



ТВОРЧИЙ ЦЕНТР ТЦК



DEFINING CIVIL SOCIETY FOR UKRAINE

SUMMARY OF THE RESEARCH REPORT

A civil society is a domain/area of social/civil relations beyond the household/family, state and business, where people get together to satisfy and/or promote joint interests and to defend common values

At the national level, it is suggested to use the legal definition of civil society organizations (hereafter – CSOs), i.e. all types of organization that qualifies as a CSO by Ukrainian legislation including tax regulations).



In order to compare a CSO **locally and relative to its counterpart in other countries**, the experts agreed to apply the **structural-operational definition** of a CSO proposed by Salamon and Anheier (1992), such that an organization complying with the following criteria can serve as a basis for the definition of a **CIVIL SOCIETY ORGANIZATION**:

- ✓ AVAILABILITY OF AN INTERNAL STRUCTURE, OR CERTAIN LEGALIZATION OF THE ORGANIZATION.
- ✓ NON-GOVERNMENTAL NATURE, IN PARTICULAR THE ORGANIZATION IS NOT PART OF PUBLIC AUTHORITIES.
- ✓ SELF-GOVERNANCE, IN PARTICULAR THE ORGANIZATION CONDUCTS AND REGULATES ITS ACTIVITIES ON ITS OWN.
- ✓ BAN ON DISTRIBUTING PROFITS TO MEMBERS AND PEOPLE IN CHARGE.
- ✓ VOLUNTARY PARTICIPATION
- ✓ THE ORGANIZATION SERVES ITS MEMBERS AND/OR PUBLIC INTERESTS.

Overview of the history of civil society in Ukraine allowed defining major stages in its development



- Established were self-governed local communities, called verve, and the body of direct democracy/rule by the people, called viche
- Church communities developed
- Charity/philanthropy and the provision of social services were the sole prerogative of the church



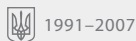
- Provision of social services was transferred to the state
- Communities formed self-reliance groups that did not require by the state any institutionalization
- The development of urban self-government, Cossack and local self-government
- People of knowledge created the national liberation movement



- Development of private philanthropy to both create a social support system to people in need, contribute to the development of education, health care and culture, and even support the Ukrainian liberation movement



- Development of the dissidents' movement that defended human rights, public and political freedoms, independence and national liberation



Till 2002

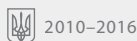
Since 2000

2004

2005–2010

2007

- A new generation of NGOs appeared, the total number of active organizations and population engaged in their activities has gradually declined
- Protest movements were rising against an elected regime
- Orange Revolution with active participation of CSOs and their coalitions
- Public consultations started and establishment of public councils under public executive authorities
- The loss of the most proactive CSOs leaders to government position
- Lack of engagement of citizens in state affairs, their lost trust in politicians, especially during a permanent standoff between the President of Ukraine and the Prime Ministers of Ukraine in 2008-2009
- The Government endorsed the "Concept for State Support of Civil Society Development in Ukraine"



2010–2013

2013–2014

2014

2015–2016

- Adoption of the "Strategy of the National Policy for Supporting the Development of Civil Society in Ukraine", which were high priority measures for the implementation of new laws and regulations that included the legal status of the CSOs, procedures for legalization, reporting of economic activities, etc.
- The Revolution of Dignity showed unprecedented level of public self-organization and volunteerism
- Since the rise of self-organized groups from the Revolution of Dignity, civil society is currently recognized as a full-fledged player that engages the country's development with the general society, the state and its policymakers
- Establishment of the joint CSO initiative "Reanimation Package of Reforms" (RPR) as partner, advocate and lobbyist of developed in a "Roadmap of Reforms to the Parliament of the 8th Convocation"
- Development and approval of the "Strategy for Facilitating the Development of Civil Society in Ukraine for 2016-2020"



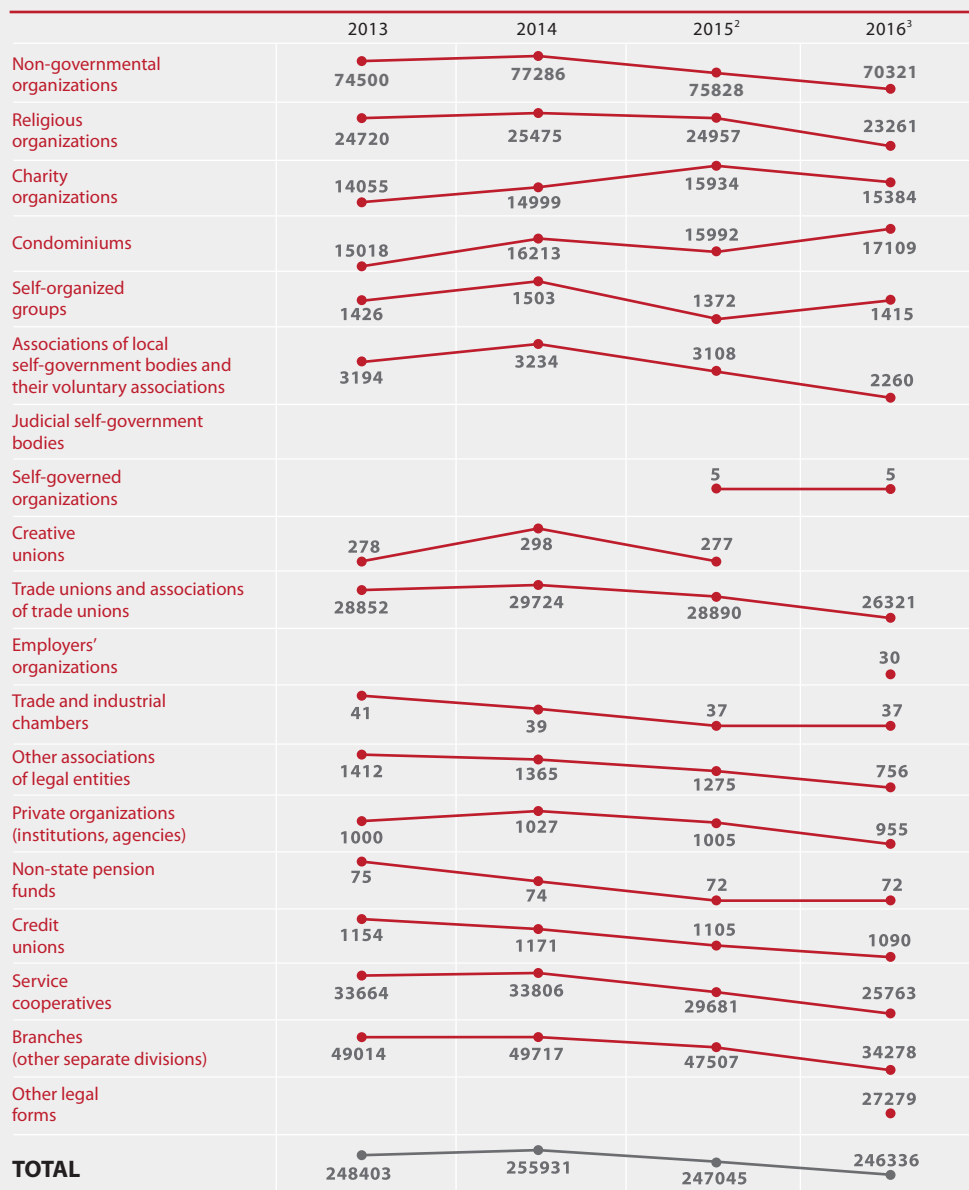
Studying the **history of civil society development in Ukraine** has shown that:

- ✓ Voluntary associations that were created to either render support and assistance or represent interests at the local level independent from the state (or often opposed to the state), have been long established in Ukraine and have a relatively high level of trust from the community and people;
 - ✓ Voluntary associations created to either render support and assistance or represent interests at the local level do not consider institutionalization to be important (i.e. registration and adherence to by-laws), and are reluctant to provide public reporting to disclose their activities limiting the potential for their participation and development at the national level;
 - ✓ Organized civil society “lags behind” informal movements and non-governmental initiatives when responding to high profile incidents in the country, thereby acting as a reactive civil society rather than one that is actively engaged;
 - ✓ Classic (or “textbook”) CSOs have both limited access to capital and a low level of investments partly due to their internal policies such as “we do not have a right to make profits”, and to some extent, competition with public services provided by state institutions and employers (e.g. industry-sponsored/official resorts, etc.); and
 - ✓ State support rendered to CSOs is not coherent but rather fragmented or sporadic, largely due to limited goals and objectives, as well as financial resources.
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Analysis of the **system of the national statistics of the civil society organizations** has shown that:

- ✓ As with the majority of other countries, CSOs in Ukraine are not currently subject to comprehensive audit, monitoring, and statistical analysis of their administrative information.
- ✓ The state statistics of Ukraine does not have a direct link between the non-profit status of an organization relating to its taxation (for NGOs listed in the Register of non-profit institutions and organizations), and its affiliation with the institutional sector of the economy and types of activities.
- ✓ Quantitative indicators for the institutional sector of “non-for-profit organizations that provide services to households” are not accurate;
- ✓ An average of up to 40% of registered NGOs submit their tax reports. At present, access to specific statistical reporting of CSOs is limited.
- ✓ CSOs’ reports include significant information related to the “physical dimension” of organizations’ activities (e.g. the number of workshops conducted, exhibitions held and other events).
- ✓ There is no unity relating to reporting requirements applied to CSOs of different types.
- ✓ Lack of state authorities qualified to record the economic activities of CSOs, their overall income, and number of members either employed or engaged.

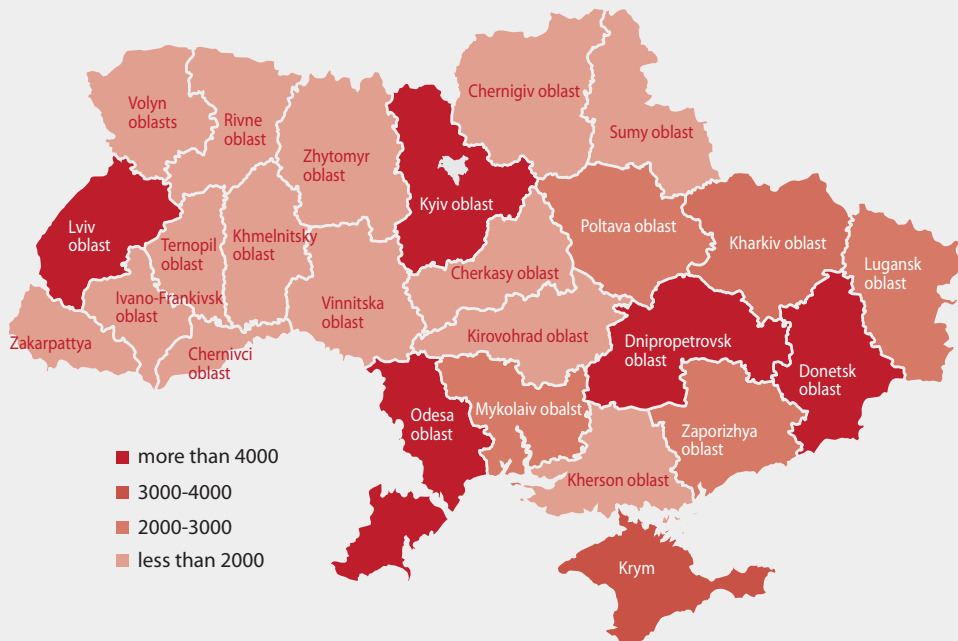
Information relating the number of registered CSOs in Ukraine presented by their legal form and by year of registration¹



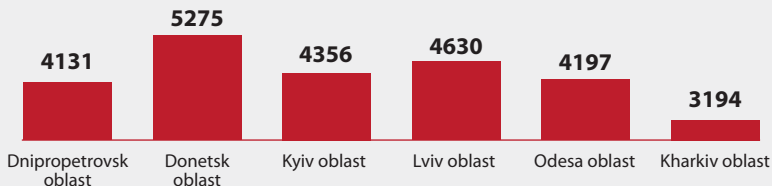
¹ Data from the Unified State Register of Enterprises and Organizations of Ukraine of the State Statistic Service of Ukraine

^{2,3} Without taking into consideration the temporarily occupied territories of the Autonomous Republic of Crimea, the City of Sevastopol and non-government controlled regions of the Donbas.

The Unified State Register of Enterprises and Organizations of Ukraine of the State Statistic Service of Ukraine



Oblasts having the highest number of registered CSOs are:





There are several obstacles that hinder the development of civil society in Ukraine that include:

Stagnation of institutional building of CSOs

due to



- the underdevelopment of internal democratic practices, complicated public registration procedures and receipt of non-for-profit status;
 - lack of earmarked state support for capacity building of CSOs;
 - lack access to state support (i.e. projects and programs) as experienced by many CSOs;
 - lack of satellite statistical accounts for monitoring CSOs and their activities;
 - lack of a unified reporting system of CSOs, and in particular, lack of mandatory public reporting by CSOs.
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Lack of engagement of CSOs in advocacy



- and implementation of the national policy limited by forms of participatory democracy that are not regulated by the law and the limited rules for conducting public consultations;
 - Lack of state incentives to engage CSOs in educational and public awareness campaigns on pressing issues for society;
 - Limited state support for engagement of CSOs in the decision-making process at the national level.
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Low participation of CSOs in the social-economic development

due to



- the lack of both investments and incentives for social entrepreneurship;
 - lack of the established practices to involve CSOs as implementers of earmarked (special-purpose) programs of various levels;
 - low capability of CSOs to define, deliver and monitor the quality of social and other socially important services;
 - lack of VAT benefits for social and other important services.
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Poor cooperation of CSOs with public authorities hindering cross-sectoral cooperation of CSOs

due to



- lack of incentives for volunteer work;
- no tax benefits for individual and corporate philanthropists;
- limited understanding and insufficient focus on the subject of civil society in curricula of secondary, higher and vocational educational institutions;
- and lack of a systemized approach to studying and analyzing civil society developments in Ukraine.

RECOMMENDATIONS



Consolidate the state registers of CSOs and ensure public access to them;



Introduce auxiliary (satellite) accounts in order to monitor CSOs and their activities locally;



Develop a unified approach to reporting all types of CSOs, including obligatory public reporting;



Engage CSOs in defining priorities and criteria of the state earmarked (special purpose) programs to support institutional building of CSOs;



Allocate funds for CSOs' programs and projects to be distributed on a competitive basis in national and local budgets and introduce for all public executive authorities a unified procedure for distributing public finance for the competitive programs and projects of CSOs;



Regulate by law various forms of participatory democracy and public initiatives such as peaceful assemblies, local initiatives, local referendums, public consultations, public expert reviews, electronic petitions, etc.



Promote investments and social entrepreneurship in the expenditures of CSOs;



Ensure equal opportunities of CSOs in public procurement, competitions/bids of the implementers of the national, regional and local earmarked (special purpose) programs;



Engage the general public and CSOs in defining the list of social and other socially important services and ensure equal opportunities of CSOs participating in the competition for the provision of social and socially important services;



Introduce mandatory reporting amongst the CSOs that receive state support, and ensure public access of their reporting, monitoring outcomes, and findings of the evaluation or the expert review on the effectiveness the state support;



Promote the engagement of volunteers;



Support the introduction of training courses on civil society development in curricula of secondary, higher and occupational educational institutions; and



Promote research and respective publications in the field of civil society development