

MA Summary/Netherlands

In the Netherlands you can identify the social middle ground on the one hand by the segment containing the services of the welfare state, subsidised by the government (care, education, welfare and housing); and on the other hand the “civil society” segment with its organisations based on voluntary initiatives that raise their own funds. This last segment is often called the philanthropic sector. Though within the Dutch context, it is difficult to define a homogenous group of organisations that together make up the “philanthropic sector”. Terminology and meanings frequently cross over each other and anyway, there is no generally accepted definition of what constitutes a good cause or a philanthropic organisation.

When defining this project, it was chosen to follow the legal framework provided in Dutch law. The reasons for this decision are principally those of practicality. Philanthropic organisations wanting to be considered for fiscal advantages have to register with the Inland Revenue in order to be classified as “an organisations working for the benefit of the public” (ANBI). It is assumed that most of the organisations that operate for the benefit of the general public, including both capital management and fund raising organisations, are registered with the Inland Revenue.

It is difficult to carry out an analysis of the scope in the Netherlands. Differing figures are published because the definitions vary from survey to survey. In general we can say that in 2005, approximately 4.3 billion Euro was given annually to Civil Society organisations within the Netherlands. An insight into exactly which organisation contributed what, is only partly available. There are almost 18,000 organisations with ANBI status. Of the 18,000, only a small proportion have made information about themselves publicly available via the CBF. These 850, mainly fund-raising organisations receive collectively €2.1 billion. The 80:20 rule applies to those organisations. Resulting in 80% of all income and expenditure, employment, voluntary workers, etc, being involved in just the top 20% of the sector. Of the remaining 17,000+ organisations, little or nothing is known about their activities or expenses.

There are various public bodies, companies and non-profit organisations that collect and publish information about philanthropic organisations, both large and small. But still, there is currently no single central authority providing an up to date, high quality and reliable overview of all the philanthropic organisations operating from within the Netherlands. The most important sector-wide databases to be consulted for obtaining information about good causes are the commercial trade registers at the chambers of commerce and also the Inland Revenue’s list of organisations working for the benefit of the public. The Chamber of Commerce Trade Register is of ambiguous quality as the data does not have to be up to date. The Inland Revenue is currently active in creating a whole new database based on new legislation. However, this database will not be available to the general public. The CBF is the most important source of reliable data. This data is detailed reasonably well, however, only for a limited number of organisations. There are also a number of public portals containing mainly data about name and address of varying quality.

It would appear that there are sufficient regulatory conditions available to be able to set up a limited database of philanthropic organisations within the Netherlands. In particular there appears to be little limitation for collecting large amounts of data from the medium-sized and large fund-raising organisations that submit themselves to self-regulation.

However, the ambition of setting up a database containing *all* organisations working for the benefit of the public has got a weak link. Although the new legislation valid from 1 January 2008 is a good stand to hang the project on, there are no legal obligations in the new situation for organisations working for the benefit of the public to provide their annual reports in a publicly accessible register. Involving the capital funds or the smaller funds and the local fund-raising organisations in particular, provides little basis to work on, whether under the current regulations, or under the self-regulation of these groups within the philanthropic sector.

Because of the lack of a legal basis, the project can only succeed in obtaining sufficient information, through getting support from a wide coalition of users, providers and financiers. Therefore the question of whether there is sufficient stakeholders support for the whole project, has to be addressed.

The parties interested in the databank and with the greatest potential are the philanthropic organisations themselves. The organisation of the sector is fragmented and there is no single sector organisation that can represent the organisation as a whole. The fund-raising organisations in particular have shown strong interest over the last few years for the creation of a coordinated database. However, only parts of the fund-raising market are well organised. From among the large organisations and development organisations, a large percentage of them are already members of a sector organisation. The smaller the organisation, the less chance that they are members of an umbrella organisation. Various strategies will have to be used in order to attract a large section of the fund-raising organisations. The larger organisations can be linked to the databank by way of self-regulating agreements. The smaller organisations on the other hand, will have to be actively manipulated in order to reach any form of structural cooperation.

Until now, capital funds have taken a somewhat reluctant approach to databanks that want to supply information about them as well. The principal reason is less about direct interest than in the transparency surrounding their activities; they also have little experience in this area. They could possibly be persuaded with the advantages that such a system can offer them as data users. With the databank they could get a better impression of organisations that are active within their own target group and thereby be able to adjust their policies accordingly. However, these organisations are themselves not expected to provide information on a large scale within the period of this project. This could actually change over the longer term, under the influence of the changing social norms surrounding transparency.

Initially there seems to be sufficient interest from potential databank users. In view of the large number of public portals that have been set up over the last few years, this interest appears to come from various initiatives that have already been set up to satisfy the information requirements of donors. A number of these initiatives have already indicated that they would be willing to pay for the data. Service providers as well as banks and accountants have also stated that they are looking for reliable data for this sector so that they can provide their customers with better service. They are principally interested in good quality, recent data. Service providers form an interesting group for this project insofar as looking at the long-term financing of the databank. Though the commercial independence of the system must always be kept in mind. A databank would provide extra scope to a variety of research groups, such as Giving in the Netherlands. So far, the contribution they would make towards the continuity of the databank is not known.

The CBF and the Ministry of Justice are the most important stakeholders for the DatabankFilantropie.nl from among the supervisors. The relationship with government must be further developed. Despite market analysis this far, it is not yet clear how the government, as policymaker, would make use of such a databank. The debate between the philanthropic sector and government has been dominated over the last few years by the subjects of supervision, self-regulation and control. Subjects such as the division of accountability and entering into partnerships in order to find solutions to social problems, have received less attention. In countries such the US and UK it appears that governments definitely want to use this type of information in their roles as policymakers and thus as clients.