

SERBIA
2014

°catalyst

ANNUAL REPORT
ON THE STATE OF
PHILANTHROPY

Research

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Introduction

Dear readers,

It is our great pleasure to present the Report on Philanthropy in Serbia in 2014. Although marked by large-scale floods, a disaster impacting many people, 2014 also highlighted the enormous sense of solidarity among Serbs and others in the region. A large number of Serbs provided support, but aid also came from neighboring countries in the region, even from those countries that had themselves been affected by the floods.

In terms of philanthropy, it is therefore understandable that a large proportion of both monetary and material support in 2014 was directed to flood relief and related assistance. Encouraging was the fact that donating for other causes was not neglected. As you will see in the report, monetary donations for a wide range of themes, recipients and beneficiary groups increased slightly as compared to 2013.

We also think it is useful to note some of the differences between this and last year's report. This report shows separately donations for flood relief and donations for other purposes. As the floods were extraordinary circumstances, a separate analysis of general donations and flood-related donations will facilitate the monitoring of trends in the years to come.

Furthermore, the report shows more than simply 2014 data, but, wherever possible, points out trends in giving around certain indicators. We hope that this will be both useful and of interest to you, not only as additional information on philanthropy, but also as an indication of philanthropy trends in Serbia.

Finally, it is worthwhile to say something about the way in which the report was prepared. It was prepared using the **GivingBalkans** database developed by Catalyst in 2013 and which we continue to upgrade. We are pleased to say that at this moment the database is the most reliable data source¹ on voluntary donations in Serbia and in the region.

In the absence of official data², the data processed through **GivingBalkans** draws on alternative data gathering sources, primarily media reports and then

1 Although the potential source for more reliable data is the Tax Office (because there are certain tax benefits for legal entities), it was not possible to obtain data related to donations made by the business sector for several reasons. Catalyst, with the assistance of the Office for Cooperation with Civil Society, discovered that due to the specificity of tax relief and the data gathering method of the Tax Office, the amount donated for charitable purposes by business actors could not be determined. Moreover, due to the rather complicated method of applying for tax relief, as well as different interpretations of relevant provisions of the Law on Corporate Income Tax by the tax administration, companies and small and medium enterprises very frequently encounter difficulties in realizing their right to tax relief

2 As per the Law on Corporate Income Tax of the Republic of Serbia (Article 15), the right to tax relief in Serbia is realized if donations for health, educational, scientific, humanitarian, religious, environmental and sports purposes as well as giving to social care institutions and cultural and cinematographic activities are recognized as expenditures in an amount up to maximum of 5% of total income. As these amounts are deducted as expenditures, and legal entities submit a Profit and Loss Account to the Tax Administration instead of a balance sheet, from the forms currently available to the Tax Administration it is not possible to obtain data on donations by legal entities for the aforementioned purposes.

other available data sources³. This methodology⁴ has certain limitations, one of which is that the media does not record all donations given for charitable purposes. We nevertheless believe that our research provides insight into the most important aspects of voluntary giving because the figures obtained, while not comprehensive, provide a minimal indication of giving and can be used as indicators of the **degree of philanthropy development** in the country.

The data in this report was collected by monitoring electronic, printed and online media on the local, regional and national level in Serbia in the period from January 1 to December 31, 2014. In this period, a total of 12,117 entries related to voluntary giving by all types of donors were processed, of which 4,488 were unique, recorded actions. The total number of entries differs from the number of unique donations because several media reported on the same donation.

As you will notice, progress can be found in almost every philanthropy indicator that we monitor. We nevertheless believe that the giving potential has not yet been fully realized, i.e. that Serbia can do better and can do more, particularly in terms of strategic investments, the promotion and transparency of giving, and the inclusion of youth into philanthropic activities.

As a result, Catalyst will continue to cooperate with other organizations engaged in the field of philanthropy to follow and report – using **GivingBalkans** - on shifts and trends in philanthropy both in Serbia and the region.

We believe that measuring philanthropy and publishing data, information on trends and positive examples may support positive shifts in various fields related to giving, and consequently help realize the full potential of philanthropy in the region.

We would like to thank all of you who helped us to prepare this report: our donors, those of you who took part in philanthropy and the organizations that shared data with us which was not readily available through the media. The last but not least, we would like to thank the young and engaged people from Catalyst who took part in the development of the report and entry of data and whose efforts assisted greatly in completing this report.

Our best regards until the 2015 Report,

Yours,
The Catalyst team

³ Reports of organizations that received donations and companies' reports on donations.

⁴ Detailed information on the methodology employed is provided in Section 4.1

Terminology Used in the Report

For easier understanding of the report, here are brief descriptions of terms used in the report.

Philanthropy	Giving for a good cause, i.e. voluntary giving of money, goods, time, services in order to help the needy and advance social welfare.
Donation	A case of unique giving, without compensation (in money, goods, services or time) being given in return.
instance	Unique verified events/examples of collecting donations. These may involve several donations (for example, an instance could be a campaign in which individuals collect cash for someone's medical treatment).
Donors	Persons and/or legal entities donating cash, time, services or goods. They are divided into types of donors to facilitate the monitoring of trends.
Donors <i>Mass Individual</i>	Large number of citizens who could not be identified by their names.
Donors <i>Corporate Sector</i>	Includes companies (with over 50 employees), corporate foundations and small and medium sized enterprises (with less than 50 employees).
Donors <i>Individuals</i>	Donors that can be identified as individuals.
Donors <i>Mixed</i>	Cases in which it is not possible to classify the donors, i.e. several types of donors were involved in the instance.
Donors <i>Private Foundations</i>	Foundations established by private individuals or a combination of both private and legal entities.
Themes of Giving	Themes or purposes for which donations are given, such as health, education, etc.
Recipients of Donations	Private and/or legal entities receiving a donation from a donor. In most cases this donation is then passed on to others.
Final Beneficiaries	Target groups that benefit from a donation. For example, if a school is the recipient of a donation, the beneficiaries are the children attending the school.
Use of Donations	Indicates how a donation has been used, for example for capital investment, the purchase of equipment, the rendering of services, provision of material and consumer goods and the like.
Extrapolation	Statistical method that uses the percentage of known data to calculate data that would be valid if 100% of the data was known. Extrapolation provides an estimate and not absolute values.

Symbol



Increase as compared with the previous year



Decrease as compared with the previous year



No change as compared with the previous year



Change is 1%, or less as compared to the previous year and is thus statistically negligible.

Summary and Recommendations

GENERAL INFORMATION

A general overview of the philanthropy data contained in this report reveals three positive shifts.

Firstly and the most significantly, the available data showed that 67 million Euros was given for charitable purposes in Serbia in 2014. Of this sum, approximately 18.329 million was given for various purposes and almost 48.746 million for assistance and repair of the damage caused by the floods.

The number of instances of giving increased in 2014. If we consider the instances directed to various themes, their number increased (statistically) from 130 to 154 per month. Over 2,630 actions were additionally directed to flood assistance and relief.

Finally, the transparency of data increased as compared with 2013. The percentage of reports that included donated amounts also saw a slight increase – from 28.4% in 2013 to 30.8% in 2014. At 56.2%, this percentage was significantly higher for flood-related donations.

In the next chapter we provide a brief overview of some of the most important indicators of the situation of philanthropy in Serbia.

GIVING FOR GOOD CAUSE IN 2014

(flood donations excluded)

THE MOST ACTIVE DONORS

In 2014 the most active donors, per percentage of recorded instances, were individuals providing donations in the form of mass giving, followed by individuals and the corporate sector (companies, small and medium size enterprises and corporate foundations).

As compared with 2013, individuals were more engaged in giving either through mass actions (campaigns, events) or individually.

DONATED AMOUNTS PER TYPE OF DONOR

If we rate the different types of donors based on the published amounts they provided, the picture changes : the business sector is first, followed by individuals and mass individual donations.

KEY STATISTICS: 2013 → 2014

Estimated donated amount

Various purposes: 18.329 mil. €
1.8% increase from 2013

of Recorded Instances:
1,849

Avg. Donation Per Citizen:
2.59 €

Estimated donated amount
Floods: 48.479 mil. €



MOST ACTIVE DONOR TYPES (by # of Instances)

Mass Individual: 46.0%

Individuals: 18.8%

Corporate Sector: 18.0%



MOST GENEROUS DONOR TYPES (by Value of Donations)

Corporate Sector: 34.4%

Individuals: 13.0%

Mass Individual: 12.7%



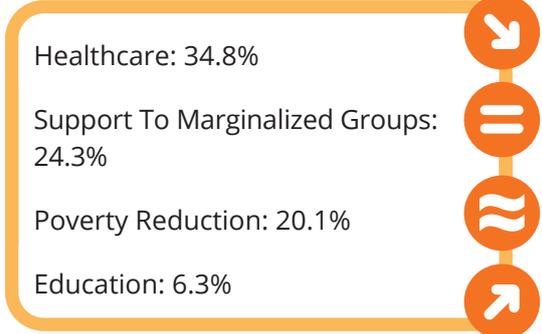
KEY THEMES FOR DONATIONS

Four key themes were supported: health, support to marginalized groups, poverty reduction and education. Over three fourths (85.5%) of total instances were directed to one of these four themes.

In comparison with the previous year, new themes such as science, media and religious activities emerged.

The order of topics per number of instances did not change as compared to 2013. However, changes in the percentage of recorded instances show a slight decrease in interest in health causes, while interest in supporting education saw a slight increase after a huge drop in the period from 2011 and 2013. Support for marginalized groups remained at the same level.

MOST SUPPORTED THEMES (by # of Instances):



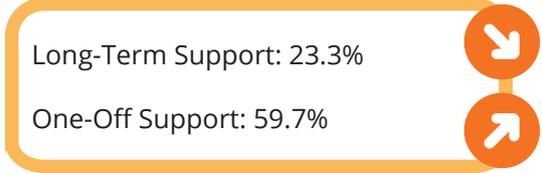
USE OF DONATIONS

The highest percentage of instances in Serbia were directed to one-off support (humanitarian aid, assistance for medical treatment of individuals, most frequently children, goods and materials necessary for the work of institutions and organizations).

Investments that could have long-term effects (i.e. equipment, capital investments, research, raising awareness and the like) saw a slight drop in relation to 2013.

A more in-depth analysis of the data revealed that the business sector led in terms of long-term investments.

USE OF DONATIONS



RECIPIENT ENTITIES

If we look into recipient entities by percentage of recorded instances, the ranking does not change as compared with 2013. Individuals/families led, followed by institutions, and non-profit organizations come last. Over 92.0% of recorded instances were directed to these three types of recipients. In addition to these recipients, we can distinguish local/national authorities as donation recipients.

When the amount of donated funds is investigated (based on published amounts), institutions lead, followed by individuals/families, non-profit organizations and local and national authorities.

In comparison to the previous year, an increased percentage of both instances and funds directed to individuals can be observed. It is likewise important to note that, while the percentage of instances intended for non-profit organizations decreased, the

TOP RECIPIENTS OF DONATIONS (by # of Instances):



TOP RECIPIENTS OF DONATIONS (by Value of Donations)



percentage of donated funds directed to this type of recipient (based on published amount) increased. Similarly, the data shows that the number of organizations receiving multiple donations that are mentioned in media is on the increase, a positive shift for the non-profit sector. Private foundations played a key role in this shift.

THE STATE AS RECIPIENT

The state as recipient includes local and/or national authorities and institutions. If we combine the data for these recipients we observe a drop in comparison to 2013.

In terms of the percentage of instances involving the state as a recipient, a slight drop of 6.1% is noted in comparison to 2013. When we explore the percentage of donated funds based on published amount, the decrease exceeds 22% (from 73%.4 in 2013 the amount dropped to 50.6% in 2014).

Although this is a substantial decrease, we must bear in mind that not all data was available and that this only includes those amounts of money that were published.

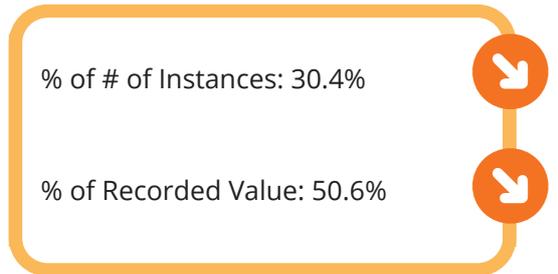
FINAL BENEFICIARIES

When investigating categories of beneficiaries, we observe that people with health issues, the economically vulnerable and people with disabilities were the beneficiaries of almost 60% of instances in 2014.

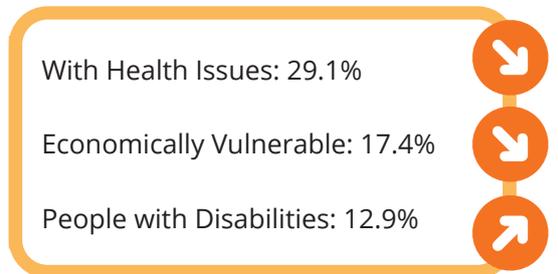
In spite of a changed percentage of instances directed to these three groups of beneficiaries, their position (in terms of rating) remained the same as in 2013.

Although a significant percentage of instances were directed to these three groups of beneficiaries, the range of beneficiaries remained very broad: all groups of beneficiaries identified in 2013 were still present. It is also worth noting that a new group of beneficiaries emerged in 2014: women survivors of trafficking.

THE STATE AS RECIPIENT OF DONATIONS



MOST SUPPORTED FINAL BENEFICIARY GROUPS (by # of Instances):



Several Characteristics of Philanthropy in Serbia in 2014:

- ★ The corporate sector remains an important actor in philanthropy and the data shows a shift in their giving strategy. While the percentage of instances involving the corporate sector decreased, the amount of funds they invested increased. This suggests that the corporate sector is now more selective in its funding, but is prepared to donate more funds. A more detailed analysis of the data also revealed that the corporate sector, more frequently than other donors, invested in programs with long-term effects and provided support to education. This data supports the idea of a trend towards more strategic giving.
- ★ In terms of types of donors, it is not possible to differentiate youth as a separate donor group. Nevertheless, when looking into examples of giving in 2014, Catalyst can see their inclusion in philanthropy. Although young people mainly focus on collecting one-off support, several initiatives with a long-term character have been observed, something which represents a positive trend in this donor group.
- ★ In terms of themes, encouraging is the increase in the percentage of instances directed to education. Although health and poverty reduction remain far ahead of education, a slight decrease in instances of giving for these themes may point to a greater distribution of donations to other themes. Another positive trend is that support to marginalized groups remains at the same level.
- ★ Regarding recipients, while there was a slight decrease in the number of instances directed to the non-profit sector, the non-profit sector is generally in a better position both from the standpoint of the amount of funds received and increased number of organizations receiving funds from the public. At the same time, despite a decrease in the percentage of instances and the amount of funds directed to the state as a recipient, the change still cannot be considered substantial. These donations provide a good entry point for when negotiating with state representatives for more significant tax benefits and changes of complicated procedures.
- ★ Finally, the main beneficiary groups remained unchanged but it was positive that no beneficiary group “disappeared” from the list. Even more significant is the fact that the range of beneficiary groups expanded to include the category of women survivors of trafficking, suggesting increased awareness of the issue.

In general, the development and changes found are of a positive nature as compared to 2013.

What Should Be Done

The strategic approach to philanthropy of some members of the corporate sector may be a good starting point to intensify cooperation between organizations engaged in philanthropy (i.e. foundations, etc) and companies, i.e. small and medium size enterprises. To encourage cooperation, it would be useful to offer long-term programs and promote themes or beneficiary groups which are typically less represented in philanthropy, as well as be more transparent about the amounts invested in different programs.

Although the intensity of giving among youth is relatively small at present compared with other donors, they should be viewed as the donors of the future. In this sense, targeted investments in work with youth should be pursued with schools, faculties and youth organizations so as to increase youth's understanding of the importance of strategic giving. Additional efforts should be made to encourage educational institutions, particularly academics, to include philanthropy as a topic in their research and writing.

Resolving the lack of data and advocacy for tax benefits and other measures that encourage giving also remain central preconditions for the further development of philanthropy in Serbia and in the region.

Finally, the promotion of philanthropy remains a priority for the development of giving and is consequently one of the crucial topics for further work and targeted investment. Promotion should not be pursued as a general topic, but rather as targeted work in the most important fields: transparency of donated amounts, presentation of positive examples (particularly strategic giving) and, perhaps most important, promotion of the effects of support.

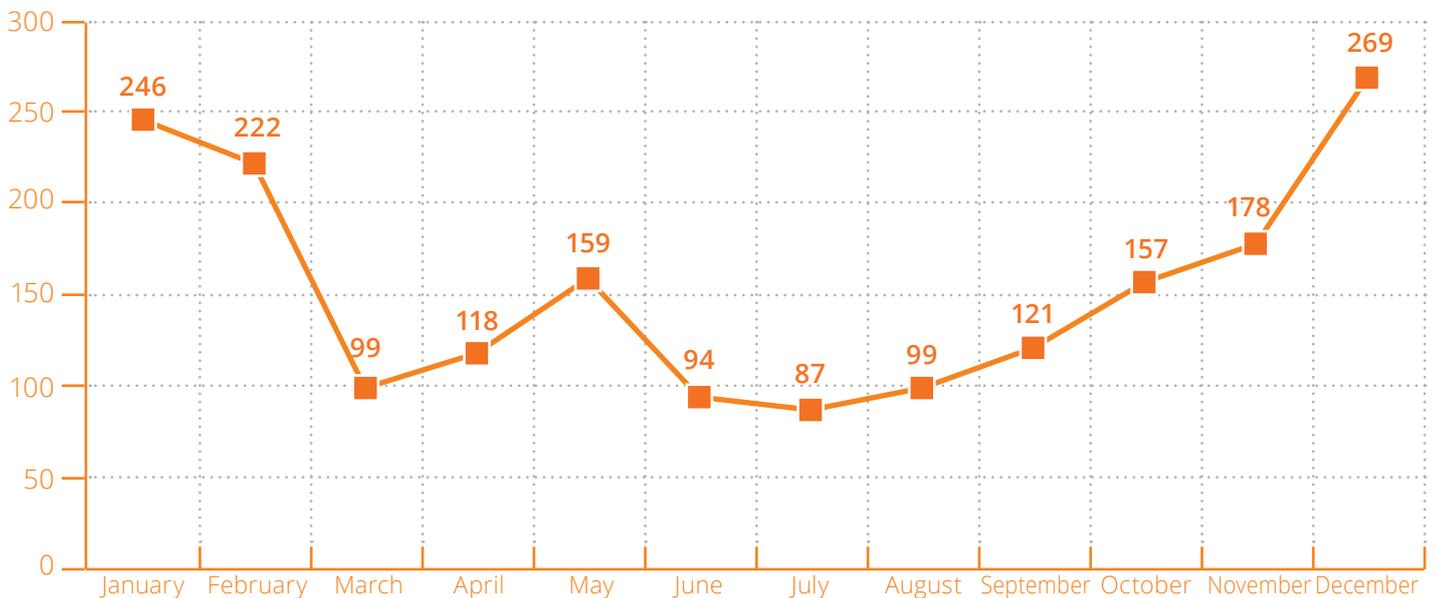
1 | General Overview

1.1 | Level of Philanthropic Activities in Serbia

There were 4,488 various philanthropic instances of the collection of cash and/or goods recorded in Serbia in 2014. Of these, 1,849 instances were directed to diverse purposes and target groups, while 2,639 instances were directed to flood relief.

In this part of this report we will discuss some of the most important philanthropic developments in 2014 that were not related to the floods¹. Data and estimations related to flood assistance and relief are presented in a separate chapter.

OF INSTANCES OF PHILANTHROPY, BY MONTH



The first trend to be highlighted is the increase in number of recorded instances (1,849) as compared to 2013 (when we identified 1,041). When we exclude instances related to the floods, we find that there was an average of 154 instances per month. The number of monthly instances decreased during those months when we typically expect to see an increase, namely April, May, June. For 2014 this result is understandable if we take into account that these were the months that the floods occurred and the majority of donations were thus directed to flood relief.

AVERAGE # OF INSTANCES PER MONTH



¹ We chose to exclude flood donations for two reasons: the first is that regardless of who receives the donations and how they are sent, they all had the sole purpose of assisting with the consequences of the flood disaster. Therefore, any analysis which would include them would provide a distorted picture of giving. The second is that the floods were extraordinary circumstances and thus the exclusion of flood-related actions facilitates comparison with 2013 and in the years to come.

Geographic Distribution of Giving | 1.2

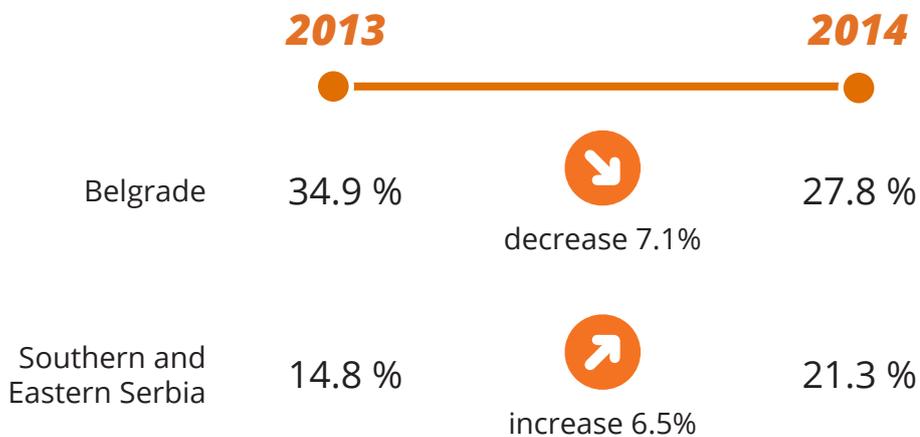
The distribution of instances of giving per region indicates that donations were most frequently directed to the Belgrade region (27.8%), followed by Vojvodina (24.8%), South and Eastern Serbia (21.3%) and Sumadija and West Serbia (18.0%).

Only 6.4% of donations were directed to several regions, i.e to the whole of Serbia, and no more than 1.7% outside of Serbia (B&H-Republic Srpska and the B&H Federation, Kosovo and Montenegro).

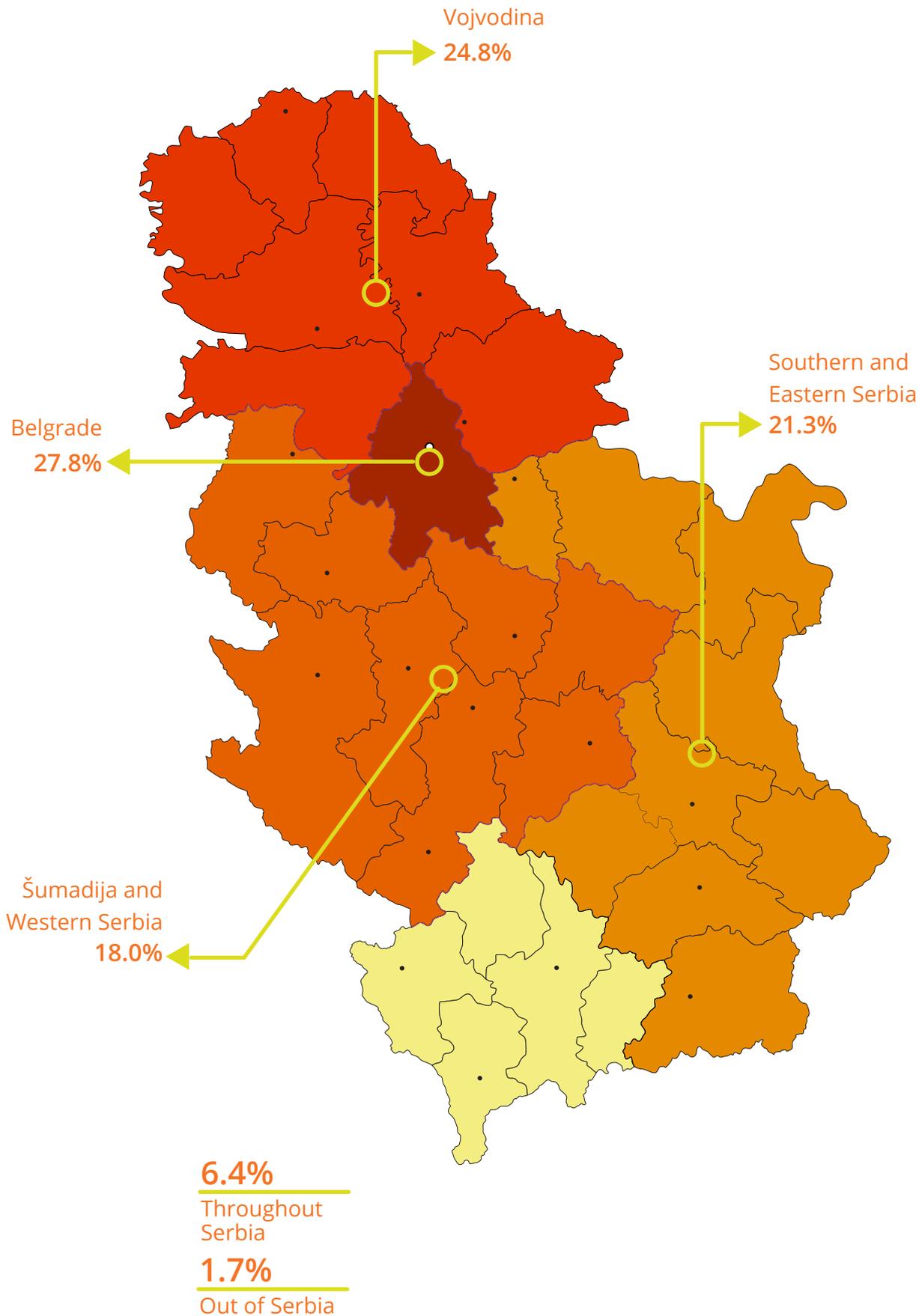
The donations were directed to over 200 various local communities. With the exception of Belgrade, the cities receiving the most donations were Novi Sad, Niš, Subotica and Vranje.

In 2014 fewer donations were provided outside of Serbia and an increased percentage of instances were directed to several regions or throughout Serbia. Two important shifts stand out: a decreased number of donations to the Belgrade region and, particularly important, increased giving for Southern and Eastern Serbia, traditionally among the poorest regions and receiving a smaller number of donations.

MOST SIGNIFICANT CHANGES COMPARED TO 2013

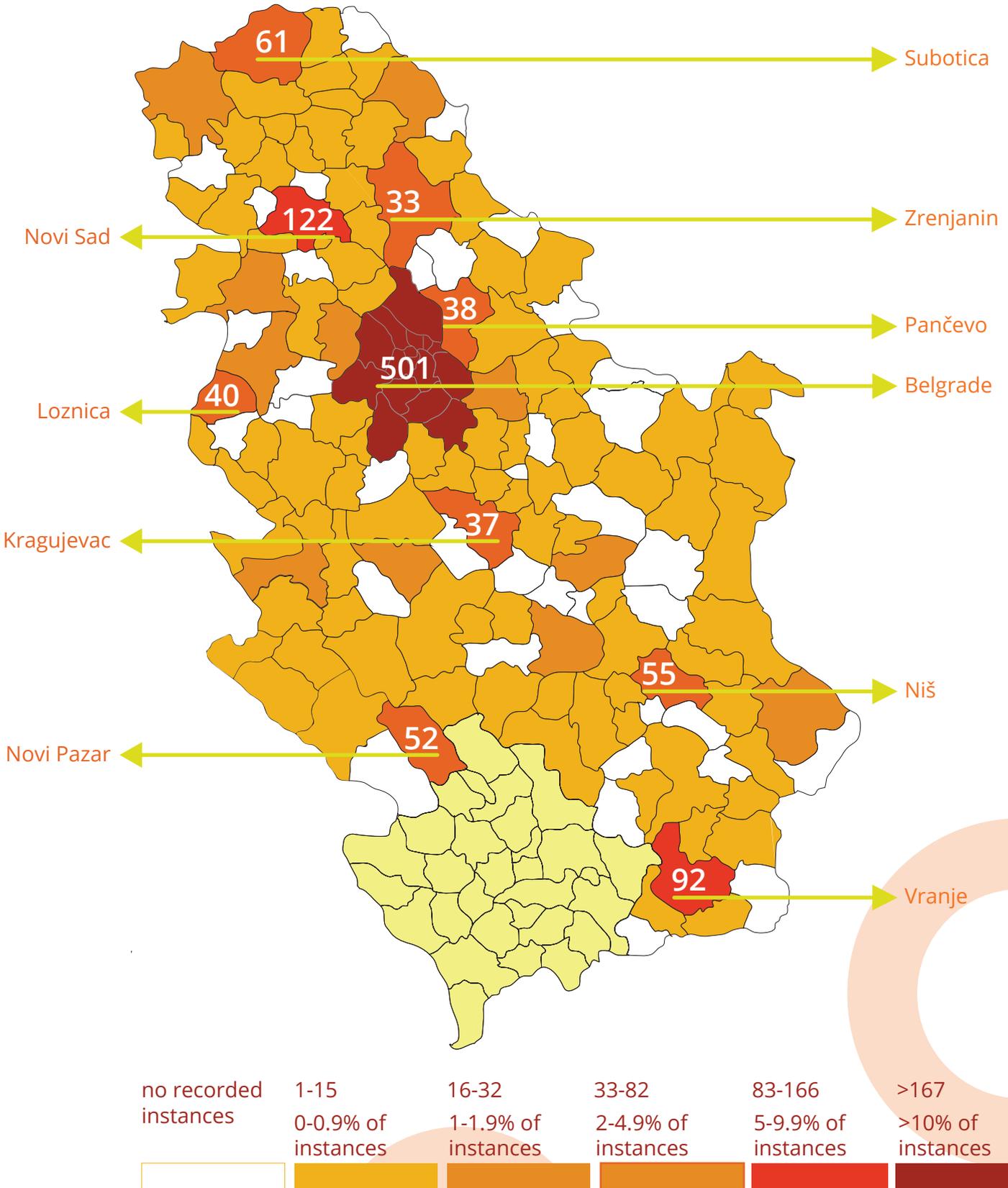


GEOGRAPHIC DISTRIBUTION OF GIVING BY REGION
(% of Instances)



Kosovo's designation in this map is without prejudice to position on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence

GEOGRAPHIC DISTRIBUTION OF GIVING, BY RECIPIENT MUNICIPALITY
(% of Instances)



Kosovo's designation in this map is without prejudice to position on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence

2 | Overview of the Key Indicators Related to Philanthropy in Serbia

2.1 | Donors

2.1.1 | Value of Donations

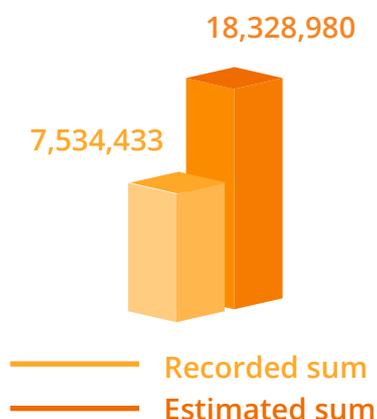
Of the 1,849 donations (calls, instances, reports and the like) recorded in 2014, the amount provided was published in 30.8% of cases, a slight increase compared to 28.4% in 2013. The total amount reported by the media was slightly over 7.534 million Euros¹.

The fact that less than one third of the published data provides financial figures makes estimation of actual level of philanthropy difficult. However, after extrapolation a cautious estimation can be made that the amount donated in Serbia in 2014 was almost 18.329 million Euros. The graph below shows the published and verified amount of donated funds in Euros, as well as the estimated amount based on extrapolation from the published amounts.

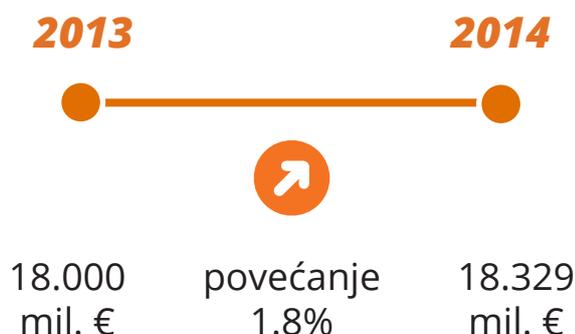
When considering these amounts, it is important to keep two factors in mind: first, that published amounts mainly include cash donations and only a very small percentage of the donations made in goods and services. Therefore, the value of donated amount for in-kind support and services cannot be estimated using published data.

Second, as mentioned previously, amounts were only available for less than one third of published instances of giving, and it proved difficult to obtain concrete data from other sources². Consequently, we can assume that donated amounts are significantly higher and likely even higher than the estimated amount.

VALUE OF DONATIONS (mil €)



COMPARISON OF ESTIMATED VALUE OF DONATIONS (mil €) 2013 TO 2014



2.1.2 | Donations by Type of Donors

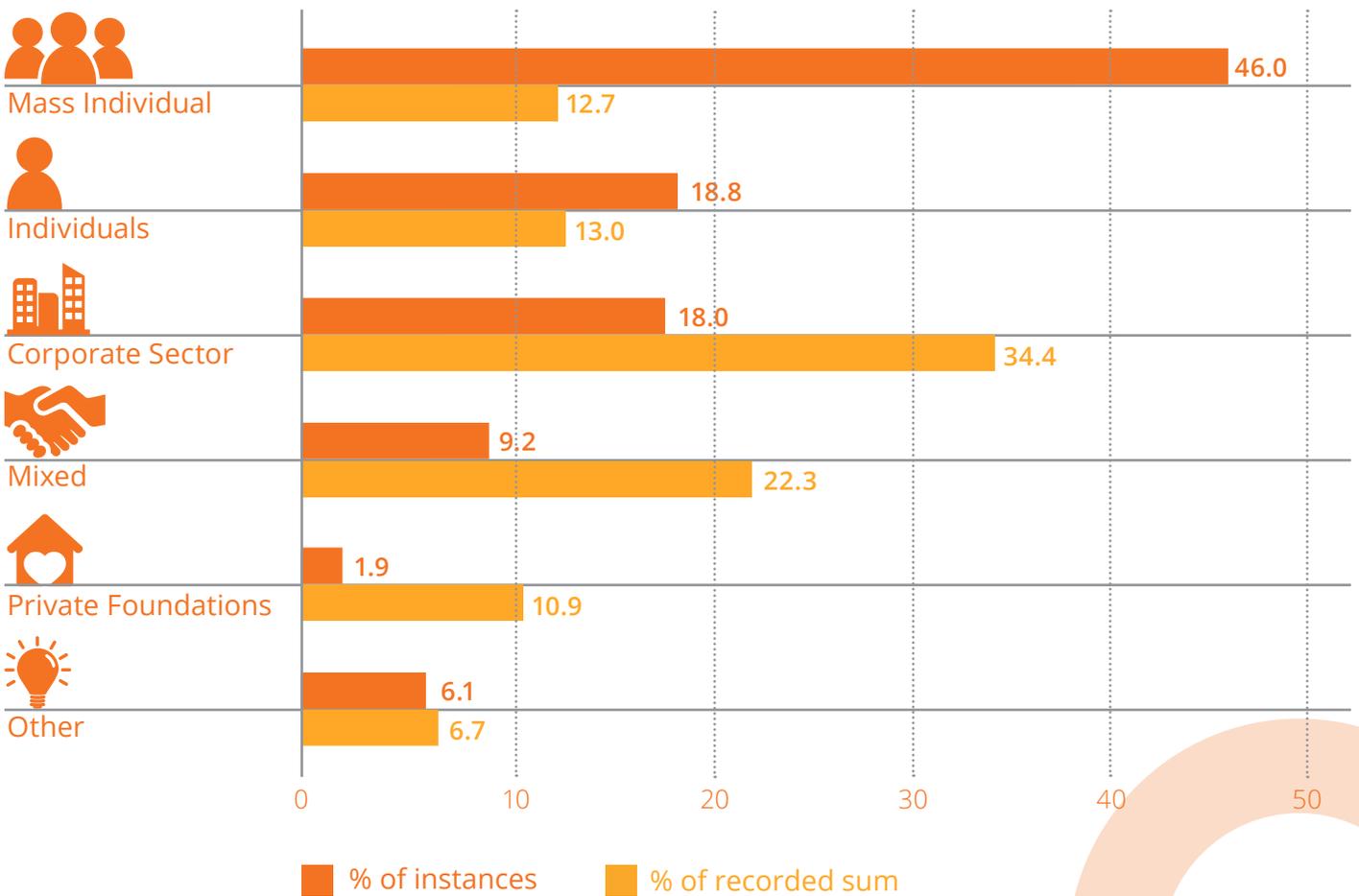
There are two aspects to consider regarding the participation of different types of donors: one is the number of instances they are involved in and the other is the published amount of donated funds. When we look at the number of instances of giving by different donors, the most numerous are mass individual donations (i.e. citizens' donations during campaigns and responses to calls for assistance), followed by giving by individuals (individual giving where donor can be identified) and companies. Participation by other donors is lower than 10%.

¹ Amounts were published in a different currencies. This amount reflects the annual median exchange rates for different currencies.

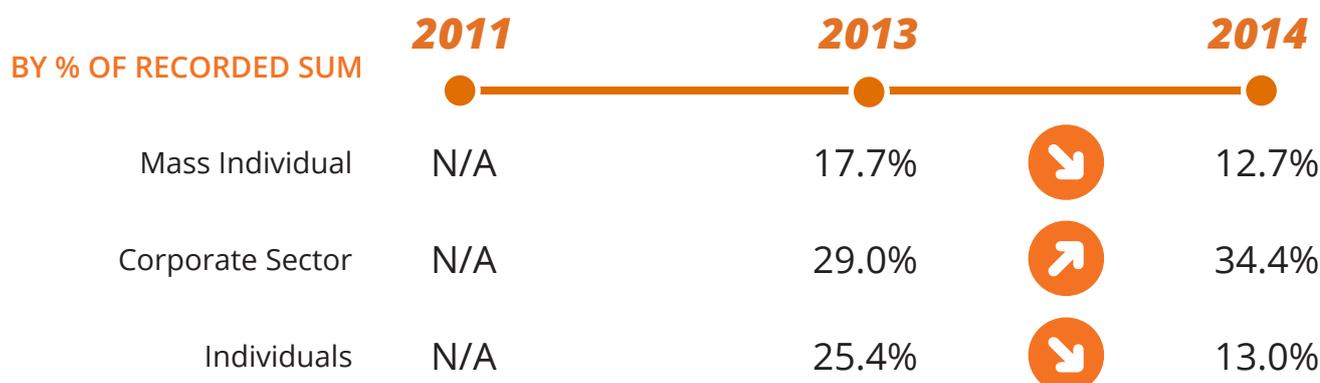
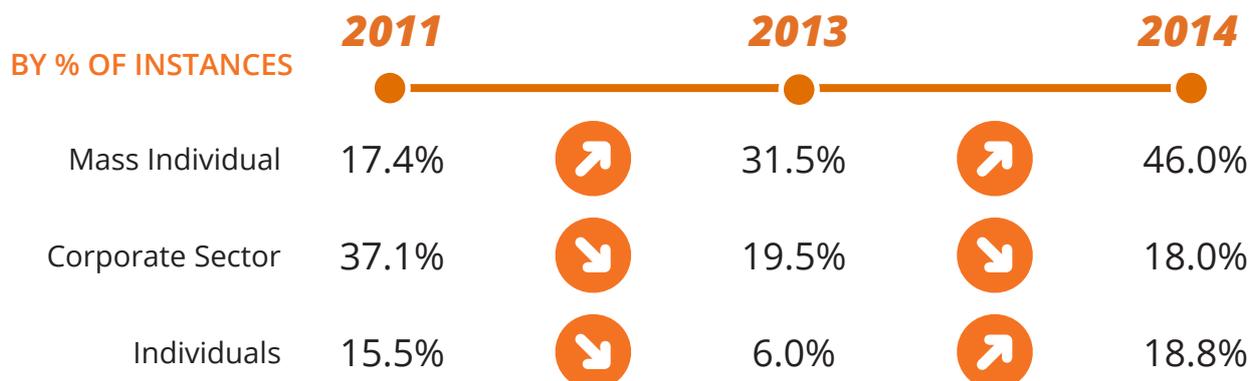
² Both donors and recipients do not exhibit a significant readiness to share information regarding donated amounts. More effort should therefore be invested in education and the promotion of transparency in donated amounts.

However, when we examine the rating of donors by percentage of occurrences with a published donation amount, the picture changes. Companies take the lead, followed by mixed donors (i.e. instances involving the participation of several types of donors), individuals, mass individual giving and private foundations. Participation of other types of donors is less than 10% of the total recorded sum.

DONATIONS BY TYPE OF DONORS
 (% of instances vs. % of recorded sum)



KEY TRENDS IN TYPES OF DONORS - 2011 to 2014



INDIVIDUALS AS DONORS

There were many examples of individual donations by celebrities in 2014. **Olivera and Đorđe Balašević** made a noteworthy donation to the Novo Naselje Gerontological Center, donating a massage chair, TV set and a number of books to center beneficiaries.

Mateja Kežman bought a house for a family with six children.

Distinguished academic **Vladeta Jerotić** donated to the monetary portion of his life-time achievement award to the Children with Cancer Foundation.

Particularly impressive is the example of an **anonymous donor** who donated three three-bedroom flats to the children's village in Sremska Kamenica. In her message she wrote that "her wish was to alleviate the misfortune to children who, due to circumstances, were deprived of the care of their loved ones and to strengthen their wish to become educated and grow into hard-working and useful members of society, happy family members and gentle parents."

The last example, of **a lady in Belgrade** who brings fresh pastry every day to the Center for the Protection of Children and Babies, shows that giving does not necessarily need to require much.

EXAMPLES OF CORPORATE SECTOR DONATIONS

An interesting example of dedication to long term giving comes from **Imlek**, which signed an agreement on cooperation with *Svratište*, a shelter for children. Over the whole year, *Imlek* supplied a certain quantity of products on monthly basis. This example demonstrates the trend toward greater investment into carefully selected activities.

An example of one-off support with long-term effects comes from the **NIS company**, which supported the development of an internet portal for people with visual disabilities that contained more than 2,500 audio-books.

Concern Bambi allocated one dinar for each *Juhu* product sold and donated the funds thus collected to local communities throughout Serbia.

In the context of the *Love Heals* campaign initiated by **NURDOR**, the Chemo-oncology Pediatric Clinic and Clinical Center Niš received a valuable donation of equipment from the *NIS* company.

Finally, although 2014 was marked by the floods, it is also worth noting the efficient response of companies when the people of *Užice* faced a shortage of water because of pollution of the water system. Companies such as **CocaCola**, **Knjaz Milos**, **Voda Voda**, **Heba**, **Minaqua** and **Brzmin** alleviated the water-shortage by donating bottled water.



CAUSE RELATED MARKETING

There were an increasing number of examples of what is called "cause related marketing", i.e. donating a portion of income from the sale of goods.

Concern Bambi set aside one dinar for each soup sold over a two month period. The funds were invested into the construction of children playgrounds in several towns in Serbia.

The **MOL Serbia company** organized a three-month action called "Drivers with a Big Heart". One dinar was allocated from each liter of eco-petrol sold and the funds were donated to children's homes in several Serbian towns.

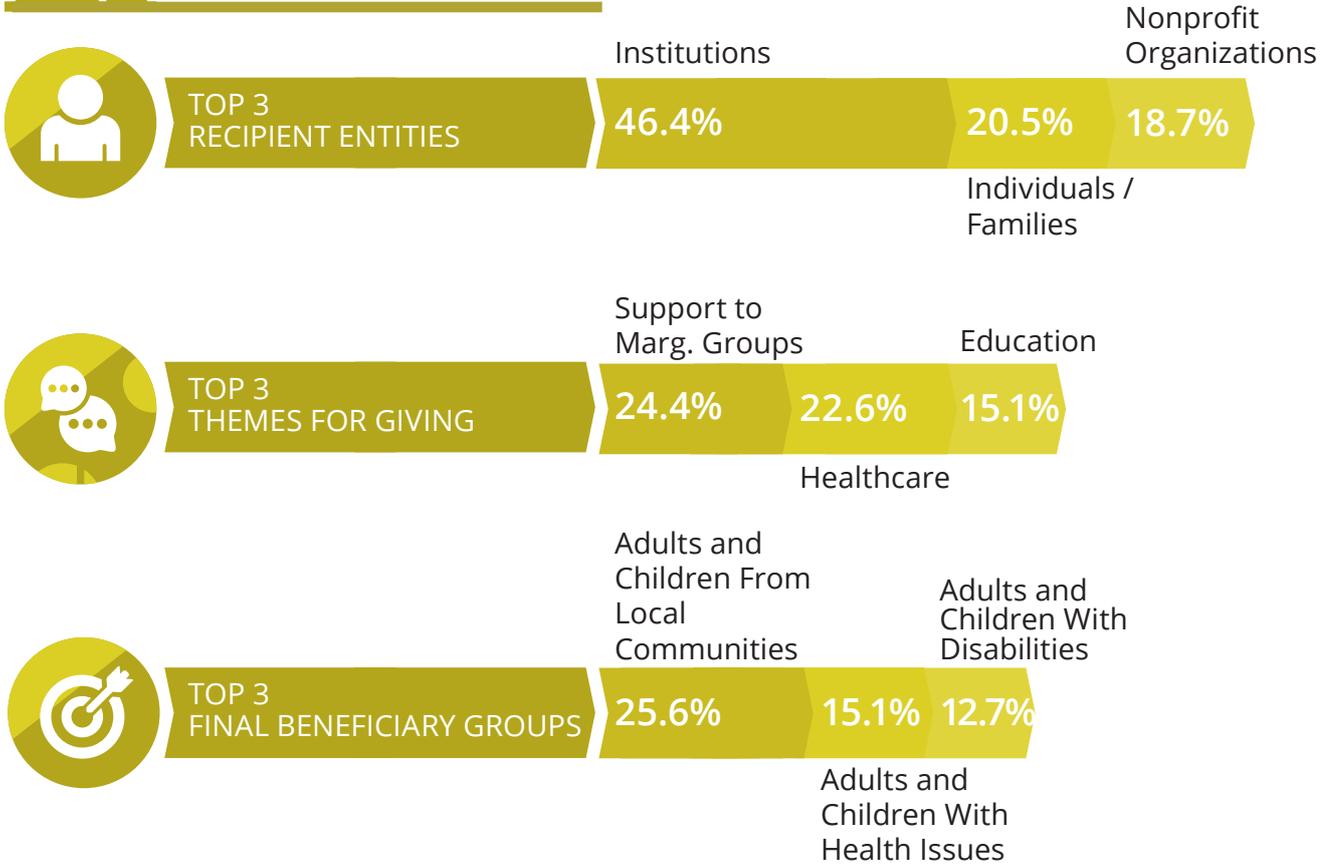
DM pharmacies allocated a certain amount from each sun-care product sold to homes for children without parental care.



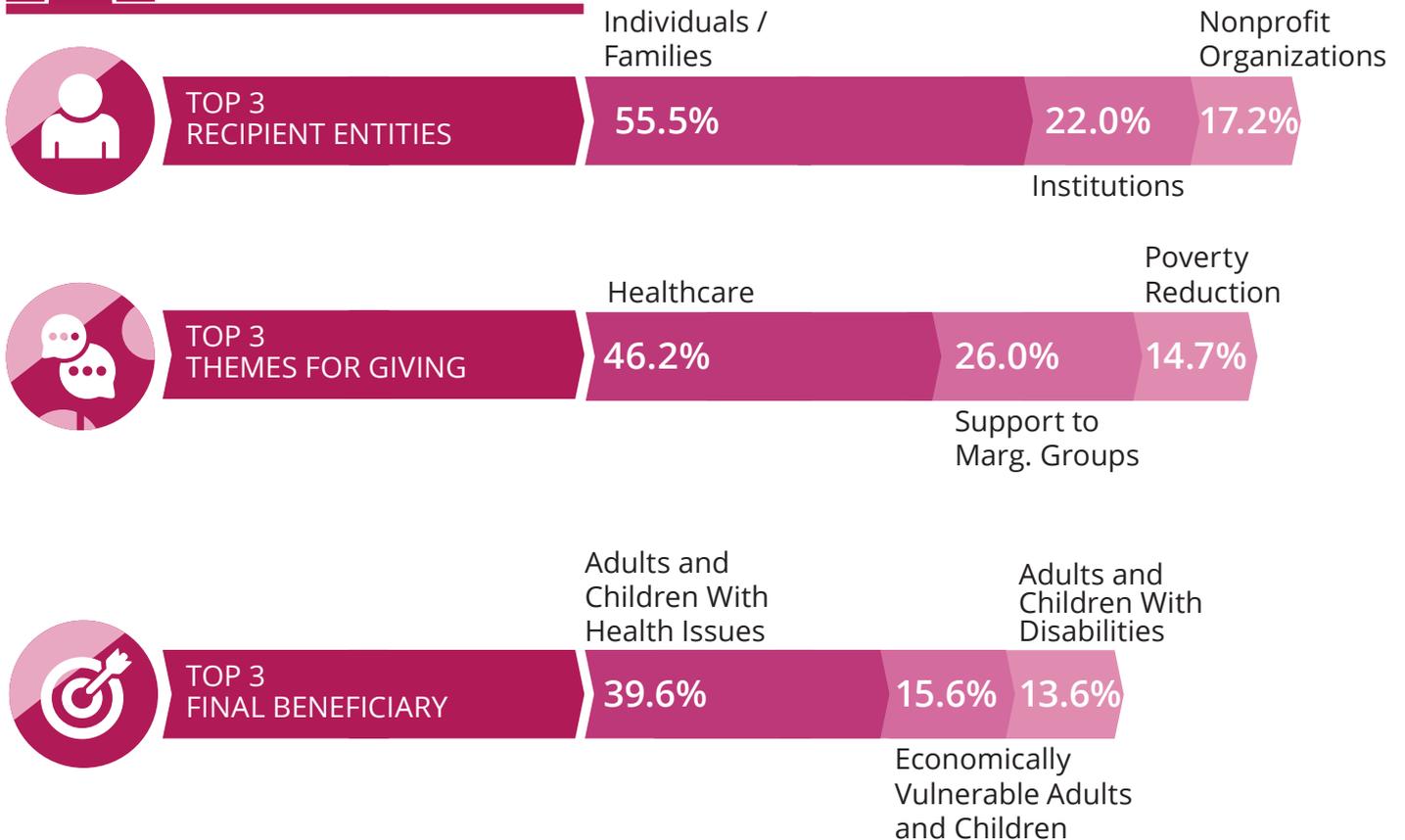
2.1.3 | Profiles of the Most Common Types of Donors



CORPORATE SECTOR



MASS INDIVIDUAL



DIASPORA AND LOCAL DONOR UNITED

Hido Muratović of Novi Pazar has been a well-known donor for years. Over the years, he supported numerous families in Novi Pazar and its surroundings by donating cash and goods to facilitate their survival and providing assistance in the building of houses or obtaining books and gifts for children.

In 2014, some twenty people from Sandžak living in Switzerland bought a car for Hido so that he could easily reach those in need.



ONE GOOD TURN DESERVES ANOTHER

An interesting example of philanthropy was the result of an accidental meeting between Bujara Nedžepija and Srđan Trajković while queuing for documents. Srđan, a wheel-chair user, helped Bujara communicate with local authorities. To thank him, Bujara donated an electric wheel-chair to the Vranje Association of People with Paraplegia.



YOUTH AS DONORS

While pupils and older students most frequently help their peers either to access medical treatment or improve their living conditions, there are also other types of examples.

The pupils of of the Kralj Petar II school in Užice organized the sale of cookies and drinks, floral decorations and pictures they painted themselves to mark the school's 130th anniversary. The funds they collected were donated to the school for the purchase of teaching equipment and devices.

The Youth Chamber of Niš organized a basketball tournament and donated the funds to the Sreten Mladenović Mika School for its reconstruction and the purchase of new equipment.



INDIVIDUAL GIVING TO CAMPAIGNS AND EVENTS

As in 2013, 2014 was marked by numerous mass individual donations, in most cases for the benefit of children in need of medical care abroad.

Citizens most often participated in events which serve to collect funds for various purposes.



KEY POINTS:

- The amount of donated funds is only negligibly higher than in 2013. However, given that large amounts were also donated for assistance for flood relief, it is reasonable to assume that, without the floods, the change recorded would be higher than the current 1.8%.
- In 2014 the most active donors were mass individual donations (46.0%), followed by individuals (18.8%) and the corporate sector (companies, small and medium size enterprises and corporate foundations) at 18.0%.
- If we look into donated amounts the picture changes significantly: the corporate sector then led with a 34.4% share of the total published amount, followed by mixed donors (through campaigns) with 22.3%, individuals with 13.0%, mass individual donations at 12.7% and private foundations with 10.9%.
- When we analyze the diaspora, the percentage of instances is high (18.5%), while the published amount only amounts to approximately 5.3%.
- These shifts show that individuals continue to take part in mass individual giving, although with smaller amounts most likely due to the prevailing economic conditions. At the same time, the corporate sector is less active, but donates larger amounts. If this trend continues, it will suggest more strategic investments by the corporate sector – more careful selection of actions but larger funds invested – which may bring about greater change.

For What Purpose Are Donations Made in Serbia? |2.2

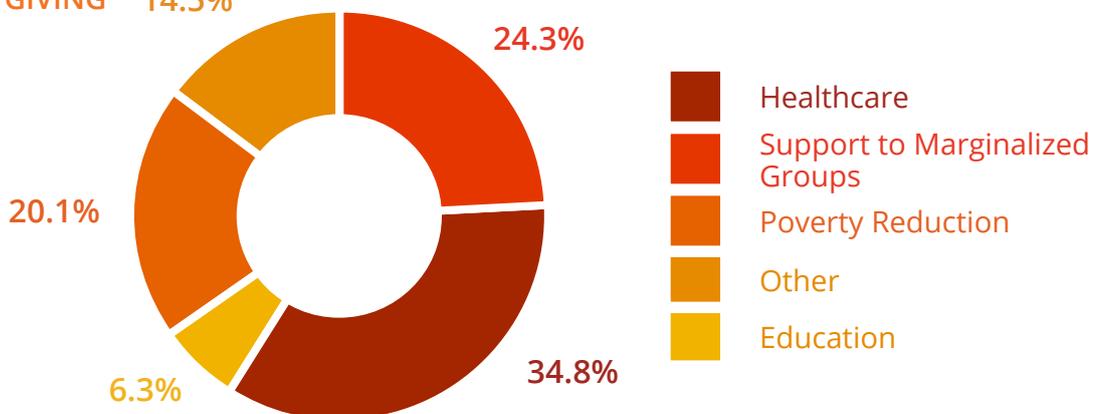
What Themes Are Important to Donors in Serbia? |2.2.1

The four main themes that attracted donations in 2014 were health, support to marginalized groups, poverty reduction and education.

These themes were also the leading ones in 2013. Their ranking (by number of instances) also did not change from 2013 to 2014, and differences in percentages were minimal, suggesting little significant change in donor interest in these themes.

Although other themes represented less than 15% of instances, the range of topics was wide and included: culture and art, sports, cultural heritage, economic development, religious activities, public infrastructure, science, the environment, assistance in emergencies, animal welfare and even investment in the independent media. In addition, this year we have included seasonal giving as a separate category³.

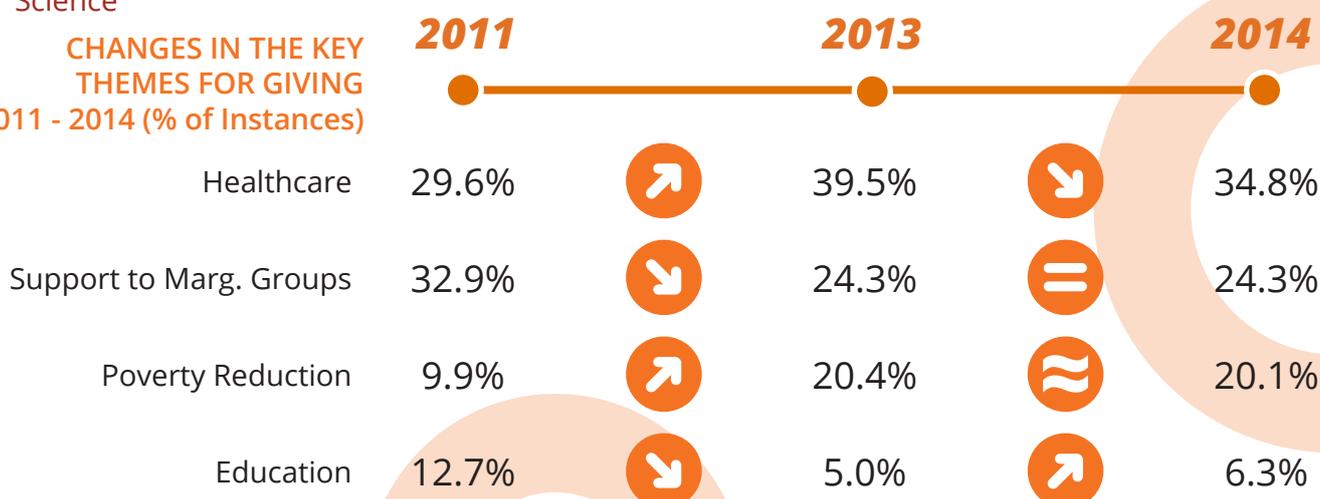
KEY THEMES OF GIVING 14.5%
(% of Instances)



BREAKDOWN OF OTHER THEMES (by % of Instances)

below 0.5%	0.5 - 1%	1 - 2%	over 5%
<ul style="list-style-type: none"> Community Development Economic Development Environment Public Infrastructure Religious Activities Science 	<ul style="list-style-type: none"> Animal welfare Assistance in Emergencies Cultural Heritage 	<ul style="list-style-type: none"> Culture and Art Sport 	<ul style="list-style-type: none"> Seasonal Giving

CHANGES IN THE KEY THEMES FOR GIVING
2011 - 2014 (% of Instances)



³ Seasonal giving includes donations given over New Years, Christmas, Easter and similar holidays. These donations are mainly of a humanitarian character.



KEY POINTS:

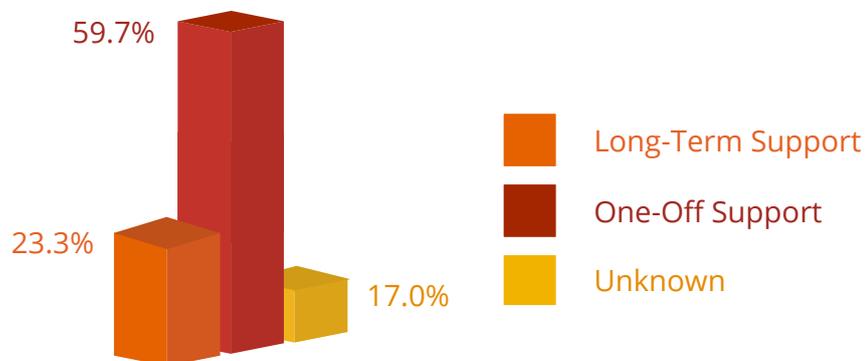
- The four key themes supported were: healthcare, support to marginalized groups, poverty reduction and education. Instances of giving intended for these purposes make up 85.5%, or more than three fourths of published instances.
- Compared with the previous year, a few new topics emerged: science, the media, and religious activities.
- The rating of themes per number of instances did not change in comparison with 2013. Nevertheless, changes in the percentage of instances suggest that interest in health is decreasing and that education saw a slight increase in donor attention after a large drop between 2011 and 2013.

2.2.2 | Use of Donations

The data on how donations in certain themes have been used provide deeper insight into whether they are one-off (humanitarian-type) support or aim to provide a longer-term solution to problems.

In line with the methodology and published data, we divided the use of donations into three categories: long-term investments, one-off donations and donations for unknown purposes¹. Information on these categories is presented in the following graphs.

**USE OF DONATIONS
(% of Instances)**



**TRENDS IN USE OF DONATIONS – 2011 to 2014
(by % of Instances)**

	2011	2013		2014
Long-Term Support	N/A	29.1%	↘	23.3%
One-Off Support	N/A	59.2%	≈	59.7%
Unknown	N/A	11.7%	↗	17.0%

¹ Under long-term investments we include: capital investments, equipment, investment in services, scholarships (human resource investments), research and development, raising social awareness. One-off support includes: humanitarian aid, seasonal giving, medical treatments for individuals/families, material and consumables. It is not always possible to determine the purpose of donation because the available data, for example, shows that an institution/organization has been supported but does not indicate the purpose of the donation.

LONG-TERM DEDICATION TO GIVING

The most frequent strategic investments in Serbia are investments in equipment and/or the reconstruction of buildings.

*As an example we would mention **Microsoft** which supplied equipment to the Petnica Science Center that provides informal, extracurricular science education to talented students and their teachers, thus simultaneously enhancing the development of science and research in Serbia.*

*The **TE-TO Sugar factory of Senta** donated significant funds to schools in several Vojvodina towns.*

*The **Hemofarm Foundation** donated equipment to the Belgrade Medical Faculty to enhance research in the field of cardiological diseases.*



KEY POINTS:

- The highest percentage of instances of giving in Serbia remain directed to one-off support. An in-depth analysis indicates that the corporate sector took the lead in long-term investments.
- The most numerous long-term support were for the purchase of equipment, followed by capital investments and services.
- The most frequent one-off donations were for surgeries, materials and consumable goods and humanitarian assistance.
- In comparison to 2013 (in addition to a drop in long-term support), there was an increase in donations whose purpose could not be precisely determined. We assume that they were intended as general support for organizations and/or institutions.

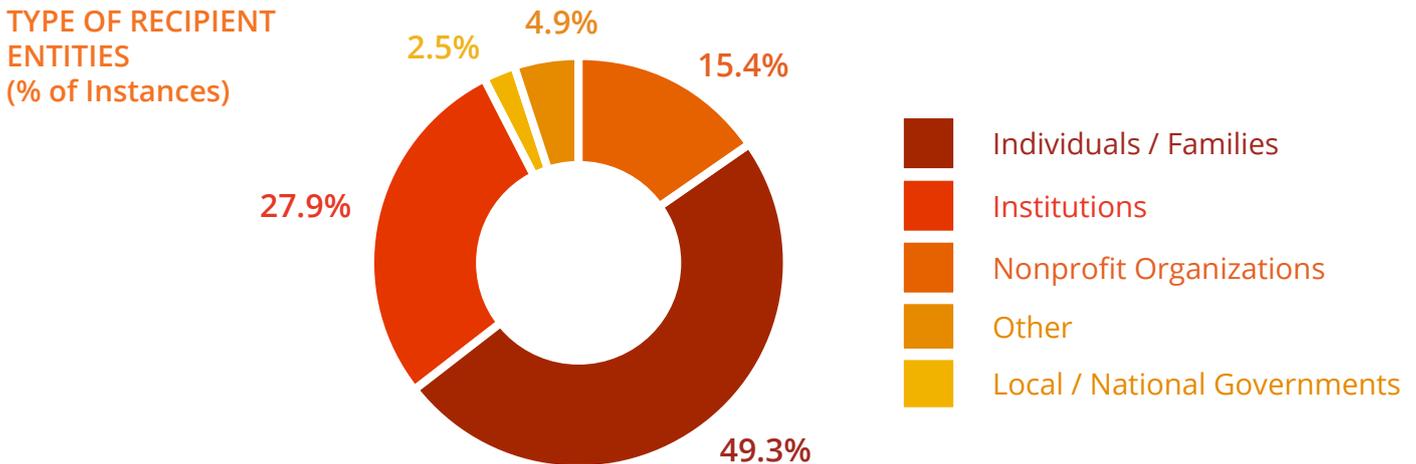


2.3 | Who Are Supported by Donors in Serbia?

2.3.1 | Who Are Trusted as Recipients of Donations?

The partners donors select as recipients of their donations indicate indirectly who they trust⁴.

In 2014 the main recipients of donations were individuals/families, followed by institutions and non-profit organizations (associations and foundations). The "Other" category includes religious communities, other recipients as well as unknown recipients.



TRENDS IN TYPE OF RECIPIENT ENTITIES - 2011 to 2014 (by % of Instances)

	2011		2013		2014
Individuals / Families	30.5%	↗	43.5%	↗	49.3%
Institutions	33.8%	↘	32.7 %	↘	27.9%
Nonprofit Organizations	10.2%	↗	17.0%	↘	15.4%
Local / National Governments	6.6%	↘	3.6%	↘	2.5%

TRENDS IN TYPE OF RECIPIENT ENTITIES - 2011 to 2014 (% of Recorded Value)

	2011		2013		2014
Individuals / Families	N/A		9.7%	↗	21.9%
Institutions	N/A		44.3%	↘	30.5%
Nonprofit Organizations	N/A		13.7%	↗	21.0%
Local / National Governments	N/A		29.2%	↘	20.1%

⁴ Donation recipients generally further distribute support to beneficiaries



KEY POINTS:

- In 2014 on the top three recipients (based on percentage of instances) were individuals/families (49.3%), institutions (27.9%), and non-profit organizations (15.4%).
- When we look at donated amounts, institutions are in the leading position (30.5%), followed by individuals/families (21.9%), non-profit organizations and local/national authorities (both with approximately 20-21%).
- If we combine the donations to institutions and local/national authorities as they all belong to the state, we find that 30.4% of instances of giving and 50.6% of the donated funds were directed to the state.
- Comparison with past years shows a notable increase in the percentage of instances and funds directed to individuals and a decrease in both the percentage of instances and amounts directed to the state.
- Although the number of instances of support for non-profit organizations shows a decrease trend, it is simultaneously observed that the funds provided to these organizations have increased.
- Here, we have the key role being played by private foundations, which, although represented by smaller number of instances overall, actually receive significantly higher donated amounts.



EXAMPLES OF COOPERATION BETWEEN DONORS AND NON-PROFIT ORGANIZATIONS

The category of non-profit organizations consists of local civil society organizations, foreign organizations (i.e. UNICEF) and private foundations.

The decreasing trend in the number of instances directed to non-profit organizations started in 2011, when the percentage dropped from 20.2% to 15.4%. Although this may be seen as a negative trend, two other indicators are encouraging: first, the amount (in terms of published figures) donated to non-profit organizations was approximately 21.0% in 2014, which is 7.3% more than in 2013. Second, the number of organizations and foundations that receive multiple donations from different donors has been increasing over the years.

*While in 2011 only private foundations were mentioned by name in published accounts of giving, in 2013 **NURDOR** and **Svratište Shelter for Children** were recognized by name in 2014. From this information we can ascertain that multiple donations went to NURDOR, Svratište, but also to **White Stick (Beli štap)**, **Evo ruka**, **BelHospice**, **Čika Boca** and the **National Association for Rare Diseases**.*

*Among the private foundations, those most frequently mentioned in published accounts of giving are the **Ana and Vlade Divac Foundation**, the **Podrži život (Support Life) Foundation**, the **Novak Đokovic Foundation** and the **New Belgrade Humanitarian Foundation**. With the exception of the Divac and Đokovic foundations, the others are oriented to the medical treatment of children.*

The largest number of donations to non-profit organizations, as in 2013, was donated by citizens (mass individual donations), then by the corporate sector. It is of interest that for the first time in 2014, several donations from small and medium size enterprises were directed to non-profit organizations.

The themes most frequently supported by non-profit organizations are support to marginalized groups, health, poverty reduction, animal welfares, as well as education, sports, culture, community development.

The range of beneficiary groups for which organizations receive support is very wide. These include primarily adults and children with disabilities (both physical and learning disabilities), people with health issues, and the poor. Children at risk, children without parental care, the elderly, and adults suffering from terminal diseases also receive significant support, and the number of instances intended for women survivors of violence has increased.

Worth noting is the increased trust in private foundations, which received the largest proportion of funds directed non-profit organizations. On one hand, this may be due to the types of themes that the private foundations mentioned earlier support (vulnerable groups and children in need of medical treatment). On the other, the more powerful promotion done by private foundations also undoubtedly influenced both the number of instances and the amounts donated. This highlights the role of the media and importance of being present in the public eye.

EXAMPLES OF COOPERATION BETWEEN DONORS AND NON-PROFIT ORGANIZATIONS



There are several interesting examples of how partnerships between the corporate sector and non-profit organizations are contributing to positive change by providing donations and strategic long-term investments.

*The donation of the **VIP Mobile company to the “Dašak” Association of Children with Asthma** is an example of multiple responses to an issue. VIP Mobile allocated funds to purchase a spirometer, an apparatus for pulmonary function examination and early diagnosis of asthma. In addition, the activation of a special cell phone number provided funds for additional training of medical personnel, children and parents which will contribute to early recognition of disease and timely commencement of medical treatment.*

*For several years, **Erste Bank a.d. Novi Sad** has been partnering with the **Per. Art citizen’s association** which promotes art work done by children with learning difficulties. Erste Bank’s long-term support has enabled the young people of the association to express themselves through various fields of art, thus not only developing their own potential but to present their art to society in a completely new fashion.*

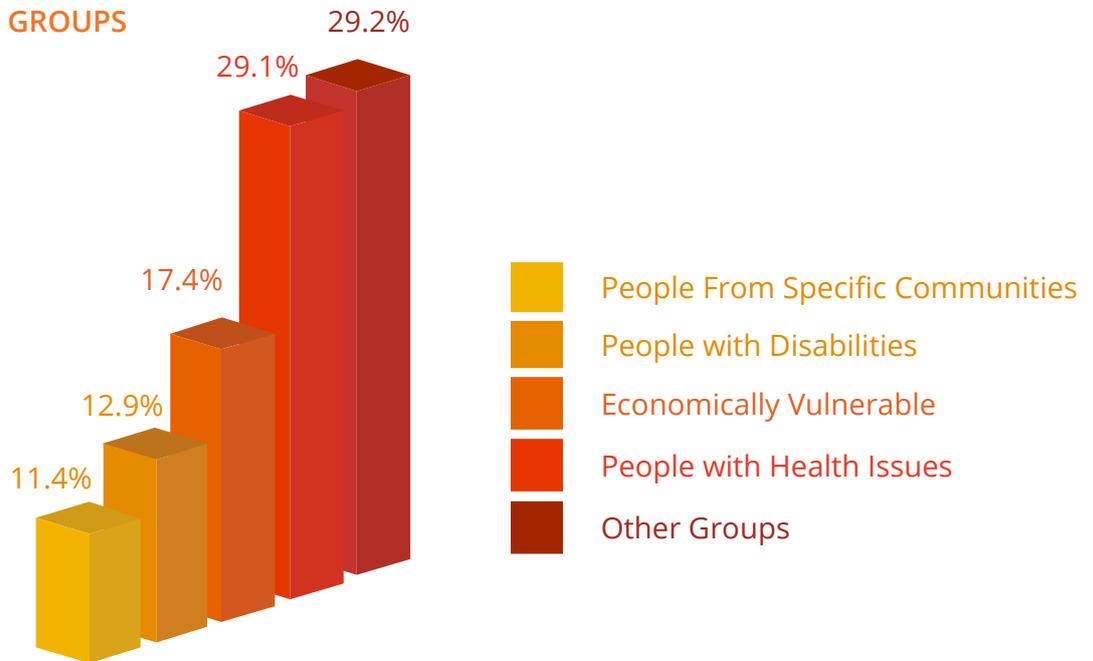
*The **Aleksandra Bačko hair salon’s** cooperation with the **“Ostanimo zajedno” (Let’s Stay Together) citizen’s association** of women facing breast cancer is a fine example of how small and medium size enterprises can cooperate with non-profit organizations. Each month the salon donates one-day’s income to the association. In addition, the salon provides free haircuts to women who are about to begin chemo-therapy and trims after completion of chemo-therapy.*

*The most successful examples of attracting individuals as donors are **NURDOR and BelHospice**. Both organizations have frequent events to stimulate giving. In fact, one could refer to their activities as ongoing campaigns to collect donations. Very often they establish partnerships with the corporate sector, which, in turn, help them to attract donations from individuals. Consequently, their strategies and fundraising tools can serve as an example for other organizations.*

2.3.2 | Who Benefits from Donations?

When examining the final beneficiaries in 2014, the four key groups that emerge are people (adults, youth and children) with health issues, the economically vulnerable, people with disabilities and the general population, including people from specific communities.

KEY FINAL BENEFICIARY GROUPS (% of Instances)



BREAKDOWN OF OTHER BENEFICIARY GROUPS (by % of Instances)

from 0.5 - 1%	from 1 - 2%	from 2 - 5%	over 5%
<ul style="list-style-type: none"> Single Parents Women and Children Survivors of Violence Women Survivors of Trafficking 	<ul style="list-style-type: none"> Elderly Talented Children and Youth Mothers and Newborns 	<ul style="list-style-type: none"> General Population Children and Youth at Risk People from Other Countries 	<ul style="list-style-type: none"> Children without Parental Care

CHANGES IN BREAKDOWN OF FINAL BENEFICIARY GROUPS (% of Instances)

	2011		2013		2014
People with Health Issues	21.1%	↗	30.7%	≈	29.7%
Economically Vulnerable	9.9%	↗	20.4%	↘	17.4%
People With Disabilities	12.2%	↘	9.8%	↗	12.9%
People from Specific Communities	15.0%	↘	5.8%	↗	11.4%



KEY POINTS:

- People with health issues, the economically vulnerable and people with disabilities were the beneficiaries of 60% of the instances of giving in 2014.
- Although the range of beneficiary groups is very wide, less than one third of instances were directed to categories of beneficiaries other than the main four.
- In 2014 women survivors of trafficking emerged as a new beneficiary group. All groups identified in 2013 were still present.
- Although there were changes in the percentages of instances, there were no changes that clearly indicate trends.

SUPPORT TO VARIOUS TARGET GROUPS



The majority of donor types provide support (approximately 50% of instances) to children and youth of various categories. The exemption is individuals and associations who primarily support adults.

The corporate sector takes the lead in investing in activities for children and youth, general population, as well as children with health issues and children with disabilities.. In addition to numerous examples of investments into the renewal and reconstruction of children's playgrounds in a number of Serbian towns, donations for education are popular.

*An interesting instance of giving comes from the **Grad Kafa Company**. To mark World Neighbor Day, Grand Kafa supported the construction of five access ramps in five different towns in Serbia. The ramps not only provide better accessibility for children and adults with disabilities, but are also very useful for the elderly and mothers with children. One example of a generally less represented beneficiary is women survivors of trafficking. The **Hyatt Regency Hotel** organized a competition in the decoration of Christmas trees and donated the funds collected to the **ATINA organization**.*

Among the least represented beneficiary group is the homeless, which are most frequently supported by individuals through events such as exhibitions or the preparation of food in local communities for the general population (e.g. the traditional Turija Sausage Festival in Subotica, in which the collected funds are directed to homeless people).

*Finally, it is worth noting that there was an increase in the number of instances of giving to benefit people with mental health issues. A good example of this was the **Rotary Club Čukarica**, which organizing a concert of students of the Vatroslav Lisinski Music High School in combination with an exhibition of works by Prostor beneficiaries. The funds collected from both activities went to **Prostor beneficiaries**.*

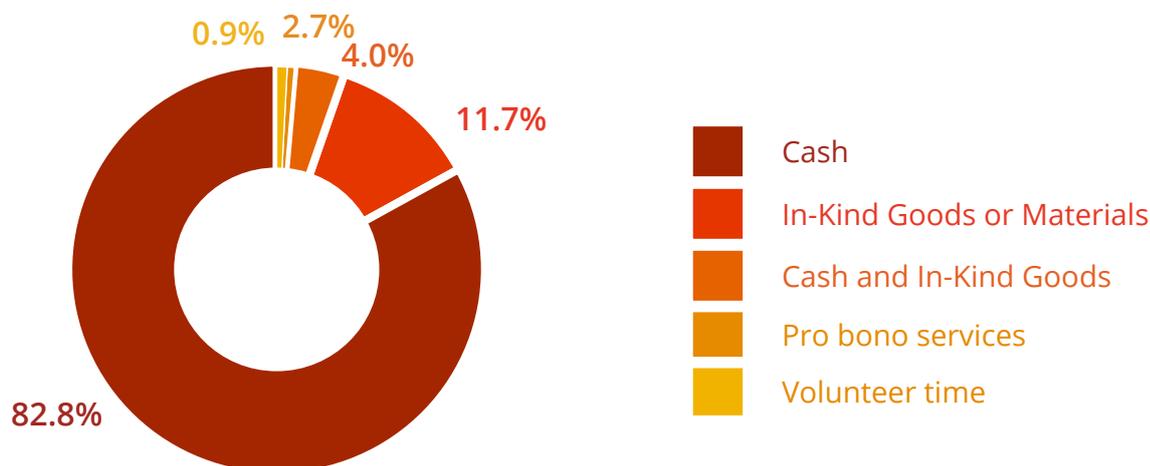
2.4 | How Is Giving Done in Serbia?

2.4.1 | What Is Donated?

Donors appear to prefer to provide donations in cash, followed by in-kind goods or materials, mixed donations (cash and in-kind) and, finally, pro-bono services.

The small percentage shown for pro-bono services is more likely to be a consequence of limited reporting on this type of donation in the media rather than reflecting an accurate picture.

WHAT IS DONATED (% of Instances)



PRO-BONO SERVICES AS DONATIONS

In addition to the more typical donations in cash, in 2014 a larger number of cases of donations of pro-bono services were seen.

*As an illustration we would highlight the example of **several dermatological offices** that marked the European Day Against Melanoma by performing examinations free-of-charge throughout Serbia.*

*Another example was that of the **Jasmil company**, which organized free sewing training for pupils with hearing and development disorders, as well as for students of the "Radoje Ljubicic", Technical High School in Uzice.*



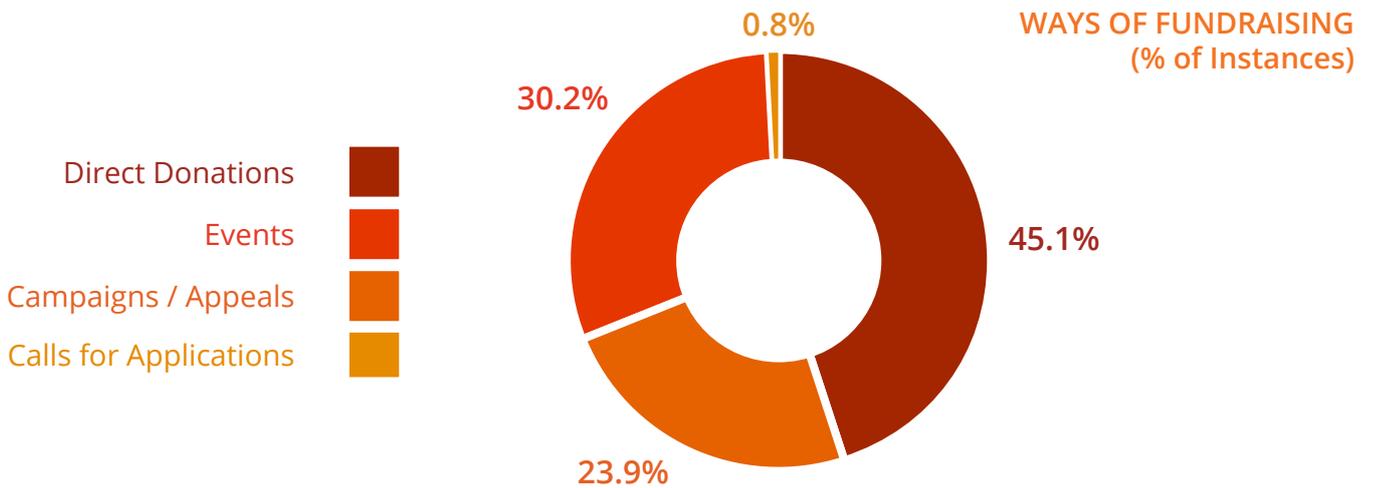
KEY POINTS:

- Donations in cash are the most frequent at 82.8% and in-kind goods or materials are found at the far lower percentage of 11.7% .
- If we compare the most active types of donors (individuals and the corporate sector), we see that actors from the corporate sector donate cash in a slightly lower percentage (68.1%) and in-kind goods or materials in a higher percentage (24.7%). Over 85% of individual donors donate cash.
- The small percentage of donations involving volunteer time does not reflect the true picture because of media hesitation to report on it (it is less attractive than more concrete donations) and companies failing to report on their frequent volunteering actions (because volunteering activities are seen as part of their work strategy).

Ways of Fundraising | 2.4.2

For easier analysis, ways of giving have been divided into four categories: campaigns (responses to calls for donations), direct donations (with the donor selecting its partner), donations at events, and calls for applications.

The available data show that direct donations are the most frequent, followed by events, campaigns and, finally, calls for application.



WAYS OF FUNDRAISING IN %	2011		2013		2014
Direct Donations	48.0%	↔	48.3%	↘	45.1%
Campaigns / Appeals	25.2%	↘	14.0%	↗	23.9%
Events	25.8%	↗	37.6%	↘	30.2%
Calls for Applications	1.0%	↔	0.1%	↔	0.8%

CALLS FOR APPLICATIONS - A WAY TO DONATE

It is important to note an increased use of calls for applications (competitions) as the way of donating. In 2014 this method of donating was used by *Coca Cola Hellenic, Erste Bank, Carlsberg, NIS, Vojvodjanska Banka, and Philip Morris*. Some of these companies organize competitions in partnership with non-profit organizations with existing the administrative capacity to organize competitions.

Increasingly, the public is involved in selection: companies invite them to vote - most often via social networks - for proposals that have been submitted to the competition.

Some of the companies combine these two methods: organizations with experience running calls create a short list of proposals and then the public is invited to vote. Regardless of the technical organization of the call, the transparency of giving is substantially increased through this type of selection process.



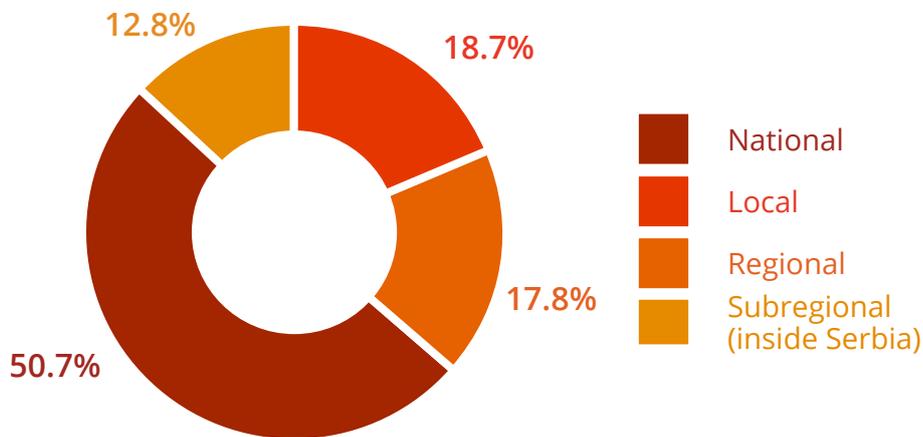
KEY POINTS:

- Despite small fluctuations in percentages, direct donations remain the most common method of giving, representing close to half of all giving.
- Campaigns and events show more variation over years. However, in comparison to 2011, the number of campaigns has decreased and the number of events has increased, suggesting a greater sophistication and larger range of methods for donating.
- Calls for applications also vary over the years. However, it is noteworthy that after a drop to 0.1% in 2013, calls for applications have returned to constituting almost 1.0% (a figure similar to the 2011 one). Calls were most commonly announced by the corporate sector. We also assume that the number of calls is actually higher, and that their under-reporting is due to their not being reported. This is likely the case particularly where foundations are concerned because the media rarely recognizes this kind of competition for support as philanthropy.

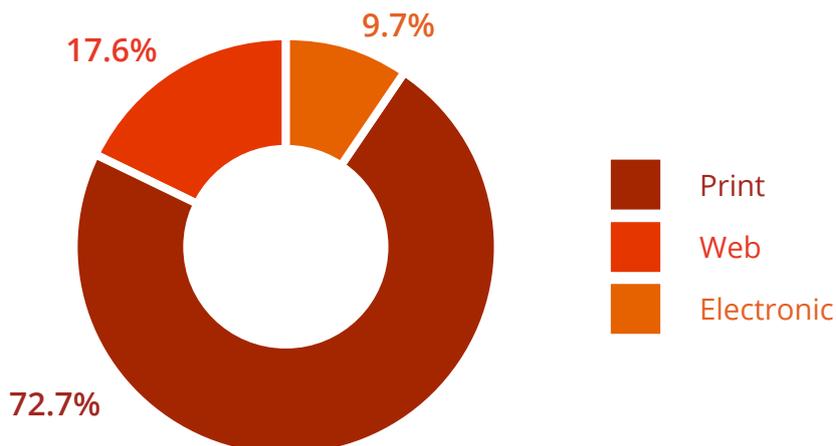
2.4.3 | Media Coverage

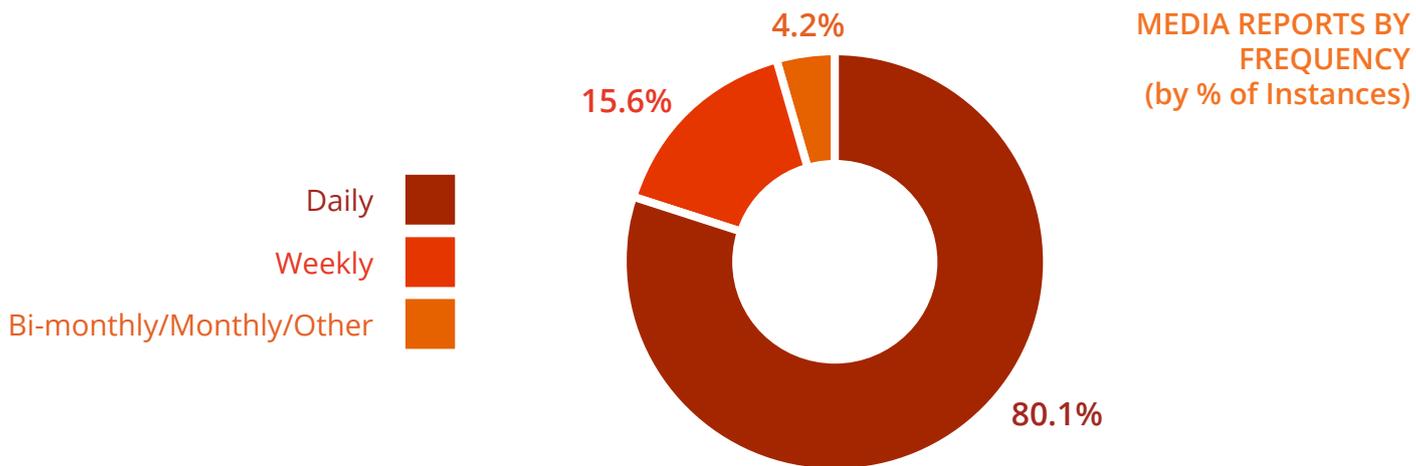
As shown in the graphs, almost two thirds of reports were published in the print media (67,8), followed by the web (20,8%). The smallest percentage was published in the electronic media. Concerning territorial coverage, the majority of reports was published in the national, followed by the local media.

MEDIA COVERAGE



MEDIA TYPE





Most reports were published in the daily media.

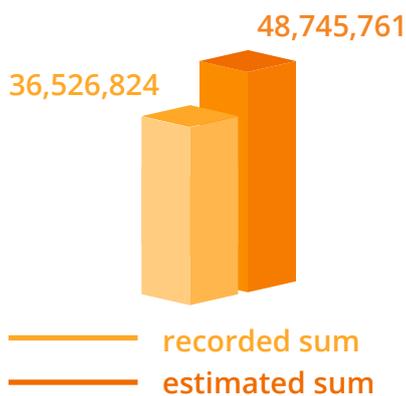
Radio Television Serbia, RTV Studio B and Radio Novi Sad stand out as the electronic media that presented the largest number of reports. In the field of print media, Blic led, followed by Vecernje novosti, Nase novine, Politika, Danas and Kurir. Finally, the web media that printed the most reports were Blic.rs, B92.net, 24 sata.rs, and Ekapija.

3 | Flood Relief

The graph below shows the published and verified amount of donated funds in Euros, as well as the estimated amount, based on extrapolation from amounts published both during and after the floods. The amounts include both donations in cash and estimated and verified donations in-kind goods or materials.

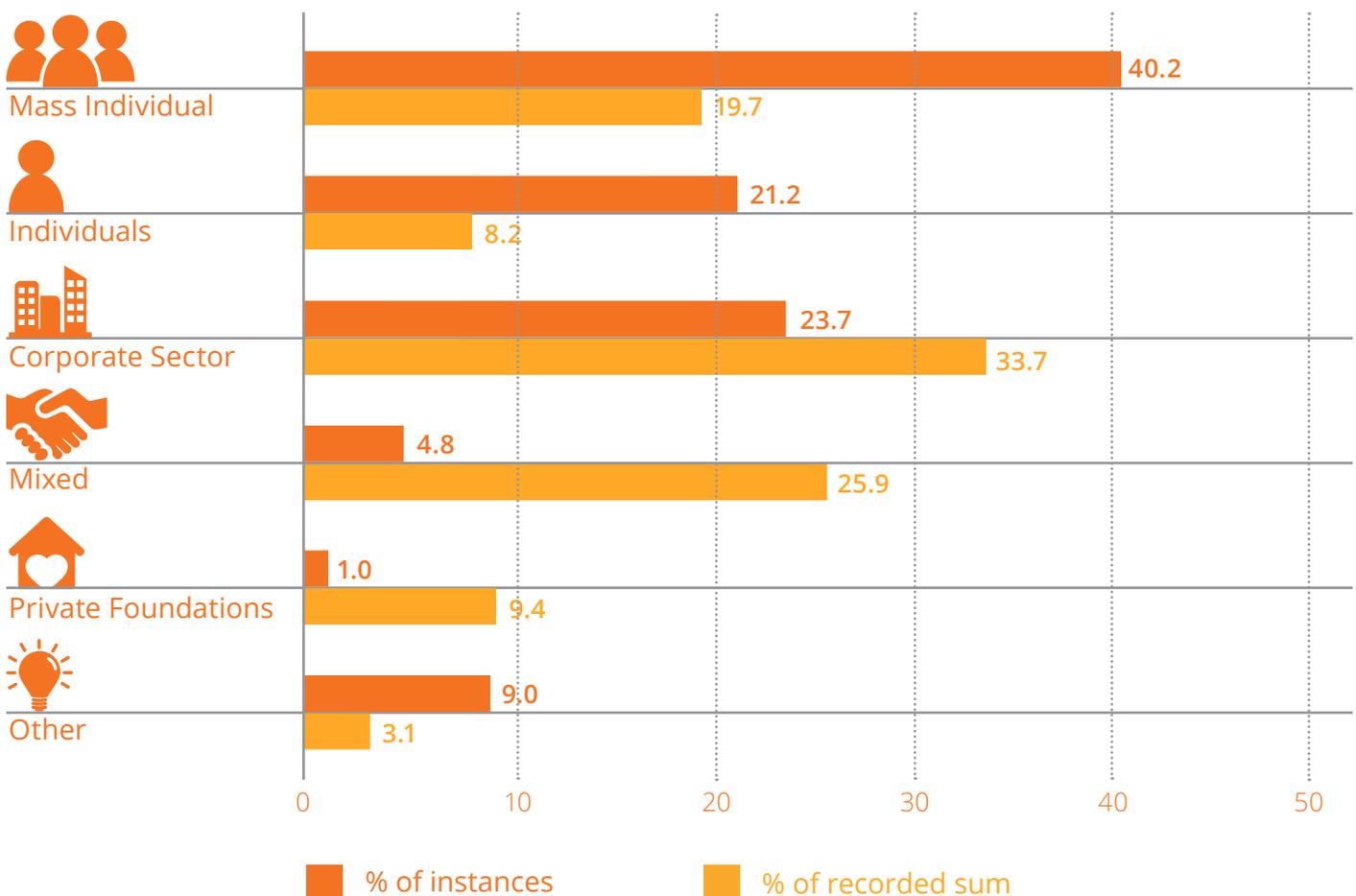
Unlike donations for other purposes, in most cases the media published the amounts donated for flood assistance and relief. Amounts were published in approximately 56.2% of articles.

VALUE OF DONATIONS (€)



For data analysis purposes, we only provide the participation of various types of donors, as the donation purpose and beneficiaries were practically the same for all donations. What is certainly worth mentioning is that there was no type of organization, institution, company, or group of people who failed to contribute. The list of donors include schools, faculties, kindergartens, large corporations and small and medium size enterprises, non-profit organizations, private foundations, the media, trade-unions, professional associations, associations of hobbyists, etc. The list is remarkably long and illustrates in the best possible way people's sense of solidarity.

DONATIONS BY TYPE OF DONORS (% of instances vs. % of recorded sum)



Annexes | 4

Annex 1: Methodology | 4.1

The methodology for this report was inevitably conditioned by the viable options for collecting data. Research on this topic worldwide shows that the only completely reliable source of information on level of giving for charitable purposes is collected by tax authorities. For many reasons it was not possible to use this source of information in any of Western Balkans countries.

As mentioned previously, Catalyst has opted for alternative ways of collecting data, using primarily media data as well as other available data sources. Concretely, the data used as the basis for this report was gathered by monitoring the electronic, printed and on-line media on the local, regional and national levels in the period from January 1 through December 31, 2014. There are three key limitations to this methodology. First, this method does not provide comprehensive data because the media does not report on all charitable instances and giving. Second, media reports often do not provide all data of importance in following the development of philanthropy (most often the media does not publish the amount donated and/or collected). Third, there is a potential limitation in the credibility of data published by the media.

The first limitation cannot be overcome at this time. Where the second and third limitations are concerned, Catalyst seeks to overcome them by crossanalyzing various media⁵, and then conducting additional research, for example by checking the reporting by companies' and nonprofit organizations (if available to the public). The acknowledged limitations notwithstanding, we feel that there are two facts that justify our analysis:

- Our figure, although not comprehensive, provides a **minimum** value of relevant indicators. If, for example, we discuss the number of charitable instances, we can state with certainty that the number that we show is the minimal number of instances that have taken place and that the actual figure is certain to be higher. The same is true for cash amounts, actors and the like. Hence, this data may be used as indicators of the **minimal degree of philanthropy development** in a specific country.
- Continued observation will show a **rise and/or drop in numbers and change in data** related to our selected indicators. Therefore, continued monitoring over years will point out **trends in philanthropy development** as well as trends in media reporting on the subject.

Catalyst will continue to enhance this methodology. Catalyst also plans to establish contacts with state authorities (tax authorities, and other offices with relevant statistical data) to discuss the importance of this data and explore ways of increasing the number of reliable data sources. Under current conditions, we are of the opinion that the methodology allows for preliminary insight into philanthropy in Serbia.

⁵ Various media report on the same donations, and by comparing data from several media reports, we are able to obtain more accurate and thorough data.

4.1.1 Factors and indicators showing degree of philanthropy development

It is difficult to estimate the degree of philanthropy development in an environment in which precise data is not collected and continuous monitoring is not done. Catalyst has thus created an initial list of factors that may help elucidate various aspects of giving: instances/initiatives for charitable giving; methods of collecting cash donations; the themes of giving; donation recipients and beneficiaries⁶; donors; actors⁷; and media coverage.

In order to use the data collected for comparative analysis (both across the countries and within a certain country over multiple years) and given the factors identified above, it was necessary to define quantitative and qualitative indicators for each factor. The indicators we used are presented in the following table:

Factor	Indicator
Instances of charitable giving	<ul style="list-style-type: none"> Number of instances of charitable giving in one-year period; Geographic distribution (% of instances per region in relation to the total number of instances); % of instances of cash donations in relation to the total number of instances; % of instances of in-kind donations/services in relation to the total number of instances.
Methods of collecting cash donations	<ul style="list-style-type: none"> Different groups (types) of methods of fundraising for donations in cash; % of representation of different types of methods; Emergence of new methods for fundraising/donations in cash.
Purpose of charitable giving instances	<ul style="list-style-type: none"> Theme or Purpose of the support; Number (in %) of instances per purpose; Emergence of new themes; Use of donations per theme.
Donation recipients and beneficiaries	<ul style="list-style-type: none"> Types of donation recipients; Number of instances involving recipients in the state sector (% in relation to the total number); Number of instances involving recipients in the civil sector (% in relation to the total number); Number of instances involving recipients from other groups (% in relation to the total number); Types of beneficiaries; Number of instances directed to different groups of beneficiaries (% in relation to the total number of instances); Emergence and number of new beneficiary groups.
Donors	<ul style="list-style-type: none"> Number of instances per type of donor (% in relation to the total number of instances); Number of instances per different recipients and per type of donor; Number of instances per theme and per type of donor; Number of instances per beneficiary groups and per type of donor.
Value of donations for charitable purposes	<ul style="list-style-type: none"> Total value of charitable donations; % of instances with a recorded sum of donation; % of donated amount per type of donor; % of donated amount per type of recipient; % of donated amount per theme.
Actors	<ul style="list-style-type: none"> Type and number of different actors; Emergence of new actors.
Media	<ul style="list-style-type: none"> Total number of media reports; Number (in %) of media reports per media type; Number (in %) per territorial coverage (national, regional, local); Number of reports treated as substantial per media type (printed, electronic).

It is likely that during preparation of the research, which we hope will continue for several years, some of the factors we analyze will change or come into sharper focus, and it is possible that new factors may emerge. For the time being, we believe that the factors listed above offer a solid starting point in determining the state of charitable giving in each of the countries that we monitor.

⁶ While these two categories may seem the same, they very often differ in practice. Donation recipients are usually registered legal entities (such as institutions, nonprofit organizations, local governments, etc.) that seek support for a particular purpose. Recipients may also be individuals or families. Beneficiaries on the other hand, may be various groups for whose benefit the support is requested. For example, if the recipient of a donation recipient is a local hospital, the beneficiaries are people of that local community. If the donation recipient is a school, the beneficiaries are children/youth of a certain age who attend that school. If the donation recipient is a nonprofit organization that works with people with disabilities, the beneficiaries are people with disabilities, etc. Insights into the recipients of donations shows public perception of who "deserves" support and whom they trust. The range of beneficiaries show which groups are considered to be vulnerable (in any way) by the public and over time will indicate how much public awareness of the issue has changed.

⁷ Under actors we understand not only donors, but also those who appeal for assistance and those who, in any way, take part/participate in philanthropy. As a rule of thumb, an increase in the number of actors leads is understood to advance public awareness of the importance and role of charitable giving in the society.

Annex 2: Changes in the Legal-Fiscal Framework | 4.2

There were no changes in the legal-fiscal framework for giving in Serbia in 2014. Therefore, we provide only a summary of remaining tax issues. This overview has been derived from the publication “Tax regulations of importance to development of philanthropy in South-East European countries”, prepared by Dr. Dragan Golubović for the needs of the SIGN Network. In this annex we only provide information related to Serbia. The full publication is available at:

<http://www.sign-network.org/activities/advocacy-for-policy-changes>

SUMMARIZED OVERVIEW OF OPEN TAX BENEFIT ISSUES IN SERBIA

LAW ON PROFIT TAX FOR LEGAL ENTITIES/ LAW ON PROPERTY FOR LEGAL ENTITIES	LAW ON PERSONAL INCOME TAX:
<p>Law on Profit Tax:</p> <ul style="list-style-type: none"> • Narrowly defined and exhausting list of general benefit purposes and uses in the Law on Profit Tax (not harmonized with status-legal regulations for CSOs); • An amendment to the Law in 2012 partially shifted focus from the nature of activities for public benefit to status-legal forms in which those activities are performed; • Some tax offices only acknowledge donations in cash. <p>Law on Property Tax:</p> <ul style="list-style-type: none"> • According to the Ministry of Finance’s interpretation of the Law, CSOs must submit an application/request for tax relief for each gift from an individual donor which is higher than 100.000 RSD in the calendar year; • The Law does not stipulate the tax status of donations which are transferred in the next tax period; • The Law does not explicitly define the status of so called institutional grants; • Some tax offices tax the part of the donation used to cover administrative expenses. 	<ul style="list-style-type: none"> • The Law does not stipulate for tax benefits for donations of individuals/tax-payers.

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