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Report

Regional Conference: “Philanthropy in the Western Balkans and Turkey: Investment for the Future”

Belgrade, Serbia, 25-27 November 2015
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Introduction

The Regional Conference: *Philanthropy in the Western Balkans and Turkey: Investment for the Future* was held in Belgrade, Serbia from 25-27 November 2015.

The aim of this TACSO project is to continuously contribute to steering the processes along the desired changes across the countries in the region of the Western Balkans and Turkey (WBT) in order to contribute to an increase of capacities of civil society organisations (CSOs), as well as to contribute to establishing an environment that will enable greater opportunities for sustainability and contributions to society.

One possible area that is in line with that aim is individual and corporate philanthropy. While there has been great progress in local philanthropy development across the region, numerous challenges for further advancement and an increased role for CSOs still exist. Those challenges vary from legislation in WBT countries that motives or stimulates philanthropic giving to creating, maintaining and recognising philanthropic culture in the WBT, and ensuring and enabling that CSOs are truly mission driven and capable of persuading their communities.

We hoped that the regional conference, by bringing together a variety of different stakeholders in the region, would contribute initiatives across the region for creating an enabling environment and greater cooperation between stakeholders in the areas of philanthropy, development and promotion. Stakeholders included those who are responsible for the legal framework for the enabling of philanthropic endeavours; those who are responsible for the functioning of the CSOs; CSOs who have experience in pursuing philanthropic giving; corporate and/or individual donors; the media; etc. We also hoped that this opportunity for dialogue between stakeholders would lead to increasing the capacity of CSOs to use philanthropy for the benefit of citizens and societies in general, and to help CSOs achieve greater organisational sustainability.

The conference was organised in close cooperation with Catalyst Balkans ([www.catalystbalkans.org](http://www.catalystbalkans.org)), which works to advance the development of philanthropy through collecting, analysing, and publishing data on philanthropic giving, piloting innovative tools for giving, and promoting collaboration in the philanthropy sector.

The agenda, list of participants and presentations can all be found at this [link](http://www.catalystbalkans.org).

Methodology

The conference objectives required a careful design of the conference flow so as to ensure the maximum interaction among the participants.

The event methodology was based on the philosophy of focusing on maximising collaboration and peer sharing, while making sparing use of one-to-many and several-to-many session formats, such as presentations and panels. The working groups shared collective knowledge and the experience of participants by maximising dialog, creativity and idea exchange.
Overview of the sessions

Session 1: Legal and Policy Framework: status and challenges – country specifics

Objectives of this session were:

- To identify current status of LP framework per countries.
- To identify challenges and gaps in LP framework per countries.

Participants from various backgrounds from each country shared and unified their knowledge of Legal and Policy framework, obstacles and challenges. During work in small country groups, the facilitators presented already identified Legal and Policy status and identified needs for changes. The discussion was focused on the identification of:

- Any changes in the presented LP framework.
- Most important challenges and obstacles for enabling the LP environment re: giving.

Session 2: Legal and Policy Framework: Identifying common challenges

The objectives for this session were to report back results from previous session (facilitators from previous session); identify common issues as well as specifics for countries and to gain insight into good practices from EU and non-EU countries.

The main conclusions from country tables are as follows:

**Albania**

The existing legal and policy framework stipulates, to a certain degree, philanthropic activities. The Law on Sponsorships stimulates businesses to donate in specific areas of public interest: art, sport, and culture. It provides three to five percent tax deductions for businesses involved in philanthropic activities. The Law on Value Added Tax (VAT) allows CSOs to provide donations through income generating activities. The Law on Voluntarism is still in development. The improvement of fiscal incentives for businesses or individuals who can provide support to marginalised groups is needed. Status of implementation of the law: the quality of legal framework is good, but the implementation is not. Public perceptions regarding philanthropy in Albania still remain at a low level. Last year two campaigns were conducted to promote this concept among the citizens.

**Bosnia and Herzegovina**

Legislative framework exists in the Federation of Bosnia and Herzegovina (BiH), the Republika Srpska (RS) and the Brcko District. Donations and sponsorships are regulated by two laws: the Law on Income for Corporate Businesses, and the Law on Taxes on Personal Income (small businesses and crafts). The federation has two key regulations regarding donations. There is a tax deduction of up to three percent of gross annual income for donations in money or in-kind. For personal income tax, there is a half percent tax deduction in BiH. In both cases only certain activities are exempt from VAT.
Challenges in the Federation of BiH relate to a narrowly defined list of public benefit activities in laws, and discrepancies in the notion of public benefit activities between the laws. In the RS there are challenges with corporate income tax. There is a tax deduction of up to three percent for donations and two percent for sponsorships. For personal income taxes the deduction is two percent of gross annual income. Additionally, humanitarian organisations are unduly singled out as tax-exempt organisations. There are some exemptions in this respect and tax benefits for personal income are only provided to entrepreneurs.

In the Brcko District there are challenges with corporate income taxes. Deductions are up to three percent for donations and two percent for sponsorships. Deductions for personal income taxes are the same as those in the Federation of BiH: one percent of annual income for educational, cultural and sport activities; and half a percent for donations and sponsorships.

**Kosovo**

Three pieces of legislation affect the development of philanthropy in Kosovo: Legal Entity Income Tax, Personal Income Tax, Gift Tax and Public Benefit Status. NGOs are granted public benefit status and are exempt from corporate income tax. Corporations used to be able to deduct up to five percent, but now they can deduct up to ten percent plus an extra ten percent for specific cases. Regulations for this are yet to be defined by the Ministry of Finance. Personal Income Tax has the same developments as Corporate Tax. There is a ten percent deduction in specific areas that are yet to be defined. The challenge is defining the need for better and more comprehensive harmonisation between pieces of legislation regarding finance, tax on income and the Law on the Freedom of Association.

**Former Yugoslav Republic of Macedonia**

The Law on Donation and Sponsorship provides tax benefits through corporate and personal income taxes. The Gift Tax exempts donations; VAT exempts all donations. The law defines public benefit status.

Challenges are numerous, but some of them are related to excessive administrative requirements and high transactional costs that discourage small donations. The concept of public benefit is somewhat confusing and it's not consistent with CSO framework regulations. Public benefit is determined for each project and donation, not for the organisation, which is the recipient of the donation. This challenge is related to not having specific rules regarding institutional grants to CSOs. There are no specific carry-over rules for donations. There is also a lack of information and regulation related to donations to religious communities.

**Montenegro**

Corporate income tax law prescribes that expenses for healthcare, education, scientific, religious, cultural, sports, and humanitarian purposes, as well as environment protection purposes, are recognised as expenses if the amount does not exceed three and a half percent of total income. The same goes for the Law on Personal Income Tax. These two laws are essential for further legal stimulation of philanthropy in Montenegro.

The challenges are that only nine areas of public interest are recognised as relevant, while the Law

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1 This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence. Hereinafter refer to as Kosovo.

2 Hereinafter refer to as Macedonia.
on NGOs recognises more than 20 areas of public interest. Tax laws and laws on NGOs should be aligned. It is unclear whether donations are recognised as expenses only toward legal entities. It is not defined whether these two laws would support in-kind donation, institutional grants, carry-over rules for donations, overhead of organisations, etc. These findings could also be found in the Centre for Development of Non-governmental Organisations (CRNVO) Report of 2007. Though these changes within the Strategy for Cooperation between Government Institutions and NGOs for 2009-2011, they were not implemented. Changes of tax laws were also part of the Action Plan for Chapter 23 and were not implemented. In 2015 there was a new strategy for development of NGOs. Changes to relevant tax laws designed to stimulate philanthropy in ME were prescribed but, unfortunately, deadlines for the implementation of these two essential activities have expired. Our key challenge is to explain to relevant authorities that they have to implement activities from strategic documents in which they are recognised as holders of responsibilities.

**Serbia**

The Serbian Law on Association allows CSOs to conduct profit activities and they are generally excluded from the liability of profit tax. Regarding some areas of public benefit activities, there are some areas where expenditures are recognised as amounting to no more than five percent of total revenues. Regarding social welfare institutions, there are some differences between state institutions and CSOs. Property Tax Law stipulates gifts from individual donors in an amount less than 100,000 RSD per year and are generally exempt from property tax. This means the number of donors, not donors who are not legal entities.

The Laws in Serbia do not recognise public benefit status as such, but only public benefit activities. Challenges in Serbia are related to the lack of a track record and statistics about philanthropy. Because there is no relief for individual taxpayers, there is no data about individual donations. Financial reports from corporate donors do not allow this type of information; therefore, relevant information about their giving and donations is not available. There is a lack of partial exemptions for individual and corporate donors. Donations from foreign states are not excluded from this type of tax, but individuals and corporate donors are, which is a problem in the sense of the amount of donations.

**Turkey**

There are too many different regulations and responsible agencies. There is no framework for a civil society strategy, an enabling strategy or anything tackling philanthropy. Artificial differentiation in the legislation between donations and aid (from 1983) limits the sustainability of CSOs, because the permission is limited to one year and can only be obtained through a specific task or by an amount of money. Implementation is challenging and creates burdens and risks. Tax exemption status for foundation is not in line with the European Foundation Centre's public interest or public definition, which requires Turkey to give tax exemption to all foundations. Tax exemptions for individuals and corporate donors do not create tax advantages for recipient CSOs but only for donors. Legislation limitations for corporations exist. For example, burdensome paperwork discourages smaller companies from donating to CSOs. Regulations limit methods of contribution from the private sector to CSOs. There is no law on voluntarism, so pro-bono work, in-kind support are not regulated. Contribution from the private sector in that respect is also challenging. There is no regulation for tax-free donations from employees through payroll. Economic activities from CSOs have to be from separate commercial entities, which are subject to taxes, there is no exception for non-profit company or social enterprises. In the facilitation of fundraising intermediary roles are not defined in legislation, so facilitating crowdfunding or other new ways of raising funds is limited. In-kind
donations from public resources and cash donations of public funds from local government municipalities or the central government are not always transparent or reported publicly, so there is no certain data on that kind of giving.

Hanna Surmatz, Legal Counsel at European Foundation Centre Aisbl and Board member ECNL, explained that the shrinking space for civil society is a global trend. Tightening laws have been enacted. More than 50 restrictive laws have been issued in past years. The fight against money laundering and counter-terrorism are some of the reasons for this. Governments have to be careful not to over-regulate and shrink the space for CSOs. Finding data on the current state of philanthropy in Europe is difficult, as no comprehensive data exists. Philanthropy is growing and is an important sector. There is a lot of giving happening in Europe. It is very vibrant and moves a lot of money toward the public good.

In the context of EU and wider Europe, Ms. Surmatz added that tax incentives for CSOs and donors are the norm, so in a majority of countries there are tax incentives. They are in most countries in the form of a tax deduction for individual donors. Countries normally introduce a ceiling for tax deductions, which is usually higher than in this region. However, there are also countries that do not give tax incentives – Hungary, Lithuania, Slovakia, and Finland. For corporate donors, tax incentives are generally available. With regards to the tax deductibility of cross-border donations, the European Court of Justice stated that the law must not discriminate between comparable foreign and EU based organisations. This principle has extensively changed the national tax laws in Europe. A majority of EU countries have implemented this principle, but there are still some countries that have not. The process is sometimes complex and difficult.

Sandra Pernar, Advisor in the Croatian Government Office for Cooperation with NGOs gave an overview of the situation in Croatia where, for the last 18 years, focus was placed on the public financing of CSOs and a good system has been developed. A lot of effort was put into setting up the whole system, defining criteria and documentation. Not much focus was placed on the promotion of philanthropy. In the legal framework there are tax incentives for individual and corporate philanthropy. There is a tax deduction of up to two percent of income for donations. The same goes for corporations, two percent of annual revenue. There are two laws that regulate this in Croatia. Ms. Pernar explained that the focus is mostly on finding innovative ways to support the enabling environment for CSOs, including the financing of CSOs, and looking at innovative ways to support philanthropy. Five projects started recently, and these projects are focused on promoting philanthropy. Carriers of the projects are mainly regional foundations that work in cooperation with the national foundation.

- Most CSOs are not very proactive in asking for donations from citizens and corporations.
- Data collection is also a big problem. For example, tax administration does not record corporate donations.

Session 3: Legal and Policy Framework: Overcoming challenges and further development

The objectives of this session were: to recap findings from previous sessions; for each country to identify an “advocacy platform” on one of the key identified priorities with a cross-sectoral
approach; and to invite government representatives to present to the plenary conclusions from each of the country tables.

**Tanja Hafner Ademi**, Executive Director of BCSDN noted common regional denominators. The issue of public benefit organisation (PBO) status is a challenge. In most of the countries it is not very effective; it is narrow and limited in definition. Basic legislation envisages PBO status, but secondary legislation, tax incentives, and practices have not been put into effect. Common regional denominators were noted in the area of corporate giving and how it stimulates philanthropic giving in general.

- There are incentives, but in many countries they are either unclear or interpreted differently by different tax authorities and officials, too complicated for individuals to use them in reality.
- Incentives that are in place do not include in-kind giving and volunteering.
- There is no legislation and there are no incentives in the law for individual giving. The procedures are complicated, high transaction costs; therefore, it is not effective.

**Biljana Dakic Djordjevic**, Executive Director of the Trag Foundation, mentioned some specific environments in which CSOs are conducting their activities:

- Restrictive environment for income generating activities of CSOs.
- No specific rules with respect to institutional grants to CSOs.
- No specific carry-over rules for donations.
- Missing data, no verifiable data, lack of valid information, no measures or proper indicators of change.
- No incentives exist for Cross-border philanthropy.

Participants commented on corporate giving, saying that there is a clear picture on the findings from all the countries. Good practices in countries’ legislations should be shared, so they can be used when talking to the authorities.

**Participants in their country groups** agreed on one key issue of utter importance that they deemed feasible to advocate for. They considered cross-sectoral approach, and also considered what should be done and by whom. They considered any elements of this issue that might be transferred to a regional level. Each country table was to produce a mini action or advocacy plan.

**Session 4: Current State of Philanthropy in the Western Balkans and Turkey**

The goal of this session was to present and discuss the current state of philanthropy in the region. A panel of eight speakers (see Agenda for details) shared their views about the current state of philanthropy in the region. Detailed presentations are in the Annex of this report.

Participants were briefed on the results of a survey conducted by **Catalyst Balkans** in 2014 on media analysis of giving in these countries. In 2014, due to the major flooding in BiH and Serbia, there was an enormous philanthropic response (individual giving, corporate giving and from the diaspora). Non-flood giving increased from 2013 to 2014 by 6.3 percent in the region. Corporate donors dominate in most countries, followed by mass individual and association foundation donors. Top
beneficiaries include institutions, individuals and families. Non-profits are not the focus of giving in most of the countries.

**TUSEVS.** Turkey is currently conducting research on individual giving which will be published in 2016 and will be very comparable to the 2006 research. It will give a perspective on how motivations have changed, because in the last ten years, Turkey has moved into a more conservative government. Also, the resistance movement three years ago affected the tendencies of individuals to get more involved in civil society and perhaps donate more.

Data and accuracy of data is quite questionable in the region.
Learn, Innovate, Act

Session 1: Individual Giving

The objective of this session was to understand the motivation for giving by individual philanthropists.

Keti Bazhdari is a businesswoman who developed philanthropic activities because she felt the need to give back to the society.

“I believe that people have the chance to get enough support and be successful in what they do. They have the responsibility to support the others and share the wealth and the good that they have. Profit has not been the main focus in my life, but rather what I can do with what I earn, how much I can be of help to others.” – Keti Bazhdari.

When it comes to one key lesson for CSOs, when they approach individual donors, CSOs need to know that every philanthropic person is very sensitive about the impact their contribution will make. It is important to see how this contribution is going at the ground level; what the impact is going to be; if there is clarity on how the individual’s support is going to impact people; and how this improvement will be measured.

Session 2: Corporate Giving

The goal of this session is to understand the motivation for giving by corporate philanthropists and to get their insight on corporate philanthropy in the region. The session started with an explanation of what motivates a company to give; how they make their decisions regarding corporate giving; and their advice to CSOs when approaching companies. Representatives of six companies in the region (see the Agenda for details) shared their views and they concentrated on the fact that corporate philanthropists want to create shared values, which will create better social positions, and influence the growth of the whole system. Engagement with local communities, CSOs, and employees is the key focus in addition to transparency.

Session 3: Media and Philanthropy

The goal of this session was to increase the knowledge and skills of specific ways for mobilising local resources. The panellists (see the Agenda for details) answered the question: why the media does not report more on philanthropy?

Philanthropy is not of interest to the general public, and it needs to be promoted more. When VIPs, i.e., the Prime Minister (PM) or one of the ministers or ambassadors becomes involved the media
starts to cover it as news. CSOs or individuals that engage in philanthropic activities should be creating relationships with the media and businesses. Journalists need to create a story and to convince editors to agree to cover certain issues.

Session 4: Existing and Innovative Practices in Mobilising Local Resources

The goal of this session was to increase knowledge and skills on specific ways to mobilise local resources. Participants decided which small group sessions they wanted to attend. The topics of the small working groups were: Campaigns; Crowdfunding and Approaching Individual Donors.

Session 5: Reports from working groups

The objective of this session was to share group work and knowledge. For details on presenters please see the Agenda.

Campaigns

Definitions:
- Fundraising - collecting funds or goods for a certain cause.
- Campaign - a tool for reaching a goal within a certain deadline.
- Multichannel - be well prepared before the campaign starts.
- Media - create powerful partnerships with community, government institutions, and media. Meet with stakeholders. Create a sense of urgency in order to be successful. Use a time limit and have clear goals.
- Tools for giving - without proper tools you cannot run a successful campaign. Tools include: SMS, credit cards, online giving, different platforms, branded boxes in stores, co-branding with different companies regarding your cause, and social media.

One has to understand the needs of the community. In a national campaign, one must choose a cause carefully. Choose broad issues affecting the majority of people. Be transparent. The campaign should be visual. People do not read very much. Good photos and videos stay with the audience.

Crowdfunding

- Crowdfunding interfaces with the concept of the campaign.
- Online crowdfunding and live crowdfunding are some of the global models and local models that exist for crowdfunding.
- Global - a fair amount of activity going on in the region.
- Crowdfunding has administrative fees (5-15 percent), and opportunity costs.
- A website that looks nice but struggles to get traffic is www.donacije.rs.
- A good model that combines online crowdfunding and offline giving is www.budihuman.rs.
- There are 95 different campaigns currently running. They have raised 1.2 million dollars.
- Effective vs ineffective - time and effort invested in advertising and promoting.
- Are you addressing the needs and requirements of your donor?
- Live crowdfunding - an auction style of fundraising for people who make pledges for projects.
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This project is funded by the European Union.

- Questions - how does the mechanism work? It's just like the re-granting model. The funds are distributed in the proper manner with accountability for each project, etc.
- Need, impact, opportunities are given in a variety of different ways.
- Award-based method - incentives for giving can be meaningful to donors.

**Individual donors**
Create a sense of urgency, communicate with donors, understand what they can and would like to offer.

Donor pyramid:
- One-off donations.
- Committed to your work, donating more money on regular basis.
- Major donors.
- Legacies.

We focused on committed givers and channels we can use to approach them.

- Advantages - have a regular source of income without interruptions. Unrestricted funds are a more flexible way of using these funds. They are not donor driven but cause driven.
- Disadvantages – one must invest a lot of time, money and human resources (HR) to start a good individual campaign. Start with a thorough analysis, a public opinion survey, focus groups, etc. Based on the analysis, develop a concept to be approved. The test phase must be successful. Acquire a good database. Get contacts through cold recruitment of givers, face-to-face campaigns, door-to-door, direct mail, tele-fundraising, advertising, etc.
- Costs of campaigns - each channel involves certain costs. Face-to-face needs a lot of initial investment. For direct mail needs content, design, copywriting and an emotional letter.
- Family House Sponsors - share a story about one SOS family. Present work through one family or child. Share emotion with your donors.

**Session 6: Improving capacity of CSOs**

The objective of this session was to understand in which areas the civil society needs to build capacities. The panellists were invited to share the current situation in their respective countries, with a brief overview of capacities of CSOs to fundraise at the local level. For details on presenters please see the Agenda.

CSOs lack capacities for fundraising, for all the aspects of tools and methodologies that can be used. There is a need to invest into organisational administration, human resources, and training opportunities for future fundraisers.

- Build trust
- Be transparent
- Approach the media.
- Be transparent after raising funds.
- Publish annual reports, newsletters, etc.
- Use capacities that are currently not being used enough.
- Involve young people in programmes.
- Use volunteers as a great resource.
The biggest challenge is communication. NGOs have forgotten how to talk about their work in simple terms that everyone can understand. When working with companies, CSOs must discard the mentality of blaming companies because companies do not understand what CSOs do and what CSOs are about.

Adopt new models, such as crowdfunding. There is no “one size fits all” approach to helping local CSOs improve fundraising and better engage local donors. One really has to understand what the local needs are and provide useful models.

**Session 7: Further Advancement of Philanthropy (work groups)**

The objective of this session was to discuss and recommend further steps in philanthropy development in regards to specific issues. There were five topics to be discussed, one per each working group:

- How to improve the legal environment.
- How to build the capacity of CSOs for MLS.
- How to improve cooperation with media.
- How to encourage strategic giving.
- How to improve public perception.
Looking to the Future

Session 1: Looking to the Future: Conclusions and Recommendations for the Future

The objective of this session was to present and summarise the recommendations from the previous day.

Presentations of working groups:

**Improving legal environment**
What is common in the region and what we can do to resolve issues?
- Share experiences and good practices. For example, in Macedonia, tax administration has a good data collecting system.
- Cross-border philanthropy including a needs analysis of the current state and a gathering of the local actors on the ground regarding decisions of the European Court.
- Make a roadmap and guidelines based on EU Guidelines that will provide a framework of best practices.

How should it be done?
- Involvement of issues in the programmes of the EU that target tax administration. We can target EU and EU programmes that can involve philanthropic issues in their agendas.
- Study visits of tax administration? Not sure if our tax administration would be open to that.
- Regional practice exchange events: send a common message to our governments and to the EU.

Who needs to be involved?
- Tax administration on the national level, DG Near, EUDs for progress report, media (journalists that cover Corporate Social Responsibility (CSR)), MPs from national parliaments, and task forces.
- Regional Cooperation Councils, the only regional institutions involved.

What should be TACSO's role?
- Technical assistance and support for all abovementioned issues.
- Comparative analysis of the issue; topics to stay on the agenda of DG NEAR; present evidence based documents on logic and rationale for changing the legal environment for philanthropy.
- Cost benefit analysis of tax benefits.

**Capacity Building**
What needs to be done?
- Transparency and accountability - what can CSOs can do without support and investment?
- Investment - resources and funds to do capacity building.
Local best practices - research existing best practices. Collect examples, promote them and share among civil society.

Practical learning and capacity building.

How?
- Campaign and promote our transparency and accountability.
- Advocate and lobby in the donor community, internationally and locally, to put in their agenda more funds for capacity building.
- Explore existing capacity building practices in the region.

Who?
- CSOs initiatives, SIGN, TACSO and resource centres could support it and promote it.
- Donor community - institutions that are in charge in the countries to facilitate donor coordination. TACSO could help facilitate and coordinate.
- TACSO and resource centres could help us facilitate and promote.
- TACSO expressed an interest in collecting knowledge, learning programmes and organising training for trainers: systematisation and standardisation of this knowledge in the region.

Cooperation with Media
What needs to be done?
- Establish and maintain a relationship with media representatives.
- Educate and inform journalists on this topic from time to time. What is CSR, philanthropy?
- Active involvement - involve journalists from the beginning, from the planning stage. Outcome is better coverage of the event or topic.
- Recognition of their work - take media expert or representative as a key person in some of the projects. Pro-active participation of journalists. Establish national awards for the media covering this topic.

Who?
- CSOs.
- Media representatives.
- Government institutions.
- Donors.
- Potential promoters, companies, shareholders of companies.

TACSO
- Support CSOs and initiate media contact.
- Get together in different situations; maintain relationships.
- Provide trainings.
- Fund national and regional awards.
- Find new communication channels, new media platforms.

How to encourage strategic giving
Strategic giving is a planned activity, thought through in the planning process. It seeks sustainability; and it uses an investment-oriented approach. It follows the principles of the donor, in line with their mission or objectives.
What needs to be done?
- Engagement of donors with recipients and beneficiaries. Make that connection to ensure the understanding of needs and the impact made.
- Use an integrated approach for cash and non-cash investments.
- Strengthen philanthropy.
- Importance of measuring impact.
- Learn from results and make changes to iterations.

How?
- Establish philanthropic advisory services on the individual and corporate levels.
- Donor engagement events.
- Working with educating departments, agencies, banks, and other services.
- Other donor advised funds, as an option for donors to manage their giving more strategically.
- Establish metrics for internal programmatic outcomes and impacts and use these tools to tell stories.

Who?
- Donors and givers, companies, business associations, non-profits, philanthropy, intermediary organisations, media, government, academia.

What can TACSO do?
- Enable philanthropy infrastructure.
- Enable resource centres to refer, provide, and disseminate information, tools, and resources on strategic giving.
- Organise periodic biannual, country-level sessions invoking companies with strategic giving approaches and non-profits seeking partners to achieve their strategic giving goals.
- Regional conference to dig deeper into best practices on strategic giving.

Public perception
What?
- Make philanthropy more accessible and not a fancy word. Help ordinary citizens to understand what it is.
- Communicate philanthropy as a social investment rather than just charity.
- NGOs that are the main promoters of philanthropy have to put aside project management base. Story-telling matters.

Who?
- Businesses.
- Media.

TACSO
- Support regional public opinion research and accountability, tailor-made.
- Trainings, consultation for CSOs.
- Encourage cross-sectoral cooperation.
Conclusions and recommendations for the future

The last session of the conference, “Looking to the Future: Conclusions and Recommendations for the Future” focused on providing conclusions and recommendations for the future. However, due to the interactive nature of the event, the recommendations were flagged constantly through the conference and we have tried to harvest and present the major recommendations and conclusions in this chapter.

Legal and Policy Framework

Albania – the country team identified a lack of legal framework regulating individual giving. There is a need for advocacy and preparing a legal framework for individual giving. A more comprehensive approach should be taken in individual giving law-drafting, which would employ public institutions, business representatives, CSOs and other interested parties. New laws are needed on charity activities to distinguish them clearly from other types of activities. Also needed is a law on donations and philanthropic activities of CSOs that sometimes face very bureaucratic rules from government. There is a lack of regulations on donations and philanthropic activities of individuals. All of the aforementioned should be implemented on the regional level. It was recognised that participants can gain from each other's experience while developing such frameworks, and can learn which positive actions have been taken in other countries.

Media is identified as one of the big proponents of this concept. Better information on needs of the community and vulnerable groups is needed and more specific trainings and specialisation of particular journalists for this topic. More strategic thinking is needed for businesses involved in philanthropic activities.

Bosnia and Herzegovina - Recommendations are to have standardisation in fundraising and philanthropy through a CSO platform and through an ethical code. This standardisation gives certain recommendations for the changes in the law. Defining good standards and practices in fundraising and philanthropy at the regional level through the SIGN network as regional initiative can contribute to improving public perception when it comes to corporate and individual giving together with local national, promotion. Another recommendation is the extension of areas of activities to be covered by tax deduction. A lot more could be done and there already some initiatives in the countries in this direction. Adjustments in the notion of public benefit activities between different laws should be made. Enable tax benefits so that physical persons are able to give. Three key recommendations are for change in the legal framework with extensions of areas of activities to be covered by tax deduction. Harmonise three different laws. Enable a legislative framework for tax benefits for natural entities.

In addition, there is a need for an analytical review of giving. Informational events for presentations of best practices and action recommendations should be done with the involvement of CSOs and networks active in philanthropic activities, TACSO and governments. In terms of regional cooperation, TACSO regional events are a good tool to advocate for these changes. Include key stakeholders, governments, parliamentarians, and practitioners working in the field of finance and taxation.
Kosovo - Harmonisation of tax legislation, freedom of association law for CSOs. Problems exist on different definitions regarding beneficiary status of CSOs in tax legislation. More needs to be done on harmonisation. Procedures should be simplified, as it is difficult for business to implement, in practice, tax incentives. Advocacy efforts should focus on establishing cooperation with all stakeholders, including the Ministry of Finance, the PM's office, the business sector, the media, and CSOs. Use current mechanisms such as the Steering Committee that implements the Strategy for Cooperation with Civil Society.

Macedonia - Key priority in changing the administrative framework should be improving the administrative procedure related to public benefit status. It should be limited to non-profit entities. Advocacy approach with cross-sectoral participation should include using existing analysis. CSOs should prepare a draft initiative for establishing a multidisciplinary stakeholder group at the Ministry of Justice. This group should produce concrete amendments to the Law on Donations and Sponsorships. Who should be involved? CSOs, business sector, public revenue offices, and the Ministry of Justice should be involved.

Montenegro - The Corporate Tax Law and the Personal Income Tax Law need improvement in the area of compliance and alignment with the Law on the NGO Sector. Chapter 21 of this law provides areas that are not included in the previously mentioned laws. The Ministry of Finance should form a working group for the preparation of these changes. Representatives of NGOs will also be provided as partners according to the rules prescribed in the decree about the cooperation between public authorities and NGOs. Public debate will be organised and along with a media campaign to encourage business to take part in the debate. More initiatives are needed regarding good communication channels between the individual and corporate donors.

Serbia - Draft strategy for creating an enabling environment for CSOs will include recommendations for all activities, which will contribute to better situation regarding challenges. In the Legal Entity Income Tax Law the list of activities defined as public benefit should be expanded. The Ministry of Finance should issue mandatory instructions on how the tax administration should act when it comes to tax exemption of corporate giving. Increase the knowledge among the corporate sector as to the existing legal framework when it comes to their tax exemption. Advocacy action should be oriented toward the government, the Ministry of Finance or the Prime Minister. Changing the law can also come as an initiative from the National Parliament (NP). The main actors who should be in charge of this advocacy initiative are the Network of Business Sector, chambers of commerce, CSOs and CSO networks, the Office for Cooperation with CSOs, and the media. There is a need for better coordination among stakeholder. Should the lead perhaps be a registered entity? Regarding regional cooperation, there is no good model in the region. It would be beneficial to look at developed EU models when it comes to tax exemption and best practices.

Turkey - Data should be made available on tax exemptions and on status impacts and impacts on the private sector to make it easy to advocate. CSOs and the private sector should campaign and request positive changes. CSOs should engage this positive change to nurture fundraising. The definition of public benefit CSOs should be made clear in legislation according to good EU practices. Regional cooperation should begin through joint campaigning in all countries for positive change, joint peer-to-peer events with support of the EFC and the Daphne network. CSOs should be excluded from the Law on Collecting Aid. Tax exemptions should be extended to all CSOs. The Law on Collecting Aid should be changed. A new draft should be adopted as soon as possible.
In general it was recognized that there is a need to focus on the enhancement of the:
- Enabling environment for philanthropy.
- Stimulating tax incentive for CSOs and donors.
- Simplification of the procedures for philanthropic actions also across borders.
- Incorporation of elements related to individual and corporate giving into the EU progress reports.

All of which can be most effective via regional cooperation and advocacy and through peer-to-peer events.

Finally, the general recommendations on what should be done to improve the results and the giving to CSOs are:
- Make giving mechanisms much easier.
- Involve the media.
- Trust, talk about transparency and what inspires giving. Increase transparency in raising funds.
- Establish relationships.
- Demonstrate transparency.
- Communicate and raise awareness.
- Explore new methods for online funding and crowdfunding.
- Engage in raising the next generation of philanthropists by reaching into the education system.