



PR2 – INTERACTIVE AND NETWORKING TOOL STATE OF THE ART & BEST PRACTICES IN BELGIUM



Developed By:



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1. Introduction

Belgium is a country where non-profit organisations, particularly foundations, play a significant role. Indeed, in recent times philanthropic foundations have become increasingly visible in the media and protagonists of the public debate, testifying to the importance of deepening the potential of storytelling and communication.

In a context where the needs of society are becoming more numerous and evident every day, their fields of intervention tend to widen. This is why Belgian foundations are enriching and renewing their modes of action, seeking efficiency and maximizing the impact on their beneficiaries. In this perspective, the trend noted is of openness to collaboration with other philanthropic organisations and with other actors in the associative, private and public sector, increasing the scope of the foundations' action and, therefore, their social impact.

Belgian legislation has a long tradition about foundations: the foundation is regulated by the law of 27 June 1921, amended by the law of 2 May 2002. Being a non-profit organisation, it cannot provide any material gain to its founders. Its governance is collegial in nature: it is governed exclusively by a board of directors consisting of at least three trustees.

Since 2002, a new regulatory framework distinguishes between two types of foundation:

- Public benefit foundations, which must pursue one of the following objectives, philanthropic religious, scientific, artistic or educational;
- Private foundations, which allow assets to be allocated to the achievement of a disinterested purpose.

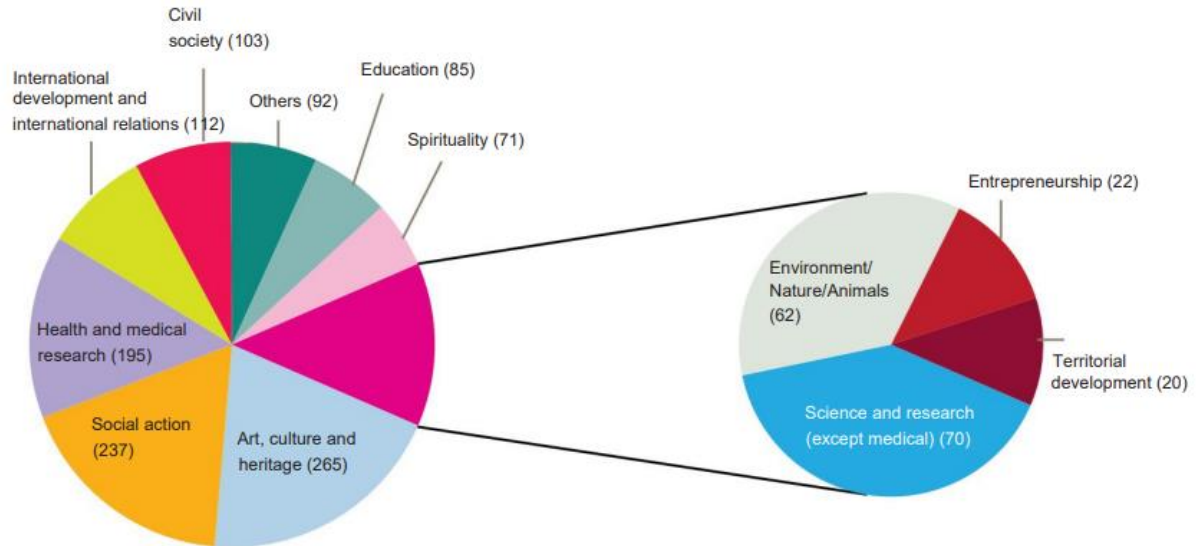
In Belgium, therefore, foundations can carry out profit-making activities without limits. However, it is absolutely forbidden to distribute their profits. The introduction of this new type of foundation has led to a significant increase in the number of private foundations since 2002.

In Belgium, the largest number of foundations is in the Brussels Capital Region, which can be explained by the centrality of the European institutions, and in the Flemish Region.

The principal areas of activity are:

- Art, culture, and heritage
- Social action
- Health and medical research

The areas of intervention of Belgian foundations



Source: Mernier Amélie, Xhaufclair Virginie, 2017, Les Fondations En Belgique

King Baudouin Foundation is the biggest Belgian foundation: in 2021, and the Funds it administers provided 132,541,857 euro of support to 1,448 individuals and 3,508 organisations, supporting important social issues, medical research and culture.

In conclusion, foundations are a significant player in the Belgian economic landscape both in terms of their contribution to national wealth and in terms of job creation, which is mainly concentrated in charitable foundations.

2. Barriers and Supports for Foundations

Despite its important economic value, a recent survey revealed a significant lack of statistical information on the non-profit sector in Belgium. Updated data on the relative proportions of foundations and their different fields of interest are not available. Furthermore, accurate information on financial details such as income, assets, or annual expenses of foundations is not always available, as small and medium-sized foundations are not obliged to submit their annual balance sheets to the National Bank of Belgium. The disclosure of this information depends entirely on the internal policy of the foundation. In addition to this, it must consider the deep fragmentation at the Belgian regional level, which is also reflected in the administrative legislation of foundations: as a result, there is no centralized database of foundation financial statements in Belgium.

Among the weaknesses of the Belgian system is relatively weak legislation in terms of governance and transparency. Each foundation is required to appoint a minimum of three trustees chosen at the founder's discretion, raising the question of legitimacy. In Belgium, the democratic control of non-profit organizations is entrusted to the general assembly, which appoints the directors and supervises their work. This control is absent at the level of foundations, which raises a question of the legitimacy of foundations' actions in an institutional context of a 'welfare state' where general interest missions are traditionally supported by public authorities.

Indeed, although the importance of the third sector is increasingly recognized and public authorities have paid more attention to the action of foundations, recognizing them as partners in the implementation of public policies, this recognition seems to remain purely focused on specific areas, leaving the image of the third sector still unclear.

However, these points remain of fundamental importance also in the eyes of the foundations themselves, which are increasingly seeking to professionalize their governance, through the presence of different and complementary skills within their boards of directors. In this sense, therefore, the creation of specific competencies for professionals working in the foundation sector is of crucial importance, enabling the foundation to ensure constant growth and to face all new challenges, as well as to improve efficiency in fulfilling its mission.

One of the main aspects contributing to the growth and support of foundations in Belgium is the trend toward new young founders: according to data, 65% of founders are under 65 years old. This actively contributes both to a different and more integrated distribution of interests and to increase the visibility of the foundations themselves.

Moreover, there is a peculiarity of the foundation sector in Belgium, namely that of having many so-called 'mixed' foundations, which means that they combine funding and a disbursement activity as an operator of their program, allowing for enrichment of practices and a greater scope of their social impact. However, this trend is still ongoing and leaves the sector's visibility problems untouched.

From a fiscal point of view, foundations are, subject to the tax system for legal persons. With regard to donations and legacies, the regime depends on the Region of residence of the donor and not on the Region where the foundation is established. Private foundations (except those set up for the certification of company titles) pay an annual tax of 0.17% on their assets, while public utility foundations are exempt.

Tax differences between regions are relatively small. However, the tax rate is more advantageous for donors from the Flemish Region for donations to both types of foundations. In addition, some foundations benefit from tax approval allowing them to receive tax-deductible donations from donors. The Tax regime is showcased as follows:

Legal status	Source	Wallonia	Brussels	Flanders
Public utility foundation	Heritage	0%	0%	0%
	Donation	7%	6,6%	5,5%
	Legs	7%	6,6%	8,5%
Private foundation	Heritage	0,17% (*)	0,17% (*)	0,17% (*)
	Donation	7%	7%	5,5%
	Legs	7%	12.5% or 25% (**)	8,5%

Source: article 220 of the income tax code, article 140 of the registration duty code and article 59 of the inheritance tax code

3. Good Practices

GOOD PRACTICE 1	
Name of the Good Practice	To contribute to building a better society in Belgium, Europe, and elsewhere in the world, increasing social cohesion.
Name of the Provider	King Baudouin Foundation
Short Description (50-70 words)	<p>King Baudouin Foundation activities aim to promote sustainable and positive change in society, in Belgium and worldwide, by supporting organisations and citizens working to create a better society, through innovation, and social cohesion.</p> <p>The programs cover several areas:</p> <ul style="list-style-type: none"> • Social justice and poverty • Health • Heritage and Culture • Social commitment • International • Education and development of talents • Europe • Climate, the environment and biodiversity.
Level (Regional, Local, National)	National and International
Tools/Resources/ Services	Website, Facebook, LinkedIn, Twitter, YouTube, Instagram.
Link/ Website	https://kbs-frb.be/en

GOOD PRACTICE 2	
Name of the Good Practice	To offer vulnerable young people in Belgium and abroad opportunities for a successful future through training, coaching and exchange.
Name of the Provider	Collibri Foundation
Short Description (50-70 words)	The Collibri Foundation is committed to making young people more independent, broadening their horizons and increasing their knowledge through various training projects. The Collibri Foundation operates both in Belgium and in economically developing regions, where training projects are usually also linked to the

	development of sustainable production chains. The projects are also aimed at supporting teachers and young people in general education through the provision of scholarships.
Level (Regional, Local, National)	National and International
Tools/Resources/ Services	Website, Twitter, Facebook
Link/ Website	https://www.collibrifoundation.org/en

GOOD PRACTICE 3

Name of the Good Practice	To promote pediatric research in all areas of child and adolescent health.
Name of the Provider	The Belgian Kids' Fund for Pediatric Research
Short Description (50-70 words)	Belgian Kids' Fund for Pediatric Research was created by the network of the Brussels ULB to promote medical research. The Fund is committed to raising public awareness and interest in research in the pediatric medicine, and to supporting and developing academic activities in local hospitals through research grants for young researchers.
Level (Regional, Local, National)	National
Tools/Resources/ Services	Website, Facebook, YouTube, Twitter, LinkedIn
Link/ Website	https://www.belgiankidsfund.be

GOOD PRACTICE 4

Name of the Good Practice	Transition of the society towards a sustainable mode of development.
Name of the Provider	Fondation pour les Générations Futures
Short Description (50-70 words)	The Foundation aims to encourage investments in future generations. It is possible to transmit a liveable world through a 360° approach, combining 4 dimensions: social, environmental, economic and participatory. The Foundation wants to facilitate dialogue on 'our common future' by creating new spaces for discussion, investing in a green economy, supporting transformative action by offering a platform of philanthropic services to transmit values and financial means for the future

	generations.
Level (Regional, Local, National)	National
Tools/Resources/ Services	Website, Facebook, You Tube, LinkedIn
Link/ Website	www.fgf.be

GOOD PRACTICE 5	
Name of the Good Practice	Funding scientific research and encourage the production and development of scientific knowledge.
Name of the Provider	Le Fonds de la Recherche Scientifique - FNRS
Short Description (50-70 words)	<p>The Fonds de la Recherche Scientifique - FNRS finance scientific research. It promotes the production and development of knowledge by financing research programs conducted in the laboratories of the universities of the Wallonia-Brussels Federation.</p> <p>FNRS disburses funds through:</p> <ul style="list-style-type: none"> - The remuneration of researchers; - The funding of research groups participation in international networks programs; - The awarding of scholarships and credits for scientific exchanges; - The awarding of scientific prizes.
Level (Regional, Local, National)	National
Tools/Resources/ Services	Website, Facebook, Twitter, LinkedIn, You Tube.
Link/ Website	www.frs-fnrs.be/en/

4. Conclusion

The available data suggest that despite the limited information on the foundation sector in Belgium, there has been an important innovative momentum in the last period.

The foundation sector in Belgium is constantly evolving and experiencing a profound diversification and professionalization of its modes of action and membership, confirming the strength and importance of the sector. This is even more important in a country where the sector is characterized by a lack of clarity and transparency and struggles to be recognized and integrated at the institutional level.

Strong competencies, good leadership skills, and the ability to create new partnerships will be an important lever for the future development of the sector. What can make the difference in this propulsive momentum is the appropriate use of online platforms and tools to get in touch with new partners and donors, and specific training courses for founders and fundraisers that can legitimize the foundations' activities and institutionalize their work.

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