

CSO Strategy 2023–2027

Government resolution on the development
of civic space



MINISTRY OF JUSTICE
FINLAND

CSO Strategy 2023–2027

Government resolution on the development of civic space

Publication distribution

**Institutional Repository
for the Government
of Finland Valto**

julkaisut.valtioneuvosto.fi

Ministry of Justice, Finland

This publication is copyrighted. You may download, display and print it for Your own personal use. Commercial use is prohibited.

ISBN pdf: 978-952-400-859-4

ISSN pdf: 2490-1172

Layout: Government Administration Department, Publications

Helsinki 2024 Finland

CSO Strategy 2023–2027

Government resolution on the development of civic space

Publications of the Ministry of Justice, Memorandums and statements 2024:22		Subject	Memorandums and statements
Publisher	Ministry of Justice, Finland		
Group author	Working group for the preparation of the CSO strategy and coordination of its implementation		
Language	English	Pages	15
Abstract			
The Government resolution outlines the development of civic space in the Government Programme period 2023–2027. An active and vibrant civil society with its CSOs is a key part of a functioning democratic society. The resolution was approved in a plenary session on 6.6.2024. CSOs promote people's wellbeing, democracy and participation, increase trust and strengthen society's comprehensive security and crisis resilience. As the operating environment of CSOs is changing, they have the need and responsibility to develop activities such as fundraising, increase cooperation and restructure themselves. The resolution promotes CSOs' own fundraising, develops government grant activities concerning CSOs and dismantles burdensome bureaucracy. The resolution was prepared by a cross-administrative working group that utilised previous studies and recommendations, consulted CSOs and other experts, and compiled a literature review. The working group collected feedback from public administration and CSOs on the development of civic space. The resolution was also discussed in the ministerial working group on internal security and administration of justice.			
Keywords	CSOs, strategy, civil society, government grant activities, fundraising, taxation		
ISBN PDF	978-952-400-859-4	ISSN PDF	2490-1172
Reference number	OM140:00/2023	Project number	VN/26527/2023
URN address	https://urn.fi/URN:ISBN:978-952-400-859-4		

Kansalaisjärjestöstrategia 2023–2027

Valtioneuvoston periaatepäättös kansalaisjärjestöjen toimintaedellytysten kehittämisestä

Oikeusministeriön julkaisuja, Mietintöjä ja lausuntoja 2024:22		Teema	Mietintöjä ja lausuntoja
Julkaisija	Oikeusministeriö		
Yhteisötekijä	Kansalaisjärjestöstrategiaa valmisteleva ja sen toimeenpanoa koordinoiva työryhmä		
Kieli	englanti	Sivumäärä	15
Tiivistelmä			
Valtioneuvoston periaatepäättöksessä linjataan kansalaisjärjestöjen toimintaedellytysten kehittämisestä hallitusohjelmakaudella 2023–2027. Aktiivinen ja elinvoimainen kansalaisyhteiskunta on kansalaisjärjestöineen keskeinen osa toimivaa demokraattista yhteiskuntaa. Periaatepäättös hyväksyttiin valtioneuvoston yleisistunnossa 6.6.2024. Kansalaisjärjestöt edistävät ihmisten hyvinvointia, demokratiaa ja osallisuutta, lisäävät luottamusta sekä vahvistavat yhteiskunnan kokonaisturvallisuutta ja kriisinkestävyyttä. Koska kansalaisjärjestöjen toimintaympäristö muuttuu, niillä on tarve ja vastuu kehittää varainhankinnan kaltaista toimintaa, lisätä yhteistyötä ja uudistaa rakenteita. Periaatepäättöksellä edistetään kansalaisjärjestöjen omaa varainhankintaa, kehitetään kansalaisjärjestöjä koskevaa valtionavustustoimintaa ja puretaan kansalaisjärjestöjä kuormittavaa byrokratiaa. Periaatepäättös valmisteltiin poikkihallinnollisessa työryhmässä, joka hyödynsi aiempia selvityksiä ja suosituksia, kuuli kansalaisjärjestöjä ja muita asiantuntijoita sekä kokosi kirjallisuuskatsauksen. Työryhmä keräsi julkiselta hallinnolta ja kansalaisjärjestöiltä palautetta kansalaisjärjestöjen toimintaedellytysten kehittämisestä. Periaatepäättöstä käsiteltiin myös sisäisen turvallisuuden ja oikeudenhoidon ministerityöryhmässä.			
Asiasanat	kansalaisjärjestöt, strategia, kansalaisyhteiskunta, valtionavustustoiminta, varainhankinta, verotus		
ISBN PDF	978-952-400-859-4	ISSN PDF	2490-1172
Asianumero	OM140:00/2023	Hankenumero	VN/26527/2023
Julkaisun osoite	https://urn.fi/URN:ISBN:978-952-400-859-4		

Strategin för civilsamhällesorganisationer 2023–2027

Statsrådets principbeslut om utvecklandet av civilsamhällesorganisationernas verksamhetsbetingelser

Justitieministeriets publikationer, Betänkanden och utlåtanden 2024:22		Tema	Betänkanden och utlåtanden
Utgivare	Justitieministeriet		
Utarbetad av	Arbetsgruppen för beredningen och genomförandet av strategin för civilsamhällesorganisationer		
Språk	engelska	Sidantal	15

Referat

I statsrådets principbeslut anges riktlinjerna för utvecklandet av civilsamhällesorganisationernas verksamhetsbetingelser under regeringsperioden 2023–2027. Ett aktivt och livskraftigt civilsamhälle med dess civilsamhällesorganisationer är en viktig del av ett välfungerande demokratiskt samhälle. Principbeslutet godkändes vid statsrådets allmänna sammanträde den 6.6.2024.

Civilsamhällesorganisationerna främjar befolkningens välfärd, demokrati och delaktighet, ökar förtroendet och stärker resiliensen vid kriser och den allmänna säkerheten i samhället. Förändringarna i civilsamhällesorganisationernas verksamhetsomgivning för med sig ett ökat behov och ansvar hos organisationerna att utveckla medelsanskaffningen, öka samarbetet och förnya strukturerna. Principbeslutet främjar civilsamhällesorganisationernas medelsanskaffning och utvecklandet av den statsunderstödsverksamhet som rör civilsamhällesorganisationer och bidrar till att minska den betungande byråkratin.

Principbeslutet har beretts av en förvaltningsövergripande arbetsgrupp som har utnyttjat tidigare utredningar och rekommendationer. Arbetsgruppen har också hört både civilsamhällesorganisationer och andra experter, och sammanställt en litteraturöversikt. Arbetsgruppen samlade in respons från förvaltning och civilsamhällesorganisationer om hur verksamhetsbetingelserna borde utvecklas. Principbeslutet har också behandlats i ministerarbetsgruppen för inre säkerhet och rättsvård.

Nyckelord civilsamhällesorganisationer, strategi, civilsamhället, statsunderstödsverksamhet, medelsanskaffning, beskattning

ISBN PDF	978-952-400-859-4	ISSN PDF	2490-1172
Ärendenummer	OM140:00/2023	Projektnummer	VN/26527/2023

URN-adress <https://urn.fi/URN:ISBN:978-952-400-843-3>

Contents

1	Introduction.....	7
2	Concise situation report on civic space	8
3	Government objectives and measures	10
4	Recommendations for municipalities and wellbeing services counties.....	14
5	Strategy implementation and monitoring.....	15

1 Introduction

The Programme of Prime Minister Petteri Orpo's Government 20.6.2023 outlines that the Government will lighten the extra regulation concerning civil society organisations (CSOs) and voluntary activities, explore the possibilities for developing CSOs' own fundraising and improve the interaction between administration and civil society. In addition, the Government statement to Parliament on promoting equality, gender equality and non-discrimination in Finnish society 31.8.2023 outlines that dialogue with civil society organisations will be improved, for example by implementing a CSO strategy.

An active and vibrant civil society is a key part of a functioning democratic society. CSOs promote people's wellbeing, democracy and participation, increase trust and strengthen society's comprehensive security and crisis resilience. For this to continue to be the case in the future, public administration must develop and monitor civic space in both the short and long term. As CSO activities and the operating environment of CSOs is changing, they have the need and responsibility to develop activities such as fundraising, increase cooperation and restructure themselves.

The CSO strategy, which is based on the Government Programme and will be implemented during the Government Programme period 2023–2027, outlines how the Government will develop civic space. The strategy promotes CSOs' own fundraising, develops government grant activities concerning CSOs more uniformly than at present and dismantles burdensome bureaucracy. A broader picture of the relationship between public administration and civil society, which also takes into account municipalities and wellbeing services counties, will be formed. By developing the cooperation between public administration and CSOs, it is possible to promote genuine dialogue and strengthen democracy.

2 Concise situation report on civic space

Civil society organisations (CSOs) are entities operating in civic space (the political, legislative, social and economic environment which enables citizens to come together, share their interests and concerns and act to influence and shape their societies), which are independent of national governments and pursue a specific common goal, value or cause. In Finland, the public administration has traditionally supported CSOs. CSOs do not form a coherent whole but are diverse and in many respects very different from each other, albeit united by the basic principles of being voluntary, non-profit and for the common good.

Activities in the form of associations continue to hold a strong position in Finnish society, as people want to, for example, participate and make a difference, learn and help others, and engage in leisure activities through associations. There are more than 108,000 registered associations in Finland, and more than half the population participate in their activities. Free-form, decentralised and networked civic activities are becoming more common in associations alongside organised civic activities. Some CSOs are becoming more professional, which is reflected, for example, in the growth of paid work carried out in them. A large number of associations still operate on a voluntary basis.

CSOs are awarded a significant amount of discretionary government grants every year. However, many associations operate solely on membership fees, other grants and subsidies, or raise funds through other means, such as one-off and monthly donations or cooperation with companies. Fundraising and the responsible use of government grants require CSOs to have effective and efficient governance and compliance systems. At the same time, many CSOs feel that the requirements for administrative competence and legal obligations, as well as regulation and steering by public administration, have increased. If the operating logic of the private and public sector begins to replace the operating logic of voluntariness and member democracy in CSOs, this may weaken the specific nature of the activities of CSOs.

Civil society has intrinsic value in a functioning democratic rule of law. Public administration must avoid steering civil society and respect freedom of association and assembly. The agency, operating principles and decision-making power of CSOs must be respected, for example when awarding government grants. Government

grant activities are accompanied by guidance, a requirement for accountability and common societal goals, which should be pursued with as uniform methods and with as little administrative burden as possible.

3 Government objectives and measures

The strategy defines five packages that describe what kind of change the development of civic space is intended to achieve quickly and in the longer term. Indicative goals and shorter-term objectives are accompanied by rapid government measures to create opportunities for CSOs to develop activities such as fundraising, increase cooperation and restructure themselves. Cooperation between public administration and CSOs is developed in a goal-oriented manner.

Improving the preconditions for CSOs to raise their own funds

Getting private funding is not easy for CSOs, as their fundraising capacities vary significantly. While the amount of private funding seems to have increased in recent years, Finland lags behind the other Nordic countries in international comparisons of fundraising, which highlights the need to develop a culture of philanthropy based on private funding.

The goal is that a culture of philanthropy based on private funding will evolve and strengthen the self-sufficiency of CSOs. The aim is to improve the fundraising preconditions of CSOs in order to increase their ability to raise additional private funding.

The deductibility of charitable donations will be extended to donations to eligible CSOs organising youth, sports, physical and cultural activities and, under certain conditions, children's activities, in accordance with the decision on the spending limits discussion. The deduction applies to donations made by both private individuals and companies and corporations. In addition, to increase private funding for CSOs, the extension of the right to tax deductibility of donations to more widely registered associations and foundations will also be explored. In order for this operating model to be as effective as possible, it should already enter into force in 2026. It will also be investigated what costs of fundraising could be eligible for government grants, and the acquisition and efficient production of common services in CSOs in matters requiring high levels of administrative expertise, such as fundraising, will be supported. Other tax incentives for CSOs should be explored separately.

Continuing to develop government grant activities and practices

In recent years, the development and harmonisation of practices related to government grants awarded to CSOs has been investigated, for example by the Ministry of Finance and the National Audit Office. The suggestions for improvements concern the appropriateness of the administration of government grants and the prerequisites for effectiveness, as well as the conditions and restrictions for the use of government grants. The latter two differ, in part unnecessarily.

The aim is to increase the ability of government grant activities to have an impact and to improve their productivity, as well as to reduce the administrative burden and the multi-channel nature of government grant activities, and improve the ability of the activities to have an impact. The objective of reducing the administrative burden is emphasised through savings in discretionary government transfers so that CSOs can allocate savings to the administration and avoid savings in their activities.

The joint government grant services produced by the State Treasury will be used and government grant practices will be reformed when there is no justified reason for separate operating methods. At the same time, the aim is to emphasise general grants instead of project grants in government grants. The Act on Discretionary Government Grants and the conditions and restrictions for government grants will be reformed. At the discretion of government grant authorities, volunteer activities will be taken into account as a free resource when awarding government grants. Voluntary activities can, for example, reduce the share of co-financing required in awarding government grants, and they are already often taken into account in EU-funded projects as self-financing. Duplicate government grants will be reduced and CSOs will be involved in the planning and assessment of the objectives concerning government grants. The aim is to have uniform documents for applying for government grants and reporting on their use, to which government grant authorities only make necessary changes on a case-by-case basis.

Supporting access to EU funding in Finland

EU funding is highly competitive, with an administrative burden that CSOs consider unreasonably heavy. On the other hand, EU funding is seen to have potential if public administration will support CSOs more with existing instruments or new services.

The aim is to increase the amount of EU funding available in Finland and to ensure that Finland benefits more from the European Union. The aim is to support access to EU funding in Finland by increasing the capacity of CSOs to apply for EU funding and to cooperate in a networked way.

Applying for EU funding will be made easier for CSOs. At the same time, support will be provided to CSOs to pass on EU funding to other CSOs. Joint funding application services will be designed for CSOs to apply for EU funding, national coordination will be increased and it will be ensured that government grants can be used as self-financing in EU funding applications. The possibility of setting up a fund that could combine public and private funding and could provide grants to cover self-financing will also be explored. Access to EU funding will be expanded, in particular for CSOs active in the prevention of violence and crime.

Encouraging civic and voluntary activities

It is important that CSOs continue to function as a desirable, accessible place to engage in civic and voluntary activities. Volunteering is a popular way to participate in society, both in and alongside associations. Volunteering increases the overall social wellbeing and has a calculated value of approximately EUR 3.2 billion. The amount invested in voluntary activities is estimated to be six times as much.

The aim is to increase participation in voluntary activities and the importance of volunteering. The aim is to encourage people to engage in civic and voluntary activities by streamlining and dismantling some of the standards for CSOs, reforming public authorities' practices and harmonising interpretations.

Impact assessments for legislative drafting will ensure that there is no unnecessary increase in the additional regulation of organisational and voluntary activities. Changes to consumer safety or security steward services, for example, could have an impact on the operating conditions of NGOs. Legislative barriers to organisational and voluntary activities will be investigated and it will be ensured that the interpretations concerning the taxation of voluntary work and the unemployment security of persons participating in voluntary work are clear and uniform throughout the country. The Associations Act will be reformed to enable, for example, for example, the CEO role and mergers of association, including universal succession. Enabling the CEO role will, in particular, contribute to the management of associations that provide services, and mergers will promote the operational continuity of associations suffering from membership loss.

Building the knowledge base for civil society policy and cooperation

Finland performs excellently in comparisons that measure open government and the judicial system. Long-term civil society policy requires foresight, academic civil society research, and raising awareness of research and development in order to share results and broaden the impact. The assessment of CSO and civil society impacts in advance (ex-ante) and afterwards (ex-post), as well as inclusion in government, will also be identified as a development target. The aim is for CSOs to feel that they have been listened to, not just heard.

Another objective is to strengthen knowledge management, inclusion in government and cooperation with CSOs in central government. The aim is to build the knowledge base for civil society policy and use it in decision-making.

The monitoring of civic space, knowledge-based management and foresight will be developed. A common picture of and outlook for the relationship between public administration and civil society will be formed. Interaction between administration and civil society will be promoted as part of the development of public administration management and personnel competence. This development work will place particular emphasis on dialogue and interaction skills. Public officials will make use of the state's common digital learning environment and existing good practices of cooperation, such as CSO academies and national dialogues. The aim is an interactive, equal and democratic dialogue with CSOs, as well as democratic interaction.

4 Recommendations for municipalities and wellbeing services counties

The relationship between public administration and civil society is affected by regional needs, welfare disparities and differences in population structure. The relationship between CSOs and municipalities and wellbeing services counties will be shaped in a new way as the tasks and activities of municipalities and wellbeing services counties are reorganised. CSOs expect people-oriented, anti-silo governance and organisational cooperation at all levels of administration.

It is also necessary to develop civic space and the inclusion of CSOs at regional level, so municipalities and wellbeing services counties are recommended to do the following:

- identify the CSOs that are key to their tasks and the added value of working with them;
- designate contact persons responsible for cooperation and support for civic and voluntary activities;
- take the development of civic space into account in strategies and long-term financial planning;
- further develop their inclusion activities;
- award grants and reform grant practices, and ensure the availability of facilities for civic and voluntary activities;
- exploit the potential of regional network organisations and
- try to combine public and private funding and voluntary work, for example in suburban development.

5 Strategy implementation and monitoring

On 13 November 2023, the Ministry of Justice set up an intersectoral working group to prepare this strategy and coordinate its implementation in the Government. The term of the working group extends until 17 April 2027. The preparation of the strategy is described in the background note appended to the resolution (in Finnish).

The strategy will be implemented in a transparent and inclusive manner across administrative divisions. Its implementation will be reported to the ministerial working group on internal security and administration of justice and the monitoring group to be set up in connection with the strategy project. Discussions open to all will also be held on the monitoring. The implementation of the strategy will be supported by separately funded analysis and research activities on the activities of CSOs.

A monitoring report will be prepared on the implementation of the strategy, assessing what kind of measures were used to promote the objectives set in the strategy, what was achieved and what kind of change the indicators set per objective showed. At the same time, the CSO impacts of the measures will be assessed and the results of the futures and foresight work related to the situation and future picture of civil society will be documented.

Ministry of Justice Finland
PL 25
00023 Valtioneuvosto, Finland
www.ministryofjustice.fi

ISSN 2490-1172 (PDF)
ISBN 978-952-400-859-4 (PDF)



MINISTRY OF JUSTICE
FINLAND