

UN NONPROFIT HANDBOOK PROJECT

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The Johns Hopkins Comparative Nonprofit Sector Project

THE GLOBAL ASSOCIATIONAL REVOLUTION

Forprofit Sector

Government Sector

Civil Society



TREATMENT OF NONPROFIT INSTITUTIONS IN THE SNA

	Sectors of the SNA								
Type of	System								
Institutional									
Unit	Nonfinancial	Financial	General	Households	NPISH				
	Corporations Sector	Corporations Sector	Government Sector	Sector	Sector				
	S.11	S.12	S.13	S.14	S.15				
Corporations	C ₁	C_2							
Government Units			G						
Households				н					
Nonprofit Institutions	N ₁	N ₂	N ₃	N ₄	N ₅				



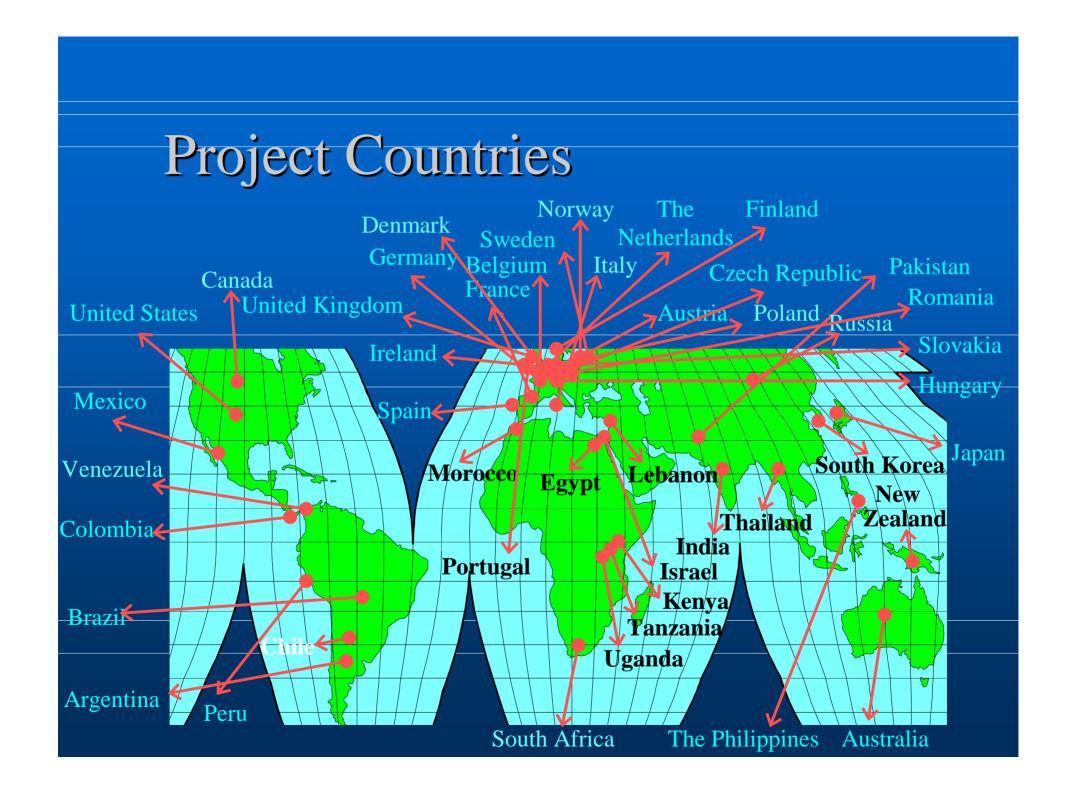
How Can Better Data on Civil Society Help?

- Ø Visibility/Legitimacy
- Ø Improve policy-making
- Ø Increase transparency/accountability
- **Ø** Improve National Accounts
- **Ø** Chart NPO contribution to MDGs
- **Spot trends/problems**



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A Major Economic Force

37 Countries

- \$1.6* trillion in operating expenditures
- 47.6 million FTE jobs
- 4.5% of economically active population
- 7.7% of non-agricultural employment



If the Civil Society Sector Were a Country...

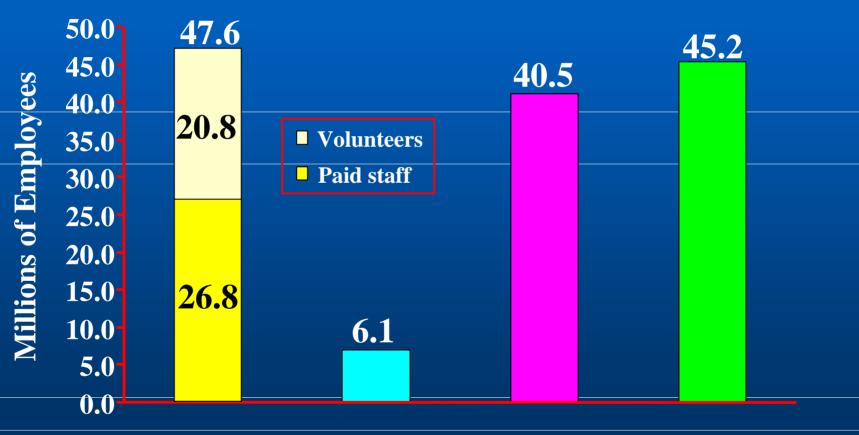
Country	GDP (trillion \$)
United States	\$10.4
Japan	4.0
Germany	2.0
United Kingdom	1.6
Civil Society Sector	1.6*
Expenditures (37 Countries)	1.0
France	1.4
China	1.3
Italy	1.2
Canada	0.7
Spain	0.7
Brazil	0.5
Russia	0.3

* In 2002 U.S. dollars

Source of GDP figures: World Bank



Civil Society Organization Employment in Context 37 Countries



Civil Society Orgs.

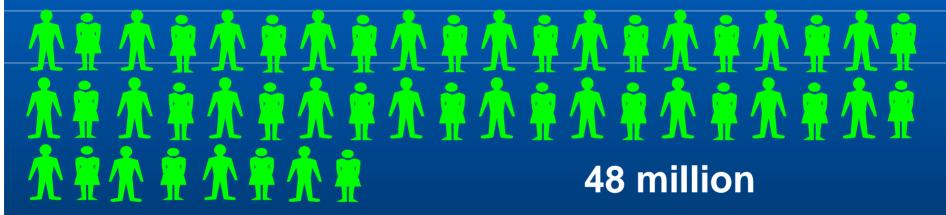
Utilities

Transportation **Construction**



Employment in Civil Society Organizations vs. Largest Firms (37 Countries)

Civil Society Organizations*



Largest Private Companies

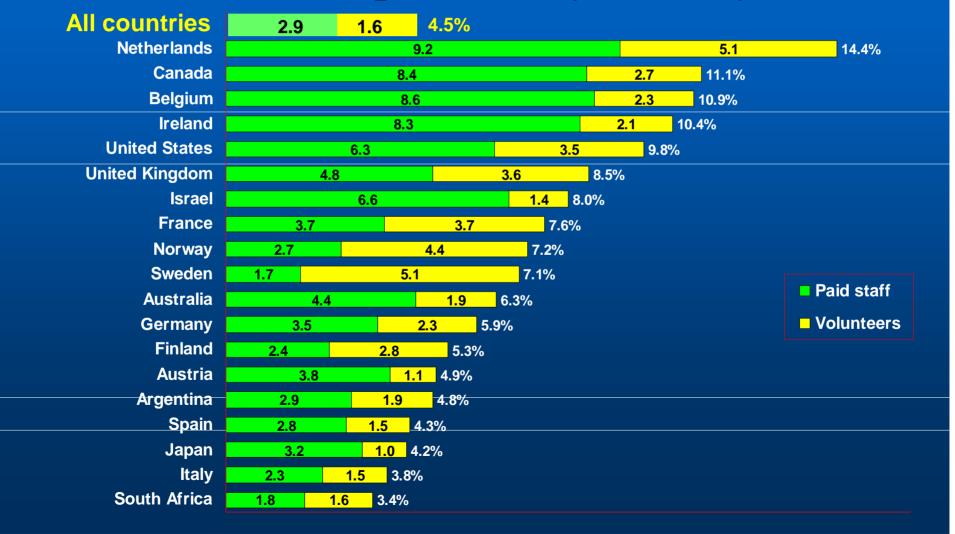


4 million

^{*} Including volunteers and religious worship organization workforce, where available.

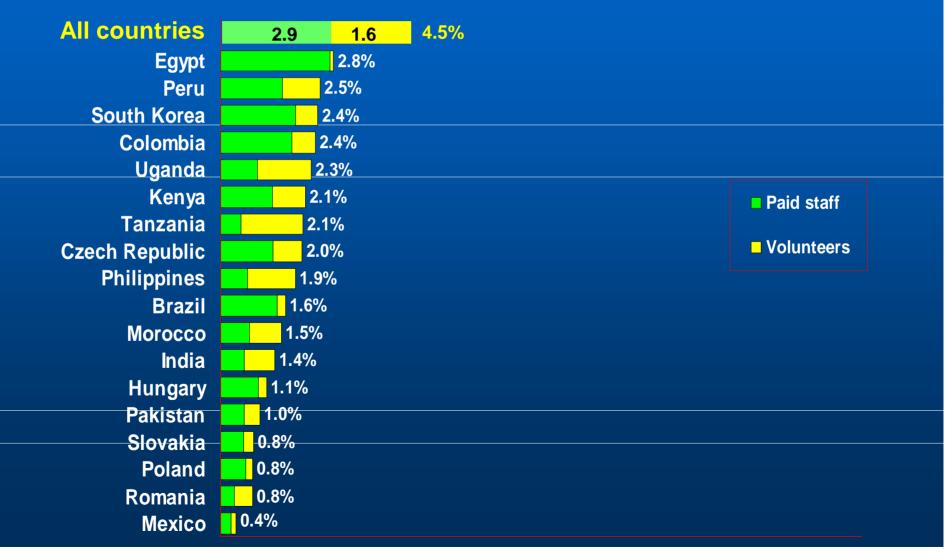


Civil Society Workforce as % of Economically Active Population, by Country





Civil Society Workforce as % of Economically Active Population, by Country





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CIVIL SOCIETY ORGANIZATION PAID VS. VOLUNTEER LABOR, 36 COUNTRIES

Volunteers 44% Paid Workers 56%

n=45.5 million (including religion)



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SOURCES OF CIVIL SOCIETY REVENUE (34 COUNTRYAVERAGE)

Philanthropy 12%

Government 34%

Fees 53%



THE PROBLEM

Institutionalization

Additional Variables

Relationships with Other Sectors

RATIONALE

- A significant and growing force
- Increased policy interest

RATIONALE

- A significant and growing force
- Increased policy interest
- Distinctive features



Distinctive Features of NPIs

- Different production function
- Public-goods production
- Governance
- **Revenue structure**
- Staffing
- Tax treatment
- Legal treatment

THE SOLUTION

System of National Accounts

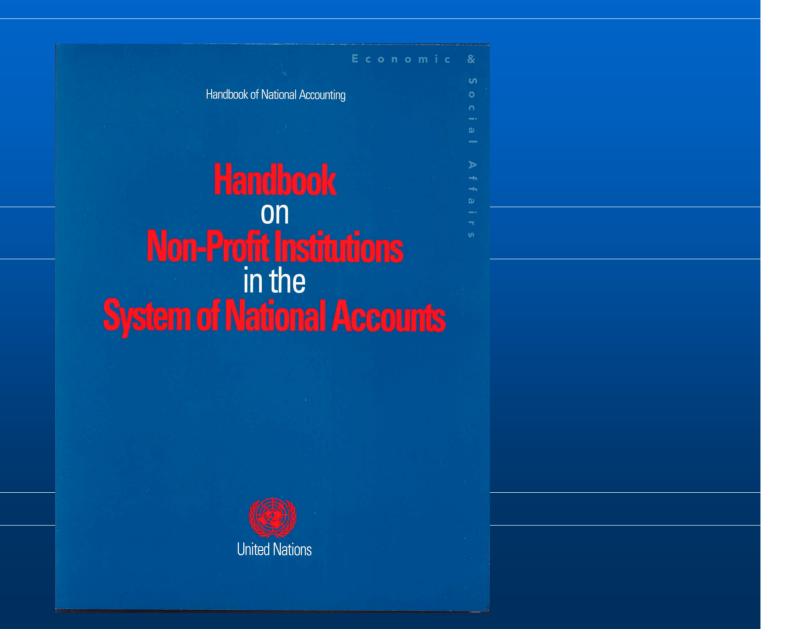


WHAT IS SNA?

"...a set of guidelines for the development of country economic accounts and for the reporting of such statistics to international organizations in a manner comparable across countries."



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KEY REFINEMENTS IN HANDBOOK MEASUREMENT OF NPIS

• Satellite Account



TREATMENT OF NONPROFIT INSTITUTIONS IN THE SATELLITE ACCOUNT

Variable	Sectors of the SNA System							Nonprofit Sector N=ΣNPI			
	Nonfinancial Financial Corps Corps Sector Sector S.11 S.12		General H Gov't Sector S.13		Households Sector S.14		NPISH Sector S.15				
Production Account	TOTAL	NPI	TOTAL	NPI	TOTAL	NPI	TOTAL	NPI	TOTAL	NPI	
Generation of income account											
Closing Balance Sheet											



KEY REFINEMENTS IN HANDBOOK MEASUREMENT OF NPIS

- Satellite Account
- Refined definition of NPIs



NPI HANDBOOK DEFINITION OF THE NONPROFIT SECTOR

The Nonprofit sector consists of units that are:

- a. organizations;
- b. not-for-profit and non-profit-distributing;
- c. institutionally separate from government;
- d. self-governing;
- e. non-compulsory.



KEY REFINEMENTS IN HANDBOOK MEASUREMENT OF NPIS

- Satellite Account
- Refined definition of NPIs
- Volunteer labor
- Non-market output of market NPIs



KEY NPI SATELLITE ACCOUNT TASKS

- Expand business registers
- Add NPI "Flags"
- Expand establishment survey coverage/content
- Tap administrative records
- Conduct volunteering surveys



POTENTIAL DATA ON NPIS FROM SNA

- **Structure**
- **Finances**
- Output and impact

POTENTIAL DATA ON NPIS FROM SNA STRUTURE VARIABLES

- **Entities**
- | Members
- **Employees**
- **Volunteers**
- Volunteer hours



POTENTIAL DATA ON NPIS FROM SNA FINANCIAL VARIABLES

- **Expenses**
 - **Operating expenses**
 - **Other expenses**
- **Revenue**
 - **Ø** From sales, fees, investments
 - **Ø** From government
 - **Ø** From private philanthropy
 - **Assets**
 - **Liabilities**



CIVINET Civil Society Information Network Action Plan

- 1. Dissemination/Briefings
- 2. Mobilization
- 3. Training
- 4. Technical Assistance
- 5. Monitoring
- 6. Refinement and Revision
- 7. Advisory Sessions
- 8. Data Assembly, Analysis and Reporting



PROGRESS TO DATE

UN HANDBOOK IMPLEMENTATION

- Eurostat Workshop, December 2002
- Briefings: EFC; ISTR; statistical offices in Brazil, Chile, Mexico, Morocco, New Zealand, Portugal, Kenya, UK, France
- European Commission DG XXIII Workshop, April 2004
- Partnership agreement with United Nations Volunteers
- Partnership agreements with U.N. Economic Commissions for Latin America, Africa, Asia
- Latin American Regional Workshop, September 2004
- African Regional Workshop, March 2005
- Latin American implementers workshop, May 2005
- International Advisory Committee Meeting, June 2005
- Asia Regional Workshop: September 2005



U.N. Handbook Implementers and Target Countries

Developed Countries	Developing and Transitional Countries
Europe Belgium + Netherlands France + Denmark Italy + Germany	Central Europe Czech Republic + Hungary Slovakia+ Poland Russia
North America Canada + United States +	Latin America Argentina + Brazil +** Chile Peru + Mexico
Asia Hong Kong, 6 Australia + Korea New Zealand + Singapore Japan+	China Asia Kyrgyzstan +** Thailand Philippines +** India+** China Bangladesh Thailand Vietnam Pakistan
Other Israel +	Africa and Middle East Kenya +** Morocco +** South Africa +** Mali+** Egypt Mozambique ** Tanzania Uganda
	Cameroon+ Zimbabwe+



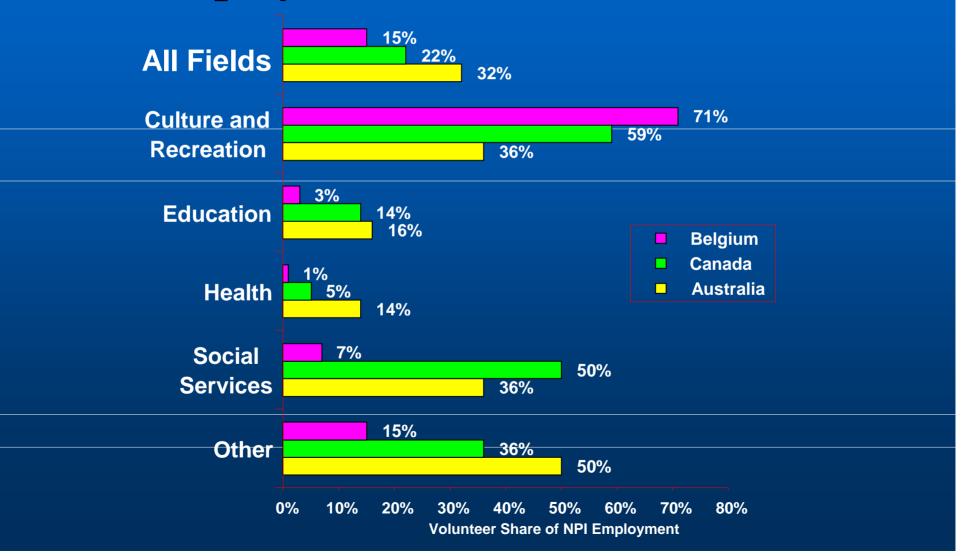
NPI SECTOR SHARE OF VALUE ADDED, BY INDUSTRY

(in percent)

INDUSTRY	Italy	Netherlands
Education	13.83	85.75
Health & social work	66.20	79.13
Other community, social & personal service	18.87	37.19
All other industries	0.52	3.05
Total economy	4.79	12.94

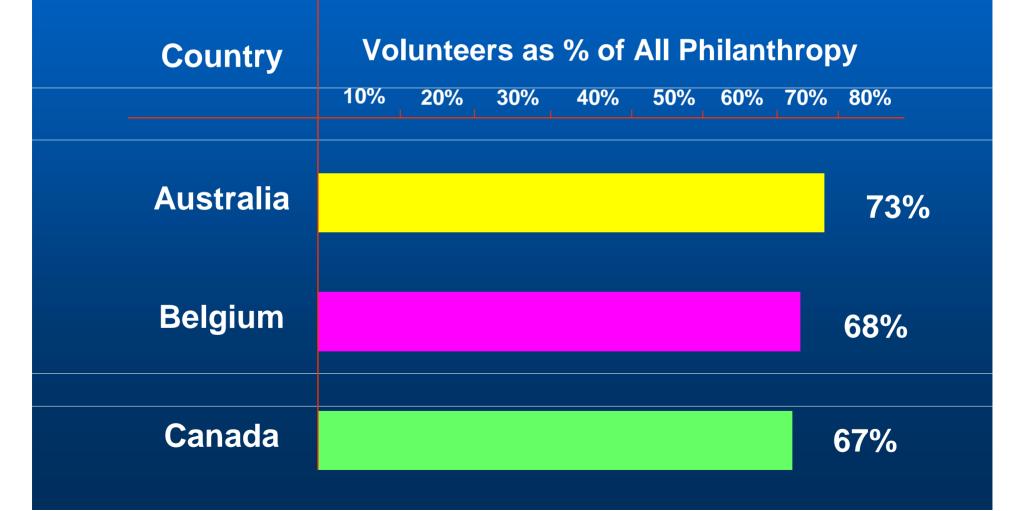


Volunteer Share of Total NPI Employment, Selected Countries





Gifts of Time as Share of Total Philanthropy, Selected Countries





Contribution to GDP, Volunteers vs. Selected Industries, Canada



Mfg.

Volunteers