

JOINT STATEMENT

Single Market Act gives fresh impetus to the European Foundation Statute

Brussels, 22 November 2010 - The European Foundation Centre (EFC) and the Donors and Foundations' Networks in Europe (DAFNE) welcome the decision by the European Commission to present a regulation on a European Foundation Statute by the end of 2011 as announced in its communication "Towards a Single Market Act – for a highly competitive social market economy"¹ released on 27 October 2010.

The news will rejoice the 110,000 public benefit foundations across Europe which invest over €100 billion annually to address citizens' needs and well-being and sustainable development. "We now want to ensure that the Commission will deliver on its promises and will pursue our cooperation with its services to help develop an effective EU regulation" commented Gerry Salole, EFC Chief Executive. In this regard the EFC will share its views on what a Regulation on a European statute for foundations should look like, building upon its initial proposals released in 2005².

"We trust that Member States representatives will also support a proposal for a regulation on a European Foundation Statute in the discussions on the Single Market Act that will take place in the coming months" added Rosa Gallego, chair of DAFNE. The intention has always been to create a new European legal instrument that is an optional tool, complementary to existing national legislations, which would mainly be governed by European law and would apply to foundations pursuing a public benefit purpose.

The Commission has now given due attention to the clear evidence of the need and support for a European Foundation Statute shown by the European feasibility study and the results of the public consultation released in 2009, not to mention the calls repeatedly made by the foundation sector and its representative organisations. A European Foundation Statute will allow foundations to develop their full potential in the European internal market and will contribute to putting citizens and citizenship action at the heart of the Single Market. The European Parliament and the European Economic and Social Committee have also expressed their support for the Statute³.

The EFC and DAFNE welcome a shift in focus towards citizens in this new Single Market drive as they believe that all forms of undertakings as well as people have to be at the core of the process. The Single Market is not an end in itself but rather a means to promote a citizens' Europe of sustainable social and economic development. In this sense, foundations will also contribute to other key Commission proposals in the Single Market Act looking in particular at:

- Solidarity in the Single Market, namely the implementation of rights in the EU Charter of Fundamental Rights, access to employment and lifelong learning and measures on services of general interest.
- Creativity and social innovation, notably the adoption of a social business initiative to support the development of socially innovative corporate projects (by means of social ratings, ethical and environmental labelling, public procurement, and the use of dormant savings) as well as corporate governance and social responsibility and the possible ways forward for an EU patent.
- Promoting a friendly legal and fiscal environment for citizens and foundations in terms of cross-border taxation, the review of the VAT regime and the coordination of tax policies with the possible introduction of a common consolidated corporate tax base.

Details of the European Foundation Statute are available on the dedicated webpage:

<http://www.efc.be/EuropeanFoundationStatute>

¹ http://ec.europa.eu/internal_market/smact/docs/single-market-act_en.pdf (206kb)

² <http://www.efc.be/EuropeanFoundationStatute/Documents/EuropeanStatuteUpdated.pdf> (351kb)

³ European Parliament resolution on social economy (2008/2250(INI)) and European Economic and Social Committee reports on the European Foundation Statute (INT/498) and on diverse forms of enterprises (INT/447)

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About the European Foundation Centre

The European Foundation Centre (EFC) is an independent association dedicated to creating an enabling environment for foundations, strengthening the infrastructure of the sector, and promoting collaboration, both among foundations and between foundations and other actors, to advance the public good in Europe and beyond.

Who we are: Established in 1989, the EFC today serves a core membership of more than 230 members in some 40 countries. The EFC also hosts the secretariat of The Donors and Foundations' Networks in Europe (DAFNE).

What we do: The Centre fulfils its mission through:

- Representing its members' interests at the level of third parties such as European and international institutions
- Improving the visibility and understanding of the role of foundations, and advocating good practice, openness and transparency
- Playing a consultancy role with respect to legal and fiscal issues and expansion of professional development opportunities for foundations' staff
- Convening foundations to facilitate exchanges of information and expertise and fostering cooperation with national-level associations of foundations, donors' fora and other organisations serving the sector

The Centre is an independent international not-for-profit association under Belgian law. Ultimate authority vests in the EFC Annual General Assembly of Members, with governance entrusted to an elected Governing Council, supported by a Management Committee. Membership of the Centre implies commitment to the EFC brand. Members agree to adhere to the [EFC Principles of Good Practice](#).

Details of EFC membership and activities are available at www.efc.be



Donors and Foundations Networks in Europe

About DAFNE

The Donors and Foundations' Networks in Europe (DAFNE) is an informal network of Donors and Foundations' Networks (DFNs) in Europe serving charitable foundations and other grantmakers at the national level.

Who we are: Established in 2006 and representing 22 member organisations from all across Europe with collective membership of over 5,000 foundations, DAFNE sets out to underpin the individual activities of its members and to strengthen their collaboration to contribute to a fruitful environment for philanthropy and especially for public benefit foundations in Europe.

DAFNE also provides a platform for enhancing bilateral and multilateral collaboration among individual DFNs and also, collectively, with the European Foundation Centre (EFC) and third parties.

What we do: In pursuing its objectives the DAFNE is a platform for:

- exchanging national experience and knowledge including best practices
- organising the support of DFNs and peer learning
- offering networking opportunities and developing joint programs or projects
- promoting philanthropy and donors best practices at European level
- organising the support of advocacy efforts at European level
- defining common positions on regulatory and fiscal issues

Details of DAFNE are available at <http://www.efc.be/Networking/Pages/Dafne.aspx>