

An overview of the foundations sector in Belgium

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Outline

- Introduction
- Foundations in the world
- State of knowledge in Belgium
- Belgian environment
- Evolution of the sector
- Continuum: from private to public interest
- Conclusion

Introduction

- Foundations as central philanthropic actor
- In Europe:
 - Great variety and diversity
 - Few available detailed statistic
- This paper:
 - State of knowledge in Belgium
 - First attempt to collect available data (2011)
 - Complete landscape & Identification of the main trends

Foundations in the world (1/2)

- Definition differs cross-nationally
- EFC definition:
 - Separately-constituted non-profit body
 - Own reliable resource of income
 - Own governing board
 - Public benefit purpose
- Private purpose: preserve family heritage, take care of a disabled child,...

Foundations in the world (2/2)

- Typology (Anheier, 2007):
 - Way of acting: grant-making, operating, mixed
 - Type of founders: individual, family, corporate, community, government-supported
- Seven roles (Anheier, 2007):
 - Complementarity
 - Substitution
 - Redistribution
 - Innovation
 - Promotion of a fairer society
 - Preservation of tradition and culture
 - Promotion of pluralism

Author	Year	Title	Type	Perspective
Marée et Mousny	2001	Foundations in Europe	Report	National and international
Anheier	2001	Foundations in Europe. A comparative perspective	Journal article	International
Pirotte	2003	Les fondations belges d'utilité publique : entre permanence et changements	Thesis in sociology	National
Heuschen	2003	La forêt derrière l'arbre. Analyse sociologique exploratoire des fondations belges	Thesis in sociology	National
Develtere et al.	2004	Foundation in Belgium	King Baudouin Foundation and European Foundation Centre report	National
Develtere et al.	2004	Les fondations en Belgique. Profil du secteur	King Baudouin Foundation report	National
Marée et al.	2005	Le secteur associatif en Belgique. Une analyse quantitative et qualitative	King Baudouin Foundation report	National
European Foundation Centre	2005	Foundation facts & figures across the EU- Associating private wealth for public benefit	Report	International
European Foundation Centre	2005	The role of foundations and the non-profit sector in boosting R&D investment	Report	International
Gijselinckx and Develtere	2006	Foundations in motion	King Baudouin Foundation report	National
Pirotte	2007	Country analysis: Belgium	Journal article	National and international
Anheier	2007	Nonprofit Organizations. Theory, management, policy. Chapter 14 Foundations	Book	International
Gijselinckx et al.	2008	Les fondations en Belgique. Profil du secteur	King Baudouin Foundation report	National
Marée et al.	2008	Les associations en Belgique. Une analyse quantitative et qualitative du secteur	King Baudouin Foundation report	National
Gijselinckx	2008	Foundations: catalysts of social change, innovation and civic action? A critical realist conceptualization and empirical analysis of the Belgian sector of foundations	Conference Paper	National
Cantegreil et al.	2009	Understanding European research foundations	European Foundation Centre report	International

16 studies

2 leading field actors

International or national

Sociological or economic

Mainly on public benefit foundations

Last update: 2007 (Survey)

State of knowledge

- Last update 2007 (survey-based)
- Mainly operating or mixed foundations
- Mainly individuals as founder
- Heterogeneous sector
- Complementary role of the state
- Innovation role
- 362 public benefit foundations
- Estimation of 300 private foundations (1/5 with public purpose)

Institutional environment (1/2)

- Origin: freedom of association
- May 2, 2002 amendment of June 27, 1921 law
 - Denomination change
 - Protection of « foundation » appellation
 - 3 sizes (employees, assets and revenues)
 - Additional objectives for **public benefit foundation** (cultural, philosophical, philanthropic, religious, scientific, artistic and pedagogic)
 - **Private foundation** status

Institutional environment (2/2)

Public benefit foundations

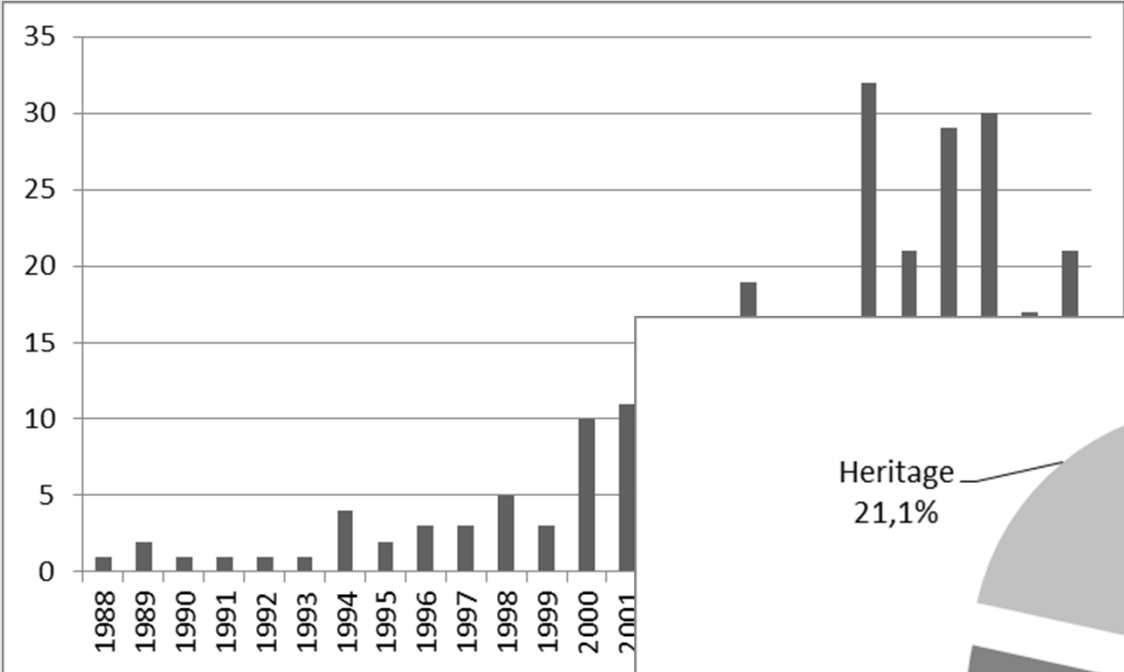
- **Public** purpose
(Agreement of Ministry of Justice)
- More advantageous tax exemption
- Accounting requirement: clerk of court office

Few controls:
coercive capacity of May 2, 2002 law?

Private foundations

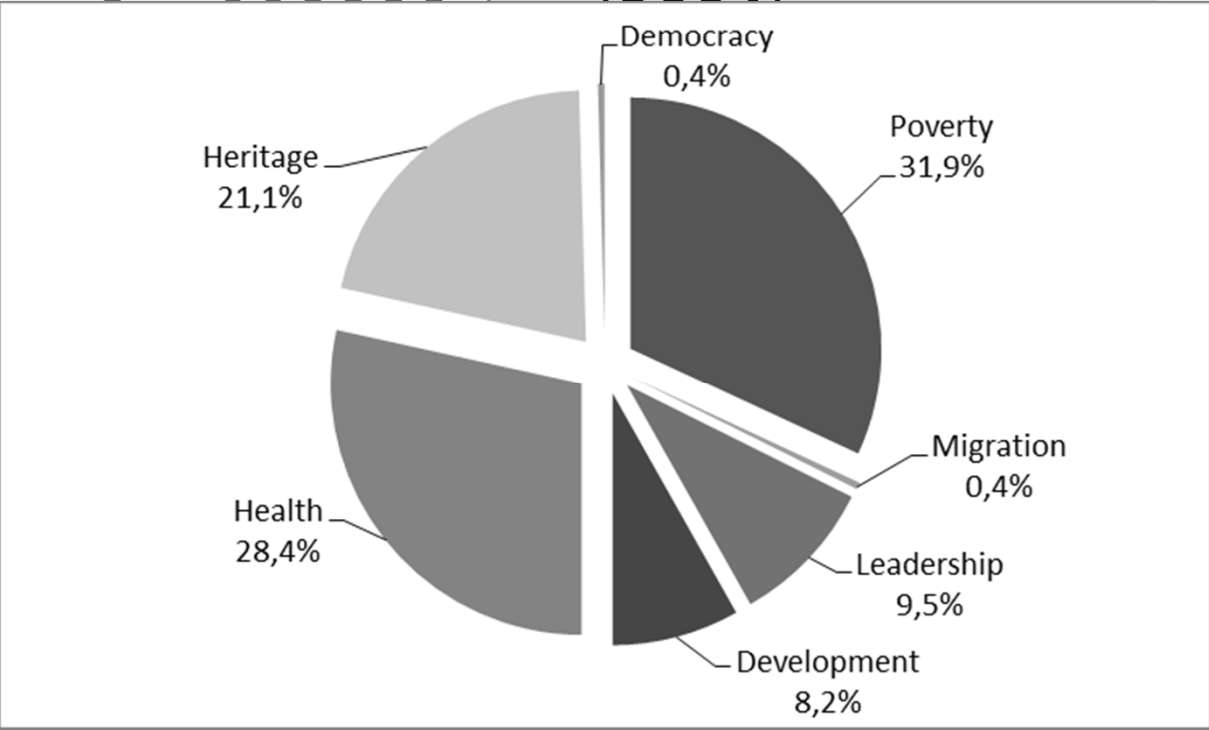
- **Private** purpose
(Not excluded public interest goal)
- Accounting requirement: National Bank of Belgium (big and very big) and clerk of court office

Structure (1/2)



foundations:
(976)

– Hosts funds (



Structure (2/2)

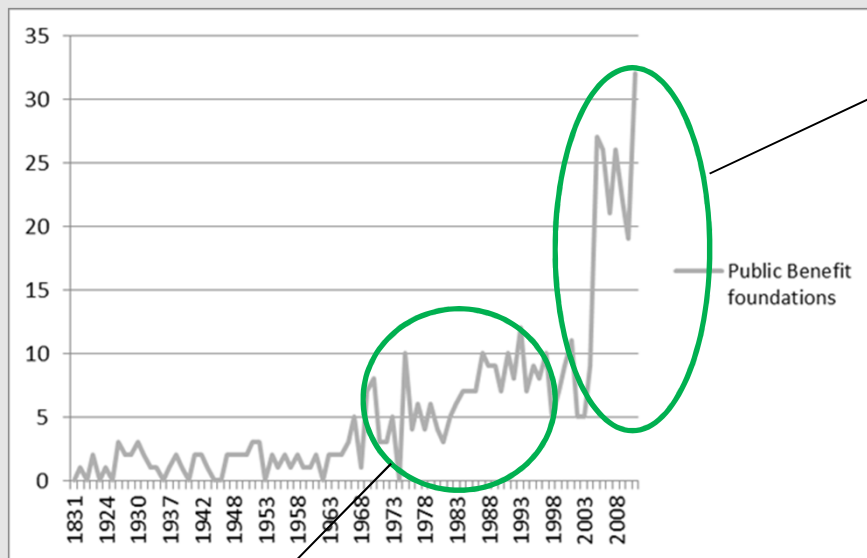
- Belgian Network of Foundations (2004)
 - KBF as one of the founders
 - Strengthen identity and legitimacy of the foundation
 - 84 members in 2011
 - 67 public benefit foundations
 - 67% in Brussels

Evolution of the sector (1/5)

- No complete and centralized database
 - Split of the data on social economy
 - Size of the foundation
 - Limited information without survey
- At the end of 2011
 - 488 public benefit foundations (362 in 2007)
 - 4,4 public benefit foundations/100,000 inhabitant (3,3 in 2001)
 - 725 private foundations

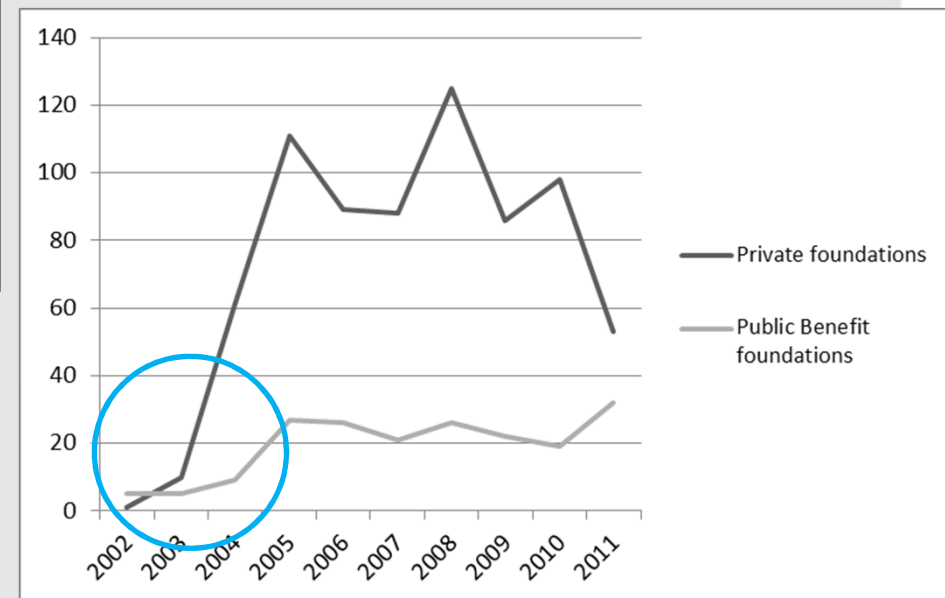
Evolution of the sector (2/5)

- Year of creation



Coming into force of the May 2, 2002 law

Creation of the King Baudouin Foundation



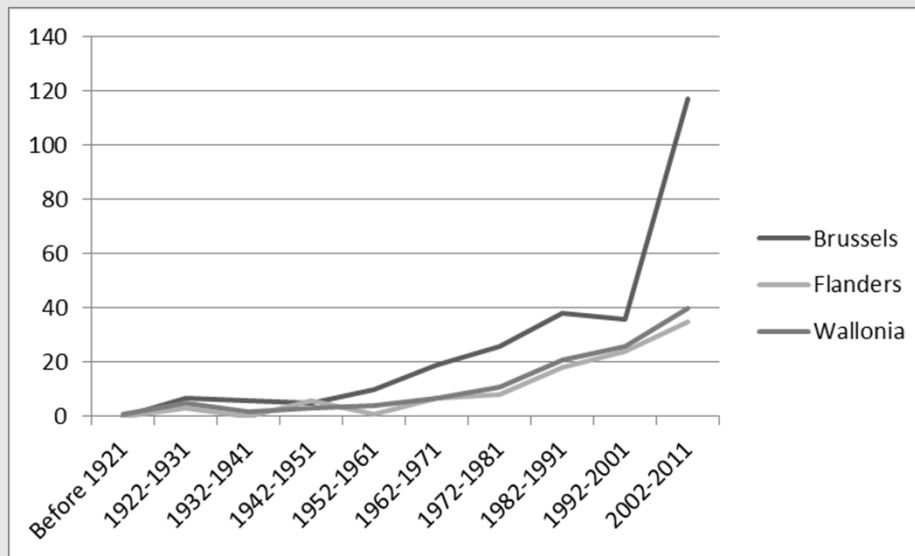
Evolution of the sector (3/5)

- By region

Repartition	Brussels	Flanders	Wallonia
Public benefit foundations	55%	21%	24%
Private foundations	34%	50%	16%
Total	43%	38%	19%

By 100,000 inhabitants	Brussels	Flanders	Wallonia
Public benefit foundations	23,40	1,60	3,40
Private foundations	21,80	5,70	3,10

Number of public benefit foundations created each year

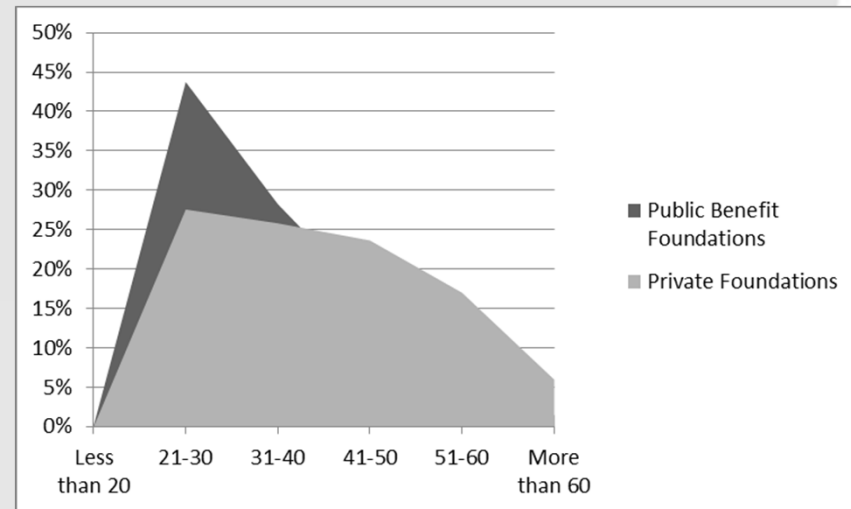
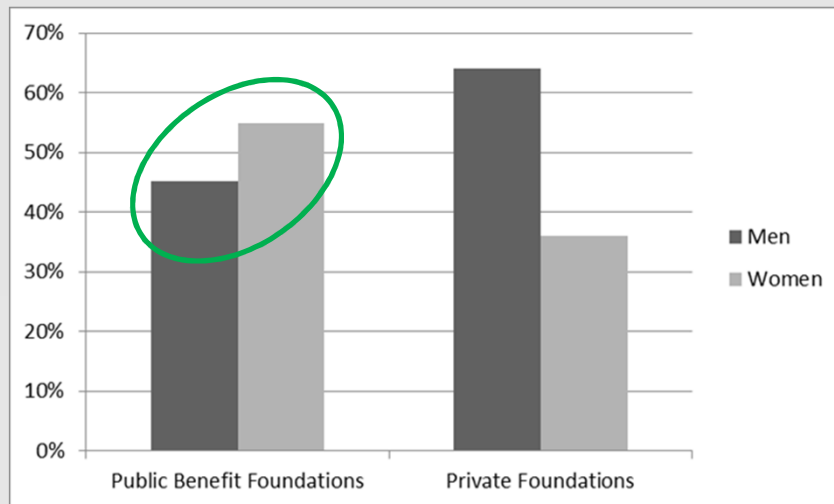


Evolution of the sector (4/5)

- Employment

- Public benefit foundations: estimation of 10.000 FTE
- Private foundations (Wallonie-Brussels):600 FTE

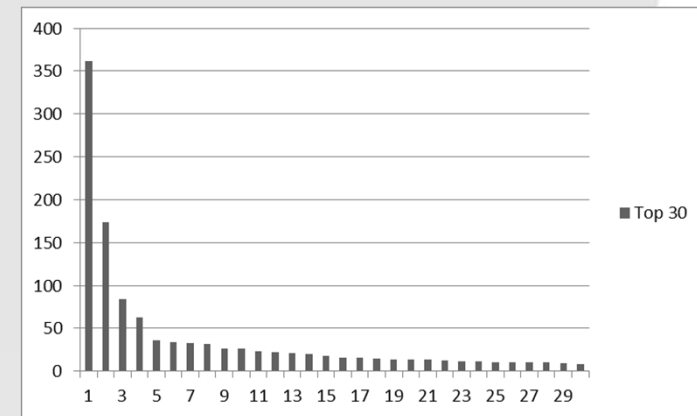
- Gender & Age Pyramid (W & B)



Evolution of the sector (5/5)

- Top 15 (National Bank of Belgium)

2011 Range	Name	Legal status	Total assets 2011
1	Fondation Roi Baudouin	Public utility	361.561.911
2	Fonds de la recherche scientifique	Public utility	173.554.946
3	SMartBe	Private	84.627.457
4	Fondation contre le cancer	Public utility	62.924.892
5	Donchestichting Kempen	Private	35.859.510
6	Fondation Francqui	Public utility	33.739.660
7	Antwerp World Diamond Centre	Private	32.360.837
8	Solidaris Immo	Public utility	31.404.373
9	Centre Neurologique William Lennox	Public utility	26.750.170
10	Stichting Museum Moffarts	Public utility	26.632.508
11	Fondation Jean-François Peterbroeck	Private	23.444.597
12	Fondation Chimay- Wartoise	Public utility	22.542.425
13	Fondation Marguerite-Marie Delacroix	Public utility	21.232.858
14	Vlaamse Interuniversitaire Raad	Public utility	20.087.914
15	IMEC International	Private	17.861.837
Total	Private Foundations	40%	194.154.238
	Public Utility Foundations	60%	780.431.657
			974.585.895



Continuum: from private to public interest (1/2)

- Public benefit foundation:
 - Societal issue recognized as public interest
 - Non-profit theories applicable
- Private foundation:
 - Border for a purely private interest?
 - Social Economy: Collective versus individual strategy
- Existence of two legal statutes:
 - Gui (1991): public versus mutual benefit
 - Private foundation: donor/donor

Continuum: from private to public interest (2/2)

- Typology of the private foundations in Belgium
- Historical analysis: from private to public benefit foundation
- Continuum: social legitimacy, impact on
 - governance
 - financing mode
 - nature of activities

Conclusion & future research

- **What?** This paper: most recent view of the foundations sector in Belgium

- **Why?**

Existence of two legal status (Gui, 1991)

- Public Benefit foundations: public benefit
- Private foundations: mutual benefit

Continuum: from private to public interest

- **How?** Size of the sector, international perspective (Blickenstorfer, 2012)

Thank you for your attention.
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