

Statistical Visibility and Identification of the Non-Governmental Organizations in Economic Institutional Sectors

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Abstract: In this article, we examine the issue of identifying NGOs in institutional sectors of the economy, given their diverse organizational forms, lack of standardized accounting practices, and their distribution across sectors, which results in a significant proportion of NGOs being statistically “invisible.” This study aims to highlight the challenges related to NGO identification, assess their statistical visibility, and evaluate their contributions to the “third sector.” Utilizing methods such as system analysis, comparative-legal analysis, graphical data presentation, and statistical analysis of non-profit organizations' share in Ukraine's GDP from 2016 to 2023, the findings reveal that many NGOs are categorized under corporate and government sectors, leading to a loss of their unique identity. The analysis shows that the share of non-profit organizations serving households in Ukraine's GDP ranged from 0.8% to 1.9% during the study period. Furthermore, international approaches to satellite accounts for NGOs suggest a promising avenue for enhancing the transparency and completeness of statistical data. Ultimately, the study concludes that the actual scale of the third sector's activities significantly surpasses recorded statistics, underscoring the necessity of adopting a satellite account methodology to accurately assess the economic and social contributions of NGOs.

Keywords: non-governmental organization, civil society, economic institutional sectors, System of National Accounts, third sector.

1 Introduction

The establishment and development of civil society have led to an increasing role of non-governmental organizations (NGOs) in contemporary socio-economic processes. NGOs are non-profit entities that play a significant role in interactions among the state, business, and society, perform a wide range of functions across various sectors, and contribute to the formation of new cooperation mechanisms. At the same time, the expansion of these institutions' activities raises questions regarding their proper representation in statistics and scientific research.

Particularly important today is the issue of determining the place and role of NGOs within the economic structure, which requires scientific analysis both from a terminological perspective and in terms of methodological approaches for their identification within the economic institutional sectors.

According to the 2008 System of National Accounts (SNA), a significant portion of non-governmental non-profit organizations is distributed across different sectors: corporations, government authorities, and non-profit institutions serving households (NPISH). This distribution results in a situation where only a part of the third-sector organizations retains its distinct identity, while others remain statistically “invisible.”

This creates challenges for assessing the real economic contribution of NGOs, forming state policies to support civil society, and comparing with international experience. Considering the UN recommendations and international practices for creating satellite accounts for non-profit institutions and volunteer activities, there is a need for more in-depth research on the identification of NGOs within institutional sectors and for exploring ways to enhance the transparency of statistical accounting of their activities.

2 Materials and Methods

The study employed the following scientific methods: the method of system analysis and synthesis, which allowed for revealing the essence of the concept of a «non-governmental organization», identifying the key characteristics that justify its classification within a particular economic institutional sector, and highlighting the factors that cause identification

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challenges; the comparative-legal method, which enabled the analysis of organizational and legal forms of non-profit organizations in Ukraine and their comparison with international approaches to the classification of institutional units; the comparative method, which helped identify differences in the interpretation and statistical accounting of NGOs within the 2008 SNA and the Classification of Institutional Sectors of the Economy of Ukraine; and the method of generalization, which facilitated the formulation of conclusions and recommendations for improving the identification and accounting of NGO activities.

3 Results

In the current context of socio-economic system transformations, non-governmental organizations play a crucial role in ensuring the sustainable development of society, acting as intermediaries between the state, business, and citizens. They operate across various fields social, cultural, environmental, and economic and form the foundation of civil society. The growing number of non-state non-profit organizations and the expanding scale of their activities highlight the need for proper identification of such institutions in the official statistics of countries and in the System of National Accounts.

In the scientific literature, when studying the concept and characteristics of «non-governmental organizations», terms such as «non-profit organization», «public organization», «non-state organization» and others are also used. These generally refer to civil society organizations operating outside the boundaries of the state and business. Over the past decade, the number of NGOs and their influence across various sectors have grown exponentially.

D. Lewis defines non-governmental organizations as a group of organizations involved in development work and poverty alleviation at local, national, and global levels worldwide. The term encompasses large bureaucratic organizations with multi-million budgets, as well as small informal local initiatives [1].

Among contemporary leading researchers in the field of civil society, L. Salamon and H. Anheier identified characteristics of non-profit organizations that are most frequently used in international practice: the organization is to some extent formally structured; it is private, meaning organizationally independent from government authorities; it does not distribute profits among owners or directors; it is self-governing, i.e., capable of controlling its own actions; and it is voluntary, meaning participation is not a result of coercion [2].

Non-governmental organizations operate both locally and internationally. Most focus exclusively on a single issue, while others, typically larger organizations, cover a variety of areas in their activities. The scope of NGO activities may include social, environmental, economic, and cultural issues, as well as human rights, among others.

The International Classification of Non-profit Organizations (ICNPO) is based on the criterion of activity focus and includes 12 categories: culture and recreation; research and education; health; social services; environment; development and housing; law, advocacy, and politics; philanthropic institutions and volunteer development; international activities; religion; business and professional associations; and other [3].

Among the large number of NGOs, business support organizations occupy an important place today. They advocate for the interests of the business community, promote the improvement and liberalization of business conditions, disseminate knowledge, involve businesses in development programs, and provide services. At the same time, the purpose of their activities is not limited to serving the interests of a small group of entities [4].

Social entrepreneurship is currently viewed as a modern form of NGO activity that combines a social mission with economic sustainability. In countries with transitional economies, it serves as an important mechanism for addressing social issues and promoting innovative development. However, it remains difficult to identify statistically, as it exists at the boundary between the non-profit and business sectors [5]. This underscores the relevance of studying the problems of classification and representation of NGOs within the system of institutional sectors of the economy.

When examining the place of non-governmental organizations within the institutional sectors of the economy, it should be noted that today, the comprehensive and detailed accounting of complex economic activities and interactions between various economic entities and groups of entities is provided by the 2008 System of National Accounts (SNA). The SNA 2008, in turn, classifies non-profit organizations into four (out of five existing) institutional sectors of the economy, namely: financial corporations, non-financial corporations, the government sector, and non-profit institutions serving households [6].

It is important to emphasize that the SNA 2008 recommends separate identification of non-profit organizations within all institutional sectors to which they are assigned, as well as the compilation of supplementary accounts. Table 1 presents a detailed overview of the place of non-profit organizations within the SNA 2008.

Table 1: The Place of Non-profit Organizations in SNA 2008

Type of Institutional Unit	System Sectors				
	Non-Financial Corporations	Financial Corporations	Government Units	Households	NPISHs
Corporations	*	*			
Government units			*		
Households				*	
Non-profit institutions (NPIs)	*	*	*		*

Note. Compiled based on [6].

Not all non-profit organizations are assigned to the sector of Non-profit Institutions Serving Households (NPISH) in the SNA (Table 1). Many of them are distributed across three other institutional sectors: financial corporations, non-financial corporations, and the general government sector.

This distribution is based on certain shared characteristics that non-profit organizations have with other units in these sectors, in particular:

- Non-profit organizations engaged in market production are classified in the financial or non-financial corporations sector if they charge fees for services based on production costs that are high enough to have a significant impact on demand for their services. Their non-profit status allows them to raise additional funds through membership contributions, which can enable them to charge fees below the average market value. According to the SNA, their actual activity is considered the provision of educational, medical, or other services at economically significant prices, somewhat offset by revenues from other sources.
- Non-profit organizations whose activities are limited to serving a subset of other market producers are also assigned to the corporation sectors. These organizations are typically funded through contributions or subscriptions from a group of interested enterprises. Such contributions are not considered transfers but payment for services rendered. As a result, these NPOs are classified as market producers.
- Non-profit organizations engaged in non-market production but controlled by the government sector are classified according to the SNA. Here, «control» essentially means the ability to determine the overall policy or program of such non-profit organizations.
- Non-profit organizations primarily engaged in non-market production that is not controlled by the government are described as NPISH and constitute a separate institutional unit in the SNA. Historically, only this set of non-profit organizations was visible in the national accounts.

In Ukraine, a new version of the Classification of Institutional Sectors of the Economy (CISE) was developed in 2014 [7], based on the methodological principles of the international standard, the 2008 System of National Accounts (SNA) [6].

According to the Classification of Institutional Sectors of the Economy (CISE) of Ukraine, non-profit organizations are institutional units created to produce goods or provide services without the purpose of generating any income or profit for the units that control or finance them. If non-profit organizations provide goods and services to consumers at economically significant (market) prices, they are treated as corporations in the SNA; if they are controlled and financed by government bodies, they are classified as part of the general government sector. All other non-profit organizations that produce goods and services but do not sell them at economically significant prices are considered a separate group of units forming a distinct sector – Non-profit Institutions Serving Households (NPISH). These essentially correspond to non-governmental civic organizations [7].

As a result of this classification, only those non-profit organizations assigned to the NPISH sector retain their identity as third-sector organizations, while other non-profit, non-governmental institutions classified as corporations (financial and non-financial) become statistically «invisible» and lose their identity as third-sector entities overall. Therefore, it is important to emphasize the problem that currently, units that are not NPISH account for the majority of economic activity, even though

they represent the third sector.

The assignment of institutional units to the respective sector of Ukraine's economy is determined by three factors: whether the institutional unit is a market or non-market producer; whether the unit is part of or controlled by government authorities; and whether the unit provides financial services.

According to CISE, three types of Non-profit Institutions Serving Households (NPISH) are distinguished in Ukraine [7]:

The first type includes organizations established by associations of individuals to provide goods or services to the members of these associations. Services are provided free of charge and financed through membership fees. These include professional organizations and associations, trade unions, consumer associations, churches and religious organizations, social, cultural, recreational, and sports clubs. They do not include organizations controlled by government authorities.

The second type includes charitable organizations and foundations that provide goods and services to households on a non-market basis, including households affected by natural disasters or military actions. Their financial resources come from donations in cash or in kind from the public, corporations, or government authorities.

The third type includes organizations that provide collective services, for example, research institutions that offer the results of their studies free of charge, groups engaged in environmental issues, and similar initiatives.

Including some non-profit organizations in the corporate sector not only conceals the full scale of third-sector institutions but also potentially alters the composition of other entities within the corporate sector. After such inclusion, their identity as non-profit organizations is lost from view.

Thus, we can conclude that currently it is possible to analyze only the share of Non-profit Institutions Serving Households (NPISH) in Ukraine's GDP, although the total number of non-profit non-governmental organizations is significantly larger.

In Table 2, we analyze the contribution of Non-profit Institutions Serving Households (NPISH) to the overall economy of Ukraine.

Table 2: Share of Non-profit Institutions Serving Households in Ukraine's GDP for the period 2016–2023

	Years (2016–2023)							
	2016	2017	2018	2019	2020	2021	2022	2023
GDP, mln UAH	2385367	2981227	3560302	3977198	4222026	5450849	5239114	6627961
GDP of non-profit institutions serving households, mln UAH	18899	23865	30977	39841	40173	49324	98340	123841
Share of GDP of non-profit institutions serving households in Ukraine's GDP, %	0,8	0,8	0,9	1,0	1,0	0,9	1,9	1,8

Note: Calculated based on data from [8].

The figures 1, 2 and 3 illustrate this details:

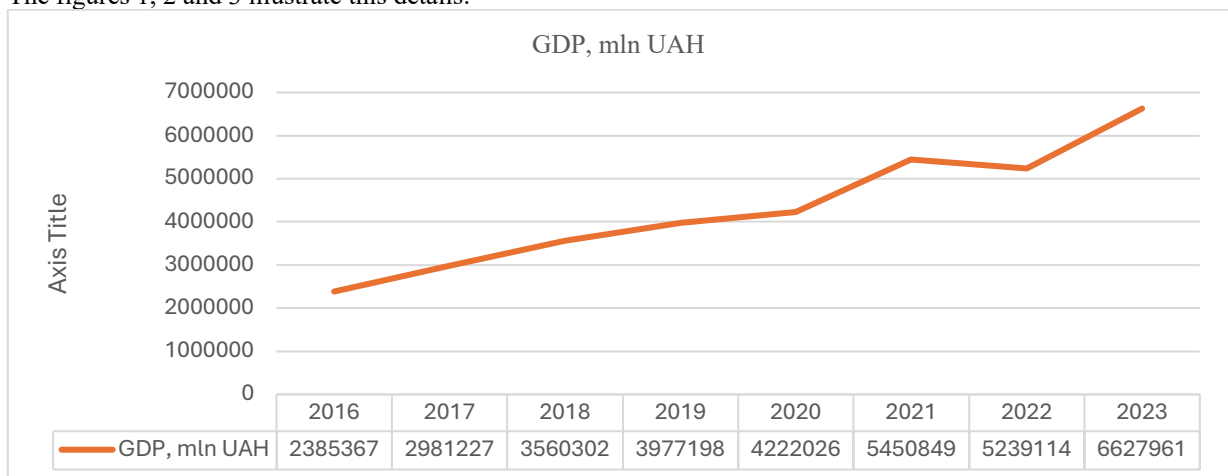


Figure 1 the growth of Ukraine's GDP between 2016 and 2023

Figure 1 illustrates the growth of Ukraine's (GDP) between 2016 and 2023, measured in million UAH. A clear upward trend is evident—from 2.39 trillion in 2016 to 6.63 trillion in 2023—demonstrating significant economic expansion despite moderate fluctuations in 2021–2022. Overall, the figure highlights a steady increase in economic performance and national productivity, indicating gradual recovery and sustainable development over the analyzed period.

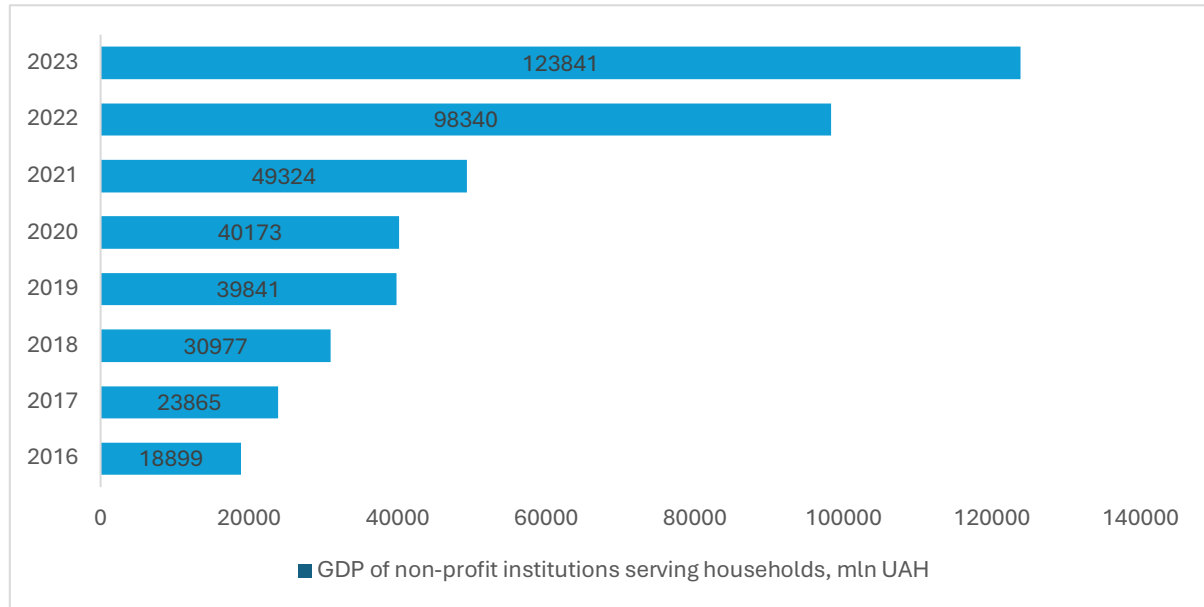


Figure 2 The dynamics of the GDP of non-profit institutions serving households (NPISHs) in Ukraine from 2016 to 2023

Figure 2 illustrates the dynamics of the GDP of non-profit institutions serving households (NPISHs) in Ukraine from 2016 to 2023, measured in million UAH. The data show a consistent and sharp upward trend—from 18.9 billion in 2016 to 123.8 billion in 2023—reflecting the growing economic role and financial capacity of the non-profit sector. This significant increase demonstrates expanding contributions of NPISHs to the national economy, especially in social, educational, and community-oriented activities that support overall economic resilience.

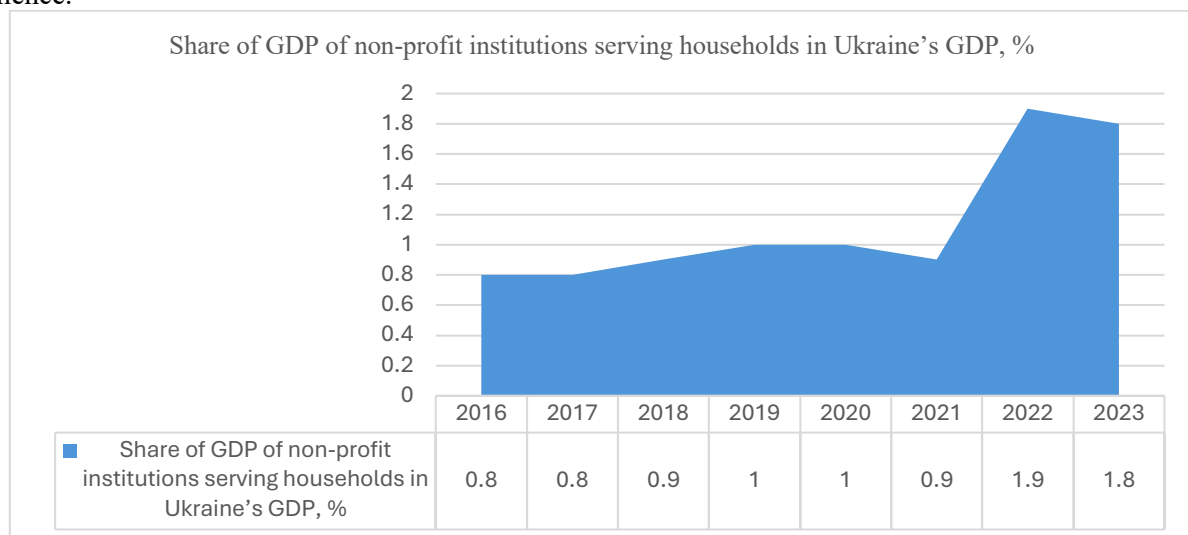


Figure 3 The share of GDP of non-profit institutions serving households (NPISHs) in Ukraine's total GDP during the period 2016–2023,

As seen from Table 2, the share of non-profit organizations serving households in Ukraine's GDP for the period 2016–2023 remains insignificant. Moreover, non-profit organizations classified outside the HH-serving NPO sector are statistically invisible. Therefore, when analyzing the entirety of the third sector and its cumulative contribution, it should be noted that the assessment and measurement of the “third sector's” contribution to Ukraine's GDP are still at an early stage, as the sector in reality has significant untapped development potential compared to more developed countries.

In 2003, the United Nations Statistics Division, with the support of the Johns Hopkins Center for Civil Society Studies, prepared the Handbook on Non-profit Institutions in the System of National Accounts [9], providing guidelines for creating satellite accounts for NPOs. The next important step was taken in the 2008 SNA [6], which recommended separately identifying NPOs within the institutional sectors to which they belong.

In 2018, the United Nations Statistics Division, in collaboration with the Johns Hopkins Center for Civil Society Studies, developed the Handbook on Satellite Accounts for Non-profit and Related Institutions and Volunteer Work [10], which provides methodological guidance for creating a satellite account for the third sector of the economy (TSE) in a manner compatible with the 2008 SNA. This was motivated by the need to measure the economic activities of non-profit institutions (NPOs), related institutions, and volunteer work. The handbook recommends compiling supplementary accounts within the TSE sector to reflect the entirety of these entities while maintaining the ability to report separately on its identified components. The conceptual basis of the «third» sector in the SNA is shown in Figure 4.

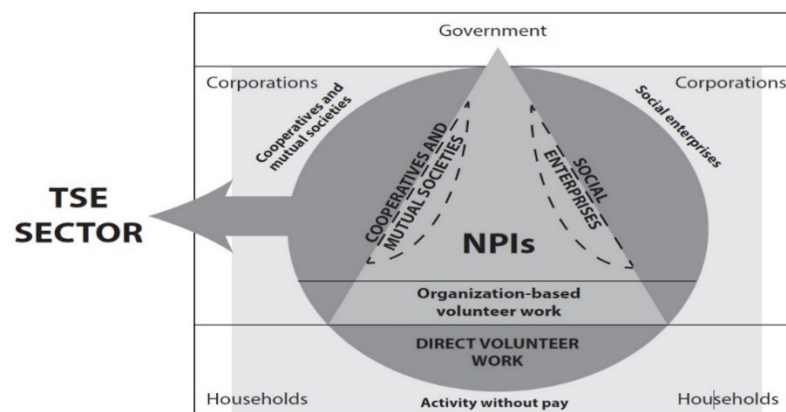


Fig. 4: Conceptual Framework of the «Third» Sector in the SNA

Note. Source: [10]

Thus, the TSE sector covers [10]:

- all non-profit organizations, except those controlled by the government;
- all cooperatives, mutual societies, and social enterprises, whose distribution of profits among directors, investors, or shareholders is significantly restricted by law or governing documents;
- any unpaid activity, carried out voluntarily (without compulsion) for the benefit of others, excluding oneself or close relatives, regardless of whether it is performed directly or through NPOs or other related institutions.

The fact that the SNA 2008 already provides for the separate identification of non-profit organizations across all institutional sectors to which they may be assigned is the first step toward defining an important component of the supplementary accounts of the TSE sector and towards providing guidelines for the creation of such accounts for NPOs not controlled by the government.

In the manual under review [10], the identification of institutions falling within the scope of the TSE sector includes recognizing all units in the economy regardless of whether they are market or non-market producers through the application of a series of tests to determine whether they meet the criteria outlined above. All organizations that pass these tests are considered part of the TSE sphere.

In addition, it is proposed to divide the TSE sector into three subsectors: NPOs (market and non-market), market cooperatives and mutual societies, and market social enterprises. Thus, the non-profit organizations subsector of the TSE sector includes NPOs that are market producers classified under the corporations sector in the central SNA system, as well as non-market producers classified under the NPISH institutional sector. NPOs controlled by the government are excluded.

It should be noted that non-profit organizations may generate a surplus from their activities, but this surplus must be reinvested into their operations rather than distributed among members, employees, or other stakeholders. This feature distinguishes NPOs from the other two types of institutions within the TSE sphere (cooperatives/mutual societies and social enterprises), which are allowed to distribute part of their profits to their stakeholders.

The creation of a satellite account for the TSE sector will provide a clearer identification of NPOs that are currently classified within other institutional sectors of the economy.

In summary, it should be noted that despite the growing interest in the activities of non-profit organizations, systematic empirical information about them has long remained limited. The main reason lies in their statistical invisibility, which is determined by the rules governing the allocation of institutional units into institutional sectors within the SNA framework, since they are classified depending on whether they are market producers, non-market producers controlled by the government, or non-market producers not controlled by the government.

It is important to emphasize that the «formation of statistical data (including satellite accounts) on civil society institutions, the identification of key indicators of their activities and their contribution to the socio-economic development of Ukraine» is defined as one of the strategic objectives of the National Strategy for Promoting the Development of Civil Society in Ukraine for 2021–2026 [11].

The creation of supplementary (satellite) national accounts will provide new opportunities for analyzing the sector, in particular by making it possible to objectively determine the share of the third sector in the Ukrainian economy as a whole.

4 Regression Analysis

A simple linear regression model was estimated using data from 2016 to 2023 to explore the relationship between Ukraine's overall economic growth and the expansion of its non-profit sector. The dependent variable was the Non-Profit Institutions Serving Households (NPISH) GDP in millions of Ukrainian Hryvnia (UAH), and the independent variable was the total national GDP in millions of UAH.

The regression equation is specified as:

$$NP_i = \beta_0 + \beta_1 TP_i + e_i, \quad (1)$$

where NP_i and TP_i represent NPISH GDP and Total GDP, such that β_0 represents the intercept, β_1 is the coefficient quantifying the effect of total GDP on NPISH GDP, and e_i captures the model residuals.

The estimated model yielded:

$$NP_i = -50.17 + 0.024 TP_i \quad (2)$$

The coefficient 0.024 is positive and statistically significant (0.003), indicating that increases in the country's economic output are strongly associated with growth in the non-profit sector's economic contribution. This result implies that for every additional one million UAH of total GDP, the NPISH GDP is expected to increase by approximately 24,000 UAH.

The model explains approximately 79.5% of the variation in NPISH GDP, suggesting a strong fit given the size of the dataset. Diagnostic tests confirm the adequacy of the linear regression assumptions.

However, the negative intercept, although marginally insignificant, suggests that additional influencing factors beyond GDP impact the NGO sector's size. Variables such as legislative reforms, conflict dynamics, international aid flows, and societal factors likely further explain the NPISH GDP variance and should be included in future extended models.

Hypothesis test. To examine whether the total GDP significantly affects the NPISH GDP, we performed a hypothesis test on the regression coefficient β associated with the total GDP variable.

The statistical hypotheses are formulated as follows:

- Null hypothesis H_0 : The coefficient $\beta_1 = 0$, i.e., no effect of Total GDP on NPISH GDP.
- Null hypothesis H_1 : The coefficient $\beta_1 \neq 0$, i.e., Total GDP on NPISH GDP i.e., a significant relationship exists.

Test statistic: $t = 4.8$.

Degrees of freedom: $df = 6$ (8 observations - 2 parameters).

P-value: $p = 0.003$

Since the p-value is below the typical significance level of 0.05, we reject the null hypothesis and conclude that Total GDP has a statistically significant positive effect on NPISH GDP.

The estimated regression coefficient was $\beta_1 = 0.024$ with a standard error of 0.005. The resulting t-statistic was 4.8 with 6

degrees of freedom.

Using a two-tailed test, the computed p-value was 0.003, which is less than the common significance level $\alpha = 0.05$. Therefore, we reject the null hypothesis and conclude that total GDP has a statistically significant positive effect on the NPISH GDP in Ukraine.

This indicates that economic growth in the country strongly correlates with the expansion of the non-profit sector contributing to the national GDP. The model explained approximately 79.5% of the variation in NPISH GDP, confirming a good fit.

This confirms that economic growth in Ukraine is significantly associated with increased economic contributions from the non-profit sector.

NGO Institutional Sector Distribution Analysis

Distribution of NGOs by institutional sectors across 2016-2023, demonstrating increasing NGO presence in corporate sectors and persistent statistical invisibility.

Table 3: Distribution of NGOs by Institutional Sectors over Time

Year	Corporate Sector NGOs (%)	Government Sector NGOs (%)	Invisible NGOs (%)
2016	35	20	45
2017	38	18	44
2018	40	17	43
2019	42	15	43
2020	45	13	42
2021	46	12	42
2022	48	10	42
2023	50	9	41

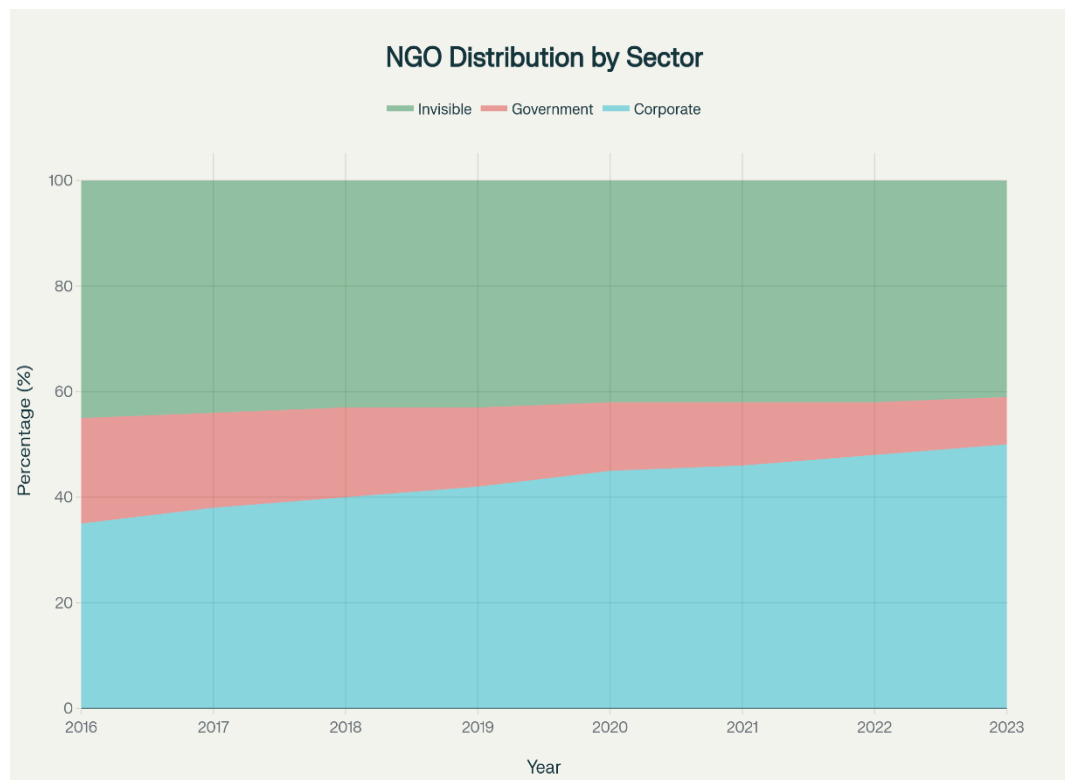


Fig. 5: Distribution of NGOs by Institutional Sectors over Time in Ukraine (2016-2023)

Figure 2 represents a stacked area chart outlining percentage distribution of NGOs among Ukraine's corporate, government, and invisible categories from 2016 to 2023. The trend shows growth in corporate NGO share and a reduction in government sector share.

From both Table 3 and Figure 2, we can extract the following:

- The proportion of NGOs classified under the corporate sector steadily rises from 35% in 2016 to 50% in 2023, indicating a significant shift in NGO activities into or aligned with corporate structures.
- Meanwhile, NGOs officially identified within the government sector steadily decline from 20% to 9%, which might reflect policy changes or reclassifications.
- The invisible NGOs category — NGOs subsumed under other institutional classifications and hence undercounted — remains high (41-45%), highlighting ongoing challenges in NGO statistical visibility.
- This changing distribution impacts the accurate valuation of NGOs' economic and social contributions.

NPISH Economic Contribution Over Time

NPISH (Non-profit Institutions Serving Households) contribution as a percentage of Ukraine's GDP over time, with the overall mean and standard deviation, will be presented as follows:

Table 4: NPISH Share of GDP Over Time

Year	NPISH Share (%)	Mean (%)	Standard Deviation (%)
2016	0.8	1.14	0.46
2017	0.8		
2018	0.9		
2019	1		
2020	0.95		
2021	0.9		
2022	1.88		
2023	1.87		

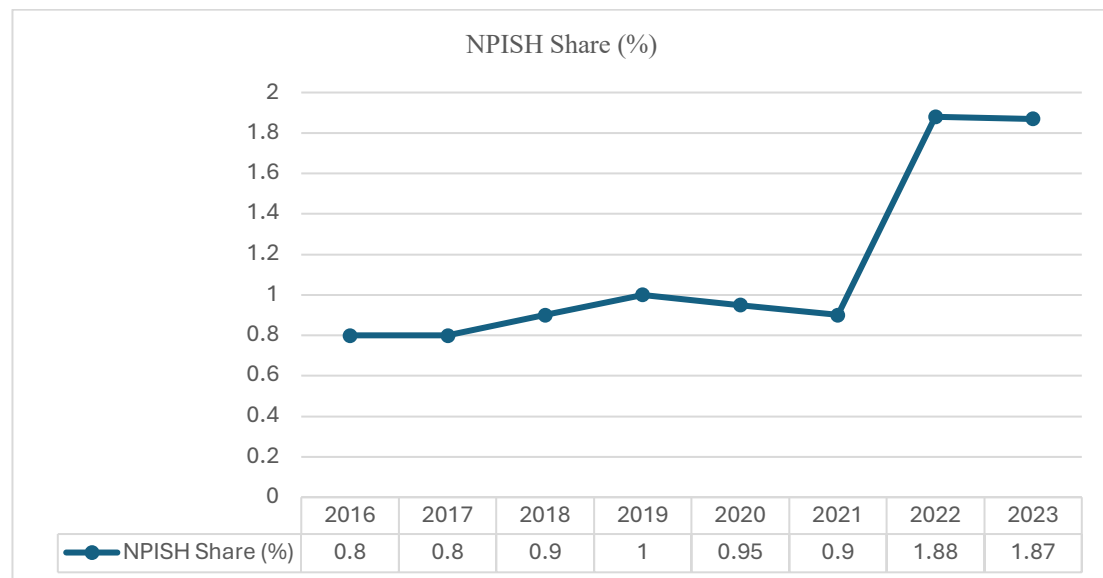


Figure 6: Trend of NPISH Share of GDP in Ukraine (2016-2023)

AS shown in Table 4 and figure 6

- The NPISH share growth accelerates notably in 2022 and 2023 when it nearly doubles previous years' percentages (~1.8% vs ~0.9%).
- The steady mean of 1.14% and moderate variability show that although NPISH remains a small share of GDP, its relative importance is increasing.
- This trend reflects enhanced NGO presence and/or improved accounting visibility in the Ukrainian economy.

- Continued growth may affect social infrastructure capacity, civil society engagement, and economic development.

5 Discussion

The problem of identifying non-governmental organizations within the institutional sectors of the economy remains highly relevant in current research. This is due to the fact that a significant share of non-profit institutions, which in practice belong to the “third sector,” are distributed across the corporate and government sectors within the System of National Accounts. As a result, their identity as non-governmental organizations is lost. This distorts the statistical picture and makes it impossible to fully assess their economic contribution.

A particularly important challenge today is ensuring the full statistical visibility of non-governmental organizations within the System of National Accounts. We fully agree with the position of UN experts (Handbook on Non-profit Institutions, 2003; Satellite Account on Non-profit Institutions, 2018), who emphasize that the absence of a comprehensive satellite account of the third sector leads to an underestimation of its contribution to GDP and the socio-economic development of countries.

The analysis of the economic contribution and institutional distribution of NGOs in Ukraine reveals several important trends and challenges. The share of Non-Profit Institutions Serving Households (NPISH) in Ukraine’s GDP, while historically low, has shown a significant upward trend, nearly doubling between 2020 and 2023 to reach around 1.9%. This highlights an increasing role of the third sector in the national economy, reflecting either genuine growth in NGO economic activities or improved accounting and visibility mechanisms.

Simultaneously, the institutional distribution of NGOs shows a notable shift. The proportion of NGOs classified within the corporate sector is rising from 35% to 50%, while those recognized within government sectors are decreasing. This trend suggests greater NGO involvement in market-based or corporate-like activities, but also complicates comprehensive measurement due to the blending of NGO economic output with corporate statistics. Most concerning is the persistent invisibility of a substantial share (~40%) of NGOs hidden within other statistical categories, leading to underestimating of the third sector’s true scale and impact.

These findings underscore the critical need for refined statistical methods, particularly the adoption of satellite accounts as recommended by international standards and the UN Handbook on Satellite Accounts for non-profit Organizations. Implementing these will improve transparency, capture currently invisible NGO activities, and enable more accurate assessments of their socio-economic contributions.

Additionally, the substantial increase in NPISH contribution during the post-war reconstruction period in Ukraine suggests that NGOs are pivotal in rebuilding efforts, providing essential social services, and fostering community resilience. However, challenges such as operational funding gaps, accountability risks, and the overshadowing of smaller local organizations by large international NGOs remain.

From a policy perspective, these data advocate for enhanced support to Ukrainian NGOs, improved transparency through standardized reporting, and increased direct funding to local civil society actors. Doing so can improve aid efficiency, reduce administrative overheads, and elevate the autonomous role of NGOs in Ukraine’s recovery and development.

Further quantitative studies utilizing detailed financial, operational, and outcome data at the micro-level could enable sophisticated statistical modeling, such as regression analyses linking NGO size and composition to social impact metrics. Cluster analysis could identify typologies of NGOs operating in various sectors and regions.

6 Conclusion

Thus, the key challenge of current practices in identifying non-governmental organizations lies in the limited statistical visibility of a significant share of third sector institutions. An analysis of the provisions of the SNA 2008 and the Classification of Institutional Sectors of the Economy of Ukraine has shown that only non-profit institutions classified under the NPISH sector preserve their institutional identity, whereas those attributed to the corporate sectors effectively lose their NGO status in statistical terms.

The analyzed data demonstrated that the contribution of non-profit institutions serving households to Ukraine’s GDP during 2016–2023 remained modest (within the range of 0.8–1.9%). At the same time, the actual scale of third sector activities is substantially larger, yet remains underreported due to the methodological specifics of statistical accounting. The lack of comprehensive information constrains both scholarly analysis and the development of effective public policies aimed at supporting civil society.

Meanwhile, international practice (satellite accounts for non-profit and related institutions, as proposed by the United Nations) offers effective tools to address these issues. The development of a methodology for compiling a satellite account of the TSE sector would enable the comprehensive identification of non-governmental organizations and volunteer activities, classify them according to appropriate categories in line with international standards, align classifications of their economic activities with national needs, establish reliable data sources, assess the real number of organizations and their contribution to GDP, ensure international comparability, enhance transparency, and substantiate the significance of the sector for social and economic development.

The study confirmed the necessity of improving mechanisms for statistical accounting and the identification of non-governmental organizations, which constitutes an important precondition for strengthening their impact on the economic development of Ukraine.

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