

### **2003 NGO SUSTAINABILITY INDEX – SLOVENIA – 3,9**

#### **Overview statement**

There are over 18.000 societies in Slovenia. There are only 3 % of other forms of NGOs: approx. 125 foundations and 250 private institutes. Not all of them are active, of course. Societies are mostly active in the fields of sports, social welfare, culture, fire brigades, animal protection etc, whereas foundations mostly operate in the fields of social welfare, culture, education and health care.

At the end of the 90s approx. 3,000 people were employed by societies, which is 0.4 % of all employed population in Slovenia at the time, the majority of them in sports (700) and voluntary fire brigades (600).

Societies get the majority of funds with their own activity (44%), lower amounts from donations (30 %) and from national and local budgets. The state contributes majority of its funds through project resources (approx. 60 %), annual subsidies (30 %) and only a smaller amount through long-term contracts.

In Slovenia there is no official data or analyses about territorial distribution. It can only be estimated that there are more NGOs in urban areas, especially in Ljubljana, where the majority of NGOs have their headquarters.

#### **Legal Environment – 3,8**

The registration procedure for NGOs is quite birocritical, hence it is easy and clear, although quite long. The operation of NGOs is more difficult, especially because they have equal status as profit organisations: they have to keep similar accounts and publish annual reports.

NGOs do not suffer from state harassment. They are permitted to engage in a broad range of activities, although taxation provisions, procurement procedures, etc. may inhibit NGOs operation and development. Although taxation provisions are currently not favourable to NGO development, the new NGO law, which intends to correct present situation, is in preparation.

There is no core of local lawyers specialising in NGO law, providing NGOs with legal service, or advising the NGO community on needed legal reforms. But there are some individual NGOs that have been engaged in preparing and advising NGOs on legal matters; unfortunately their headquarters are only in Ljubljana and the rural areas are deprived of this kind of counselling.

NGOs can earn their income from the provision of goods and services, but, as it was already mentioned, having equal status to profit organisations, they have to pay VAT.

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### **Organizational Capacity – 3,9**

At the end of the 90s, 90 % of societies were without employees, so were 80 % of foundations and 60 % of private institutes. Only 1.7 % of societies had more than two employees.

Individual NGOs demonstrate enhanced capacity to govern themselves and organise their work, but the majority of NGOs lack a group work planning, tasks are not delegated, so that everybody does everything. People are not educated enough. Especially there is a lack of staff qualified for project work.

In the majority of NGOs there is bad cooperation between the Board of Directors and members of staff. Members should be more included in specifying the aims of individual organisation.

The strategic planning takes time and effort, for which most NGOs do not have enough staff, because only some of the NGOs maintain full-time staff members.

The legislation demands that NGOs should have clearly defined management structure, but in reality the roles of individual working bodies or staff members are not clearly divided, which is why work does not progress as well as it should.

Volunteerism is undefined and insufficiently used, except in some fields with long tradition, such as voluntary fire brigades. Good situation in some fields it is not a consequence of legislature. Furthermore, there are no special provisions for development.

Some NGOs have access to basic office equipment, including computers and fax machines. Examples of good practice: some local communities give rent subventions or lower rents for NGOs offices.

### **Financial Viability - 4**

NGOs pioneer different approaches to financial independence and viability. To some extent they are dependent on foreign donors; however they also raise their funds through service provision, winning contracts and grants from, mostly local, municipalities and ministries, which contribute the majority of their funds through project resources, annual subsidies and only a smaller amount through long-term contracts. Although the data says that the majority of funds comes from membership fees and local communities, representatives of NGOs still feel that there should be more of them. However, there are great differences between NGOs as far as fundraising is concerned. NGOs, which are effective, recognizable and have clearly defined missions and goals, get bigger amounts.

There are not enough private donations; the problem is in VAT and in the people's consciousness. People tend to contribute to specific NGOs which have exactly defined missions (such as child protection) or from which they expect to have some kind of benefit (fire brigades).

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There could be more training program addressing financial management issues but at large NGOs do understand the importance of transparency and accountability from a fundraising perspective. However, in practice they do not publish annual reports. Various affairs, which are connected with transparency of using the money, will definitely encourage the publishing of annual reports.

The main problem is that the majority of NGOs is dependent on only one major source of income and if it collapses, NGO cannot function properly anymore. If NGOs expanded their financial resources, their existence would be safer.

The lack of staff is an obstacle also in this area. Another obstacle is the lack of knowledge about financial resources; furthermore, NGOs do not have enough information how to use some of them (community service, for example).

**Advocacy - 3,9**

Narrowly defined, advocacy organisations have emerged and became politically active in response to specific issues (social issues, financing of NGOs, environment issues, etc.). Information sharing and networking within the NGO sector to inform and advocate its needs within the Government is beginning to develop (Government Strategy for Cooperation with NGOs, Strategy Paper of the Development of the NGO Sector, NGO Forum, etc.).

The cooperation with the Government is not systematic; it takes place on personal level, it is informal and discretionary; but it is improving

NGOs do not tend to form many issue-based coalitions, but when they do, they are quite successful (Trust, Program Partnership for Environment, Coordination of NGO networks, different coalitions for helping the refugees, asylum seekers, homosexuals, etc.; which all operate on national level).

There are different mechanisms for participating, but mostly they are very unsystematic. In Slovenia there are currently approx. 50 different Government's working and advisory bodies where NGOs have their representatives (for example National Committee for sustainable development, Council of Experts, which is a consultative body within the Consumers Protection Office, Council of Experts for social assistance, etc.). Although the legislation provides possibilities for NGOs participating, they cannot be always made use of due to financial problems (not even travelling expenses are reimbursed) and the lack of staff. There are also often invitations for comments on proposals of laws, but NGOs seldom respond to them due to the lack of legal knowledge and staff. Lobbying of NGOs was successful at Law on free legal aid, Humanitarian Organisations Law, Disabled Organisations Law, a little less at new Societies Act, Asylum Act, but absolutely unsuccessful at Freedom of Information Act.

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Recently some networks of NGOs were established, which are working on advocacy for legal reform, and there is also Legal Information Centre for NGO, but they have all their headquarters in Ljubljana and on the local level there is no such organisation.

**Service Provision – 3.5**

The contribution of NGOs to covering the gap in social services is mostly (and it is improving) recognised by the Government and it is often accompanied by funding in the forms of grants and contracts. On the other hand, policies on funding vary from ministry to ministry; there is no uniform policy on the governmental level.

NGOs do recognise the need to charge fees for services and goods – such as publications and other products. However, it is often the case that there is a limited number of NGOs that have the capacity to provide high-level standard of services. For the NGOs existence it would be ideal if the fees covered the material expenses. In this case, however, we face the following dilemma: the total cost recovery may in the final consequence jeopardize the NGOs status as non-profitable organisations.

In Slovenia, NGOs are very well developed in some areas (health care, humanitarian organisations, disabled organisations, etc.), but in the others there is much to be done. As a result, in some areas service provision is very satisfactory, but in the others there practically is not any.

NGOs services have to reflect the needs and priorities of communities, otherwise they cannot exist in the long run and although the extent of broader constituency participating is rather in substantial, it is gradually increasing.

**Infrastructure – 4.3**

Only slight efforts are being made by some NGOs (they have not even started properly) to establish community foundations, indigenous grant-making institutions, and/or organisations to coordinate local fundraising that could implement domestic and foreign aid. The NGOs recognize the value of training and the need for training, but there is the lack of locally provided training and in some sectors there is the lack of local trainers who could provide basic organisational training. And it seems that there is the lack of interest for training from NGOs. Trainers, however should know better how to inform, encourage and attract more organisations to training.

There is evidence that quite a few NGOs have begun to work together and share information through networks and project partnership. Furthermore, umbrella organisations are being formed to facilitate networking and coordinate activities for groups of NGOs (CNVOS – Centre for information service, cooperation and development of NGOs, ZDOS - Association of Slovenian Societies, ZSU – Association of Slovenian Foundations, MrežaZZ – Network of private institutes; there are also local, mostly educational and informational youth centres, such as MOVIT, ŠKUC,

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KIBLA, etc.). There are no united database and on-line forums; some of NGOs do not even have the access to the Internet.

Local municipalities are important sources of funds for NGOs, which work in their local area. In general, NGOs function well in their local area, but they do not have any broader power.

Networking is not enough developed yet. In Slovenia there is only one horizontal network of NGOs (CNVOS) and although the idea is very good, everything does not function as well as it should. As a result, information does not spread as quickly and broadly as it is needed for further development of all NGOs.

Lately there has been very good climate for partnership with NGOs. The Government has started to consider the civil society as a good partner, however, the civil society is in many cases unable to respond due to an already mentioned lack of staff and time.

**Public Image – 4,2**

Generally speaking, it is difficult to speak of any kind of image NGOs might have in Slovenia. People know what is a society, but they do not know what NGO exactly means, they do not know the concept. The public ignorance of NGOs is a consequence of the fact that NGO as a legal term does not exist yet (it is included in the proposal of the law concerning the status of NGOs). The rate of public trust varies from NGO to NGO (NGOs, which can be useful for every single citizen have more trust than the ones, which work for the benefit of the narrower groups, for example refugees.)

The media tend to cover NGO events, but the problem is in the nature of news. As all others, NGOs have to expect the fact that the tendency for media is to cover sensational news and affairs (good news is never on the front pages). In addition, although individual NGOs realize the need to educate the public, to become more transparent and to seek opportunities for media coverage, some small and newly established NGOs may lack the skills to deal with media. In general, NGO sector does not have problems with the media, but NGOs should be more skilled in encouraging positive coverage because the media are not interested enough due to the nature of NGOs, except when it comes to affairs.

Lately there has been evidence of a closer partnership and cooperation between NGOs and the Government authorities. Each, NGOs and the Government, are preparing their own strategy; the official dialogue will start at the end of the year 2003. However, in many cases the Government still refers to NGOs as troublemakers, who are obstacles for the unhindered execution of plans.

Some NGOs (such as The Peace Institute) do publish their annual reports, but in general there are few published annual reports and practically no code of ethics or transparency in NGOs operations. In consequence, the public image is not as good as it would be if their operations were more transparent.

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Non-Governmental  
Organisations



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