



## Feedback on the European Commission's proposal for a Directive on European Cross-Border Associations

In September 2023, the European Commission published a proposal for a Directive on European cross-border associations. The proposal establishes an additional legal form of a European cross-border association (ECBA) in Member States' national legal systems, with the objective of reducing legal and administrative burden when it comes to the recognition and establishment of non-profit associations engaging in activities in another Member State.

Overall, **Samaritan International welcomes the Commission's initiative as it increases the recognition of non-profit organisations** and, for the first time, defines "non-profit purpose" in EU legislation, prescribing that any profits generated are used only in pursuit of the objectives of the association. SAM.I. fully supports the aim of reducing the administrative burden and facilitating the activities of non-profit associations in another Member State. The element of mutual recognition and non-discrimination vis-à-vis national non-profit associations is a key element of the proposal and needs to be implemented in practice, including on taxation of foreign donations, in order to be effective.

SAM.I. is however concerned that the proposal is too market-focused and does not achieve a comprehensive framework for this particular pillar of the social economy. In its 2022 "Resolution with recommendations to the Commission on a statute for European cross-border associations and non-profit organisations", the European Parliament had acknowledged the risk of restricting civic space through the denial, refusal or challenging of organisations' status as public benefit organisations and thus introduced conditions for a public benefit status at European level, including mutual recognition by the Member States when a European Association is granted such a public benefit status.

Samaritan International regrets that the Commission proposal has left out this important aspect and **calls for a European framework and definition of "public benefit status" that creates certainty and removes the burden of continually having to prove the applicability of exceptions for charitable organisations**, therefore allowing them to focus their resources on their core activities and services to citizens. A common European public benefit status would substantially facilitate the application of supportive national financial and tax treatment or relief measures, as well as cross-border donations.

Another point of concern is the Commission's approach on the governance of European cross-border associations, which prescribes that only natural persons that are Union citizens or legally resident in the Union and legal entities with a non-profit purpose established in the Union, through their representatives, may be members of the executive body of an ECBA.

Samaritan International is a network composed of 21 non-profit associations, both from EU Member States and from countries in the Western Balkan, as well as the Eastern Neighbourhood and strongly believes that the cooperation and collaboration of EU civil society with civil society organisations beyond the EU's borders is a key element to a successful enlargement and integration process. **Therefore, SAM.I. considers it crucial, that there is no restriction of an ECBA's executive body to EU nationals or residents.**



## ***ABOUT SAMARITAN INTERNATIONAL***

SAMARITAN INTERNATIONAL is a European network of 21 non-profit civil society organisations from 19 European countries. We are politically and religiously unaffiliated and cooperate across borders within our network, on a regional, bilateral, and multilateral basis. Our members are active in the areas of social services, first aid and rescue services, civil protection, humanitarian aid, youth work, and volunteer management. Our work is conducted with the support of about three million individual members and almost 150.000 volunteers.