated amounts donated in 2015.

Table 2 Total amounts donated to civil society sectors by households in 2015

Source: Bekkers et al., 2017: Table 3, p. 12

Sector	Donations (millions of euros)	% of amount donated
Religion	747	29
International relief	484	19
Health	393	15
Social services	260	10
Nature, environment, animals	244	9
Culture, arts	162	6
Other	151	6
Sports, recreation	90	3
Education, research	79	0.3
<b>Total</b>	<b>2,611</b>	<b>100</b>

In 2015 the most popular cause supported by private donations was religion with households contributing 747 million euros. The second highest level of donations was made to international relief with 484 million euros. The least supported were sports and recreation and education and research. The distribution of private donations does not indicate whether private funding is the dominant source of revenue. Among the top four mentioned above, health and social services are the sectors that traditionally receive the majority of their funding from public sources (Burger et al., 1999).

There appears to be an increasing trend in the unobserved and informal components of civil society. Younger generations tend to launch or take part in informal grass roots initiatives that contribute to civil society, but we have been unable to find statistics to support this apparently increasingly prevalent phenomenon.

## Legal framework and political conditions

The legal framework for CSOs has been largely stable and favourable over the past decades.<sup>4</sup> The Hudson Index of Philanthropic Freedom compares the ease of forming, registering, operating and dissolving CSOs, the favourability of the tax system for donations and the scope of cross-border philanthropy, and ranks the Netherlands first out of 64 coun-

<sup>4</sup> However, in September 2017, CIVICUS Monitor downgraded the Netherlands in its evaluations of the state of civil society from 'open' to 'narrowed' because of a number of documented threats to and violations of civic freedoms including the use of force by police against anti-racists demonstrations and a rise in hate speech. For more information see <https://monitor.civicus.org/Ratingsupdatesept17/>.

tries (Center for Global Prosperity, 2015). It is easy to register a *vereniging* [association] or *stichting* [foundation], the two primary legal forms for CSOs. Given the ease of registration, there may be a stronger necessity to assess trustworthiness of CSOs. In 2016 a new system for the voluntary accreditation of CSOs was introduced, based on voluntary third-party monitoring. This was a joint project set up by the government and the largest civil society sector organisations. It provides a standard for CSOs in seven areas to which they voluntarily adhere. The areas are the organisations' mission, funding, activities and organisation, spending, governance, accountability and stakeholders. As a private foundation CBF is the third party monitoring the CSOs in the Netherlands. Being accredited can serve as a quality mark for organisations (Bekkers, 2003). Its recognition gives CSOs the right to use an accreditation seal issued by CBF to signal their trustworthiness to the public.

CSOs can also opt for registration as an ANBI with tax authorities, a status for CSOs that do not make a profit and support the public good with over 90% of their operations. When registered, CSOs are allowed to provide donors with fiscal incentives for their gifts. The Netherlands has a progressive tax system and allows private individuals to deduct donations from their income tax if they have donated over a threshold: 1% of their total taxable household income or over €60 (whichever is higher). The amount donated exceeding the threshold can then be deducted from the taxable household income up to a maximum of 10% of income (Belastingdienst, 2017). This is a strong incentive for CSOs to formally register as an ANBI and most do.

The political conditions for civil society are less favourable. There is limited policy attention paid to civil society. As Brandsen & Pape (2015, p. 2273) note: "The traditional voluntary sector has been largely ignored in this recent policy discourse." Another example of the relation between government and civil society is that the ministry responsible for philanthropy is the Ministry of Justice. The government fears that philanthropic money may be used to support terrorism, and other crimes. Over the past decade the fiscal incentives for philanthropic donations have been a point of discussion by government and policymakers. Tax authorities have lobbied to abolish these fiscal incentives; they argue it adds too much complexity to the tax system. One reason for the complex relationship between government and civil society lies in the strong belief in the welfare state that the citizens and politicians hold. The Dutch typically feel that government is responsible for providing public goods and services, especially when it comes to healthcare and education (Wiepking & Handy, 2015). CSOs financed by private donations are sometimes perceived to threaten the principles of fairness and equality assumed through the government provision of public good and services, especially by those with stronger left-wing political views.

Typical public discussions in the media about CSOs consider issues relating to the payment of directors' salaries and perceived large overhead costs. A large section of the public feels that the majority of donations to CSOs should be used for the projects that the organisations work on and not for staff salaries and other overhead costs (WWAV, 2007). Civil society sector organisations are trying to educate the public more about the necessity of professionalisation of CSOs, including the employment of professionally trained staff.



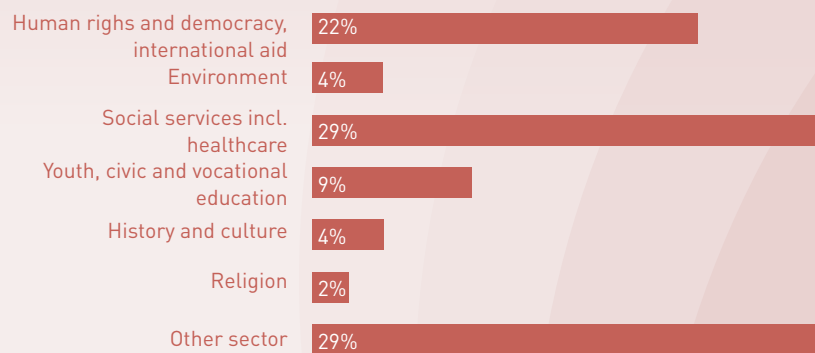
## Data

**Sampling survey study:** There was difficulty in motivating respondents to join the survey study. Five steps were taken to include responses from diverse CSOs. The first author wrote an op-ed for the “Dikke Blauwe”, the main weekly magazine for CSO workers,<sup>5</sup> and posted the survey on her LinkedIn page as she is connected with many civil society actors. Forum members were invited to participate. With help from Nederland Filantropieland (NLFL; Netherlands Philanthropyland, a sector organisation for CSOs) about 500 people working at CSOs were sent a link to the online survey in an email. Finally, in early July, the first author emailed 15 of her contacts and asked them to participate. In total 45 respondents participated.

**Description of survey respondents:** Figure 8 shows the sectors respondents are active in.

Figure 8 Survey participants by field of activity

Source: 2017 survey



Many participants are active for organisations engaged in the ‘human rights and democracy, international aid’ sector (22%) and for organisations active in the ‘social services or healthcare’ sector (29%). Both are large sectors, as illustrated by the percentage of funding distributed by organisations in these sectors (Table 1) and the amounts donated to these sectors (Table 2). A significant proportion of respondents (29%) indicated that the organisation they are active for does not fit any prescribed category.

All 45 respondents work at a formally registered non-governmental non-profit organisation.<sup>6</sup> Most of the organisations that the respondents work for have existed for over 20 years (67%; N=30). 20% of respondents (N=9) work at organisations aged between 11 and 20 years. 11% work at an organisation aged between one and 10 years (N=5) and 2% work at a new organisation (N=1). 36% (N=16) work at organisations with more than 200 employees, volunteers and members. 24% work at a small organisation (N=11) with fewer than 10 people. 22% (N=10) work at organisations with between 10 to 50 people and 18% (N=8) work at organisations where between 50 and 200 people are active. Just over half of respondents work for CSOs active at the national level (53%; N=24). 20% (N=9) work for organisations active at the international level and 24% (N=11) work for organisations active only at the local and regional level. The survey respondents are likely not representative for the Dutch civil society, but do represent a diverse set of CSOs active in two of the largest sectors, human rights and democracy (including international aid) and social services.

<sup>5</sup> See: <https://www.dedikkeblauwe.nl/news/deelnemers-gezocht>

<sup>6</sup> Five respondents indicated working at ‘another type of organisation’, but from their response it became clear they were also part of a formally registered non-governmental non-profit organisation, although they did not recognise the format as such.

**Sampling in-depth interviews:** In the survey study the researchers asked if they could contact the respondent for an in-depth interview. Out of 45 survey respondents, 20 agreed to be contacted, who were contacted via email. In the end, seven respondents agreed to be interviewed. An academic expert in nonprofit management was also interviewed. Details about the eight in-depth semi-structured interviews are included at the end of this chapter. All interviews were conducted in English.

## Challenges

Respondents see the situation for CSOs as rather favourable. As shown in Figure 9, almost half of respondents indicated that the situation had improved over the past three years (49%; N=22). 11% indicated it had become worse (N=5) and 24% (N=11) said it had stayed the same. 16% (N=7) found it difficult to judge. Figure 10 shows how the respondents evaluated specific context conditions for their organisation.

Figure 9  
Evaluation of the situation over the past three years for respondents' organisations

Source: 2017 survey

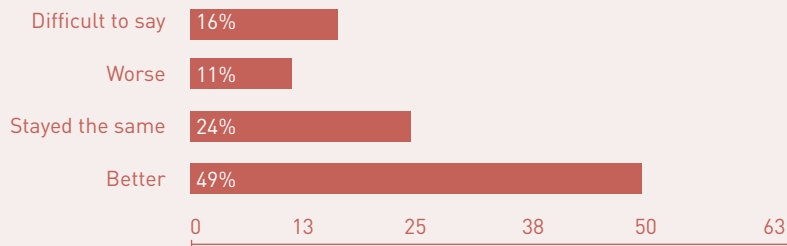
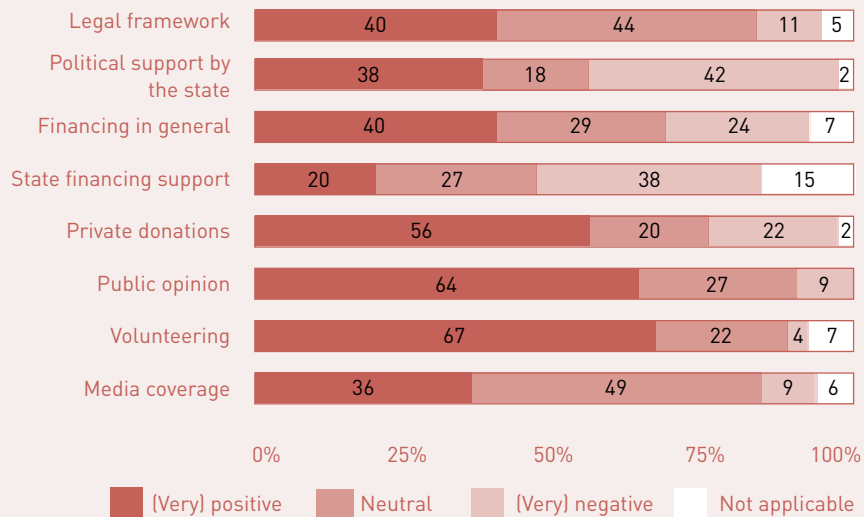


Figure 10  
Evaluation of the context conditions for respondents' organisation

Source: 2017 survey



Most respondents are very positive about private donations and volunteering as a resource for their CSO. 56% stated that the context for private donations is either 'positive' or 'very positive' and 67% stated this is the case for volunteering. The conditions for financing in general are also evaluated as rather positive with 40% of respondents indicating that they see this as (very) positive. Also public opinion is evaluated as being (very) positive by 64%. The respondents are less positive about the context in relation to political support by the state (rated either 'very negative' or 'negative' by 42%) and the financial support by the state (rated either 'very negative' or 'negative' by 38%). Most respondents are neutral or

Table 3 Major challenges

Source: 2017 survey

What kind of major challenges have CSOs faced over the last 12 months?	Summary of open answers - Challenges to CSOs	
Financial challenges (N=12)	Declining financial support from government, other CSOs, private donors, also a lack of structural funding	
Public support, trust (N=12)	Gaining and keeping public support and trust and increasing public distrust	
Attracting and retaining donors / volunteers (N=10)	Attracting new and keeping existing donors and volunteers	
Legal framework (N=8)	Implementing the new privacy legislation, implementing the new voluntary accreditation of CSOs, discussion of the abolition of fiscal incentives for donations, legislation limiting volunteering	
Governmental support (N=8)	Declining support from political parties and government and government withdrawing from civil society	
Competition between CSOs (N=6)	Too many CSOs active who are in competition for funds	
Technology (N=5)	Implementing new technology in fundraising and projects	
Xenophobia and populism (N=5)	Negative sentiment against refugees and foreigners; increase in populist votes	

positive when asked about media coverage and the legal framework for civil society. CSOs appear to work within a positive context, but survey responses and interviews show this seems to depend strongly on the field in which CSOs are working. CSOs advocating political issues or issues that can be easily politicised find less favourable conditions. There is a negative sentiment among parts of the public against CSOs advocating for people from a different culture, religion, or context, and society is becoming more polarised over issues like migration and integration. CSOs working on issues that can be politicised less easily, for example those providing social services to the young or old, generally have favourable and welcoming circumstances.

Table 3 provides a summary of responses about challenges CSOs have faced over the previous 12 months. Financial challenges are among the most prominent. Respondents indicated that their organisations have experienced a decline in funding from a range of sources, including corporations, private donors, and other CSOs such as grant-making foundations.

Some of the respondents have also experienced a decline of governmental support. Respondents stated that the government is withdrawing both financial and political support and this is forcing changes difficult to deal with. An interviewee working for a local CSO active in social services spoke about the changing political support:

“We work with local official care institutions and because everything changes, we have to change. That’s a challenge. They never ask us: ‘What should we change?’ No! They change it and then we have to adapt. It takes hours to rebuild the relationship to explain again what you are doing.” (Interview N2)

Another issue survey respondents find a prominent challenge is the perception of declining public support and trust. Several respondents said that they have experienced an increasing distrust towards CSOs, for example, in relation to their operating procedures, director's salaries and fundraising practises. This also resonated in interviews:

"The main challenge, I think, is to keep the public trust and support. Public trust and support is quite an issue, because there are many, many charities. [...] Of course, like in every country, sometimes there are incidents that things are going wrong. And that's published on the television and in the newspaper and then people complain. They become a little bit cynical about charities. So it is important for the sector to work on the public trust, to be aware of the importance to keep the public trust." (Interview N1)

The third major challenge mentioned by survey participants is attracting and retaining volunteers and donors. CSOs are increasingly dependent on volunteers and on the voluntary provision of financial donations by private individuals to support activities. It is often hard for CSOs to attract volunteers. One of the interviewees remarked:

"[...] the main challenge is that we have to attract new members and volunteers because we are a voluntary organisation with only two paid staff members in the office. So most of the work should be done by volunteers, but we do not have enough volunteers to do all the work." (Interview N1)

Some survey respondents also indicated that their organisation has difficulty implementing new technological tools. New advanced data management systems can facilitate the attraction and retention of volunteers and donors, but staff need to be trained. Between CSOs there is also an increasing competition for funding, donors and volunteers and survey respondents indicated they are experiencing this. An interviewee working for a CSO active in international human rights argued about the unintended negative consequences of competition for funding:

"Wow, by definition there is less funding and you have to go for projects every time. Then you become competitors. [...] If you look at the amount of demands that organisations have to meet and the amount of funding they have, but also the number of organisations, NGOs who are competing for some funding, the chances to get an EU grant, or fund, whatever type you are applying for, are really, really small. So what typically will happen is that you need to write a lot of applications and hope to win a couple [...]. The other thing I see is that because you work project-based, which is short-term, once your project is done, your sponsor is happy with the goal, you do not have funding for the follow-ups, your long-term goals. Every NGO has a long-term goal. So you go from project to project, short-term, without the possibilities to really work on long-term goals. I don't see much improvement in this corporate idea. The corporate approach in civil society is really a very bad thing." (Interview N6)

When asked about the challenges the respondents' own organisations have faced over the previous 12 months, respondents mentioned many of the same challenges they perceive to threaten civil society in general (see Table 4 for an overview of the challenges to respondents' own organisations). Again financial challenges are prominent. One example of a financial challenge given by a respondent is that corporations and corporate foundations increasingly prefer to donate resources rather than money. They want to support civil society, for example, through corporate volunteering and not with monetary donations. It is difficult for CSOs to accommodate this change. This is also reflected in the interview with the academic expert:

"Companies are less inclined to *only* give money, so it is not that they are not giving money anymore, but at the same time they also want to engage their employees in volunteering. And that is something that is challenging for non-profit organisations [...], because it sort of challenges the traditional ways of how they are used to fundraise. Because it is not only about fundraising anymore, or about having a good relationship with your big donors, it is also a sort-of in-between the position of a fundraiser and a volunteer manager, because you have to create meaningful volunteer opportunities for employees of companies. And companies have certain ideas of what they want to do, which might also be challenging to the non-profit as it might not be what they actually need. The interesting thing is that as soon as, from my research, the companies are engaged with their employees, they are also more willing to give money." (Interview N8)

Table 4 Major challenges (specific to own organisation)

Source: 2017 survey

What kind of challenges has your organisation faced over the last 12 months?	Summary of open answers – Challenges to specific organisations	
Financial challenges (N=15)	Difficulty finding (non-earmarked) funding and decreasing funding from different actors, including government, charitable lotteries, companies and private donors	
Attracting and retaining donors / volunteers (N=12)	Difficulty (need for new ways of) finding board members, volunteers and donors, declining number of volunteers and donors	
Internal organisational challenges (N=11)	Difficulties in collaboration within CSO (for example between fundraising and project department), changing governance models, staff training and high staff retention	
Public Relationships (PR) and marketing CSO (N=4)	Communicating message to the public	
Legal framework (N=4)	Adapting to changes in CSO regulation and general regulations, high administrative burden	

Respondents indicated that the organisations they work for find it difficult to find new donors and volunteers and keep existing ones loyal. Respondents also mentioned challenges within the organisation. These include a difficult relationship between the organisation's fundraising department and the project development department. These departments need to cooperate to be effective, but they may also have conflicting interests as the fundraising department is looking for the most relevant project for donors while the project development wants to target the most urgent needs of beneficiaries. Another internal organisational challenge mentioned is to find and retain staff with the right qualifications and competencies.

"[...] a lot of organisations are struggling to get high level personnel, high, good personnel to provide the best work to the organisations. [...] There are different reasons. First of all, there is hardly any professional training at the university, or higher level education towards a career in the non-profit sector. [...] It is not established yet for the sector. I think a lot of people don't see it as a profession whereas I know it is. Another thing of course is the salary and the tight market right now because there is a lot of competition from other sectors. We have been noticing that the people that we hire have higher demands [...]. That means that you need to have a very attractive organisation [...], you need to aim for the intrinsic motivation and the intrinsic gain. And for that, you need to know what exactly you stand for." (Interview N3)

Table 5 Solutions and best practices

Source: 2017 survey and interviews

Has your organisation found any good solutions to the challenges you mentioned?	Summary of open answers – Best practices	
<b>Challenge: Declining funding</b> Attracting new sources of funding / diversify funding portfolio (N=16)	Find alternative / diversify sources of funding, for example from corporations, other CSOs and private (major) donors, develop innovative fundraising, including storytelling and implementing new technologies such as advanced data management systems, online platforms and crowdfunding tools	
<b>Challenge: Attracting and retaining donors, volunteers</b> Communicate to, connect or collaborate with stakeholders, including donors and beneficiaries (N=12)	Communicate impact of CSO to donors, find connection with private donors and volunteers, facilitate involvement of donors in (new) projects, design communication around the needs of donors, involve beneficiaries	
<b>Challenge: Competition and collaboration between CSOs</b> (from eight open interviews)	Find ways to meaningfully collaborate with CSOs working in similar field	

## Solutions and best practices

Table 5 summarises the responses about solutions to the challenges posed to CSOs. The majority of respondents elaborated on the best practices for challenges such as declining funding and attracting and retaining donors and volunteers. Interview answers highlighted a third best practice, namely how to best deal with competition and collaboration between CSOs.

### Challenge: Declining funding

The clear solution provided by respondents for organisations to deal with declining funding is to diversify the funding portfolio. Respondents also elaborated on this approach in interviews. This is an example from an organisation that initially was primarily dependent on centralised government funding, but is now working towards raising income from foundations and local municipalities too:

“Another challenge is funding. We heavily depend on government funding, but more and more we need to look for alternative funding and that works well. We are sort of branching out [widening our approach], so we get more private funding from foundations and from local cities.”  
(Interview N3)

Few respondents and interviewees indicated *how* they successfully diversified their funding portfolio. This may indicate that this is something that CSOs think is a great solution to the problem of declining funding, but they do not have clear ideas on how to execute it. The academic expert (Interview N8) mentioned a tool, which helps organisations calculate how to best diversify funding.<sup>7</sup> She also provided advice in relation to attracting funding from corporations, a source of funding which survey respondents indicated they found difficult to attract:

“If you want to collaborate with companies, don’t always ask for money. [...] Because that is simply not what they want to give first. [...] I see corporate volunteering, sometimes, more as an introductory to your organisation, to engage them, let the employees and the company really see who your organisation is and what you stand for and what you need, what the actual needs are. Then you can build a deep relationship with the organisation and also ask for other resources, such as money or means.” (Interview N8)

### Challenge: Attracting and retaining donors and volunteers

In order to attract new donors and volunteers and keep existing ones loyal, respondents indicated having developed (communication) strategies to better connect with external

<sup>7</sup> Only available in Dutch: <https://www.rsm.nl/research/departments/business-society-management/maatschappelijke-betrokkenheid/maatschappelijke-organisaties/>, can be found under the heading “Financieringsstructuren”.

stakeholders, including members, donors and volunteers and to show the impact of the organisation's work. It is of great importance that a CSO understands its identity and aims, its mission and how to accomplish it.

"We are always listening to what the donors say. I think that is key. We ask everybody that is in contact with the donors, the stakeholders, always ask them for feedback. And I think that's a very good and important thing. It is face-to-face, or by survey on the Internet, or it is by survey with people attending the meeting or looking for something on the Internet. We always ask for feedback. And next, we do something with feedback, that's very important. So I think that's really something we do very well." (Interview N4)

One respondent indicated that her organisation reframed communication messages so they resonated more with donors. Rather than communicating what the organisation thought relevant, they asked donors what they found relevant and designed their communication around those messages. The beneficiaries, the people, or organisations receiving the funding, could also be relevant additional stakeholders to involve in communication and strategy. Too often these stakeholders are left out, which can result in misrepresentation of the issues that CSOs work on.

Other respondents recommended focusing on the development of innovative fundraising strategies. One such recommended by several respondents was the use of storytelling in communication with donors. Using the stories of beneficiaries and how the organisations' intervention helped those beneficiaries resonates strongly with donors. New communication strategies for donors also increasingly incorporate multiple sources of communication including not only the direct sending of letters (direct mail), but also new social media and informative magazines. These strategies are facilitated by new technologies such as the use of intelligent software to track 'donor journeys' in fundraising and the use of technology to connect with and inform different types of stakeholders:

"I think one of the innovations that we are using is that we use technology. [...] We build an internet platform and we use the webinar technology." (Interview 1)

In order to involve donors and volunteers more, respondents indicated offering them experiences. One organisation, for example, brought all donors to a conference they had funded in London. This showed the donors what was done with funding and built stronger relationships with those attending. Another organisation funding research offered donors the opportunity to visit laboratories where the funded research was conducted.

### **Challenge: Competition and collaboration**

Respondents revealed that CSOs see the competition for funding between CSOs as a challenge. A solution can be for CSOs to collaborate more on projects, or even merge. An example of the latter is provided by two CSOs active in funding Alzheimer research and patient care. As their missions were similar they merged. Mergers are rare and not without difficulties. Often CSOs with similar missions may work on different issues and have large



organisational differences such as size, history, organisational culture (including religious nature) and location, which can complicate merging. Collaboration between CSOs with similar missions is hence more common and realistic. Interviews revealed some insights about the best practices in collaboration between CSO organisations:

“I think it starts with mentality. [...] It is a dilemma of choosing what is the best for your organisation versus what is the best for society. You might have more funds and better financial income if you keep ideas and knowledge for yourself but it might be better for society if you share the information. [...] If you have three NGOs fighting, no, fighting is a strange word, being after donations of a certain rich person, then it is somehow logical and understandable that they go for this donation as a short-term goal. The bigger goal, the higher dream should be what is the best for the patients. So sometimes you'd better not see other NGOs working in the same field as competitors but try to work together as much as possible because that is the best for the patients.” (Interview N4)

“We have a good network with other volunteer organisations in the informal care field. We work together a lot and we form a network. And together we speak to the local government. [...] What we do when we have a common problem to solve, we make a round table and that works. Including the local government and including the different actors and then sit around the table [...]. Together we can solve it [...]. Because you need each other for the problems to be solved you need to do it together.” (Interview N2)

Several survey respondents indicated that daily targets and deadlines meant there was no time to work on issues they had identified, including declining funding and the attraction and retention of donors and volunteers. In addition, respondents said that they did not see any urgency to work on identified issues.

## International cooperation

The extent of international cooperation depends on the nature of the CSO, including the level it works at (e.g. national/local) and the sector it works in (e.g. youth and children/social service). Some CSOs, especially small ones, said they have no international experience. They are more vulnerable to a lack of human and monetary resources, which constrains access to international cooperation and makes them less able to bear the uncertainties of international engagement:

“We would like to concentrate on that [collaboration in the Netherlands], instead of, talking with people abroad, and spending a lot of time and money on that.” (Interview N1)

“I don't know what they can bring, but often it costs a lot of time because if you are part of an international organisation you have international staff meetings, or conferences. And it takes away so much time of my staff.” (Interview N2)

Larger CSOs tend to be more involved in international cooperation. Equipped with more resources they have more opportunities to incorporate international elements into their work. They can either take the initiative to launch international cooperation with other CSOs, or be invited to take part in international projects:

“For example with [Cancer organisation in the UK] we have an exchange of ideas and information and best practices. We also recently financed a huge international study that they couldn't finance on their own and we can't finance on our own, so then you just stick together and make it possible.” (Interview N4)

8 For more extensive discussions of the challenges to civil society in the Netherlands and to learn more about best practices see the open-ended responses from survey participants and read the transcripts of the interviews, which are available at the Open Science Framework at <https://osf.io/5xdus/>. There is a wealth of information which could not be included in this report because of limited space.

## Conclusions

CSOs describe the context in which they work as being positive. The majority of respondents indicated favourable legal conditions, financing, private donations, public opinion and volunteering. This does seem to depend on the field in which CSOs work. Sentiments of nationalism mean that CSOs working on political issues, or issues that can be easily politicised, such as human rights, or migration, are more likely to be subject to less favourable conditions than counterparts working on issues less easily politicised. The political environment is considered to be not very favourable by 45% of respondents. Several respondents and interviewees stressed the difficulties they encounter because of the government's withdrawal from their policy fields with the consequential decrease of political and financial support. The main challenges civil society and CSOs face relate to decreasing financial support, difficulties in attracting and retaining donors and volunteers, diminishing public trust and internal organisational challenges such as hiring and retaining well-trained professional staff. The respondents and interviewees provided a range of best practices for CSOs, those highlighted being in relation to the diversification of funding portfolios, the attraction and retention of donors and volunteers and collaboration between CSOs.<sup>8</sup>

There are some limitations to this report. First, both the survey and the interview responses are not representative enough for all Dutch civil society. They reflect the opinions of those working at CSOs active in the human rights and democracy, international aid, social services and healthcare sectors. The low number of survey respondents (N=45) increases the possibility of biased or non-representative outcomes. This report reflects the authors' knowledge and ideas about civil society in the Netherlands; it may well be that other scholars would have highlighted other stories and statistics.

## References

Bekkers, R., Schuyt, T. N. M., & Gouwenberg, B. M. (Eds.). (2017) *Geven in Nederland (Giving in the Netherlands)*, Amsterdam: Lenthe Publishers.

Bekkers, R. (2003) 'Trust, accreditation, and philanthropy in the Netherlands', *Nonprofit & Voluntary Sector Quarterly* 32: 596-615.

Belastingdienst (2012) 'Algemeen nut beogende instellingen (public benefit institutions)', available at [https://www.belastingdienst.nl/wps/wcm/connect/bldcontentnl/belastingdienst/zakelijk/bijzondere\\_regelingen/goede\\_doelen/algemeen\\_nut\\_beogende\\_instellingen/belastingregels\\_algemeen\\_nut\\_beogende\\_instellingen](https://www.belastingdienst.nl/wps/wcm/connect/bldcontentnl/belastingdienst/zakelijk/bijzondere_regelingen/goede_doelen/algemeen_nut_beogende_instellingen/belastingregels_algemeen_nut_beogende_instellingen) (accessed 26 September 2017).

Belastingdienst (2017) 'Fiscal incentives for donations', available at [https://www.belastingdienst.nl/wps/wcm/connect/bldcontentnl/belastingdienst/prive/relatie\\_familie\\_en\\_gezondheid/schenken/giften\\_aan\\_goede\\_doelen/hoeveel\\_aftrek\\_krijg\\_u/hoeveel\\_aftrek](https://www.belastingdienst.nl/wps/wcm/connect/bldcontentnl/belastingdienst/prive/relatie_familie_en_gezondheid/schenken/giften_aan_goede_doelen/hoeveel_aftrek_krijg_u/hoeveel_aftrek) (accessed 18 July 2017).

Brandesen, T. and Pape, U. (2015) 'The Netherlands: The paradox of government–nonprofit partnerships', *VOLUNTAS: International Journal of Voluntary and Nonprofit Organisations*, 26(6): 2267-2282.

Burger, A., Dekker, P., Toepler, S., Anheier, H., Salamon, L. (1999) 'The Netherlands: Key features of the dutch nonprofit sector', in L. Salamon, H. Anheier, R. List, S. Toepler, S. W. Sokolowski (eds.), *Global civil society: Dimensions of the nonprofit sector*, Baltimore, MD: The John Hopkins Centre for Civil Society, pp. 145-162.

CAF (2015) 'CAF world giving index 2015: A global view of giving trends' CAF Annual Report, London: Charities Aid Foundation.

CBF (2012) 'Statistics on funding provided to civil society by registered organisations per sector', 2012, available at <https://www.cbf.nl/sectorbrede-informatie/verdeling-sector/> (accessed 18 July 2017).

CBS (2017) 'Inhabitants in the Netherlands', available at <https://www.cbs.nl/nl-nl/visualisaties/bevolkingsteller> (accessed 18 July 2017).

Center for Global Prosperity (2015) 'Index of Philanthropic Freedom 2015', Washington, DC: Hudson Institute.

Habraken, R., Meijs, L., Schulpen, L., Temmink, C. (2013) 'Dutch civil society at crossroads', *Development in Practice* 23(5-6): 742-754.

Lijphart, A. (1968) *The politics of accommodation: Pluralism and democracy in the Netherlands*, Berkeley, CA: University of California Press.

OECD (2017) 'Social expenditures – aggregated data', available at [https://stats.oecd.org/Index.aspx?DataSetCode=SOCX\\_AGG](https://stats.oecd.org/Index.aspx?DataSetCode=SOCX_AGG) (accessed July 2017).

Salamon, L. M. and Sokolowski, S. W. (eds) (1999) *Global civil society: Dimensions of the nonprofit sector*, Baltimore: John Hopkins University.

Salamon, L. M., Sokolowski, S. W., & Associates (2004) *Global civil society: Dimensions of the nonprofit sector*, volume two. Bloomfield, CT: Kumarian Press.

Salamon, L. M. (2010) 'Putting the civil society sector on the economic map of the world', *Annals of Public and Cooperative Economics* 81(2): 167-210.

Wiepking, P. and Handy, F. (eds) (2015) *The Palgrave Handbook of Global Philanthropy*, Hampshire: Palgrave Macmillan.

WWAV (2007) 'Publieksvertrouwen in de goede doelensector: onderzoeksrapportage mei 2007', Woerden: WWAV.

## Interviews

Interview N1: National sector organisation for CSO organisations

Interview N2: Local chapter of national CSO active in social services

Interview N3: National CSO active in youth, civic and vocational education

Interview N4: National CSO active in health

Interview N5: International CSO active in international healthcare

Interview N6: International CSO working in the sphere of human rights and democracy

Interview N7: International CSO working in the sphere of human rights and democracy

Interview N8: Academic expert in nonprofit management



# Italy

39	Civil society sector in numbers
40	Legal framework and political conditions
43	Data
44	Challenges
48	Solutions and best practices
52	Conclusions
53	References

# Italy: Stability in light of growing challenges



By Simone Poledrini

Italian CSOs are characterised by a variety of forms in which citizens gather and mobilise resources and act in the public policy arena by using power and responsibility to protect rights, look after heritage and support people in difficulty. In Italy the term CSO is relatively recent and is less used than that of Nonprofit Organisations (NPOs). Some authors claim the two words have overlapping but not identical meanings, while for others the two terminologies are almost identical (Barbetta & Maggio, 2008). According to the first group of scholars (Moro 2005 and 2009), the two terms are distinct because CSOs are organisations that predominantly do not have a form recognised by law, for example movements and groups of citizens. However, there can be CSOs with legal structures, such as associations, committees, and volunteer organisations, but they are marginal in respect to those not recognised by law. The term NPO means structures that are mostly identified by law and are more organised. According to the second group of authors (Borzaga & Fazzi 2014, Poledrini 2015), which is in the majority, the two terms are synonymous. For example, the Italian National Institute of Statistics (ISTAT) uses the word NPOs predominantly to indicate CSOs. Here, the two terms will be used equivalently.

Italian CSOs have, throughout the centuries, dealt with moments of development and crisis. Italian CSOs began during the Middle Ages when they spread in the cities known as Comuni (Bruni, 2012). Comuni were city-states independent from the power of the Emperor and the Papacy. The principles of freedom and democracy were at the base of the Comuni. Within the Comuni, citizen life was characterised by a high participation in the political and associative life of the city, so citizens, along with religious orders, created the first experiences of what have now become hospitals, universities, banks, orphanages, and so on. The birth of the modern Italian nonprofit sector, as it is known today, is traced to the 1980s when the government made significant reforms, such as the adoption of the principle of horizontal subsidiarity in article 118 of the Italian constitution. According to this new article, the initiative of citizens cannot be stalled by the national government, and the government must intervene if CSOs fail to operate.

## Civil society sector in numbers

According to the last census conducted by ISTAT in 2012 (the first was in 1999, and the second in 2001) there were 301,191 non-profit organisations in Italy in 2011 (+ 28% compared to 2001). The increase concerns almost all regions, with results above the national average in the Centre and Northwest (32.8% and 32.4% more than in 2001). Nonprofit organisations have 4.7 million volunteers, 681,000 employees, 271,000 external workers and 5,000 temporary workers. Four out of five institutions use voluntary work, while 13.9% of NPOs employed paid staff, and 11.9% employed external workers. On average, NPOs can count on 16 volunteers, two employees and one external worker. This composition can vary considerably depending upon the sector, the organisational structure adopted and the location. The culture, sport and recreation sector is the heartland of the NPOs, with more than 195,000 institutions, accounting for 65% of the total nationally. The social welfare sector (including civil protection activities) has 25,000 nonprofit institutions (8.3% of the total), and

the rest is 26.7%. For 86.1% of charitable organisations, the primary source of funding is from private sources, while in 13.9% of cases it is public. Among the regions with higher percentages of nonprofit institutions with a principal source of federal funding is Sardinia (26.2%). Conversely, Veneto (10.9%) and Emilia-Romagna (9.6%) are the regions where the dependence on public funding is lower. Institutions that are predominantly active in health; social assistance and civil protection; and in economic development and social cohesion use more sources of public funding (36.1%, 32.8%, and 29.9% respectively). The use of private source revenues is more widespread among institutions operating in the fields of religion (95.5%), trade unions and representation of interest (95.3%), international cooperation and solidarity, sports culture recreation (both 90.1%), the protection of rights and political activity, philanthropy and volunteering (88.7% and 86.7% respectively).

## Legal framework and political conditions

NPOs can have one of the following as a legal status: Recognised associations, non-recognised associations, *de facto* organisations, committees, volunteer organisations, non-governmental organisations, and social promotion associations.

- I Recognised Associations are CSOs with legal status. They are constituted by groups of people with a common purpose and a common objective. The law demands that the objectives pursued by members must be not economic or commercial. Associations are constituted by members to pursue objectives of an ideal type, or rather of a non-economic type. Examples of associations might include those of an athletic, recreational, cultural, educational, and social nature. The legal recognition is granted by the president of the Italian Republic, or, if the association operates within a limited geographical area, by the prefect or the president of the region in which the association is based. With this recognition, recognised associations are able to sign contracts and assume obligations, to back up the obligations assumed with their own assets, and to take legal action.
- II Non-recognised associations consist of a wide range of different organisational phenomena, from extremely small recreational and cultural clubs, to large and complex organisations with considerable financial resources. Two of the most diffused CSOs are recreational and cultural clubs or societies and they currently fall within the category of non-recognised associations.
- III *De facto* organisations cover a vast and widely-varied area within the CSOs, which includes rudimentary and small-scale organisations like recreational or amateur sports clubs, as well as larger and more well-known groups with complex and articulated organisational structures. What qualifies these types of organisations is the fact that they are organisations made up of people and assets in pursuit of a common goal (whether economic or not) that have not obtained legal recognition and so do not have legal status. Today, however, many *de facto* organisations are undergoing changes that are rendering them more similar to recognised associations, which have legal status.

- IV Committees can be considered a kind of *temporary association* made up of people with a defined purpose that can be achieved within a limited period of time, such as collecting money to build a library or to fund an expensive operation abroad for a specific person. The committee's organisers and those who manage the collected funds are personally responsible for the handling and allocation of the same.
- V Volunteer organisations, which consist of freely constituted organisations that conduct volunteer activities, were instituted with Italian Law no. 266 of 11 August 1991. Volunteer activities are defined as activities that are performed personally, spontaneously, and free of charge by the organisation to which the volunteer belongs, without a profit-making goal and exclusively for charitable purposes.
- VI Non-governmental organisations are focused on their development cooperation activities and are recognised by the Ministry of Foreign Affairs and are included in a specific list. The main Italian NGOs are Emergency, Italian Caritas, Community of Sant'Egidio, Nobody Touches Cain, Legambiente, etc. To be considered as 'non-governmental', organisations must obtain recognition under the Foreign Ministry, under the law of 26 February 1987, no. 49. Italian NGOs are mainly active in the health sector, in training, in environmental issues, in defence of labour rights, the fight against poverty, humanitarian aid, assistance to refugees, and protection of human rights. All of these activities are aimed at helping developing countries.
- VII Social promotion associations carry out social benefits for all citizens, without having a profit aim. Social promotion associations were introduced and regulated by the legal system for the first time with the law of 7 December 2000, no. 383. The main types of social promotion associations are movements and groups.

As for the most important recent political and public discussion conditions under which CSOs operate, it is possible to analyse them in three sets of criteria: (i) legal regulation and political conditions, (ii) mass media campaigns, and (iii) public opinion and discussions.

- I Legal regulation and political conditions are a disputable issue since in recent years there have been different and opposing paths. Freedom of association is protected by law, and citizens are free to establish CSOs. However, this is not enough, since a democratic government is supposed to support and promote CSOs, so two main phenomena are worth mentioning.

On the one hand, national legislation has been amended to protect and enhance CSOs, for example the annulment of the so-called "Crispi Law". Under this law, all care activities had to be organised in the form of *Istituzioni di Assistenza e Beneficenza IPAB* (Care and welfare institutions), and as such, they should be public. This law excluded CSOs from operating because of private organisations. In 1988 the Italian Constitutional Court, recalling article 38 of the Italian Constitution, which provides for a choice of assistance, established that assistance was not a public monopoly, and so private organisations had the "right to set up" their organisation to provide amenities to citizens. It is important to recall the above mentioned adoption of the principle of horizontal subsidiarity

in article 118 of the constitution in 2001. Another important legislative measure that facilitated the development of CSOs was the introduction of “5 per thousand” (5x1000) in 2006. Taxpayers can allocate some of their income tax to the financial support of CSOs without further deductions. Finally, on August 3, 2017 the parliament approved the new Single Code (Dlgs 117/2017), which compiles tax provisions for nonprofit institutions and rewrites the rules for the ONG, volunteering, and social promotion associations. This combines in a single text the considerable amount of laws that existed before. It removed many laws, established a unique register of CSOs, while before there were many, and gave relevant financial resources to support CSOs.

However, in many cases, the legislation did not effectively support the diffusion of CSOs. For example, the above-mentioned 5x1000, although introduced in 2006, has not yet become a norm, so it is renewed year by year by the government. This confuses citizens who have to restate the allocation each year and therefore it limits the ability of CSOs to plan budgets. In addition, the money comes to CSOs several years after being donated by citizens and only after a tedious bureaucratic procedure for CSOs. One of the causes of the inefficiency of 5x1000 is the moral and intellectual decay of the political class. After several severe corruption cases, the political class seems increasingly less interested in helping the country to address its problems. An example of this decay is seen in the lack of dialogue between politicians and CSOs where a few years ago there was typically a politician in each party whose task would be to hear the concerns of CSOs. In short, the political conditions for CSOs are problematic.

- II Mass media campaigns. Mass media have always been reasonably positive about CSOs. However, in recent years things have changed as a result of a series of campaigns conducted by the leading mass media against the nonprofit sector. This began at the end of 2014 when the scandal “capital mafia” surfaced. Italian magistrature found some social cooperatives had bribed politicians and public officials to win a contract. These social cooperatives did not carry out the social assistance services for which they had been paid. In the summer of 2017, there was further scandal involving NGOs. The magistrature accused some NGOs of collaborating with immigrant traffickers. There is substantial culpability of the CSOs involved, but the media have dealt with the issue as if it included all Roman social cooperatives and NGOs whose purpose is welcoming immigrants. Every day the vast majority of NGOs which welcome immigrants do it very well, yet there is little evidence of that in national mass media, but a lot of weight has been given to the few cases of corruption.
- III Public opinion and discussion. As a result of the above, public opinion about CSOs has changed. Public opinion was very favourable of and confident in CSOs, but it is no longer so. A recent study on the degree of trust of citizens towards volunteering conducted by Eurispes (2016) shows that the confidence index has gone from 78.5% in 2007 to 73.8 in 2016. The reduction of trust brings about a contraction of citizen donations to CSOs.

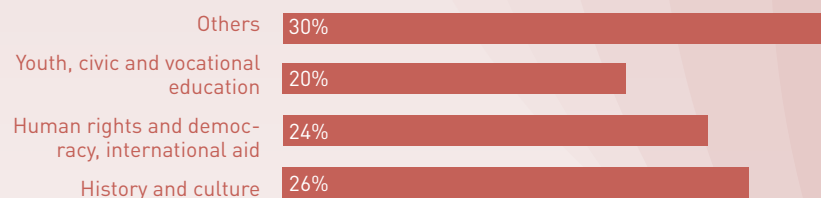
## Data

Research was in two main phases. In the first, Italian members of the EU-Russia Civil Society Forum (Antigone, Cittadinanzattiva, Legambiente, Memorial Italia and Trepuntozero) were asked to: (i) Evaluate the questionnaire and provide feedback to improve it. Since the questionnaire was in English in its original version, it was necessary to ascertain the clarity of the questions in its translated version; (ii) To suggest “second level organisations” in Italian civil society to whom requests for email addresses of their associates would be made. In practice, the snowball methodology of research was used for sampling (Biernacki & Waldorf, 1981; Goodman, 1961). All Italian forum members, apart from Trepuntozero, participated in the compilation of the questionnaire and provided the required information. Forum members suggested the following “second level organisations”: CILD, AICI, Forum del Terzo Settore (Third Sector Forum), and AICIS. These “second level organisations” filled in the questionnaire and provided the emails of associates: CILD provides 32 CSOs emails, AICI 108, Forum del Terzo Settore 78, and AICIS 188. So the sample was composed of 410 CSOs and three “second level organisations”, since AICIS provided the emails of its associates but it did not fill in the questionnaire. On 5 June 2017, the questionnaire was sent to all the components of the sample, and on 26 July the survey ended. A total of 66 out of 413 were acknowledged, which corresponds to 16%.

Respondents came from the following policy areas: history and culture (26%); human rights and democracy; international aid (24%); and youth, civic and vocational education (20%). A total of 20 CSOs answered “others” (Figure 11). It is not possible to identify which sectors are related to “others” because the questionnaire did not provide for their specification. 80.3%, equal to 53 CSOs, responded to being a “registered non-governmental, non-profit organisation”, 6.1% “non-registered organisation/grassroots initiative” and 13.6% “others”. Nobody claimed to be a “non-registered/big social movement”. The majority of CSOs in the survey are more than 20 years old (72.7%) and 15.2% are aged between 11 and 20 years. There are 12.1% are between one and 10 years old. None are younger than one year. More than one-third of respondents are active in medium-size organisations with 10 to 50 active members and volunteers (34.8%) and with more than 51 active members and volunteers (51.6%); 13.6% speak about small organisations with fewer than 10 people. The scope of their activities is mainly at the international and national level, only a few answered that they worked at the local or regional level.

Figure 11  
Participants in  
the survey by  
field of activity

Source: 2017  
survey



In addition to the questionnaire, seven in-depth interviews were conducted with respondents who indicated their availability in the questionnaire. Those interviewed come from different CSOs, differentiated by their legal standing and their field of activity. The participants were chosen using criteria such as relevance to the best practice indicated in the survey, and the umbrella organisations they belong to.

## Challenges

The challenges of CSOs are presented here after an analysis of the respondent’s answers to the online survey. The first question was about the general evaluation of the current situation. A total of 62.1% of respondents assessed the status of their organisation as “better”. Only 12.1% of interviewees observed a deterioration of their organisation’s situation over the past year. 18.2% declared “stayed the same” and 7.6% of respondents found it difficult to answer the question (Figure 12).

Figure 12  
Evaluation of the situation over the past three years for respondents’ organisations

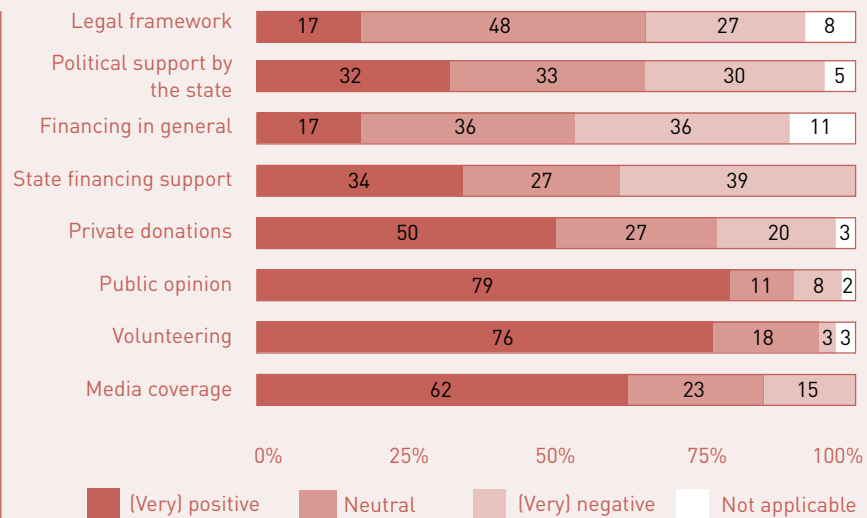
Source:  
2017 survey



The answers to question 2 demonstrate how respondents evaluate the 'context conditions'. Respondents assess as 'positive' and 'very positive' public opinion (79%), volunteering (76%), media coverage (62%) and private donations (50%). The category 'state financial support' received the highest number of 'negative' and 'very negative' evaluations, followed by 'financing in general' with 36%. The category 'legal framework' received the highest number of 'neutral' or 'not applicable' responses with the overall percentage of 56%.

Figure 13  
Evaluation of the context conditions for respondents’ organisation

Source:  
2017 survey



Questions about the challenges (questionnaire numbers three and four) covered the three greatest challenges that CSOs and interviewees faced in 2016. A total of 62 interviewees responded, pointing to 137 “challenges” for all CSOs and 108 for interviewees. Some of the challenges were repeated several times. The responses have been grouped into eight main macro-typologies of “challenges”: I) *Aim* is about the CSOs’ goal; II) *Economy* relates to the CSOs’ economic and financial situation; III) *Nonprofit* refers to the challenges within the nonprofit sector in its general aspects; IV) *Government* means all the issues with respect to the central and local government; V) *Public opinion* refers to the relationship between citizens and CSOs; VI) *Legal framework* is related to the national and regional legislation

about CSOs; VII) *Mass media* concerns the impact of national and local news media on CSOs; VIII) *Management* refers to organisational and strategic issue of CSOs.

As Table 6 shows, the most common issues for CSOs' challenges fall under the category of Aim. These were mentioned 37 times. Then comes the economy (26), nonprofit (25), government (19), public opinion (15), legal framework (9), and mass media (6). There was no concern about management in the challenges for CSOs. In the category of 'aim', the theme of migration accounted for about 35% of responses, and unemployment, with particular attention to youth unemployment, 19%. On the issue of helping immigrants one interviewee said:

"There is no doubt that today for Italian NGOs, immigration is the main change they are facing. To meet this, many NGOs have had to rethink their way of working. Many of these have also been able to do it with great success. In this regard, it is worth mentioning the history of Camini, a small village in the South with a population of 800. The village has welcomed 80 refugees, and this has led to the country(side's) rebirth. Here the refugees take care of abandoned houses, clean and repair the village streets. In many cases, they take care of the old people who were left alone." (Interview IT 4)

Among the economy challenges, the economic crisis and the resulting fall in fundraising accounted for 46% of responses. One respondent wrote:

"Since 2009, because of the economic and financial crisis, the Italian government has completely cut off the funding it provided to us, this has required of us a tremendous effort to change." (Interview IT 3)

In the nonprofit section, several changes have been identified that CSOs will have to tackle. First, CSOs do not have large bodies representing the sector which are able to meet the needs of civil society by influencing public opinion, politics or institutions. Then in many cases, the CSOs instead of collaborating and helping each other, "waste" energy in futile competition. In one of the answers to the questionnaire an interviewee stated that now in civil society:

"There is a polarisation between large organisations and small, with the latter likely to decline considerably because of lack of resources." (Interview IT 6)

In the government section, the changes that have taken place in recent years are manifold. Among these, one of the most important is the lack of dialogue between CSOs and politicians, which had existed until a few years ago. An interviewee said:

"Until a few years ago there was a person responsible for justice in all political parties, and this person was known to us, and was interested in hearing our concerns." (Interview IT 1)

The main changes highlighted in the public opinion section are problematic aspects related to the lack of participation and a growing climate of hostility shown towards CSOs. In one of the responses to the questionnaire, it was stated:

“In general, the public perception has worsened due to superficial media campaigns linked to specific cases generating growing public distrust.” (Interview IT 6).

The following significant challenges were addressed in the legal framework section and were about: labour legislation, reform of international cooperation, reform of the third sector, new law on cooperation and similar trends, modification of the regulatory environment in general and regulation of 5x1000. In the mass media section these challenges were highlighted: access to the press to communicate the activities of CSOs; the continuing attack on the reputation of the third sector through real campaigns against NGOs, for example those for African migrants. None of the interviewees mentioned management challenges in question three.

Question four asked about the particular challenges CSOs have faced in the last year. The answers partly overlapped with the responses from question three. Most CSOs did not see a large difference between the situation of their organisation and the development of civil society in general. However, some interesting observations can be made. Table 6 demonstrates that about 80% of the answers focused on three areas: economy, management, and aim. Answers given about economy and aim in question four are quite similar to comments in the previous question. However, the challenges related to management within individual CSOs were not present before, and so it can be said that these answers provide the major difference between this question and the previous one. Among challenges highlighted, there is an emphasis on the need to improve the communication of CSOs. One respondent said in the questionnaire:

“We need to provide our supporters with timely and transparent information on their donations. Indeed, within the CSOs’ world, there is no culture and policy of communicating the activities that take place.” (Interview IT 2)

The other aspect highlighted is training, and a questionnaire answer said:

“Organisational strengthening of our organisation needs to be achieved through continuous training of volunteers and management of our structure. In fact, these are not prepared for the new challenges that Italian CSOs are facing today.” (Interview IT 1)

The remaining areas show the following main challenges:

- I Legal framework: Reform of the labour law and of the third sector act, Improve law on social enterprise and the civil service; Changing Law 125 about NGOs; Making new legislation about immigration since the situation has dramatically changed over the past few years.
- II Government: Relations with institutions; Bureaucratic difficulties.



Table 6 Major challenges for CSOs

Source: 2017 survey

	Whole CSOs faced	N	Interviewed faced	N
Aim	Violation of civil and human rights; Global injustice; Peace; Defense of representative democracy; Environment preservation; Global health challenge; Inequalities; Social status; Young unemployed and work in general; Reception and integration of migrants; Poverty; Reduction in social isolation.	37	Right to study; Pension insurance; Dissemination of philosophical heritage; Promotion of Friulian language and culture; Awareness of the issues of globality and rights; Eligibility of archival patrimony; Difficulties in accessing isolated populations in hazardous areas.	24
Economy	Economic crisis and therefore decrease in fundraising; Difficulties related to the earthquake; Problems in pursuing social goals in a context of significant contraction of public support; Economic sustainability.	26	Obtaining funds for projects; Find private funding; Auto financing; Economic sustainability; Remarkably increased donation from private individuals.	32
Nonprofit	Unit representation; Competition with other CSOs; Polarisation between large organisations and small; Unclear involvement of some third party realities in the use of funds raised; Build a network of volunteers; Find clear goals and indicate possible solutions.	25	Ability to network between associations; Sharing common projects; Upgrade the third sector with new technologies and communication tools.	3
Government	Interfering with politics; Lack of transparency and objectivity in the allocation of financial contributions of public origin; Presence of "punitive" control forms masked as audits on public recognition requirements; Arbitration in the choice of counterparties or interlocutors by public authorities.	19	Relations with institutions; Bureaucratic difficulties.	6
Public Opinion	Interfering with public opinion; Lack of participation; Shrinking of civil society space; Impact on public opinion; Public perception has deteriorated because of defamatory press campaigns; Generational replacement.	15	Awareness of public opinion lack of education on the principles of democracy, participation and culture.	2
Legal Framework	Labour law; Reform of international cooperation; Third sector reform; New Italian law on cooperation and similar trends; Changing the regulatory environment; Regulating 5x1000.	9	Reform of the labour law and of the third sector act, Improve Italian law on social enterprise and the civil service; Changing Law 125 about NGOs; Making a new legislation about immigration since the situation has dramatically changed over the past few years.	8
Mass Media	Media access; Lasting attack on the reputation of the world of the third sector, such as negative media campaign against NGOs.	6	Mass media space; Insufficient media attention.	2
Management		0	Accessibility to "digital Italy"; Increase the skills of young staff and involve them in governance; Communication (providing supporters with timely and transparent information on their donations); Internal coordination/roles structure; Poor participation of members; Organisational strengthening through continuous training of volunteers and management of the structure.	31

- III Nonprofit: Ability to network between associations; Sharing common projects and upgrade the third sector with new technologies and communication tools.
- IV Mass Media: Mass media space; Insufficient media attention.
- V Public Opinion: Awareness of public opinion lack of education on the principles of democracy, participation and culture.

Thus, they do not differ significantly from the answers given to question three.

## Solutions and best practices

The online survey question number 5 and interviews both addressed how CSOs responded to the challenges and their primary best practices. Question 5 was answered by 61 CSOs while interviewees totalled seven, as described above in the “Data” section. It is not possible to show all the best practices outlined in the interviews and described in the questionnaire, so the most significant will be presented below. Specifically, the best practices presented are grouped into five categories: I) communication, II) finance, III) partnership, IV) social innovation, and V) remote working.

### Communication: Use of social media tools and communication technologies

In the answers given to question four, respondents indicated the need to improve and modernise the communication of activities carried out by CSOs. This best practice is not just to emphasise the importance of social media tools and communication technologies, and therefore their use, but their professional and systemic use. Usually CSOs have an internet site and they use the most common social media, such as Facebook. However, it should be remembered that social media availability is much wider and involves at least the following additional tools: Google Plus, YouTube, Vimeo, Myspace, Twitter, Instagram, LinkedIn, and Flickr. These tools have the advantage of reaching a vast pool of users and being readily available to most of the population. Moreover, they work in real time, i.e., when the information is online it is available for access, and they guarantee permanence, in the sense that once created, they can stay indefinitely and have little cost. One respondent recounts his experience of how communication of their activity has improved through the use of social media and communication technologies:

“Today, unfortunately, however paradoxical it may seem, not all Italian CSOs take full advantage of the existing potential behind social networks, such as a website, LinkedIn, Facebook, Twitter, Instagram and many others. One of the keys to our success in using these tools was the use of a human resource dedicated to this activity. We got positive returns and they have been seen right away.” (Interview IT 1)

In this area, one of the keys to this CSO's success was not just the varied use of more social media, but managing these with funded financial and human resources. In order to

improve CSOs communication it is necessary to dedicate human and financial resources for this task. Yet the communication of CSOs is often overlooked, or made by unskilled and inadequately trained people.

### Finance: New ways of financing CSOs

The many examples of best practices presented in this section show how much this issue is of vital importance to CSOs. According to one respondent, the key to the success of their experience is that:

“Fundraising has been a major issue due to the economic and financial crisis. We have therefore sought new ways to deal with the sources of funding mainly used by Italian CSOs. For us, access to European projects was the answer.” (Interview IT 1)

The experience of one respondent at first seemed somewhat “absurd,” as she claims she did not to see a reduction in available funding sources, but we can see what she was aiming at:

“Following the reduction of financing from the Italian state, we had to look for new sources of support. It was immediately clear that if we wanted to access different sources of support, we had to rearrange our activities to meet what was the donor's demands. All this is not common within CSOs, because it is usually claimed that the donor will bend to what we want to do. Instead, we have followed an opposite logic: we have adapted, without distorting our mission, to the needs of the donors.” (Interview IT 3)

In other words, this best practice case is that the CSO adapted its activities to the demands of the donors and so they were able to get more financial support. Another essential aid to identifying new ways of financing CSOs is the development of collaborative relationships with a second tier association. These are usually used by Italian CSOs for advocacy. However, in recent years, many second tier associations have developed professional skills in fundraising, communication, and so on. As one interviewee emphasised:

“You can use a second tier association, in our case the AICI (Association of Italian Cultural Institutions). They are a help because they give us information on available funding and laws. They are fundamental to getting new ways of financing CSOs.” (Interview IT 3)

Many organisations also witnessed how a change in projecting funding is a necessary step to avoid losing financial resources for supporting their activities.

“The reduction of available funding has prompted in us a change in projecting. The most important change involved the shift from direct evaluation of the project activity to an indirect one. For example, at one time the evaluation of a teacher training project meant evaluating teacher prepa-

ration. Today, students are evaluated as a result of teacher preparation. So in other words, the validity of the training project is assessed on its capacity to be able to train students adequately.” (Interview IT 5)

### Partnerships: Collaboration among CSOs and with corporations

The low level of cooperation between CSOs was identified as one of the main challenges. The lack of collaboration between CSOs and between them and the corporations makes project realisation and resource acquisition more expensive. The experience of one CSO representative is interesting:

One of our excellences is undoubtedly the partnership we have created to develop our alliance against poverty. For the first time in Italy, different parties have collaborated so that they can carry out the same topic. In other words, unity is strength. The aspect that has above all helped us has been pursuing common goals.” (Interview IT 4)

The success story here was that those who participated in the partnership made use of their own experiences and capabilities for the benefit of the other partners.

The importance of partnership is also witnessed by the experience of a CSO in alliance with a corporation. It is worth recalling the difference between financial support from a for-profit organisation for a CSO, and the concept of partnership. In the first case, the collaboration is very limited: contact between the two realities ends in practice in the transfer of financial resources, some sponsorship and communication agreements of the sponsor for advertising purposes. In a partnership, there is a shared objective and the two parties seek, each through their own competences, to achieve a stated goal. Here’s how one interviewee tells his own experience:

“We have a partnership with an important automotive corporation that has a large production facility in a favelas area, and therefore a high vulnerability population. Knowing this, the corporation asked us to help them because they knew we had been there for many years. One of the activities we started was to educate.” (Interview IT 5)

The automotive corporation received an advantageous offer from the Brazilian government to open a production facility in a favelas area. The aim of the project was to reduce the unemployment rate in the area. However, the high delinquency and poverty of the region made the project almost impossible to accomplish due to the lack of automotive corporation expertise. The partnership between the CSO and the corporation allowed the corporation to have the CSO’s skills in education in third world countries, and the CSO to implement a new school project in Brazil. Of course, the negative aspects, or rather the risks of a partnership, must be emphasised. One of them is related to the possible costs that may result from the presence of opportunistic behaviour codes by one or more of the partners. Opportunistic behaviour codes are those actions made by a subject to obtain an advantage in an “involuntary” manner and at the expense of another partner. One respondent says more about it:

“Obviously, then, there are also difficulties, for example, to find a common position for all partners, to undermine individual interests that might conflict with common interests, and much more. But it is worth trying!” (Interview IT 7)

### **Social Innovation: A new way to catch up**

Innovation is the new mode by which a subject produces a good (process innovation), realises a product (product innovation) or is organised to produce or provide a good or a service (organisational innovation). Being innovative has a cost, for example great research centres, but it also has many benefits. Usually the benefits tend to overcome the costs, and for this reason, there are many innovations. One of the main advantages of innovation is the ability to save on production costs in the case of process innovation or to produce a product or deliver such an innovative service to exclude competitors because they do not own the same product/service. One CSO representative said:

“We started building schools in central Africa. It happened that in one of the schools we had a kid who was punished very violently. From this we realised that rather than building schools we had to train the teachers. To do this, we tried to group religious congregations to propose an innovation: to create a school for teachers. This helped us to find the resources we did not have internally and to propose something in Africa that no one had ever thought about before.” (Interview IT 6)

The majority of projects that are funded by Italian CSOs in Africa are aimed at building schools and providing scholarships for needy children. This CSO did something entirely new: it opened a school to train African teachers. In this sense, we can talk about social innovation, because it is represented in the presence of a new social service.

### **Remote working: A step forward in the labour market**

One interviewee recounted her experience of how her organisation has changed to meet the market demand for a new organisation of work:

“One of our good practices is our flexibility of labour, and this differentiates us from the traditional CSOs. This has led us to reach a high level of professionalism. In general, this is a matter in line with the current labour market trend. Our approach is very much focused on the outcome, rather than on how things are done. In other words, we do not have the mentality that we have to be in the office from 8am to 5pm, but we have to reach a goal, and this is the important thing.” (Interview IT 7)

## Conclusions

The present period is characterised by a series of events that are demanding significant changes to CSOs. It could be said that CSOs are called to transform and move from a “traditional” model of civil society to a more modern one. The “traditional” model, for example, was based on the security of government funding sources. For the current model this is no longer the case, because of the significant cuts made to public financing.

Also, the “traditional” model, relying on financial resources assurance, was less attentive in making adequate “accountability” strategies. Therefore, when CSOs “communicated” with stakeholders they did so mainly through the use of traditional methods, such as sending communications by mail, that is to the home of the people, or through a simpler “password”. Nowadays, the whole communication system has changed, mainly among young people, but also among those who are not so young. Today’s communications are done fast, that is, with real-time messages, and use key words, that is, synthetic messages.

A further change taking place with more general characteristics, is the increase in the professionalisation and managerialisation that many CSOs are displaying. In the past civil society was predominantly based on volunteering and it seemed that idealism and the sharing of ideological ties could be enough to reach set goals and to manage an organisation. This is no longer the case. For years the nonprofit sector has experienced a profound transformation of the increase in its managerialisation. Now is the time for civil society to take this further step. CSOs need to be integrated with new skills, and knowhow that are not internal but acquired through training and courses shared with those who are already ahead, and who will make it viable.

One last aspect that needs to be underlined concerns the values that underlie the workings of CSOs and justify their existence. At one time these values were almost taken for granted. There were many and each different from the other, and more or less every person had their own ideological beliefs they tried to follow. Today, this model has disintegrated across society but particularly among the youth (Bauman, 2000). Decreasing values, for example, not only makes it harder for CSOs to acquire volunteers and donations, but it may lead to a questioning of their existence in what will be the inevitable generational changeover.

This chapter has attempted to present the primary solutions adopted by those interviewed and to formulate some of the best practices. These best practices should not be seen as either rigid or absolute, but as a general suggestion as a model to use within the characteristics of each CSO. There is no “perfect” CSO, but a pool of different models within which each CSO can “mirror” itself to find the most consonant image. It is with this spirit that the writer has drafted the present chapter and wishes good luck to all civil society operators through whom this work has been inspired and to whom it is dedicated.

## References

- Barbetta, G. P. and Maggio, F. (2008) *Nonprofit*, Bologna: Il Mulino.
- Bauman, Z. (2000) *Liquid modernity*, Cambridge: Polity Press.
- Biernacki, P. and Waldorf, D. (1981) 'Snowball Sampling: Problems and Techniques of Chain Referral Sampling', *Sociological Methods & Research* 10 (2): 141–63.
- Borzaga, C., and Fazzi, L. (2014) 'Civil society, third sector, and healthcare: the case of social cooperatives in Italy', *Social Science & Medicine* 123: 234–41.
- Bruni, L. (2012) 'Società civile', in *Il Contributo italiano alla storia del Pensiero: Economia*. Treccani.it, available at: [http://www.treccani.it/enciclopedia/societa-civile\\_%28Il-Contributo-italiano-alla-storia-del-Pensiero:-Economia%29/](http://www.treccani.it/enciclopedia/societa-civile_%28Il-Contributo-italiano-alla-storia-del-Pensiero:-Economia%29/)
- Eurispes (2016) *Rapporto Italia*, Argelato: Minerva.
- Goodman, L. A. (1961) 'Snowball Sampling', *The Annals of Mathematical Statistics* 32 (1): 148–70.
- ISTAT - National Institute for Statistics (2012) '9° Censimento dell'industria e dei servizi e Censimento delle Istituzioni non profit', Roma: ISTAT.
- Moro, G. (2005) *Azione civica. Conoscere e gestire le organizzazioni di cittadinanza attiva*, Roma: Carocci.
- Moro, G. (2009) *Cittadini in Europa. L'attivismo civico e l'esperimento democratico comunitario*, Roma: Carocci.
- Poledrini, S. (2015) 'Unconditional Reciprocity and the Case of Italian Social Cooperatives', *Nonprofit and Voluntary Sector Quarterly*, 44 (3): 457–73.

## List of Interviews

- Interview IT 1: Human rights and democracy
- Interview IT 2: International aid; Environment; Social services including healthcare, and youth, civic and vocational education
- Interview IT 3: History and culture
- Interview IT 4: National network of CSOs
- Interview IT 5: Community development, NGO resource centres
- Interview IT 6: Social services including healthcare
- Interview IT 7: National network of CSOs





# Lithuania

57	Civil society sector in numbers
58	Legal framework and political conditions
60	Data
61	Challenges
67	Solutions and best practices
73	Conclusions
74	References

# Lithuania: Slow but visible progress

By Ieva Petronytė-Urbonavičienė

Strong civil society associations played a crucial role in the re-establishment of Lithuanian independence in 1990 (Kavaliauskaitė & Ramonaitė, 2011). In later years these associations have moved towards creating a strong independent “third sector”. This process is not yet fully achieved, but there have been positive trends. There has been gradual progress in clarifying the legal base for CSOs. CSOs are much more professional, accountable, transparent, able to communicate their mission and achievements, and have empowered themselves to fundraise more successfully. Although not yet on a large scale, CSOs are expanding social entrepreneurship activities and financial independence. Lithuanian authorities are more and more supporting the idea of cooperation between government institutions and CSOs in decision-making.

## Civil society sector in numbers

There are no exact numbers for the CSO sector. According to the State Enterprise Centre of Registers, there are about 29,000 registered civil society organisations, made up of 63% associations, 5% of charity and support funds, and 32% are public entities<sup>9</sup>. However, these numbers are misleading. First, they include organisations which were registered but not active for years, as the de-registration process is complicated. At least 15% of organisations had not presented any record of activity in the five years up to the end of 2015<sup>10</sup>. So, the number of CSOs has risen since 1990, but the participation rate has not changed much (Žiliukaitė, 2012). Second, not all organisations on the Registers’ list are “true” civil society organisations, as it also includes organisations with the same legal status, but which are public entities established by the state, business and professional interest associations etc.

This uncertainty in numbers reflects the wider problem, the definition of a CSO<sup>11</sup>, which is still quite vague. Not long ago the CSO community joked about equating NGO with UFO (in Lithuanian it sounds similar, NVO standing for non-governmental organisations and NSO, for unidentified flying objects). This comparison made sense; the public was unfamiliar with CSOs. A survey in 2012, revealed that more than half of respondents (54%) could not indicate if they trusted NGOs or not, and only 28% of the respondents experienced personal contact with any NGO<sup>12</sup>. In 2014, 40% of respondents did not know anything about the activities of NGOs<sup>13</sup>.

9 Data source: State Enterprise Centre of Registers.

10 *Ibid.*

11 In Lithuanian public, legal, academic discourses and discourse on CSOs’, the term ‘NGO’ is used synonymously and much more broadly. In this chapter, where precision is necessary, the original translation of the otherwise synonymously understood term of NGO is used.

12 Data source: Non-Governmental Organisations Information and Support Centre, VILMORUS (2012) survey “Nevyriausybių organizacijų žinomumas ir savanoriška veikla”.

13 Non-Governmental Sector Development Study conducted by the “Eurointegracijos projektai” (2014).

It was only in 2013, with the Law on the Development of Non-Governmental Organisations, that the legal definition of a CSO was established. The Law defines an NGO as a “public legal entity independent from state and municipal institutions and agencies, acting on voluntary grounds for the benefit of society or its group and having no aim to seek for political power or to implement only religious goals”. An organisation cannot be considered an NGO if the state or municipality, or any legal entity controlled by them, has more than one third of the votes in the general meeting of shareholders. Finally, the list of ineligible types identified organisations like political parties, professional unions, employers’ organisations and their associations, associations in which more than one third of the shareholders are private legal entities, etc. The application of this definition is still poor, with some ministries announcing calls for the NGOs’ projects in which any public entity (including government-owned) can participate. Umbrella and national CSOs are constantly working on correcting such incongruities.

There are no precise financial figures for the sector, but reports, public discussions and organisations themselves indicate that stable funding is a problem. CSOs depend on project-based funding, most of which comes through initiatives of the state and municipal institutions<sup>14</sup>. Large international financial schemes available for CSOs in previous years (such as EU Structural Funds, the European Economic Area Financial Mechanism) have paused for two or three years because of a prolonged preparatory administrative process between state institutions and donors, causing CSOs to reduce their activities. Individual donations make up a smaller part of income. Although 10-12% of the population donated in 2014-2016 (World Giving Index, CAF, 2016; CAF, 2015; CAF, 2014), the numbers who give 2% of their annual income tax to CSOs increases each year. In 2015 more than 547,000 citizens gave about 15 million euros to 22,000 organisations, but this includes not only CSOs, but also political parties, state-owned public entities and the military)<sup>15</sup>. There are no exact figures on business support for the CSOs activities, but CSOs have increased efforts in social entrepreneurship activities, and up to 10% of CSOs’ annual income comes from selling services (USAID, 2015).

## Legal framework and political conditions

Although financial stability is an issue, the mood is quite optimistic<sup>16</sup>. The legal framework allows CSOs to register easily and operate freely. National political support for CSOs (in documented intentions) is growing, and the sector lobbies for change.

The legal framework, worked on from the 1990s onwards with laws such as the 1992 Law on Non-Governmental Organisations, continues with a gradual improvement. The importance of strengthening the CSO sector was emphasised in many key strategic documents over the last decade<sup>17</sup>. The establishment of the National NGO Council (under the Law of the Development of Non-Governmental Organisations) in 2014 gave a new incentive to develop a favourable legal environment. The Council has 10 representatives of government institutions and agencies and 10 of CSOs delegated by national CSO umbrella associations.

<sup>14</sup> *Ibid.*

<sup>15</sup> Data source: State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania, 2015-10-26.

<sup>16</sup> See the section on challenges to CSOs.

<sup>17</sup> For example: National Progress Strategy “Lithuania 2030”, National Progress Programme for Lithuania for the period 2014-2020, Public Management Improvement Programme 2012-2020, State Education Strategy 2013-2022, etc.

The Law obliges government institutions to consult the Council when preparing new projects and financial programmes related to CSOs<sup>18</sup>. The members evaluated the Council's first term work as confusing and unproductive, because of tensions between CSO representatives and little willingness on the part of state institutions to instigate changes, but the second term beginning in February 2017 looks more promising. Council members are working on improving CSOs' financial sustainability, legal empowerment and transparency. Although the Council is only advisory, greater support from CSOs, successfully recruited through umbrella-organisations and a growing understanding and political support for the sector reinforce its positions and raise expectations.

Before the 2016 national election, umbrella CSOs shared proposals with the main political parties for them to be included in manifestos; larger parties included proposals, and important policies made it into the new government's programme. It also made it easier for the sector to participate in preparing the Government Programme Implementation Plan (Plan). As a result, this document introduces a range of projected measures on topical issues for the sector. For example, the Plan includes projected measures for the development of social business (action no. 1.1.5.) including initiation and adoption of the law on social business, creation and implementation of effective and targeted motivational tools, consulting, and finally gradual transfer of public services to social business entities through the use of individual partnership measures. The government also documents its commitment to strengthen community involvement by involving CSOs and communities in decision-making and also strengthening the CSOs financially (action no. 1.2.3.) e.g., inclusion of NGOs in all institutional forms of partnership at all levels (national, sectoral, territorial) and at all stages (programming, implementation, monitoring and evaluation); and institutional strengthening of NGOs by providing targeted financing instruments, establishing an NGO fund. The Plan also includes projected measures for the inclusion of cooperation with CSOs in sectoral activities (like formal and informal education, culture, health, prevention of violence)<sup>19</sup>. The government passed this Plan in March.

Two government ministers are from leading positions in CSOs, and there are more former CSO representatives among the vice-ministers and counsellors. These state officials with experience in the CSOs field, not only significantly increase previously scarce knowledge about the sector (Petronytė, Šupa, & Markauskaitė, 2015) but also strengthen the political will to defend the interests of CSOs<sup>20</sup>.

The situation in local municipalities is less promising. Local CSOs — both financially, as receivers of support needed for achievement of their goals, and also as participants in local decision-making processes — depend on the attitudes and personalities of mayors and of municipal councils. In some cases, ruling coalition parties at the local level highly politicise the decision-making process and view active local CSOs as impediments. Local political constellations also strongly affect the operation of local NGO Councils (established simultaneously with the national NGO Council for similar goals at municipal level).

18 Law on the Development of Non-Governmental Organisations (2013), Regulations of NGO Council (2014).

19 Implementation Plan of the Government Programme (2017).

20 For example a discussion between CSOs and the European Social Fund Agency (ESF) in July 2017 on its regulation of maximum wage tariff for all employees participating in the ESF-funded projects.

National and umbrella-type CSOs, and National Coalition of NGOs<sup>21</sup> continue to advocate for their goals and the benefit of the sector. Though much of their work goes through the NGO Council, national CSOs and thinktanks also unite to form informal groups to prepare feasibility studies and draft versions for law. In summer 2017 an informal group prepared a feasibility study for national NGO fund. Umbrella CSOs also lobbied for a more accurate NGO register, a transfer of public services to CSOs, the strengthening of local NGO Councils, a revision of national administrative plans for distribution of EU structural funds etc. The new national financial programme from the Ministry of Social Security and Labour is exclusively dedicated to umbrella CSOs and further strengthens these activities.

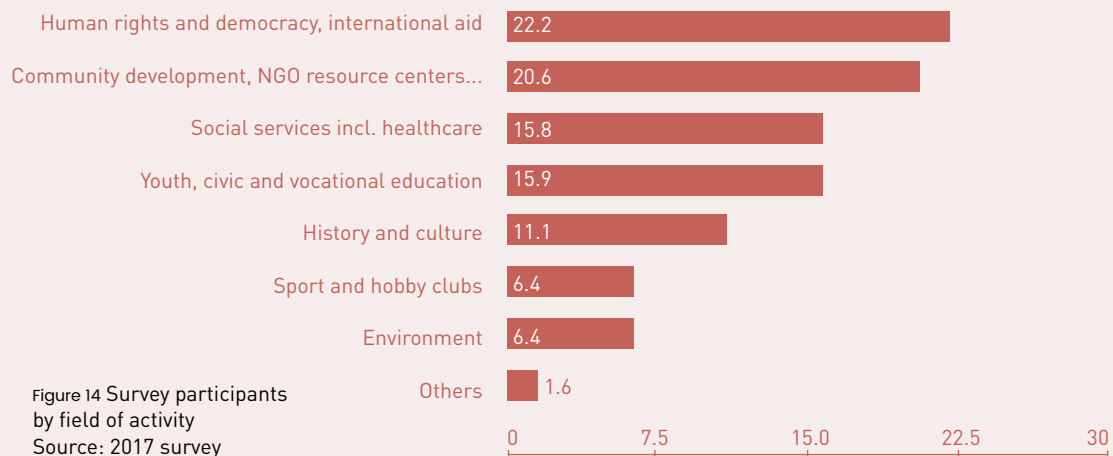
## Data

Data were collected during the CSOs' online survey and semi-structured interviews in July-August. In-depth interviews tried to cover all the spheres of NGOs' activities, and targeted strong organisations and interesting cases; 11 interviews were conducted. The author thanks Ingrida Petrauskaitė for the help in collecting survey data.

Invitations to the complementary online survey were sent to more than 250 organisations (to 26-46 in seven categories), and distributed through the national NGO conference mailing list. All organisations were contacted again, and 63 answers collected.

Among participating organisations 22% indicated working primarily in human rights and democracy; 21% in international aid; 16% in community development or as NGO resource centres, thinktanks; 16% in youth, civic and vocational education; 11% in social services including healthcare; 6% in history and culture; 6% in environment; 6% sport or hobby clubs. One organisation indicated working as a business or professional association.

Almost all organisations surveyed (97%) are registered non-governmental non-profit organisations, just one organisation identified itself as a non-registered social movement. This reflects that there are few grassroots initiatives and no big social movements in Lithuania. Organisations are diverse in how long they have operated: 27% more than 20 years,



21 National NGO Coalition started in 2009 and was officially formed to advocate for the CSO sectors' interests. In 2014 the Coalition signed an association treaty with the biggest Lithuanian umbrella CSO that brings together 14 national umbrella CSOs, which represent more than 3,000 CSOs and more than 500,000 individuals.

37%, 11-20 years, 33%, one to 10 years; and 3% less than a year. Respondents' organisations show diversity also in the number of people involved: 38% indicated they usually involve fewer than 10 people; 43%, 10-50 persons; 13%, 51-200; and 6%, more than 200 people. A majority worked mostly at the national level (60%); 29%, at local level; and 11% worked primarily at the international level. After a review and following the CSF definition of civil society, the trade union's answers were excluded.

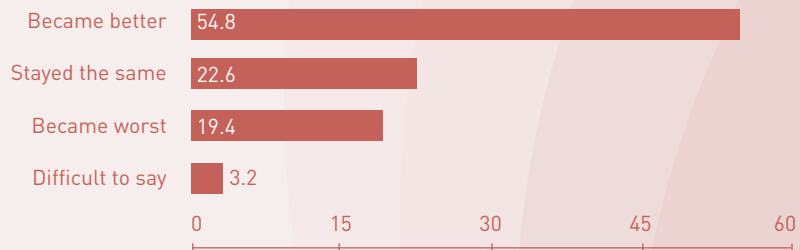
The survey is not representative, so the more general conclusions should be approached with caution. However, the survey includes diverse CSOs and their experiences, reveals the attitude of the organisations wanting to provide data; the results should be treated more as a kaleidoscope of opinions, but not a detailed map of the state of CSOs.

## Challenges

The CSOs' situation, though not without challenges and issues, is seen as gradually improving, as confirmed by the in-depth interviews, and the survey (Figure 15).

Figure 15  
Evaluation of the situation over the past three years for respondents' organisation

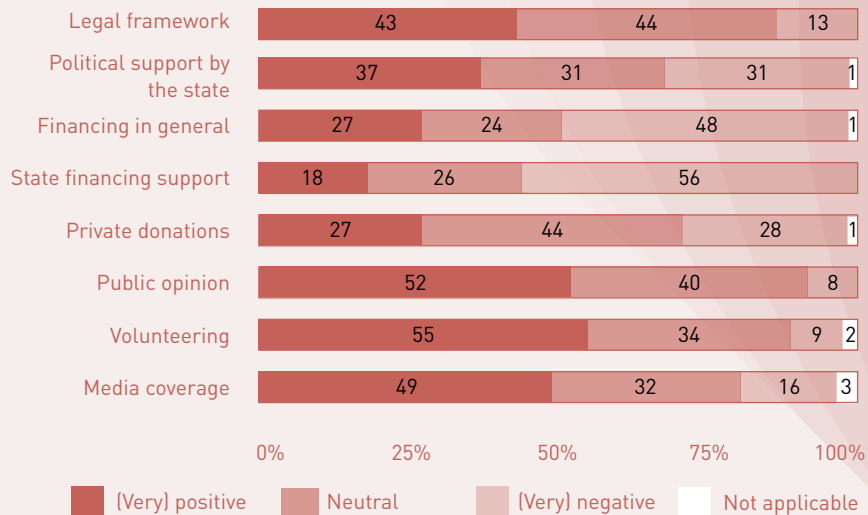
Source: 2017 survey



CSOs tend to evaluate most of the context conditions for their organisations — volunteering, public opinion, media coverage and, to a lesser extent, legal framework and political support — as positive. They are more pessimistic about financing: more neutral about private donations, and negative about state financing. Despite a positive general tendency, CSOs indicate persisting challenges. Table 8 summarises these challenges named by CSOs<sup>22</sup>. The interview data illuminates the characteristics of these challenges.

Figure 16  
Evaluation of the context conditions for respondents' organisation

Source: 2017 survey



22 The challenges to the country's CSOs and challenges to own organisation named in the survey were almost identical, so the summary of the challenges named is combined.

One of the biggest systemic challenges is the **unstable financial situation**. Most organisations depend almost exclusively on project funding. This keeps their activities in flux and dependent on the size or existence of projects, and causes administrative challenges such as keeping professionals. As Figure 16 also shows, although CSOs are sceptical about their finance and state financial support, they do not evaluate private donations in the same way, although those constitute a smaller part of the budget. This reflects the other challenge — most CSOs believe that the state or large international funds should fund their activities, partly because the culture of donation is still low. This perception and acceptance of the surrounding low donation culture make CSOs satisfied with small victories in achieving private donations.

Table 7 Major challenges for CSOs

Source: 2017 survey and interviews

Financial challenges	Lack of project opportunities; state financial support, described as small and fragmentary, unsustainable, short-term, hardly foreseen and thus preventing strategic planning; insufficient funding especially for umbrella-type CSOs (for advocacy activities, not the service provision ones); lack of possibilities to cover administrative costs, absence of institutional support, funds for developing the organisation's management and development skills; pause in the EU structural fund programmes, delay in their start; bureaucratic and political obstacles (inadequate distribution of resources, long process of applications and evaluation, annual gaps of funding at the beginning of the year, etc.); need to reorient from project funding to direct fundraising; low level of donating culture; lack of information on new funding sources; increased costs of activities.
Political/state administration challenges	Little political interest or state institution involvement in the problems of specific groups, lack of will to help them, lack of specific decisions; loss of influence in decision-making processes after post-election political changes; new politicians without knowledge of CSOs, who are unable to discuss issues of civil society and its problems; lack of trust in CSOs; only imitation of partnership; illogical requirements for project funding; cases of efforts to establish political influence on organisations (especially at a local level).
Challenges in cooperation	CSOs are often seen as unequal in comparison to state institutions, business, other actors; state institutions do not see CSOs as an equal partner, and sometimes see them more as rivals, underestimate CSOs' competences; state and business disregard the recommendations of CSOs; insufficient recognition of their importance; bureaucratic reactions to the issues raised, unwillingness to solve them seriously without mass backing organised; unwillingness by the municipalities to cooperate; state institutions' distrust in CSOs, incomprehension of their importance; unfavourable attitude to cooperation if the CSOs express criticism.
Challenges in advocacy	Lack of involvement of CSOs at national and local level in decision-making, lack of cooperation; unclear basis of involvement of specific CSOs; aim to equate public CSOs to private lobbyist structures <i>de jure</i> ; high costs of CSOs participation in decision-making (time, human resources) based on volunteering.
Challenges in the process of transferring public service provision to CSOs	Slow and complicated process; lack of willingness from state institutions to buy services from CSOs; state institutions' underestimation of CSOs and their competences, lack of attitude to the CSO as a partner; lack of understanding of the process and clear legal regulation on the municipalities level; lack of clear national policy.



Organisational challenges	Unsecured financial sustainability; inflationary cost increases; as available financing mostly goes to “new” ideas it is almost impossible to ensure continuity of successful project ideas; fragmented activities; frequent ability to pay only minimal salaries or to offer only short-time contracts because of financing; loss of active and creative employees; work in CSOs only as a secondary job for most employees; often need for the employees to sacrifice themselves, work overtime, without holidays; loss of specialists due to emigration; changes in personnel; lack of CSOs’ trust in own possibilities; loss of faith, disappointment, apathy; difficulties to react when human resources are scarce; most CSOs cannot afford to hire professionals and rely on volunteers lacking skills and qualifications; volunteering is just starting and is still not popular; challenges in attracting and retaining long-term volunteers and members; challenges in administrative process due to raising number of members; increasing competition as more CSOs become active.
Challenges in public discourse	Media noise and falling interest; unwillingness of media to spread information free of charge; politicised attacks in the media.
Societal challenges	Passivity, disunity of the people; unpopularity of volunteering; lack of generosity, indifference; little public interest in CSOs work.

Table 7 summarises the major financial challenges and their causes that CSOs face. In-depth interviews provide clarifying narratives, such as:

“There are no stable financial mechanisms available for CSOs and it does not allow CSOs to sustain activities. It is difficult to seek long-term results in such a situation. Only very few organisations are able to collect the funds they need constantly for activities, organisational matters and reserve.” (Interview L3)

Financial mechanisms available from the state and big international funds do not facilitate financial stability not only because of their “projects” nature — there are also long periods when there are no calls for projects in a specific area and sometimes even if they are, they are halted. As for other financial opportunities, it is clear, that they are also not very prominent:

“Generally, Lithuanian business is still more focused on surviving, social responsibility does not motivate their employees a lot.” (Interview L4)

“It is difficult to finance the activities not from the projects. The income from individual donors, services sold are too scarce.” (Interview L7)”

“There are international funds available, but mostly they are thematically narrow and directed to other countries.” (Interview L1)

However, CSOs also contribute to this situation:

“The biggest CSOs have become competent, professional, finding resources more easily. However, CSOs in regions, still have a traditional attitude, in the negative sense mostly; they lack fresh ideas, are lagging behind, do not understand that the methods effective 10 years ago cannot be applied anymore. They do not perceive the importance of transparency, why you need to declare annual reports publicly, etc.” (Interview L10)

The second group of challenges are **political and administrative**. CSOs sometimes feel frustrated by the lack of interest in their goals shown by state institutions and politicians. Given this low interest, CSOs must engage in advocacy work that post-electoral changes often interrupt:

“After the elections, completely new people came and the processes already on the move have stopped. We needed to explain anew about the situation, goals needed to be achieved, to show that CSO come not to ask for the money, but to be a constructive partner in decision-making.” (Interview L6)

Even strong CSOs notice that state institutions do not perceive them as serious, equal partners:

“Politicians sometime imagine a youth CSO only as “playing”, they do not take them seriously enough.” (Interview L6)

And though CSOs perceive the national situation as improving, they see the local situation as very diverse, depending on the politicians’ personalities and often forming an unfavourable context for the CSOs’ work:

“Context in some municipalities is still politicised, from the help to the CSOs’ activities to the inclusion in the decision-making process. It depends very much on how favourable it is to the mayor’s party. In some municipalities, the situation is better even than on the national level, but in the others, it is very bad.” (Interview L6)

CSOs’ representatives see a difference between decision-makers and administrative personnel, and the latter are mentioned as frequently having a bureaucratic, unchangeable and unwelcoming attitude.

CSOs feel a strong need to **advocate** their causes in state institutions. However, there are **challenges** here too. More and more organisations include advocacy in their work, but such an action, which both CSOs and state officials perceive as cooperation in the decision-making process, is still novel. CSOs need to show initiative themselves, for instance in getting the relevant information on decision-making processes, working groups, acquire invita-

tions etc. CSOs also lack resources to advocate professionally, since in most cases the biggest part of their budget comes from project funding, and often it is difficult to cover advocacy-related costs from there. This limits the CSOs' abilities to respond to initiatives by politicians. Also, it is still rare for CSO advocacy and other work to be seen as a professional or "serious" work that needs resources:

"Often we are invited to get involved in actions without any compensation for the costs experienced. There is still a general approach that CSOs have to dedicate their time without any financial compensation." (Interview L2)

This latter attitude also **challenges** the opportunities for CSOs to earn income by **service provision**:

"We confront the attitude, that if you are an NGO, you have to provide everything *pro bono*, you can't sell any services. Then we communicate strongly, explain that there is only one free thing, the cheese in the mousetrap. And if you want quality services, [you have to understand] they should be provided by the professionals [we have]." (Interview L7)

Social entrepreneurship and the transfer of the state's social services to the CSOs<sup>23</sup> are still new. There are as yet no clear definitions and, for example, the terms for social entrepreneurship, social business and social responsibility are often confused and used interchangeably. In talking about these processes, there are a number of interrelated challenges, named in Table 8. As one of the interviewees said:

"It's a challenge similar to the problem of the chicken and the egg: institutions do not know what CSOs can do, their competences. And CSOs can't show their muscles without investment." (Interview L7)

However, the number of CSOs that include service provision, and social entrepreneurship in their activities is increasing.

In the survey and in the interviews CSOs mentioned **organisational challenges** related to sustainability of activities, ability to attract and keep members and volunteers, etc. (see Table 8). Most of these challenges rise from financial instability. In addition to contributory factors already discussed, strategic planning is lacking, with organisations stuck in the vicious circle of no funding–no strategic planning.

Unsustainable finances and an inability to pay stable salaries mean that CSOs face the problem of staff loss (see more in Table 8). The same permanent financial uncertainty hampers recruitment, especially in leadership roles:

23 The term "state's social services transfer to the CSOs" is used quite broadly in Lithuanian discourse and perceived as a mix of outsourcing, contracting out practices, etc.

“Organisations became more professional, there are strong, professional CSO leaders able to mobilise people, fundraise. But you need money to keep them in the sector.” (Interview L3)

Emigration also affects CSOs:

“It [emigration] also affects the leaders of communities, and has an impact on the community mobilisation. Some leaders may come back even stronger, with good practices available to adapt here, but they are very few.” (Interview L3)

The academics and the CSOs also perceive the level of volunteering in most CSOs as low and the culture of volunteering as unsatisfying. In particular there is a challenge in attracting volunteers for long-term commitments:

“Despite positive trends in the volunteering culture, most of the volunteers are involved only in short-term activities. But organisations need them for long-term goals as well.” (Interview L3)

“Training, instructing the volunteers requires enormous amounts of time. [...] And you are not sure if it will pay-off, because our society is still immature in this sense, seeing the benefit from volunteering very strangely. [...] For example, just putting the CSOs name to one’s CV. There is not so much altruism, real help.” (Interview L4)

And the image of the sector as an unknown area in society does not allow it to attract specific specialists needed:

“Awareness of the sector is quite low among some professional communities much needed in the CSO field. Investment is needed to familiarise lawyers, IT professionals, sociologists with the sector.” (Interview L2)

The same organisational challenges and the unwillingness of the media to spread information free of charge, falling interest in many continuing activities, and sometimes the unpreparedness of the sector to present itself, is a **challenge**, as the sector struggles with its media image and the formation of positive or indeed, any **public opinion**. These challenges become especially acute during unpredicted crises, because:

“The image of the sector is very fragile. The scandal of one organisation can easily damage the image of the whole sector.” (Interview L10)

Finally, considering **societal challenges to CSOs**, although positive changes towards the CSO sector are seen in society, persistent attitudes still need to change (see more in Table 8).

“Liberation of the people can be seen, loss of fears, [...] creation of new CSOs initiatives by young people re-emigrating to their municipalities. There are positive tendencies.” (Interview L9)

“The situation improves, but still there is some distrust among society members, understanding, that they (should) work only as volunteers. Sometimes CSOs are undervalued, their benefits are not seen. There is still room for education.” (Interview L10)

## Solutions and best practices

Many CSOs also share experiences on how to overcome challenges: 76% of the CSOs in the survey shared information on their solutions, and a summary is provided in Table 8. Not all of the solutions can be seen as sustainable or good practices for solving systemic problems, like just selling assets or a reliance on employees and volunteers’ unpaid work would probably not solve financial problems for a longer period.

Table 8 Solutions and best practices of CSOs

Source: 2017 survey and interviews

To the financial challenges	Diversify income; search and use of new financial possibilities (international calls and projects, business donations); offer business some kind of exchange more than just asking for charity; start social entrepreneurship; increase the number of project applications, expand the activities; sell the organisation’s assets; get involved as a partner to other organisation’s projects; rely on employees and volunteers dedication, unpaid work, provide financial support to your organisation yourself; communicate and pay attention to communication style (as much as possible open, direct), develop new ways of communication and fundraising, personal communication with individual donors; create a reputation (becoming “leader in the market” in communication, in direct activities, etc.); involve both old and new organisation’s members into the project preparation, generate new ideas; attract private resources; pay more attention in collecting 2% of income tax.
To the political/state administration challenges	Active and regular advocacy; get involved in the decision-making processes, submit legislative proposals, initiate working groups); cooperate with state institutions and agencies in decision-making; show initiative to solve problems; apply a flexible approach when needed to achieve the main goal; cooperate with other CSOs (strengthen partnerships); strive for closer cooperation with top-level officials; establish individual contacts; involve political opposition when seeking to reveal shortcomings in government actions.
To the challenges in the process of transferring public service provision to CSOs	Contact regularly, participate in decision-making processes and advocate.

To the challenges in advocacy	Get involved in the work of the NGO Council and various working groups; contact state officials regularly; submit constructive proposals; take strategic, focused actions; investing in reputation (becoming “leader in the market” in communication, in direct activities, etc.); cooperate with other CSOs; involve organisation members as mediators where possible; increase visibility in the media, writing letters to authorities, make the topic visible in public; cooperate with the political opposition.
To the organisational challenges	Continue learning and constantly renew the methods used (in organisational management, fundraising, etc.); undertake team-building activities; strengthen motivation of the organisation’s members; weigh the cost-benefit ratio before starting activity; keep organisation’s identity.
To the challenges in public discourse	Make efforts to communicate more broadly (change information in website more often, target more people); improve communication style (as open as possible, direct, new, involving personal communication with individual donors); use social networks; integrate activities and communication; educate (especially youth).

Turning to **financial challenges**, most of the organisations indicated practices such as diversifying income, trying to find new ways to increase funding from business, individuals or the services sold. They also mentioned submitting more applications, finding new funds or partnerships with other organisations as ways to increase project funding. The important role of communication and reputation was named here also.

In the in-depth interviews with financially sustainable CSOs, special importance was given to strategic planning. First, it helps to keep sight of the organisation’s broader vision and not to compromise this with the specific requirements of a project. Second, it helps to measure the effectiveness of an organisation’s activities and to find the most successful ways (getting the best results with the least resources) to achieve the CSO’s goal.

Adoption from business operation practices are important here: having long term goals, a clear understanding of the organisation’s identity and the society’s (or its group) demand for the organisation, measuring the impact, etc. This can be used to measure success and impact. Adoption of these practices can be gradual but it has critical importance for the successful CSOs’ operation:

“It is common practices in the business, but also important for NGOs; it allows one to achieve the results, to discover oneself, the topic, the solutions anew.” (Interview L2)

Strategical planning interrelates and includes tackling other organisational challenges, such as motivating staff and keeping them in the organisation. One way is to create feelings of exceptionality, professionalism in the team or, as one of the informants said, creating a “boutique culture of the change team”. This involves showing that people are appreciated, and indicating specific measurable targets helps to motivate a professional and dedicated team and in such a way so as to attain organisational goals more easily.

Successfully working CSOs also reveal that the investment in creating separate positions for professional communication and fundraising managers pays off. It also closely relates to the good practices of increasing private donations and support from the business sector.

CSOs emphasise that in their experience a successful increase in private donations is related to clear and regular communication about how previous donations were used, and financial transparency with annual public audits. These practices constitute the base for successful fundraising not only from private individuals, but from the business sector too.

“We communicate regular, openly and clearly how much of the money donated goes directly to the children, what part of donations do constitute the administrative costs, but nevertheless the questions still arise. You need to keep communicating constantly.” (Interview L4)

The other fundraising strategies involve applying direct communication, especially staying in close touch with current donors, giving them more information on the CSO and its activities, and by so doing turning them into advocates. The experienced CSOs also emphasise the need to adjust fundraising to different audiences, and to find the most suitable way for each of them to donate. For example, the Lithuanian branch of Save the Children organises annual fundraising initiatives via TV concerts aiming at a mainly elderly audience living outside the biggest cities. It supplements this initiative with fundraising activities directed at the younger generation — who don't watch much TV, and who live in the bigger cities — and organise such initiative like the “Solidarity run” for schoolchildren, aiming also at their parents.

“The importance of learning from errors, readjusting fundraising activities, testing new ways and ideas, taking advantage of technological innovations like apps or QR codes in order to find new models that work best at the moment is also emphasised by the successful fundraising CSOs. This process of search and renewal of even the most successful fundraising models is crucial because “people get tired and the competition from other CSOs is increasing.” (Interview L4)

In the field of business support, the best practices are connected with innovative solutions, interesting ideas and tailored offers for business.

“The challenge is to find new ways of cooperation. [...] When we are going to the business, we do not beg, but we try to offer an interesting, innovative, valuable solution, and the creation of interesting product or service suitable for the employees and clients of that business.” (Interview L10)

For example, aukok.lt a national platform for donations to CSOs cooperates with vienasaskaita.lt (an online utility broker). Through the site, donations can be made to CSO projects by rounding up the final sum when paying utility bills. For individuals it is not painful to donate cents, while for CSOs it guarantees regular monthly incomes from approximately 4,000 people. The utility broker also benefits, as it serves its social responsibility goal. Organisations also offer businesses services they are professionals at, for example emotional understanding training for the companies' employees, provided by a large youth-psychological-help organisation (Jaunimo linija). Or services directly related to CSOs' daily activities such as, team-building provided for a companies' employees by one of the biggest

CSOs which distributes food to the needy, while the team work together at its warehouse (Maisto bankas). A CSO whose primary goal is to ensure free, fair, transparent elections (Baltosios pirštinės), offers to organise internal elections for businesses. Organisations create methodologies for such services, which are similar to their daily activities and these services generate income for the main causes. These services are professional, just as the ones agencies or business provide, but at the same time they have a strong value-related aspect.

Publicity is necessary **for successful advocacy**, just as it is for successful fundraising. Authority, good image, undamaged reputation, and experience in the field also play a critical role:

“If you are a big, strong organisation with visible results, you automatically appear to the government institutions as a competent adviser.” (Interview L7)

CSOs need to make an effort to influence decisions important for CSOs’ main causes, and an important strategy is pro-activeness:

“When (especially new) politicians do not know you, you do not wait to be invited to a working group; one needs to be strategically proactive. Go and make an acquaintance, to show the solutions you care about. Sometimes you have to break your usual thinking to do that.” (Interview L6)

An organisation can become known through its activities but to be taken seriously over a longer period by institutions, to win their cooperation and to influence their decisions, a constructive approach is needed:

“You have to participate at least once constructively if you are not known.” (Interview L1)

“Better to start with a conversation with politicians, not from a protest.” (Interview L6)

Successful advocacy also includes communicating and establishing long-lasting relations with all political shades, but remaining impartial:

“You have to communicate to all political shades, even if you ideologically do not like some of them, if they are in the ruling coalition, you have to keep contacts. [...] It is important to create long-term relations, hence they are better not with individual people, but with groups of people (like parties instead of politicians).” (Interview L6)

However, when a CSO is involved in a clash of interests, it needs to retain its reputation. Strategic planning helps:



“Reputation is very important, to gain it and to maintain it. [...] We prepare a crisis management plan ahead of critical moments (i.e. elections), think over the most frequently asked questions; what awkward questions can be there and what responses they should have in order to manage the crisis.” (Interview L1)

Partnerships, working together with other CSOs and forming coalitions, helps when political situation becomes tense or in the very politicised environment in some municipalities. According to interviewees, these partnerships not only give more strength, but also more publicity. Coalition-building helps in ordinary activities too. One example is the draft law on volunteering prepared by the Lithuanian Youth Council. This CSO entered a coalition with others to advocate for the Law. Another example is that a wide network of organisations, especially youth ones, united before the 2016 elections to stimulate citizens to take part in the elections.

“It would be much easier to act (and we would do more) if, first, NGOs [in the sector] were seriously cooperating, and second, if we had created good online tools for cooperation.” (Interview L8)

Finally, the last successful CSO’s advocacy example shows that for successful advocacy on sensitive and controversial issues, one has to take advantage of even the most uncomfortable situations. For years, Lithuanian CSOs were working for the adoption of the Law on Fundamentals of Child Rights Protection. They lobbied state institutions and wrote articles in the media, yet it was not adopted. Everything changed quickly after the tragedy in Kėdainiai, when a four-year child was murdered by his step-father. Starting with Save the Children Lithuania, CSOs raised huge support and in less than a month an amendment to the Law was passed, with all of parliament’s members participating in the session voting “pro”.

This monitoring of the “real-life” environment and reacting to it can be considered as a solution not only to advocacy, but also to financial and organisational challenges such as fundraising and attracting volunteers. CSOs which work on topical issues found their positions strengthened and original goals more easily achieved:

“After the 2013 events in the Crimea, it became much easier for the organisations caring for civic education to cooperate with state institutions, the dialogue started more easily.” (Interview L6)

“If the topic is relevant, live, then the initiative will work. For example, the “Mission Siberia” initiative<sup>24</sup>. It started 12 years ago as a small youth initiative, and has grown to

<sup>24</sup> *Mission Siberia* is a youth patriotism and citizenship education project which has run for 12 years. Since it began, 15 expeditions have visited the places of exile and imprisonment of Lithuanians in Siberia and tidied up more than 100 Lithuanian cemeteries. The main goals have been to find and to take care of the Lithuanian deportees’ burial places, to visit the areas of political prisoner camps, to leave symbols of memory and respect, to meet compatriots still living there. Cited from the initiative’s description at aukok.lt: <https://www.aukok.lt/projects/Mission-Siberia17>.

be very popular among the youth<sup>25</sup>, widely covered in the media, with an expanding scope of activities, supported by the state. The highest officials take part in its events, and willingly represent it.” (Interview L9)

If the topic is relevant, people mobilise for donating too. Statistics of national donating platform au-kok.lt show that every year the number of donors increases, however, in 2014 an extraordinary peak was witnessed<sup>26</sup> and can be related to fundraising campaigns that year on accessible topics such as help for Ukraine.

Finally, for organisations confronting the **challenges in attracting volunteers**, a few solutions can be drawn from the examples of organisations working with volunteers successfully: making activities more short-term, if possible; finding narratives attractive to potential supporters; and most importantly, working with the volunteers constantly, not leaving them alone, and analysing how to improve the organisation of volunteers’ work:

“It is easier to attract young volunteers for short-term activities. Organisations, which can adjust in such way, successfully rely on shock-actions. [...] Success can be achieved by addressing volunteers with thematic narratives close to them. For example, for young people, the harm of corruption is far more understandable than for the older ones and so the narrative of the hero fighting corruption is attractive.” (Interview L1)

“We approach them [volunteers] as friends, helpers, consultants, colleagues. [...] Quality work is very important here. We have prepared the official volunteering guide. [...] We revise regularly how we work with volunteers. [...] We commit to provide volunteers with emotional help, support, mentorship.” (Interview L7)

25 In year 2017 the competition saw more than 56 applicants for one place: <https://misijasibiras.squarespace.com/news/>.

26 Data available at: <https://www.aukok.lt/statistika>.

## Conclusions

There are few reliable statistical sources on the number and financial state of CSOs in Lithuania. Although the general number of CSOs is increasing, one cannot rely on the official register's total because of the number of inactive or *de facto* closed CSOs, or the bodies that have the same juridical form as a CSO but which do not fall into any definition of a CSO. Surveys show the numbers of people involved in CSO activities remains stable. A survey in 2015, which included questions on CSO memberships, revealed about 27% of respondents took part in the activities of at least one CSO (understood by the definition of CSF and excluding political parties, religious organisations, trade unions and employers' organisations)<sup>27</sup>.

The legal environment is gradually being built. Though the law allows CSOs to operate freely and defines basic rights and obligations, more decisions are needed to adjust the legal basis for the sector, for example relating to issues of paying value added tax and efficient data on CSO management. The national NGO Council created in 2014 takes an active role, and gives an increased understanding on CSOs and the nature of their operation, at least to those among the highest level of decision-makers.

The CSOs see their biggest challenge as financial uncertainty. This financial challenge encompasses a wide range of problems; from an inability to plan activities, through difficulties in keeping staff at all levels motivated, to the problem of not being able to continuously engage in advocacy. This prevents CSOs from further strengthening their perception as an equal partner in decision-making processes with state institutions, expanding their activities, and achieving their causes. The political challenges are mainly around the state institutions' lack of acknowledgement of the importance of CSO, and a lack of understanding and interest in their causes.

Solutions which CSOs apply to solving their challenges are diverse. The most successful are strategic planning, investing in professional (and motivated) communication and fundraising staff, searching for innovations to attract individual donations, and converting the message for the business sector from plainly asking for support to offering a possibility to be part of the change. To be successful in advocacy CSOs should be proactive and position themselves as experts, able to cooperate with state institutions as competent, constructive and equal partners in decision-making. When strength of one organisation is not enough, cooperation and coalitions within the sector are the way forward.

27 Data source: Pilietinės visuomenės institutas, survey of Civic Empowerment Index, 2015.

## References

- Aukok.lt e-platform statistics on donations (2009–2016), available at: <https://www.aukok.lt/statistika>
- CAF (2014) 'World Giving Index 2014', available at <https://www.cafonline.org/about-us/publications/2014-publications/world-giving-index-2014>
- CAF (2015) 'World Giving Index 2015', available at <https://www.cafonline.org/about-us/publications/2015-publications/world-giving-index-2015>
- CAF (2016) 'World Giving Index 2016', available at <https://www.cafonline.org/about-us/publications/2016-publications/caf-world-giving-index-2016>
- Kavaliauskaitė, J. and Ramonaitė A. (eds) (2011) *Sajūdžio ištakų beiėškant: nepaklusnių tinklaveikos galia*, Vilnius: Baltos lankos.
- Lietuvos Respublikos Seimas (1995) 'Lietuvos Respublikos Visuomeninių Organizacijų Įstatymas', No. I-784, Vilnius 2 February 1995, available at <https://www.e-tar.lt/portal/lt/legalAct/TAR.D65FBAE9B378> [In Lithuanian]
- Lietuvos Respublikos Seimas (1996) 'Lietuvos Respublikos, Labdaros Ir Paramos Fondų, Įstatymas', No. I-1232, Vilnius 14 March 1996, available at <https://www.e-tar.lt/portal/lt/legalAct/TAR.D2D24C160EB1> [In Lithuanian]
- Lietuvos Respublikos Seimas (1996) 'Lietuvos Respublikos Viešųjų Įstaigų Įstatymas', No. I-1428, Vilnius 13 July 1996, available at <https://www.e-tar.lt/portal/lt/legalAct/TAR.1E52802BE548/iqwqVGCnqx> [In Lithuanian]
- Lietuvos Respublikos Seimas (2004) 'Lietuvos Respublikos, Asociacijų, Įstatymas', No. IX-1969, Vilnius 22 January 2004, available at <https://www.e-tar.lt/portal/lt/legalAct/TAR.FF00B0EA2F0E/FXKtVHiqBc> [In Lithuanian]
- Lietuvos Respublikos Seimas (2011) 'Lietuvos Respublikos Savanoriškos Veiklos Įstatymas', No. XI-1500, Vilnius 22 June 2011, available at <https://www.e-tar.lt/portal/lt/legalAct/TAR.314C413DE28C> [In Lithuanian]
- Lietuvos Respublikos Seimas (2013) 'Lietuvos Respublikos Nevyriausybinų Organizacijų Plėtros Įstatymas', No. XII-717, Vilnius 19 December 2013, available at <https://www.e-tar.lt/portal/lt/legalAct/d1e6be90747611e-3b675ad30753d4b1b> [In Lithuanian]
- Lietuvos Respublikos Seimas (2013) 'Nutarimas Dėl Valstybinės Švietimo 2013–2022 Metų Strategijos Patvirtinimo', No. XII-745, Vilnius 23 December 2013, available at <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.463390?jfwid=-pozqu7lr8>.
- Lietuvos Respublikos Seimas (2015) 'Dėl Valstybės Pažangos Strategijos „Lietuvos Pažangos Strategija „Lietuva 2030“ Patvirtinimo', No. XI-2015, Vilnius 15 May 2012, available at <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.425517> [In Lithuanian]
- Lietuvos Respublikos socialinės apsaugos ir darbo ministerija (2017) 'Įsakymas Dėl Nevyriausybinų Organizacijų Ir Bendruomeninės Veiklos Stiprinimo 2017–2019 Metų Veiksmų Plano Patvirtinimo', No. A1-99, Vilnius 28 February 2017, available at <https://www.e-tar.lt/portal/lt/legalAct/0d2a4040fdcb11e68034be159a964f47> [In Lithuanian]
- Lietuvos Respublikos Vyriausybė (1992) 'Nutarimas Dėl Ne Pelno Organizacijų (Įmonių) Įstatų Pagrindinių Nuostatų Patvirtinimo', No. 393, Vilnius 26 May 1992, available at <https://www.e-tar.lt/portal/lt/legalAct/TAR.1FFF793940FC> [In Lithuanian]
- Lietuvos Respublikos Vyriausybė (2012) 'Nutarimas Dėl 2014–2020 Metų Nacionalinės Pažangos Programos Patvirtinimo', No. 1482, Vilnius 28 November 2012, available at <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.439028> [In Lithuanian]
- Lietuvos Respublikos Vyriausybė (2012) 'Nutarimas Dėl Viešojo Valdymo Tobulinimo 2012–2020 Metų Programos Patvirtinimo', No. 171, Vilnius 7 February 2012, available at <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.418407>
- Lietuvos Respublikos Vyriausybė (2017) 'Nutarimas dėl Lietuvos Respublikos Vyriausybės Programos Įgyvendinimo Plano Patvirtinimo', No. 167, Vilnius 13 March 2017, available at <https://www.e-tar.lt/portal/lt/legalAct/t2389544007bf11e79ba1ee3112ade9bc> [In Lithuanian]

NISC (Non-Governmental Organisations' Information and Support Centre)(2014) 'Association Treaty between National Umbrella-NGOs', available at <http://www.3sektorius.lt/nisc/nacionaline-nvo-koalicija/>

Non-Governmental Organisations Information and Support Centre (2012) 'Nevyriausybių organizacijų žinomumas ir savanoriška veikla'. Survey report available at: [http://www.3sektorius.lt/docs/Ataskaita\\_NVO\\_zinomumas\\_santrauka\\_2013-01-17\\_16\\_00\\_05.pdf](http://www.3sektorius.lt/docs/Ataskaita_NVO_zinomumas_santrauka_2013-01-17_16_00_05.pdf). [In Lithuanian]

Nvo Tarybos Veiklos Planas 2017 – 2019 Metams (2017), available at [http://www.socmin.lt/download/12919/nvo\\_taryba\\_veiklos\\_planas\\_2017\\_03\\_16.odt](http://www.socmin.lt/download/12919/nvo_taryba_veiklos_planas_2017_03_16.odt). [In Lithuanian]

Petronytė, I., Šupa, M. and Markauskaitė, A. (2015) 'Valdžios ir nevyriausybinių sektorių bendradarbiavimo viešosios politikos sprendimų priėmimo procese stiprinimas', Vilnius: Pilietinės visuomenės institutas, available at: [http://www.civitas.lt/wp-content/uploads/2015/08/VRM-tyrimo-ataskaita\\_final.pdf](http://www.civitas.lt/wp-content/uploads/2015/08/VRM-tyrimo-ataskaita_final.pdf).

Pilietinės visuomenės institutas (2015) 'Civic Empowerment Index', available at: <http://www.civitas.lt/en/research/civic-empowerment-index/>.

USAID (United States Agency for International Development) (2015) 'The 2015 CSO Sustainability Index for Central and Eastern Europe and Eurasia', pp. 139-148, available at: [https://www.usaid.gov/sites/default/files/documents/1861/Europe\\_Eurasia\\_CSOSIReport\\_2015\\_Update8-29-16.pdf](https://www.usaid.gov/sites/default/files/documents/1861/Europe_Eurasia_CSOSIReport_2015_Update8-29-16.pdf).

Žiliukaitė, R. (2012) 'Quantitative growth of the NGO sector in Lithuania: when the number of organisations increases without significant effects on participation level', Sociologija. Mintis ir veiksmas 30(1): 242-257.

### List of interviews

- Interview L1: National CSO with wide network of volunteers, advocating and campaigning for fair elections
- Interview L2: National CSO working in the field of strengthening democracy
- Interview L3: Researcher, sociologist, with academic interests in civil society and organisational capacities of the public
- Interview L4: Big national CSO working in childcare, including social provision and advocacy
- Interview L5: Regional sports club, working in community development
- Interview L6: National CSO, umbrella organisation for youth organisations
- Interview L7: National CSO working in social service provision mainly for elderly and poor
- Interview L8: National CSO working in environmental protection
- Interview L9: National CSO, working primarily to strengthen entire CSO sector
- Interview L10: National CSO, helping other CSOs to fundraise
- Interview L11: National CSO uniting communities and CSOs



# Bulgaria

79	Civil society sector in numbers
81	Legal framework and political conditions
83	Data
84	Challenges
89	Solutions and best practices
92	Conclusions
93	References

# Bulgaria: Growing instability



By Ksenia Vakhrusheva and Pavel Antonov

Certain forms of civil society activism began prior to the fall of the country's authoritarian regime in 1989. Notable examples include the Public Committee for the Protection of Rousse (founded by prominent intellectuals and sports celebrities in 1988) and Ekoglasnost — both of which organised unauthorised protest events and petitions. In the field of human rights and democracy, a Club for the Protection of Glasnost and Perestroika was founded in 1988. Quasi-independent foundations created by the former regime for cultural, educational or propaganda purposes existed, such as the 1300 Years of Bulgaria Foundation. An indigenous form of civil society institution, known as *chitalishte* (literally a reading house) and dating back to the 1800s, existed throughout the period in nearly every town and village, performing cultural and educational activities under strict state supervision and ideological control.

After 1989 CSOs could be formed and registered formally without sanction of the state. Many organisations were founded in the early years by individuals employed by scientific, educational but also sometimes propaganda and ideological institutions of the former regime or its secret services. Others were conceived by new pro-democratic politicians and activists with foreign funding. Some large CSOs registered in the early 1990s remain influential, such as the Open Society Foundation which is an offshoot of the network of multinational philanthropist George Soros, the Centre for the Study of Democracy, the Atlantic Club, the Centre for Liberal Strategies, the Institute for Market Economics, the Applied Research and Communications Fund, Green Balkans, and others. Many sports clubs were also registered as CSOs at that time.

After the mid-1990s the number of CSOs started to increase rapidly. An abundance of foreign funding programmes allowed newly-opened CSOs to institutionalise and operate. Worsening economic conditions almost eradicated membership fees and voluntary contributions by citizens, in effect making the newly-formed CSOs fully dependent on donor-funding or institutional support. Many grassroots CSOs existed with little or no regular income, using offices, equipment and materials of their founders or the institutions where they were employed, undertaking occasional activities whenever project funding became available. By 2007 when Bulgaria joined the EU a solid cohort of grant-based professional organisations had been created.

## Civil society sector in numbers

To date some 800-900 new organisations are registered per year. At the beginning of 2016 the number of registered not-for-profit organisations was 41,000, among them almost 15,000 acting for public benefit, the rest acting for private benefit. Not all are active.

The largest group of CSOs acting in public benefit are sport clubs (23%), 14% of CSOs work in social service provision, including healthcare. Others are cultural (11%), educational (11%), human rights (5%), environmental organisations (5%), analytical centres and think-

tanks (5%), charity and volunteering organisations (4%), CSOs working on gender equality (3%) advocacy organisations (3%) (Open Society Institute Sofia, 2017).

Studies have examined civil society from different angles. The most recent, by the Open Society Institute (OSI) in 2017, suggested that there are about 2,000 CSOs which can be considered active. It means that they participated in the “NGO support programme”<sup>28</sup> during 2009-2014 or have an updated profile on the informational portal for CSOs, [www.ngobg.info](http://www.ngobg.info). The OSI describes a typical CSO acting for public benefit as a small NGO, in the capital or regional centres, with limited project-based financial resources, few highly-qualified employees, often working as volunteers, and ready to stand for democracy and freedom.

The Bulgarian Centre for Not-for-profit Law ([www.bcnl.org](http://www.bcnl.org)) issues a yearly sustainability index of CSOs. The index evaluates seven external and internal factors influencing the work of CSOs: legal environment, organisational capacity, financial viability, advocacy, service provision, infrastructure, and public image. The most problematic areas for CSOs are financial resources and organisational capacity. Financial instability is also one of the main challenges of CSOs, who responded to the CSF online survey. The latest edition (for 2016) establishes an index of 3.3, on a scale from 1 (very good) to 7 (very bad). Since 2002, after some improvements related to the adoption of a law on not-for-profit organisations and the start of foreign grant programmes, the index has been stable, varying between 3.1 and 3.4 (USAID, 2017).

EU membership did not bring the stability for CSOs expected by many. Financial sources of most NGOs are not well diversified, containing mainly project-based financing. The volume of foreign funding fell after Bulgaria joined the EU. For example, the Bulgarian-Swiss Cooperation Programme ended in 2015 with no intention to continue. Available EU funding has nominally increased as CSOs have accessed EU Structural Funds. But accessing these funds became problematic. Bulgaria has been criticised by the EU for corruption and non-transparency in its public spending, and this affects the way EU funds are administered by Bulgaria’s authorities. Large parts of EU funding go to CSOs close to political strongmen or which enjoy good connections with authorities.

Tangible improvement in the access to funding has been marked only through the access to EU funding distributed centrally by EU programmes, including regional and trans-border ones. In spite of tough competition between CSOs from all EU countries and a notoriously high administrative load, such funding has been reaching a broader circle of CSOs, in a relatively more transparent and merit-based manner. High professionalism and established contacts with EU institutions have allowed certain organisations, e.g. in the environment protection sector, to bypass local power structures and proceed with independent activities.

Most EU grants require co-financing, and involve heavy reporting and administration requirements, which is an additional obstacle for many CSOs. This is in contrast to the practices of non-EU donors such as USAID, who accepted in-kind contribution instead of co-financing. In combination with stiffening national legislation on non-profit accounting, such requirements put strain on many CSOs, forcing them to engage in creative budgeting, such as inflated expert fees that hide otherwise ineligible administrative costs and organisational overheads.

28 Programme website: <http://www.ngogrants.bg/public/portfolios/view.cfm?id=1>

Local governments have no resources to support local CSOs, but as beneficiaries from EU structural funds municipal administrations often broker solid amounts to CSOs included in project implementation. Sofia, the capital, has a significant number of support programmes for CSOs. According to the Civic Participation Forum ([www.fgu.bg](http://www.fgu.bg)) research a number of municipalities, for example Varna, Plovdiv, Bourgas, Dobrich, etc., also have funds for CSOs, which can be distributed to CSOs in the region. Mostly they support cultural and youth projects. Yearly funds range from 5,000 to 35,000 euros.

According to the Open Society Institute (OSI), 46% of active CSOs said that their budgets were under 10,000 euros in 2016, barely covering operational costs. Another 27% had between 10,000 and 50,000 euros; only 1% had a yearly budget more than 500,000 euros.

The sector is a stronghold for women. Data of the Open Society Institute show that in 49% of active CSOs women are in leader positions. Only in 21% of organisations are there more men than women in leadership. In 25% of CSOs the number of men and women is more or less equal.

Most NGO employees have a university degree and speak English, however salaries are far below the average in the public sector. 62% of active CSOs consider that their employees are underpaid.

## Legal framework and political conditions

While nominally CSOs enjoy a relatively liberal legal regime and have access to funds, including ones of EU origin, the conditions for civil society are affected negatively by a weakening of democratic institutions, freedom of speech and rule of law.

Bulgaria has aligned its legislation on CSOs with European practices. Non-governmental not-for-profit organisations are regulated by law on not-for-profit legal entities adopted in 2000 (hereafter, Law<sup>29</sup>). It outlines the conditions of NGO work. Political and religious organisations, *chitalishte* and trade unions are forms of not-for-profit organisations, which are regulated by other laws and were not included in the present research. The law cancelled the registration of all NGOs created during the Communist era which promoted communism and related activities.

The law distinguishes between CSOs registered for private or public benefit. Public benefit status allows NGOs to seek state support and tax privileges, but it also requires stricter governance rules and reporting. Not-for-profit organisations can be registered in two forms: associations and foundations. Associations should include more founders (three or more for private benefit and seven or more for public benefit NGOs) and follow stricter governance rules.

There is a central register for NGOs acting for public benefit. As of July 2017 there are 14,840 NGOs registered. Among those 12,565 are associations, 2,145 are foundations, 67 are branches of foreign NGOs, and 63 are branches of Bulgarian NGOs.

29 The text of the Law (in Bulgarian) is available at <http://www.lex.bg/laws/ldoc/2134942720>

Registration of a new NGO is relatively easy, but can take time, and it cannot be done online. Local courts make the registration decision. As there is no legal time limit practices vary from region to region, with decisions taking from one week to three months. Analysis of the Bulgarian Centre for not-for-profit law sets the waiting period for registration as one month minimum, yet commercial companies can register online in three days.

The practice of registration in courts was criticised by NGOs, acting in regions where judges were not professional and quick enough, suggesting a transfer of the registration responsibility to another body (The Bulgarian Centre for Non-Profit Law, 2014). At the end of 2016 the law was changed so that from 1 January, 2018 the body responsible for registering NGOs will be the Registration Agency, the same body which is responsible for registering commercial companies.

The problems for CSOs largely originate from the political and economic situation. Government policies since 1997 have arguably subjected any social, environmental, human rights and even democratic considerations, to business profit. This has reflected upon civil society in various ways. First, this vision has been increasingly applied to ostracise critical CSOs actively pursuing non-profit priorities listed above. CSOs operating in fields such as nature protection, minority rights or government transparency and accountability, have been targeted increasingly by smearing on mass media and social networks.

Second, using austerity as a pretext, authorities have limited to a bare minimum state funding for CSOs — apart from a handful of quasi-CSOs, listed in the State Budget Act, such as the Bulgarian Red Cross. State support is only available to CSOs performing as providers of social and charitable services. The few occasions when state funding has been made available to CSOs have been non-transparently decided and have raised nepotism accusations, fuelling a commonly spread vision that the state cannot, and should not, be trusted to re-distribute money. This effectively forces critical organisations to seek funds from abroad, which has been held against them.

Most organisations regard the lack of support by the state as a negative factor. Even organisations, which answered that general conditions for NGOs became better during last three years, agree that political support for their work is insufficient.

Authorities systematically limit the chances of independent CSOs to influence public policies. An alarming new trend is the appearance of quasi-NGOs, sponsored and created by industrial or political players. Their function is to oppose the stands of critical CSOs, dilute and weaken civil society voices, and ultimately, replace them where possible. A vocal anti-CSO campaign is carried out by media whose ownership is connected to political and economic strongman Delian Peevski, a member of parliament. These, and other media organisations and public communicators are creating a negative image of environmental civil society activists, as rich people working for the benefit of other countries.

Even where good practices of transparency and CSO participation exist, they are being diluted and eradicated. For example, the Law on Public Administration requires government bodies to establish public advisory councils. The main goal of these councils is coordination and cooperation among executive bodies, local authorities and CSOs on implementation of government policies. Certain councils can be established by a special law, for example the Defense Council. Representatives of CSOs might be included in such councils, but it is not obligatory. There are 71 public advisory councils at the national level. Among them, 30

councils have CSO representatives, and another 41 include only representatives of governmental bodies and state institutions. According to research in 2014 around 30% of public advisory councils had no regular meetings for over a year. Municipalities can establish public advisory councils, and many have local regulations for that. The level of CSOs' involvement highly depends on the willingness of the local administration.

Against a background of weakening independence of judiciary and law enforcement, CSOs try to resist negative political trends by coalition-building and joining forces, alerting foreign partners and EU institutions, and through public demonstrations. For example, organisers from different CSOs and politicians held a rally in Sofia which resulted in the relatively large political coalition during the parliamentary elections in March 2017. But they were not able to overcome a threshold because of the low number of votes outside the capital.

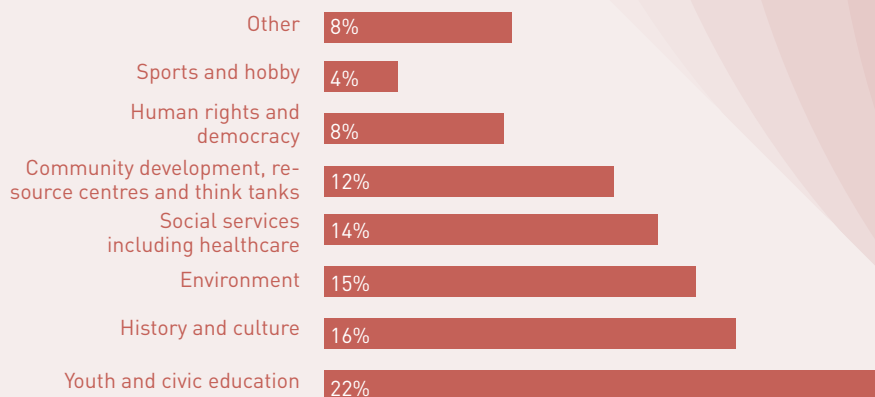
One of the well-established communities in civil society is a network of over 50 environmental CSOs known as the For the Nature Coalition. They support each other in advocacy campaigns, share experience and ideas and mobilise volunteers for protests.

## Data

The research targeted registered and non-registered NGOs working in different policy fields, but excluded political and religious organisations, business associations and trade unions and "reading rooms" (*chitalishte*). The online survey was sent to 3,500 contacts. Most of the contacts (2,911 sent, 2,321 successful deliveries) were gathered from the internet portal for NGOs [www.ngobg.info](http://www.ngobg.info), managed by the Bulgarian Centre for Non-for-profit Law. Registration on the portal is voluntary and it does not guarantee that the organisation is active. Other sources for contacts were mailing lists of the climate coalition and NGOs working in education. The research took place in June-July 2017. There were 77 answers to the online survey, among which four were invalid, because they came from business associations.

Answers came from the youth and civic education sector (17%), environmental NGOs (10%), social services including healthcare (12%), history and culture (10%), community development, resource centres and think tanks (10%), human rights and democracy (8%), sports and hobby (4%), and others (29%). Although the sample shows diversity, it does not fully reflect the breakdown of all registered NGOs.

Figure 17  
Participants in the survey by field of activity



Most organisations (97%) are officially registered, others are non-registered civic initiatives. There are no answers from unregistered large social movements, perhaps, because no civic movement in Bulgaria can consider itself as large. Representatives of large movements also work for smaller CSOs and preferred to answer survey questions on behalf of the smaller CSO or the survey did not reach such structures.

Almost half of NGOs (44%) are between one and 10 years old, 38% between 11 and 20 years, 17% more than 20 years. There was only one organisation younger than one year, although statistics show there are 800-900 of NGOs registering every year. This may be explained because new organisations do not immediately join traditional online platforms as [www.ngobg.info](http://www.ngobg.info) and are not included in communication between existing NGOs.

Around 65% of NGOs have fewer than 10 employees, 30% employ between 10 and 50 and the rest between 51 and 200 people. Almost an equal number of organisations work on the national level (34%) and non-capital city/cities (40%), 16% work in Sofia, the capital. Organisations working on the international level and in rural areas each account for 5% of the total.

In total 28 representatives of organisations left their contacts for interviews. Among them 10 were selected based on their answers to open questions in the online survey. Selected representatives work in different spheres and most are in the leadership of the CSOs they represent.

## Challenges

According to our online survey, one third of organisations (34%) consider that the environment for their work has improved during the last three years. An almost equal number of organisations (30%) answered that the situation has worsened. A quarter of CSOs has not noticed any changes and for the remaining 11% it was difficult to evaluate.

Figure 18  
Evaluation of the situation over the past three years for respondents' organisations

Source: 2017 survey

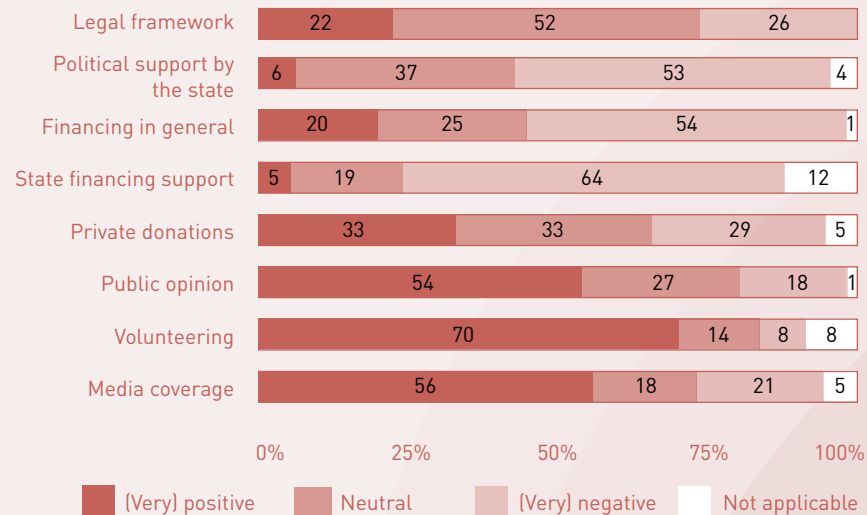


Among factors, which have the most negative effects on CSOs are the financial situation especially state financial support, and state political support. Legal framework and private donations were evaluated mostly as neutral factors. Volunteering is the most positively evaluated factor. Relatively good for the organisations are public opinion and media coverage.

The main challenges that organisations face are in three groups: financial, political, and societal.

Figure 19  
Evaluation of the  
context conditions  
for respondents  
'organisation

Source: 2017  
survey



### Financial challenges

Almost all organisations named lack of financial resources and difficulty in getting them as a main challenge. Among 71 organisations, which answered questions about challenges, 63 mentioned difficulties with obtaining funds. Even those, who considered that the environment for the functioning of their organisations has improved, pointed out financial problems and lack of state aid.

Financial challenges are diverse. The most frequently mentioned was lack of institutional long-term financing. Respondents partly link it with Bulgaria joining the EU. Since then a number of international donors have significantly reduced or stopped support programmes. EU funds appear difficult to get for many CSOs. Organisations live from project to project, which cause difficulties in keeping good professionals working full-time for the CSOs for longer periods.

“After joining the EU finances accessible for NGOs, for civil society were limited. The state, which was expected to take a series of EU initiatives to support civil society, did not do it. You know that Bulgaria in no way supports civil society; even our politicians understand that if they support civil society, it will not be dependent.” (Interview B6)

One of the main reasons for financial difficulties, described by respondents, is that the national authorities distribute EU funds through opaque procedures. They also suspect that these funds are often allocated to NGOs close to politicians or people in administration. Respondents noticed that in order to win state grant competitions or service tenders CSOs should have good connections with officials.

Respondents working for CSOs providing social services mentioned that state tenders for social services are open to commercial companies too, which leaves CSOs vulnerable to better-resourced competitors.

Table 9 Major challenges for CSOs in Bulgaria

Source: 2017 interviews

CHALLENGES		COMMENTS
Financial	Lack of institutional funding	CSOs struggle to find resources for the steady work of their offices in-between projects.
	Lack of transparency in distributing funds	CSOs suspect national authorities in distributing state and EU funds, allocated to CSOs with lack of transparency and limited competition. There are cases when CSOs close to politicians or authorities win grants and tenders.
	Bureaucracy	Application and reporting procedures both for state grants and direct EU funding are too difficult for small CSOs.
Political	Unwillingness to cooperate	The law suggests certain mechanisms for cooperation between authorities and CSOs, but the use of them is not obligatory for authorities, which means that it fully depends on the will of officials. Frequently the will is absent.
	Anti-CSO media campaign	Some politicians use dependent media to create a bad image of independent CSOs, especially those, which analyse, control and criticise policies and governmental decisions. As a result this anti-CSO campaign influences the image of the sector.
Societal	Lack of civic activity	Citizens are often inactive and do not respond well to CSOs' initiatives.
	Lack of professionals	Unstable financial situation of CSOs cause drain of professionals from the sector.
	Public opinion	Some citizens are influenced by anti-CSO campaign and do not trust CSOs.
	Lack of cooperation between CSOs	Some CSOs consider that there is not enough cooperation and mutual help between CSOs. Even if they have similar ideal goals, they can be competitors while applying for financing.



It is also difficult for small organisations to go through bureaucratic procedures to apply for state grant programmes.

Also when carrying out a state grant, organisations faced problems with financial reporting. Authorities tend to approve only part of the expenses, even though in the view of CSOs they were necessary to implement the project and were included in the initial budget. It causes financial gaps, which have to be covered from the CSO's own funds, which in many cases means the personal resources of the leadership.

Respondents named social entrepreneurship and private donations as other sources of funds. Some CSOs try to sell services but the profit is not enough to finance other activities. The amount of private donations is also low, although respondents noticed that people are now more willing to give.

The financially sustainable organisations are relatively big, have international partners and apply for projects directly to European institutions.

### Political challenges

Authorities are not usually willing to discuss issues with CSOs and try to limit possible ways for them to influence public policy. Relations between official institutions and CSOs are dependent on an official responsible for communication. If he/she understands the role of the third sector and is willing to work together, then cooperation might happen. If an official is not familiar with CSOs and does not consider them important, then cooperation might stop. This approach cannot ensure positive long-term cooperation.

Attempts to limit the possibility of CSOs influencing public policy can be seen in legislation. In the first half of 2017 there were two such initiatives. One was to raise court fees between eight- and 12-fold, which will make court appeal unaffordable for many individuals and CSOs. Another was to restrict foreign funding, including EU sources, of professional associations for judges and prosecutors, which would have limited their chances for international exchange programmes, and professional education, and weaken their independent position. After serious media attention, initiated by CSOs, parliament turned down these changes.

Another aspect of political challenges is the creation of a negative public image through the media, which is subject to political control. Although many respondents evaluated media coverage as a positive factor, in interviews several people noted an anti-CSO media campaign which began two to three years ago. The campaign is run in media sources connected to a well-known and allegedly corrupted politician, the MP from the Movement for Rights and Freedoms (the political party of the Turkish minority) Delyan Peevski. According to Reporters Without Borders, "he is an owner of the New Bulgarian Media Group, which controls nearly 80% of print media distribution. The government's allocation of EU funding to certain media outlets is not transparent, in effect bribing editors to go easy on the government in political reporting or refrain from covering certain problematic stories". Bulgaria is 109th out of 180 in the 2017 World press freedom Index.

The anti-CSO media campaign creates a negative image of CSOs distributing false information and absurd labelling. Organisations receiving funds from American and other international foundations are labelled in traditional and social media as “Sorosoids”, independent environmental organisations “green fascists” or “green terrorists”. They are accused of using large amounts of money for private purposes and implementing orders coming from foreign countries against Bulgarian interests. Although the media attack is aimed mainly at CSOs, which try to oppose some political decisions or fight against corruption, the negative image is spreading over all the non-governmental sector.

“In Bulgaria we have high media concentration, especially in printed media, which are connected to a deputy from the Movement for Rights and Freedoms Delyan Peevski. Pressure on civil society in those media has continued for six or seven years and intensifies constantly. There is no legislation, which would protect individual human dignity or dignity of the legal entity, and they use it well to destroy civil society.” (Interview B2)

Political instability was cited by respondents as a factor causing an unsustainable environment for CSOs.

### Societal challenges

Many respondents, especially from non-capital towns and countryside, mentioned low civic activity as one of the main problems. Some explain this as a heritage of 50 years of communist rule, when there were no CSOs and people's initiatives were not well perceived by the government. Others believe that people do not think they can influence public policy.

Another frequently mentioned challenge is the lack of professionals in CSOs, especially ones with managerial experience. Respondents linked this with the lack of institutional financing. The absence of stable financial sources makes it impossible to pay a competitive salary. It may mean that after a period with a CSO good professionals have to leave the sector for financial reasons, but it is difficult to decipher whether this is a trend or if professionals move between CSOs. It is common that they will continue to volunteer or work part-time, when it is hard for them to dedicate full time to CSO work.

A majority of respondents evaluated public opinion as a positive factor, but some indicated the challenge that many people still do not fully understand the role and importance of the third sector. It leads to a low involvement of citizens in activities and donations. Other studies show that too. According to the 2016 research of the Open Society Foundation, 39% of Bulgarians do not trust NGOs, 33% trust them and 25% cannot say for sure, probably as they do not know much about NGO activities (Open Society Foundation, 2017). The negative state media campaign and a lack of professional PR on the part of the CSOs enhances this problem.

Quite a few respondents said the CSO sector is segmented and divided, and organisations struggle alone. According to some, there is a lack of networking, and CSOs consider each other as competitors for funding opportunities. This problem was mostly mentioned by small organisations in towns and the countryside, which may mean that they lack communication with national CSOs and strong CSOs in the capital.

## Solutions and best practices

Out of 71 responses, 10 organisations wrote that they have not yet found any solutions. Some of them said they consider terminating activities or the closure of the organisation. Another 11 respondents stressed a positive mood, enthusiasm and the persistence of people working in their organisations as the main factors driving the activities and solution to challenges. Many rely on personal contacts and friends.

Based on interviews and online survey the most frequently mentioned solutions were:

- making and keeping the activities of CSOs transparent and open to people
- joining forces with other CSOs, which struggle with the same problems, to find good solutions for all
- direct contact with people, explaining causes and involving them in CSOs' activities.

“The only thing, that civil society can do now, is to turn to citizens to put pressure both on our own authorities and on the EU, because I think that at the moment three powers in Bulgaria violate the values of a united Europe. They work [...] in the interest of a small and diminishing group of oligarchic firms and structures.” (Interview B2)

To solve the financial issue, organisations suggest additional commercial activities. For example one CSO has a waste paper campaign; it gathers waste from people and sells that to recycling plants.

Partnering with foreign NGOs and applying to international foundations and European programmes, which are not implemented through national authorities, is another way to attract funds for CSOs. Some also plan to recruit external consultants to increase their fundraising capacity and attract private donations from people, including Bulgarians living abroad, and commercial companies. Some CSOs try to cooperate with local authorities.

Organisations started to make coalitions to influence public policy or resist anti-CSO campaigns, and to search for better solutions and exchange experience. When political decisions need to be contested, CSOs use their right to appeal to court.

Organisations also try to attract more volunteers, work with media and inform wide range of people about their activities by different tools, including video stories.

### Save Karadere Beach campaign

Save Karadere is a civic initiative, gathering around 4,500 people, who share the goal of protecting Karadere beach from construction activities. This campaign is a good example of coalition building between CSOs, as well as of methods of involving experts and other people in campaign activities and addressing different aspects of the problem with unique

approaches. The challenge of low civic activity was also successfully overcome by the CSO activists by making an individual approach to every stakeholder group.

Karadere is a beach area on the Black Sea, and is among few untouched beaches in Bulgaria. Since 2004 there have been constant attempts to construct large hotels next to the beach. Companies managed to get permits, even though they were issued in violation of laws. But due to active protests and the high involvement of people all construction was frozen. The campaign continues and its goal is to find a long-term institutional solution for Karadere and other undeveloped beaches. In 2015, the Save Karadere initiative got an activists of the year award from the Bulgarian Helsinki Committee. It is also a good example of people's self-organisation. There is no strong hierarchy or obvious leaders. Around 20 coordinators with different experience and background manage the development of the campaign. They use various tools to reach their goal.

“We had to prove that construction permits were issued with violation of laws, which we managed to do, so that construction is frozen. [...] Another direction was changing public opinion in Byala [the region where Karadere is]. We tried to answer the question why people did not like campers. We cleaned the beach. From another side we worked with people, who go to Karadere on vacation. We had to keep the beach clean and now Karadere is the cleanest one. People protect it, collect rubbish, do annual cleaning. Campers now are much more responsible, and keep the forest nearby clean. So that now most of people [in Byala region] would like to protect Karadere and do not want construction. But the issue is that legislation legitimates violations. In addition, Bulgarian laws do not aim to protect the coast from construction. They only regulate construction... So to protect Karadere and other places, we have to change the law. [...] We convinced authorities to conduct a research on our initiative, suggested it to members of parliament, brought it to the ministry of tourism and regional development, which are the responsible institutions. We carried out a small campaign among people to submit their proposals to the questioned law – and got 280 proposals. Now we are preparing a video clip to provoke more reaction. [...] Apart from that, we monitor and analyse if authority decisions are legitimate, make complaints to institutions, court and so on. We mobilise more experts and disseminate information in a group [Facebook group].” (Interview B9)

### Civil society forum “Dobrich in future tense”

The civil society forum in Dobrich shows how to combine people's attachment to the place, where they were born or raised, and their experience from working and living in another country in order to develop their native town. By that local CSOs try to solve the problem of lacking the professionalism inside the sector – external professionals, who have a special

attachment to Dobrich, are willing to contribute to local civic activities on a voluntary basis. It also shows how CSOs make direct contact with people to find solutions for community problems and raise their involvement in local issues.

Dobrich is a town with around 87000 population in the North-East of Bulgaria. In 2016 a number of active citizens organised a community called Global Dobrich with the idea to unite people, who live in Dobrich, and those, who were born or lived in Dobrich currently living in other cities in Bulgaria or abroad, and would like to contribute to its development. The first event, a civil society forum “Dobrich in future tense”, happened in May 2017. It took more than a year to plan and prepare it. The forum was held by civic activists with the support of local authorities to discuss ideas for better development. Main topics were the economy, tourism, IT industry, environmental initiatives and the power of inspiration. Around 60 people took part. Organisers plan a second forum.

“We made efforts to persuade him [the mayor] that we are right, that sustainable development requires direct work between authorities and civil society organisations, and that’s why I say that the first forum was a success, because he [the mayor] indeed took interest, participated personally in the preparation of the second event, that’s why I said that maybe there is a hope that the Dobrich administration may change something in future.” (Interview B1)

### **Agreement between the local government of Sofia and CSOs providing social services**

The agreement on cooperation between civic organisations and local administration in the sphere of social services was presented in Sofia in May 2017. In August, it was signed by more than 20 CSOs. The aim is to improve cooperation between authorities and social services providers, so that people in need will get better services more quickly. The Sofia mayor considered the agreement as proof of the will of the administration to work actively with non-governmental organisations and use their expertise. One of the agreed steps is the creation of a foundation, which will finance social innovations. CSOs involved hope that in the next five years the agreement will encourage a dialogue between local administration, civic organisations and receivers of social services.

This agreement is the first between CSOs and authorities. It shows that CSOs and local governments can achieve fruitful transparent cooperation in order to improve social services. It proves that the joint forces of CSOs and continued dialogue with authorities can result in positive cooperation, and public discussion addresses issues of lack of transparency in distributing funds.

“Local authorities in Sofia and organisations working with social issues entered an agreement of understanding and partnership. [...] This is a good practice, though there is a delay in announcing concrete calls, but I hope it will be sorted out by the end of the year.” (Interview B10)

### Ethno-festival Rila Music Exchange

Rila Music Exchange is an annual festival attracting young folk musicians of all nationalities to Rila mountains to learn from and perform with local folk ensembles. The aim is to promote ethno-music culture. It is a joint project of the Ardenza Foundation (Sofia) and Rila municipality. Participants pay a participation fee and take care of their own travel, the Rila municipality provides simple accommodation and venue capacity. This event shows that cooperation with authorities can be productive and useful, and that the involvement of the local municipality in the cause helps in obtaining funds. The festival not only introduces locals and outsiders to each other but also bolsters the scope and potency of grassroots activism.

“Ethno-festival in Rila is our successful project. It was designed based on the model of Swedish ethno-festival [Ume Folk Festival], and we have an international jury.” (Interview B5)

## Conclusions

Civil society organisations work in a difficult environment caused partly by the absence of a long history of civic activity, by the unwillingness of authorities to support the development of independent civic organisations and a lack of grassroots activity. Since a lot of the problems are not new, representatives of organisations did not have one answer to the question: Has the environment for CSOs become better or worse in the last 12 months? Answers divided more or less equally between “became worse”, “became better” and “no change”.

The financial situation is the most worrying for CSOs. 89% of respondents mentioned financial problems in the online survey. Corruption of national authorities in distributing funds, lack of institutional financing and reduction of non-EU support programmes were named as the main reasons for the financial instability. It means that CSOs are dependent on project state and international funds; they lack support from membership fees, private donations and their own entrepreneur activities.

It also shows that there are two NGO sectors: one consists of independent, bottom-up, civil society organisations and another one includes GONGOs and BINGOs created by people close to officials, politicians or business and which aim to receive public funds for the benefit of their affiliates.

Most organisations understand that they need diversification of financial sources. They name transparency and openness as main factors to further attract private donations and volunteers. Some try out social entrepreneurship. Small organisations, especially in the towns and countryside, try to cooperate with local authorities and dream of participating in international projects.

One of the negative trends which started two to three years ago is the state media campaign against independent CSOs. Respondents were not sure about any clear strategy to resist this anti-CSO campaign. They tend to react with more transparency and better direct communication with people.

Coalition-building and helping each other instead of being merely competitors for funds are positive tendencies, that were pointed out by a few respondents during interviews. Common problems and existential threats made them join forces. There are some good examples of coalition work, which helped to successfully stand for environmental causes and resist undemocratic legislative initiatives.

Overall, civil society organisations are vulnerable to political and economic factors, but have many enthusiastic activists ready to volunteer their free time.

## References

Bulgarian centre for non-for-profit law (2013), 'Citizens' attitude towards CSOs in Bulgaria', July 2013, available at [http://www.bcnl.org/uploadfiles/documents/news\\_docs/2014/civilngo.pdf](http://www.bcnl.org/uploadfiles/documents/news_docs/2014/civilngo.pdf) [in Bulgarian]

Bulgarian centre for non-for-profit law (2014) 'Report on CSOs' problems in Bulgaria', Sofia, May 2014, available at [http://www.bcnl.org/uploadfiles/documents/doklad\\_regional\\_meetings\\_all.pdf](http://www.bcnl.org/uploadfiles/documents/doklad_regional_meetings_all.pdf) [in Bulgarian]

Bulgarian centre for non-for-profit law (2017) 'Agreement on cooperation between civil society organisations and Sofia municipality for achieving more social protection and inclusion through social services', ngobg.info, 12 May, available at <https://www.ngobg.info/bg/news/108807-споразумение-за-сътрудничество-между-граждански-организации-и.html> [in Bulgarian]

Bulgarian centre for non-for-profit law (2017) 'CSO sustainability index – Bulgaria', June 2017, available at [http://www.bcnl.org/uploadfiles/documents/publikacii/bulgarian\\_index\\_2016\\_24.07.pdf](http://www.bcnl.org/uploadfiles/documents/publikacii/bulgarian_index_2016_24.07.pdf) [in Bulgarian]

Bulgarian school of politics (2014) 'Models and good practices for legitimate citizenship', October 2014, available at [http://www.schoolofpolitics.org/norwegian-grant/doc/bg\\_PROUCHVANE.pdf](http://www.schoolofpolitics.org/norwegian-grant/doc/bg_PROUCHVANE.pdf) [in Bulgarian]

Open Society Institute Sofia (2017) 'Active non-governmental organisations in Bulgaria in 2017', April 2017, available at <http://osi.bg/downloads/File/2017/active%20NGOs.pdf> [in Bulgarian]

Open Society Institute Sofia (2017) 'Report on democracy and public participation', February 2017, available at <http://osi.bg/downloads/File/2017/Democracy%20Survey%202016%20BG.pdf> [in Bulgarian]

USAID (2017) 'CSO Sustainability Index for Central and Eastern Europe and Eurasia', July 2017, available at [https://www.usaid.gov/sites/default/files/documents/1866/CSOSI\\_Report\\_7-28-17.pdf](https://www.usaid.gov/sites/default/files/documents/1866/CSOSI_Report_7-28-17.pdf)

### List of interviews

Interview B1: Small local community development CSO

Interview B2: National old environmental CSO

Interview B3: Small local CSO working with human rights issues and providing social services

Interview B4: National old environmental CSO

Interview B5: Small CSO working in the capital on cultural issues

Interview B6: National CSO working in education and community development

Interview B7: Small community development CSO working in the countryside

Interview B8: CSO promoting democracy and culture in the capital

Interview B9: National CSO working with civic education

Interview B10: National resource centre for CSOs







# Russia

100	Legal framework and political conditions
102	Data
103	Challenges
106	Best fundraising practices
110	CSOs international cooperation: Changing Significance?
111	Conclusions
112	References

# Russia: A zoom in on best practices in fundraising

By Yulia Skokova

Last year, this chapter focused on the same issues as other EU countries, a general overview of civil society development, main challenges for its organisations and best practices for overcoming challenges. The main characteristics of civil society have not changed since the 2016 Report. So the focus in this chapter is on the dynamics of civil society development and an analysis of financial challenges and how CSOs address these challenges. The statistical character of the sector does not vary much from year to year. According to the Ministry of Justice, the amount of officially registered CSOs rises 1-2% annually and constitutes about 223,000 since 2011 (Ministry of Justice 2017). However, the internal composition of the sector has changed dramatically. Annually, 16,000 CSOs move in and out of the official list. In total, more than 99,000 new CSOs were established and, over the same period, 97,000 were excluded from the official list in the last six years. The sector is quite stable in size, but the internal composition is fluid and CSOs are short-lived.

The structure of the sector in terms of different organisational legal forms is also stable. The biggest part are public organisations (*obshchestvennaya organisatsii*), making up 30% of the sector. This type of CSO serves more as associations, they unite people with common interests and operate on a membership basis. The other two types of CSOs constituting about 20% of the sector, the so-called 'autonomous organisations' and 'funds'. The main difference between them is that the first type is established with a service delivery purpose, and funds are established as charity organisations that can accumulate donations in monetary and in-kind forms.

More detailed statistics about revenue structure and fields of activity are not officially provided for the sector, it is available only for the biggest part of it, the so-called 'socially oriented non-profit organisations' (see more below). They represent about half of registered CSOs and almost all who work in a variety of fields such as the social sphere, healthcare, volunteering and charity. Most of these 'socially oriented' organisations aid those who are in need such as poor families, disabled people and orphans. A lesser number of CSOs deal with human rights and environmental issues. This picture is representative of the sector, as demonstrated in the data of annual representative surveys among Russian CSOs acquired by the Higher School of Economics (HSE 2017).

The revenue structure of the so-called 'socially oriented' CSOs reveals an unexpected picture. The majority obtain revenue through for-profit activities (in 2011-2015, the percentage varies from 36 to 40%). Rosstat statistics show a dominance of market share in revenue structure of this kind of CSO which mostly consists of "income from sales goods, works, services, realisation of property rights". However, academic research shows that ordinary CSOs are far from experienced in obtaining revenue on the market, instead they rely on state funding or private donations. So, there should have been a reason behind the unexpected numbers. One hypothesis is that Soviet-legacy CSOs as well as other quasi-CSOs that are set up by private companies or oligarchs to launder money have crucial influence on statistics through their market activity. Different All-Russian Soviet-legacy organisations of disabled and retired people, women and veterans of wars are registered as branches in most cities. After the dissolution of the Soviet Union, they kept property rights for their

buildings which are rented out and return a significant amount of income that counted in statistics as a part of market share. The hypothesis may be wrong, but statistics do not seem to reflect the situation of the 'true' civil society sector.

## Legal framework and political conditions

As the 2016 Report showed, there is extensive legislation regulating the sector. There are 15 different legal forms of CSOs and a long list of special Federal Laws on 'Non-profit Organisations', 'Public Organisations', 'Charity Organisations', 'Philanthropy' and other narrower laws. These Federal Laws are constantly changing. For instance, the main Law on 'Non-profit Organisations' has changed 77 times since its adoption in 1997 and more than half of the changes (43) were made in the last five years. What is more specifically for Russia is an elaboration of different lists of CSOs that give them either additional opportunities or restrict their activity. The current legislation creates 'good' and 'bad' civil society organisations putting them into four different registers. 'Good' CSOs constitute two lists and include those who work in the social sphere ('socially oriented non-profit organisations') and a small part of it which are official social service providers ('socially oriented non-profit organisations providing public benefit services'). On the other side of the spectrum, there are lists of 'foreign agents' and 'undesirable organisations' under state restrictions. In most cases, these lists include human rights, environmental and democracy promotion organisations.

The first visible trend of state policy towards CSOs is support of those working in the social sphere. Since the adoption of the Law on 'socially oriented non-profit organisations' in 2010, the government has specified the main and prominent role of CSOs to solve rising amount of social problems with which it is not able to manage alone. 'Socially oriented' organisations themselves are usually registered CSOs, but operating in 18 specified fields such as the social sphere, education, culture etc. (Russian Federal Law 7, Article 31.1). Those who fall under these criteria have had additional opportunities to get financial and other in-kind support from federal and regional governments on a competitive basis. Before 2016, there was a federal support programme for 'socially oriented non-profit organisations' managed by the Federal Ministry of Economic Development (MED). It was designed so that the Federal Ministry, first, co-funded regional support programmes, and then regional governments organised grant competition among local organisations. Also, MED directly provided long-term grants to regional resource centres that build infrastructure for the local civil society sector. Experts and the academic community see the programme as highly effective and transparent. It has helped to strengthen partnerships between CSOs and regional governments and to enhance regional expertise in sector issues. By the end of the federal MED programme, 75 Russian regions have had their own regional support programmes, while before only a few regions had allocated competitive grants to CSOs. However, in 2016, the MED programme was transferred to the Presidential Administration and lost its regional component. Instead, the Administration will directly provide grants to CSOs without co-funding regional support programmes in 2017. These changes have raise concerns among CSOs and external experts about the opportunities of small regional organisations to be supported since all of them will face tough competition for grants with professional CSOs from Moscow and Saint Petersburg. The disappearance of the regional component demotivates regional governments from prolonging support programmes which, in return, can lead to a weakness of government-CSOs relations at regional level.

There is also one more sub-type of 'socially oriented' CSOs which are those organisations who "provide high quality public benefit services during not less than a year" (Russian Federal Law 7, Article 31.4). The Law introduced this new type of organisations in July 2017 with the intention to enhance the state support of CSOs providing social services, increase competition among them, and then, improve the quality of social services. The status gives CSOs broader opportunities of being supported by the state for two years while almost all previous grants were provided for short time-framed projects. These CSOs are able to get long-term grants on their operational activity and get other in-kind support including rent-free use of property. At the moment (July 2017), only 15 CSOs have the status of 'providers of public benefit services', but experts see this legislative tool as a perspective measure for the development of the part of the civil society sector working in the social sphere.

During the past few years, the state has introduced a number of restrictive measures aimed at weakening and de-legitimising independent uncontrolled civic activity. After the mass protest movements against electoral frauds in 2011-2012, the state has tried to limit the survival opportunities of human rights and environmental organisations in order to prevent further possible political tensions. Since then, a few amendments have been introduced into the legislation that define two new types of CSOs and form two additional lists; 'organisations performing the functions of a foreign agent' and 'undesirable organisations'. For the first type, according to the Law, organisations receiving foreign funding (including donations from individuals) and engaging in political activity must be placed in a special 'list of organisations performing the functions of a foreign agent' (Russian Federal Law 7, Article 2). The most important criterion here is involvement in 'political activity'. Experts and politicians debated the meaning of the term and defined it in June 2016. 'Political activity' is now understood quite broadly and means not only involvement in internal state affairs, but also, for instance, the conduct of mass opinion polls and the expression of opinions about state politics. It makes every CSO with foreign funding vulnerable to being labelled a 'foreign agent'. If the Law on 'foreign agents' significantly complicates the work of CSOs but does not prohibit their activity, the Law on 'undesirable organisations' does. According to the Law, they are international civil society organisations which the Prosecutor's Office regards as "threatening the country's constitutional order" (Russian Federal Law 129).

The labels of both 'foreign agents' and 'undesirable organisations' have a great symbolic influence on people's relation to CSOs. In Russian the word 'agent' is closely associated with a 'spy'. It slurs the work of 'foreign agent' organisation in the public mind and makes open partnerships with state bodies almost impossible. The Law obliges 'foreign agents' to provide full financial and operational reports quarterly, and they must provide these reports with an auditor's conclusion annually. This regulation significantly complicates the work of 'foreign agents' since they need to allocate extensive resources on the bureaucratic procedures of reporting and it forces many of them to close their organisations or re-register as a new CSO or even as a private company. Since the Law was adopted in 2012, 154 CSOs had been included in the list of 'foreign agents' by July 2017. At present, 89 CSOs have the status and the remaining 65 were excluded from the list mainly because they stopped having foreign funding.

In terms of political conditions, it is important to note that 2017 is the pre-election year. The presidential elections will be held in March 2018. This makes political activity more turbulent and focused on the electoral campaign. Although election results are far from being an intrigue, the struggle of the main oppositional politician Alexsey Navalny to be registered as a candidate fuels public interest, especially for young Russians. In spring 2017, after Na-

valny had published his investigation on the corruption of Prime Minister Dmitry Medvedev, mass protests took place across Russia. Surprisingly, the characteristics of the protesters have changed significantly, many more 16-20 year-olds protested. This emergence of a new kind of protest movement may have significant influence on the further development of civil society by making it less depoliticised than before.

## Data

In order to reveal the general trend of civil society development and identify best fundraising practices both quantitative (online survey) and qualitative (interviews) methods were used. The online survey and interviews were conducted with members of the Forum and other CSOs. The survey was made on the SurveyMonkey platform, the link to the questionnaire was sent to CSOs' emails working in different policy fields and different Russian regions. Based on open sources of contact information of CSOs in more than 15 regions, a sample of about 6,000 emails was made. The response rate was very low. In total, 96 answers were received among which 14 were from Forum members. Those CSOs questioned represent different policy fields, but the major part (32%) is CSOs working in the social sphere (see Figure 20). Mainly, they are officially registered civil society organisations (87%), but 7% are non-registered grassroots initiatives and 3% are big social movements. Two thirds (67%) of surveyed organisations work at a local or regional level, 29% at the federal level and 4% at the international level. Their experience in a field ranges from less than one year (34%) to one to 10 years (21%) and 11-20 years (42%), and three of surveyed CSOs (3%) have operated for more than 20 years. In terms of human resources, one third (33%) have fewer than 10 people involved in their activity as employees, volunteers and members, 42% have 10-50 involved, 14% have 51-200 and 12% have more than 200 involved.

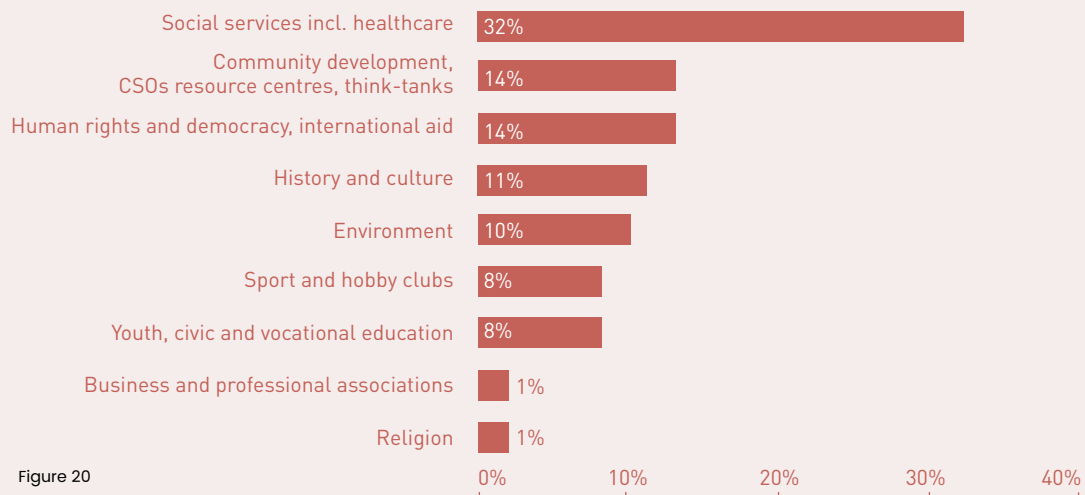


Figure 20  
Participants in the  
survey by field of activity

Source: 2017 survey



In addition to the online survey, nine in-depth interviews have been conducted by phone or Skype with CSOs' managers working in different policy fields and Russian regions. Interviews lasted from 30 to 60 minutes. Altogether, the questioned and interviewed organisations represented a wide variety of CSOs and reflect the general climate and trends in civil society development.

## Challenges

Last year, the Forum's research on Russia revealed the significant problems that CSOs face. The list is quite long and starts from a traditional lack of financial resources to the very specific Russian problem of restructuring the civil society sector into 'good' and 'bad' organisations. As it was hypothesised, the list of significant problems stays the same as last year and current field research has proved the main conclusions reached then (see Table 10).

Table 10 Major challenges for CSOs

Source: 2017 survey and interviews

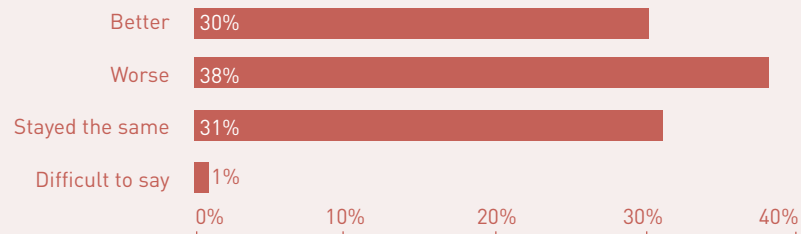
Challenge (number of mentions)	Description
Lack of financial resources (28)	General decrease in funding, lack of long-term funding, limited opportunities to get state and international funding, role of economic crisis in decreasing private and commercial donations.
Repressive and narrowing policy environment (22)	State pressure on independent CSOs and political activists, decreasing level of political freedoms, excessive state regulation and control actions.
Restructure of civil society sector (16)	Creation of pseudo (pocket) CSOs by the state, state prioritises social CSOs and hinders human rights and environmental CSOs.
Negative public perception and representation in mass media (14)	Translation and popularisation of CSOs' negative image by mass media, low level of trust toward CSO, misunderstanding of CSOs' societal mission.
Low responsiveness of the state (13)	Low real interest of the state to develop civil society, disregard of local authorities to the needs of CSOs.
Highly bureaucratic regulations (13)	Complex and unclear rules in applying for state support and in further reporting, excessive amount of reports to different state bodies.
Changing and repressive legislation (13)	Law on 'foreign agents', constantly changing legislation on CSOs, contradictions in legislation.
Macro context (13)	Problems in social, political and economic spheres including corruption, poverty, crisis, strained international relations and etc.
Human resources (4)	Professional incompetence of CSOs' leaders and employees.

First, Russian civil society organisations continue to assess the general situation as quite unstable and unequal. Although the majority of the respondents (38%) have indicated that the situation of their organisations worsened during the last three years, the difference between those who have noted a better situation (30%) or that it has stayed the same (31%) is not very significant (see Figure 21). CSOs in different policy fields note a disparity between fields; human rights organisations (75%) continue to assess the change in the general situation as worse than those who primarily work in the social sphere (47%). This is one of the consequences of the above-mentioned dual approach of the state towards CSOs.

“There is a dual policy towards CSOs. We have ‘good’ social and charitable organisations, and there are ‘bad’ political organisations. This is felt inside the sector. Social CSOs want to be out of the discussion about ‘foreign agents’, to stay aside. There is no solidarity in the sector.” (Interview R7)

Figure 21  
Evaluation of the situation over the past three years for respondents’ organisations

Source: 2017 survey



On the level of the whole civil society sector the problem of internal division into ‘good’ and ‘bad’ organisations continues to be named as one of the most important challenges for its further development. Last year, it was revealed that CSOs had expressed concern that the system of state financial support together with restrictive legislation on getting foreign funding, is changing the internal structure of the civil society sector in favour of those CSOs who work in the social sphere and against those working in human rights and environmental organisations. This year, we still hear CSOs’ voices who say this imbalance violates the natural order of civil society development.

“Despite the very intensive work of the authorities regarding the CSOs, far from everything is always successful. Sometimes, the government itself creates obstacles for the development of civil society. The state provides material support to organisations that feign civic engagement, so-called loyal organisations. At the same time, authorities obstruct the activities of those organisations that they do not like.” (Interview R5)

Second, two top problems for CSOs stay the same, they are — lack of financial resources and strained relations with state bodies. Almost half of respondents (49%) refer to financing as a feature of negative context for their organisations (see Figure 22). Survey results show 19% of CSOs have had a significant decrease (for more than 50%) of their budget during the last 12 months, while 7% of organisations saw a significant increase.

In terms of sources of funding, the worse situation is with state financial support, 53% of CSOs negatively evaluate this context condition for their organisations. During the interviews, many organisations tell about their negative experiences when applying for state grants. They emphasise the highly bureaucratic application and reporting procedures as well as unfair bias in how the state allocates money to specific CSOs that work mainly in the field of patriotic education of young people and different sorts of military organisations.

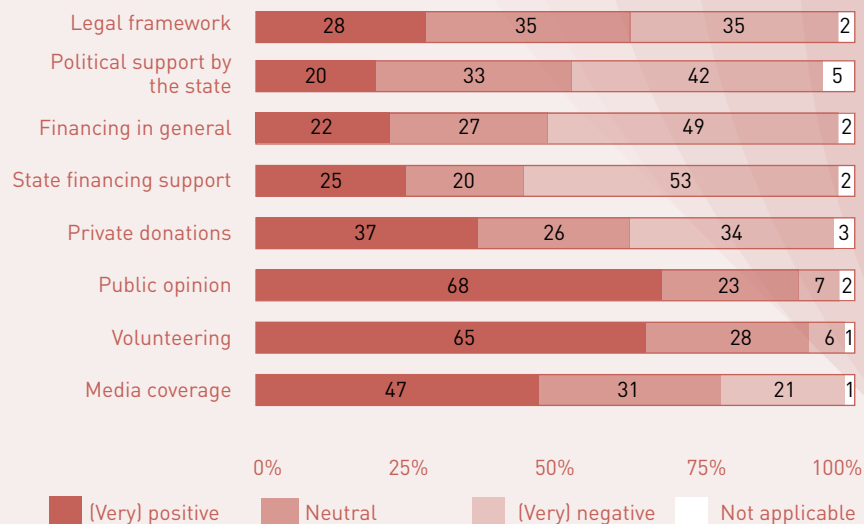
“The state and regional budget for social policy is one for all of us and it has been decreasing recently. We have to compete with each other, I mean with other CSOs, commercial companies and budget organisations. Answer to the question ‘whom to finance’, can cause tension both between these actors and in their relations with authorities.”  
(Interview R4)

As for the private donations, there is no sustained assessment of it as positive, negative or neutral context conditions for questioned CSOs. The percentages for these three options are almost equal at 37%, 34% and 26% respectively. Respondents note that private donations are a prospective source of funding since more and more organisations report a positive experience with this. Yet some experts see particular limitations around private donations; it is used successfully only by specific type of organisations working in ‘fundable’ fields which is mainly helping disabled children and orphans. It is quite hard to rely on private donations for other kind of CSOs who work within fields less attractive for private donations.

“The success of collecting private donations depends not only on the level of professionalism of a foundation, but also on its field of activity, how understandable is this issue for the general public. Our people do not like helping adults, the theme of rehabilitation and socialisation is very incomprehensible. Why is it necessary to help HIV-positive people, homeless people? Our people easily understand the issue of disabled children and they are open to help them.” (Interview R3)

Figure 22  
Evaluation of the context conditions for respondents' organisation

Source: 2017 survey



Third, the relations with state bodies continues to be the main problem Russian civil society organisations face. Many CSOs feel the pressure the state exerts on them in the form of constant control actions, adoption of new restrictive laws and general negative discourse in mass media towards grassroots and protest activity.

However, respondents assess the legal framework more positively than last year. The survey shows 35% CSOs have a negative perception of this context condition, last year it was nearly twice that figure (65%). There were more new restrictive legislative amendments last year. Interviewed CSOs note the positive steps the state made in 2017, which is slowing the speed of inclusion of new organisations onto the list of 'foreign agents' and exclusion from the list those CSOs who do not have foreign funding.

Fourth, the previously mentioned challenges are mostly about external context, but NPOs still have a few important internal challenges. One of the main challenge is the low level of professional expertise in a field. More specifically, CSOs have mentioned the need of having skilled fundraisers who are able to get diversified funds that help to increase organisational sustainability. Also, during the interviews a few civil society organisations have mentioned difficulties with getting funds to cover administrative costs.

"It is difficult to acquire funds for administrative expenses. It is believed that foundations' staff shouldn't receive a salary for their job. It's not enough to have just one employee, there has to be someone else who will be engaged in address help, another one will be responsible for fundraising. It is very difficult to explain to people that such expenses are needed, many people think charity work is free." (Interview R3)

Despite a number of serious challenges civil society organisations meet, they have windows of opportunities for development. Two thirds of respondents see volunteering (65%) and public opinion (68%) as positive context conditions. The level of volunteering as well as private donations is growing, and organisations perceive it as a positive step in civil society development. According to World Giving Index (CAF 2017), the percentage of Russians participating in private donations has grown and reached 17% in 2017. Regarding public opinion, as one of the interviewed expert has mentioned, people are not afraid of the words 'foundation,' 'volunteers,' 'CSO' as they usually were in the 1990s. General acknowledgement of civic activity is growing, slowly but surely together with positive public opinion and trust.

## Best fundraising practices

The previous paragraph shows that CSOs face a number of significant challenges today and the most important one is lack of financial resources. Not denying the importance of other problems such as repressive and changing legislation, and unbalanced development of the civil society sector, the financial problem is one of those that can be more easily solved by CSOs themselves. For this practical reason, the current paragraph on best practices will describe those that help CSOs to get funds and that can be used by other organisations both in Russia and EU countries.

During the field research, CSOs came up with two strategies of dealing with financial challenges. The first one is diversification of funds which can enhance the financial sustainability of CSOs and make their work more qualified and professional. As one of the respondent mentioned, all donors always have their own limitations and CSOs have to take it into account trying not to be financially dependent on one or another source of funding. The research shows few CSOs have diversified budgets. Only 52% of questioned organisations have one to two types of funding, 21% have three types of sources and 20% have more than three sources.

“Business usually makes corporate donation to CSOs that work in closely related fields or supports socially oriented organisations. The state also has its own priorities. That’s why it’s important to have different sources of funding, to be sustainable and not to depend on any third parties.” (Interview R3)

The second strategy of CSOs is to learn more about digital fundraising strategies and use different tools of crowdsourcing and crowdfunding more actively. The surveyed CSOs usually use traditional fundraising methods including applying for state grants (65%) and working with specific donors (45%), while digital fundraising methods are used only by 10-15% of CSOs. CSOs understand that the spread of these tools appears to be an inevitability in civil society development worldwide, and they want to know more about relative best practices.

These results make the issue of best practices of fundraising very relevant for CSOs. The four best practices described below show successful experience helping CSOs to strengthen their financial sustainability. The first three are about the use of digital fundraising methods and the last one emphasises the importance of joint global efforts.

#### **On the occasion (Pol’zuyas’ sluchaem)**

<https://sluchaem.ru>

The charity foundation for assistance to socially unprotected citizens ‘Need Help’ (Nuzhna Pomoshch) develops infrastructure of charitable, civic and socially significant initiatives aimed at supporting all groups of people in all Russian regions (Need Help 2017). It’s based in Moscow and has more than 10 staff. At the beginning of 2017, the Foundation developed an online crowdfunding platform ‘On the occasion’ (Pol’zuyas’ sluchaem) aiding other CSOs and civic initiatives to collect private donations. ‘On the occasion’ platform is an online service through which any Internet user can create their own campaign to raise funds in favour of any charitable organisation or project.

Anyone who wants to help a CSO can start fundraising. To do this, a person has to choose an event, for example, birthday, wedding or New Year, determine the date, indicate the purpose of the campaign and decide whom he wants to help on the occasion. Then, an event page is created on the online platform ‘On the occasion’ where it is possible to explain why it was decided to refuse traditional gifts, and instead organise a fundraising campaign in favour of a charitable organisation or any other civic initiative. The platform suggests a list of charitable organisations and projects that can be supported by making donations. After that, it is possible to invite other people to make their own contribution in favour of a chosen project and make a donation online (On the occasion 2017).

All participating charitable organisations and projects presented on the platform undergo a multistage system of peer review by professionals in the field of charity and volunteering.

Several famous musicians and players joined the platform 'On the occasion' and popularised the idea of charity. For example, actress Irina Gorbacheva, one of the first personalities had organised a fundraising campaign on her birthday to help the Moscow children's hospice. In just two days, donations to the hospice made through the platform 'On the occasion' reached almost 600,000 rubles.

### **Help without touching (Pomogi, ne kasayas')**

[www.deti-bela.ru/help/untouchables](http://www.deti-bela.ru/help/untouchables)

The Charitable Foundation 'Children-Butterflies' (Children-butterflies Foundation 2017) was established in 2011 and provide comprehensive assistance to children with a rare genetic disease, epidermolysis bullosa. The cause of the disease is a breakdown in a gene responsible for making the protein which joins the layers of the skin. With any mechanical trauma, and sometimes without it, blisters appear on the baby's skin and the skin exfoliates, leaving an open wound that must be permanently covered with special dressings and protected from repeated damage. People with epidermolysis bullosa are called butterflies. Epidermolysis bullosa is incurable today, but timely diagnosis and proper care with the use of special dressings can save sick children from suffering and let them live a normal life. According to the Foundation data, 2000 to 2,500 'children-butterflies' live in Russia (Children-butterflies Foundation) and it provides medical, material, information, psychological and legal assistance to 300 children-butterflies and their families.

In the winter of 2017, the Foundation launched the charitable fundraising campaign 'Help without touching' aimed at collecting private donations through unique posters. The campaign has started in Moscow and Saint Petersburg where first-posters with built-in payment functionality have been installed for the charitable campaign. All first posters were equipped with the PayPass system where in order to make a donation to the Foundation account one just attaches the card to the poster. Then a new solution appeared: in order to make donations, one must read the QR-code through a smartphone and then make a payment with a bank card through the MasterPass service of MasterCard. After clicking the 'Payment by MasterPass' button on the automatically opened web-page, 100 rubles will be transferred from one's bank card to the Foundation account.

The fundraising campaign is supported by large commercial and state companies. Thanks to the support of the retail network of Rostelecom, posters are installed in central areas and on busy streets in 600 Russian cities (Rostelecom 2017). Also, posters are located in 15,000 Russian Post offices. Posters with a QR code 'Help Without Touching' can be found on the Internet, and in magazines and shops.

### **Teddy Food**

<https://teddyfood.com/ru>

There are more than 150,000 homeless animals in Russia. They must be fed, treated and cared for, but usually there is no money for this. The state is reluctant to spend money on care for homeless animals, and charitable foundations and volunteers usually have very limited funds for help (Big City 2015). The creators of the 'Teddy Food' project invented the solution that successfully combines charity, help for homeless animals and an online game. Within the project, money is collected for a kind of computer game, but with a live dog from the shelter. By registering on the project's website or downloading the application on a mobile phone, it is possible to choose a dog to take care of. The help can be provided not only by paying for food, but also by buying a pet toy or accessory, ordering various services (paddock, haircut, washing, inspection by a veterinarian). In addition, it is possible to take patronage over pets, visit them in the nursery, and, if appropriate, take the animal home for a few days. It is also possible to look for a pet online (TJournal 2015). As for the game element of the project, benefactors receive achievements and points reflected in their personal profile for their good deeds. For example, for frequent feeding of animals with delicacies, a user will get the status of 'Gourmet'.

Each pet is in a separate booth in an existing kennel in Moscow, Saint Petersburg, Ekaterinburg, Volgograd, Samara or Smolensk. Each booth is equipped with an automated bowl and a video camera. Online video is available at any time of the day, so it is possible to look at what a pet is doing.

### **Giving Tuesday**

[www.givingtuesday.ru](http://www.givingtuesday.ru)

The charitable initiative 'Giving Tuesday' is known in many countries, and was first held in Russia in November 2016 and for the second time in November 2017. All kinds of events and actions related to charity are arranged on this day around the world. The project is organised in Russia by the Charities Aid Foundation (CAF). The aim of the project is to encourage society to participate more actively and with great effect in charity for the benefit of people and local communities.

On this day, ordinary people, commercial companies, educational and cultural institutions unite and spread the idea of charity in society. The format of fundraising events and their purposes are chosen by participants. Official partners of 'Giving Tuesday' are able to use the logo and hashtag #GivingTuesday, and general resources and communication material. More than 900 Russian organisations including CSOs, business companies, theatres, museums, universities and libraries became partners of the first 'Giving Tuesday' in 2016. They organised more than 1500 events in 124 cities.

'Giving Tuesday' allows many participating actors to benefit. The campaign allows commercial companies to attract additional attention to their social and charitable activities, and to increase the level of volunteering among employees. CSOs use this day to involve new people in charity, they set up boxes for the collection of products and goods in stores, organise different fundraising events, hold an open day in their organisations, organise trainings on special issues like help to orphans, elderly, homeless animals, environment protection, etc. Ordinary people take part in charity events and support of CSOs, they visit nursing homes,

make donations to one charitable foundations, gather for a subbotnik, provide professional services in their fields of competence, talk about the 'Giving Tuesday' with their friends and invite them to join the fundraising campaign (Agency of Social Information 2016b).

The large-scale campaign 'Giving Tuesday' allows charitable organisations to collect significant amount of money in a short period. In 2016, foreign and Russian payment systems recorded a significant rise in donations. According to the Yandex.money service, the amount of donations increased by 250% compared to the same day a year ago. Moreover, the number of donors doubled and on average they each made donations of 709 rubles to various charitable projects.

The number of charitable donations through ChronoPay grew by 152%, the service Cloud payments declared 223% growth (2.5 million rubles) of charitable donations to five foundations on the day of 'Giving Tuesday' compared to the same day in the previous month. Donations to the foundation Need Help increased by 20% during the week of 'Giving Tuesday' and reached more than 1.5 million rubles (Agency of Social Information 2016a).

## CSOs international cooperation: Changing significance?

The issue of international cooperation is not a part of the everyday thinking of CSOs. However, all interviewed organisations and experts express their willingness to have more opportunities for that and especially in the form of exchange of experience. NPOs understand they are not the first ones who work in any kind of problem field and there is a rich and useful experience that foreign non-profits have. They declare readiness to be a part of partnership projects aiming at exchange of experience and best practices between different nonprofit organisations across the world.

Respondents describe international cooperation for CSOs as deteriorating. The reason is obvious — tough international relations between Russia and Western countries. It obstructs CSOs from sharing their experience across borders and makes Russian organisations almost isolated.

“Whereas organisations that have a history of cooperation dating back to the 90s do not refuse international cooperation today, those organisations that have never done this, as well as newly-emerged organisations, see international cooperation as a bit of a taboo. Many are fearful, they think that it will hurt them and will be received badly [by state and society].” (Interview R2)

“There is propaganda on the Russian side and on the part of the EU. It complicates the opportunities for cooperation between CSOs because in Europe you can also meet an opinion that if a Russian CSO survives and works, then it is precisely engaged and loyal one.” (Interview R6)

The problem is hard to solve since it depends on many factors beyond direct, short-run influences, yet interviewed NPOs seem open to the public discussion of possible ways out.



## Conclusions

The civil society sector is made up of controversies and dualities. The research continues to prove that there are many diverse trends in its development. In the statistics, we see a very stable sector, where the number of CSOs varies up to 1% and constitutes about 223,000 organisation in each year since 2011. At the same time, the internal composition of the sector changes a lot annually with 16,000 new non-profit organisations registered and almost the same amount closing. Only half of CSOs registered in modern Russia are still in and not excluded from the official list, and a much smaller proportion are really active. The revenue structure of most of the CSOs, the 'socially oriented' organisations, is skewed to market income which raises doubts about the adequacy of official statistics.

The daily life of CSOs also unfolds in controversial context conditions. The current legislation and system of state support create very favourable conditions for CSOs working in the social sphere, and at the same time invent more and more restrictions for human rights and environmental organisations. The dividing line drawn in legislation between so-called 'good' and 'bad' CSOs violates the natural order of civil society development. The sector of CSOs became more skewed to 'socially oriented' organisations, while human rights and environmental ones face more and more difficulties and barriers for development.

Yet the list of the main challenges of which CSOs in different policy fields face is similar. According to the survey results, respondents assess the lack of financial resources including state financial support as the most negative context conditions. The financially unstable context makes CSOs interested in successful fundraising solutions. Best practices described above show that digital fundraising tools can help CSOs in realising their social mission more easily (for example 'Teddy food'), make the process of fundraising more understandable (for example 'On The Occasion') and more interesting for the broader public (for example 'Help Without Touching'). Also, the successful experience of 'Giving Tuesday' proves the significance and effectiveness of joint actions in the name of charity and civil society.

## References

Agency of Social Information 2016a [Агентство социальной информации, 'Россия присоединяется к общественной инициативе #Щедрый вторник'], 18 March 2016, available at <https://www.asi.org.ru/news/2016/03/18/fond-kaf-obyavlyayet-novuyu-initsiativu-shhedryj-vtornik/> [In Russian]

Agency of Social Information 2016b [Агентство социальной информации, 'В «Щедрый вторник» резко выросли пожертвования россиян'], 2 December 2016, available at <https://www.asi.org.ru/news/2016/12/02/shhedryj-vtornik/> [In Russian]

Big City 2015 [Большой город, 'Как изменить жизнь к лучшему? Лучшие проекты социальных предпринимателей'], 25 June 2015, available at <http://bg.ru/society/fandrajzing-22894/> [In Russian]

CAF 2017, World Giving Index 2017, available at <https://www.cafonline.org/about-us/publications/2017-publications/caf-world-giving-index-2017>

Children-butterflies Foundation 2017 [Фонд Дети-бабочки, 'О нас'], available at <http://deti-bela.ru/about/about> [In Russian]

Russian Federal Law 7 [Федеральный закон от 12.01.1996 N 7-ФЗ (ред. от 14.11.2017) «О некоммерческих организациях»], available at [http://www.consultant.ru/document/cons\\_doc\\_LAW\\_8824/](http://www.consultant.ru/document/cons_doc_LAW_8824/) [In Russian]

Russian Federal Law 129 [Федеральный закон от 23.05.2015 N 129-ФЗ «О внесении изменений в отдельные законодательные акты Российской Федерации»], available at <http://www.consultant.ru/cons/cgi/online.cgi?req=doc&base=LAW&n=179979&fld=134&dst=1000000001,0&rnd=0.9495858874769383#0> [In Russian]

HSE 2017, [Центр исследований гражданского общества и некоммерческого сектора НИУ ВШЭ, Мониторинг состояния гражданского общества], available at <https://www.hse.ru/en/monitoring/mcs/> [In Russian]

Ministry of Justice 2017 [Министерство юстиции Российской Федерации, 'О деятельности некоммерческих организаций'], 23 October 2017, available at <http://unro.minjust.ru/NKOs.aspx> [In Russian]

Need Help 2017 [Нужна помощь, 'О нас'], available at <https://nuzhnapomosh.ru/about/> [In Russian]

Rostelecom 2017 [Ростелеком, '«Помоги, не касаясь»: Ксения Раппопорт презентовала на ПМЭФ уникальный проект для помощи детям-бабочкам'], available at <https://www.rostelecom.ru/social/news/d440457/> [In Russian]

On the occasion 2017 [Пользуясь случаем], available at <https://sluchaem.ru/> [In Russian]

Russian Post 2017 [Почта России, Почта России присоединилась к благотворительному проекту Помогите, не касаясь], 1 June 2017, available at <https://www.pochta.ru/news-list/item/1187474353> [In Russian]

TJournal 2015 ['Тамагочи из приюта'], 16 July 2015, available at <https://tjournal.ru/55723-teddy-food> [In Russian]

## List of Interviews

Interview R1: Regional environmental NPO

Interview R2: Regional infrastructural NPO working on civil society and non-profit sector development

Interview R3: National charitable foundation

Interview R4: Regional NPO working in social services

Interview R5: Regional NPO working in animal care

Interview R6: National NGO working in civil society and non-profit sector development

Interview R7: National NGO working in civil society and non-profit sector development

Interview R8: Regional environmental NPO

Interview R9: External expert on NPOs



# Information about contributors

## The Netherlands

**Pamala Wiepking** is assistant professor of the Rotterdam School of Management, Erasmus University, the Netherlands. Her research focuses on cross-national and interdisciplinary explanations of philanthropy. She aims to make philanthropy more meaningful for all actors involved and through her academic work she aims to help create more generous societies. Together with other researchers she has published on philanthropic behaviour in, among others, *Social Forces*, *European Sociological Review*, *Social Science Research*, *Voluntas* and *The Nonprofit and Voluntary Sector Quarterly*. She is co-editor (with Femida Handy) of the *Palgrave Handbook of Global Philanthropy*. She is a member of the editorial board for the *Nonprofit and Voluntary Sector Quarterly* and the *International Journal of Nonprofit and Voluntary Sector Marketing*. Pamala is one of the founding members of the European Research Network on Philanthropy and the Center for Global Generosity. She is also a board member of the Dutch Fundraising Institute (NLFL). She is the 2016 AFP Emerging Scholar Award recipient for her contribution to philanthropy and fundraising research, and the 2017 recipient of the UMD SPP Do Good Institute-ARNOVA Award for Global Philanthropy and Nonprofit Leadership.

Email: [pwiepking@rsm.nl](mailto:pwiepking@rsm.nl)

**Fengjing Zhang** is studying for a master of Sociology and Social Research at Utrecht University. She had her bachelor of Sociology at Hong Kong Baptist University. Her research interests are in NGOs and immigrants. Under the supervision of Professor Jack Barbalet, her honours project investigated an NGO's role in providing a service to and making rights claims for pregnant foreign domestic workers in Hong Kong. She conducted comparative research with Professor Adrian J Bailey on how faith-based organisations respond to neighbourhood changes in Hong Kong and Atlanta. She was a research helper for Dr Yinni Peng in in-depth interviews with peasant migrant workers in mainland China. She had internships in NGOs in Hong Kong and Beijing.

Email: [f.zhang@uu.nl](mailto:f.zhang@uu.nl)

## Italy

**Simone Poledrini** is an adjunct professor of Management of Innovation in the Department of Economics at the University of Perugia in Italy. He holds both a PhD (University of Perugia, Italy) and an MSc (University of Sussex, UK) in Management of Innovation. His research interest is nonprofit with a particular focus on civil society organisations and social enterprises. Simone is involved in the ICSEM Project (International Comparative Social Enterprise Models) where Simone is part of the Italian team. Simone has lectured on Management of Innovation and Nonprofit Organisations. Since 2010 he has been teaching Management of Innovation at masters level at the University of Perugia. He has been invited to give seminars and lectures about Nonprofit Organisations or Management of Innovation in several universities in Europe and elsewhere. Simone has several publications on social enterprises and the nonprofit sector, including an authorised book (2011), an edited book (2010), several book chapters and articles published in journals or presented in conferences. He recently published an article on Social enterprise in *Nonprofit and Voluntary Sector Quarterly Journal*.

Email: [simone.poledrini@unipg.it](mailto:simone.poledrini@unipg.it)

## Lithuania

**Ieva Petronytė-Urbonavičienė** is assistant professor and researcher at the International Relations and Political Science Institute, Vilnius University and director at Civil Society Institute, Lithuania. Her academic research interests primarily lie in political sociology and political psychology: citizen attitudes, their formation and political participation. This academic knowledge complements Ieva's work as a CSO practitioner for more than 10 years in implementing educational projects, actively researching and advocating in the fields of civic education and citizens' involvement in the decision-making processes. Ieva holds a PhD in Political Science and an MA in Comparative Politics from Vilnius University.

Email: [ieva@civitas.lt](mailto:ieva@civitas.lt)

## Bulgaria

**Ksenia Vakhrusheva** is a civic activist and freelance journalist. She has been a member of the Steering Committee of the EU-Russia Civil Society Forum since 2013. She holds an MSc in Public Administration from the Saint Petersburg State University of Engineering and Economics (Russia, 2006) and an MSc in International Business and Management from the University of Bedfordshire (UK, 2008). In 2010 she obtained a PhD in economics at the Regional Economics Institute of the Russian Academy of Science. Since 2011 she has worked as a project manager in the Environmental Rights Centre BELLONA, a Russian CSO providing legal support to environmental activists and promoting free access to information about the environment through its magazine *Environment and Rights* (<http://bellona.ru/ecopravo/> and [www.bellona.ru](http://www.bellona.ru)). In 2014 for political reasons she left Russia and settled in Bulgaria. Since 2015 she has contributed to stories on *Evromegdan.bg* and *Bluelink.info*.

Email: [ksenia@bluelink.net](mailto:ksenia@bluelink.net)

**Pavel P Antonov** is a journalist and campaigner based in Hungary, and a researcher into the changes in journalistic practice, democracy and civil society under market and economic pressures. He is the co-founder and executive editor of BlueLink — Bulgaria's civic action e-network since 1998. He has written scholarly articles, policy analyses, features and documentaries on: civic protest and participation; climate and environmental change; EU politics; and culture. He is the editor of the BlueLink Foundation's two online magazines for journalism in public interest: *BlueLink.bg* (in Bulgarian) and *BlueLink.info* (in English), and a senior expert and trainer in watchdog public interest journalism. He was listed by *Capital.bg* among Top 10 civil society promoters in 2010 for the Smokefree Bulgaria campaign. He is also an affiliated member of the Open Research centre in Milton Keynes, UK and a trustee of Greenpeace International. He is former editor-in-chief both of *Green Horizon* at the Regional Environmental Centre for CEE in Budapest and current affairs at Nova Television in Sofia, where he worked earlier as reporter and host.

Email: [pavelan@bluelink.net](mailto:pavelan@bluelink.net)

## Russia

**Yulia Skokova** has been working at the National Research University Higher School of Economics in Moscow, Russia since 2010. Currently she is a junior research fellow at the Laboratory for Political Studies (<https://politlab.hse.ru/en/>), interdisciplinary research centre researching political behaviour, migration and its public perception, social movements, political culture and local government. She researches in the fields of the nonprofit sector, civil society and social movements in Russia.

Email: [jskokova@hse.ru](mailto:jskokova@hse.ru)

## Scientific Editor

**Andrey Demidov** is a scientific coordinator at the Institute for Advanced Study at Central European University in Budapest ([www.ias.ceu.edu](http://www.ias.ceu.edu)). He holds a PhD and an MA in Political Science from Central European University in Budapest where he was previously employed as a visiting professor. Before assuming a position at CEU he worked as a research fellow at the Amsterdam Centre for Contemporary European Studies (ACCESS Europe) at the University of Amsterdam. His research focuses on civil society in Eastern Europe, EU public policy and the role of civil society actors in EU policy-making. Andrey also has extensive experience in teaching on a wide range of topics related to public policy and EU studies in Hungary and the Netherlands. Andrey combines academic work with active involvement in civil society, especially on issues related to LGBT rights, social equality and justice.

Email: [demidova@ceu.edu](mailto:demidova@ceu.edu)

## Scientific Adviser

**Elena Belokurova** is a director of the German-Russian Exchange Saint Petersburg ([www.obmen.org](http://www.obmen.org)) and Steering Committee member of the EU-Russia Civil Society Forum. She also works as a lecturer at the Department of Sociology and is an associated researcher at the Centre for German and European Studies ([www.zdes.spbu.ru](http://www.zdes.spbu.ru)), Saint Petersburg State University and part-time lecturer at the Faculty of Comparative Political Science, Russian Academy of National Economy and Public Administration, Saint Petersburg Branch. In different positions, since 2000 she has participated in a number of research and educational projects connected with different aspects of EU-Russia relations, emphasising cross-border cooperation and regional policies as well as civil society development in Russia and Europe, especially relationships between non-governmental organisations and the state in Russia and other countries.

Email: [elena.v.belokurova@gmail.com](mailto:elena.v.belokurova@gmail.com)

### Project Coordinator

**Kristina Smolijanovaitė** is a deputy director at the EU-Russia Civil Society Forum (<http://eu-russia-csf.org/>). Since the Forum's start in 2011, she has contributed to its development. Since 2015, she has led the Operations and Programmes Department. Besides contributing to various CSF projects, including the European Forum for Young Professionals "Pilorama Lab" (now "Europe Lab") and Visa Experts Focused on Visa Facilitation and Liberalisation, she leads a capacity-building programme and a grant programme for Forum members. Following her personal interest in dealing with conflicting memory, its relations to the political structure, and democracy-building in Russia and EU, Kristina initiated the Forum's Working Group "Historical Memory and Education" in 2013. She has been one of the authors of the exhibition and its catalogue *Different Wars: National School Textbooks on World War II*. Kristina studied cultural heritage and languages in Lithuania, Germany and Turkey.

Email: [kristina.smolija@eu-russia-csf.org](mailto:kristina.smolija@eu-russia-csf.org)



# Annex I: Questionnaire

1 Has the situation of your organisation became better or worse during the last three years?

- better       worse       stayed the same       difficult to say

2 How do you evaluate the context conditions for your organisation with regard to the following aspects?

Context conditions with regard to	Very negative	Negative	Neutral	Positive	Very positive	Not applicable
	1	2	3	4	5	6
Legal framework						
Political support by the state						
Financing in general						
State financial support						
Private donations						
Public opinion						
Volunteering						
Media coverage						

3 What kind of major challenges have civil society organisations faced in your country over the last 12 months? (name three of them and explain in one or two sentences)

1 \_\_\_\_\_  
 2 \_\_\_\_\_  
 3 \_\_\_\_\_

4 What kind of challenges has your organisation faced over the last 12 months? (name three of them and briefly explain with examples)

1 \_\_\_\_\_  
 2 \_\_\_\_\_  
 3 \_\_\_\_\_

5 Has your organisation found any good solutions to the challenges you mentioned? Briefly describe with examples.

1 \_\_\_\_\_  
 2 \_\_\_\_\_  
 3 \_\_\_\_\_

6 In which field is your organisation primarily working?

- human rights and democracy, international aid
- environment
- social services incl. healthcare
- youth, civic and vocational education
- history and culture
- sport and hobby clubs
- community development, NGO resource centres, think-tanks

- religion
- business and professional associations
- others

7 In what form does your organisations operate?

- registered non-governmental non-profit organisation
- non-registered organisation – grassroots initiative
- non-registered organisation – big social movement
- other: ....

8 How long has your organisation existed?

- less than one year
- one to 10 years
- 11-20 years
- more than 20 years

9 How many people (employees, volunteers, members) are usually involved in your organisation?

- Less than 10
- 10-50
- 51-200
- more than 200

10 On which level does your organisation do most work?

- on the local /regional level
- on the national level
- on the international level

11 Do you want to tell us more about your solutions/new practices through an interview? The approximate length will be 20-30 minutes, via a telephone, video call or in person conversation:

- yes       no

If yes, please provide your email address, and the scholar will come back to you to organise an interview (not in all cases, depending on study needs).

The contacts will be treated separately from the survey analysis.

If you would prefer to send some information about your experiences and interesting solutions, please send here the links or inform us about it here: we are interested in getting your stories in any form.

# **Annex II: In-depth interviews questionnaire**

- 1 I have consulted the web page of your organisation about your organisation's **objectives and activities**. Can you briefly describe what activities are most important for your organisation? (introductory question)
- 2 What have been the **main challenges for your organisation** in the last 12 months? Are these new or have they existed for some time? Do these challenges require systematic change in the way your organisation operates?
- 3 Are these challenges for your organisation connected with the **main challenges for civil society in your country**? What have been the main challenges for civil society in the last 12 months? Are there any positive trends?
- 4 Do you see good **solutions/strategies to cope with negative trends** for civil society actors? Are there any new opportunities arising for civil society?
- 5 Has your organisation developed some **solutions/good practices** or innovations/know-how in your field which you believe can be replicated more broadly? If you would like to share it with other CSOs, please, describe it in sufficient detail.

(If respondents don't understand what we mean by the "solutions" or "best practices" you can reformulate the question as "Have you invented something new in the work of your organisation recently, and why?")

- 6 What is your organisation's experience with **international cooperation**? Would you describe it as positive or negative? Have you seen any changes during the last 12 months?
- 7 How can civil society actors in your country be best supported internationally?
- 8 Would you agree to your interview being anonymously published on open data storage?











## Impressum

**Project coordinator:** Kristina Smolijaninovaite

**Scientific editor:** Andrey Demidov

**Scientific advisor:** Elena Belokurova

**Linguistic editor:** Peter Barker

**Designer:** Laura Klimaitė

**Publisher:** DRA e.V. / German-Russian Exchange, Berlin, Germany

**Print:** Standartų Spaustuvė, Vilnius, Lithuania

**Print run:** 500 copies. Publication date 20 February 2018

Disclaimer: This document has been produced with the financial assistance of our donors. The contents of this publication are sole responsibility of the EU-Russia Civil Society Forum e.V. and can in no way be taken to reflect the views of our donors.

©2018 by EU-Russia Civil Society Forum e.V.  
All rights reserved.

ISBN 978-3-947214-02-0



An independent and vibrant civil society is an essential part of a healthy democracy. The collection and analysis of data on NGOs and civil society is crucial in allowing us to understand better the kind of developments which shape civil society and its activities both in the European Union and Russia. I am convinced that the research work conducted by the EU-Russia Civil Society Forum and the data collected will further assist us in appreciating and promoting the important contribution an independent civil society plays in democracy across different countries and regions.

Vygaudas Ušackas  
EU ambassador to Russia  
2013-2017

The study of the state of civil society in a number of European countries, conducted by the EU-Russia Civil Society Forum, is built on surveys and interviews with civil activists who work daily “in the field”. In the report you can feel their moods and emotions, hopes and fears, and see the dynamics of development of public initiatives. This distinguishes this research from many others. The report gives a good opportunity to better understand the core issue of civil society organisations in Europe, to see common threats and all the things that unites us.

Vyacheslav Bakhmin  
Member of the organisational committee of the All-Russian Civil Forum, chairman of the expert council of the Polytechnic Museum, chairman of the Sakharov Centre.

## Your feedback & contribution

Your comments and proposals are very welcome, especially on further thematic aspects and countries to be studied and included in following reports. Send your feedback and ideas to [research@eu-russia-csf.org](mailto:research@eu-russia-csf.org)

## Other CSF publications

We also invite you to look at our series of publications “What is Happening within the Civil Society” aimed at providing a better overview of the current state of civil society in single EU countries. See our website: [www.eu-russia-csf.org](http://www.eu-russia-csf.org)



EU-RUSSIA CIVIL SOCIETY FORUM  
ГРАЖДАНСКИЙ ФОРУМ ЕС-РОССИЯ

With support of



In cooperation with



Project is assisted by DRA /  
German-Russian Exchange

