

The non-governmental sector in Poland – a brief overview

Author: Monika Chrzczonowicz (Klon/Jawor Association)

There are over 100,000 non-government organisations in Poland.¹ Not all of them are equally active, some are “dormant” and some work intermittently. Some operate locally and have small budgets, and rely on people for whom social work is their additional activity. Other organisations remain active all year round, with a stable budget and employees, and continuously develop their operations. There are organisations that offer support to sexual minorities, but also church organisations. Organisations that focus on climate protection, but also ones that support industrial development or focus on supporting employees laid off because of workplaces closures. Non-government organisations appear in all spheres of life in which people are in need of support. Social activists, community workers, and whole organisations, spring up wherever there is a need to turn a new leaf or introduce some changes. Diversity is a characteristic feature of the non-governmental sector in Poland.

General principles of operation

In Polish, there are many terms which are used interchangeably when discussing non-government organisations. They include, aside from the NGO moniker itself, such terms as “social organisations”, third sector organisations, and non-profit organisations. The statutory definition refers explicitly to “non-governmental organisations”, which include associations and foundations – the two most common legal forms of NGOs in Poland.

¹ In 2018, there were: 117,000 associations (including 17,000 volunteer fire brigades) and 26,000 foundations registered in Poland, i.e. about 143 thousand organisations in total (according to the REGON database). However, not all of the registered organisations actually conduct any operations – we estimate that only about 65% of registered organisations are in fact active.” Quoted after: *Kondycja organizacji pozarządowych 2018 r. (The state of non-governmental organisations in 2018)*, Klon/Jawor Association.

According to the Act of 24 April 2003 on Public Benefit and Volunteer Work:

“2. Non-governmental organisations are:

1) organisations which do not belong to the public finance sector in the meaning of the Act of 27 August 2009 on Public Finances, or aren't companies, research institutes, banks and commercial law companies constituting state or local government legal persons,

2) organisations which do not operate in order to make a profit,

- legal persons or organisational units without legal personality to which a separate act grants legal capacity, including foundations and associations, subject to paragraph 4.”²

It is a broad definition according to which non-governmental organisations also include political parties, trade unions, or employers' organisations. It is worth remembering that regulations related to, for example, public benefit activities do not apply to such entities.³ The most “common” understanding of NGOs – as organisations engaging in public benefit activities – applies to associations and foundations.

Principles of operation of foundations

The basic principles of operation of foundations are defined in the Act of 6 April 1984 on Foundations. Pursuant to Article 1 of said Act: “A foundation may be established to implement goals which are socially or economically beneficial and consistent with the basic interests of the Republic of Poland, in particular in such areas as: health care, economic and scientific development, education, culture and art, social care and welfare, environmental protection, and care of historical monuments” This means that foundations cannot be established in Poland for the purpose of achieving personal goals (of a specific person). The goal of a foundation has to be socially (e.g. for a group of people) or economically beneficial. The founder, which may be both a natural and a legal person, defines this goal/purpose in the foundation's statute. They also confirm it before a notary public when they declare their will to

² The Act of 23 April 2003 on Public Benefit and Volunteer Work (Journal of Laws of 2020, item 1057).

³ Ibidem, Article 4(3)

establish the foundation. Additionally, the founder determines the value of the assets that they intends to allocate for this purpose.

The internal principles of operation of the foundation are defined in the statute created by the founder. The statute must contain information about the name of the foundation, its seat, assets, goals and ways of operation, as well as the terms of appointment of the management board and its competences.⁴ In the statute, the founder specifies also the initial assets of the foundation – the initial fund and its other sources of financing, which may include subsidies from national and local government’s public funds; donations from natural and legal persons, public collections, subsidies from foreign entities, as well as economic activity (paid public benefit activities or business activity). Foundations are registered in the National Court Register (KRS).

Principles of operation of associations

The provisions of the Law on Associations guarantee the freedom to form associations: “Polish citizens exercise the right to form associations, in accordance with the provisions of the Constitution and the legal order set forth in the acts of law.”⁵ The legal provisions also provide foreigners and minors with the same right to form associations. The individuals forming the association – its members – independently determine the rules of the association’s operation and its internal structure. Importantly, no one can be forced to become a member of any association, and membership in any organisation cannot result in negative consequences for said organisation’s members.

Associations have the right to speak out on public matters and represent the interests of their members. However, there are no limits concerning possible purposes of forming associations – the purpose can be anything, a socially beneficial goal, a hobby-related one, or even a fully unrealistic objective.

⁴ The Act of 6 April 1984 on Foundations (Journal of Laws of 2020, item 2167), Article 5

⁵ The Act of 7 April 1989 – The Law on Associations (Journal of Laws of 2020, item 2261), Article 1

The law provides for two types of associations: the so-called “registered association” and the “ordinary association”.

An ordinary association is a simpler form of organisation and can be established by as few as 3 people. One of them has to be chosen as a representative of the organisation, and the members can also elect a management board. The rules of the association’s operation - including the goals for which the association was established – are described in the regulations. Such an association is registered in the register kept by the administrator (*starosta*) of the district (*powiat*) in which the association’s seat is located. An ordinary association does not have full legal personality – it is an organisational unit without legal personality but with legal capacity, which mainly means that all members of the association bear full responsibility for the undertaken actions. Ordinary associations are financed from membership fees, subsidies (including national and local government’s public funds, and funds from foreign entities), donations, and public collections. They cannot conduct any economic activity – neither paid public benefit activities, nor any business activity.⁶

A **registered association** is a form of an association with greater capacity for action. It is registered in the National Court Register (KRS) and obtains legal personality upon registration. At least 7 people are needed to set up this form of an association. They select the management board and its internal control body from among themselves. The rules of the registered association’s operation, as well as the goals for which the association was established and the ways of achieving said goals, are defined by the members in the organisation’s statute. The same document defines the principles of electing the association’s authorities, as well as their competences and working methods, with the highest authority represented by all of its members – in the form of the general meeting of members. A registered association may conduct economic activity (both paid public benefit activities and business activity). Its other sources of funding are the same as in the case of an ordinary association: membership fees, subsidies, donations, and public collections.

⁶ The Act of 7 April 1989 – The Law on Associations (Journal of Laws of 2020, item 2261), Section 6, Articles 40- 43

Sport clubs and student sport clubs

Sports clubs constitute a special type of non-governmental organisation. They usually operate in the same way as registered associations. They have members, specific authorities: the general meeting of members, the board, and the audit committee. Their rules of operation are also described in the club's statute. What makes them different from other associations is the purpose which brings their members together – doing sport, i.e. “any form of physical activity which, through ad-hoc or organised participation, contributes to building or improving one's physical and mental fitness, developing social relationships and enhancing sports performance at any level.”⁷

Members of student sport clubs can include not only students, but also parents and teachers. It can be said that sports organisations operate in every commune (gmina) in Poland. Together, they form the largest sub-group of the third sector organisations. According to the statistics, 34% of Polish NGOs claim that they conduct activities related to “sports, tourism, recreation, and hobbies”.⁸

Other legal forms of operation of non-governmental organisations include the so-called country women's clubs (koła gospodyń wiejskich) which were defined in a dedicated act in 2018. The rules and principles of their operations are similar to those of registered associations. The difference lies in the fact that country women's clubs focus on activities undertaken in rural areas, in particular, those related to the improvement of the socio-professional situation of women and their families, as well as the general development of rural areas.⁹

Main areas of operation

The report on the most recent third sector survey carried out by the Klon/Jawor Association indicates that there were no significant changes in the main areas of activity of non-government

⁷ The Act of 25 June 2010 on Sport (Journal of Laws of 2020, item 1133), Article 1

⁸ *Kondycja organizacji pozarządowych 2018 r.*, Klon/Jawor Association

⁹ The Act of 9 November 2018 on Country Women's Clubs (Journal of Laws of 2021, item 165)

organisations. Sport, tourism, recreation, and hobbies remain the most popular areas, with as many as 34% of the organisations indicating them as their main focus of their professional activities. Culture and arts, as well as education, are also popular areas of interest for non-government organisations, with 14% and 13% of organisations devoted to those specific fields, respectively. The “other” category is the one which covers all less “popular” areas of activity, including the activity of so-called “equality organisations”, i.e. the organisations which deal with at least one of the following areas: protection of human rights and freedoms, protection of minorities, promotion of equal opportunities, anti-discrimination activities, and promotion of equal rights for women and men. The researchers from the Klon/Jawor Association estimate that about 0.2% of all NGOs operating in Poland are equality organisations.¹⁰

The biggest challenges/problems of Polish NGOs

The biggest problem of the third sector in Poland has remained unchanged for years – it is the difficulty in obtaining funds and equipment. As many as 70% of the respondents participating in the survey of NGOs report it as an issue. What is more, the difficulties seem to be growing, because in 2015, such problems were reported by 65% of the respondents. Unfortunately, the current situation, both political and related to the pandemic, does not promise much in terms of change for the better. Subsidies from national and local government public funding are the main source of income for NGOs. As many as 65% of organisations rely on public funds. For many NGOs, especially local ones, funds from local government are the basic source of financing for their activities. Organisations are worried that the funds allocated to their activities in the budgets of local governments will be reduced. These concerns are caused by the fact that local governments have to deal with an increase in expenditures linked to counteracting the effects of the pandemic and a decrease in revenues, for example, from entrepreneurs affected by the covid-19 crisis. Reduced income means smaller budgets and, consequently, the need to cut costs, also by limiting funds which are transferred to NGOs.

¹⁰ *Kondycja organizacji równościowych, raport z badań 2019 r. (The state of equality organisations, report on the 2019 survey)*, Klon/Jawor Association

Equality organisations are in a particularly difficult situation, as they are struggling not only with difficulties in obtaining public funds, but also with difficulties related to substantive cooperation with public institutions.

“The current socio-political context resulted in many public institutions withdrawing from cooperation with equality organisations. For example, schools, fearing repercussions, do not agree to NGOs conducting anti-discrimination classes for students. It has become a rule that trainings and workshops are conducted outside schools, most often, at the headquarters of the organisation, and are addressed mainly to teachers, and not directly to students. Usually, the reasons for terminating the cooperation are non-substantive – the change of the decision-maker affects the nature of the cooperation or even results in its complete termination, despite previous positive experiences.”¹¹

When considering the difficulties affecting the entire Polish third sector, one cannot forget about the wide-reaching effects of the COVID-19 pandemic, not only in the scope related to the reduction of available funding. Already in April 2020, the Klon/Jawor Association conducted a survey titled *Organizacje wobec pandemii* (“Organisations in the face of the pandemic”). According to the survey’s results:

- 33% of the organisations have suspended all of their previously conducted activities.
- 27% of the organisations have suspended the majority of their previously conducted activities.

Suspension of all or most of the previously conducted activities most often affected organisations focused on sports (80%) and culture (73%).

The survey was repeated in December 2020 and January 2021. According to the preliminary data, as many as 65% of organisations reported that their situation has worsened. The full report will be published at the end of March 2021, but even this one data point does not bode well for the future prospects.

¹¹ Ibidem



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