

RECOMMENDATIONS FOR THE EU: secure sustainable funding

Preamble

Over recent decades, positive change has very often been achieved by civil society organisations, community initiatives, and outstanding social entrepreneurs. These have become beacons of hope in fighting against poverty and violation of human rights, in realising better education, health care, environmental safeguards to mention but some fields.

For non governmental organisations, the quest for core funding to sustain their good work is a constant challenge, occupying an inordinate percentage of their time and efforts - again and again, project by project, year by year. In the fierce competition for resources, even the most popular organisations struggle to sustain funding. Especially in light of the financial crisis, NGOs cannot count on unconditional support from benefactors from the public, private and corporate sphere.

Fortunately, there is also good news: there are a number of private fundraising models that provide institutional support to a large number of organisations. These models combine commerce and philanthropy with the same aim: ensuring a continuous flow of funds for civil society. One of these models is the charity lottery.

Every year € 10 billion could be raised for NGOs if all 27 EU Member States allowed national charity lotteries

Although there are differences in the way they operate, charity lotteries share the following characteristics:

- Fundraising for (national) charities is their principal aim;
- Donation of a substantial part of their income to their beneficiaries - no private profits are made;
- Funds are allocated and distributed by an independent body without political interference;
- Operation under national legislation with a licence from the government.

The Association of Charity Lotteries in the European Union (ACLEU) promotes charity lotteries and their beneficiaries throughout the EU. The members of ACLEU raised almost 400 million Euro in 2008. Together they support 176 NGOs in Europe. Based on the per capita sales of the Dutch ACLEU members alone, total revenues for civil society in *all* EU Member States, with 496 million inhabitants, could amount to over 10 billion Euro each year.

1. **We recommend EU Member States** to allow charity lotteries to be established where they do not yet exist, to provide NGOs with access to sustainable funding.
2. **We recommend EU Member States** that do have charity lotteries not to discriminate them with regard to other (state) lotteries.
3. **We recommend European politicians and decision makers** to recognize charity lotteries as efficient fundraising mechanisms offering the necessary long-term institutional support for NGOs in contributing to the solution of global challenges and to enable NGOs to make use of this type of fundraising tools in all EU Member States.
4. **We recommend the European Parliament and Commission** to define the concept of a charity lottery in (future) EU legislation in which the following aspects are taken into account:
 - Private initiative (without governmental interference in the distribution of the funds);
 - Funds are additional to state subsidies;
 - No private profits are made;
 - A minimum of 20% of turnover is directed to charitable organisations (next to prize money and operational costs).