



Social Impact Alliance

FOR CENTRAL
& EASTERN EUROPE

Philanthropy and Corporate Social Responsibility in CEE | CROATIA

05.10.2022

Who are we?

1. OUR VISION

Transformed character of giving in CEE from reactive and dispersed to strategic and systematic

2. OUR MISSION

To facilitate and accelerate more informed, international and impactful giving in Central & Eastern Europe.

3. OUR IMPACT

Social issues are effectively financed and tackled. Capital flows towards social issues are increased.



Why are we doing this?

170 mln EUR

70 mln EUR

A thin, light-colored curved arrow originates from the right side of the text '70 mln EUR' and points towards the text '170 mln EUR'.

Why should you do this?



48%

would like their
employer to get
engaged in pro bono



43%

willing to pay a little
more for the products
and services of socially
responsible companies

So what we did? We pricked up our ears!



Postulates & recommendations concerning “soft” actions



More cooperation between sectors

Recommendations:

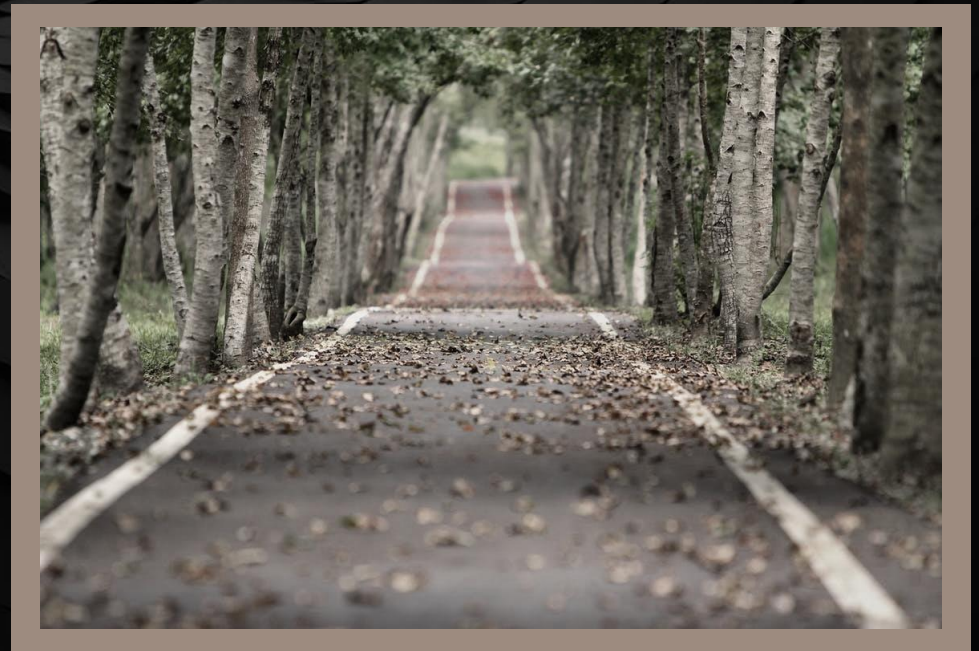
- Strengthen the role of infrastructure and networking organizations.
- Indicate the need to build strategic support based on measurable goals and outcomes.



Securing long-term funding for nonprofits

Recommendations:

- More strategic and long-term approach to public and corporate giving.
- Reduction of bureaucratic obligations and administration related to public funding.
- Investing in capacity building of nonprofits.
- Transfer of fundraising and communication skills from business to the social sector.
- Diversifying sources of funding.



Need for comprehensive education

Recommendations:

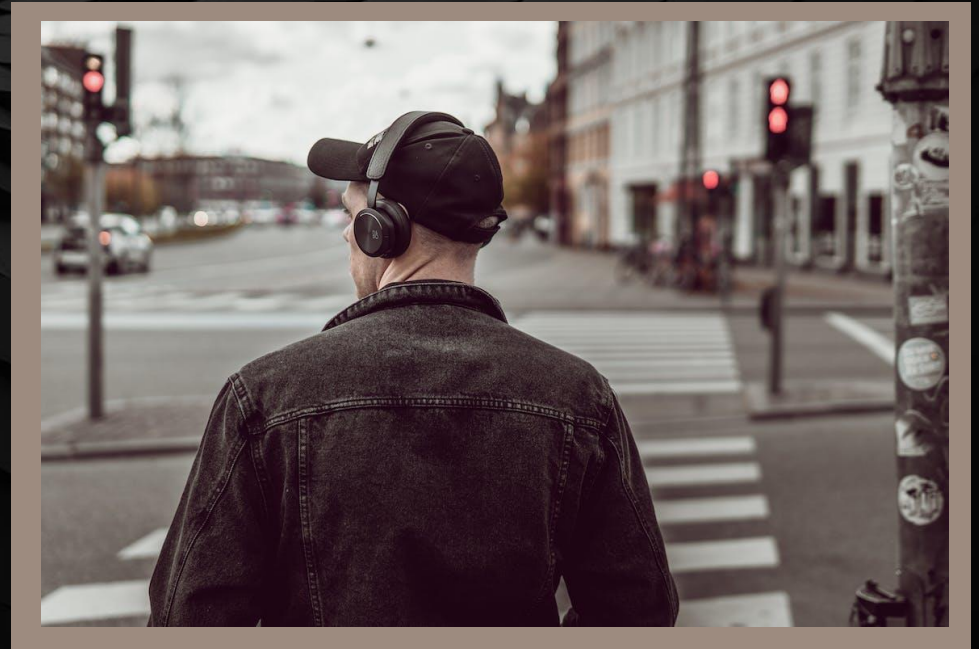
- Introduce education in the area of social responsibility into curricula at every level.
- Preparation of educators and securing funding for such activities.



More awareness building and role models

Recommendations:

- Promoting socially responsible activities in the media and with the support of public administration.
- More media engagement through positive narration.
- Encouraging large donors to actively promote the actions they take – for smaller companies it would be a source of knowledge and ideas on how to engaged, while for individuals – an indication that it is worth doing.



Initiating more interaction between business and non-profits

Recommendations:

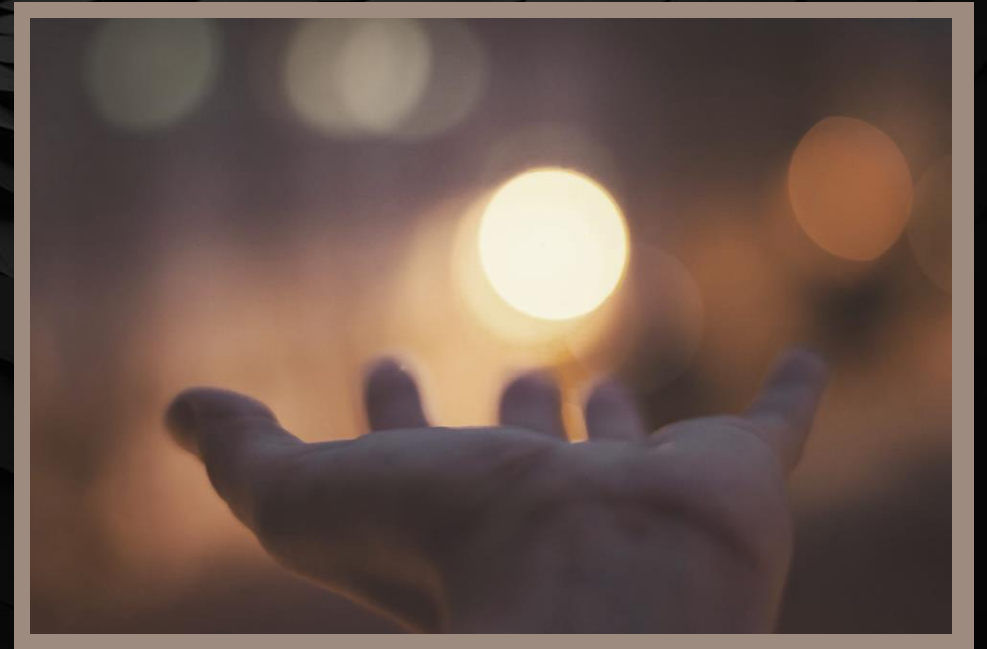
- Promoting cooperation between business and the social sector.
- Introducing tools for companies to easily find and assess the impact of nonprofits.
- Improving social offers to business.
- Building the capacity of non-profits to establish relationships with corporate donors.
- Creating a space for sharing best practices and experiences.



Increasing innovation in the social sector

Recommendations:

- Training social purpose organizations in the new methods of fundraising.
- Securing funding for capacity building of nonprofits in this area.



Tax and legal barriers & recommendations



Complicated legal environment, extensive bureaucracy

Recommendations:

- Market participants should be provided with trainings and educations on frequent legal and tax questions important for their activities.
- Laws and procedures could be simplified, and authorities should be more approachable.



Low tax reliefs for donors

Recommendations:

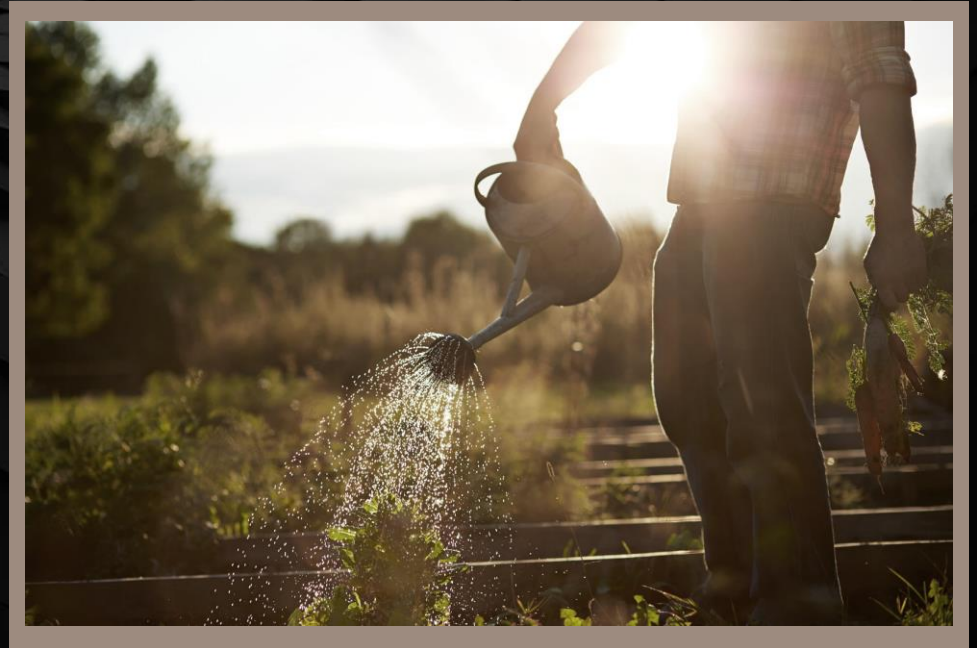
- It is important to introduce higher tax breaks and more stimulation of the market.
- It will have a positive impact on higher funding and access to reliable data on giving.
- Tax incentives should be promoted widely among taxpayers.



Lack of social criteria in public procurement

Recommendations:

- Integration of the social criteria in the public procurement and providing additional benefits for companies meeting such criteria could provide advantages on a national level.



VAT on goods and pro bono services

Recommendations:

- Having in mind the importance of pro bono services for the community, there is a need for more stimulation and education for companies to provide such services.
- The VAT system should be adjusted to encourage the provision of pro bono services.
- Supportive legal environment will result in legalizing cooperation between companies and nonprofits and a better documentation workflow.



Unclear system of public fund redistribution

Recommendations:

- It is important to initiate a dialogue between the government and civil society organizations on how to channel funds from the public to the social sphere in the most efficient and impactful way.
- Continuous education, easily accessible information, and promotion should be provided.



Commercial work of nonprofits and Social Enterprise

Recommendations:

- Creating a legal definition and promotion of Social Enterprises.
- Encouraging the establishment and development of such organizations through stimulative tax treatment.



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Thank you!

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