

PRESS RELEASE

Philanthropy demands a level playing field in Europe

Brussels, 16 January 2018 – Today the Donors and Foundations Networks in Europe (DAFNE) and the European Foundation Centre (EFC) are launching the commissioned study “Enlarging the Space for European Philanthropy”, by Oonagh Breen, Professor of Law at UCD Sutherland School of Law.

Spending every year more than 60 billion EUR in public good such as education, health, science, environment, migration and integration, the philanthropy sector is a key pillar of European civil society. It helps address society’s most pressing questions, and furthermore promotes plurality and freedom as well as financing social innovation. But the operating environment for institutional philanthropy in parts of Europe is under threat: i.e., foreign funding restrictions, inconsistent cross-border philanthropy taxation schemes, harmful impacts of too rigid anti-terrorism/money laundering measures, and these are jeopardising the essential work of more than 140,000 European donors and foundations.

DAFNE and the EFC, Europe’s leading voices of the philanthropic sector, demand a level playing field for institutional philanthropy in Europe.

Massimo Lapucci, Chairman of the EFC and Secretary General of the Italian foundation Fondazione CRT, states: “EU treaties have hindered the development of appropriate legal vehicles to advance philanthropy on a pan-European basis. This DAFNE/EFC study offers possible ways to facilitate philanthropy across Europe.”

The study stresses key dilemmas and solutions

- Philanthropy remains largely outside the European treaties. Its recognition in the treaties and in European fundamental rights is needed.
- Barriers to cross-border philanthropy pose a major challenge. While the freedom of capital movement prohibits foreign funding restrictions, Europe needs to move towards a European public benefit concept, non-discriminatory tax regimes and simplifying tax authority practices and providing for more information sharing tools.
- National laws must be in line with European fundamental rights and EU freedoms. While the philanthropic sector uses existing protection mechanisms (e.g., via EU Treaty infringement procedures) it may be necessary to examine if these are sufficient.
- EU and national efforts to counter-terrorism financing, money laundering and tax evasion, which are intended to protect the sector must be risk-based, proportionate and evidence-based. In addition, the sector and policymakers should work jointly to assess and address risks.

"Arbitrary and discriminating regulations, which prevent cross-border philanthropy, must disappear", comments **Felix Oldenburg**, Chairman of DAFNE and General Secretary of the Association of German Foundations. “There is a single market for goods and services in the EU, yet donations and civic engagement far too often stop at national borders as they continuously face



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major cross-border restrictions. This prevents the multibillion euro European foundation sector from unfolding its full potential to contribute to the public good.”

The EFC and DAFNE will use the learnings of this study to kick-off joint advocacy work for Europe’s philanthropic sector with the aim to maintain and develop the space for philanthropy across Europe and its positive impact on civil society. A new momentum is expected on May 28th when the sector will engage with policy makers on different pathway scenarios during an interactive event in Brussels. Interested press can ask to be invited.

About DAFNE

DAFNE (www.dafne-online.eu) is Europe’s largest network of donors and foundations associations. With 25 member associations with a collective membership of more than 10,000 foundations and grant-makers, DAFNE is a leading voice of European foundations. It underpins individual activities of its members by encouraging dialogue and collaboration between the national associations. DAFNE is currently chaired by Felix Oldenburg, General Secretary of the Association of German Foundations. He is supported by a Steering Committee comprising Magdalena Pekacka – Polish Donors Forum, Beate Eckhardt – SwissFoundations, and Beatrice de Durfort– Centre Français des Fonds et Fondations.

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About the EFC

The European Foundation Centre (EFC) is the platform of institutional philanthropy with a focus on Europe, but also with an eye to the global philanthropic landscape. It is a network of foundations and philanthropic institutions committed to the development and promotion of institutional philanthropy in Europe and globally. With the aim of being the voice of institutional philanthropy in Europe, the EFC promotes and communicates the value of institutional philanthropy to society thus contributing to an environment in which philanthropy can flourish. It serves as a hub of sector exchange and intelligence, to help its members increase the impact of their added value in society. The current chairman of the EFC is **Massimo Lapucci** from Fondazione CRT. www.efc.be

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