

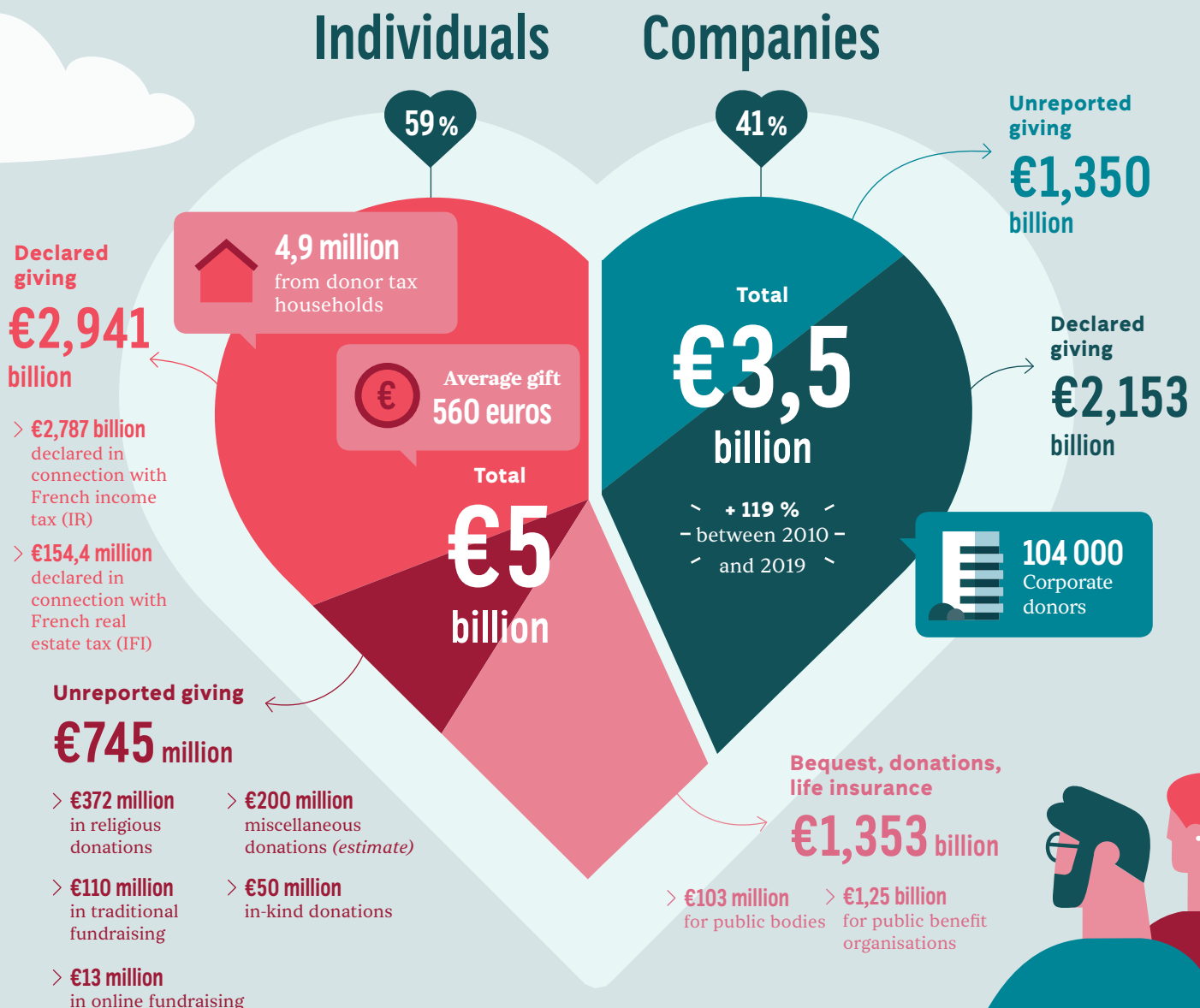
National Giving Landscape

2nd edition, September 2021

In 2019, giving in France accounted for 8.5 billion euros.

This **second edition of National Giving Landscape** published by the Fondation de France's Philanthropy Observatory highlights five major long-term trends:

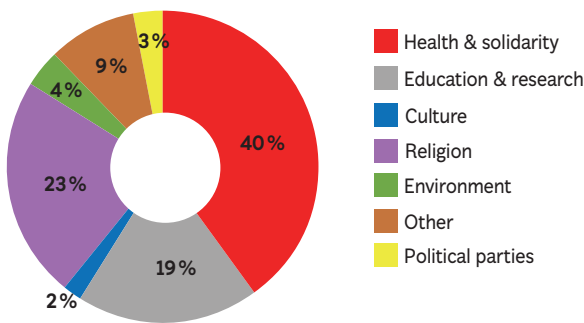
- An increase in the overall amount of gifts by individuals declared to the tax authorities, despite a decrease in the number of donors.
- A strong growth in corporate giving, particularly among small businesses.
- An increase in bequests, donations, life insurance.
- A diversification of collection methods, although traditional fundraising remains prevalent.
- Donations in kind represent a significant source of funding for some non-profit organisations.



Who are the recipients of giving?

The three main sectors benefiting from giving are the social, medical-social and health sector (40%), religions (around 23%), followed by education and research (19%). The figure for donations made to religions is underestimated, as the data obtained essentially reflects those made to Christian religions.

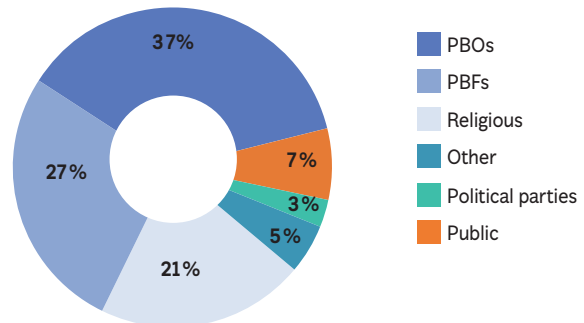
Gifts and bequests to non-profits and public organisations by sector, 2012-2019



Source: Public Finances Directorate General (DGFIP) and financial accounts of 161 non-profit organisations.

Non-profit organisations are the main recipients of gifts and bequest (93%) compared to public organisations (7%). Among non-profits, public benefit organisations (PBOs) lead the way (37%), followed by public benefit foundations (PBFs, 27%) and religious charities (21%).

Organisations receiving gifts and bequests, by legal status, 2012-2019

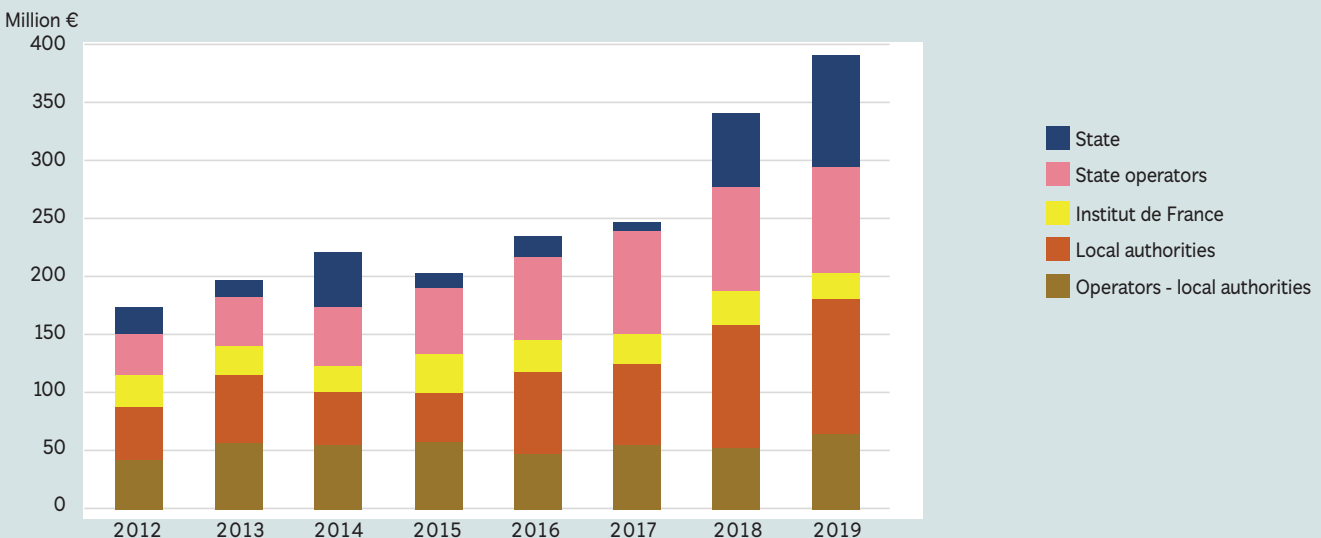


Source: DGFIP and financial accounts of 161 non-profit organisations.

Focus on public bodies - recipients of some little-known giving

The French State and its public institutions can receive gifts and bequests, as can local authorities and related organisations. These donations can be declared for tax purposes in the same way as donations to non-profits. Giving to public organisations accounts for **7% of the total amount of giving**.

Structure and trend in donations and legacies to public bodies by category



Source: DGFIP

The amount of gifts and bequests received by all public organisations is significant compared to those received by non-profits, and is actually on the rise. Indeed, these gifts and bequests have doubled since 2012, reaching €380 million in 2019. This overall increase is mainly driven by gifts and bequests received by State operators and local authorities. The sharp increase in 2018 and 2019 was also a result of gifts related to Hurricane Irma and the Notre-Dame fire. In general, these gifts mainly benefit culture, hospitals and municipalities.

An increase in donations driven by more generous donors

While donations declared to the tax authorities increased significantly until 2016, 2017 saw a drop in the amount of donations due the French solidarity tax on wealth (ISF) being replaced with the French tax on real estate wealth (IFI)*. Since then, they seem to be rising back up to previous figures, although the number of donor households has decreased.

Donor numbers continue to decline

Since 2015, the cumulative number of households declaring donations for French income tax (IR) and French wealth tax (ISF/IFI) has been steadily declining: **4.9 million tax households benefited from tax relief for their donations in 2019**, compared to 5.7 million in 2015.

This decline was even sharper in relation to wealth tax, when ISF was replaced with IFI. The number of tax-household donors was almost halved, with nearly 27,000 IFI donors in 2019, compared with 51,362 in 2017 (the final year of the ISF).

Overall donation amount maintained by increase in average donation size

In 2019, the total amount of donations declared in connection

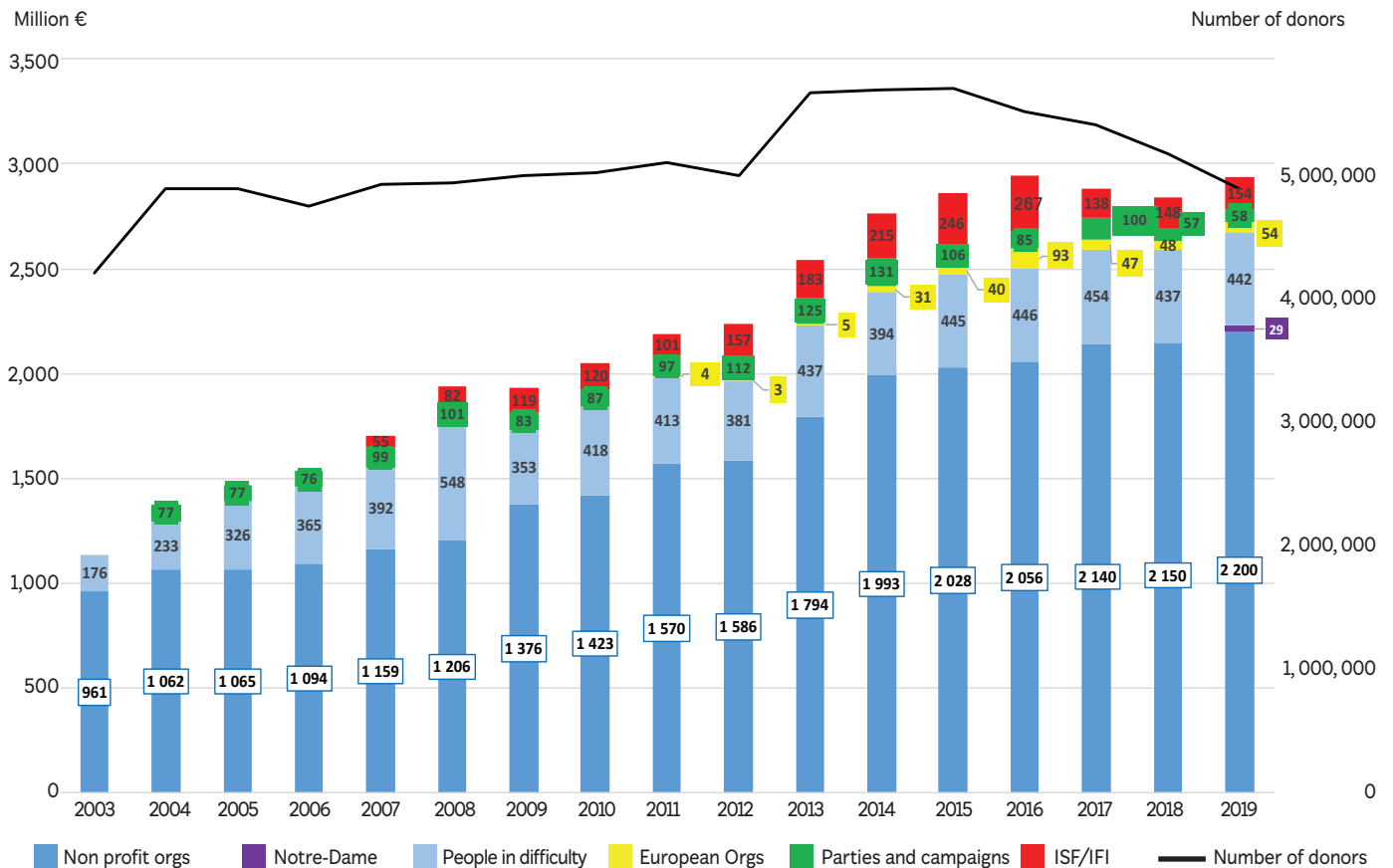
with IR stood at **2.8 billion**, that is, 5% more than in 2015. This augmentation is linked to the **increased average donation per household**, which rose from 450 euros in 2015 to 560 euros in 2019. This occurred despite the impact of the wealth tax reform: 154.4 million euros were declared in 2019 in the IFI return, compared to 267 million by donors in the last year of ISF. As with ISF, three-quarters of households donating in connection with IFI also declared donations deducted from IR.

Income and age: two key factors

The increase in donations is driven by the most affluent households. Those declaring an income of more than 60,000 euros account for 23% of donors and 43% of the amounts declared. These households donate more frequently than households with more modest incomes, however the latter donate proportionally more.

Age is also a key factor: in 2019, 32% of donors were aged 70 and over, versus 11% of donors aged between 30 and 39.

Overall trend in donations declared in IR and ISF/IFI returns



Source: DGFIP

*The DGFIP data on donations declared in IFI returns are not attached to the year of tax payment but to the year n-1, i.e. 2017 for the 2018 IFI.

Strong growth in corporate giving

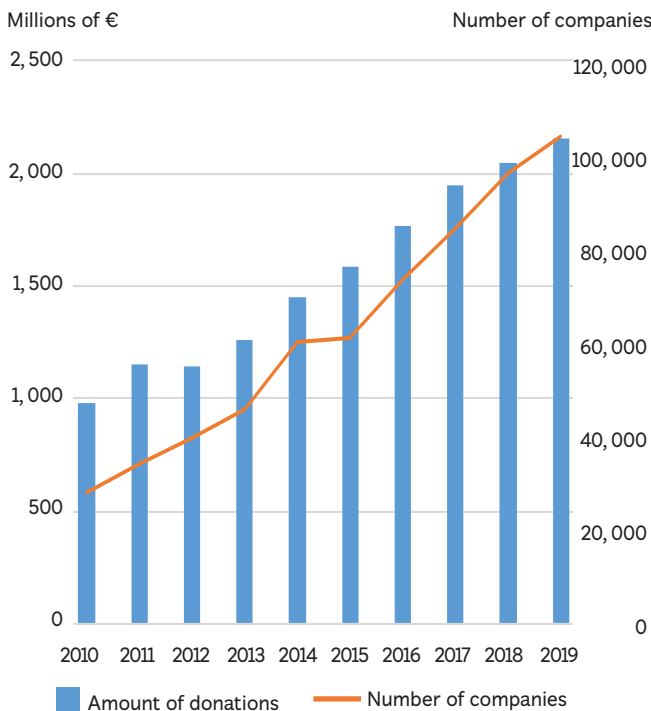
The amount of donations declared as corporate giving, like the number of corporate donors, has risen sharply over the past 10 years, with **the amount of corporate giving growing 119%** between 2010 and 2019.

3.5 billion euros in corporate giving

In 2019, the total amount of donations declared to the tax authorities by companies was almost 2.2 billion euros. Unreported donations were estimated at 1.35 billion euros. The total amount of corporate giving was therefore estimated at **3.5 billion euros** in 2019.

In 2010, 28,174 companies declared donations to the tax authorities, whereas in 2019, this figure was 104,000.

Changes in the amount of donations declared in the corporate income tax and in the number of corporate donors



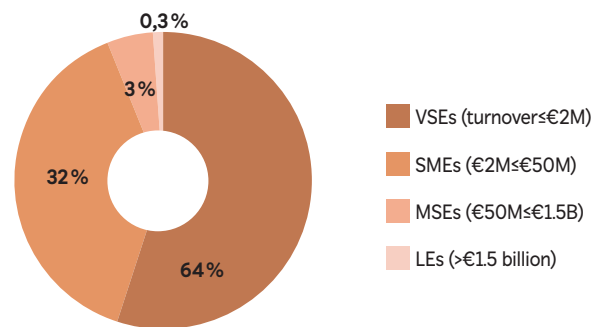
Source: DGFIP

Small businesses increasingly involved

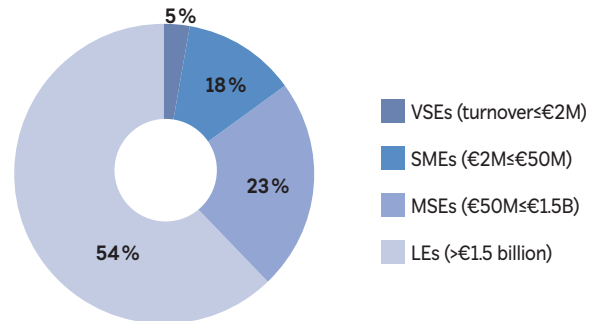
The number of very small businesses declaring donations increased fourfold between 2010 and 2018, from 15,500 to nearly 62,000. In 2018, these companies accounted for two out of three corporate donors.

Number of donor companies and amount of corporate giving by turnover in 2018

Number of companies that made donations by turnover



Weight in the overall corporate giving budget by turnover



Source: DGFIP

In addition, the amount of donations deducted via the corporate tax has increased significantly for companies with fewer than 250 employees. In particular, **companies with fewer than 10 employees have seen the amount of their donations triple in eight years**, rising from 31 million euros in 2010 to 100 million euros in 2018. While large companies are still the biggest contributors to corporate giving, the weight of their donations has fallen by 8 points in eight years: in 2018, their declared donations accounted for 54% of the total amount, compared to 62% in 2010.

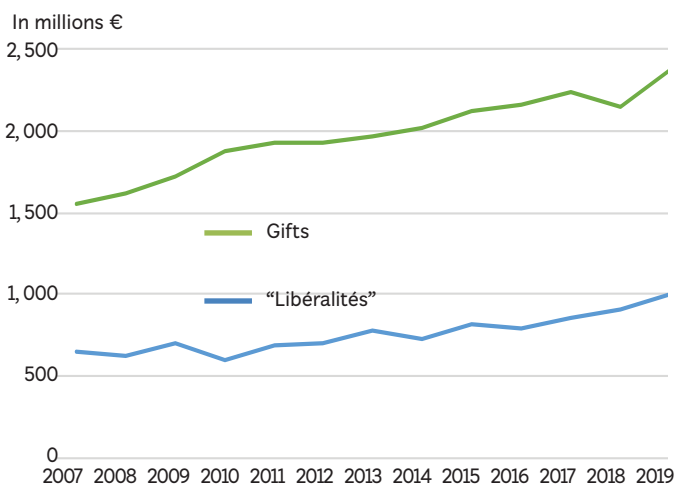
“Libéralités” on the rise: a major source of funding in France

“Libéralités”, which in the French system include bequests, donations and life assurance, account for a significant proportion of public benefit organisations’ funds.

A high concentration in “libéralités” received

“Libéralités” to non-profits was estimated to amount to more than €1.25 billion in 2019, representing steady growth between 2007 and 2019, along with gifts. “Libéralités” remain highly concentrated among a small number of organisations: **17 organisations receive on average more than €10 million per year and collect 73% of the overall amount of “libéralités”.**

Comparative change in total “libéralités” and gifts to non-profits between 2007 and 2019



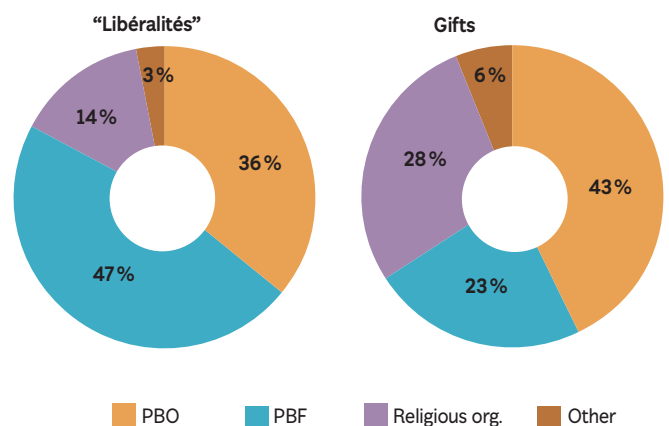
Source: financial accounts of 161 non-profit organisations

Research and solidarity – the main recipients of “libéralités”

Organisations supporting research are the primary recipients of donations, followed by those whose main mission is solidarity. By way of comparison, religious organisations are the primary recipients of gifts, followed by humanitarian organisations. This corresponds, on the one hand, to the significance of contributions to the Catholic Church and, on the other, to the fact that humanitarian action is often for emergencies and thus results in immediate gifts.

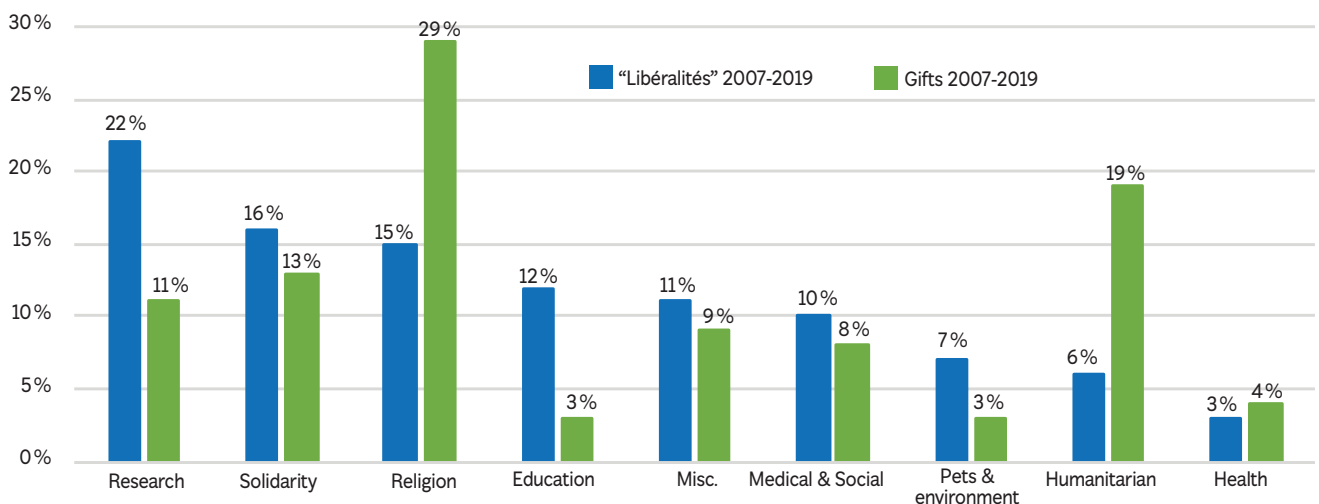
The PBFs receive the most “libéralités”, while the PBOs are the main recipients of gifts from the panel of organisations covered in the Landscape.

Distribution of the amounts of “libéralités” and gifts according to the legal nature of the recipients, 2007-2019



Source: financial accounts of 161 non-profit organisations

Distribution of “libéralités” and gifts received between 2007 and 2019 according to the main field of activity of the recipients



Source: financial accounts of 161 non-profit organisations

Increasingly diversified fundraising methods

While online fundraising is a way to diversify funding and reach new donors, traditional fundraising methods are still prevalent for non-profits.

Traditional fundraising is still prevalent

Direct mail plays an important role in non-profit fundraising despite the downward trend: large organisations sent nearly 158 million letters in 2019, compared to 166 million in 2018.

Collection on streets and in public spaces aims to raise modest, non-deductible gifts. According to this survey the amount gathered through various forms of collection totalled 162 million euros, almost all of which came from religious offering. **Street fundraising** – totalling about 400 million euros - is based on a different model, which consists of obtaining regular donations via direct debit.

In addition, hundreds of **fundraising events** are organised each year. The amount of unreported donations identified in this survey totalled 61 million euros.

Expansion of new fundraising methods

While it is growing rapidly, **online fundraising** does not currently play a major role. Nonetheless, the 2020 health crisis has reinforced the use of the internet as a fundraising channel.

In 2019, €79.6 million were raised in donations through **crowdfunding**, for around 15,000 campaigns run by non-profits among others. These donations increased overall between 2015 and 2019 (+58%).

Online gaming community fundraising marathons have become a new trend. For instance, in 2019, a marathon organised for the Pasteur Institute to support biomedical research raised €3.5 million.

“No-cost” donations are donations that do not cost the donor anything (e.g., advertising views or loyalty card points). Because of their nature, these contributions are not tax deductible. Eight million euros were raised through this method.

Micro-donation refers to all micro donations made by rounding up your purchases at the cash register or online, from your monthly salary payments or your bank account balance. In 2019, the social business MicroDon raised 7.4 million euros - twice as many donations as the previous year.

In-kind donations estimated at 606 million euros

Whether it is food, clothing, furniture or works of art, these donations represent a significant form of giving for recipient organisations, such as charities promoting solidarity and economic integration or heritage organisations (e.g., museums, libraries), etc.

Based on the expenditure of 54 organisations, donations in kind in 2019 were estimated at a minimum of 598 million euros. Les Banques Alimentaires, Secours Populaire and Restaurants du Coeur were still the main recipients.

The proportion of declared and unreported donations was difficult to assess. However, undeclared donations in kind to Les Banques Alimentaires amounted to **at least €41.8 million**.

In addition, donations in kind to public bodies amounted to €7.7 million, bringing **the total amount to €606 million, of which €50 million was unreported**.

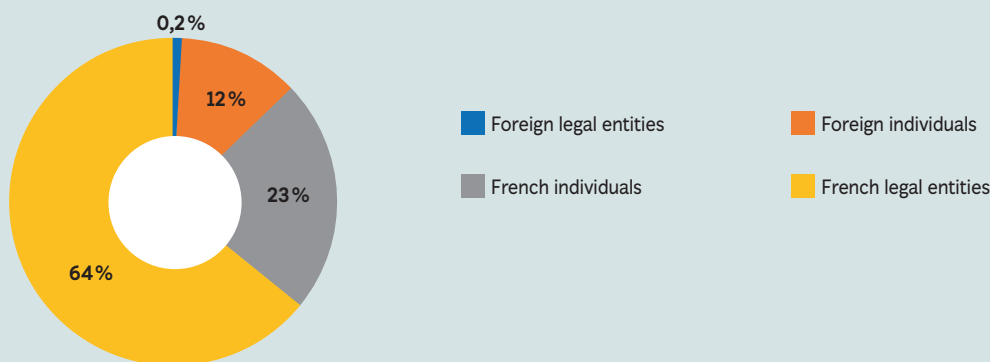
Emergencies: exceptional donor engagement

Over the past two decades, the development of philanthropy in France has been marked by donations collected in response to exceptional events, including the 2004 Indian Ocean tsunami, the 2010 earthquake in Haiti, and the 2017 hurricanes in the Caribbean. Giving surged again after the fire at Notre-Dame Cathedral in Paris and during the 2020 pandemic.

Rebuilding Notre-Dame

As at 31 December 2019, donations totalled €184 million for 338,086 donors. This amount does not take into account pledges or commitments that were subject to an agreement, for which the sums have not yet been paid out. Approximately 65% of donations came from legal entities (mainly companies), and nearly 88% from France.

Breakdown of amounts received in 2019 by origin



Source : Cour des comptes

120,640 tax households declared their donations on their income tax returns for an amount of 29.06 million euros (this is a non-exhaustive figure, as the specific deduction is capped at 1,000 euros).

Among Notre-Dame donors, households with an income of more than 60,000 euros are over-represented. These households represent 35% of Notre-Dame donors and 23% of donors declaring through their income tax.

The COVID-19 pandemic – a defining event for 2020

Although this is the 2019 Giving Landscape, we have chosen to focus briefly on 2020 to provide a glimpse of giving during the health crisis.

A number of emergency fundraising events were held in response to the health and economic crisis caused by the pandemic. According to the 2021 Philanthropy Barometer*, at least 155 million euros have been raised through exceptional fundraising efforts by foundations. It is important to highlight the unprecedented nature of these appeals for donations, which were not only instigated by charitable organisations: from March 2020, many citizens started their own online fundraising kitties to support the initial victims of the crisis and carers. During the first year of the pandemic, the amount of donations collected on participatory funding platforms increased by a factor of 2.5, bringing the total amount to 218.5 million euros.

Beyond the major dedicated fundraising operations, a positive impact was observed for all charitable organisations. Some saw an increase in the number of donations. Fifty-six charities and foundations that are members of France Générosités, a key union in France for non-profit organisations, recorded exceptional growth of 13.7% in the amount of donations between 2019 and 2020.

A survey conducted in June 2020 by the French network promoting corporate philanthropy, Admical, showed that 95% of its member companies that responded had already committed to addressing the health crisis from the beginning of the pandemic.

*The barometer is available in French on fondationdefrance.org/fr/barometre-annuel-de-la-philanthropie-2021

Methodology

The National Giving Landscape was produced following two methodological principles:

- A focus on the sources of giving, whether by individuals or companies, to identify the **origin of donations**.
- A distinction between **donations declared to the tax authorities**, using tax data, and **donations that were not deducted**, and an analysis the accounting data of the organisations benefiting from the giving.

The survey uses the latest available data to produce the general estimate for 2019. Two types of sources were used:

- **information from donors:** tax data and survey results.
- **information from recipient organisations:** organisations' public accounts and financial statements.

The full survey can be downloaded from
fondationdefrance.org/panorama2021

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In partnership with



Fondation de France is France's leading philanthropy network. Every year, it supports more than 10,000 charitable projects that address five major issues: helping vulnerable people, fostering research and education, promoting culture and creativity, taking action for a sustainable environment and developing philanthropy. Fondation de France is an independent, private organisation that operates thanks to the generosity of its donors and testators.

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