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Delegations will find attached Annexes 5 to 10 of the final report on the "Impact of the European Commission's Social Business Initiative (SBI) and its Follow-up Actions".



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Impact of the European Commission's Social Business Initiative (SBI) and its Follow-up Actions

Final Report – November 2020

Annexes 5 to 10

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Directorate-General for Employment, Social Affairs and Inclusion

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1 Introduction

This report presents 15 short case study reports developed as basis for the infographics presenting examples of impact generated by the SBI and its follow-up actions. The infographics are presented in a separate document. This report serves as background document and analytical annex to the Draft Final Report for the study "Impact on of the European Commission's Social Business Initiative (SBI) and its Follow-up Actions". As such, this report is not an official deliverable and shall not be published.

The case studies present diverse examples of impacts and contribution to changes on the social enterprise (SE) ecosystem, caused by the SBI and its follow-up actions and/or by other public policy/private activities. The case studies are useful to confirm and visualise the analysed impact pathways examined throughout the analysis of effectiveness. Case studies also serve as a good basis to understand difference across European territories and allow for discussions across countries.

Within the methodological framework of the study which sets the main focus on interviews and analysis of interviews, the case studies have been developed as short summary presentation of available information and did not consider extensive data collection. As such the case studies mainly function as illustrations complementing the analysis presented in the main report.

The selection of cases in this annex was done in coordination with the European Commission. The cases were chosen carefully because they should be representative of the programme as a whole or illustrate a specific type of impact¹. The criteria to select a representative sample of cases showing a possible SBI influence in the different EU and non-EU countries have been the following:

- They cover four different impact dimensions as defined to analyse the SBI impact.

¹ Based on EVALSED sourcebook on 'Case Studies'.

- They cover different countries or geographical spaces, to show the geographic diversity of cases and examples of SBI influence
- They cover equally, as far as possible, the wider EU geographical areas (north, south, west, east, or EU-wide).

The cases either reflect examples for successful SE development or examples where a clear learning has occurred to define an adequate support to SE development. The links to SBI/EU action are highlighted. We use a broad meaning of the term "link to EU/SBI action". Where possible, the cases present links to relevant EU activities or funded projects/programmes. In some cases, the link to EU/SBI might be indirect and not possible to demonstrate. In some cases, in particular of the legal and institutional and recognition initiatives, the link might be even reversed (the case was not inspired or funded by EU/SBI action but rather was inspiring further EU/SBI actions or other EU countries as an example or pioneer in a specific area).

In line with the perceived diversity of relevant influences of the SBI, the distribution of selected cases per impact dimension is:

- Regulatory and institutional changes: 3 cases
- Recognition and visibility: 6 cases
- Access to finance: 5 cases
- Digitisation and international collaboration: 1 case

In the case of "access to finance" we have tried to cover different modes of finance (public, private) and support to further develop financial products or business support measures for social enterprises and other social economy organisations.

The final selection of case studies covers:

#	Case Name and short description	Country	Impact Area
1.	National Social Enterprise Policy for Ireland 2019-2022	IE	Regulatory and institutional changes
2.	Law on Societal Impact Companies (SIS) Luxembourg	LU	Regulatory and institutional changes
3.	Social Entrepreneurship Law Slovenia	SI	Regulatory and institutional changes
4.	Social Enterprise Mark Finland	FI	Recognition and visibility
5.	Academy of Social Economy Development Project	PL	Recognition and visibility
6.	Social Economy Satellite Account (SESA)	PT	Recognition and visibility
7.	Scotland: business support to social enterprises	UK	Recognition and visibility
8.	Interreg VISES Project	FR-BE-NL	Recognition and visibility
9.	Pilot Projects ECOOPE/COOPILOT	EU	Recognition and visibility
10.	ESF Programme Tailwind - For employees and enterprises in the social economy	DE	Access to finance
11.	Financial instruments for social enterprises in Serbia	SER	Access to finance

#	Case Name and short description	Country	Impact Area
12.	Impact City The Hague	NL	Access to finance
13.	La Bolsa Social	ES	Access to finance
14.	France Active	FR	Access to finance
15.	European Network DIGITAL SOCIAL INNOVATION	EU	Digitisation, international collaboration

2 Case studies representing “regulatory and institutional changes”

2.1 National Social Enterprise Policy for Ireland 2019-2022

Case description
<p>Whilst Ireland has a long tradition of activities consistent with the ethos of social enterprise, social enterprises have not yet reached their full potential. One reason is ascribed to the absence, until very recently, of a dedicated coherent policy on social enterprise. Policies for social enterprise used to be fragmented across government departments and support for social enterprises also used to be dispersed (DRCD, 2019).</p> <p>In July 2017, policy responsibility for social enterprise was assigned to the newly established Department of Rural and Community Development (DRCD), which initiated a process that, following a research project jointly undertaken with the Social Finance Foundation and consultations with stakeholders and the general public, led to the publication of the very first National Social Enterprise Policy for Ireland in July 2019. The policy responds to the calls for a coherent national policy on the sector and aims to create an enabling environment for social enterprises to further develop and maximise their positive impact on society.</p> <p>The policy runs over a period of four years (2019-2022) and focuses on three key objectives: (1) building awareness of social enterprise; (2) growing and strengthening social enterprise; and (3) achieving better policy alignment. It does so by setting out 26 commitments on the part of the government across these objectives to support the development of social enterprises over the lifetime of the policy. These commitments are to be delivered in partnership with social enterprises and other relevant stakeholders, as indeed enhancing engagement with social enterprises is an overarching priority of the policy.</p>
Direct results and effects for social enterprise development
<p>When the policy was launched in July 2019, it was warmly welcomed by Irish social enterprises and their representative/support bodies (EC, 2020). However, it is evidently too early to see any of the results that the policy intends to achieve: only one of the four years of the lifetime of the policy has passed and the country has been meanwhile hit by the Covid-19 crisis. Nevertheless, a number of measures have already been delivered.</p> <p>For instance, in December 2019, two initiatives were announced by the DRCD to grow and strengthen social enterprises (policy objective 2): the Small Capital Grant Scheme and the Training and Mentoring Scheme. The former awards grants of between 2,000 and 15,000 EUR to social enterprises to help them improve their service delivery by enabling them to make small equipment purchases or to carry out refurbishments to their premises. Since the scheme was heavily over-subscribed, the original allocation of 1 million EUR in funding to 124 selected social enterprises announced in December 2019 was expanded in January 2020 with a further 1 million EUR to be allocated to another 106 social enterprises. The latter allocates over 725,000 EUR to 13 organisations (out of the 46 that applied to the call for proposals) for the provision of tailored training and mentoring to social enterprises in areas such as business planning, leadership, governance, financial planning and digital innovation. Over 400 individual participants are expected to benefit from this support over the year 2020. For both initiatives, funding is provided through the Dormant Accounts Fund².</p>

² “The DAF is a fund established by the Irish Government in 2012 to distribute unclaimed funds from accounts in credit institutions in Ireland to be used to support a range of social and economic development initiatives” (EC, 2020: 49).

Another direct effect of the policy is that visibility of social enterprise has improved and awareness with the public, other businesses and across government has started to raise. Policy objective 1 is indeed building awareness and the holding of an annual Social Enterprise Conference is one of the commitments to raise awareness, engage stakeholders, share information about policy priorities and create space for networking and collaboration. The first conference was held in Dublin on 21 November 2019 (International Social Enterprise Day) and had a high turnout with over 200 delegates.

Moreover, in October 2019, drawing upon a series of commitments made in the policy, the DRCD announced a call for a Postdoctoral "Impact" Fellowship in Social Enterprise to develop a methodology to measure the impact of social enterprises in Ireland. The fellowship is worth 100,000 EUR over a two years period starting from October 2020 and is delivered in collaboration with the Irish Research Council.

Links between the SBI and its follow-up actions and the case study

The publication of the national social enterprise policy by the DRCD is mainly the result of an organic development within the country. A key driving factor was the work carried out by the Social Enterprise Task Force, a group of social enterprise stakeholders that has advocated over a period of 10 years for the recognition of social enterprise and the development of a national policy for the sector.

A certain influence of the SBI and its follow-up measures on the Irish national social enterprise policy is noticeable. Firstly, the policy acknowledges that social enterprise is receiving increased interest in Ireland also due to the emphasis being placed on social enterprise and the wider social economy at EU level. Secondly, it reminds that the European Commission and other EU bodies have adopted a number of initiatives and official documents recognising the importance and contribution of social enterprises – a dedicated chapter on the "EU agenda on social enterprise" was included in the research report underpinning the policy. Thirdly, the policy states that it uses a definition of social enterprise that is consistent with those used at EU level by making a direct reference to the definition applied in the Mapping Study of social enterprises in Europe, which builds upon the SBI definition and is conceived as a follow-up measure of the SBI.

Additionally, the policy recognises that given the emphasis at EU level there is an opportunity for social enterprises to benefit from Ireland engaging more closely with EU policy developments at governmental level and conducting a deeper examination of the various funding schemes and support options available to social enterprises from the EU. In May 2020, the Social Finance Foundation announced to receive 25 million EUR in EaSI 2014-2020 guarantees offered through EIF to support new lending by the foundation - through its partners - to a range of social sector organisations³.

There seems to be a certain alignment between the objectives set out in the Irish social enterprise policy and those identified in the SBI, as both documents commit to support the development of social enterprises by promoting initiatives around a number of areas in common (e.g. awareness, visibility and understanding, education and training, business support, access to funding, access to markets, etc.).

Systemic change

The national social enterprise policy represents a clear commitment on the part of the government to support the sector and has been described as marking a new phase in the development of social enterprise.

³ See announcement by the European Investment Bank: <https://www.eib.org/en/press/all/2020-118-social-finance-foundation-announces-two-funding-initiatives-for-community-organisations-and-social-enterprises-in-ireland>. The link also provides information about SFF. "Social Finance Foundation was established as a Government initiative in 2007. It is an independent organisation and provides loan funding through its lending partners Clann Credo and Community Finance Ireland to social organisations, which do not meet the credit criteria of mainstream financial institutions". For further information about SFF see the website: <https://sff.ie/>

<p>It provides Ireland with a coherent framework that sets the stage for systemic change to happen. Indeed, the policy adopts a systemic approach, as documents of this kind typically do, by looking at multiple areas, e.g.: building awareness and working on education, training and research (under policy objective 1); improving tailored business support, access to finance and funding and access to markets as well as researching on legal structures (under objective 2); improving data collection and developing mechanisms for social impact measurement (under policy objective 3).</p> <p>Additionally, the policy specifically aims at achieving better policy alignment (policy objective 3) by promoting better understanding of the interactions between social enterprises and relevant policy areas across the government as well as closer engagement on social enterprise at EU and international level. Furthermore, it is intended that the policy is implemented in close co-ordination with the Strategy to Support the Community and Voluntary Sectors and a new National Volunteering Strategy to ensure coherent and aligned policy and supports for social enterprises and other organisations providing services to communities or tackling social issues. An Implementation Group chaired by the DRCD and including representation from key government departments, public bodies and social enterprise stakeholders oversees and monitors progress on the policy.</p>					
Additional information					
Full name	National Social Enterprise Policy for Ireland 2019-2022				
Launched by	Government of Ireland, Dept. of Rural and Community Development (DRCD)				
Published on	18 Jul-2019	Timeframe of the policy		2019-2022	
3 key objectives (declined across 26 commitments)	Building awareness of SE (1)	Growing and strengthening SE (2)	Achieving better policy alignment (3)		
To be implemented by	Dept. of Rural and Community Development (DRCD) as lead body together with a range of implementing partners including: Dept. Education and Skills (DES); Dept. Business, Enterprise and Innovation (DBEI); other relevant departments; Office of Government Procurement (OGP); local authorities; social enterprise stakeholders; Higher Education Institutions (HEIs); Irish Universities Association; Irish Research Council; Local Enterprise Offices (LEOs); Local Development Companies (LDCs); Enterprise Ireland; Social Finance Foundation (SFF); Pobal.				
To be overseen and monitored by	Implementation Group (chaired by the DRCD and including representation from key government departments, public bodies and social enterprise stakeholders)				
Schematic overview of examples measures launched by June 2020					
Small Capital Grant Scheme	2 million EUR (1m EUR announced in Dec-2019 + 1m EUR announced	To 230 SEs (124 selected in Dec-2019 + 106 selected in Jan-2020)	In grants between 2,000 and 15,000 EUR to each selected SE	Administered by DRCD with all 49 Local Development Companies (LDCs)	Funding provided through the Dormant Accounts Fund

	in Jan-2020)				
Training and Mentoring Scheme	Over 725,000 EUR	To 13 organisations (out of 46 that applied to the call) with a track record in training and mentoring	400 individual participants expected to benefit from training and mentoring support during 2020	Administered by DRCD. Applications assessed together with Pobal	Funding provided through the Dormant Accounts Fund
First Social Enterprise Conference	Dublin, 21 Nov-2019 (International Social Enterprise Day)		High turnout with over 200 delegates		
Postdoctoral "Impact" Fellowship in Social Enterprise	100,000 EUR over 24 months starting from Oct-2020	1 project/fellow	Delivered by DRCD and the Irish Research Council		

Sources for the case study

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European Investment Bank (18 May 2020). Social Finance Foundation announces two funding initiatives for community organisations and social enterprises in Ireland. Available at: <https://www.eib.org/en/press/all/2020-118-social-finance-foundation-announces-two-funding-initiatives-for-community-organisations-and-social-enterprises-in-ireland>

2.2 Law on Societal Impact Companies (SIS) Luxembourg

Case description

The societal impact company (*société d'impact sociétal* - SIS) is a status (accreditation) created by Law of 12 December 2016. The law aims at highlighting and valorising the needs, specificities and requirements of the SSE; reconciling the social/societal vocation of the SSE with economic sustainability requirements in order to allow for self-financing and reducing the dependence of their viability from public grants, donations or private legacies; guaranteeing equal treatment with other economic players on a same competitive market; encouraging the development of economic activities in the SSE sector; and providing better visibility and increased transparency in the SSE (ULESS and MTEESS, 2016: 11).

To be eligible to obtain the SIS accreditation from the Ministry of Labour, Employment and Social and Solidarity Economy (MTEESS), the enterprise shall fulfil the following conditions: (1) To carry out a continuous economic activity (i.e. distribution/exchange of goods/services); (2) To provide support to vulnerable persons or contribute to the achievement of a social/societal goal⁴; (3) To have autonomous management; and (4) To reinvest at least 50% of the profits in the maintenance/development of the activity of the enterprise.

Two types of shares can coexist in SIS, namely (a) impact shares, which do not give rise to a distribution of dividends; (b) yield shares, which entitle the shareholder to dividend payments. The share capital of any SIS shall consist of at least 50% of impact shares. If a SIS is created with 100% of impact shares, the shareholders are not entitled to receive any dividend payments. In a SIS with less than 100% impact shares, the distribution of dividends is only possible if the corporate purpose has been achieved. The achievement is verified with performance indicators (Burkel, 2019). A SIS with 100% impact shares can benefit from fiscal advantages (i.e. exemption on corporate income tax, communal business tax and net wealth tax); moreover, donors can benefit from a tax deduction on cash donations⁵.

The law establishes that enterprises eligible to obtain the SIS status, shall include in their internal regulations (articles of association) a list of performance indicators that will allow to verify in an effective and reliable manner if the social purpose is achieved. However, according to stakeholders interviewed, social impact measurement is still at an early development stage in Luxembourg (interviews #539 and #633).

⁴ Namely, the preservation and development of social integration; the fight against sanitary/social/cultural/economic exclusions and inequalities; gender parity; maintenance and strengthening of territorial cohesion; environmental protection; the development of cultural and creative activities; the development of initial or continued vocational training.

⁵ This is the same fiscal advantage which is also granted to non-profit organisations declared of public interest.

The law also aims at strengthening the role of SSE representative organisations: according to art. 12, MTEESS shall conclude one or more annual agreements with SSE representatives in order to ensure representation of the sector before the public authorities. It is also stated that the Minister will consult SSE representatives on all projects or proposals for legislative and regulatory provisions applicable to the sector.

Direct results and effects for social enterprise development

The law provides social enterprises thus with a stable legal framework. The SIS accreditation facilitates the establishment of social enterprises as limited profitability enterprises in line with traditional companies and can be awarded to enterprises that carry out an economic activity with a social/societal goal. Moreover, the accreditation provides visibility and recognition. The accreditation facilitates to attract funding and can be an added value to obtaining public service contracts (European Commission, 2020).

At the same time, SIS are subject to strict obligations in terms of transparency and governance. Through an initial requirement of a ministerial approval and an annual supervision of activities, the SIS regime aims to guarantee a good financial management of SSE enterprises, but also the primacy of the social/societal purposes on the distribution of potential benefits (ULESS and MTEESS, 2016).

Until July 2020, the total number of registered SIS is 22, out of which 13 are private limited liability companies, 7 are cooperatives and 2 are public limited liability companies⁶. According to this data and to interviews carried out in the framework of the study, the results of the new law has been so far not satisfactory. In particular, all SIS so far registered are composed of 100% impact shares, meaning that they have not managed to attract private, external investment (European Commission, 2020).

Incoherence with other laws is one reasons for unsatisfactory results of the law to date. The Luxembourgish law considers few legal forms, namely conventional companies and cooperatives to apply for such accreditation. Associations (Asbl) and foundations, typically conceived as SSE organisations, are excluded as not considered adapted to carry out economic activities (ULESS and MTEESS, 2016). Associations (Asbl) and foundations are indeed highly dependent on public funding, although the nature of the public funding they benefit from is not always clear (distinction between subsidies and payment for the delivered services is not evident) (European Commission, 2020).

Interviewees mentioned other challenges that hinder the uptake of SIS. Interviewees mentioned among others (i) complex procedure to obtain and maintain the SIS status, which is perceived as a burden, especially by small organisations (conversely, setting-up and running an activity under the Asbl status⁷ or establish a joint-venture between a conventional company and an Asbl (association) is rather simple); (ii) poor attractiveness of regulations on the distribution of dividends for potential investors; (iii) poor understanding of the SIS model (despite the communication efforts of the Ministry and classes on the SIS offered at the University of Luxembourg); (iv) high costs linked to the transfer of land properties to a SIS; (v) ceiling on managers' salaries; (vi) no privileged access for SIS to public procurement contracts (interviews #539, #633, #634, and #635).

Ongoing efforts are made to improve the uptake of the SIS law. Among the actions to come, noteworthy is a one-stop support point for people interested in setting-up a new SIS. This service should be offered by the Ministry in the premises of the ULESS (interviews #633 and #636).

Links between the SBI and its follow-up actions and the case study

⁶ <https://mteess.gouvernement.lu/en/publications/brochure-livre/minist-travail-emploi/br-sis.html>

⁷ Not for profit association (*association sans but lucratif*).

According to some stakeholders interviewed (interviews #633 and #636) the influence of the SBI in Luxembourg has been relevant. Indeed, it has contributed to bringing the SSE sector into focus. Most notably, the SIS law was meant to place the social enterprise – defined consistently with the SBI operational definition – within the broader SSE context (art. 1).

The SBI inspired among other the development of the specific legal framework in Luxembourg. EU developments matched with the need perceived at a national level to develop a more autonomous SSE sector, less dependent on public funding. Other factors inspiring the development of the SIS law include Luxembourgish long track record with supporting the SE ecosystem. Luxembourg was the first EU MS which, established a ministry for the SSE back in 2009 (interview #636, European Commission, 2020). Moreover, Luxembourg has been a driving force in putting SSE on the agenda at EU level during the Presidency of the EU in 2015 (e.g., Presidency Conference "Boosting Social Enterprises in Europe"⁸ and related Luxembourg Declaration "A roadmap towards a more comprehensive ecosystem for social economy enterprises"⁹). The government of Luxembourg has also supported the creation, in July 2013, of the Luxembourg Union of Social and Solidarity Economy (ULESS).

Systemic change

The introduction of a new legal framework was aimed at favouring the development of a more autonomous and market-oriented SSE sector. However, the most widespread organisations – associations and foundations – which are strongly dependent on public funding (interviews #633, #635, #636, European Commission 2020) and could hence benefit most from a shift towards a more entrepreneurial stance have been paradoxically excluded.

Since only three years and a half have passed since the introduction of the new status, it is too early to assess its impact. However, the perception amongst stakeholders is that impact has been limited. The new legal framework seems to have been unable to capture and fully valorise the richness of the SEE in Luxembourg. However, the law has contributed to increasing the visibility of the sector amongst the general public, has fostered knowledge about the SIS, and has increased the credibility of enterprises awarded with the SIS status towards public administrations (interviews #633 and #634). The law on SIS is expected to be revised in 2020 on the basis of an evaluation and public consultation, with a view to increasing the attractiveness of the SIS status (interviews #636, #633, and #635). A reform of the regulations on associations and foundations is also expected (#539, #633, and #635).

Additional information

Full name	Law of 12 December 2016 establishing societal impact companies in Luxembourg (<i>Loi du 12 décembre 2016 portant création des sociétés d'impact sociétal</i>)
Public authority with supervision responsibility	Ministry of work and SSE in Luxembourg (MTEESS) in charge of awarding the accreditation and supervising the accomplishment of requirements over the time through a specific commission.
Number of organisations (2020)	22 enterprises with SIS accreditation (13 private limited liability companies, 7 cooperative societies and 2 public limited liability companies).

⁸ <http://www.eu2015lu.eu/en/agenda/2015/12/03-04-conf-economie-sociale/index.html>

⁹ The Luxembourg Declaration was adopted on the 4th of December 2015 by the representatives of the governments of France, Italy, Luxembourg, Slovak Republic, Slovenia and Spain. See: <http://www.eu2015lu.eu/en/actualites/communiqués/2015/12/04-declaration-luxembourg/>

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2.3 Social Entrepreneurship Law Slovenia

Case description
<p>In its political and economic transition towards a parliamentary democracy and market economy, Slovenia followed a very country-specific transition path wherein the state has continued to hold a dominant role in the provision of public goods and services. The richness of self-reliance initiatives going back to the history of the cooperative movement, the Yugoslavian self-management model and the well-developed policies protecting citizens with disabilities was initially neglected (Črnak-Meglič and Rakar, 2009; Spear et al., 2009). Both the recent economic crisis and membership to the European Union have nevertheless played a significant role in boosting the renaissance of the social economy and the social enterprise (SE) as a new way of doing business and tackling unmet social and economic concerns (interview #674).</p> <p>The concept of SE firstly emerged within the context of European Social Fund (ESF) pilot projects launched in 2009, whereas a formal status and an agreed definition of SE was introduced by the Social Entrepreneurship Act in 2011. This act provided strong political support to the SE (European Commission, 2019), but despite its good intentions it introduced some rigid restrictions, e.g. it focused on work integration and did not grant advantages to organisations that obtained the new status. The Social Entrepreneurship Act encouraged some organisations to obtain the SE status but, at the same time, prevented some existing employment centres and companies for people with disabilities to register as SE. Meanwhile, as many potential SE did not see the benefits of registering as SE, this Act contributed to creating a divide between <i>ex lege</i> and <i>de facto</i> SE. In essence, in its 2011 version, the Social Entrepreneurship Act failed to fully harness the unexpressed potential of SE.</p>
Direct results and effects for social enterprise development
<p>The rationale behind the 2011 Act - often described as a missed opportunity to consolidate SE in Slovenia (European Commission, 2019) - was to both profile and</p>

trigger the growth in number of enterprises with a strong labour integration focus and to support the creation of an enabling ecosystem (interview #771). The main problem is that the Act ignored those - already legally recognised enterprises that pursued explicit social aims, including work integration enterprises. Due to the lack of coordination with existing organisations (e.g. company for people with disabilities), the 2011 Act failed to achieve its expected outcomes (interview# 676). The below than expected results are nonetheless confirmed by the still poor self-recognition of certain types of SE and the small share of *ex lege* SE over the total number of existing *de facto* SE.

Some relevant changes were introduced by the 2018 amendment, which removed restrictions for legal entities working for people with disabilities. The 2018 Social Entrepreneurship Act defines the sector's legal forms as primarily non-profit organisations, including associations, private institutes and foundations as well as cooperatives or limited liabilities. As such, the existing work integration organisations are governed by the legislation. In addition, the law, simplified registration and removed reporting requirements. While changes in legislation may provide interesting results in the future, according to several stakeholders the total non-profit distribution constraint will most probably discourage cooperatives and companies for people with disabilities from registering as SE (European Commission, 2019).

Links between the SBI and its follow-up actions and the case study

The 2011 Act was not directly linked to the SBI. it was rather inspired by two distinct laws that regulate SE in Italy (Law 381/1991 and Law 155/2006) (interview #674). These laws generated a big promotion impact (interview #771) as it raised political attention on SE, awoke Slovenian political consciousness and stimulated a reflection on this phenomenon, which continues to attract a growing number of scholars (European Commission, 2019).

Nevertheless, most stakeholders agree that without the SBI and its follow-up actions the initial stimulus would have been simply missing (interview# 677). Against this backdrop, the 2011 Act set the institutional framework that was expected to lead to a promising change in the SE domain (interview #675). Most changes concerning the ecosystem wherein SE operate in Slovenia are indeed linked to the developments that have taken place after the adoption of the 2011 Act (interview# 677). The political commitment of the Slovenian Government was very strong right after the introduction of the new Act. In 2014, the Government defined 9 strategic projects, one of them specifically focused on SE, which implied a mix of interventions in the field of the social economy (interview# 674). In addition, in 2018, Slovenia held the presidency of the Monitoring Committee of the Luxembourg declaration on social economy in 2018.

It should thus be acknowledged that without the SBI and its follow-up actions the SE and the social economy would have struggled to develop as they have in practice (interview #679). Changes would have most probably happened on a smaller scale and it is questionable whether SE would have been recognised adequately and promoted as they have been (interview #678). In essence, most stakeholders agree that the SBI had a direct positive influence on SE development, but it has failed to create an enabling ecosystem.

Systemic change

Consistently with the European discourse and the broadening of the scope of the SBI, the 2018 amendment placed SE within a broader social economy context. While it is true that, similarly to what happened at EU level, opportunities for SE have grown stronger during the last 8-10 years in Slovenia and, thanks to the relevant policies designed at EU level, the understanding of the potential of SE and social economy organisations in Slovenia is much better than in the past (interview #677), the Act per

se has not been able to generate a systemic change. Nor it was able to boost a significant growth in number of *ex lege* SE (vis-à-vis *de facto* SE).

Furthermore, while it is undeniable that the impact of the 2011 Act on Social Entrepreneurship has been strong in terms of recognition and contributed to a change in mind-set of both public officers and practitioners, visibility seems to have so far followed swinging trends: a lot of attention was paid to the needs of SE when the Act was introduced, whereas enthusiasm for SE decreased over the following years (interviews #675 and #676). According to most stakeholders, SE do not currently receive sufficient public recognition and are often perceived as competitors of public institutions (European Commission, 2019). Furthermore, the 2011 Act did not contribute to clarity for all social economy organisations, a challenge which has partly been addressed by the 2018 changes. Yet positive results have not been achieved homogeneously across the whole Slovenian ecosystem (interview #676).

Sources for the case study

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3 Case studies representing “recognition and visibility”

3.1 Social Enterprise Mark

Case description
<p>Following recommendations by the Ministry of Employment, the Association for Finnish Work¹⁰ launched the Social Enterprise Mark (SEM; in Finnish: Yhteiskunnallinen yritys merkki) in December 2011.</p> <p>The SEM label recognises the social mission and the special characteristics of social enterprises and differentiates them from traditional social service organisation. The label became operational from January 2012 onwards. The voluntary certification is meant for enterprises that aim to solve social and/or ecological problems through their business operations, tracking the sector’s developing and fostering its public recognition.</p> <p>Until October 2020, the SEM has been granted to 247 enterprises¹¹ (out of an estimated 1.200-3.200 in Finland overall) and the number is still growing.</p> <p>The Association for Finnish Work still grants and manages the SEM today. The label is granted after evaluation of an expert committee. The Finnish Social Enterprise Mark committee meets four to six times per year. The Board of the Association nominates a committee of experts which assesses every applicant case by case including its social/societal or environmental mission which has to be clearly stated in official documents of the organisation. The assessment focuses on three primary criteria (objective of a social enterprise to promote social well-being; limited distribution of profits; transparency and openness of business operations). In addition, four secondary criteria should be met, namely: Participation and influence of employees in the enterprise’s decision making; Measuring of social effectiveness and the generated social impact; Employment of persons with a weak position in the labour market; Adoption of innovative service and operational models within the organisations field of work. In principle, the committee grants the SEM for a three-year period, after which the enterprise must apply again. However, the committee can also decide to grant the label for a shorter period—for example for one year, if an enterprise is in the middle of its first financial year. Additionally, the primary criteria are checked on a yearly basis.</p> <p>The cost of obtaining the SEM is based on the turnover of the enterprise. For a turnover of one million euro the annual cost would be 678 Euro. The applicant of the SEM must be a member of the Association or apply for membership at the same time. Each organisation then pays a 0.01 percent membership fee tied to the turnover of the company. In turn, it may use the SEM logo on its website and receives different support services, for example marketing extras, training seminars or events that showcase and promote its business. In addition, there has been funding from the Ministry of Employment and the Economy for marketing, communication and strengthening the brand and its use.</p>
Direct results and effects for social enterprise development
<p>The SEM aims to differentiate social enterprises from traditional social service organisations as well as from commercial enterprises and to raise awareness of the social enterprise business model. However, social entrepreneurship is still somewhat invisible in Finland and the SEM and its criteria could be made more well-known. This is helped by the fact the SEM is granted and managed by a highly respected independent</p>

¹⁰ The Association for Finnish Work is a politically independent non-profit organization that is owned by its membership. The association aims to to increase appreciation for Finnish labour and to ensure that Finnish work prospers and succeeds.

¹¹ <https://suomalainentyo.fi/en/services/finnish-social-enterprise/> based on data from 15 October 2020

association. However, the SEM is not linked to any tangible benefits such as tax break, access to public procurement or other advantages in financing. It is mostly used for marketing purposes and its attractiveness, application and effect remain therefore somewhat limited.			
Links between the SBI and its follow-up actions and the case study			
Although the SEM does not have or has not had any connection with the ESF or other EU funds directly, interviewees mentioned that Finland follows closely what happens on the EU level and that EU actions bring a lot of weight to national actions. Without the SBI, according to one interview, it would have been harder to push things forward nationally. The SBI has been especially important in raising visibility and the SEM contributes to the credibility of enterprises that have gotten it. Thus, the link between the SEM and the SBI is not direct, but one can assume that there is a connection.			
Systemic change			
The SEM fosters recognition and visibility of social enterprises in Finland although the number of organisations disposing of the labels still remains limited. In addition, it is not linked to overall policy initiatives on a national level for social economy. Strategic coordination of overall social economy policies, legislation and financial support with the SEM could be beneficial for the Finnish SE ecosystem, especially for a small market such as Finland.			
Additional information			
Full name	The Social Enterprise Mark / Finland		
Begin date	December 2011	End date	ongoing
No. of SEM	214 (2018)		
Primary criteria	Objective of a social enterprise to promote social well-being	Limited distribution of profits	Transparency and openness of business operations
Partnership	Association for Finnish Work Ministry of Employment and the Economy		
Main purpose	Raising awareness and visibility for social enterprises		

Sources for the case study

Association of Finnish Work

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Interview with Lippe Koivuneva, Ministry of Economic Affairs and Employment of Finland and member of the Finnish Social Enterprise Mark Committee.

Interview with Kimmo J. Lipponen, CEO Arvo.

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3.2 Academy of Social Economy Development Project

Case description
<p>The Academy of Social Economy Development Project (ASEDP) was a project supported by the ERDF that run from 2008 until 2013 in the Polish region Małopolskie. The project aimed to bring together individuals from marginalised communities or in a difficult situation and organisations which could help them re-integrating into society (such as NGOs, local government representatives, social and employment service, social economy entities) and create a professional and comprehensive support infrastructure for social economy in the Małopolskie region. The project built on the regional Pact for the Social Economy, providing the tools needed to implement this agreement. The project was launched in 2008 by the Regional Centre for Social Policy in Krakow (Poland)¹², the unit of the Marshall Office responsible for social policy in Małopolskie. It was implemented and co-financed by the European Social Fund within the Operational Programme on Human Capital 2007-2013 under the Priority "Promoting social inclusion & combating poverty". Total investment for the project in 2007-2013 was EUR 3.4 million, with the EU's European Social Fund contributing EUR 2.9 million. The project won the 2016 European RegioStars Award¹³ for EU projects in the category "Inclusive Growth". Support continued for similar specific measures under the 2014-2020 ESF Operational Programmes and also via other EU funds such as Interreg to share experiences with other regions in Europe.</p>
Direct results and effects for social enterprise development
<p>The Academy covered support measures for activities to help individuals and groups at risk of exclusion such as unemployed, disabled or homeless people, substance abusers and the mentally ill. The result was the establishment of an Information & Consultation Point, a hub where social economy actors could meet for knowledge sharing, training, consultations and promotional activities. The hub served as the go-to-place for both existing and potentially new social economy entities, where they could learn about the most relevant statutes, share best practices and get help on such start-up steps as developing a business plan. Other activities were: coordination and moderation of the Małopolskie Pact for Social Economy (40 members), launched in 2008; grants for start-ups and social cooperatives; promotion of the idea of social economy and social entrepreneurship through different means of communication to different stakeholders. The activities could be maintained and extended until today (2020). The regional Social Economy platform http://www.es.malopolska.pl/ offers information and support with regard to the social economy. It is now integrated in the work done by the Regional Centre for Social Policy in Krakow.</p> <p>Over 1,700 individuals benefitted from the project, as well as 245 social economy entities and 203 service entities. In addition, 126 organisations participated in local partnerships, a paper magazine was created and distributed to 1,500 persons and 22</p>

¹² <http://www.rops.krakow.pl>

¹³ The annual RegioStars competition celebrates outstanding EU cohesion policy projects in different thematic categories.

study tours as well as 10 social economy events were organised. Altogether, 208 financial subsidies were transferred to newly established social cooperatives.

Links between the SBI and its follow-up actions and the case study

The link to support from the European Commission is direct and visible because the project was co-funded by the ESF within an Operational Programme in 2007-2013. This is an example of EU support used to support social enterprises even before the SBI asked in 2011 for more visibility of social enterprises in EU programmes and instruments and for more public funding for social enterprises and the social economy. Awarding the RegioStars Award to this project in 2016, boosted its significance as good practice at EU level and gave another stimulus to the Małopolskie region and its support to the social economy. It also raised visibility and awareness of social enterprises as topic within the European Structural and Investment Funds.

As the project already started in 2008 and the SBI was presented after that in 2011, there cannot be a logical causal impact between the SBI and the project. However, when analysing the resemblances between the project and the SBI objectives and principles, one observes a strong coherence between the two. The project was totally in line with the objective of European Commission's SBI to create a framework for social enterprises with favourable framework conditions and support measures. The main difference was that the project was designed as a measure at regional level with clear influences from developments at the national level in Poland and with links to the local level, where the social enterprises and social economy organisations operate.

Taking into account that impact takes time to materialise, one can assume that the project and the follow up support measures at regional level contributed to some of the defined SBI impact pathways, namely to

- the creation of a favourable regulatory and institutional environment (moderation of the Małopolskie Pact for Social Economy),
- raising awareness and increasing recognition and visibility of social enterprises (promotional activities, first analysis of SE in the region etc.)
- available public funds for social enterprises (grants for start -ups and social cooperatives)
- availability and exchange of good practices (the project in itself was considered a good practice at EU level after winning the RegioStars Award in 2016).

Systemic change

Wioletta Wilimska, the Director of the Regional Centre for Social Policy, describes the achievement of the Academy as follows: "*Having combined strategic support for a social economy sector on the regional level with the support for individuals not only allowed ASEDP to successfully increase the number of social economy entities in the Małopolskie Region, it also helped improve the knowledge of residents about what the social economy is and how it benefits them.*"

ASEDP helped articulating the cooperation between private entities and the public sector with the common goal to develop the social economy in the Małopolskie region. With its Information & Consultation Point and supporting grants and policies, ASEDP was key to build the region's social economy from scratch. Today, there is a comprehensive network of activities and information built around the ASEDP, concentrated within the Regional Centre for Social Policy. In parallel and after 2014, many other activities contributed as well to establish a regional support network for the social economy, for example, the creation of the Regional Committee for Social Economy Development (2015) as follow-up of the Regional Pact for the Social Economy established. There is a regional register of social enterprises and a promotional label for social economy products and services, the "ProSocial Purchase" label. Another important measure was the creation of a Research Centre for Social Economy at the Statistical Office in Krakow handling a

satellite account of non-profit institutions and volunteering and cooperative survey research. Moreover, the Regional Centre for Social Policy in Kraków, in partnership with universities and schools, organises the Social Economy Week as well as an educational campaign to promote social enterprises. The regional centre is supported in the daily support to social enterprises and non-profit/social economy organisations by the provincial social economy support centres (OWESs) that offer provide tailored services.

Recent years have witnessed an increase of interest in social enterprises in Małopolskie Region and in Poland in general. They have significantly improved their position, which can be attributed to social enterprises' gradual recognition by citizens, academics, the third sector and public administration representatives. Social enterprises have continued to develop, also with important support from EU funds. Most of the financial assistance for social enterprises in Poland is – to varying degrees – supported by different European funds. The EU stands behind the development of financial instruments which address social enterprises and social economy entities. Nevertheless, they still face several barriers that significantly hinder their development.

The regional development is embedded into a favourable development at national level. 2003-2004 were important years for the Polish social economy with the development of a National Strategy for Social Integration, in which social economy was seen as one of the principal instruments to achieve that goal. The Social Employment Act was adopted in 2003, offering new tools to enable socially excluded people to work. Another milestone in the legislation related to social economy is the Social Cooperatives act, which was adopted in 2006, and amended in 2009. In 2008, the Social Economy Council for Systemic Solutions was created. In 2014, the National Programme of Social Economy Development (KPRES) was presented to run on the 2014-2020 period looking for the promotion of the social economy support and mainstreaming social economy in the public policies on the national and regional level. In 2019, the new National Programme for The Economy of Social Solidarity (2019-2023) was presented.

Additional information

Full name	Academy of Social Economy Development Project		
Begin date	07/2008	End date	06/2015
Total Funding	3 421 060 EUR	ESF Human Capital Operational Programme 2007-2013, Priority: Promoting social inclusion & combating poverty	
EU Investment	2 907 901 EUR (ESF)		
http://www.rops.krakow.pl			

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https://ec.europa.eu/regional_policy/en/projects/poland/helping-the-social-economy-reach-its-full-potential

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<https://ec.europa.eu/esf/main.jsp?catId=46&langId=en&projectId=2438>

<https://www.rops.krakow.pl/en/top/strategies-programs-projects-3/academy-of-social-economy-development-94/academy-of-social-economy-development-18.html>

Social economy in Małopolskie: <http://www.es.malopolska.pl/>

<https://krakow.stat.gov.pl/en/entres/research-centre-for-social-economy/>

3.3 Social Economy Satellite Account (SESA)

Case description

The Portuguese Social Economy Satellite Account (SESA) constitutes the statistical portrait of the Social Economy in Portugal. It is compiled and released by the Portuguese National Institute of Statistics (*Instituto Nacional de Estatística*, INE) in the framework of the Portuguese National Accounts System. It is computed within the framework of a collaboration protocol with the Cooperativa António Sérgio para la Economia Social (CASES)¹⁴.

The SESA offers detailed statistics on the social economy—including insights on its main components—particularly its size and weight in the Portuguese economy. Three editions of the satellite account are currently available. The latest edition was published in 2019, with data encompassing year 2016. The two previous editions related to the years 2013 and 2010.

The third edition of the satellite account is compiled following the standards of the “Manual of the European System of National and Regional Accounts” (ESA 2010) and the Portuguese Framework Law on Social Economy (Law 30/2013)¹⁵. It also takes into account the “Manual for drawing up the satellite accounts of companies in the social economy: co-operatives and mutual societies” prepared by the International Centre of Research and Information on the Public, Social and Cooperative Economy (CIRIEC) for the European Commission in 2006 and the 2018 United Nations “Handbook on Nonprofit and Related Institutions and Volunteer Work”¹⁶.

The SESA results and findings of are available on the INE webpage and on the CASES website.

Direct results and effects for social enterprise development

¹⁴ CASES is a public interest cooperative aimed at promoting the strengthening of the Portuguese social economy,

¹⁵ “According to the Social Economy Framework Law, social economy is understood as the set of economic and social activities, freely carried out by Cooperatives, Mutualist Associations, Holy Houses of Mercy, Foundations, Private Institutions of Social Solidarity (IPSS), Associations with Altruistic Goals, acting within the cultural, recreational, sports and local development scope, entities covered by the Community and Self-Management Subsectors, integrated under the Constitution in the cooperative and social sector, as well as by other entities with legal personality that respect the guiding principles of Social Economy” (Ramos, 2019: para. 2.1).

¹⁶ It is worth to mention here that in recent years there has been a debate in policy endeavors about the application of the UN Handbook. The experts participating at the workshop held on the 4th of November 2019 “Opportunities and Challenges of Statistics on the Social and Solidarity Economy” organised by the UN Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSSE) in collaboration with UNRISD, ICA, CIRIEC and Social Economy Europe agreed that the “Handbook on Satellite Account on Nonprofit and Related Institutions and Volunteer Work [...] is a good manual for the purpose of measuring non-profit institutions, but it fails to capture all social economy organisations. [...]. In light of this, they asked for a major revision of the Handbook. Moreover, they highlighted that “modular approach to satellite accounts used par the Portuguese National Institute of Statistics shows that it is possible to find compromises by referring to more than one satellite account framework, thus providing various types and levels of information to different audiences”. More information available at: <http://unsse.org/4-november-2019-sse-stats-workshop/>.

The SESA includes statistics on the size of the social economy in Portugal (in terms of number of organisations, employment, employee remuneration and Gross Value Added) and impact on the national economy (in terms of employment and Gross Value Added). In addition, it includes statistics on the geographical distribution of the organisations and the breakdown by type of organisation and economic sector, thus allowing to analyse the territorial and sectoral dimension of the social economy.

Moreover, given the periodic updating of the data, a historical series of data that allows the monitoring of the evolution and changes that occur in social economy organisations (SEOs) is available. The availability of a time series of data made it possible to empirically verify the countercyclical behaviour of SEOs during the global economic crisis emerged in 2008. In fact, unlike other companies, SEOs—even in times of crisis—have recorded an increase in the sector's contribution to total employment and paid employment, as well as an increase in the average wages per worker, compared to the national average.

Lastly, the SESA is compiled in accordance with international standards regarding satellite accounts, thereby guaranteeing the comparability of the data both nationally (comparison with the data of other Portuguese enterprises) and internationally.

Links between the SBI and its follow-up actions and the case study

The INE has launched the satellite account project to respond to requests received from several fronts, both at the national and the European levels. Indeed, the compilation and updating of the SESA are foreseen as mandatory and have been delegated to the INE by the Framework Law on Social Economy (Law 30/2013, article 6), which also determines the types of organisations that should be considered part of the social economy. The law reflects the request included in the resolution of the European Parliament of 19 February 2009 on social economy, namely *“the Commission and the Member States to support the creation of national statistical registers for social economy enterprises to establish national satellite accounts”*.

The SBI mentions as one of the problems related to social enterprises their low degree of recognition and the fact that *“data are often old, piecemeal and unharmonised, making it difficult to adapt and coordinate public policies”*. In relation with the objective of increasing the visibility of social enterprises, the SBI recalls the need of having *“simple and fast access to the available information concerning social enterprises, enabling discussion in order to share best practices”* and refers in particular to the satellite accounts set up by some Member States as tools that would allow for the collection of statistics on social enterprises and of the assessment of their performance and impact.

SESA is an ongoing project. In the three editions, INE benefited from methodological comments and suggestions by international experts¹⁷ that enabled a review and fine tuning of the applied methodologies. Moreover, the methodology and the main results of the SESA have been presented and discussed as a good practice at conferences and workshops of the United Nations, the OECD, the Eurostat and other bodies of the European Commission. The SESA contributed to the debate on the implementation of satellite accounts in other countries and on the need for coordination at the European level in drafting the criteria and standards for compiling satellite accounts on the social economy.

Systemic change

The satellite account filled the lack of data and statistics on the size and contribution of the social economy to the Portuguese economy. Indeed, first the SESA contributed to increase the visibility, knowledge and recognition of the role of SEOs thus helping facilitating the debate—among economic operators, the general public, and policy

¹⁷ Inter alia from CIRIEC, International Centre of Research and information on Public, Social and Cooperative Economy, or colleagues from the international classification of non-profit organisations (ICNPO)

makers—on the role and contributions of SEOs to the national economy. Indeed, such data are particularly relevant for policy makers in the definition of policies and support measures for the social economy and, more generally, for the definition of the socio-economic policies in Portugal. Secondly, the SESA has also been used by academics as a database for empirical analysis and research—both in national and international projects—on the characteristics, the dimensions, and the quantitative and qualitative evolution of the SEOs.

The results obtained with the satellite account stimulated further reflection on the need for a wider spectrum of variables on SEOs that go beyond purely economic indicators. Thanks to the interest elicited by the work, INE launched in 2019 a sample survey on the social economy to further deepen the knowledge on the sector by investigating the membership, the beneficiaries of the services provided by SEOs, their internal structures, their relations with public administrations and private individuals, the model of work relationships and the role of volunteering in management. The availability of a greater range of indicators will further enhance the understanding on the characteristics of SEOs.

Additional information

Full name	Satellite account of Social Economy (<i>Conta Satélite da Economia Social</i>)	
Partnership	Instituto Nacional de Estatística (INE) e Cooperativa António Sérgio per l'economia sociale (CASES)	
Period	3 editions covering 2010, 2013 and 2016	
Number of organisations (2016)	71,885 (46.9% engaged in culture, communication and recreation activities)	
Gross Value Added (2016)	4,819 million EUR	3% of the national GVA
Employment (2016)	234,886 FTE (full-time equivalents)	6.1% of the total number of FTE

CASES (2019), *Conta Satélite da Economia Social 2016 - Inquérito ao Trabalho Voluntário 2018* (Social Economy Satellite Account 2016 and Survey on Volunteer Work 2018) Coleção de Estudos de Economia Social N. 10. <https://www.cases.pt/wp-content/uploads/2019/11/Livro-Conta-Sat%C3%A9lite-Voluntariado.pdf>

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3.4 Scotland: business support to social enterprises

Case description

Scotland has a long tradition of supporting social enterprises and developing a social economy. Unlike, in other parts of the UK, the Scottish government kept a focus on support the ecosystem despite austerity measures and other priorities for available funding (EC 2019).

Despite this long tradition, support for social enterprises remained for a long time fragmented and confusing for practitioners (Hazenberget al 2016, Mazzei and Roy 2017). However, it is increasingly better coordinated and structured, not least by Scotland's Social Enterprise Strategy 2016-26¹⁸, learning from previous experiences with¹⁹. In this regard, the Scottish Government has done pioneering work in creating a supportive ecosystem for social enterprises. Besides, Scotland is committed to progress further its social enterprise ecosystem (Scottish Government 2016b), which can be described as already sophisticated and enabling (#108, #748).

Scotland is recognised as having a particularly supportive ecosystem for social enterprise. This entails, amongst other, a highly developed and complex array of institutions that have developed over the years to support social enterprises in various ways and help them address various needs (Roy et al 2014, Roy et al 2015).

Among the wide range of institutions providing support there is for instance SENSCOT²⁰ (the Social Entrepreneurs Network for Scotland), which informs, connects and facilitates the development of Social Enterprise Networks (SENs) – there are currently 6 thematic and 18 local SENs – thus contributing to fostering information, awareness, mutual learning and networking. An actor greatly engaged in social enterprise education and contributing to raising awareness and understanding of social enterprise among pupils

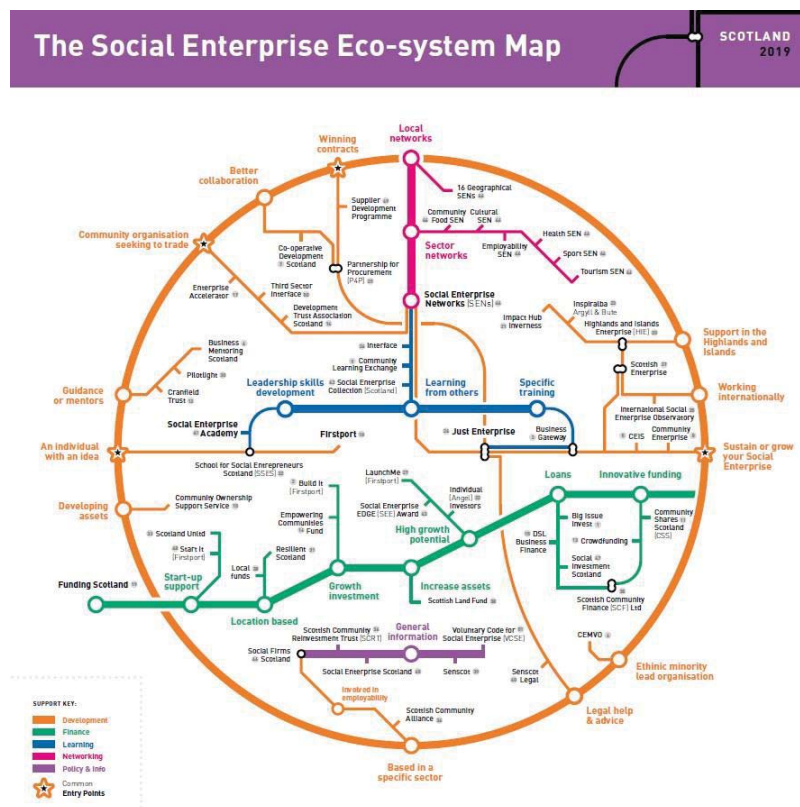
¹⁸ Scotland's Social Enterprise Strategy 2016-2026 will be implemented by a series of three-year action plans that will describe in more detail the evolving commitments, initiatives and programmes that will deliver the long-term priorities set out in the ten-year strategy. The first action plan was published in 2017 to set out action for the period 2017-2020. The ten-years strategy is available at <https://www.gov.scot/publications/scotlands-social-enterprise-strategy-2016-2026/> while the action plan is available at <https://www.gov.scot/publications/building-sustainable-social-enterprise-sector-scotland-2017-20/>. The ten-year strategy is aligned with the Internationalising Social Enterprises Strategy released in September 2016 to implement Scotland's ambitions for international excellence, leadership and impact in the social enterprise field. The internationalising strategy is available at: <https://www.gov.scot/publications/internationalising-social-enterprise-strategy-scotland-september-2016/>

¹⁹ The first Scottish social enterprise strategy – Better Business: A Strategy and Action Plan for Social Enterprise in Scotland - was published in 2007. It was followed in 2008 by the Enterprising Third Sector Action Plan 2008-2011, which was "designed to promote an enterprising and thriving Third Sector in Scotland with some 93 million GBP for the sector committed over the lifetime of the strategy." (Roy et al 2015, p.787).

²⁰For further information about SENSCOT see: <https://sencot.net/about-us/>

of all age is the Social Enterprise Academy²¹, which has been running the Social Enterprise in Education programme since 2007 along other learning and development programmes for the sector.

More recently a tool to help practitioners navigate the rich and complex infrastructure of support by enhancing information and signposting has been developed. The Social Enterprise Ecosystem Map²² provides an overview of all support available and indicates where to find what is needed. Starting from the pilot study of 2015, biennial censuses²³ provide a detailed profile of social enterprise activity in Scotland to track the development of the sector. This not only means an increase in information and data available, but it also implies a consolidation of knowledge and research.



Direct results and effects for social enterprise development

Embedded in a fully-fledged institutional and strategic framework, the business support to social enterprises embraces many different stakeholders including detailed information and signposting, such as the *Social Enterprise Networks* and the *Social*

²¹ See <https://www.socialenterprise.academy/scot/> for general information about the Social Enterprise Academy activities in Scotland. Further information regarding its involvement in education is available at: <https://www.socialenterprise.academy/scot/social-enterprise-in-education> for more detailed information regarding the Social Enterprise in Education programme.

²² The Social Enterprise Ecosystem Map was commissioned by the Scottish Government and was produced by Community Enterprise and Bold in 2019. The ecosystem map is colour-coded for ease of navigation and has five distinct categories: Development, Finance, Learning, Networking, and Policy & Info. The poster version of the map is available at <https://communityenterprise.co.uk/assets/uploads/DOCUMENTS/2019/A2-SE-Map-2019-Poster-4.0.pdf> while the interactive version is available at: <https://communityenterprise.co.uk/assets/uploads/DOCUMENTS/2019/SE-Eco-System-Interactive-Map-Scotland-2019.pdf>

²³ See footnote 1.

Enterprise Ecosystem Map. Such examples of business support make it easy for social enterprises to have an overview on relevant stakeholders, information sources, funding opportunities, and capacity-building instruments. As a result, the social economy ecosystem is gaining importance and becomes increasingly visible in Scotland.

According to the 2019 census²⁴, the social enterprise sector in Scotland is growing at a consistent rate: there are 6,025 active social enterprises, which represent a 16% growth in numbers since the 2015 census. Social enterprises employ over 88,000 full-time equivalent employees across almost all sectors of activity and contribute a GVA of 2.3 billion GBP to the Scottish economy.

Links between the SBI and its follow-up actions and the case study

While it can be assumed that social enterprise in Scotland would have developed more or less in the same way even without the SBI, since the country was already committed to supporting social enterprise well before 2011, the SBI did have an indirect positive influence (#108, #748, Hazenberg et al 2016). Not only did it reinforce the need to foster an enabling ecosystem for social enterprise, but it also provided Scotland with additional support especially in terms of resources and opportunities (Strachan interview code). For example, EU projects such as RaiSE²⁵ and ViSEnet²⁶ have enhanced mutual learning, while EU research projects such as EFESIIS²⁷ have facilitated better understanding. The Internationalising Social Enterprise Strategy published by the Scottish Government in September 2016 recognises that Scotland's social enterprise community has traditionally played a strong and engaged part in EU policy, learning and exchange networks and states that Scotland is committed to remaining a partner and ally to European colleagues post-Brexit.

Systemic change

Beyond supporting individual enterprises, the vast array of business support for social enterprises in Scotland increases the visibility of the entire sector nationally and internationally and encourages further improvement of the ecosystem.

Scotland's business support approach for social enterprise attracted attention from around the world and has been recognised as world leading. Scotland has been pleased to share its approach internationally, along with its knowledge and expertise that it has built in the past 15 years or so with its pioneering work in the sector (Scottish Government 2016a, 2016b).

Moreover, increasing attention on the social enterprise system encourages stakeholders to collect more data and information and to coordinate different means of support or at least make the different means of support visible. In other words, business support to social enterprises in Scotland is part of a positive feedback loop, or positive vicious circle, in which business support; increasing number of enterprises; increasing need for information, support and capacities; and commitment from various players, including the Scottish government, reinforces one another.

²⁴The Social Enterprise Census 2019 is available at <https://socialenterprisecensus.org.uk/wp-content/themes/census19/pdf/2019-report.pdf>. For further information about the series of biennial studies and related documents see: <https://socialenterprisecensus.org.uk/>

²⁵ RaiSE – Enhancing social enterprises competitiveness through improved business support policies – brings together seven partners, with varied policy contexts, to unite efforts to improve together the support that each region gives to social enterprises. For further information see: <https://www.interregeurope.eu/raise/>

²⁶ ViSEnet – Village Social Enterprise learning material, guidance and networking – promotes social entrepreneurship in rural areas by creating open access learning material, an International Network of Rural Social Enterprises and a practical guidebook of good practices. For further information see: <https://www.ruralsehub.net/visenet/>

²⁷ EFESIIS – Enabling the Flourishing and Evolution of Social Entrepreneurship for Innovative and Inclusive Societies – was a research project supported by the Seventh Framework Programme with the aim of providing a better understanding of social entrepreneurship by analysing data gathered in 10 European countries, including Scotland. For further information see: <http://www.fp7-efeseis.eu/>

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ViSEnet – Village Social Enterprise learning material, guidance and networking: <https://www.ruralsehub.net/visenet/>

3.5 Interreg VISES Project

Case description
<p>VISES was a cooperation project engaging 21 partners from France and Belgium. VISES was supported through the cross-border Interreg programme France-Wallonie-Vlaanderen 2014-2020. From January 2016 until December 2019 the project was implemented in cooperation with representatives from social enterprises, researchers, public authorities and financiers. This entailed a constructive dialogue between social enterprises and the other partners and the publication of several project deliverables. The project ended in December 2019. Final results and findings have been shared on the project's webpage: www.projetvisesproject.eu/ .</p> <p>The project led to the development of a social impact evaluation system that allows a large variety of social enterprises to illustrate their impact on society. As such, the project addressed a need from the market for more targeted instruments. A need observed by ConcertES and Cress Hauts-de-France, two networking and representation bodies for social enterprises in Wallonia and France respectively.</p> <p>This Interreg project is only one example of many Interreg projects dedicated to generating new knowledge, testing new approaches and methodologies in practice and exchanging experiences on social enterprises and on support policies for SE and social economy organisations.</p>
Direct results and effects for social enterprise development
<p>Project partners of VISES developed an evaluation instrument that considers the specificities of social enterprises²⁸. The instrument promotes the use of multi-stakeholder and participative evaluation methods as well as capacity building activities to coordinate approaches to impact evaluation and to allow social enterprises to illustrate their impact on societies to external target groups.</p> <p>The final result of VISES, a dedicated social impact evaluation system, supports social enterprises by identifying their societal added value. The instrument illustrates for example the societal impact of providing a job of a person with distance to the labour market for the person itself as well as for its direct surroundings. Ways how such added value to society are provided in a guidance document which is available for download on the project's website. In addition, the website offers a variety of different examples and experiences from project partners and 69 testing companies in Belgium and France as source of inspiration to measure, assess and communicate impact.</p> <p>Applying the impact instrument supports both external as well as internal communication purposes, as illustrated by stakeholders of the VISES project. <i>"By integrating a wide variety of stakeholders, the VISES approach made it possible to highlight the specific features of each stakeholder's practices and avoid their standardisation."</i> (testing company Espace 36). The identification of societal impact provides a means to illustrate the benefits and results of the enterprises to customers, consumers, users and beneficiaries. <i>"The objective was to understand how our services help to create positive dynamics for our clients and not too focus on the services we sell."</i> (testing company Boutique Nouvoullook). In addition, the evaluation process provides an opportunity to interact with financial intermediaries providing grants or financial instrument to social enterprises as mentioned by another testing company. A dialogue between the financiers and social enterprises contributed to increasing mutual understanding on the objectives and added value to society of social enterprises.</p>

²⁸ In 2014 GECES published the document "Proposed Approaches to Social Impact Measurement. In European Commission legislation and in practice relating to EuSEFs and the EaSI". Also, this document can indirectly have inspired the project partners, although no direct mentioning of the document have been found.

The new approach helped some of the 69 testing companies to refocus the strategy of their business, develop a long-term strategy, develop partnerships and reinforce team spirits and motivation among employees. For instance, "*the most formative stage focused on the company structure, which allowed us to review our functioning, our structure, our mission, our partners, etc.*" (testing company Espace 36).

In addition, the project led to a collection of relevant articles and documentation of impact valuation for social enterprises, data collection on social enterprises in northern France and Belgium, and the production of several videos. Each of these additional project outputs are accessible on the project website.

Links between the SBI and its follow-up actions and the case study

VICES is an example of a project where grants from EU programmes supported to increase the visibility of social enterprises. VICES is 1 of at least 194 projects that has been supported by the European Regional Development Fund (ERDF) under the territorial cooperation objective (Interreg) that have a focus on social enterprises or the social economy. Besides VICES, 193 Interreg projects have been identified that refer to social enterprises, social entrepreneurship or social innovation. 134 of these projects were funded under 2014-2020 programmes, 54 under 2007-2013 programmes and 6 under 2000-2006 programmes, indicating a clear increase of the topic in the period 2014-2020.

The Interreg programme France-Wallonie-Vlaanderen 2014-2020 explicitly mentions social enterprises as a possible target group in relation to two of the nine specific objectives of the programme, namely in relation to specific objective 1: *Increased research and innovation in the cross-border area in strategic sectors and sectors with strong complementarity* and in relation to specific objective 3: *Create, develop and jointly pool development and support systems for SMEs to access markets*. VICES is project under the latter.

Interreg funding allowed the project partners to draw on inspirations and knowledge on impact measurements in France and Belgian and thus increasing the knowledge pool to develop the envisaged specific instrument for social enterprises. Interreg also allowed to test the development of the instrument in different contexts in compliance with the project's objective to avoid developing a standardised instrument with little room for manoeuvre and as such limiting its applicability. The broad and international partnership, including the 69 representatives of test companies provided in addition benchmarking opportunities for social entrepreneurs. Representatives from the test companies had the opportunity to meet their peer in several occasions. As such the project provided a platform to exchange views and experiences on operating social enterprises.

Systemic change

VICES contributed directly and indirectly to a better environment for social enterprises. Following the SBI objective of increased visibility that has among others been supported by financial support in European programmes, like Interreg, the VICES project increased the awareness on social enterprises among financiers, policy makers and the general public. The development of the impact measurement instrument served as means for dialogue with financiers of social enterprises. This dialogue as well as the results of impact measuring increased the awareness among financiers on the specific needs and added value of social enterprises. Similarly, policy makers can get a better understanding of the needs and added value of social enterprises. In addition, the results of impact measuring allow to better communicate the added value of social enterprises to the general public.

The project allowed for mutual learning among project partners and the testing companies. Indirectly, the increased awareness, mutual learning and information provision contributes to reducing border obstacles and increasing the access to markets

for social enterprises, since the partnership included partners from both France and Belgium.			
Lastly, the project contributed directly to improved measures for impact measuring. The instrument, in the form of a guidance document, is available on the project website and can be used by any social enterprise. Mutual learning approaches allowed for the development of an instrument that is applicable in different institutional contexts.			
Additional information			
Full name	Valuing the Social Impact of Social Entrepreneurship Valoriser l'Impact social de l'Entrepreneuriat Social		
Begin date	01.01.2016	End date	31.12.2019
Total Funding	3 265 266,53 EUR	This is slightly less than the average project under the Interreg France-Wallonie-Vlaanderen programme	
ERDF	1 632 633,21 EUR	50% of the total budget	
		Is slightly higher than the average social enterprise project in Europe (1 267 606 EUR) ²⁹	
Partnership	Network organisations of social enterprises, financiers of social enterprises, academics, public authorities – from Belgium and France		
	1 lead partner	13 partners	7 associated partners
	69 test companies on both sides of the French-Belgian border.		

Sources for the case study

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www.projetvisesproject.eu/

²⁹ Based on 134 projects identified for the 2014-2020 programmes that have a total value of 169 859 273 EUR, in other words 2.32% of all Interreg projects in 2014-2020 in keep until 30 April 2020. This is a considerable increase compared to the 2007-2013 period (0.61%). Also the amount of programmes increased that supported "social enterprise projects". 27 programmes supported social enterprise projects in 2007-2013 and 32 programmes supported projects in the 2014-2020 funding period.

3.6 Pilot Projects ECOOPE/COOPILOT

Case description

COOPilot and ECOOPE are two pilot projects co-funded by the European Commission focused on "Reduction of youth unemployment and the setup of cooperatives" with the goal of encouraging cooperatives to employ young people and promoting youth cooperative entrepreneurship. The two 12-month projects began in April 2017.

Pour la Solidarité (Belgium) led the COOPilot consortium, which included 10 additional partners from across the EU representing academia, training institutes, social economy stakeholders, and public authorities. The goal of the project was to promote the cooperative model across EU Member States through education and training, specifically transferring competencies from countries with a strong cooperative sector (Belgium, France, Italy, and Spain) to those with a less developed cooperative sector (Bulgaria, Cyprus, Greece, Romania and Slovenia). To do so, the partners from the first group of countries designed training modules and an online course that were then tested in the second group of countries based on research and needs assessments conducted by the partners in each of the test countries.

The Entrepreneurial Cooperative Experience (ECOOPE) consortium, led by the Santander International Entrepreneurship Centre (CISE) and the University of Cantabria (Spain), included eight partners from five EU Member States, namely Finland, Italy, Portugal, Spain and the UK. The primary goal of the project was to improve the employability of European youth, especially in those countries with high rates of unemployment, by promoting the cooperative business model among young future entrepreneurs. To combine cooperativism and entrepreneurship education, ECOOPE developed an entrepreneurship education programs evaluation tool and researched best practices across Europe, then designed and tested two cooperative entrepreneurship programmes: one for secondary schools and one for Higher Education Institutes.

Direct results and effects for social enterprise development

The results of the COOPilot project include a European report and five national reports with guidelines on improving the cooperative system at local and European level with analysis of opportunities for cooperative development and specifically incorporation into entrepreneurship education and training in Bulgaria, Cyprus, Greece, Romania and Slovenia. The European report provides an assessment of needs and collection of solutions based on the national reports. During the course of the project, the Italian and Spanish partners designed training models that were then tested in the five countries mentioned above, targeted to young people from professional education, business education, and technical education. The partners also developed a MOOC (Massive Open Online Course) with 3 modules (Cooperative identity and system – tested in Bulgaria, Cyprus and Greece, Cooperative start-up – tested in Romania, Cooperative start-up, promotion and support – tested in Slovenia). Each has an introduction, a manual, a questionnaire and some case studies to exercise with.

The ECOOPE consortium researched good practices in entrepreneurial education with a cooperative focus across Europe, producing a Good Practice Guide. Based on the best practices, an innovative training methodology was developed and piloted at the secondary and higher education levels. The secondary school pilot training involved 14 students and four teachers from Portugal and 10 students and two teachers from Spain in a one-week intercultural training experience in Spain in which students worked in teams to solve a cooperative entrepreneurship challenge. At the higher education level, the project implemented a five-week pilot experience with 12 students from four EU Member States. The students first received a training and then were divided into teams to work directly on challenges in four cooperatives in Portugal, Spain, and the United Kingdom. The experience from the pilot trainings were used to adapt and validate the training methodologies, all available for download on the project website. The results of the project

were shared at the international event “Co-operative entrepreneurship: a tool for sustainable, viable future” with around 80 participants, including researchers, social economy stakeholders, and policymakers³⁰.

Both projects place a strong emphasis on the values of the social economy and the role that cooperatives play in alleviating youth unemployment. Training for cooperative entrepreneurship opens up the realm of possibilities for students who previously have learned only about more traditional, mainstream business models. Students learned how cooperatives respond to the needs of the community and how a business can be profitable yet place social and environmental goals as a priority. The documents and tools available online from both projects, as well as video testimonials from ECOOPE participants, make the training models replicable and promote the values of the social economy in entrepreneurship training.

Links between the SBI and its follow-up actions and the case study

The conclusions of the European Commission working group on cooperatives – November 2014³¹ mentioned that “*the Commission's and stakeholders' intervention is essential so that all Member States' governments include cooperatives in business education as part of their national curricula for schools and tertiary education; that way young people will be able to make a more informed choice when aiming to start a business*” (point 18). A pilot project financed by the European Parliament and implemented by DG GROW supported such proposal. Two consortia were selected to promote cooperative entrepreneurship education in Europe and run the projects CooPilot and ECOOPE.

Based on the outputs and conclusions of this pilot project, a follow up action (Preparatory Action) on the same topic began in March 2020. A call for proposals was launched by the European Commission (Internal Market, Industry, Entrepreneurship and SMEs) focused on three key topics related to reducing youth unemployment and setting up cooperatives: Delivering pilot training courses for students in secondary/higher education level, Cross-European workshops to share knowledge and learn from practitioners (“train the trainers”), Fostering the entrepreneurial mindsets of young people to create cooperatives outside the educational environment. The Preparatory Action is complementary to other European Commission programs focused on entrepreneurship under the ERASMUS programme.

Among the selected projects³² is a consortium made up of some of the partners from the COOPilot and ECOOPE projects, along with additional partners with expertise in entrepreneurship training and cooperatives. The goal of the new project, YOUCOOPE: Education in Cooperative Entrepreneurship, is to share the successful models from the pilot projects to further encourage teaching the cooperative model in entrepreneurship training at the secondary and higher education levels. The project also incorporates a strong focus on EntreComp: The Entrepreneurship Competence Framework developed through the European Commission Science Hub³³.

These projects, along with the other selected Preparatory Action projects, promote cooperatives and, in general, businesses focused on the values of the social economy to improve the employment rates of European youth. As pointed out in the SBI, “in European education systems, social entrepreneurship is still under-promoted, although its integration into initial and ongoing training is a prerequisite for reinforcing its credibility.” The Pilot Projects prove that entrepreneurship training with cooperatives as a focus can be successful and open new possibilities for students and young people across Europe.

³⁰ The event was held in Santander (Spain) on 21 & 22 June 2018. More information available at: <https://youth.ecoope.eu/event/>

³¹ <https://ec.europa.eu/docsroom/documents/10450/attachments/1/translations/en/renditions/pdf>

³² See <https://ec.europa.eu/docsroom/documents/40623>

³³ For more information, see: <https://ec.europa.eu/jrc/en/publication/eur-scientific-and-technical-research-reports/entrecomp-entrepreneurship-competence-framework>

These projects also contribute to increasing the visibility of social entrepreneurship, one of the key objectives of the SBI.

Systemic change

The Pilot Projects CooPilot and ECOOPE contributed to the visibility, recognition, and better understanding of cooperatives and the values of the social economy. Using different methodologies both projects identified and promoted best practices, developed training tools and methodologies, and implemented pilot testing involving stakeholders from schools, universities, cooperative enterprises and research institutes. Both projects entailed sharing and transferring of knowledge between those already engaging with the cooperative model and those new to the social economy.

CooPilot focused on the youth employment challenge in five European countries: Bulgaria, Cyprus, Greece, Romania and Slovenia, sharing knowledge about cooperative entrepreneurship from partners from Belgium, France, Italy and Spain. The needs assessment and collection of solutions conducted through the project provides lasting results for the countries involved in terms of education and promotion of cooperatives. ECOOPE contributed to encouraging the inclusion of the cooperative model in entrepreneurship education and training. The partners with expertise on the cooperative model shared their knowledge with those with expertise in entrepreneurship training and vice versa, resulting in replicable training methodologies integrating social economy values into successful entrepreneurship education.

In both of these pilot projects, therefore, mutual learning among partners, as well as knowledge gained from the cooperatives directly involved, was fundamental. The sharing of this knowledge through the communication and dissemination actions also raised awareness of the cooperative model, best practices, and helped transfer entrepreneurship knowledge, skills and attitudes to trainers and young people. The strategic alliances formed in the consortia implementing the Preparatory Action will reinforce these positive outcomes from the Pilot projects and continue to integrate the cooperative model into traditional entrepreneurship education, giving this business model and the social economy in general greater visibility and recognizing its vital importance.

Additional information

Full name	(i) CooPilot (ii) Entrepreneurial Cooperative Experience (ECOOPE)		
Begin date	April 2017	End date	COOPilot: March 2018 ECOOPE: June 2018
Total Funding	CooPilot: Grant awarded: 321,429 EUR Final funded: 225,000 EUR		ECOOPE: Grant awarded: 224,991 EUR Final funded: 198,722 EUR
Number of participants in pilot trainings	CooPilot: Around 120 participants in the 5 pilot training sessions held in Bulgaria, Cyprus, Greece, Romania and Slovenia.		ECOOPE: 24 secondary school students from 3 schools in Portugal and Spain (in a 1-week training) 12 university students (in a 5-week training directly in cooperative enterprises)
Outputs:	COOPilot: 1 European report and 5 national reports with guidelines on improving the cooperative system		ECOOPE: 1 Good Practice Guide

	<p>analysis of opportunities for cooperative development and specifically incorporation into entrepreneurship education and training.</p> <p>1 MOOC with 3 modules: (Cooperative identity and system, Cooperative start-up, Cooperative start-up, promotion and support). Available at: http://campuseconomiasocial.org/login/index.php?lang=en</p>	<p>1 Evaluation tool for cooperative entrepreneurial education good practice programmes</p> <p>1 Guide to secondary education pilot training and toolkit</p> <p>1 Guide to higher education pilot training and toolkit</p> <p>List of pre-identified initiatives on cooperative entrepreneurship education in Europe by country.</p>
<p>Partnership</p>	<ul style="list-style-type: none"> • COOPilot: <ul style="list-style-type: none"> - Pour la Solidarité (Belgium) – Lead partner - Authority for Cooperative Societies (Cyprus) - Centre d'Économie Sociale - Université de Liège (Belgium) - Chamber of commerce and industry Vratsa sdruzhenie (Bulgaria) - Escuela Andaluza de Economía Social (Spain) - European association for local democracy - ALDA (Italy) - Federazione Trentina della Cooperazione (Italy) - Mladinska Zadruga Kreaktor (Slovenia) - National School of Political Studies and Public Administration (Romania) - Scuola Nazionale Servizi (Italy) - Social Economy Institute (Greece) • ECOOPE: <ul style="list-style-type: none"> - University of Cantabria (Spain) + Santander International Entrepreneurship Centre – UCEIF (Spain) – Lead partners - Ciudad Industrial Valle del Nalón (Spain) - Co-operative College (United Kingdom) - European Research Institute on Cooperative and Social Enterprises - EURICSE (Italy) - Lappeenranta University of Technology (Finland) - Portugal Entrepreneurship Education Platform (Portugal) - University of Porto (Portugal) 	

Sources for the case study

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ECOOPE project documents, best practice guide and training methodologies: <https://youth.ecoope.eu/documents-2/>

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4 Case studies representing “access to finance”

4.1 ESF Programme Tailwind - For employees and enterprises in the social economy

Case description

This case illustrates 1) how an ESF co-funded programme supports the social economy, 2) how digitalisation can be used to improve the performance of social economy organisations and 3) possibilities for intermediate bodies (in this case the sectoral federation BAGFW), independent from the state, can support the public sector in designing relevant programmes and implementing financial support and EU funds for the social economy.

The ESF Programme 2014-2020 Tailwind - for workers and businesses in the social economy - is a Federal Programme managed by the Federal Association of Non-statutory Welfare (BAGFW) in Germany and co-funded by the Federal Ministry for Labour and Social Affairs (Bundesministerium für Arbeit und Soziales) and European Union.

With the rückenwind programme, the Federal Government reacted to some of the central challenges currently facing the social economy in Germany: the demand for services in the areas of nursing and care is increasing due to the ageing of society. At the same time, the overall supply of labour is declining due to demographic change. It is therefore becoming increasingly difficult for social institutions and services to recruit sufficiently qualified specialists and managers. In some areas of the social economy, there is also a high fluctuation of employees, as these professions are associated with high physical and psychological stress. As a result of these fundamental changes in the framework conditions, the social economy is undergoing a far-reaching restructuring process.

The programme aims to improve the adaptability and employability of employees in the social economy. Projects shall help to improve working conditions and organisational structures in institutions, services and associations. Digitalisation and organisational development are two key instruments to promote change and innovation in the sector.

More specifically, Tailwind supports integrated projects with a focus on:

A.) talent management / HR development in order to improve adaptability and employability of staff; and

B.) organisational development to improve the stability of social economy organisations with regard to demographic and other societal challenges working on topics such as digitalisation, good working conditions, compatibility of family / care work and employment, diversity management and promotion of inclusiveness, promotion of innovation capabilities.

Eligible to receive financial support are social non-profit organisations (“gemeinnützige Träger”). These are mostly local branches/organisations who belong to one of the six German non-statutory welfare organisations³⁴, but the call is also open to other organisations working with social aims.

The programme also has developed a set of non-financial support measures. A programme platform³⁵ provides the backbone of the communication and dissemination activities of the programme, with information on the individual projects and further relevant information (e.g. on effective project management, evaluation, result

³⁴ These are: Arbeiterwohlfahrt (AWO), Deutscher Caritasverband, Deutscher Paritätischer Wohlfahrtsverband, Deutsches Rotes Kreuz (DRK), Diakonie Deutschland, Zentralwohlfahrtsstelle der Juden in Deutschland.

³⁵ <https://www.bagfw-esf.de/aktuelles>

orientation, exchange of experiences). Project factsheets, newsletters and further material on each project facilitate the exchange between stakeholders and the mutual learning. A series of conferences and seminars brings beneficiaries together and helps project teams to start and implement their projects. Annual workshops serve to present good practice examples and the results of the closed projects. The publication of reports and documents helps to increase the outreach of the programme beyond the direct beneficiaries and its partners.

Direct results and effects for social enterprise development

The current Tailwind programme succeeds the first Tailwind programme that was implemented between 2009 and 2014. This first programme supported in total 131 projects in social economy organisations in Germany. These pursued a variety of approaches to recruiting and retaining personnel and to anchoring sustainable personnel development in the social economy. Projects were funded in the following six areas:

- "Age-appropriate personnel development"
- "Health Promotional Working Conditions"
- "Professional and Managerial Staff"
- "Recruitment and retention of personnel"
- "In-service qualification"
- "Women in leadership positions"

So far, Tailwind 2014-2020 funded activities for social economy organisations dealing with diverse impacts of societal changes on their workforce aiming to better prepare them to be able to deliver their products and services in the long run.

Until October 2020, 148 projects have been selected to be funded reaching more than 18.700 employees and 800 social economy organisations. In line with the programme's priorities, funded projects aim to improve general conditions in social economy organisations and social enterprises in the following fields:

- Leadership & Corporate Culture
- Recruit staff & promote staff
- Life stage orientation & health
- Diversity in the company & gender equality
- Work 4.0 & Digitisation

One example of several digitisation projects is "Work 4.0", in which the Federal Association of Social Service Institutions develops and tests digital transformation processes for six social service organisations in Saxony, Thuringia and Brandenburg. Four fields of action are being examined: 1) working time control using digital planning and time management procedures; 2) agile work design; 3) competence acquisition and expansion; 4) internal company communication. Another example of the numerous projects on digitisation is "diRK – digital Red Cross" of three local German Red Cross associations. One element of the project is a central qualification of 25 experts and managers from different district associations as Digital Ambassadors with the aim of establishing and developing a common knowledge base on the topics of digitisation, eLearning, project management 4.0 and social media. The Digital Ambassadors will act as multipliers. Under the coordination of sub-project partners, further specialist qualifications and practice-oriented learning workshops for transfer into practice will take place.

Another series of projects targets life stage orientation and health of social economy employees. The project "BELEV - Gesundes Arbeiten gestalten 2.0" was a cooperation between the Diakonische Werke Baden und Württemberg and the Employer's Liability

Insurance Association for Health and Welfare (BGW). Through the BELEV 2.0 project, management and employees were informed about healthy working conditions and sustainable measures to promote health at work. Concepts were developed and examples of good practice were implemented in order to support the institutions with regard to their manpower requirements. To this end, organisational development processes/company health management and 30 personnel development measures as well as collegial coaching sessions were carried out in 20 institutions. Different events and the platform <https://www.gesund-aber-sicher.de/> were developed to support the project activities.

Links between the SBI and its follow-up actions and the case study

The SBI increased the visibility of the social economy in European programmes, including the European Social Fund. The Tailwind programme is one example where support of the ESF to the social economy become visible because the programme is co-funded through the German federal ESF 2014-2020.

Grants provided by the programme enable social economy organisations to improve equality between female and male employees in personnel and organisational development; improve non-discrimination against workers with immigrant backgrounds when implementing projects; promote sustainable development of the participating organisations; and improve the competitive position in the 'war for talents' for specialists and managers in non-profit institutions, services, associations and other social economy organisations. In addition, the programme increased organisational capacity of social economy organisations and increased the sector's managerial and strategic abilities.

Taking into account that impact takes time to materialise, one can assume that the project and the follow up support measures at regional level contributed to some of the defined SBI impact pathways, namely to increase the managerial skills and organisational capacity of social economy organisations. It contributes also to the dissemination of digitalisation skills and business models in the social economy sector, addressing in particular the more traditional welfare-oriented social service organisations.

Systemic change

The programme contributes to face two important challenges of the social economy: provision with skilled labour and digitalisation. The programme assists social economy organisations to take important steps that will help them to attract skilled human resources in the medium and long-term, to overcome the negative effects of ageing and depopulation in specific territories (e.g. rural areas) and to increase their performance through integrating processes and working modes based on digital tools and approaches.

This is particularly relevant as the social economy sector in Germany is faced with two simultaneous developments affecting its capacity to act, namely a growing need for its services due mainly to a strong demographic shift with an increasing proportion of elderly citizens and a lack of qualified employees and specialists carrying out the needed services. The ESF Tailwind programme contributes to addressing these developments by offering financial support and a project platform where solutions and good practice examples are presented and further disseminated. Moreover, the project activities and results as mentioned on the Tailwind webpage contribute to making the social economy and possibilities to overcome social welfare challenges more visible.

Additional information

Full name	ESF Programme Tailwind - for employees and enterprises in the social economy		
Begin date	2014	End date	2020

Funding	EUR 53,5m (ESF and national funds)		
Current no. of projects funded	148 (as of October 2020) (Project Map: https://www.bagfw-esf.de/themen/-/projekte/projektlandkarte)		
Partner	ESF	Bundesministerium für Arbeit und Soziales (BMAS)	Bundesarbeitsgemeinschaft der freien Wohlfahrtspflege (BAGFW)
Objectives	Improve the adaptability and employability of employees in the social economy	Improvement in working conditions and organisational structures, e.g. through digitalisation	Increase adaptability, competitiveness and innovation in the social economy sector

Sources for the case study

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4.2 Financial instruments for social enterprises in Serbia

Case description
<p>Social entrepreneurship faces several challenges in Serbia ranging from a general lack of understanding, a missing enabling environment or a lack of supportive institutional and legal framework conditions to the absence of funding. Nevertheless, a vital social enterprise community has developed resulting in the establishment of networks and partnerships across sectors. Social enterprises operating in Serbia predominantly rely on financing through grants, donations and subsidies. This kind of finance is mainly limited to amounts of maximum EUR 10,000 – sums that are sufficient to start a business or make a small investment but are not sufficient for scaling up a business. Simultaneously, impact funds in Europe usually allocate investments in the range of EUR 150,000 - 500,000, and Serbian social enterprises are neither prepared nor sufficiently developed for that level of investment.</p> <p>The project Social Enterprise Financing in Serbia – Building Partnerships and Models for Sustainable Development of Social Finance Market was implemented by Smart Kolektiv (Serbia) in partnership with Erste Bank in Serbia and Oksigen Lab (Belgium) during 2017 and 2018 with the goal to develop social enterprise financing in Serbia. The project received grant support within the EU Programme Employment and Social Innovation - EaSI (2014-2020) - Actions to boost the demand and supply side of the finance market for social enterprises.</p> <p>Smart Kolektiv is an independent, non-profit organisation founded in 2003 in Belgrade. It is a pioneer in promoting the concept of socially responsible business and the development of social entrepreneurship in Serbia. Oksigen Lab is a business incubator and research centre from Belgium and acted as the main consultant on the project providing expertise for improving the capacity of key stakeholders from all sectors. Erste</p>

Bank' role in the project was to develop and test specific financial instruments addressing the social economy in Serbia.

The project has compiled a comprehensive assessment report of the analysis of the supply and demand side of social finance in Serbia, in English and Serbian language, defined an investment strategy as well as appropriate financing instruments and has deployed loans to four social enterprises in collaboration with Erste Bank Serbia coupled with non-financial support. The project resulted in signed agreements with different stakeholders (incl. banks, development agencies and foundations).

Direct results and effects for social enterprise development

The key messages of the project were directed towards both, the demand and supply side of social finance in Serbia highlighting what needs to be done on both sides in order to develop the social finance market in Serbia. Through different activities like stakeholder consultations meetings, capacity building workshops, study visit and public events, key stakeholders have gained additional understanding and knowledge related to these key messages.

The funding has significantly contributed to learning from experienced partners like Oksigen Lab and all other organizations engaged in transnational activities and workshops. It has enabled smart kolektiv to work together with the private sector, especially with Erste Bank on developing and testing first social finance instruments in Serbia.

By signing a Memorandum of Understanding with the national Social Inclusion and Poverty Reduction Unit (SIPRU) and representatives of the Coalition for development of social entrepreneurship as well as the Social Economy Network Serbia (network of social enterprises), these stakeholders have committed to work together with Smart Kolektiv on (1) the development of a National Social Entrepreneurship Strategy, (2) the development of public sector support programmes and (3) improving the legislative framework on financing institutions and services.

As a related side measure that was expected to boost the social finance market in Serbia, in December 2016 Erste Bank Serbia signed an agreement with the European Investment Fund (EIF) on EaSI Guarantees in 2016 aimed at supporting micro-enterprises in Serbia. The agreement covered a loan portfolio of EUR 4.7 million for around 850 Serbian micro-borrowers from start-ups and social enterprises.

Links between the SBI and its follow-up actions and the case study

The project was supported within the EU Programme Employment and Social Innovation - EaSI (2014-2020) - Actions to boost the demand and supply side of the finance market for social enterprises, an action stemming directly from the SBI. EU funding was crucial for implementing this project as the topic and its importance is not yet recognised by other donors active in Serbia. The funding has significantly contributed to learning from experienced partners like Oksigen Lab and from other organisations benefitting from a grant and which engaged in transnational activities and workshops. It has enabled Smart Kolektiv to work together with the private sector, especially with Erste Bank on developing and testing first social finance instruments in Serbia. The transnational workshops and elements within the programme had great impact on improving local knowledge, learning from best practices in EU and building new partnerships with other organisations in Europe. In addition, work with EU initiatives and stakeholders at EU level as well as good practice studies were promoted through the project.

Systemic change

The project supported mutual learning about best practices in social enterprise funding in Serbia as well as enabled four social enterprises to access investment within the scope of the project. Nevertheless, the local interview partner remarked that the level of interaction remained superficial despite some international partnerships that have been

established under the scheme. A more detailed support strategy to social entrepreneurship, more interaction and exchange of experiences would be necessary to translate practices from elsewhere to the Serbian context. All in all, the interviewed expert observed a positive change and good results but indicated that sustainability of achievements needs to be ensured with continued action and effective follow-up activities.

In addition, access to finance still remains an issue for social initiatives. Traditional loans push for profit maximisation, so maybe a hybrid social enterprise model is needed combining commercial capital with grant schemes that could wait longer for a result while accepting lower returns.

Additional information for the infographic factsheet³⁶

Full name	Financial instruments for social enterprises in Serbia			
Begin date	2017	End date	2018	
Funding Scheme	EU Programme Employment and Social Innovation - EaSI (2014-2020) Actions to boost the demand and supply side of the finance market for social enterprises.			
Partnership	Smart Kolektiv (lead partner)			
	Erste Bank		Oksigen Lab	
Activities	Stakeholder consultations meetings	Capacity building workshops	Study visit	Public events
Outputs	Assessment report on the supply and demand side of social finance in Serbia, in English and Serbian language	Definition of an investment strategy and financing instruments	Deployment of loans to four social enterprises coupled with nonfinancial support.	Signed MoUs with different stakeholders
Expected Long-term effects (of signed MoUs)	Development of a National Social Entrepreneurship Strategy	Development of public sector support programmes	Improvement of legislative framework on financing institutions and services	

Sources for the case study

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³⁶ The final result of the case studies will be an infographic. The text, the data and the sketch on the next page form the input to develop a well-formatted infographic that tells a coherent story.

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4.3 Impact City The Hague

Case description
<p>Impact City The Hague is the start-up and scale-up community of the city of The Hague, the Netherlands. Impact City supports entrepreneurs that aim to deliver a societal contribution to start and grow their business.</p> <p>Impact City is a concrete result of the city's economic policy. Impact economy became one of the three main pillars of the city's economic policy in 2015 and aims to stimulate economic profits and the achievement of societal objectives. The focus on impact economy aims to link international objectives, such as the UN Sustainable Development Goals pursued by numerous international institutions and a need for more innovative and growing businesses in The Hague. New businesses shall make the city more resilient and economically diverse. Until the economic crisis of 2008 the city's economy relied much on public institutions and publicly owned enterprises for employment. The new focus on impact economy aims to enhance private initiatives and keep an eye on (global) societal contributions.</p>
Direct results and effects for social enterprise development
<p>Since 2015, the city of The Hague successfully promoted itself as good location for social entrepreneurs to start their business. Impact City became a known brand for entrepreneurs, financiers, public organisations, knowledge institutes and other support organisations. Hence the city council agreed to continue the Impact City programme until 2022. Moreover, the annual budget increased from about EUR 1.5 million per year between 2015-2018 to EUR 2 million per year between 2019-2022. The investments are used to facilitates social entrepreneurs in 6 different ways:</p> <ul style="list-style-type: none"> • Making the unknown known focuses on community building and networking. Social entrepreneurs can get in touch with peers or relevant partners through Impact City. Impact City facilitates this exchange by providing a platform for exchange and by organising events. For example, the yearly Impact Fest attracts around 1,600 participants with an interest in impact economy and impact investments. • Access to relevant networks. Impact city facilitates also meetings among entrepreneurs. The city helps for instance to establish contacts between social entrepreneurs and financiers or advisory services based on the specific needs of the social enterprise. • Access to capital – Impact City organises different initiatives to improve access to capital for social entrepreneurs, such as awards or pitching opportunities. For example, the Impact Challenge 2020 received 47 proposals by social enterprises to pitch their ideas and win one of the four prizes; EUR 2,500 audience award, EUR 10,000 student award, EUR 15,000 start-up award, and EUR 25,000 scale-up award. In addition, Impact City functions as platform and inventory of current programmes and funding possibilities from private and public sources, including from philanthropy, private funds, national fund and European programmes. The current

list refers among others to Qredits which provided microloans up to EUR 50,000 co-financed through COSME and EaSI.

- **An infrastructure to foster growth.** Impact City facilitates entrepreneurs by offering a physical location to manage their business and to organise meetings. The city rents office space to Apollo 14, a refurbished factory, to manage their activities and host social enterprises. EUCLID network (European network for Social Enterprises and Impact-driven leaders) is one of the organisations with offices in Apollo 14. Currently the city is seeking for a second location in The Hague providing more space for the growing number of interested social enterprises.
- **Access to new talent.** Impact City facilitates contact between research institutions and social enterprises and encourages knowledge institutions to do research on the impact economy or establish research programmes on this topic. As such the programme aims to improve the knowledge basis for social entrepreneurs.
- **Facilitate experiments.** Impact C initiatives labs where different players can come together to define solutions to societal issues and provides grants for enterprises to test such solutions.

The city of The Hague provides thus various kinds of support to social entrepreneurs and social enterprises through Impact City. In doing so, the city acts mostly as facilitator between entrepreneurs and other stakeholders, providing fertile soil for start-ups and encouraging enterprises to scale up.

Links between the SBI and its follow-up actions and the case study

Impact City does not explicitly refer to the SBI or its follow-up actions. Nevertheless, it shares many of the same objectives and values. Similar as the SBI, Impact City targets entrepreneurs or enterprises that aim first to address societal issues. Profits are merely a means to achieve these objectives. The types of societal issues that can be addressed are diverse. To frame these societal aspects Impact City refers to the UN Sustainable Development Goals.

Impact City offers an environment for social enterprises to start and scale-up. This implies that individual tools or programmes may not specifically target social enterprises. Impact City or its partners can support social enterprises in making use of these opportunities keeping their societal objectives in sight. As such the approach of Impact City The Hague includes similar elements as included in the EU "Recipe book for social finance", a guide commissioned by DG EMPL as well as elements of the better entrepreneurship tool by the OECD, particularly considering access to finance, access to markets, and skills and business development support.

The links between Impact City and SBI are thus rather indirect, making use of the same concepts, approaches and concepts without direct referencing. Only few direct links can be observed when Impact City promotes funding opportunities which have European roots and are follow-up actions of the SBI. Examples are the COSME and EaSI co-financed funds previously mentioned or the Make Impact competition. Winners of this competition receive consultancy services from an experienced consultant to apply for Horizon 2020 EIC Accelerator Pilot funds.

Other policy documents from The Hague refer to the SBI, notably policies addressing work integration social enterprises (WISE) in the programme for social entrepreneurship and in relation to the social club The Hague and Impact Lab the Hague. These initiatives aiming at attracting WISE to grow their business and locate in The Hague are results of the city's social entrepreneurship programme that aims to reduce the amount of unemployment and support greater social inclusion. These enterprises can make use of the services by Impact City as well, however, Impact City adopts a wider definition of social enterprises.

Systemic change

Impact City embraces an ecosystem approach to facilitate social enterprises to start and grow their businesses in The Hague. *"The municipality has taken on the role of facilitator and believes in the ecosystem idea: bringing together all kinds of parties and organisations that want to and can stimulate impact. The strength comes from partnerships with entrepreneurs, funds and other stakeholders. Officials are noticeably highly driven, and the team is composed in such a way that a lot of high ambitions are achieved. In the end it all comes down to people, so this last point is perhaps one of the most important lessons."* (Jan Willem Wennekes, Impact Noord after visiting Impact City in May 2019).

Indeed, Impact City addresses one of the main challenges of social enterprises in start-up and scale-up phases, namely the access to finance by providing a variety of support. Besides listing a variety of financing possibilities and establishing contact between financiers and social enterprises, Impact City offers a range of other support to facilitate adequate use of the funding possibilities by social enterprises while many of the financial possibilities do not target social enterprises specifically. The other types of support link to a variety of impact areas of the SBI. Impact City as start-up and scale-up community encourages network development and representation, an SBI impact area enhancing greater visibility. In the community, especially at the location of Apollo 14 and during events, social enterprises have the possibility to mutually learn from each other. At the same time other stakeholders, including financial intermediaries and research institutes learn more on the specific needs and demands from social enterprises. Advisory services by establishing contact between social enterprises and experts in funding applications as well as various pitching activities and competitions stimulate managerial capacities of social entrepreneurs, an SBI impact area to enhance the access to finance.

Examples as Impact City have another indirect effect. In particular, networking and promotion campaigns increases the visibility of the impact economy and social enterprises. Among many stakeholders this prompts a series of questions for better policy making and support of the sector; e.g. a lack of knowledge of specific demands raises the need for more and more specific research and training on the impact economy an effect which can be observed in the related knowledge institutes and universities that are also partners in Impact City. Similarly contact between social enterprises and financial intermediaries raises in some cases the need to illustrate and quantify the societal impact of the investment. More interest and recognition also feed the discussion on specific governance forms or the need for a specific regulatory form for social enterprises. Each of these examples of secondary indirect effects interact with the Impact Cities and vice versa.

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4.4 La Bolsa Social

Case description

Bolsa Social was founded in 2014. It is a community of social enterprises and impact investors based in Spain, built around an equity crowdfunding platform (www.bolsasocial.com). This participative platform brings enterprises and individuals (private investors) together and merges the concepts of crowdfunding and equity investments with a social aim. It matches supply and demand on the platform, helps to structure the investment and standardises the process. The platform takes care of contractual details that need to be arranged, provides regular reports and arranges participation and voting rights. Bolsa Social was the first participative financing platform to be authorised by the CNMV (Spanish Securities Markets Supervisor).

Bolsa Social defines the target companies as those which have a positive impact on society and the environment as defined in their mission: *"We want to promote ethical finance by boosting the financing of companies with grow potential that have a positive impact on society, and the environment. Bolsa Social is born to connect social impact investors and enterprises to promote the achievement of the UN Sustainable Development Goals."*

In order to offer its entrepreneurs a favourable environment, Bolsa Social works with different partners such as Afi, Ashoka, social enterprise.es, Triodos Bank, SocialNest foundation, ship2B, UnLtd Spain.

Bolsa Social is a beneficiary of the EaSI call for proposals aimed at supporting the transaction cost of small risk-capital investments in social enterprises. It submitted a project with an action on "Increasing the number of quality impact investments into investment ready early-stage social enterprises" and was awarded a grant of EUR 351,439.79.

The main purpose of the action was to strengthen the social entrepreneurship sector in Spain by creating the necessary conditions for connecting impact investors and early-stage social enterprises and produce, as a result, higher number of equity investments of below 500,000 EUR in social enterprises in need of finance. The action had four concrete objectives (i) create an investment-ready pipeline of early-stage social enterprises in Spain, (ii) provide deal support and investment for 10-15 early-stage social enterprises, (iii) expand the investor network that could invest in these deals by setting up an impact fund, and (iv) follow up and manage the investments and ensure adequate reporting of performance and social impact to investors.

Direct results and effects for social enterprise development

The action had the following direct outcomes:

(i) Bolsa Social designed and executed a plan for screening the ecosystem and reviewed 342 social enterprises. After a proper impact analysis 12 social enterprises were selected to work with them. Procedures and assessment methods are in place now and many other early-stage social enterprises in Spain will also benefit from them.

(ii) Bolsa Social provided investment readiness support to 12 selected social enterprises, including deal support and equity investments rounds for each of the enterprises. The total number of investments channelled to them was EUR 2.8 million. The average round size per company was EUR 230,000.

(iii) The investor network was expanded. 445 new investors invested in the 12 selected social enterprises. The average crowdequity investment per investor was EUR 3,350. In 2019, the Fondo Bolsa Social Impacto was launched. It is a European Social Entrepreneurship Fund (EuSEF) registered with the CNMV in October 2019. The fund has already invested in the capital of five early-stage social enterprises for a total of EUR 1,295,000. Two of these investments were structured as a match funding mechanism with other coinvestors through the Bolsa Social platform. The other three were direct investments from the Fund.

(iv) Bolsa Social has put forward processes and an IT facility that permits the social enterprises that received funding to report regularly to their investors on the social impact and business performance with quarterly reports. Therefore, Bolsa Social also has contributed to the capacity of social enterprises in Spain to measure and report on their social impact.

Activities were continued after the official closure of the EaSI action. The final result of the work of Bolsa Social until August 2020 was the funding of altogether 22 social enterprises. As of August 2020, 6,703 members have joined the platform and around 950 of them have already invested at least once in the capital of a social enterprise (in total, EUR 4.7 million).

As part of the communication and dissemination work of Bolsa Social, seven events were held, with approximately 350 attendees, increasing thus awareness among the general public about the relevance of social entrepreneurship and early-stage impact investing.

Despite the outburst of the COVID-19 crisis significantly complicated the funding of the companies as from March 2020, the results of the activity supported by the transaction cost support are quite satisfactory. During the Covid-19 crisis, Bolsa Social was and is still involved in a call to finance Spanish companies that develop solutions against the coronavirus. As of July 2020, two social enterprises were already funded with EUR 315,000 Euro by 129 investors.

Links between the SBI and its follow-up actions and the case study

Bolsa Social has consistently funded smaller scale early -stage social enterprises which is one of the policy objectives of the Social Business Initiative.

As described, Bolsa Social benefitted directly from an EaSI grant support, one follow-up action of the SBI. The action contributed directly to improving access to finance for social enterprises in Spain. Thanks to the EaSI transaction cost support Bolsa Social was able to channel, through the platform and the impact fund, EUR 4 million to 15 early stage social enterprises in Spain. These companies had already an important documented social impact, for example, on CO2 reduction, new public space gained, vulnerable people receiving dental care or long-term care, disadvantaged pupils receiving learning support etc.

As a result of the EaSI action, for every EURO received from the EU via the grant support, Bolsa Social managed to mobilise EUR 11.40 of private investment into social enterprises.

Bolsa Social indicates that it would have been extremely difficult to implement the action and achieves the same results without EU funding. Costs for financial analyses and legal advice are very high and almost not bearable for small deals. The EU grant support has helped to support more social enterprises and to develop processes and hire professional staff that will continue supporting social enterprises in the future.

Overall, Bolsa Social was successful in strengthening the social entrepreneurship sector in Spain by creating the necessary conditions for connecting impact investors and early-stage social enterprises and produce. The investor network grew considerably.

They have achieved to mobilise a significant number of investors for each campaign (64 investors on average). These investors support the companies by becoming clients, ambassadors and partners and might also be willing to expand their share of investments in the future as returns proved to be attractive.

In addition, Bolsa Social has managed to keep fair valuation levels at the platform. The equity share and the amount of investments do not imply inflated valuation levels.

Systemic change

Bolsa Social is a pioneer in the field of early-stage social finance in Spain. Its work helps social enterprises to access finance and the sector to gain recognition and visibility. All campaigns so far have been successful and there are no controversies around the companies funded. In addition, it helped to democratise social finance and showed that there is high demand for social investments.

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4.5 France Active and the French social enterprise finance ecosystem

Case description

A pioneer in solidarity finance in Europe, France Active supports and finances social and solidarity companies in France. It is a public-private partnership between different governmental bodies and various financial entities, including important banks in France. France Active was created in 1988 and has built an impressive range of services over the years.

In 2019 alone they supported 7,700 enterprises and indirectly contributed to create or maintain 45,000 jobs. To this end they have mobilised €370 million³⁷. 50% of all entrepreneurs are female, 33% are below 30 years and 40% are unemployed. In 2018, France Active supported 1,335 social and solidarity economy organisations. €34 million were invested by France Active Investissement to fund 476 social enterprises in 2019.

France Active has 650 employees in a network of 42 regional associations (organised in one national association) as well as three financial institutions. It is one of only a few European organisations, which has achieved to develop a truly diverse funding and income mix. It covers its operating costs as well as its investments needs from sources at private institutional investors as well as regional, national and European public funds.

Important for the work and success of France Active is the legal context in which such a support organisation operates. In France, there is a favourable legal environment, in particular created by the 204 French Law on the Social and Solidarity Economy (SSE):

The French Law No. 2014-856 of 31 July 2014 on the Social and Solidarity Economy (SSE)

The Law No. 2014-856 of 31 July 2014 on the Social and Solidarity Economy (SSE) is widely recognised as a milestone or even as a founding law. The law can also be described as a response to the SBI as many facets are well aligned with it.

The main strength of this framework law is that it transcends traditional boundaries by neglecting legal forms. It brings under the same roof traditional organisations such as cooperatives, associations or mutual societies as well as commercial companies with a social purpose. Such framework laws have been a recent trend, which could be observed in Bulgaria, Greece, Italy, Luxembourg, Romania and Slovakia.

One key element is the introduction of the "entreprise solidaire d'utilité sociale" (ESUS) label. The "solidarity enterprise of social utility" or "socially useful solidarity-based enterprise" label is very valuable as it opens access to solidarity savings schemes. The criteria to obtain the label are: (i) cap on compensation for directors and employees, (ii) primary social purpose (social utility); and (iii) prove that the social utility activity has an impact on the financial return or business expenses of the company. In 2017, already 967 organisations had adopted the ESUS status, while until December 2019, the figure increased to 1,709.

On the other side, France active benefits from the commitment and active contribution from a number of key stakeholders in France. An important role in this partnership is played by the commercial banks who have developed a range of support measures and products for the social and solidarity economy in the country. One example is BNP PARIBAS. Supporting social entrepreneurship is one of BNP Paribas' key commitments. BNP Paribas has chosen to take a proactive approach to social entrepreneurship

³⁷ www.franceactive.org Data from 14 October 2020

alongside France Active, which led to the signature of an agreement in 2014. BNP Paribas is one example of how large financial institutes have set up practices and products to fund social enterprises. Other European examples include Erste Group, Unicredit or La Caixa.

BNP Paribas

BNP Paribas is a top-ranking bank in Europe with an international profile. It operates in 72 countries and has over 202 000 employees, including more than 154 000 in Europe. BNP Paribas is based in Paris.

The company started to develop its approach to social entrepreneurship in global context inspired by and shortly after the SBI³⁸.

BNP Paribas mentions the 2014 Law on the Social and Solidarity Economy as one of the driving factors for increasing its activities on social entrepreneurship. It also highlights the role of the 2019 French initiative to launch a national social innovation accelerator and the French Impact initiative. Inspired by FrenchTech, French Impact is a new national campaign to build a community and showcase the diversity of social innovation players. It can give local initiatives the momentum they need to scale up and become national or even international solutions. BNP Paribas committed itself to support French Impact and actively provides financial services and advice for social enterprises.

Publications point to the fact that the activities around social entrepreneurship were rooted in the microfinance activities of the bank. Emmanuel de Lutzel is widely credited for these activities and even published a book titled "Transformez votre entreprise de l'intérieur" which is meant as a guide for social intrapreneurs. The first public documents in which BNP Paribas discussed social finance and investing in social businesses can be dated back to 2009.³⁹ A more formal implementation of the programme happened in 2013 when Emmanuel de Lutzel started to serve as Vice President for Social Business.

Over the years, BNP Paribas has developed wide-ranging schemes to support social enterprises. At the end of 2018, the banking group has provided more than €1.5 billion to the sector and supported more than 2,000 social businesses. The bank has implemented schemes to finance social enterprises in their banking network. BNP Paribas also contributed to the NovESS fund which provides equity to organisations in the social and solidarity economy.

The bank contributed to create Act for Impact, a national network to link and connect all actors of the SSE support system. It is aimed at the specific needs of social entrepreneurs. The bank has assigned 100 project managers to advise social entrepreneurs, has even developed a specific credit policy and works with a range of partners in the ecosystem. In 2017, to accelerate the movement, boost the visibility of social entrepreneurs in France and ensure the right conditions for their creation, BNP Paribas took its efforts further by creating the Act for Impact Label. The Label centralises all the different components of its social business system to promote cooperation across France and deliver full support to the entrepreneurs who are transforming society.

Early 2020 and with a view to developing Social Impact Bonds (SIBs) across the EU and particularly in France, BNP Paribas and the European Investment Fund (EIF) launched the EUR 10 million Fund for co-investment into Social Impact Bonds in the EU. This co-investment agreement is deployed under the EFSI social equity instruments (European Fund for Strategic Investments) and therefore also the result of an SBI follow-up action.

³⁸ <https://group.bnpparibas/en/hottopics/social-entrepreneurship>

³⁹

https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKewjr2_mshtLqAhVpAmMBHYOzCZsQfjABegQIAhAB&url=http%3A%2F%2Fwww.paris-europlace.net%2Fparis09%2Fp9-bnp_credit_coop.pdf&usg=AOvVaw2Ea7cy6Y0egKwBM_GZY7jI

Direct results and effects for social enterprise development

France Active is providing debt, equity as well as support services to social enterprises. In this context, they use different EU instruments linked to the SBI. Three instruments and their effects on SE illustrate the services of France Active.

France Active is beneficiary of two **EaSI guarantees** by the European Investment Fund (EIF) amounting to 5,264 and 2,4 million Euro. These guarantees enable France Active to develop a portfolio of debt financing instruments given to social enterprises. The debt financing products can be loans, mezzanine loans or subordinated debt up to a limit of €500,000. Given a typical leverage of around 8x, roughly €50 million of debt financing instruments can be provided to social enterprises.

France Active is also a beneficiary of the **EaSI transaction cost support** for social enterprise finance. This program is meant to support social enterprise finance intermediaries in running and operating their funds as management fees might be relatively high. In February 2020, France Active launched the 1st Seed Fund with the objective to finance 100 entrepreneurs with a total amount of €10 million.⁴⁰

France Active (together with its partners Mouves and Antropia ESSEC) was also a beneficiary of the **"EaSI - Actions to boost the demand and supply side of the finance market for social enterprises"**. The main point of the project was to build the market and help social enterprises to become investment-ready. The project report states that *"after identifying 30 social enterprises (10 per territory), they held a series of seminars and other activities to help them build investment readiness capacity. Networking between social entrepreneurs and funders was enabled through the gathering of funders at a demo day, mobilisation of funders and individual support to achieve funding rounds."*

Links between the SBI and its follow-up actions and the case study

France Active was established well ahead of the launch of the Social Business Initiative. However, France Active is well linked to the SBI and is benefitting and taking up various of its follow-up actions. This demonstrates the relevance of SBI and EaSI also to stakeholder organisations and countries with well-established SE policies and ecosystems.

As outlined above, France Active is a beneficiary of

- EaSI - Guarantee Financial Instrument;
- EaSI-Microfinance and Social Entrepreneurship: Transaction cost support for social enterprise finance;
- EaSI - Actions to boost the demand and supply side of the finance market for social enterprises.

These EU-level actions are direct follow-up actions of the Social Business Initiative. In addition, France Active is also a beneficiary of other funding schemes such as ESF or COSME.

Systemic change

Overall, France Active is a key player of the social economy ecosystem. The benefits of France Active on the ecosystem can be seen at two levels.

It has helped to show that there is a market for solidarity or social finance. In cooperation with asset managers and mutual funds, France Active contributed to help raising awareness for solidarity-based savings and life insurance as well employee savings funds. It has thus contributed to transforming finance.

⁴⁰ <https://franceactive.eu/communiqués/france-active-lance-le-1er-fonds-semenciers-entièrement-dédiés-aux-entrepreneurs-innovateurs/>

France Active has also significantly improved the access to finance for social enterprises in France. The kind of funding and support they provide is valuable in terms of risk profile as well as investment amounts.

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5 Case studies representing “digitisation”

5.1 European Network DIGITAL SOCIAL INNOVATION

Case description

The DSI4EU project, formally known as DSISCALE, is supported by the European Union and funded under the Horizon 2020 Programme (2018-2019). DSI4EU was implemented by a consortium of seven partner organisations: Nesta (UK), Waag (Netherlands), betterplace lab (Germany), Fab Lab Barcelona (Spain), WeMake (Italy), Barcelona Activa (Spain) and the ePaństwo Foundation (Poland).

The initial aim of the DSISCALE project was to support policy makers, funders and, most importantly, practitioners to scale digital social innovation (DSI) and collective awareness platforms (CAPs) in Europe and to make the most of the opportunities in using tools such as open data open hardware to address some of Europe’s biggest social challenges. To achieve these aims it could build on previous work and initiatives (such as already existing website www.digitalsocial.eu). The actions included the development of innovations clusters as well as the development of an index for digital social innovation and the publication of related materials.

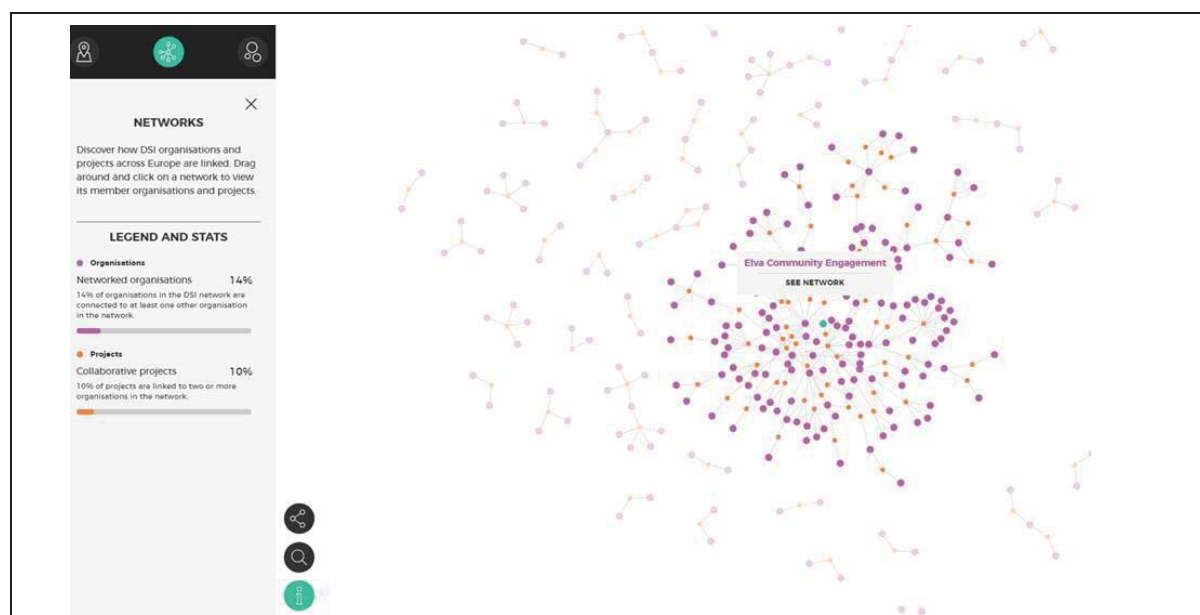
The project ended in June 2019 but the work with the European Network on Digital Social Innovation continues. The website <https://digitalsocial.eu/> is still active as platform for the European community on digital social innovation.

Direct results and effects for social enterprise development

At the heart of the project is the digitalsocial.eu platform, a lively hub for DSI through which users can showcase their work through project and organisation profiles, and tag their organisations as part of networks like research alliances or membership bodies; explore the DSI community in detail through our searchable database and data visualisation; identify funding and support opportunities, as well as DSI-related events, across Europe; find inspiration and stories of DSI through case studies, blogs and research.

In August 2020, the platform included information on 2,286 organisations and 1,482 projects using digital technologies to tackle social challenges in Europe.





Alongside the digitalsocial.eu platform, partner organisations were coordinating six thematic DSI clusters. Within each cluster, the project organised events, learning and networking opportunities and engaging with policymakers to advocate for committed and effective DSI support. The clusters were in the following social areas:

- Skills and learning (led by Fab Lab Barcelona)
- Health and care (led by WeMake)
- Food, Environment and Climate Change (led by Waag Society)
- Digital Democracy (led by the ePaństwo Foundation)
- Migration and integration (led by betterplace lab)
- Cities and urban development (led by Barcelona Activa).

Further results of this project are:

- An experimental index (European Digital Social Innovation Index) with monitoring of digital social innovation activities and support for it in European cities.
- Organisation of series of events, learning and networking opportunities. Events included "New urban visions: Bringing digital social innovation into City Hall", "Blockchain for Social Good Academy" or "The road ahead for digital social innovation: How can the EU support digital technologies to tackle our biggest challenges?" as well as a series of over 60 peer learning events.
- Publication of reports (e.g. report on "Our Tech, Our Future", trend analyses or trend guides).
- Funding & support tool: interactive online list the different types of funding and support for DSI in Europe. To find the opportunities that best fit with what you are looking for you can filter the types of funding available by type of funding, target of funding, end date, and country.

Links between the SBI and its follow-up actions and the case study

The link to SBI/EU action is clear and evident through the Horizon 2020 funding.

The project received funding from DG Connect and was funded through a call in H2020. The call is titled "ICT-11-2017: Collective Awareness Platforms for Sustainability and Social Innovation" and mentions social entrepreneurship in the description of the work

programme. DSI4EU was formally known as DSISCALE was funded under the EU Horizon 2020 Programme, grant agreement no 780473.

The Collective Awareness Platforms for Sustainability and Social Innovation (CAPS) initiative under H2020 pioneers new models to create awareness of emerging sustainability challenges and of the role that each and every one of us can play to ease them through collective action.

Systemic change

It can be observed that social venture capital funds are starting to fund more digital business models. It is driven by increasing return expectations as well as higher fund volumes but also by decreasing costs of new technology and the need to digitalise the provision of social services and products.

The project was working on the fundamentals of these digital social business models. A desk research might not identify all elements of the systemic change initiated by the project but a few systemic changes can be observed.

The project was quite successful in mapping digital social innovations in Europe. This helped to increase the information on social entrepreneurship and its understanding (statistical data and overview information). An indirect effect might be increased public and private funding as it helped to reduce information asymmetries in the sector.

The crowdsourced website can also be seen as a collection of good practices.

It also helped to raise awareness and the project's research undertakings helped to increase the understanding of social entrepreneurship and social innovation.

Sources for the case study

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Annex 6. Targeted analysis – cost and benefit of specific SBI initiatives

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1 Introduction

The Terms of Reference of this study asked for an analysis on efficiency (the relationship between costs and benefits) for six specific SBI follow-up initiatives: EuSEF Regulation, EaSI Third Axis, EFSI equity instruments, Mapping Studies, OECD-EC cooperation and ESER (European Social Economy Regions).

A comparison of costs and benefits was carried out for the different types of interventions. This document presents the results of this basic cost-benefit analysis on these specific SBI follow-up actions. Cost-benefit analysis (CBA) is a method of evaluating the net economic impact of a public project or intervention. The aim of CBA is to determine whether an intervention has been efficient from the point of view of the sum of costs and benefits of the intervention⁴¹.

For the study at-hand, this approach was adapted to the types of interventions analysed as well as to data availability and given resources. Data collection methods include interviews, questionnaires, consultation of stakeholders, and desk research of publicly available information. The evaluation of benefits is mainly based on qualitatively perceived benefits by interviewed stakeholders. Regarding the costs, the study mostly focused on direct tangible cost at the level of the European Commission and partners involved in the initiatives, such as human resources and financial cost (investments and operating cost). Benefits were estimated at the level of the final beneficiaries but also at the level of the overall SE ecosystem. Quantifying benefits has been a challenge that has been tackled with approximating the general dimension and coverage of benefits.

Serious limitations limit the robustness and validity of this analysis that can only be considered a first approximation. It has to be considered that within the framework of this study and given the availability of data and time, it was not possible to carry out an in-depth cost-benefit assessment. The analyses are not comparable to in-depth evaluations or impact assessments, so the findings have only informative value in the context of these study.

⁴¹ EVALSED Sourcebook, p. 19.

2 EuSEF

2.1 Introduction

The research has faced limitations as the amended EuSEF Regulation become applicable only in March 2018 (i.e. only 2 years of application) therefore the data available for extensive analysis is limited. EuSEF funds are still in the early period of their development and they are niche markets compared with other more well-known and developed investment funds.

The **EuSEF regulation** is a specific action within the SBI context. Following the key action proposed in the SBI communication, the European Commission (EC) published two proposals for regulations, aimed at establishing a common framework for European venture capital funds and **European social entrepreneurship funds** in order to help SMEs obtain financing via such funds. In July 2013, the EuVECA and the EuSEF Regulations came into force.

The EuVECA and EuSEF frameworks share many similarities. There are, however, some significant differences between the markets for venture capital and social impact investment. While venture capital is well established, the market for social impact investment is at a much earlier stage of development, which goes some way to explain the difference in take-up between the two frameworks.

Social entrepreneurship funds describe "investments in social enterprises aim to generate positive social or environmental impacts. These 'social enterprises' offer a focal point for investors seeking social impact alongside a financial return. Social enterprises are often young and small companies which do not offer dividends but typically re-invest much or all of their financial surpluses. This does not, however, mean that there is automatically no financial return for investors." (European Commission 2016:9)

The EuSEF framework has been available since 2013 but only a small number of funds had registered in the early years. In 2015, the Commission launched a consultation on the review of both regulations with the aim of increasing the uptake of these funds. In 2016, the Commission proposed amendments with the aim of facilitating greater adoption of these fund designations by managers. The Proposal was to amend the EuSEF regulations in two ways: a) extending the range of managers eligible to market and manage EuSEF funds; and b) making the registration and cross border marketing of these funds easier and cheaper. In June 2017, the Council adopted the final text of the review of the EuSEF regulations with some changes. The amended Regulation applies since March 2018. Furthermore, in 2018, as part of the implementation of the Capital Market Union (CMU), the European Commission published a proposal of Regulation to amend the EuSEF (and EuVECA) Regulations. This proposal of Regulation would amend the Regulations to add the concept of pre-marketing to allow managers of such funds to engage in pre-marketing in the EU. In June 2019, the Council adopted the reform to the cross-border distribution of collective investment funds which includes the concept of pre-marketing for EuVECA and EuSEF funds. Some of the articles will only apply from August 2021.

The amendment helped to extend the target group and enable economies of scale. As of October 2020, 13 funds have been notified to ESMA and the amended framework probably needs time to be fully known and implemented. However, the label for European venture capital funds (EuVECA) still remains more attractive for the industry. This is certainly driven by the size of the industry and probably EuSEF needs more time to raise interest. Bearing in mind the generally low attractiveness of private social financing, EuSEF at least has created a broader opportunity window for funds with an interest in more than one EU member state compared to other alternative investment funds, falling under the Alternative Investment Fund Manager Directive (AIFMD). Other external factors that also influence the uptake of EuSEF are the availability of social projects and the preparedness

of national registration and supervision regimes to facilitate the implementation of the EuSEF Regulation.

2.2 Analysis of costs and benefits

The EuSEF Regulation (REGULATION (EU) No 346/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 April 2013) aimed at simplifying European-wide fundraising activities for social enterprise funds as well as facilitating access to the financial markets for SE. Simultaneously, it created a voluntary label for better identifying funds investing in SE across the EU. No specific financial support was foreseen under EuSEF.

Overall administrative costs can be estimated to be at a medium level, since considerable legislative procedures (e.g. consultations, impact assessment, negotiations) were required to establish the regulation and its amendments.

The procedure for the registration under the EuSEF Regulations is meant to be a much swifter, less burdensome process than under the AIFMD authorisation. In principle the EuSEF manager notifies its home Member State competent authority of its intention to manage and/or market and EuSEF, the home competent authority checks the EuSEF meets the requirements of the applicable Regulation and notifies the relevant competent authorities in the host member state. These host Member State competent authorities would not charge the manager additional fees, insist on a detailed review of the application and the fund documents or insist on the appointment of additional, local service providers. However, fund registration fees vary considerably between Member States and may affect take-up by fund managers. As already noted in the 2011 EuSEF impact assessment, venture capital activities are not homogenously spread across the European Union. (European Commission 2016:64). In 2016, the costs related to one EuSEF registration were estimated at +/-130,000 EUR, excluding post-registration obligations (European Commission 2016:66).

As for the quantitative benefits, the number of funds registered in the EuSEF database between 2013 and early 2016 was four, from Germany and France. In 2016, the early uptake was described as "unsatisfactory" (European Parliament 2016:47). The low uptake was also mentioned in the Impact Assessment comparing the achievements of EuSEF to the overall figure of 37 European social investment funds not covered by the EuSEF Regulation at that time (European Commission 2016:58).

Between 2016 and 2020⁴², nine funds had registered from Finland, France, Luxembourg, Spain, UK, the Netherlands, so in total 13 funds are registered. Even for being a new labelled instrument and considering that EuSEF cover a specific niche (investments with social impact and a European, cross-border perspective), the increase since 2016 has been limited. In comparison, European Venture Capital Funds (EuVECA), a new label also introduced in 2013, increased their registrations from 70 to 365 during the same period (2016-2020).

Despite the low uptake, the initiative in itself has brought added value. An Impact Assessment carried out by the European Commission (accompanying the proposal for the 2016 Regulation amendment) states that in terms of the EU added value, the EuSEF Regulation "addressed a gap that previously existed in legislation by introducing a new framework aiming to meet the need of small managers seeking to market funds cross-border and to increase the amount of non-bank capital available for investment in social enterprises" (European Commission 2016:10).

The EuSEF Regulation also created a network of administrative co-operation for the effective introduction and supervision of managers of EuSEF funds (notification processes among NCAs as regards cross-border operations, ESMA's supervisory convergence role and central database with registered EuVECA and EuSEF managers). Moreover, the EuSEF

⁴² Until July 2020.

Regulation provides a regulatory framework for assessing and analysing social impacts/returns, including the measurement of the extent to which the social undertakings, in which the EuSEF funds invests achieve the positive social impact to which they are committed. This objective has been met⁴³.

The EuSEF Regulation requires EuSEF funds to give an account of their investment strategies, screening criteria for selecting target undertakings and their criteria for measuring the social impacts achieved by their target undertakings. On this basis, measurement tools and methodologies to precisely determine social impacts can be developed.⁴⁴

The EuSEF definition of qualifying portfolio undertakings (i.e. social undertakings) was not criticised by the large majority of the respondents of the 2015 public consultation. However, some suggested to rely on the wider definition of a social enterprise, such as the one used in the Social Business Initiative of the European Commission.

Table 2.1 Costs and benefits of the EuSEF

Initiative: EuSEF social entrepreneurship funds	
Costs	
Total actual financial commitments	No data
Total planned financial commitments	No data
Administrative cost borne by the program's managing body / FTE	Medium (time dedicated to the drafting and amendment of regulations, as well as administrative requirements such as impact assessments in 2011 and 2016)
Other cost related to administration or management: <ul style="list-style-type: none"> • Public consultation • Communication 	Low
Benefits	
Monitoring indicators	
Number of registered EuSEF funds as of April 2020	13
Diversity of participants – Number of participating Member States	7
Qualitative benefits – Estimation	
Simplifying fundraising activities (to what extent has the EuSEF label harmonized national legal frameworks and has thus simplified fundraising activities?)	Medium
Facilitate equity financing for social enterprises and reduce financing costs (to what extent has EuSEF facilitated access to the financial markets for SE and allowed private investors to invest in the field?)	Medium
Improve investors' portfolio diversifications (to what extent has EuSEF lowered investment risk by collective investment in funds?)	Low

Source: Own elaboration, based on available data.

⁴³ See European Commission 2016: 59

⁴⁴ See European Commission 2016: 73

Overall, the impact of the EuSEF regulation has been limited until now. In particular the initial framework of EuSEF produced less impact than expected until 2016: *"EuVECA and EuSEF contribute less to growth and to positive social impacts than intended."* (European Commission 2016: 11). Uptake has improved since the amendment in 2018.

The on-going amendments show that it was not easy to define an appropriate legal context for social investment funds for the EU, when not much experience was there to build on in the early years. The 2016 Impact assessment highlighted with regard to the first version of the Regulation: *"In respect of efficiency, different requirements in different jurisdictions, in particular at the level of setting-up fees, costs for the host registration and sufficient amounts of own funds, appear to constitute an impediment to the setting up of [EuVECA or] EuSEF funds and enabling cross-border investment"*. (European Commission 2016: 10)

As mentioned before, it has to be said that there is a wide range of external factors why investors do or do not invest in social enterprises across borders. Tax incentives play a role as well as culture towards non-bank financing. And cross-border investment can be inhibited by the propensity for investors to be more closely involved in social ventures. These reasons are out of scope of the EuSEF Regulations.

2.3 Perception of stakeholders

Many aspects of the EuSEF Regulation are perceived as complex. The value-added for the target group of is not always obvious.

In 2018, i.e. before the last amendment of the Regulation was approved, the European Venture Philanthropy Association highlighted three barriers that still might hinder the regulation achieving its full potential (EVPA 2018):

- (1) Resources are needed to train and inform national authorities about EuSEFs and better advertise the regulation in order to make smaller fund managers aware of the regulation.
- (2) The EuSEF framework does so far not add value for fund managers running their funds only on a national level. Additional incentives could be introduced in order to make the regulation interesting for those who are not (yet) eager to market their fund across the EU.
- (3) The provisions of social impact measurement and reporting under the EuSEF framework are considered too strict and burdensome by some fund managers.

Among the interviewed stakeholders there is a common agreement that EuSEF so far has not been a successful instrument. However, many recognise that it has, at least, raised awareness and increased visibility for social investment funds, preparing the ground not only for national and regional players but also for important European players, such as EIB and EIF.

"EuSEF: It seems that the focus of the regulation was too narrow and there are too many restrictions. It is not a success story." (#309)

"EuSEF aimed for this [i.e. conditions to work with SE in financial intermediaries and their networks] but was not that successful - first version of the regulation was too complex. [...] The original EuSEF focused partly on this but was unclear and included too many rules and requirements for fund managers. Hence the uptake of EuSEF support was low." (#219)

"EuSEF regulation has been a bit problematic at the beginning, many aspects of the regulation perceived as burden, value-added of it not obvious." (#316)

"It is obvious that the original EuSEF regulation was not very successful with just a few funds registered until 2016. The amendment helped to extend the target group and enable economies of scale." (#201)

"New definitions have been created (e.g., EuSEF) not coherent with the one of the SBI. If we keep on generating new concepts, we will not have impact at all." (#303)

Interviewees acknowledge that, theoretically, fragmentation of national legal frameworks for social finance funds across national borders has been overcome with the EuSEF instrument. Moreover, EuSEF shall make it easier for investors to identify and invest in funds specialised in social enterprises. In practice, barriers for investment still might be too high and the market too immature for a higher uptake. Interviews confirm this view:

"EuSEF, the idea was good and still is. But maybe it needs time to raise interest." (#208)

"First version of the regulation was too complex." (#219)

One stakeholder even had a recommendation to improve EuSEF in line with the identified barriers by EVPA:

"How to improve EuSEF? More information/ education of authorities and stakeholders involved, include some kind of value added for the fund (e.g. tax incentive, etc.) – otherwise it is not an attractive legal form." (#316)

In general, interviewees agreed that the EuSEF would not have happened without the SBI. The innovative character of the initiative but also the lack of clear benefits has led to a slow uptake by the market:

"The EuSEF would not have happened without the SBI. The EuSEF might not be the most successful regulation but it is a common standard for a fund with a social objective. That might be a valuable signal for itself." (#201)

2.4 Conclusion

Overall, EuSEF is responding to a small and specific niche market in the EU which is still in its infancy. It has the potential to become important and facilitate market integration and critical mass in the future. During the drafting of the Regulation and in its early years, learning has taken place and two revision rounds were necessary. The associated higher costs and the low uptake until now reduce the level of efficiency to a medium level.

Despite the low uptake, the initiative in itself has brought added value. EuSEF can be considered as efficient. The EuSEF regulation represents a milestone for future developments and for reducing important administrative and legal obstacles for cross border social investment, preparing the ground for a significant benefit in the future. The EuSEF Regulation also created a network of administrative co-operation for the effective introduction and supervision of managers of EuSEF funds. Moreover, the EuSEF Regulation provides a regulatory framework for assessing and analysing social impacts/returns.

3 EaSI Third Axis

3.1 Introduction

The EaSI Programme was designed to promote employment and social protection, to combat social exclusion and poverty, and to improve working conditions. Within this initiative, established in 2013 with EU Regulation 1296/2013, the Third Axis is dedicated to microfinance and social entrepreneurship.

Support to microfinance and social entrepreneurship under EaSI takes the form of support to financing via **guarantees to financial intermediaries** as well as **other measures** fostering the improvement of microfinance and social enterprise finance environment. The latter include: capacity building of financial intermediaries via equity and quasi-equity investment, targeted to improving the intermediaries' institutional capacity; technical assistance to financial intermediaries (including via the European Code of Good Conduct for Microcredit Provision); grants to develop the supply and demand side of finance markets for social enterprises; grants for transaction cost coverage for financial intermediaries; as well as for the operation of EU-wide networks of microfinance and social enterprise finance. An EaSI-funded instrument is in place since Autumn 2019 to provide loans via senior or subordinated debt to intermediaries that in turn extend loans to micro enterprises and social enterprises, in line with the EaSI objectives.

3.2 Activities

The EaSI Axis on microfinance and social entrepreneurship is a multi-faceted initiative encompassing a broad range of measures of different nature. It is therefore not easy to link costs and benefits in a clear and direct way. The initiative has evolved quite substantially along its lifetime, and also the budgetary capacity increased. A constant feature of the Axis, however, has been the major importance of the EaSI Guarantee Instrument. It represents 68% of the EaSI Third Axis budget. The EaSI Guarantee has benefitted from additional resources of the European Fund for Strategic Investments, one of the pillars of the Investment Plan for Europe, which has increased the firepower of the facility from ca. EUR 100 million to roughly EUR 400 million (see also Chapter 4 on the analysis of EFSI).

The **EaSI Capacity Building Investments Window** represents another 16%⁴⁵ of the EaSI budget. The objective of this instrument is to build up the institutional capacity of selected financial intermediaries that have not yet reached sustainability or are in need of risk capital or subordinate debt to sustain their growth and development. It is important to notice that this does not provide any type of finance to micro-entrepreneurs or social enterprises directly. Beneficiaries are financial intermediaries operating in the microfinance and social entrepreneurship space, which are selected after an application submitted under a call for expression of interest followed by a due diligence process. Once selected by the EIF, these partners act as EaSI financial intermediaries.

The **European Code of Good Conduct for Microcredit Provision** was established following the adoption of the Communication on microcredit, by the European Commission, in November 2007. It defines a unified set of standards for the microfinance sector in Europe. The Code serves as a self-regulation tool and a quality label for microfinance institutions that provide business loans of up to €25,000 to micro-entrepreneurs or self-employed persons. The Code is a key tool ensuring a high degree of protection of customers and investors relating to microfinance support activities. The adherence to the code is a pre-condition to access to the EaSI Capacity Building Investments Window⁴⁶. The

⁴⁵ Situation as of April 2020.

⁴⁶ In 2020, the European Code of Good Conduct for Microcredit was updated to reflect the changing market realities and capture the wide diversity of providers within the microfinance sector in Europe. It will enter into force on 1 January 2021. An updated document was presented by the European Commission in June 2020.

Code of Conduct and the related implementation monitoring methodology have been rated as helpful by respectively 77,2% and 73,5% of respondents to a survey conducted for the EaSI Performance Monitoring Report (European Commission 2019d). Its enabling and assuring role is deemed positive. While its benefits cannot be clearly quantified, its implementation is considered relevant for proper functioning of EaSI SE and microfinance guarantees and very helpful for the development of a European microcredit finance system.

A call for grants for **actions providing transaction cost support for social enterprise finance** has been launched in 2017. Phases I and II approved eight projects totalling a grant of EUR 3.45 million. Initially, three phases/deadlines were foreseen but the budget was exhausted after the second phase. The oversubscription signals an interest in the tool by beneficiaries. Adding subsequent phases, the actions supported 16 beneficiaries with EUR 6.8 million. Early information signals that the instrument is regarded positively by beneficiaries and deemed as being oriented toward catering to a relevant need. Given the beginning stage at which projects are, it is however early to evaluate the actions' impact. One interviewee⁴⁷ has noted how the grant-based tool was supposed to be complemented with a larger financial instrument, however this has not materialised, showing that the tool could have achieved a larger impact. These grants are regarded as complex to manage by DG EMPL, resulting in increased administrative costs.

A **call for grants for actions to boost the demand and supply side of the finance market** for social enterprises was carried out in 2016, with an earmarked budget of EUR 2.15 million. 21 pilot projects were selected under a call for proposals in 2013 and further 20 projects were selected under a call for proposals in 2016. The projects journey and experience served as basis for developing a practical guide on designing and implementing initiatives to develop social finance instruments and markets entitled A recipe book for social finance. Indications from interviews report some early considerations that the actions have been successful in bringing more availability of funds⁴⁸, and pilot projects have been useful in providing learnings for the development of the market.

At the same time, **operating grants supported EU networks on microfinance and social enterprise finance** such as EUCLID network, European Microfinance Network (EMN), the European Venture Philanthropy Association (EVPA), and the Microfinance Centre (MFC). The organisations are funded to support the Commission's efforts to promote access to microfinance, particularly to vulnerable groups and stimulate the creation, development and growth of social enterprises, on the basis of an integrated strategy, as set by the Social Business Initiative. To this end, the networks carry out the following activities: -supporting the Commission in its outreach activities, - expanding the capacity of the network's members, including through mutual learning; - voicing the concerns and expectations of civil society and experts; - providing data and research on developments in the field and on priority topics. Several of the responses⁴⁹ to the interviews carried out for this study have highlighted how networks such as EUCLID network or EVPA have been effective to achieve a better understanding of ideas and concepts, contributing in terms of dissemination and capacity building.

EaSI Technical Assistance activities include trainings, workshops, a helpdesk, ratings, institutional assessments, on top of Code of Good Conduct evaluations and training and have already materialised in a relevant number of support initiatives. Various interviewees identified the lack of capacity in financial intermediaries as a key issue for the development of SE finance, especially in countries which do not have an established social enterprise environment. EaSI Technical Assistance is therefore viewed favourably as a first step in tackling this issue⁵⁰. Compared to the expressed need in many EU countries for Technical

⁴⁷ Interview response 210

⁴⁸ As in the case of Serbia (interview response 311)

⁴⁹ Interview response 111, 112, 202, 307, 311, 316, 511, 589, 598, 657

⁵⁰ Such as in the case of Romania (interview response 664) and North Macedonia (interview response 645)

assistance, as highlighted by the stakeholder interviews, the scale of the measures might be deemed as rather low.

3.3 Description of costs and benefits

The financial instruments under EaSI Third Axis have enabled financial support to micro and social enterprises via financial intermediaries. Until April 2020, loans backed by the microfinance facility supported 69,770 micro-enterprises and 2,020 SE for a total amount of EUR 870.1 million and EUR 292.6 million respectively. EIF expects the final amount of financing enabled via the facilities to be EUR 1,895.1 million to micro-enterprises and EUR 809.5 million to SE (until the end of 2020)⁵¹. The overall current leverage is around 5.16 for microfinance and expected to reach 11.2 when the final number of beneficiaries is reached; it is 4.29 current and 10.25 expected for SE.

The total budget of the EaSI Third Axis programme, including actual and prospective financial commitments, amounts to EUR 216 million. A rough estimation indicates that EUR 13.2 million refer to administrative and management costs for the EaSI Third Axis. The largest financial commitment has been dedicated to the guarantee instruments. Of course, it has to be considered that the financial instruments represent a specific type of cost that has an enhancing effect and leads to leverage of further funds from financial intermediaries.

Benefits from the EaSI Third Axis are multiple and diverse, depending on the different instruments. They reach from 114 contracts signed with financial intermediaries for backing microfinance and social entrepreneurship instruments in 29 different countries, to facilitating 74,936 microloans, to enabling loans for 2,020 social enterprises, to 17 organisations reached by EaSI Technical Assistance for social enterprise activities.

The establishment of a framework for the support of social enterprises has led to another benefit. According to an interview with EIF officers and confirmed by several other interviews, the main benefit has been the recognition that social enterprises have gained. The initiative has established criteria for identifying social enterprises and has embedded them in the decisional processes of intermediary institutions, whose activity has indirectly affected the decision-making processes of other financial institutions in the target markets. It is possible to affirm that the implementation of the social enterprises guarantee axis, together with the implementation of EuSEF, has triggered a change in the widespread recognition of social enterprises across financial institutions in Europe, which was not there before the initiative started.

Overall, the benefits with regard to the microfinance sector can be deemed as very high, taking into account the uptake, absorption and reach of the instruments. The benefits for the social enterprise sector can be deemed as high. The accompanying measures (grants to studies and networks, technical assistance etc.) are considered as important and crucial in building capacities and preparing the ground for the uptake of the financial instruments, in particular in countries with a less developed social finance market.

The detailed costs and benefits relating to the Third Axis is presented in the table below.

Table 3.1 Costs and benefits of the EaSI Third Axis (as of 04/2020)

Initiative: EaSI Third Axis	
Costs (as of 04/2020)	
Total actual financial commitments	161.1 M EUR
actual financial commitments: Microfinance guarantees	69.7 M EUR

⁵¹ This refers to information and data available in April 2020 and does not take into account any COVID-19 social or economic impacts.

actual financial commitments: Social Entrepreneurship guarantees ⁵²	40 M EUR
actual financial commitments: Capacity building Investment window	26 M EUR
actual financial commitments: EaSI Technical Assistance for microfinance	6.2 M EUR
actual financial commitments: European Code of Good Conduct for Microcredit Provision	1.4 M EUR
actual financial commitments: EaSI Technical Assistance for social enterprise finance	0.5 M EUR
actual financial commitments: EaSI action grants "Transaction cost support for social enterprise finance"	6.8 M EUR
actual financial commitments: EaSI action grants on developing the demand and supply sides of finance markets for social enterprises	3.2 M EUR ⁵³
actual financial commitments: EaSI operating grants to EU-level networks in the field of microfinance and social enterprise finance	7,3 M EUR
Total planned financial commitments	54.9 M EUR ⁵⁴
Administrative cost borne by the programme's managing body. (in EUR or people working full time on this, or FTE working % of their time on it).	2.4 M EUR ⁵⁵
Management of the financial instruments (to be deducted from the actual financial commitments)	10.8 M EUR
Benefits	
Monitoring indicators (as of 31/12/2019 if not indicated otherwise)	
EaSI Guarantees – Number of applications received	155
EaSI Guarantees – No. of contracted Financial Intermediaries (as of 31/05/2020)	96
EaSI Guarantees – No. of Guarantee contracts signed	114
EaSI Guarantees – Geographical coverage	29 countries
Microfinance guarantees – Number of microloans provided	74 936
Microfinance guarantees – Number of final recipients	69 770
Microfinance guarantees – Number/share of training and mentoring services provided to final beneficiaries	77.8%
Microfinance guarantees – Loan amounts granted	870.1 M EUR
Social enterprise guarantees – Number of loans provided	2 368
Social enterprise guarantees – Number of final recipients	2 020
Social enterprise guarantees – Loan amounts granted	292.6 M EUR

⁵² It has to be considered that the EaSI support to social enterprises has benefitted from additional funds and activities under EFSI, e.g. through pilot equity investments Equity instrument, namely via funds linked to incubators/accelerators and co-investments with social Business Angels. See also Chapter 4 on EFSI.

⁵³ This amount includes also EUR 1 million from a call for proposals financed via a European Parliament Preparatory Action (launched in 2013). Although this was not the EaSI budget, it was a result of the SBI and it lay the ground for other rounds of the same call launched later under EaSI.

⁵⁴ Includes also the budget allocated to the Incubators' call (EUR 1.3 million).

⁵⁵ Estimation on standard costs.

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Social enterprise guarantees – Total leverage of guarantees provided	4.29 (actual); 11.88 (expected)
Capacity building investment window – Number of applications	22
Capacity building investment window – Number of operations	11
Capacity building investment window – Number of beneficiaries (microcredit providers)	6
Capacity building investment window – Amounts granted	21.3 M EUR - of which for Microfinance 12.5m - of which for Social Entrepreneurship 8.8m
EaSI action and operating grants – Amounts granted	17.3 M EUR
Jobs created/maintained under the EaSI guarantees and capacity building investment window.	175 075 (50 627 in social enterprise and 124 448 in micro enterprises) ⁵⁶
Number of activities under EaSI Technical Assistance for microfinance	394 total: ⁵⁷ 42 institutional assessments 140 trainings 18 financial and social ratings 53 code compliance evaluations 87 dissemination events 54 helpdesk contacts
Number of organisations reached by EaSI Technical Assistance for microfinance activities	37 ⁵⁸
Number of support activities under EaSI Technical Assistance for social enterprise finance (if available, split by targeted capacity building services, dissemination events, etc.)	16 total: 8 targeted capacity building trainings 7 workshops 1 analytical study
Number of organisations reached by EaSI Technical Assistance for social enterprise activities	17
EaSI action grants “Transaction cost support” – Number of beneficiaries	16
EaSI action grants “Social finance markets” – Number of beneficiaries	41
EaSI operating grants “EU-level networks for microfinance and social enterprise finance” – Number of beneficiaries	4
Qualitative benefits – Estimation	
Effect on the sector – Microfinance guarantees	Very High
Effect on the sector – Social enterprise guarantees	High
Effect on the sector – Capacity building investment window	High
Effect on the sector – Grants for transaction cost support	High
Effect on the sector – Grants for building the demand and supply of social finance markets	High
Effect on the sector – Operating grants to EU-level networks	High

⁵⁶ As at the end of September 2019. Figures report the total number of employees in supported organisations. Source: EaSI Semi Annual operational report, September 2019.

⁵⁷ Data based on FSF annual activity report and MFR progress reports.

⁵⁸ MFIs directly benefited from EaSI TA, excluding participants of dissemination events.

Effect on the sector – EaSI Technical Assistance for microfinance.	Very High
Effect on the sector – European Code of Good Conduct for Microcredit Provision.	High
Effect on the sector – EaSI Technical Assistance for social enterprise finance.	Medium – High
Effect on Social enterprise visibility and recognition	High

Source: Own elaboration

3.4 Perception of stakeholders

The establishment of a clear framework for the support of social enterprises has been named by interviewed stakeholders as a critical benefit, namely the recognition that SE have gained. This can be acknowledged as a key and invaluable somewhat indirect outcome of the establishment of the EaSI Guarantee system. However, some interviewees report confusion about the exact definition of a social enterprise or the eligibility requirements of the schemes, as definition for SE for the EaSI programme collided with other definitions used at national level.

Interviewees confirm that the implementation of the SE guarantee scheme has triggered a change in the widespread recognition of social enterprises across financial institutions in Europe, which was not there before the initiative started. This can be acknowledged as a key and invaluable benefit of the establishment of such guarantee system. Several interviews with stakeholders have confirmed that coordinated European efforts have worked in the right direction by progressively enabling social and cooperative enterprises in moving from grant-based support to financial instruments and improving access to finance and financial readiness. This effort is only at the beginning and there is still room for improvement showing a need for continued support to the initiative. (Interview response #202, #573, #608)

Some respondents argue that the initiative was undersized with respect to the scale, as it would need more funds to provide consistent change. (Interview responses #528, #547)

Moreover, it has been pointed out that SBI financial instruments have been successful in laying the conditions for finance provision to social enterprises, however this has materialised mostly by specialised institutions such as ethical banks, and less so via mainstream finance. (Interview response #312)

In general, interviewees have pointed out, however, that the main benefits of the EaSI Third Axis for the social enterprise sector lie in intangible effects, mainly the improvement in recognition and better understanding of SE in the financial sector. These effects stem not only from the direct support mechanisms put in place – such as EaSI Technical Assistance, the capacity building investment window and grant support –, but also from indirect cascading effects of the establishment of guarantee schemes with intermediaries at MS level.

3.5 Conclusion

Overall, the benefits with regard to the microfinance sector can be deemed as very high, taking into account the uptake, absorption and reach of the instruments. The benefits for the social enterprise sector can be deemed as high. The accompanying measures (grants to studies and networks, technical assistance etc.) are considered as important and crucial in building capacities and preparing the ground for the uptake of the financial instruments, in particular in countries with a less developed social finance market. Interviewees have pointed out that the main benefits of the EaSI Third Axis for the social enterprise sector lie in intangible effects, mainly the improvement in recognition and better understanding of SE in the financial sector. In conclusion, the cost-benefit relationship indicates a high

efficiency of the EaSI Third Axis, considering the wide reach and the leverage effect of the financial instruments.

4 EFSI Equity social impact investment instruments

4.1 Introduction

EFSI Equity social impact pilots were launched in 2016 as part of EFSI Equity instrument managed by the European Investment Fund (EIF) that provides equity investments to or alongside financial intermediaries. The EFSI Equity instrument is deployed in the form of two windows (expansion / growth stage and early stage window) which may be combined to pursue multi-stage investment strategies. It is part of the European Fund for Strategic Investments (EFSI), a joint initiative of the European Commission (EC) and the European Investment Bank (EIB) Group, under the umbrella of the Investment Plan for Europe, which aims to overcome the investment gap in the EU by mobilising private financing for strategic investments. EFSI shall enable the piloting of a number of innovative instruments in support of social enterprises and social innovation. As part of its policy objective in this area, the EC aims to support also smaller investments for the benefit of Social Enterprises, including those with initial investments of up to EUR 500,000.

Under the EFSI Equity social impact pilots, three main types of social impact investment pilots targeting financial intermediaries are brought together:

- (1) Investments in or alongside financial intermediaries linked to incubators, accelerators, and/or that provide incubation services (from pre-commercial stage up to the early growth);
- (2) Investments alongside business angels or investments in business-angel-funds (multi-stage investments and focus on geographical distribution);
- (3) Payment-by-Results/Social Impact Bond investment scheme (piloting innovative funding scheme on a Pan-European Level).

These instruments are mutually complementary and aim at covering a broad spectrum of financial intermediaries, final recipients and market segments. They seek to provide in aggregate up to EUR 150m to social enterprises and social sector organisations which are located or active in the EU.

Such pilots aim to:

- Provide a complementary set of tools for social enterprises and social organisations, especially at the very early, high-risk stage when business models are not fully consolidated yet;
- Target a wide spectrum of intermediaries in the impact investing market in order to maximize outreach of EU funding and accelerate social innovation;
- Complement other programmes of the EIF and of the Commission;
- Catalyse additional private capital for the field in form of co-investments.

To address the market gaps in the field of social impact investments, the European Commission and the EIF have developed a highly diversified portfolio of instruments, which aimed at responding at different needs of social impact businesses. The pilots launched under EFSI Equity therefore aim to complement the instruments launched under EaSI, namely, the EaSI Guarantee Instrument, the EaSI Capacity Building Investments Window and the EaSI Funded Instrument. Furthermore, they complement also the transaction cost support scheme managed by the European Commission, which provides grants to existing or future financial intermediaries and it is a very good example of two parallel EU

programmes combining repayable and non-repayable financing tools contribute to strengthening the infrastructure for social enterprises and social sector organisations.

4.2 Description of costs and benefits

Support of financial intermediaries under EFSI for the purpose of achieving social impact may take the form of investments in or alongside (1) funds linked to incubators, accelerators and/or that provide incubation services to enterprises, (2) business angels or (3) payment-by-results/social impact bonds investment schemes.

The first instrument covers **investments in or alongside financial intermediaries linked to incubators or accelerators**. The average volume per investment ranges from EUR 2.5m to EUR 10m, the indicative objective is to invest a minimum of EUR 30m until 2022⁵⁹ which will likely be reached. The primary objective of this instrument is to support and accelerate the growth and success of early-stage social start-ups through an array of business support resources and services. The instrument enables beneficiaries (social start-ups, established or operating within the EU from pre-seed to early growth stage), to develop into a more mature state where they are then able to access other existing instruments. Capital deployment takes place as long-term risk capital investments in the form of equity, hybrid debt-equity Instruments, other type of mezzanine financing.

The second Instrument targets **investments alongside business angels or investments in business-angel-funds**. The indicative objective is to invest EUR 25m by the end of 2020⁶⁰, The main objective is to leverage the financing capability of non-institutional impact investors (e.g. social business angels) who have access to a local and proprietary quality deal flow but need financial support by providing social start-ups capital in order to support growth and speed-up growth and success. Beneficiaries of this instrument are social start-ups established or operating in the EU from pre-seed to early growth. EIF continues to work on different opportunities to combine EFSI investment requirements with the necessary flexibility of angel investments in order to catalyse funding for early stage impact ventures. However, so far, the requirements of the pilot (e.g. definition restrictions, reporting requirements) have not proven compatible with the uninstitutional/informal nature of business angel investing. In light of the current timeframe defined for EFSI investments it is unlikely to generate an investment portfolio through social business angels.

The third instrument consists in funding **pilot schemes for payment-by-results instruments**. In total, EUR 25m have been fully allocated until today. Three transactions (Finland, France, and Netherlands) have been signed, raising a lot of awareness for these instruments, and indicating that this could be a viable solution for central / regional authorities to improve social intervention and foster social innovation. In Finland, the KOTO SIB wants to accelerate the inclusion of 1,200 to 1,820 immigrants and refugees.

The detailed identification of costs and benefits relating to these instruments are presented in the table below.

Table 4.1 Costs and benefits of EFSI Equity social impact investment instruments

Initiative: EFSI Equity social impact pilots	
Costs	
Overall Objective (with flexible allocation)	EUR 150 m
Investments in or alongside financial intermediaries linked to incubators or accelerators:	

⁵⁹ Approvals until 31 December 2020, signatures until December 2022

⁶⁰ Operations need to be approved by the end of 2020, but can be implemented (invested) until end of 2022.

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<ul style="list-style-type: none"> • Indicative target • Total investment until 04/2020 	EUR 30m EUR 9.7m
Investments alongside business angels or investments in business-angel-funds: <ul style="list-style-type: none"> • Indicative target • Total investment until 04/2020 	EUR 25m EUR 0
Pilot schemes for payment-by-results instruments: <ul style="list-style-type: none"> • Indicative target • Total investment until 04/2020 	EUR 25m EUR 25m
Other costs related to administration or to management of the initiative	nd
Benefits	
Monitoring indicators	
Social Incubators/ Accelerators Facility: No. of investments until 04/2020	3
Social Business Angels Co-Investment Facility: No. of investments until 04/2020	0
Payment-by-Results pilot: No. of investments until 04/2020	3
Amount of co-founding leveraged:	Roughly 50%
Qualitative benefits – Estimation – per instrument	
Growth and success of early-stage social start-ups (to what extent has EFSI supported the growth and success of early-stage social start-ups?)	Too early to tell (still pilot phase). Success and growth of start-ups can only be assessed after several years.
Leveraged financing from non-institutional impact investors (to what extent has EFSI leveraged the financing capability of non-institutional impact investors?)	Low Note: Being in a novel market, EIF's role is one of a market builder. Thus, it is somehow normal that the flow of catalytic investments is not comparable with the one of other instruments, but this was not the purpose of the pilots.
Awareness for payment-by-results schemes (to what extent has EFSI raised awareness for payment-by-results schemes?)	High
Addition to other programs of the Commission (to what extent has EFSI complemented other programs of the Commission?)	High

4.3 Analysis of costs and benefits

The overall **mandate** is perceived by interviewees as being highly strategic for a healthy growth of the impact investing market in Europe.

"There are still a lot of grants, but there is an increasing recognition that grant dependency is not sustainable. Smart and ethical ways for generating returns must be sought because any activity on grants sooner or later dies. [...] This shift most likely has been the biggest thing in the last decade. A very positive change. [...] This is a shift that allows private sector organizations such as also EIF to interplay. (...) Things have changed and if around

2004-2005 there have been cases where EIF was not able to offer funding to VC funds which were aiming at generating a social impact, 10 years later this is possible.” (#202)

In this context, it is also important to notice that broadly the technical features of the pilots are well suited to the target markets. For instance, the pilots allow for investments of more than 50% of the total fund size, thus providing enhanced capacity to reach critical mass. The pilots have also a high risk tolerance and support investment managers in delivering proof that investing in the social impact space can be sustainable and create value. In addition, the EFSI Equity Instrument was a very important and highly adequate complement to existing programs of the Commission such as, for example, the transaction cost support.

The three **EFSI instruments** are similar regarding the associated cost with one instrument having a target of capital to be invested until 2022 of EUR 30m and the other two of EUR 25m each. However, the actual investments differ significantly in terms of implementation status, with the payment-by-results scheme funding being fully allocated and the business angel facility being the most challenging not having made any investments so far:

- Investment in or alongside financial intermediaries liked to incubator/accelerator and/or that provide incubation services to social enterprises:

Certain difficulties have been encountered in the implementation of this pilot due to the applicable definition of social enterprises, which appears to be restrictive for investors seeking positive correlation between impact and financial performance. This challenge prevented the utilisation of the EFSI Equity pilots for social impact for some transactions, especially with social incubators and accelerators.

Overall, the instrument has been successful and has received positive feedback encouraging discussion to continue the instrument after the end of the current programme. Strategically, the facility was key to nurturing a new generation of fund managers that can build up a track-record thus growing the social impact market in Europe and build up deal flow for later-stage investors, enabling the scale-up process of enterprises. The reasons for the still limited number of transactions despite a full deal pipeline are that (1) incubators who traditionally act as mentors and advisors have to undergo a paradigm change to become investors hence requiring a different skill set and (2) the structuring input regarding the set-up of management companies and appropriate governance structures is quite time and resource-intensive. However, these capacity-building and structuring efforts are prerequisite for the investment to take place and nurture the pre-seed and seed impact investing market. Thus, their value is highly strategic and it contributes to the ecosystem building approach that both EC and EIF are pursuing.

- Investments alongside business angels or investments in business-angel-funds:

So far, no transactions have been signed for this instrument yet. The major reason being that the requirements of the EFSI program make it difficult to comply with the flexibility sought by business angels who invest their private wealth in a very individual way and who do not want to add additional constraints to already risky investments. For example, a certain level of monitoring and reporting is required for these investments often depriving business angels of their freedom to invest. EIF is constantly trying to overcome this challenge but the constraints of the mandate compared to impact business angels' investment behaviour seem heavy. As a forward looking exercise, it would be worth exploring whether more suitable model could be conceived to boost such a pilot.

- Payment by results/social impact bond investment schemes:

Three transactions have been signed in four years. It is important to note that such scheme has been implemented on a pilot basis and that these investments require engineering and entail the set-up of schemes which may be complex due to their novelty and the fact that several stakeholders are involved. The scalability of this instrument remains to be

further explored. Structuring of these transactions is very demanding, on one side due to the different stakeholders involved, including a public commissioner who has full discretion over budget allocation, on the other side as this area requires significant capacity building and technical assistance. Thus, as of today, the instrument did not reach a high level of standardization, as often these are very targeted transactions and whose size is subject to a public call for tenders. However, encouraging signals are coming from different European countries, with an increased awareness of this instrument as one of the potential tools to deliver social impact and entailing also potential savings on public budget. In the future, one possible direction to explore in order to gain scale and allow EIF and the Commission to be able to further support the development of this tool, would be to invest in outcome funds from Member States. By reinforcing the investment capacity of such outcome funds, more SIBs could be closed out of one single transaction and effectively put capital at work, faster and in larger amounts.

4.4 Perceptions of stakeholders

Regarding the overall benefits of the **programme in general**, stakeholders have expressed varied opinions.

Interviewees agree that there is an important market failure regarding funding social enterprises at the seed stage. A positive effect of the EFSI instruments is that they have increased the visibility of social enterprises while at the same time fostering a change of social entrepreneurs' attitude to go beyond grants and include investments in their financial resources. Furthermore, the European instruments are judged by many interviewees to be an important source of funding for social enterprises, but that it is too soon to really evaluate their impact on the support of early-stage social start-ups in general.

"Positive: development of new EU financial schemes that are not just grants (investment, equity, loans...)" (#601) "Improvements: New measures such as equity, guarantee funds, crowdfunding, etc. are emerging, but it is too soon to see their impact." (#623)

While the critical feedback raised by some stakeholders might be resulting from a lack of awareness or sufficient information, experts and interview partners mentioned concerns about the structure and set-up of the programme (see also Bignal 2019). The provided seed funding under EFSI is perceived by some as being not entirely clear regarding the types of investment targeted. This perception seems to be closely related to the pilot character of the EFSI instruments. All involved stakeholders are still in a learning phase about the adequate set-up of instruments and schemes. In addition, it seems that there is still room to take into account experiences and lessons learned from national initiatives.

Similar to the EFSI instruments and equally a pilot scheme, the EIF launched its social impact accelerator (SIA) in 2013 when no other EU financing was available for this particular niche (small investments in social enterprises). It targeted social impact funds which, in turn, invest in social enterprises. Some interviews confused the SIA scheme (not an SBI follow-up action) with the more recent EFSI social private equity schemes. Several interviewees stated that the SIA approach was overly commercialised and not suited to the needs of the social enterprises.

"The EIF's "social impact accelerator" scheme dedicated to investment in impact funds works with the idea that European impact funds adopt practices in line with those of the private equity market which are different from those of the French solidarity finance." (#589)

Overall, the EFSI instruments are a good opportunity to learn and work with innovative social equity schemes. It is clear for most stakeholders that working with the social economy requires different conditions and specific intervention logics. This is true not only for the overall providers of instruments (EIB/EIF), but first and foremost for the financial intermediaries working with the social sector.

"Another challenge relates to the volume of support needed by social enterprises. Social enterprises usually need relatively small funds. [...] This may demand different approaches." (#219)

Another set of statements relates to the overall objective of providing early-stage funding to social enterprises.

"Social enterprises have different needs in different stages of their development. To date, different instruments target these different stages, but the transition is not always well covered." (#219)

And while the lack of funds still constitutes a bottleneck for funding early-stage social enterprises, in addition it might be helpful to foster complementary equity investments at a national level, e.g., with national banks or other partners or to combine guarantees with equity. Interviewees see a clear opportunity for social economy equity instruments and ask for more tailored schemes, for example also at MS level.

"Many social enterprises do not qualify as they do not comply with traditional Venture Capital model Maybe more equity at national level / national banks/partners would foster development of more funds Maybe combine guarantees with equity, smaller equity amounts to kick-start process, idea to use capacity building as soft equity Funds are either very small or very big – no middle ground, too few funds constitute a bottleneck." (#312)

Overall, there seems to be clear need for innovative pilot actions such as the EFSI instruments. Stakeholders ask for more and better tailored schemes to the needs of social enterprises. In general, the analysis showed that very few interviewees are aware of the EFSI pilot schemes; their perceptions are more of a general nature. The interviewed stakeholders that know the EFSI schemes agree that they have been instrumental in launching a number of first social impact venture capital funds across Europe.

4.5 Conclusion

So far, it is too soon to evaluate the results and impact on the support of early-stage social start-ups. Broadly the technical features of the pilots are well suited to the target markets. For instance, the pilots allow for investments of more than 50% of the total fund size, thus providing enhanced capacity to reach critical mass. The pilots have a high risk tolerance and support investment managers in delivering proof that investing in the social impact space can be sustainable and create value. The EFSI Equity Instruments are very well complemented by programmes of the Commission such as, for example, the transaction cost support. Overall, a first estimation of results leads to the assessment that there is a balanced relationship between costs and benefits.

5 Mapping studies

5.1 Introduction

The first mapping study of social enterprises and their eco-systems in Europe was commissioned by the European Commission in 2013 aiming at giving an overview of SE and their ecosystems across countries, including factors constraining their development and outlining national policy and legal frameworks for social enterprises. Additionally, best practices should be included to accelerate the growth of the SE ecosystem across Europe. Similar mapping studies were commissioned in 2016 and 2019.

The studies were funded under the umbrella of the EaSI Programme.

In total, reports on 35 countries have been published. The first 29 plus a synthesis report in 2014, an additional 7 in 2016 (Italy, France, Spain, Ireland, Belgium, Slovakia, Poland) and updates on 34 countries in 2019. This includes all EU Member States but also countries that are not part of the EU but benefitting as third countries or partner states from the EaSI Programme, such as Norway, Albania or Serbia.



5.2 Analysis of costs and benefits

The total cost for the project amounted EUR 1,668,717 including EUR 1,543,917 for the researchers conducting the mapping and EUR 124,800 over seven years for managing the programme within the EC. As a proxy for uptake of the study, the number of total downloads is being used as an indicator. Downloads amounted so far to 209,444 (as of 25th March 2020).

In terms of qualitative considerations, the EC expected the following benefits of the studies, which have been largely achieved:

- Consolidation of joint understanding of key concepts, features and challenges in Europe.
- Building a knowledge base which serves other activities in this field (OECD in-country reviews, OECD-DG EMPL mutual learning exercises, European semester, EaSI technical assistance, UN agencies work, etc.).
- Boosting national debates and the development of SE ecosystems in many Member States.
- Building an academic community around SE related research.

The detailed identification of costs and benefits relating to the instrument are presented in the table below.

Table 5.1 Costs and benefits of mapping social enterprises

Initiative: mapping of social enterprises and their eco-systems in Europe (the original mapping study and its updates)	
Costs	
Total actual financial commitments	EUR 1,668,717
Mapping research contract 2013 (ICF) (27 + 1 countries + synthesis)	EUR 434,917
Mapping advisory group contract 2013	EUR 59,800
Mapping first update 2016 (IT, FR, ES, IE, BE, SK, PL)	EUR 250,000
Mapping update 2019	EUR 799,200
Administrative cost by the programme's managing body (FTE working % of their time on it)	
• 2013: 0.2 FTE	EUR 15,600
• 2014: 0.1 FTE	EUR 7,800
• 2015: 0.1 FTE	EUR 7,800
• 2016: 0.2 FTE	EUR 15,600
• 2017: 0.2 FTE	EUR 15,600
• 2018: 0.4 FTE	EUR 32,200
• 2019: 0.4 FTE	EUR 31,200
Benefits	
Monitoring indicators	
Number of total downloads (as of 25/03/2020):	209,444
• Synthesis report	32,797
• Executive summary	25,084
Albania	1.714
Austria	6.070
Belgium	10.439
Bulgaria	3.066
Croatia	4.245
Cyprus	2.790
Czech Republic	3.094
Denmark	5.291

Estonia	2.688
Finland	3.694
France	9.631
FYROM	1.668
Germany	8.993
Greece	4.856
Hungary	3.410
Iceland	862
Ireland	5.037
Italy	11.039
Latvia	2.270
Lithuania	3.329
Luxembourg	2.799
Malta	1.808
Montenegro	1.203
Netherlands	4.676
Norway	1.111
Poland	4.833
Portugal	4.871
Romania	3.892
Serbia	1.439
Slovakia	4.288
Slovenia	2.961
Spain	8.273
Sweden	3.623
Switzerland	3.350
UK	8.250

Qualitative benefits – Estimation	
Consolidation of joint understanding of key concepts, features and challenges in Europe	Medium
Building a knowledge base which serves other activities in this field (OECD in depth country reviews, EMPL mutual learning exercises, European semester, EaSI technical assistance, UN agencies work, etc.)	High
Boosting national debates and the development of social enterprise ecosystems in many MS	Medium (mostly among experts and key stakeholders)
Contributing to building a community around social enterprise related research	High

Source: Own elaboration

5.3 Perception of stakeholders

In the interviews to relevant experts, policymakers and stakeholders, there was a general agreement that the Mapping Study were key for a better understanding and visibility of

social enterprises and their environment in the different countries. Especially in countries with little capacities on targeted research available in the own country, the mapping study reports (but also the OECD-EU country reviews) were highlighted as highly important and effective support from the EU. However, also stakeholders from more advanced countries such as UK appreciated the positive effects of the Mapping Study country reports as establishing a good national overview on the sector and, at the same time, facilitating comparison and learning from other countries.

Stakeholders have broadly welcomed the publications as an important tool to raise awareness for the concept of social enterprise, increase knowledge and to highlight existing needs (e.g. legal environment, business support). The mapping is perceived as a very comprehensive information package that includes a good synthesis. As Europe has many different and quite distinct markets, systems, traditions and legacies, it has also raised understanding of how social enterprises are connected to both social history and their regional context. As the ecosystem of social enterprises is becoming a more prominent topic, the mapping study serves as a useful source of information both for the sector and its advocates to explain why social enterprises need support.

"Taking into consideration the inputs from the mapping studies on SEs, the national authorities in North Macedonia accepted the proposal of SEs to first start with a Strategy for SEs and then proceed with a development of a legal framework". (#645)

"The inclusive and looser approach to social enterprise definition in UK has stimulated a lot of debate. The mapping work is robust and has improved knowledge substantially in last 2 years: there are figures for social enterprises (narrower) and socially oriented enterprises (broader)." (#109)

"The mapping study on social economy ecosystems – a useful information both for the sector and its advocates to explain why SEs need support." (#573)

"Mapping study [have been] very relevant." (#305)

"Mapping studies have important influence, but mostly qualitative data which is not comparable." (#311)

However, although a broader evidence base is now available with the mapping studies, there is still a deficit of data, especially data of a quantitative, comparable nature. Furthermore, additional research could broaden the thematic scope looking, for example at the legal environment in Member States in more detail.

Despite having finished in 2020 the latest update of the mapping studies, some stakeholders perceive the need for a) more specific, theme-related mapping studies and b) to continue with the European wide research leading to a stable European observatory on social enterprises and the social economy in general.

"An updated mapping study for the legal environment could be interesting." (#38)

5.4 Conclusions

The relationship between costs and benefits indicates that the initiative was highly efficient.

Overall, the costs can be considered as low, compared to the other SBI initiatives, in particular those related to funding initiatives. At the same time, the benefits are at a high level. Positive response and use of the mapping study reports indicate their overall usefulness. This is supported by numbers of downloads of the reports, not only the synthesis report, but also all country reports. A knowledge base has been created on the topic of social enterprises and the social economy, shading light on the existing rich traditions and diversity of approached to social entrepreneurship and social economy. Moreover, interviewed stakeholders confirm the benefit of having this information available to learn more about the sector and to better communicate with policymakers and

decision makers. In addition, the study has contributed to build a community around social enterprise research. Bridging the gap between purely academic research and applied research around practitioners is a positive indirect effect of the mapping study research.

Despite having finished in 2020 the latest update of the mapping studies, some stakeholders perceive the need for a) more specific, theme-related mapping studies and b) to continue with the European wide research leading to a stable European observatory on social enterprises and the social economy in general.

6 OECD-EU cooperation on the field of inclusive and social entrepreneurship

6.1 Introduction

In 2011, the European Commission, through DG EMPL and OECD initiated a joint project to identify, assess and provide tailored advice to individual national or regional administrations of the EU MS in the design and implementation of integrated policies and programmes on inclusive and social entrepreneurship⁶¹.

The project aimed to foster mutual learning among all relevant stakeholders and practitioners concerned through monitoring and comparison of policy and programme approaches, collection and dissemination of good practices as well as tools development to support learning networks, events, and platforms. The cooperation was supposed to make a valuable contribution to Europe's 2020 Strategy for smart, sustainable and inclusive growth.

From 2011 to 2015, the topic of inclusive entrepreneurship was addressed. In addition, from 2013 onwards, social entrepreneurship was added as core theme.

In order to reach these objectives, a variety of **publications** in the form of policy briefs and in-depth country reports were published:

Table 6.1 Results of joint EC-OECD activities on social and inclusive entrepreneurship

Topic	Year
Inclusive Entrepreneurship	
Inclusive entrepreneurship books	
Inclusive Business Creation: A good practice compendium	2015
Joint Publications fully available on Commission Website	
Policy Brief on Youth entrepreneurship	2012
Policy Brief on Senior entrepreneurship	2013
Policy Brief on evaluation of inclusive entrepreneurship programmes	2013
Policy Brief on access to start-up finance for inclusive entrepreneurship	2014
Policy Brief on entrepreneurship for people with disabilities	2014
Policy Brief on informal entrepreneurship	2015
Policy Brief on expanding networks for inclusive entrepreneurship	2015
Policy Brief on sustaining self-employment	2015
Policy Brief on Women's entrepreneurship	2017
Inclusive Business Creation - Good Practice Compendium	2016
The Missing Entrepreneurs 2017 - Policies for inclusive entrepreneurship	2017
Policy brief on incubators and accelerators that support inclusive entrepreneurship	2018
The Missing Entrepreneurs 2019 - Policies for inclusive entrepreneurship	2019
Recent development in youth entrepreneurship policy	2020
Joint Publications not fully available on Commission Website	

⁶¹ <https://www.oecd.org/cfe/leed/social-entrepreneurship-oecd-ec.htm>

Topic	Year
Inclusive Entrepreneurship	
The Missing Entrepreneurs	2013
The Missing Entrepreneurs 2014	2014
The Missing Entrepreneurs 2015	2015
The Missing Entrepreneurs 2017	2017
Rapid Policy Assessments of Inclusive Entrepreneurship Policies and Programmes	
Latvia: Entrepreneurship Support for the Unemployed in Latvia	2015
Slovenia: Entrepreneurship Support for the Unemployed in Slovenia	2015
Poland: Youth Entrepreneurship Support in Poland	2015
The Netherlands: Reintegrating welfare benefit recipients through entrepreneurship in the Netherlands	2015
Hungary: Youth entrepreneurship support in Hungary	2016
Belgium: Support for Entrepreneurship among the unemployed in Flanders (Belgium)	2016
Germany: Supporting Women Entrepreneurs in Germany	2016
Finland: Supporting Business Creation from Unemployment in Finland	2015
Ireland: Supporting Women Entrepreneurs in Ireland	2016
Portugal: Supporting Youth Entrepreneurs in Portugal	2016
Reviews of Policies and Programmes on supporting Youth Entrepreneurship	
Supporting Youth Entrepreneurship in Lithuania	2015
Supporting Youth Entrepreneurship in Italy	2016
Supporting Youth Entrepreneurship in Spain	2016
Country notes	
Country assessment notes 2016: Set of 28 country reports assess inclusive entrepreneurship policies and report on self-employment and entrepreneurship activities by population groups that are disadvantaged or under-represented in entrepreneurship	2016
Country assessment notes 2017: Set of 28 country reports assess inclusive entrepreneurship policies and report on self-employment and entrepreneurship activities by population groups that are disadvantaged or under-represented in entrepreneurship	2017
Country assessment notes 2018: Set of 28 country reports assess inclusive entrepreneurship policies and report on self-employment and entrepreneurship activities by population groups that are disadvantaged or under-represented in entrepreneurship.	2018
Social Entrepreneurship	
Policy brief on Social entrepreneurship	2013
Policy brief on Social Impact Measurement	2015
Policy brief on Scaling the Impact of Social Enterprises	2016

Topic	Year
Inclusive Entrepreneurship	
Compendium of good practices	2016
Boosting social entrepreneurship and social enterprise creation. Unlocking the potential of social enterprises in Croatia	2016
Boosting social entrepreneurship and social enterprise creation. Unlocking the potential of social enterprises in Czech Republic	2016
Boosting Social Entrepreneurship and Social Enterprise Development in the Netherlands	2019
Boosting social entrepreneurship and social enterprise development in Lithuania	2019
Boosting social entrepreneurship and social enterprise development in Estonia	2020

Source: Own elaboration

In addition, **capacity building seminars** were held for high-level policy makers and stakeholders in EU MS to facilitate mutual learning and build capacity in order to assess the needs of SE and the ways in which they can be supported at all stages of their development- from start-up to scaling-up.

Regarding the development of tools, the so-called **Better Entrepreneurship Policy Tool**⁶² has been developed. This online instrument has been intended for policy makers and other interested stakeholders who can explore with it how to best design public policies. It provides different assessment, case studies and other learning opportunities in 24 languages.

6.2 Analysis of costs and benefits

The total costs of these measures amounted to EUR 6,971,940 comprising EUR 6,364,000 for all publications, provided as a grant to OECD, an equivalent of EUR 304,200 in staff cost and EUR 303,740 for the online tool informatics for the Better Entrepreneurship Tool (from 2016 to 2020).

In order to quantitatively monitor the success of the collaboration's objective in terms of fostering mutual learning and disseminating good practices, the downloads of the provided publications amount to a total of over 150,000. The website illustrating the Better Entrepreneurship Tool registers an average 560 visits per month.

In terms of qualitative benefits, two levels of contribution by the initiative can be distinguished: On a political level, the partners were aiming to change policy in the respective fields and specifically OECD would not have been able to influence respective actions for inclusive and social entrepreneurship without this support.

Regarding the impact of the publications themselves on a more operational level, interview partners distinguish between the different kinds of publications. For the policy briefs, there are significant differences in terms of contribution to the overall objectives depending on the themes, ranging from medium to high influence on stakeholders. The Missing Entrepreneurs Series is assessed similarly as well as the compendiums and country reviews. The capacity building seminars have not been a success thus their influence is judged as rather low. The Better Entrepreneurship Tool has taken off very promisingly with the potential to becoming even more important in the future. The reach today can be considered as low-medium, taking into consideration the overall size of the potential target

⁶² <https://www.betterentrepreneurship.eu/>

group, i.e. all public authorities in Europe. Specific dissemination activities would probably contribute to a better reach of the tool.

Interviewees perceive the EC/OECD joint work on inclusive and social entrepreneurship to be of medium success given the objectives of the initiative with varying degrees of contribution by the single measures. Some stakeholders know about and appreciate the country reviews as valuable information and awareness-raising tools, but this is limited to the countries covered by country reviews. On the contrary, the Better Entrepreneurship Tool was not mentioned at all in the interviews, which indicates a low level of awareness among stakeholders.

The detailed identification of costs and benefits relating to the initiative are presented in the table below.

Table 6.2 Costs and benefits of the EU-OECD cooperation

Initiative: EC-OECD cooperation in the field of inclusive and social entrepreneurship	
Costs	
Total actual financial commitments	EUR 6,971,940
1. Inclusive entrepreneurship 2011 - 2015	EUR 1,044.000
2. Inclusive business creation and social entrepreneurship 2013-2016	EUR 1,020.000
3. Inclusive entrepreneurship 2016-2018	EUR 1,500.000
4. Social entrepreneurship 2017 -2019	EUR 800,000
5. Inclusive and social entrepreneurship (2019-2021)	EUR 2,000,000
Administrative cost borne by the programme's managing body:	
• 2011-2014:	EUR 62,400
• 2015-2017:	EUR 117,000
• 2018-2019:	EUR 124,800
Other costs related to administration or to management of the initiative:	
Costs for the Better Entrepreneurship Policy online tool informatics 2016 – 2020	EUR 303,740

Impact of the EC Social Business Initiative and its follow-up actions

Benefits			
Monitoring indicators (2015-2020)			
Publication title	Downloads from OECD iLibrary	Downloads from the EUROPA web site	Workshops & Events
The Missing Entrepreneurs reports (total)	28 552	2 783	
The Missing Entrepreneurs	1 598		
The Missing Entrepreneurs 2014	5 594		
The Missing Entrepreneurs 2015	6 787		
The Missing Entrepreneurs 2017	11 066	2 212	
The Missing Entrepreneurs 2019	3 507	571	Launched at OECD Local Economic Development Forum in Antwerp on 28 workshops (429 participants)
Country notes	1 500		
Inclusive entrepreneurship books			
Inclusive Business Creation: A good practice compendium	5 561	6 282	Expert workshop hosted by DG EMPL on 28 May 2014 (9 participants)
Policy briefs	9 601	56 608	
Youth entrepreneurship (2012)	1 370	16 772	
Evaluation of inclusive entrepreneurship programmes (2013)	694	4 375	
Access to start-up finance for inclusive entrepreneurship (2014)	684	12 359	
Entrepreneurship for people with disabilities (2014)	1 333	5 085	
Expanding networks for inclusive entrepreneurship (2015)	585	2 457	
Informal entrepreneurship (2015)	688	6 217	
Sustaining self-employment (2015)	673	1 586	
Women's entrepreneurship (2017)	1 135	3 076	
Business incubators and accelerators that support inclusion (2018)	667	4 681	

Impact of the EC Social Business Initiative and its follow-up actions

Benefits		
Monitoring indicators (2015-2020)		
Recent development in youth entrepreneurship policy (2020)	178	
Social Entrepreneurship	6 953	30 517
Senior entrepreneurship (2012)	586	7 892
Social entrepreneurship (2013)	1 008	10 508
Policy Brief on Social Impact Measurement for Social enterprises	2 736	12 604
Policy brief on scaling the impact of social enterprises		2 494
Boosting social enterprise development - Good practice compendium		4 911
Boosting social entrepreneurship and social enterprise creation. Unlocking the potential of social enterprises in Croatia (2016)		Launch of the review (50 participants)
Boosting social entrepreneurship and social enterprise creation. Unlocking the potential of social enterprises in Czech Republic (2016)		Launch of the review (50 participants)
Boosting social entrepreneurship and social enterprise development in Lithuania (2019)	527	Launch of the review (100 participants)
Boosting social entrepreneurship and social enterprise development in the Netherlands (2019)	1 869	Launch of the review (30 participants)
Boosting social entrepreneurship and social enterprise development in Estonia (2020)	227	
Youth entrepreneurship reviews	800	3 workshops (130 participants)
Rapid policy assessment reports	1 100	10 workshops (181 participants) 10 events (281 participants)
The Better Entrepreneurship Policy Tool		
<ul style="list-style-type: none"> • Number of visits to website per month • Total number of visits October 2018-March 2020 		560 10 500
TOTAL	55.167	96.190

Qualitative benefits	
Overall assessment	Medium-High
Policy briefs (Big differences depending on the themes)	Medium-High
Missing entrepreneurs	Medium-High
Compendiums	Medium-High
Country reviews	Medium-High
Capacity building seminars	Low
Better Entrepreneurship policy tool	Medium But potential to become high and very important

6.3 Perception of stakeholders

From the OECD's policy perspective, the project is perceived as tremendously successful, especially for the topic of inclusive entrepreneurship (covering women, youth, seniors, unemployed, etc.) as this work could have not been carried out without the EC funding and had been addressed previously only with sporadic work. For the area of social entrepreneurship, the cooperation is also seen as very positive: there had been already some cooperation before this initiative but this project had wider reach influencing, for example, the work of the UN Inter-Agency Task Force on Social and Solidarity Economy in which OECD is the only full member as European organisation.

Examples for the positive influence on government policy are major political outputs such as the OECD ministerial declaration on SME and entrepreneurship policy (2018) promoting inclusive entrepreneurship policy or the OECD council recommendation committing countries to include gender equality issues in their entrepreneurship policies. Furthermore, impact of the initiative could be observed on specific national programs, where elements of regulation, public procurement or access to finance have been changed. Examples for countries who have used the OECD work for government consultations and practitioner exchanges include among others Poland, Ireland, Lithuania, Italy, Hungary or Spain. In addition to the country notes and rapid policy assessments which are used as piece of advice to governments, workshops were conducted in the respective countries designed to develop concrete actions in collaboration with OECD thus further contributing to the policy objectives.

"The publication of the OECD and the EC "Boosting social enterprise development – Good practice compendium", analyses a number of practices which have stimulated changes in a number of policy areas" (#4)

The initiative has also raised visibility and awareness for the topics addressed, for example by publishing data that was not published previously (e.g. GEM data on women). In the perception of OECD, governments now understand the terms used and largely benefit from the OECD work as reference for their entrepreneurship policies. This has been confirmed by some interviews conducted for this study.

"More evidence base now with mapping study. OECD reviews added information. Positive: OECD Better policies tool. But challenge remains how to get to the national policymakers, how to regional/local level. Hopefully better informed decision-making in the future, based on evidence. Learn from experience." (#208)

Similarly, the initiative has contributed to an increased recognition of the topics outside policy work as well, for example with research institutions using the OECD outputs to define their research agendas. In addition, this project has also benefitted from input of non-European countries by bringing best practices and insights from other parts of the

world into the EU. It is interesting to notice that the economic context at the start of this initiative (after the crisis of 2008) is comparable to the current situation requiring this kind of work especially regarding issues of employment. It is thus important to maintain the visibility for this policy area while moving into a deeper assessment of effectiveness and impact of these policies. So far, there is still a lack of evaluation evidence in the field regarding the impact of different types of policy interventions.

"Producing statistics in the absence of a dedicated legal form for SEs is difficult." (#501)

In addition, the topic of social entrepreneurship could be broadened reflecting the moving boundaries of the field in order to include also other phenomena such as social businesses.

In terms of the operative impact regarding the reach of the publications, the overall success of the initiative can be judged to be of medium importance. However, the heterogeneity between the different components needs to be noted: Some of the outputs have clearly become reference documents used systematically by the stakeholders (especially the Missing Entrepreneurs Series, the compendiums, certain policy briefs as well as the Better Entrepreneurship Policy tool).

"Positive changes: More evidence now with mapping study. OECD reviews added information. OECD Better policies tool." (#208)

In addition, depending on the type and level of analysis for a country, stakeholder feedback varies: Countries for which in-depth policy reviews on social entrepreneurship have been conducted have expressed positive feedback, underlining the importance of learning from international experience. For the in-depth reviews for some countries (namely Hungary and Czech Republic) there was a certain overlap with the mapping exercise, while the analyses of other countries (Netherlands, Lithuania, Estonia) were complementary to the mapping study.

Regarding the capacity building seminars, there was an issue of getting the right profile of policy makers mobilized. Therefore, these were not re-conducted as of 2016, also taken into consideration that the DG EMPL "mutual learning programme" provides comparable learning opportunities.

6.4 Conclusion

To sum up, the EC-OECD joint work on inclusive and social entrepreneurship to be defined as successful and effective regarding the policy objectives and considering the costs associated to the measures. A large knowledge base has been consolidated with many specific analytical views (geographical, different vulnerable groups, topics etc.). The benefit can be considered as medium-high given the reach of the publications with varying degrees. Reach and awareness on publications and tools among final beneficiaries are estimated as improvable.

7 European Social Economy Regions (ESER)

7.1 Introduction

European Social Economy Regions (ESER) is an initiative by the European Commission's DG GROW that aims to raise social economy awareness and capacity at regional and local level and to build regional/local networks of social economy stakeholders. These networks develop suggestions for future collaboration and co-creation of policies in and for the social economy together with the Commission.

Established with a pilot scheme in February 2018, the initiative was repeated in 2019 and will be continued in 2020 alongside the so-called "social economy missions" for interregional collaborations taking place within the COSME project.

Regions selected under this scheme hold each one regional event on the topic. The Commission is actively participating in all these ESER events. During these events, various exchanges with regional and local social economy stakeholders take place while current societal challenges are being discussed. In addition, an annual concluding event brings together all participants. In between meetings, dedicated ESER webinars foster exchange between participants. These webinars take place once a month addressing a topic identified by the ESER community.

7.2 Activities

Support for ESER regions takes the form of regional and concluding events where stakeholders can come together to discuss current social economy topics. So far, a total of 90 events has taken place: 32 in 2018 (in 14 Member States), 55 in 2019 (in 16 Member States) as well as three concluding events (two in Brussels, one in Bilbao).

As a representative of the EC was present at the events, political attention and direct exchange with policy makers was ensured. 70% of the events are covered by DG GROW's Social Economy team, 30% by teams from other DGs from the social economy taskforce depending on the topic discussed. There is no financial support linked to the selection as ESER region, the local events are funded by the regions themselves. Concluding events are funded by use of supportive measures from the COSME program. The cost for each concluding event amounts to roughly EUR 100,000.

In addition to the events, ESER regions can connect amongst each other during monthly webinars. The entire ESER team at DG GROW usually engages on these occasions with up to 100 participants. The membership in this group is perceived as label for good quality and is used for visibility and awareness raising purposes, for example by applying the EC/ESER logo.

7.3 Analysis of costs and benefits

ESER is a rather atypical financing instrument as there is very little direct financial support granted to the selected regions. In 2018, it was set-up as pilot scheme aiming to initiate a low-threshold, low-budget networking infrastructure. As it is still not clear on a European level how the social economy is being understood, such a bottom-up local approach seems to be a sound first step to test the terrain and the popularity of the first two rounds in 2018 and 2019 has indicated the validity of the model. Overall, the costs are estimated as very low, compared to the other policy initiatives.

However, the benefits of ESER are mostly of a qualitative nature. The overall objective of ESER formulated by DG GROW is to raise awareness of the social economy on a regional and local level and increase the level of development of the social economy.

For the participating 32 ESER regions in 2018 and the 55 regions in 2019, the benefits can be classified as follows:

- Increased visibility for social economy topics;
- More local knowledge about the social economy;
- Help in creating networks of different social economy stakeholders at regional and local level;
- Help in launching different initiatives on the local level (e.g., example of legislation, local social economy actions plans, and development of university curricula comprising social economy).

Due to this qualitative nature of the benefits, it is difficult to assess them in a quantitative/monetary way and to link costs and benefits in a clear-cut manner. Furthermore, it is not possible within the scope of this evaluation to obtain a full sample of representative results from all participants. Thus, this analysis is based on anecdotal evidence gathered from different interviews conducted throughout the evaluation.

Table 7.1 Costs and benefits of ESER

Initiative: ESER Social Economy Regions	
Costs	
Total actual financial commitments	EUR 376,050
Total planned financial commitments	-
Administrative cost borne by the programme's managing body:	
1 representative of the EC present at local events; total of 90 events	EUR 29,250
Participation of entire DG Grow ESER team at webinars	
1 representative working on ESER on a daily basis (~30%: preparation of call, coordination, concluding event, etc.):	No data EUR 46,800
Other cost related to administration or management: Budget for concluding event – roughly EUR 100,000 per event * 3 events	EUR 300,000
Benefits	
Monitoring indicators	
Events – Number of selected regions and corresponding local events in 2018	32
Events – Number of selected regions and corresponding local events in 2019	55
Events – Number of concluding events in 2018	2
Events – Number of concluding events in 2019	1
Events – Number of accompanying webinars in 2018	12
Events – Number of accompanying webinars in 2019	12
Diversity of participants – Number of participating Member States 2018	14
Diversity of participants – Number of participating Member States 2019	16
Qualitative benefits – Estimation	
Overall objective (to what extent has ESER been raising awareness of the social economy on a regional and local level and has increased the level of development of the social economy?)	High

Impact of ESER membership for regions:	
- To what extent has ESER been increasing visibility for social economy topics?	High
- To what extent has ESER built local knowledge about the social economy?	High
- To what extent has ESER helped to create networks of different social economy stakeholders at regional and local level?	High
- To what extent has ESER helped launch different initiatives on the local level (e.g., example specific legislation, local social economy actions plans, development of university curricula comprising social economy)?	Medium
Exchange between regions and Commission (to what extent has ESER increased exchange between European policy makers and regions?)	Medium-high

Source: Own elaboration

7.4 Perception of stakeholders

In general, ESER is perceived by the interviewees from the European Commission as well as from other participating stakeholders as a very useful and effective to increase visibility in European regions and at the local level, to learn from other experiences and regions and to build new networks of policy-makers and practitioners.

In the view of stakeholders, it has been one of the most effective measures to raising awareness for the topic at the local/regional level. For example, it is one of the key topics on the popular Twitter account of DG GROWS' Unit F.2 on Social Economy "EU4SocEnt@SocEntEU".

The positive view is shared by most interviewees:

"ESER was the best example, best practice. It started as an idea from GECES and the new DG GROW team. In 2018 they started without budget (not in COSME budget), only a twitter/email call to regions and cities about events on SE. Commission only promised to go there and support in person. This led to 32 regions participating with events and a final event in Brussels (DG GROW had ad-hoc budget to fund the trips of 32 representatives to this event). In 2019, they had budget and supported 52 events, and a bigger final event in Brussels with 80 people. There were also pilots of missions. This will now in 2020 be the core of ESER. These are missions from some regions to a region who invites other regions (ca. 5) to learn on something, like a peer review session. ESER is now also supported by a Wiki and Webinars. Very good practice to increase visibility in regions and at local level." (#211)

"In addition, ESER events bringing together stakeholders across Europe. This helps increasing awareness for the topic (e.g., their Twitter account is quite popular)." (#206)

According to the interviews, ESER has helped to disseminate knowledge on the social economy and has fostered mutual learning across Europe. The webinars and an ESER Social Economy Community collaborative website have contributed to this development.

Although the initiative is perceived in general as purposeful and effective, criticism was voiced that it does not provide a budget for participating regions. Accepted participants have to carry all costs themselves which provides an entry barrier for many interested stakeholders to apply for the program. Along these lines, smaller regions did not feel considered enough in the past calls for participation as most actions are perceived as being too abstract, too general and too large for smaller regions.

"The EC think that it is enough to exchange experiences between regions, but that is not very useful. We have a problem of missing sometimes what could be done in order to make EU framework more familiar at the local level. An effort should be done to make

public authorities at local level understand what social economy is and what can be concretely done.” (#304)

“ESER is a very good initiative – but does not have a budget. Accepted participants have to carry all costs themselves. Financial support for this initiative (on EU or national level) necessary.” (#505)

Nevertheless, the administrative effort required by an application to ESER was perceived as a good exception to the rule by being relatively easy and straightforward as compared to other EU actions.

“Most actions are too abstract, too general and too large for smaller regions. That is a high entry cost (applications, bureaucracy) to participate in EU actions. ESER 2019 was a good exception. It was easy to apply, low entry cost, low administration cost, direct communication. More of that is needed.” (#502)

Furthermore, the idea was raised to also hold Member States responsible and encourage their support as well (e.g. with co-financing schemes), as many countries/regions do not feel responsible for the topic and its stakeholders. In addition, the wish for ESER to become bigger was expressed, working with even more regions and local authorities and expanding the inter-regional exchange in order to leverage on the potential of the social economy to support work on democracy, relationships with citizens and citizens’ dialogue. The 2020 European Social Economy Missions might be a step in the right direction.

“ESER can become bigger. More work with regions and local authorities, also between regions and cities.” (#210)

7.5 Conclusions

ESER is a rather atypical instrument. Overall, the costs are estimated as very low, compared to the other policy initiatives. The benefits of ESER are mostly of a qualitative nature. ESER is perceived by the interviewees from the European Commission as well as from other participating stakeholders as a very useful and effective to increase visibility in European regions and at the local level, to learn from other experiences and regions and to build new networks of policy-makers and practitioners. It is one of the few SBI initiatives to effectively reach the level of local and regional authorities, so becoming visible for local and regional stakeholders. The interviewed stakeholders appreciate this support to raising awareness for the topic at the local/regional level. However, benefit could be increased with additional resources granted to the participating regions, in order to also enable the participation of authorities with less own resources available. Overall, efficiency is deemed as medium-high.

8 Conclusion on efficiency of selected SBI initiatives

The analysis shows that there was a clear benefit and contribution from all six policy initiatives that have been analysed. When considering also the costs associated to the initiatives, the most efficient contribution was observed from the instruments working predominantly in the area of awareness-raising, knowledge- and network-building. This was followed by funding initiatives that also have clear benefits, but also much higher costs associated. Finally, the analysis showed that the initiatives focussing on regulation require complex and lengthy processes with considerable costs associated before a tangible benefit can emerge. This was the case of EuSEF. However, these initiatives can be also considered as important, even not highly efficient, because they represent milestones for future developments and for reducing important administrative and legal obstacles, preparing the ground for a significant benefit in the future. In this sense, they correspond also to the EU policy priorities related to the single market and to EU integration.

Table 8.1 Summary of benefits against costs for selected SBI related activities

SBI initiative	EuSEF	EaSI Third Axis	EFSI	Mapping	EC-OECD	ESER
Type of action	Regulation	Funding		Knowledge-building Awareness-raising		Network-building Mutual learning
Efficiency (relationship benefits against costs)	medium	high	medium	high	medium	medium-high

Source: Own elaboration

Detailed results of the specific cost-benefit analyses of selected SBI actions provide a mixed picture.

The **EuSEF regulation** is a specific action within the SBI context. Following the key action proposed in the SBI communication, the European Commission (EC) published two proposals for regulations, aimed at establishing a common framework for European venture capital funds and European social entrepreneurship funds in order to help SMEs obtain financing via such funds. The EuSEF Regulation (REGULATION (EU) No 346/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 April 2013) aimed at simplifying European-wide fundraising activities for social enterprise funds as well as facilitating access to the financial markets for SE. Simultaneously, it created a voluntary label for better identifying funds investing in SE across the EU. EuSEF funds were available since 2013 but only a small number of funds registered in the early years. In 2015, the Commission launched a consultation on the review of both regulations with the aim of increasing the uptake of these funds. In 2016, the Commission proposed amendments with the aim of facilitating greater adoption of these fund designations by managers. The amended Regulation applies since March 2018. The amendment helped to extend the target group and enable economies of scale.

No specific financial support was foreseen under EuSEF. Overall administrative costs can be estimated to be at a medium level since considerable legislative procedures were required to establish the regulation and its amendments. As for the quantitative benefits, the number of funds registered in the EuSEF database is 13, from seven EU Member States. Even for being a new label and considering that EuSEF cover a specific niche (funding with social impact), this seems to be a low number. Overall, it seems that the EU social impact investing movement requires more time for the inception of the advantages of the EuSEF regime. EuSEF is responding to a specific niche market in the EU which is

still in its infancy (see also Gianoncelli, A. et al. 2019). The review of the EuSEF framework in 2018 was critical for channelling funding to social enterprises, preparing the ground for a significant benefit in the future. Despite the low uptake, the initiative in itself has brought added value. For the time being, EuSEF can be considered as relatively efficient. EuSEF addressed a gap that previously existed in legislation by introducing a new framework aiming to meet the need of small managers seeking to market cross-border funds and to increase the amount of capital available for investment in social enterprises. The EuSEF Regulation also created a network of administrative co-operation for the effective introduction and supervision of managers of EuSEF funds. Moreover, the EuSEF Regulation provides a regulatory framework for assessing and analysing social impacts/returns.

The **EaSI Axis on microfinance and social entrepreneurship** is a multi-faceted initiative encompassing a broad range of measures of different nature. It is in financial terms the largest and most comprehensive of the programs analysed. It is therefore not easy to link costs and benefits in a clear and direct way. The initiative has also evolved quite substantially over time. A constant feature of the Axis, however, has been the major importance of the EaSI guarantee facilities. They represent 68% of the EaSI Third Axis budget.

The total cost of the EaSI Third Axis, including actual and prospective financial commitments and estimated management and administrative costs, amounts to EUR 229 million. Of course, it has to be considered that the financial instruments represent a specific type of 'cost' that has an enhancing effect and leads to leverage of further funds from financial intermediaries. Benefits from the EaSI Third Axis are multiple and diverse, depending on the different instruments. They reach from 114 contracts signed with financial intermediaries for backing microfinance and social entrepreneurship instruments in 29 different countries, to facilitating 74,936 microloans, to enabling loans for 2,020 social enterprises, to 17 organisations reached by EaSI Technical Assistance for social enterprise activities. Loans backed by the microfinance facility supported 69,770 micro-enterprises and 2,020 SE for a total amount of EUR 870.1 million and EUR 292.6 million, respectively.

The benefits with regard to the microfinance sector can be deemed as very high, taking into account the uptake, absorption and reach of the instruments. The benefits for the social enterprise sector can be deemed as high. The accompanying measures (grants to studies and networks, technical assistance etc.) are considered as important and crucial in building capacities and preparing the ground for the uptake of the financial instruments, in particular in countries with a less developed social finance market. Interviewees have pointed out that the main benefits of the EaSI Third Axis for the social enterprise sector lie in intangible effects, mainly the improvement in recognition and better understanding of SE in the financial sector. In conclusion, the cost-benefit relationship indicates a high efficiency of the EaSI Third Axis, considering the wide reach and the leverage effect of the financial instruments.

EFSI Equity social impact instruments were launched in 2016 as part of EFSI Equity instrument managed by the European Investment Fund (EIF) that provides equity investments to or alongside financial intermediaries. EFSI shall enable the piloting of a number of innovative instruments in support of social enterprises and social innovation. The pilots launched under EFSI Equity therefore aim to complement the instruments launched under EaSI, namely, the EaSI Guarantee Instrument, the EaSI Capacity Building Investments Window and the EaSI Funded Instrument, the initiative launched by EIF in the field of impact investing. Furthermore, they complement also the transaction cost support scheme managed by the European Commission, which provides grants to existing or future financial intermediaries and it is a very good example of two parallel EU programmes combining repayable and non-repayable financing tools contribute to strengthening the infrastructure for social enterprises and social sector organisations.

EFSI Equity social impact investment pilots can be seen as a highly strategic market-building mandate for the growth of the impact investing eco-system in Europe despite the

mixed results of the single initiatives. They have successfully complemented other European programs. Interviewees agree that there is a market failure regarding funding social enterprises at the seed stage and that the EFSI instruments have increased the visibility of social enterprises while at the same time fostering a change of social entrepreneurs' attitude to go beyond grants and include investments in their financial resources. Furthermore, the European instruments are judged by many interviewees to be an important source of funding for social enterprises.

Support of financial intermediaries under EFSI for the purpose of achieving social impact may take the form of investments in or alongside (1) funds linked to incubators, accelerators and/or that provide incubation services to enterprises, (2) business angels or (3) payment-by-results/social impact bonds investment schemes. The three EFSI instruments are similar regarding the associated cost with one instrument having a target of capital to be invested until 2022 of EUR 30m and the other two of EUR 25m each. However, the actual investments differ significantly in terms of implementation status, with the payment-by-results scheme funding being fully allocated and the business angel facility being the most challenging not having made any investments so far. Overall, the investment pilot for incubators/accelerators has been successful and has received positive feedback. Strategically, the facility was key to build up deal flow for later-stage investors, nurturing a new generation of fund managers that can build up a track-record thus growing the social impact market in Europe. The reasons for the still limited number of transactions despite a full deal pipeline are that (a) incubators who traditionally act as mentors and advisors have to undergo a paradigm change to become investors hence requiring a different skill set and (b) the structuring input regarding the set-up of management companies and appropriate governance structures is quite time and resource-intensive. These capacity-building and structuring efforts are prerequisite for the investment to take place and nurture the pre-seed and seed impact investing market. With respect to the business angel instrument, no transactions have been signed for this instrument yet. The major reason being that as per limitations of this mandate, the requirements of the EFSI program make it very difficult to comply with the flexibility sought by business angels who invest their private wealth in a very individual way and who do not want to add additional constraints to already risky investments. For example, a certain level of monitoring and reporting is required for these investments often depriving business angels of their freedom to invest. Regarding the pilot schemes for payment-by-results instruments, EUR 25m have been fully allocated until today. Three transactions (Finland, France, and Netherlands) have been signed, indicating that this could be a viable solution for central / regional authorities to improve social intervention and foster social innovation. Three transactions have been signed in four years. This limited number is due to the pilot nature of the instrument and of the fact that these investments require engineering and entail the set-up of schemes which may be complex due to their novelty and the fact that several stakeholders are involved. The scalability of this instrument remains to be further explored. Structuring of these transactions is very demanding.

So far, it is too soon to evaluate the results and impact on the support of early-stage social start-ups. Broadly the technical features of the pilots are well suited to the target markets. For instance, the pilots allow for investments of more than 50% of the total fund size, thus providing enhanced capacity to reach critical mass. The pilots have a high risk tolerance and support investment managers in delivering proof that investing in the social impact space can be sustainable and create value. The EFSI Equity Instrument was a very important and adequate complement to existing programs of the Commission such as, for example, the transaction cost support. Overall, a first estimation of results leads to the assessment that there is a balanced relationship between costs and benefits.

The first **Mapping Study of social enterprises and their eco-systems in Europe** was commissioned by the European Commission in 2013 aiming at giving an overview of SE and their ecosystems across the countries, including factors constraining their development and outlining national policy and legal frameworks for social enterprises. Additionally, best practices should be included to accelerate the growth of the SE

ecosystem across Europe. Similar mapping studies were commissioned in 2016 and 2019. The studies were funded under the EaSI Programme. In total, reports on 35 countries have been published. The first 28 plus a synthesis report in 2014, an additional 7 in 2016 (Italy, France, Spain, Ireland, Belgium, Slovakia, Poland) and updates on 34 countries in 2019. This includes all EU Member States but also countries that are not part of the EU but benefitting as third countries or partner states from the EaSI Programme, such as Norway, Albania or Serbia. The total cost for the project amounts roughly to EUR 1.6 million. The reports have been downloaded 209,444 times (until March 2020). The mapping of social enterprises and their ecosystems in Europe has had a high contribution to the overall objectives of the SBI. It is perceived as providing a valuable contribution to visibility, knowledge-building as well as boosting national debate.

In terms of qualitative considerations, the EC expected the following benefits of the studies, which have been largely achieved:

- Consolidation of joint understanding of key concepts, features and challenges in Europe.
- Building a knowledge base which serves other activities in this field (OECD in-country reviews, OECD-DG EMPL mutual learning exercises, European semester, EaSI technical assistance, UN agencies work, etc.).
- Boosting national debates and the development of SE ecosystems in many EU States.
- Building an academic community around SE related research.

The relationship between costs and benefits indicates that the initiative was highly efficient. Overall, the costs can be considered as low, compared to the other SBI initiatives, in particular those related to funding initiatives. At the same time, the benefits are at a high level. Positive response and use of the mapping study reports indicate their overall usefulness, as has been shown by the analysis of different impact areas such as information and better understanding, mutual learning, research (see Chapter 2). This is supported by numbers of downloads of the reports, not only the synthesis report, but also all country reports. A knowledge base has been created on the topic of social enterprises and the social economy, shedding light on the existing rich traditions and diversity of approaches to social entrepreneurship and social economy. Moreover, interviewed stakeholders confirm the benefit of having this information available to learn more about the sector and to better communicate with policymakers and decision makers. In addition, the study has contributed to build a community around social enterprise research. Bridging the gap between academic and applied research by practitioners is a positive indirect effect of the mapping study research. Despite having finished in 2020 the latest update of the mapping studies, some stakeholders perceive the need for a) more specific, theme-related mapping studies and b) to continue with research leading to a stable European observatory on the social economy in general.

In 2011, the **European Commission and OECD initiated a joint project** to identify, assess and provide tailored advice to individual national or regional administrations of the EU Member States in the design and implementation of integrated policies and programmes on inclusive and social entrepreneurship. The project aimed to foster mutual learning among all relevant stakeholders and practitioners concerned through monitoring and comparison of policy and programme approaches, collection, and dissemination of good practices as well as development of tools to support learning networks, events, and platforms. From 2011 to 2015, the topic of inclusive entrepreneurship was addressed. In addition, from 2013 onwards, social entrepreneurship was added as core theme. A large variety of publications in the form of policy briefs and in-depth country reports were published and capacity building seminars were held for high-level policy makers and stakeholders in the EU MSs to facilitate mutual learning. The online Better Entrepreneurship Policy Tool was developed to assist policy makers and other interested stakeholders on how to best design public policies.

The total costs of these measures amounted to almost EUR 7 million. The downloads of the provided publications amount to a total of over 150,000. Most downloads refer to the social entrepreneurship reports and studies, as well as to the policy briefs on inclusive entrepreneurship. The website illustrating the Better Entrepreneurship Tool registers an average 560 visits per month, with a total number of visits of 10,500 in 18 months. EU-OECD cooperation can be assessed as quite effective with perceived benefits across the different instruments. In terms of qualitative benefits, two levels of contribution by the initiative can be distinguished: on a political level, the partners would not have been able to influence respective actions for inclusive and social entrepreneurship without this partnership. Regarding the impact of the publications on a more operational level, there are significant differences in terms of contribution to the overall objectives depending on the themes, ranging from medium to high influence on stakeholders. Overall, the EC-OECD joint work on inclusive and social entrepreneurship to be defined as successful and effective regarding the policy objectives and considering the costs associated to the measures. A large knowledge base has been consolidated with many specific analytical views (geographical, different vulnerable groups, topics etc.). The benefit can be considered as medium-high given the reach of the publications with varying degrees. Reach and awareness on publications and tools among final beneficiaries can be further improved.

European Social Economy Regions (ESER) is an initiative by EC's DG GROW that aims to raise social economy awareness and capacity at regional and local level and to build regional/local networks of social economy stakeholders. These networks develop suggestions for future collaboration and co-creation of policies in and for the social economy together with the Commission. Established with a pilot scheme in February 2018, the initiative was repeated in 2019 and will be continued in 2020 alongside the so-called "social economy missions" for interregional collaborations taking place within the COSME project. Support for ESER regions takes the form of regional and concluding events where stakeholders can come together to discuss current social economy topics. So far, a total of 90 events has taken place: 32 in 2018 (in 14 Member States), 55 in 2019 (in 16 Member States) as well as three concluding events (two in Brussels, one in Bilbao).

As a representative of the EC was present at the events, political attention and direct exchange with policy makers was ensured. 70% of the events are covered by DG GROW's Social Economy team, 30% by teams from other DGs from the social economy taskforce depending on the topic discussed. There is no financial support linked to the selection as ESER region, the local events are funded by the regions themselves. Concluding events are funded by use of supportive measures from the COSME program. The cost for each concluding event amounts to roughly EUR 100,000. In addition to the events, ESER regions can connect amongst each other during monthly webinars. The entire ESER team at DG GROW usually engages on these occasions with up to 100 participants. The membership in this group is perceived as label for good quality and is used for visibility and awareness raising purposes, for example by applying the EC/ESER logo.

Overall, the costs are estimated as very low compared to the other policy initiatives, as there was no financial contribution to the events. In addition to the 87 supported events, important benefits of ESER are of a qualitative nature. ESER is perceived by the interviewees as a very useful and effective to increase visibility in European regions and at the local level, to learn from other experiences and regions and to build new networks of policymakers and practitioners. In the view of stakeholders, it has been one of the most effective measures to raising awareness for the topic at the local/regional level. For example, it is one of the key topics on the popular Twitter account of DG GROWs' Unit F.2 on Social Economy "EU4SocEnt@SocEntEU". It is one of the few SBI initiatives to effectively reach the level of local and regional authorities, so becoming visible for local and regional stakeholders. The interviewed stakeholders appreciate this support to raising awareness for the topic at the local/regional level. However, benefit could be increased with additional resources granted to the participating regions, in order to also enable the

participation of authorities with less own resources available. Overall, efficiency is deemed as medium-high.

Conclusion

With regard to the overall methodology, it has to be considered that within the framework of this cost-benefit analysis the research could only cover a general level of benefits and effects. However, from interviews and literature review, one can see that uptake of the initiatives and, therefore, also positive effects, vary significantly across regions and countries. For example, the Mapping Study and the OECD country reviews had an important impact in many CEE countries, where they consolidated the availability of information on SE and increased the understanding and awareness significantly, leading to other types of support policies and measures. The same initiatives brought relatively less benefits for more advanced countries, as the level of knowledge, visibility and understanding was already higher (even if also not complete). On the other hand, some programmes under EuSEF, EaSI and EFSI had a higher impact in countries with a more mature system of private social impact financing. Data about quantitative benefits and reach only provide limited insights as many of the actions launched were set-up as strategic, market-building initiatives. It is thus important to also take into account the qualitative and long-term contribution and the transformative effect of the interventions. This is especially true for the EuSEF Regulation and the EFSI instruments, where short-term benefit definitely cannot be the only dimension to analyse the overall cost-benefit relationship.

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Interview with DG FISMA

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- EaSI

Interviews with national and regional authorities, academics and experts and stakeholder associations.

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- ESER:

Interview with ESER programme manager at DG Grow, Social Economy Unit

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- OECD-EU:

Interviews with OECD

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- <https://ec.europa.eu/social/main.jsp?catId=1307&langId=en>
- <https://www.oecd.org/cfe/leed/social-entrepreneurship-oecd-ec.htm>
- <https://www.betterentrepreneurship.eu/>
- https://ec.europa.eu/growth/content/european-social-economy-regions-2019-0_en

Annex 7. Targeted analysis – Visibility and funding of SE in EU Programmes

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1 Introduction

This targeted analysis relates specifically to the following evaluation questions:

Effectiveness 2. To what extent has the SBI been effective in a) Increasing the visibility and better understanding of the social enterprise business model both at EU and national levels? At the EU level notably participation and visibility of social enterprises / economy in EU programmes such as FP7, H2020, COSME, ERASMUS+ need to be analysed

Effectiveness 3. To what extent has the access to finance by social enterprises been facilitated as a result of the SBI and Start-up and Scale-up Initiatives? a) Public finance: at EU level the analyses shall cover notably the specific financial instruments under the EaSI programme, as well as the funding via the COSME programme, the European Social Fund (ESF) and the European Regional Development Fund (ERDF). The impact of the European Fund for Strategic Investments (EFSI) should also be covered.

However, this targeted analysis is only one information source to be used to answer these evaluation questions. It is complementary to other information sources such as the literature review and the interviews.

The objective of this targeted analysis is to examine relevant EU programmes or a sample of them in order to gather information on

- the visibility of social enterprises, social entrepreneurship and social innovation in EU programmes or EU-supported ESIF programmes;
- if possible, identify the volume of funding available either for topics relevant for the Social Economy, or for target groups related to the Social Economy.

2 Visibility and funding of SE in EU Programmes: Methodological approach

The analysis requires having a closer look at the EU programmes and EU-supported programmes, to gather evidence on:

- To what extent were social enterprises included/represented in EU programmes before the SBI or in 2011?
- How has the situation evolved until 2019/2020?
- To what extent has the SBI (or any other external factors) contributed to the increased visibility (if any) in EU public programmes?

To be able to answer these questions, different EU programmes and instruments have to be analysed in depth. The EU programmes to be analysed are:

Check for visibility	Check on available funding
FP7	EaSI

Check for visibility	Check on available funding
HORIZON2020	EFSI
COSME	COSME
ERASMUS and ERASMUS+	ERDF
ESIF: ERDF and ESF	ESF

Each EU programme will be checked against several criteria. The check list of criteria to be analysed covers the following:

Check for visibility	Check on available funding
Are social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO) named as eligible entities/ beneficiaries in the programme documents, regulations or Calls?	Amount of funding available for social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO) (as beneficiaries or in related projects)
Are there topics related to social enterprises, social economy, social entrepreneurship or social innovation in the Programme documents, Calls etc.?	Amount of funding allocated to social enterprises, social economy or social entrepreneurs (as beneficiaries or in related projects)
How many beneficiaries are social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO)?	Amount of funding available for intermediary organisations working with social enterprises or the social economy in general (as beneficiaries or in related projects)
How many projects are related to social enterprises, social innovation or the social economy in general?	Amount of funding allocated to intermediary organisations working with social enterprises or the social economy in general (as beneficiaries or in related projects)

The sources used to conduct the analysis on the EU directly managed programmes cover, in general:

- EU programme information and requirements, Calls and the selection criteria defined to assess the relevance for social enterprises
- Working papers
- National mapping studies
- Evaluation reports
- Ex-ante evaluation studies
- Regulations
- Data on beneficiaries and funding

A starting point for specific national and regional funds (with or without EU support) that focus on social enterprises were the 2018/2019 Mapping Study country reports (in particular, chapter 4.2 "Policy schemes and support measures for social enterprises").

3 Check for visibility

The first analysis covers the visibility of social enterprises, social entrepreneurship and social innovation in EU programmes or EU-supported EFSI and ESIF programmes.

The **7th EU Framework Programme on Research and Innovation (2007 to 2013)** was dedicated to excellent science, industrial leadership and tackling societal challenges

during the early years of the SBI implementation. FP7 projects have a duration of minimum three years, so it is difficult to trace a direct effect from the SBI to the programme. However, for comparability with the follow-up programme Horizon2020, we analysed relevant calls and projects.

Check for visibility	FP7
<p>Are social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO) named as eligible entities/ beneficiaries in the programme documents, regulations or Calls?</p>	<p>The FP7 calls were open to all kind of legal entities, including SMEs, and other non-for-profit organisations. There were no specific mentions of social enterprises or other social economy organizations. However, it is evident that the Seventh Framework Programme for Research and Technological Development specifically addressed universities and research organisations as well as companies/SMEs since all calls aimed to support research and technological innovation projects or related activities.</p>
<p>Are there topics related to social enterprises, social economy, social entrepreneurship or social innovation in the Programme documents, Calls etc.?</p>	<p>In the FP7 Programme, the social economy, social entrepreneurs and social enterprises and social innovation were topics under "FP7-SSH - Specific Programme "Cooperation": Socio-economic Sciences and Humanities". The following specific topics and calls covered the specific research area:</p> <p>SSH-2007-1.1-02 - Intangible investments and innovation in Europe</p> <p>SSH-2007-1.2-02 - The implications of developments in the service economy for the European economy</p> <p>SSH-2009-2.1.3 - Impacts of corporate social responsibility</p> <p>SSH-2010-2.1-2 - Local welfare systems favouring social cohesion</p> <p>SSH.2011.1.3-1 - New Innovation Processes including Social Innovation"</p> <p>SSH.2012.2.1-1 - Social innovation against inequalities</p> <p>SSH.2012.2.1-2. - Social innovation for vulnerable populations (only external cooperation)</p> <p>SSH.2012.3.2-3 - Social innovation in the public sector</p> <p>HEALTH 2012.3.2-3 - Social innovation for active and healthy ageing</p> <p>SSH.2013.1.1-1 - Economic underpinnings of social innovations</p> <p>SSH.2013.2.1-2 - Social entrepreneurship for innovative and inclusive societies</p> <p>SSH.2013.3.2-1 - Social Innovation – empowering people, changing societies?</p> <p>SSH.2013.3.2-3 - The impact of the third sector on socio-economic development in Europe</p> <p>As well as under the specific Programme Capacities:</p> <p>FP7-CDRP-2013-INCUBATORS - Support to trans-national network of incubators for social innovation</p>
<p>How many beneficiaries are social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO)?</p>	<p>The number of specific social enterprises or organisations dedicated to research on social enterprises, social entrepreneurship or social innovation can be estimated as very low within the overall number of beneficiaries of the FP7. However, within the dedicated 18 projects (see below), and calculating that on average the projects had 12-20 participants, the number of beneficiaries related to social enterprise/social innovation topics lies between 216 and 360.</p>
<p>How many projects are related to social</p>	<p>In general, there were 131 FP7 cooperation projects in the field Socio-economic sciences and Humanities (only 6.6% of all FP7 cooperation</p>

Check for visibility	FP7
enterprises, social innovation or the social economy in general?	<p>projects). <u>18 FP7 projects were directly related to social enterprises, social innovation or the social economy:</u></p> <p>SERVPPIN - The Contribution of Public and Private Services to European Growth and Welfare, and the Role of Public-Private Innovation Networks (2008-2011)</p> <p>SELUSI – Social Entrepreneurs as "Lead Users" for Service Innovation (2008-2013)</p> <p>IMPACT – Impact Measurement and Performance Analysis of Corporate Social Responsibility (2010-2013)</p> <p>WILCO – Welfare Innovations at the Local level In favour of Cohesion (2010-2014)</p> <p>TEPSIE – The theoretical, empirical and policy foundations for building social innovation in Europe (2012-2014)</p> <p>SOCIETY – Social Innovation - Empowering the Young for the Common Good (2013-2015)</p> <p>CITISPYCE – Combating inequalities through innovative social practices of, and for, young people in cities across Europe (2013-2015)</p> <p>BENISI – Building a European Network of Incubators for Social innovation (2013-2016)</p> <p>TRANSITION – Transnational Network for Social Innovation Incubation (2013-2016)</p> <p>EFESEIIS – Enabling the flourishing and evolution of social entrepreneurship for innovative and inclusive societies (2013-2016)</p> <p>LIPSE – Learning from Innovation in Public Sector Environments (2013-2016)</p> <p>SIMPACT – Boosting the Impact of Social Innovation in Europe through Economic Underpinnings (2014-2016)</p> <p>CRESSI – Creating Economic Space for Social Innovation (2014-2018)</p> <p>SEFORIS – Social Enterprise as Force for more Inclusive and Innovative Societies (2014-2017)</p> <p>SI-DRIVE - Social Innovation: Driving Force of Social Change (2014-2017)</p> <p>TRANSIT – Transformative Social Innovation Theory (2014-2017)</p> <p>THIRD SECTOR IMPACT – The Contribution of the Third Sector to Europe’s Socio-economic Development (2014-2017)</p> <p>ITSSOIN – Social Innovation and Civic Engagement (2014-2017)</p> <p><u>Important Publications that came out of FP7 projects:</u></p> <p>EFESEIIS: Social Entrepreneurship and Social Innovation. Ecosystems for Inclusion in Europe. Edited by Mario Biggeri, Enrico Testi, Marco Bellucci, Roel During and H. Thomas R. Persson. Routledge. 2019.</p> <p>WILCO: Social Innovations in the Urban context”, edited by Taco Brandsen, Sandro Cattacin, Adalbert Evers and Annette Zimmer. Springer. 2016.</p> <p>SI-DRIVE: Howaldt, J., Kaletka, C., Schröder, A. & Zirngiebl, M. (2018). Atlas of Social Innovation – New Practices for a Better Future. Sozialforschungsstelle, TU Dortmund University: Dortmund.</p>

Check for visibility	FP7
	<p>THIRD SECTOR IMPACT: B. Enjolras, L. M. Salamon, K.H, Sivesind, A. Zimmer (2018): The Third Sector as A Renewable Resource for Europe. Concepts, Impacts, Challenges and Opportunities.</p> <p>TEPSIE: Bund, W., Hubrich, K., Schmitz, B., Mildenerger, G., Krlev, G, (2013), Blueprint of social innovation metrics – contributions to an understanding of opportunities and challenges of social innovation measurement. TEPSIE project.</p>
<p>Summary: Visibility of social enterprises, social entrepreneurship and social innovation</p>	<p>Social Innovation and social entrepreneurship were introduced in the programme as part of the Europe 2020 Strategy and the Innovation Union Flagship Initiative. There were three work programmes after the SBI was introduced. The first two years had a focus on social innovation while the work programme for 2013 also included a call on social entrepreneurship. Under FP7, there were 18 FP7 projects directly related to social enterprises, social innovation or the social economy. Different specific calls were targeting social enterprises, social innovation or the social economy. However, the topic of social enterprises was not specifically covered by any FP7 project.</p>
<p>Data Source</p>	<p>Data Source: https://cordis.europa.eu/</p>

Horizon 2020 is the EU Research and Innovation programme (2014 to 2020).

Horizon 2020 is the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe's global competitiveness. Seen as a means to drive economic growth and create jobs, Horizon 2020 has the political backing of Europe's leaders and the Members of the European Parliament. By coupling research and innovation, Horizon 2020 is helping to achieve this with its emphasis on excellent science, industrial leadership and tackling societal challenges.

Check for visibility	HORIZON2020
<p>Are social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO) named as eligible entities/ beneficiaries in the programme documents, regulations or Calls?</p>	<p>The HORIZON2020 calls are open to all kind of legal entities, including SMEs, and other non-for-profit organisations. There are no specific mentions of social enterprises or other social economy organizations. However, it is evident that the Framework Programme for Research and Innovation specifically addresses universities and research organisations as well as companies/SMEs, since all calls aim to support research and technological innovation projects and related activities.</p>
<p>Are there topics related to social enterprises, social economy, social entrepreneurship or social innovation in the Programme documents, Calls etc.?</p>	<p>HORIZON2020 presents several specific programmes and Topics dedicated to social enterprises, social investment and social innovation:</p> <p>Under the Programme H2020-EU.2.1.1. - INDUSTRIAL LEADERSHIP - Leadership in enabling and industrial technologies - Information and Communication Technologies (ICT)</p> <ul style="list-style-type: none"> • Topic: ICT-11-2017 - Collective Awareness Platforms for Sustainability and Social Innovation <p>Under H2020-EU.2.3.1. - Mainstreaming SME support, especially through a dedicated instrument</p> <ul style="list-style-type: none"> • Topic: SMEInst-12-2016-2017 - New business models for inclusive, innovative and reflective societies <p>Under Programme H2020-EU.2.3.2.2. - Enhancing the innovation capacity of SMEs</p> <ul style="list-style-type: none"> • Topic: INNOSUP-04-2016 - SMEs for social innovation – Challenge platform

Check for visibility	HORIZON2020
	<p>Under the Programme H2020-EU.3.2. - SOCIETAL CHALLENGES - Food security, sustainable agriculture and forestry, marine, maritime and inland water research, and the bioeconomy</p> <ul style="list-style-type: none"> • Topic: ISIB-03-2015 - Unlocking the growth potential of rural areas through enhanced governance and social innovation. <p>Under the Programme H2020-EU.3.6. SOCIETAL CHALLENGES - Europe In A Changing World - Inclusive, Innovative and Reflective Societies, the following Topics:</p> <ul style="list-style-type: none"> • INSO-5-2015 - Social Innovation Community • EURO-3-2014 - European societies after the crisis • H2020-EU.3.6.2. - Innovative societies, CO-CREATION- 2017 - Education and skills: empowering Europe's young innovators • H2020-EU.3.6.2.2. - Explore new forms of innovation, with special emphasis on social innovation and creativity and understanding how all forms of innovation are developed, succeed or fail, CULT-COOP-06-2017 - Participatory approaches and social innovation in culture, CO-CREATION-04-2017 - Applied co-creation to deliver public services • H2020-EU.3.6.3. - Reflective societies - cultural heritage and European identity, CULT-COOP-11-2016-2017 - Understanding the transformation of European public administrations.
<p>How many beneficiaries are social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO)?</p>	<p>The number of specific social enterprises or organisations dedicated to research on social enterprises or social innovation can be estimated as very low within the overall number of beneficiaries of the HORIZON 2020. However, within the dedicated 17 projects (see below), the number of beneficiaries related to social enterprise/social innovation topics is approximately 215. As beneficiaries, and apart from higher research institutes or dedicated research centres, HORIZON 2020 has attracted also some key stakeholders of the social economy, such as, Social Innovation Exchange (UK), the Alliances to Fight Poverty, EUCLID Network, Social Enterprise International (UK) or Stimmuli for change (EL).</p>
<p>How many projects are related to social enterprises, social innovation or the social economy in general?</p>	<p>The Programme is still open, so no complete overview can be given. So far, there are <u>17 HORIZON2020 projects related to social enterprises, linking social organisations with traditional enterprises, social innovation or social investments:</u></p> <p>RE-InVest – Rebuilding an Inclusive, Value-based Europe of Solidarity and Trust through Social Investments (2015-2019) (19)</p> <p>SPRINT – Social Protection Innovative Investment in Long Term Care (2015-2018) (12)</p> <p>InnoSI – Innovative Social Investment: Strengthening communities in Europe (InnoSI) (2015-2017) (18)</p> <p>DSI4EU – Digital Social Innovation for Europe (2016-2017) (4)</p> <p>MAKE-IT – Understanding Collective Awareness Platforms with the Maker Movement (2016-2017) (9)</p> <p>COMRADES - Collective Platform for Community Resilience and Social Innovation during Crises (2016-2018) (7)</p> <p>SIC – Social Innovation Community (2016-2019) (12)</p> <p>SCHIP – Social CHallenges and Innovation Platform (2016-2019) (3)</p>

Check for visibility	HORIZON2020
	<p>SIMRA – Social Innovation in Marginalised Rural Areas (2016-2020) (27)</p> <p>Co-VAL – Co-creation of value and its integration in order to transform public administration services and processes (2017-2020) (13)</p> <p>DOIT – Entrepreneurial skills for young social innovators in an open digital world. A European Initiative (2017-2020) (14)</p> <p>CoSIE - Co-creation of service innovation in Europe (2017-2020) (26)</p> <p>NEMESIS – Novel Educational Model Enabling Social Innovation Skills development (2017-2021) (14)</p> <p>DSISCALE - Supporting the scale and growth of Digital Social Innovation in Europe through coordination of Europe’s DSI and CAPS Networks (2018-2019) (7)</p> <p>CultureLabs – Recipes for social innovation (2018-2021) (9)</p> <p>Families_Share – Socializing and sharing time for work/ life balance through digital and social innovation (2018-2020) (10)</p> <p>ECSF – European Social Catalyst Fund (2020-2021) (3)</p> <p>Some projects had a focus on social entrepreneurship but were funded in unrelated calls. One example is the project titled “Peer Learning on Social Entrepreneurship and Social Enterprise Support” and supported with €50 000 in the call INNOSUP-05-2016-2017 - Peer learning of innovation agencies. Another example was part of “H2020-EU.1.3.1. - Fostering new skills by means of excellent initial training of researchers”. The project titled “Social Entrepreneurship in Structurally Weak Rural Regions: Analysing Innovative Troubleshooters in Action” was funded with € 2 529 895,32. It is basically a research and doctorate programme with 10 involved universities.</p> <p>It is not only larger cooperation projects that are funded under the programme; the SME instrument provides base funding for viability assessment for specific social innovation business models through its phase 1 activities. One funded project in the field of social innovation worthy of mention is the Freebird Club organisational membership portal, which has developed an online ‘sharing economy-based’ portal for seniors, offering a new way of travelling, whereby members can travel and stay with each other in the context of a trusted social community of senior peers. The Freebird Club won the European Commission’s 2015 ‘European Social Innovation Competition’ (out of 1409 applicants) and has now received funding for the platform. Other relevant projects are:</p> <p>YELLOWHARBOUR – Creating Partnerships between NGOs and Businesses (2017-2018)</p> <p>PENSUMO – Savings Loyalty System Based on Micro-Contributions from Retailers (2017-2019)</p> <p>All projects have in common the use of ICT-based platforms and tools to facilitate collaboration and cooperation across their target groups and stakeholders, allowing them to share and generate knowledge in the field of social innovation. The impact in size and funding of projects is limited (EUR 50,000) but still there is an important visibility effect.</p> <p>The EMPOWER SE Cost Action (Horizon2020) supports a research network on social enterprises from 2017 to 2021.</p>

Check for visibility	HORIZON2020
	<p>The European Social Innovation Competition was launched in 2012. The topics for each year display an interesting development over time. The first years were driven by work and growth while the years from 2016 to 2020 tackled rather different topics:</p> <ul style="list-style-type: none"> • 2013 - The first European social Innovation competition – New forms of work • 2014 – 2nd European social innovation competition – The job challenge • 2015 – 3rd European social innovation competition – New ways to grow • 2016 – 4th European social innovation competition – Integrated futures • 2017 – 5th European social innovation competition - Equality rebooted • 2018 – 6th European social innovation competition - Re: Think local • 2019 – 7th European social innovation competition - Challenging plastic waste • 2020 – Topic: Reimagine Fashion - changing behaviours for sustainable fashion <p>The organization is funded through a procurement action under the Horizon 2020 work programme 2016-2017.</p>
<p>Summary: Visibility of social enterprises, social entrepreneurship and social innovation</p>	<p>The Programme is still open, so no complete overview can be given. 91 project descriptions included “social innovation” or “social innovator” and 12 included “social entrepreneurship”. The open source database contains more than 28 000 projects. So far, there are 17 HORIZON2020 projects more directly related to social enterprises, linking social organisations with traditional enterprises, social innovation or social investments. However, the topic of social enterprises was not specifically covered by any project. Compared to the previous programme FP7, the focus was shifted towards social innovation, social entrepreneurship (start-ups) and digitisation with social purposes.</p>
<p>Data Source</p>	<p>Data Source: https://cordis.europa.eu/</p>

The **Programme for the Competitiveness of Enterprises and small and medium-sized enterprises -COSME** is the Union’s programme to strengthen the competitiveness and sustainability of enterprises, particularly small and medium-sized enterprises (SMEs), to encourage an entrepreneurial culture and to promote the creation and growth of SMEs. With a EUR 2.3 billion budget for the period 2014-2020, COSME is executed through annual work programmes and through support measures that will help achieve its objectives. While overall responsibility of COSME remains with the Commission, some implementing tasks are delegated to an executive agency, the European Agency for Small and Medium-sized Enterprises (EASME), while the financial instruments are entrusted to the European Investment Fund (EIF).

Check for visibility	COSME
<p>Are social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO) named as eligible entities/ beneficiaries in the programme documents, regulations or Calls?</p>	<p>The data available show that so far, COSME has reached around 230.000 final beneficiaries, approximately 63% of which were reached through the financial instruments and specifically the Loan Guarantee Facility. In general, approx. 80% of the COSME budget is used for two key actions: the COSME Loan Guarantee Facility and the COSME Equity Facility for Growth. The remaining 20% of the budget is spread over a large number of small actions.</p>
<p>Are there topics related to social enterprises, social economy, social entrepreneurship or social innovation in the Programme documents, Calls etc.?</p>	<p>COSME addresses social enterprises within the overall objective "To Promote Entrepreneurship". Since 2014, there was one action line dedicated to the promotion of the social economy and social enterprises. Other objectives and activities (cluster, EEN, finance) cover also social enterprises in theory. However, in practice, the activities are not oriented towards the specific needs of social enterprises or entrepreneurs.</p> <p>Work programme 2014:</p> <ul style="list-style-type: none"> Promotion of Social Economy and Social Entrepreneurship in Europe (funding of 1 conference) <p>Work Programme 2015:</p> <ul style="list-style-type: none"> Promotion of Social Entrepreneurship "- European Fair of social enterprises in Bulgaria <p>Work programme 2016:</p> <ul style="list-style-type: none"> Co-operation between social economy enterprises and traditional enterprises: Study and dissemination workshop (Technopolis) Pilot Project: Business transfers to employees cooperative (TransfertJobs and Saving Jobs) <p>Work programme 2017:</p> <ul style="list-style-type: none"> Study on New technologies and digitisation: opportunities and challenges for the social economy and social enterprises (Q-Plan, Uni Manchester, Maastricht) Promoting social considerations into public procurement procedures for social enterprises. Training and awareness raising events (AEIDL-REVES-Diesis-Social EE-Ensie) Pilot Project: Reduction of youth unemployment and support of cooperatives (COOPILOT and ECOOPE) <p>Work programme 2018:</p> <ul style="list-style-type: none"> Guide on best practices for social public procurement (Study) (update to the existing Buying Social guidance) Promoting Cross Border Activities for Social Economy, Including Social Enterprises (Study) Social Innovation Networks for Social Entrepreneurship and Access to Venture Capital (Study and RCT with JRC) <p>Work Programme 2019:</p> <ul style="list-style-type: none"> Training of public procurement officials for SME-Friendly policies in Central Purchasing Bodies and creation of a pan-

Check for visibility	COSME
	<p>European network (including social and green procurement practices and examples)</p> <ul style="list-style-type: none"> • European Social Economy Regions 2019 (awareness-raising events, interregional social economy missions, social economy summit 2020) • Guidelines and best practices to develop frameworks for enterprises (manual and best practices) (with OECD) • Call for projects "Reduction of youth unemployment and setup of cooperatives" <p>Work programme 2020:</p> <ul style="list-style-type: none"> • Training of public procurement officials for SME policies in Central Purchasing Bodies and creation of a pan-European network (including social and green procurement practices and examples) • European Social Economy Missions • European Social Economy Summit <p>Horizontal in all Work Programmes from 2014 – 2020:</p> <ul style="list-style-type: none"> • Erasmus for Young Entrepreneurs (among others, for social enterprise networks, social enterprises and social entrepreneurs)
<p>How many beneficiaries are social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO)?</p>	<p>The vast majority of COSME 2014-2020 activities addresses either companies, mostly SMEs, or to business intermediaries, clusters, business network organizations, trade promotion bodies or other private/public entities promoting innovation and SMEs. This usually also covers social enterprises but does not focus on them specifically.</p> <p>Very few activities focus explicitly on of social enterprises or social economy organizations.</p> <p>14 funds have been supported under the Equity Facility. None of these funds have a focus on social enterprises or the social economy in general. The EIF published 144 pages with final recipients of the COSME - Loan Guarantee Facility (LGF). A sample of final recipients has been checked and it seems that there was no final recipient which was a social enterprise or came from the social economy in general.</p>
<p>How many projects are related to social enterprises, social innovation or the social economy in general?</p>	<p>17 COSME activities (one of that for all years 2014-2020, others on/off)</p>
<p>Summary: Visibility of social enterprises, social entrepreneurship and social innovation</p>	<p>There are activities directly linked to social enterprises and to other social economy organisations, as well as to specific framework conditions for social enterprises. The number of activities dedicated to social enterprises within the overall COSME programme is very low. However, at this low level an increase can be noted that more activities are included in annual work programmes, in particular since 2017.</p> <p>The financial instruments under COSME do not have a specific focus on social enterprises or the social economy in general.</p>
<p>Data Sources:</p>	<p>COSME Annual Work Programmes.</p> <p>Website: https://ec.europa.eu/easme/en/cosme-0</p> <p>List of all projects: https://ec.europa.eu/easme/en/news/list-cosme-funded-project-now-available.</p>

Check for visibility	COSME
	Interim Evaluation of the COSME Programme - Final Report: https://op.europa.eu/en/publication-detail/-/publication/a7255ab4-a9d2-11e9-9d01-01aa75ed71a1

Erasmus (2007-2013) and Erasmus+ (2014-2020) are the EU's programmes to support education, training, youth and sport in Europe. The ERASMUS+ Programme has different categories, bringing together several EU instruments: Comenius in relation to school education; Erasmus in relation to higher education; Erasmus Mundus in relation to Joint Masters Degrees; Leonardo da Vinci in relation to the field of vocational education and training; Grundtvig in relation to the field of adult learning; Youth in Action in relation to the field of youth non-formal and informal learning; Jean Monnet in relation to the field of European Union studies; Sport in relation to the field of sport.

Check for visibility	ERASMUS and ERASMUS+
Are social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO) named as eligible entities/beneficiaries in the programme documents, regulations or Calls?	Eligible applicants are public and private organisations active in the field of education, training and youth or other socio-economic sectors or organisations carrying out cross-sector activities (e.g. cultural organisations, civil society, sport organisations, recognition centres, chambers of commerce, trade organisations, etc.). Social enterprises or other social economy organisations are not specifically named as eligible but are included as eligible applicants.
Are there topics related to social enterprises, social economy, social entrepreneurship or social innovation in the Programme documents, Calls etc.?	Erasmus+ is the EU's programme to support education, training, youth and sport in Europe. Social economy, social entrepreneurship or enterprise education, social innovation are topics that are linked to some of the Calls, e.g. under the Call: Social inclusion and common values: the contribution in the field of education, training and youth.
How many beneficiaries are social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO)?	No data available
How many projects are related to social enterprises, social innovation or the social economy in general?	Between 2.5% and 5% of all ERASMUS+ projects In the database: 1952 PROJECTS FOR KEYWORD: SOCIAL ENTREPRENEURS 2678 PROJECTS FOR KEYWORD: SOCIAL ENTERPRISES 3367 PROJECTS FOR KEYWORD: SOCIAL ECONOMY 7617 PROJECTS FOR KEYWORD: SOCIAL INNOVATION However, not all of these projects have a clear and direct link to the topic of social enterprises/entrepreneurship. Examples of relevant projects: - Social Keys for social entrepreneurship - Social Entrepreneurship for Young Community Media Makers - Youth Social Entrepreneurship Impact Lab - Social Innovation Academy - Social Entrepreneurship for Youth Work

Check for visibility	ERASMUS and ERASMUS+
	<ul style="list-style-type: none"> - Using Social Entrepreneurship in Erasmus+ - USEE+ Training Course (SALTO-YOUTH) - ViSEnet - Village Social Enterprise. Learning material, guidance and networking: project to promote social entrepreneurship in rural areas. - Social Entrepreneurship as A Tool For Innovation!
<p>Summary: Visibility of social enterprises, social entrepreneurship and social innovation</p>	<p>Social enterprises or other social economy organisations are not specifically named as eligible but are included as eligible applicants. Between 2.5% and 5% of all ERASMUS+ projects might be related to topics linked to social innovation, social entrepreneurship, social enterprises and the social economy. However, it is difficult to assess the importance of the links in these projects.</p>
<p>Data Source:</p>	<p>https://ec.europa.eu/programmes/erasmus-plus/projects_en</p>

The **European Structural and Investment Funds (ESIF)** support development in a comprehensive way by investing for instance in businesses, research and development, infrastructure, employment and training, agriculture, forestry and fisheries development, with the overall objective to improve the quality of life of EU citizens. Some €450 billion of ESIF are available for the Member States and their regions in the period 2014-2020. Cohesion, rural development and maritime policies combined are the biggest area of EU investment for smart, sustainable and inclusive growth. The ESIF family is composed of five distinct funds: European Regional Development Fund (ERDF), European Social Fund (ESF), Cohesion Fund (CF), European Agricultural Fund for Rural Development (EAFRD), European Maritime & Fisheries Fund (EMFF).

Check for visibility	ESIF: ERDF, ESF and other
<p>Are social enterprises or other social economy organizations (foundations, cooperatives, NGO, CSO) named as eligible entities/beneficiaries in the programme documents, regulations or Calls?</p>	<p>Eligible beneficiaries vary from Programme to Programme and from Measure to Measure within ESIF Programmes. Generally, social enterprises or other social economy organizations are not named specifically as eligible entities, but are included among other wider beneficiary groups (SMEs, companies, associations, NGOs, etc.)</p>
<p>Are there topics related to social enterprises, social economy, social entrepreneurship or social innovation in the Programme documents, Calls etc.?</p>	<p>Since 2000-2006, the Structural Funds have recognised the objective of supporting a social economy. In the 2014-2020 funding period, social enterprises and the social economy are explicitly recognised by the inclusion of specific investment priorities in the Structural Funds. Under the common Thematic Objective of promoting social inclusion and combating poverty (TO9) the regulations include an investment priority on support for social enterprises in the ERDF (Article 5 (9) (c) of the ERDF Regulation 1301/2013). The support by ERDF can help in a number of ways similar to the ways in which it supports other types of businesses. These include finance for: business advice and guidance (business planning, coaching and mentoring, support with marketing); premises for start-up centres, incubators and single enterprise business premises; innovation to develop new products, services or ways of working.</p> <p>In the ESF, promoting the social economy and social enterprises is also foreseen (Article 3.1 (b) (v) of the ESF Regulation 1304/2013). In addition, Social innovation is mentioned in the</p>

Check for visibility	ESIF: ERDF, ESF and other
	<p>Article 9 of the current ESF regulation, which allows for both experimentation and mainstreaming of social innovation across ESF actions. The support provided by the European Social Fund can take many forms, such as training, mentoring, business-support services, giving access to finance and creating learning environments where stakeholders can develop new ways of tackling societal challenges. This support will continue during the 2021-2027 programming period under the ESF+.</p> <p>In the agricultural and rural development fund EAFRD, the topic is included in Article 5: Union priorities for rural development, (6) promoting social inclusion poverty reduction and economic development in rural areas (Regulation EAFRD 1305/2013).</p> <p>Support for social enterprises does not need to be restricted to TO9, for example, it can be included also under TO3 of the ERDF on SMEs and entrepreneurship, or for the ESF under TO8 on employment or TO10 on education.</p> <p>In comparison to previous funding periods (before 2014), there are more and more hints to the social economy, to social enterprises, and to social innovation in ESIF programmes and calls.</p> <p>Concrete examples:</p> <ul style="list-style-type: none"> • Between 2015 and 2019, ESF transnational cooperation in the ESF Thematic Network on Social Economy looked at the transfer of ESF-funded good practices. • INTERREG (ERDF): Several Interreg Programmes in 2020 have dedicated priorities on social entrepreneurship, social enterprise development or social innovation. A high number of projects tackles social enterprise and social economy issues, e.g. Interreg Europe RaiSE⁶³; Interreg Europe Social SEEDS⁶⁴; Interreg project SuNSE (NWE)⁶⁵; Interreg Central Europe projects Social Makers⁶⁶, SEE ME IN⁶⁷ and WISEs - Work Integration Social Enterprises that work on the integration of disadvantaged groups⁶⁸; as well as Interreg Danube SENSES⁶⁹ and Interreg NWE VISES projects⁷⁰ • URBACT and Urban Innovative Actions (ERDF): Se URBACT networks and many projects funded under the Urban Innovative Actions (Birmingham, Barcelona, Madrid etc.) work with social enterprises, social economy and social innovation approaches for integrated urban development. • CLLD, LEADER: Social entrepreneurship and sa innovation have been increasingly important topics in community-led local development (CLLD) and local development initiatives in rural areas (LEADER).
How many beneficiaries are social enterprises or other social economy organizations	The Platform Cohesion Data mentions planned and implemented actions and achievements under TO9 by all ESIF (view date: 4 th March 2020), this includes all activities for TO9 (social enterprises in addition to other social inclusion and combating poverty measures):

⁶³ <https://www.interregeurope.eu/raise/>

⁶⁴ <https://www.interregeurope.eu/socialseeds/>

⁶⁵ <https://www.nweurope.eu/projects/project-search/sunse-support-network-for-social-entrepreneurs/>

⁶⁶ [https://www.interreg-central.eu/Content.Node/Social\(i\)Makers.html](https://www.interreg-central.eu/Content.Node/Social(i)Makers.html)

⁶⁷ <https://www.interreg-central.eu/Content.Node/SEE-ME-IN-.html>

⁶⁸ <https://www.interreg-central.eu/Content.Node/INNO-WISEs.html>

⁶⁹ <http://www.interreg-danube.eu/approved-projects/sense>

⁷⁰ <http://www.projetviseproject.eu>

Check for visibility	ESIF: ERDF, ESF and other
(foundations, cooperatives, NGO, CSO)?	<ul style="list-style-type: none"> • 4,748 enterprises were expected to receive support across EU countries under TO9. • 6,149,739 people have already been supported with ESF measures under TO9 in all EU countries. • 2,491 Local Action Groups (CLLD and LEADER) were planned to benefit from actions under TO9 across EU countries.
How many projects are related to social enterprises, social innovation or the social economy in general?	<p>ESF database: 29 projects under the category "Promoting Social Enterprise"⁷¹</p> <p>ERDF: no data on number of projects</p> <p>EAFRD: no data on number of projects</p> <p>The Interreg KEEP.EU database reports that there are working in 2014-2020 (includes double counting):</p> <ul style="list-style-type: none"> • on "social innovation": 120 projects with 999 partners, 1 080 partnerships and 42 programmes. • on "social enterprise": 102 projects with 636 partners, 666 partnerships and 47 programmes. • on "social entrepreneurship": 59 projects, with 367 partners, 375 partnerships and 27 programmes.
Summary: Visibility of social enterprises, social entrepreneurship and social innovation	<p>Since 2000-2006, the Structural Funds have recognised the objective of supporting a social economy. In the 2014-2020 funding period, social enterprises and the social economy are explicitly recognised by the inclusion of specific investment priorities in the Structural Funds. The analysis shows that there are many different ways of including the topic of social enterprises, social innovation or the social economy in ESIF-funded programmes and projects. There are numerous examples, in particular funded by the ESF and by Interreg (ERDF). A specific comparison with the 2007-2013 period is not possible (data from databases is not available for that period), but interviews indicate that the number and dimension of projects on social enterprises, social innovation and social economy in general has increased considerably in the 2014-2020 period.</p>
Data Sources:	<p>Website: https://ec.europa.eu/regional_policy/en/funding/erdf/</p> <p>ESIF Regulation</p> <p>Ex post evaluation of the ERDF and Cohesion Fund 2007-13</p> <p>https://cohesiondata.ec.europa.eu/</p> <p>ESF project database on "Promoting Social Enterprises": https://ec.europa.eu/esf/main.jsp?catId=531&langId=en</p> <p>https://keep.eu/projects/</p>

Additional information:

The **ESF thematic networks for the Social Economy/Entrepreneurship** (2009-2019) comprise managing authorities of the European Social Fund and social enterprise organisations from nine countries and regions of the European Union (2013-2016). It is devoted to improving the way the EU's Structural Funds are used to promote social enterprise, and conversely to ensuring that social enterprise makes the best possible contribution to the Structural Fund's objectives. From 2009 to 2012. The network **BFSE** (Better Future for Social Economy) worked on solutions for the social economy in five

⁷¹ <https://ec.europa.eu/esf/main.jsp?catId=46&langId=en&theme=531&list=0> accessed at 30th June 2020

thematic strands focusing on social franchising, financial instruments and fund allocation mechanisms to social economy, measuring social added value, socially responsible public procurement and public-social partnership, Community law (state aid) and social services of general interest (SSGIs). The network realised seminars, studies and a final publication providing a set of recommendations on how to support social economy through the Structural Funds, namely what role the social economy should play in the ESFs investment priorities for the planning period 2014-2020 and also specific recommendations on the above-mentioned thematic strands. The work of BFSE was continued in a new **network called SEN (Social Entrepreneurship Network)**. SEN was one of the **Learning Networks** funded by the EC from 2013 to 2015. As BFSE it was led by the Polish Ministry of Economic Development and involved all the MSs of BFSE and some more (BE, NL, CY, CZ, EL, FI, IT, PL, SE, UK-Scotland). Social economy organisations at national and EU level were also involved in the network as partners. The network identified five clusters of topics and organised peer reviews to analyse good practices. The clusters were: strategic partnership and governance, growth and development, support infrastructure for start-ups, financial ecosystem, identity, branding & impact measurement. A final publication "Policy meets practice – enabling the growth of social enterprises" was widely disseminated⁷². From 2016-2019, the **Social Economy thematic network** funded by ESF transnational action, continued the work with 6 working groups: Finances/funding, Professionalization and support, Legal aspects, Access to markets, Policy development.

There are numerous examples in many European Countries of ESIF funded programmes and projects in the field of social enterprises, social investment, social economy and even under the name of social innovation. Here are some of them:

- ESF support to the Academy of Social Economy Development Project (ASEDP) ~~to~~ centralise the cooperation between these private entities and the public sector in the Malopolska Region (Poland). Specifically, it focused its attention on building a social economy capable of supporting at risk individuals such as the unemployed, the disabled, homeless people, substance abusers and the mentally ill. Contributing to the Malopolska Pact for Social Economy.
- The Helsinki Deaconess Institute, founded in 1867 as an eight bed hospital in ~~Finland~~ now being an organisation of 1600 employees and an annual size of operations of about EUR 150 million. The Vamos Project, successfully funded by the ESF, provides a holistic service concept for 16 to 29-year-olds NEETs. The young people are supported according to their own strengths and needs regarding education and employment or other meaningful activities.
- JEREMIE Sicily European Social Fund (ESF) Social Finance is a financial instrument ~~in~~ Italy activated by agreement between the European Investment Fund (EIF) and Banca Popolare Etica (BPE).
- The Social Enterprise and Innovation Programme is funded by the European ~~Regional~~ Development Fund (ERDF) to provides business support to social entrepreneurs in the west of England area; Bristol, Bath, South Gloucestershire and North Somerset (UK). Since 2016 it has supported over 400 start-up and existing social enterprises in the West of England Local Enterprise Partnership (LEP) Area.
- Devon County Council (UK): The Enhance Social Enterprise programme ~~is~~ business support and advice to new and established social enterprises within the Heart of South West LEP area. Enhance Social Enterprise has received funding from the European Regional Development Fund (ERDF) in order to support Social Enterprises to develop and launch new products and services as well as entering new markets⁷³.

⁷² All the documents produced by SEN can be downloaded from www.socialeconomy.pl

⁷³ <https://www.heartofswgrowthhub.co.uk/business-support-programmes/heart-south-west-enhance-social-enterprise/>

- Interregional partnership for Smart Specialisation on Social Economy ~~only~~ regions with an interest in ERDF-supported innovation on the social economy (since 2018)⁷⁴.

4 Check for available funding via EU programmes

The second step of the analysis focused on the **access to public funding (EU programmes)** for social enterprises and other social economy organisations. If possible, we tried to identify the volume of funding available either for topics relevant for the Social Economy, or for target groups related to the Social Economy.

EaSI

The EaSI Programme was designed to promote employment and social protection, to combat social exclusion and poverty, and to improve working conditions. Within this initiative, established in 2013 with EU Regulation 1296/2013, the third Axis is dedicated to microfinance and social entrepreneurship. Support to microfinance and social entrepreneurship under EaSI takes the form of support to financing via guarantees to financial intermediaries and other measures fostering the improvement of social enterprise finance environment. The latter include: capacity building of financial intermediaries via equity and quasi-equity investment, targeted to improving the intermediaries' infrastructure; technical assistance to financial intermediaries (including via the European Code of Good Conduct for Microcredit Provision); grants to develop supply and demand of finance markets for social enterprises; grants for transaction cost coverage for financial intermediaries and for the operation of EU-wide networks of microfinance and social enterprise finance, as well as an EaSI-funded instrument to provide loans via senior or subordinated debt to microcredit providers and social lenders.

In the context of the SBI request for providing public funding and stimulate private funding the EaSI Third Axis is the key programme at EU level. Some instruments are managed by the European Commission, others by the EIB Group (including EIF).

In total, from 2014 until early this year, more than EUR 160 million have been made available. This amount (mostly for guarantee schemes) leveraged a financial support supported for 69,770 micro-enterprises and 2,020 SE for a total of loan amounts of EUR 870.1 million and EUR 292.6 million respectively.

Amounts of funding (financial commitments) available via EaSI Third Axis

Initiative: EaSI third axis (as of April 2020, period 2014 – 4/2020)	
Total actual financial commitments	161.1 M EUR
Of that:	
actual financial commitments: Microfinance guarantees	69.7 M EUR
actual financial commitments: Social Entrepreneurship guarantees	40 M EUR
actual financial commitments: Capacity building Investment window	26 M EUR
actual financial commitments: EaSI Technical Assistance for microfinance	6.2 M EUR
actual financial commitments: European Code of Good Conduct for Microcredit Provision	1.4 M EUR
actual financial commitments: EaSI Technical Assistance for social enterprise finance	0.5 M EUR

⁷⁴ <https://s3platform.jrc.ec.europa.eu/social-economy>

actual financial commitments: EaSI action grants "Transaction cost support for social enterprise finance"	6.8 M EUR
actual financial commitments: EaSI action grants on developing the demand and supply sides of finance markets for social enterprises	3.2 M EUR ⁷⁵
actual financial commitments: EaSI operating grants to EU-level networks in the field of microfinance and social enterprise finance	7,3 M EUR

Data source: Data from European Commission and EIF (April 2020)

EFSI

Under the umbrella of the Investment Plan for Europe, the European Commission, the EIB and the EIF have pooled together resources and further aligned their objectives for the implementation of the European Fund for Strategic Investments (EFSI). **EFSI Equity social impact investment** instruments were launched in 2016 as part of EFSI Equity, a facility managed by EIF that provides equity investments to or alongside financial intermediaries focusing on the areas of early stage, growth stage and expansion financing.

Under the EFSI Equity social impact investment Instrument, three main types of social impact investment instruments targeting financial intermediaries are brought together:

- (4) Investments in or alongside financial intermediaries linked to incubators, accelerators, and/or that provide incubation services (from pre-commercial stage up to the early growth).
- (5) Investments alongside business angels or investments in business-angel-funds (multi-stage investments and focus on geographical distribution).
- (6) Payment-by-Results/Social Impact Bond investment scheme (piloting innovative funding scheme on a Pan-European Level).

Until April 2020, EFSI has committed EUR 150 million to social impact investments.

Amounts of funding (financial commitments) available for social impact investment measures under EFSI

Initiative: Social impact investment measures under EFSI (situation in April 2020)	
Costs	
Total actual financial commitments	150 M EUR
Social Incubators/ Accelerators Facility:	
• Total financial commitment until 2025	35 M EUR
Social Business Angels Co-Investment Facility:	
• Total financial commitment until 2025	25 M EUR
Payment-by-Results pilot:	
• Total financial commitment until 2025	25 M EUR

Data source: Data from EIF (April 2020)

COSME

As mentioned in the previous chapter, COSME is the EU programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises running from 2014 - 2020 with a planned budget of EUR 2.3 billion.

⁷⁵ This amount includes also EUR 1 million from a call for proposals financed via a European Parliament Preparatory Action (launched in 2013). Although this was not the EaSI budget, it was a result of the SBI and it lay the ground for other rounds of the same call launched later under EaSI.

The vast majority of COSME 2014-2020 activities addresses either companies, mostly SMEs, or to business intermediaries, clusters, business network organizations, trade promotion bodies or other private/public entities promoting innovation and SMEs. This usually also covers social enterprises but does not focus on them specifically.

COSME addresses social enterprises within the overall objective "To Promote Entrepreneurship". Since 2014, there was one action line dedicated to the promotion of the social economy and social enterprises. However, the mid-term evaluation of COSME (Technopolis, 2017) confirmed that only 4% of the COSME resources are dedicated to Entrepreneurship. Taking into account that only minor actions are focused on social economy/social enterprises, the amount of funding for this is marginal within the whole COSME budget.

In general, approx. 80% of the COSME budget is used for two key actions: the COSME Loan Guarantee Facility and the COSME Equity Facility for Growth. The remaining 20% of the budget is spread over a large number of small actions. For the 80% of the COSME budget, there seems to be no specific focus on social beneficiaries. A sample of final recipients of the COSME - Loan Guarantee Facility has been checked and apparently there was no final recipient which was a social enterprise or came from the social economy in general. With regard to the Equity Facility, 14 funds have been supported. None of these funds have a focus on social enterprises or the social economy in general.

In general, it can be said that the COSME financial instruments offered to SMEs do not target especially social enterprises or social economy organisations. Therefore, COSME has only made a minor contribution to the availability of funds for social enterprises or social economy organisations but taking into account that there are more specific financial instruments for these target groups within the EaSI Third Axis and under EFSI.

ERDF and ESF

With regard to the **ESIF funding volume**, we analysed the EU cohesion data portal⁷⁶. The analysis focused on data related the relevant Thematic Objective 9 (TO9) on social inclusion, and, where available, on more specific topics related to social enterprises, social economy, social entrepreneurship or social innovation. Only for ERDF and ESF, detailed data was available.

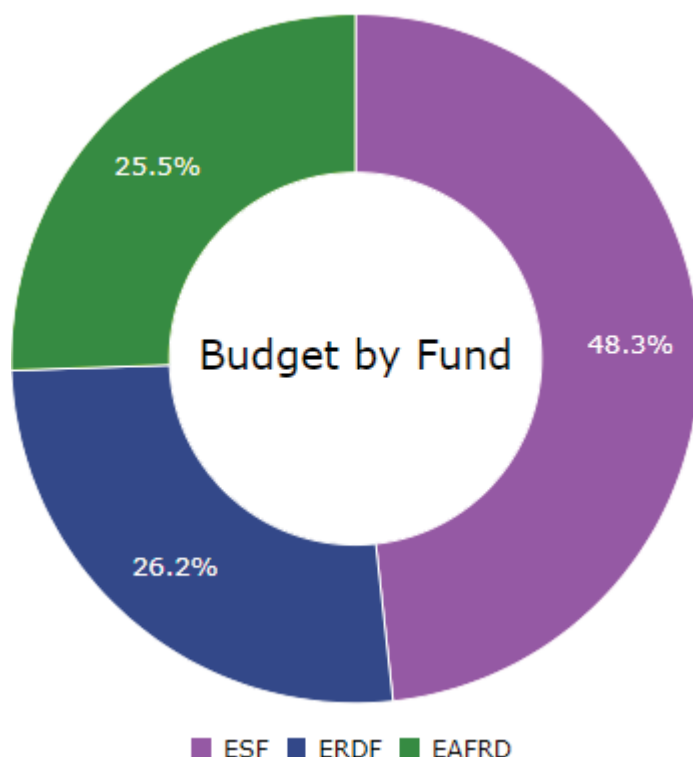
Under the broad theme of "Social Inclusion" (TO9) the ESF, ERDF and EAFRD invest in a range of investment priorities and union priorities to promote social inclusion, combat poverty and different forms of discrimination. The total planned budget for TO 9 in 2014-2020 is EUR 64.91 billion, of that EUR 46 billion EU funding⁷⁷.

The funding amount is split among the different European funds. ESF is the fund that spends most on TO9.

⁷⁶ <https://cohesiondata.ec.europa.eu/>

⁷⁷ <https://cohesiondata.ec.europa.eu/themes/9> access to data on the 4th March 2020.

Figure 4.1 Planned ESIF Budget on Thematic Objective 9 split by Fund⁷⁸



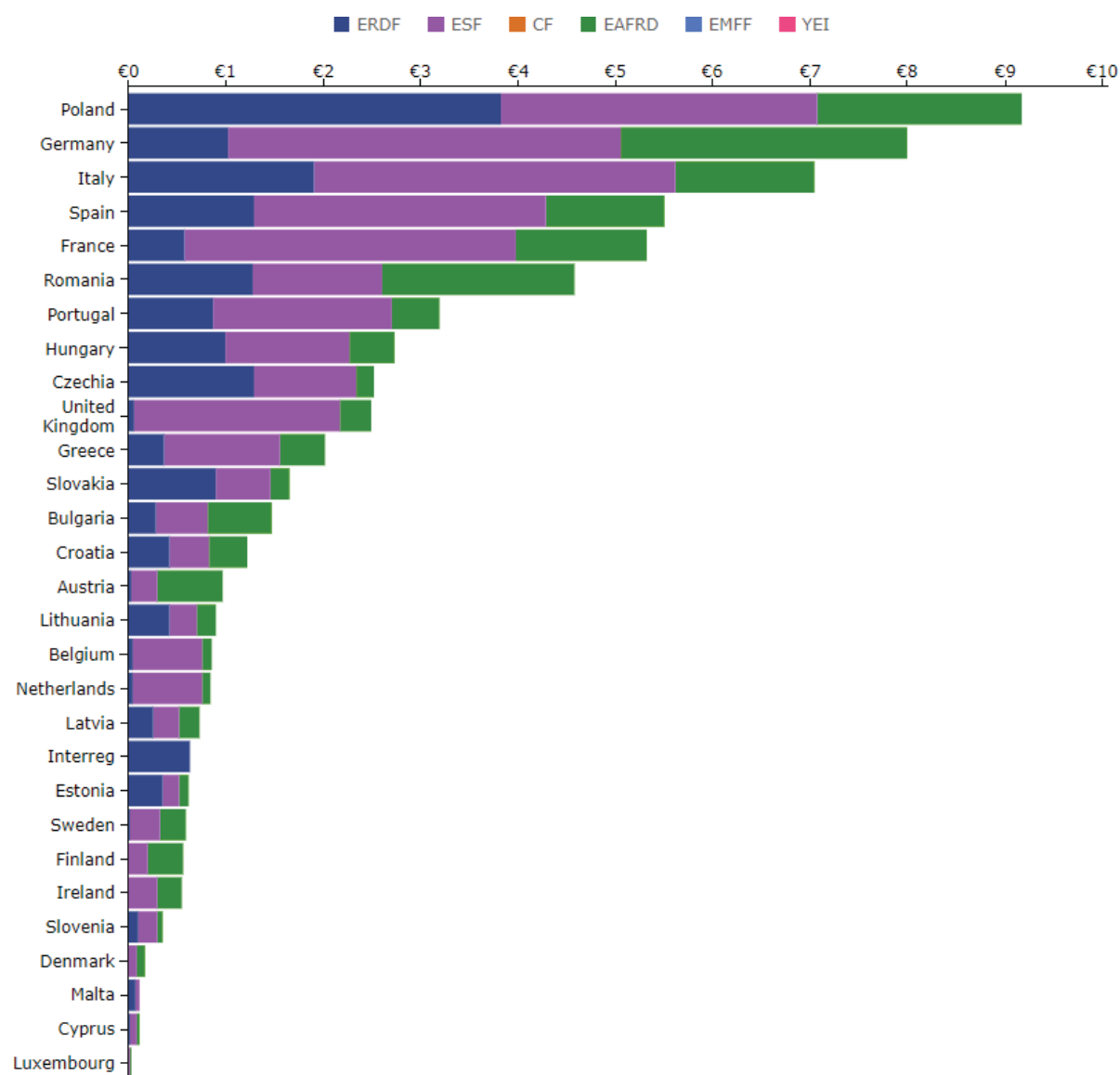
Data Source: <https://cohesiondata.ec.europa.eu/>

By country, Poland, Germany and Italy plan to spend most on TO9 in 2014-2020. Of course, this depends also on the overall amount of EU funding that a country receives.

In percentage of the contribution, Netherlands, Germany and Belgium are dedicating most funds to TO9.

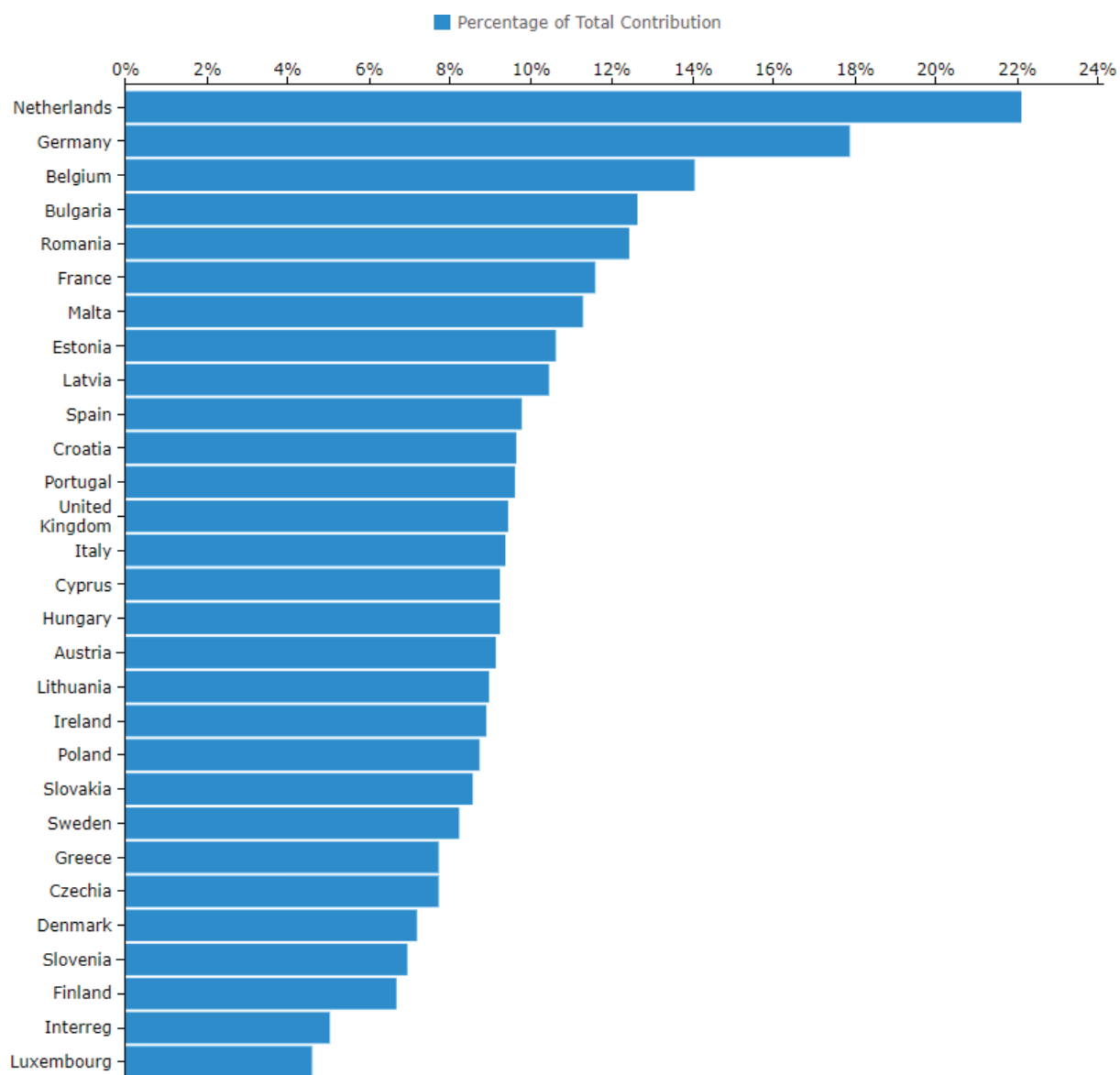
⁷⁸ The source for all figures presented below is <https://cohesiondata.ec.europa.eu/themes/9>

Figure 4.2 Total Budget (2014-2020) on TO9 by country in EUR billion



Data Source: <https://cohesiondata.ec.europa.eu/> (Data from the 30/06/2020)

Figure 4.3 Total Budget (2014-2020) on TO9 per country as % of total EU contribution

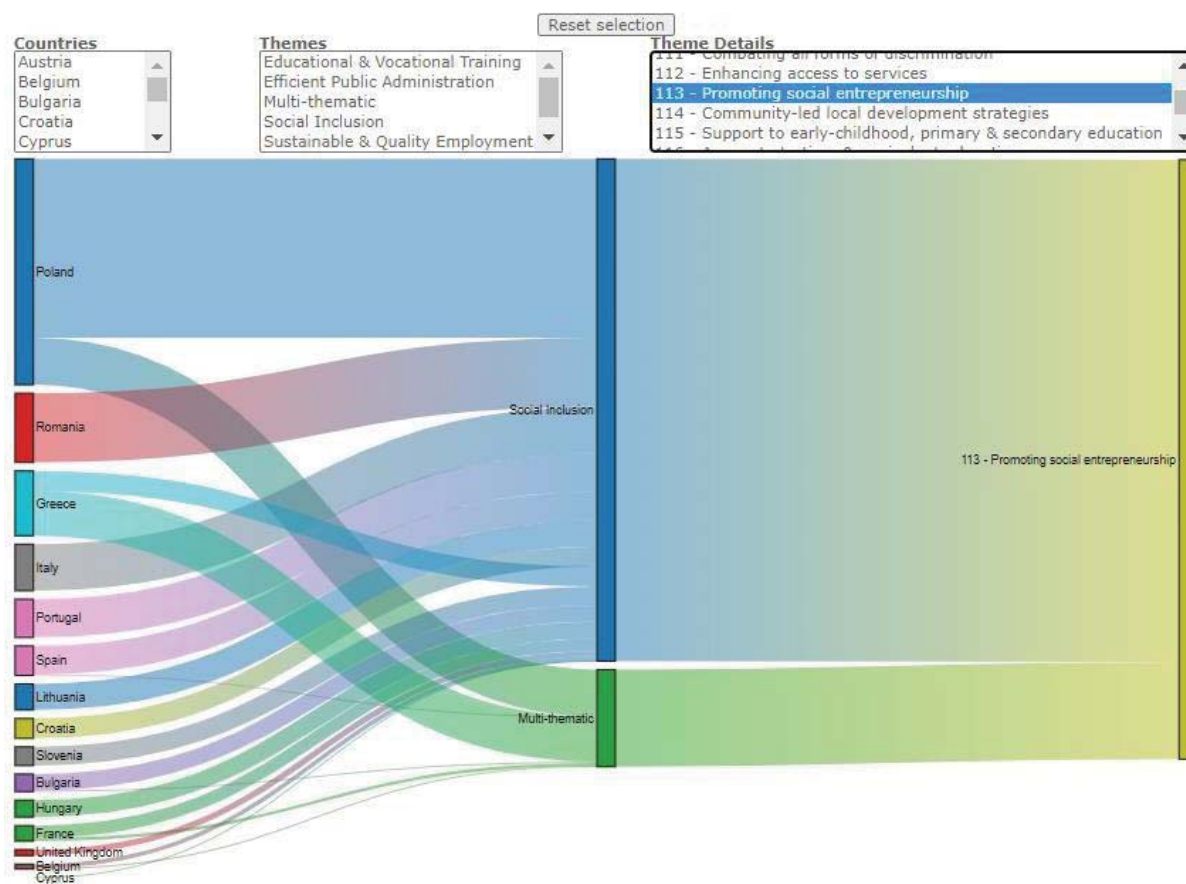


Data Source: <https://cohesiondata.ec.europa.eu/> (Data from the 30/06/2020)

With regard to specific activities, the investment priority 9v within the TO9 covers the theme “promoting the social economy and social enterprises” and includes interventions that seek to promote social entrepreneurship and vocational integration in social enterprises and the social economy. EU Support is used, for example, to subsidize specific costs for running social enterprises, provision of micro credits and/or wage subsidies for employees, developing business plans, providing legal and accounting support. Moreover, management and supporting staff of social enterprises are trained to improve their capacity for effective management of social enterprises.

As for more specific data, the data shows that EUR 965.8 million (total budget) are planned to be spent by ESF programmes on the topic of “promoting the social economy and social enterprises/ entrepreneurship” in 2014-2020. On this specific theme, Poland, Romania, Greece, Italy, Portugal and Spain are the countries that plan to spend most in the period 2014-2020.

Figure 4.4 Planned EU financing (ESF 2014-2020) by detailed theme “Promoting social entrepreneurship”



Data Source: <https://cohesiondata.ec.europa.eu/> (Access on the 29/06/2020) (Period Covered: up to 31/12/2019)

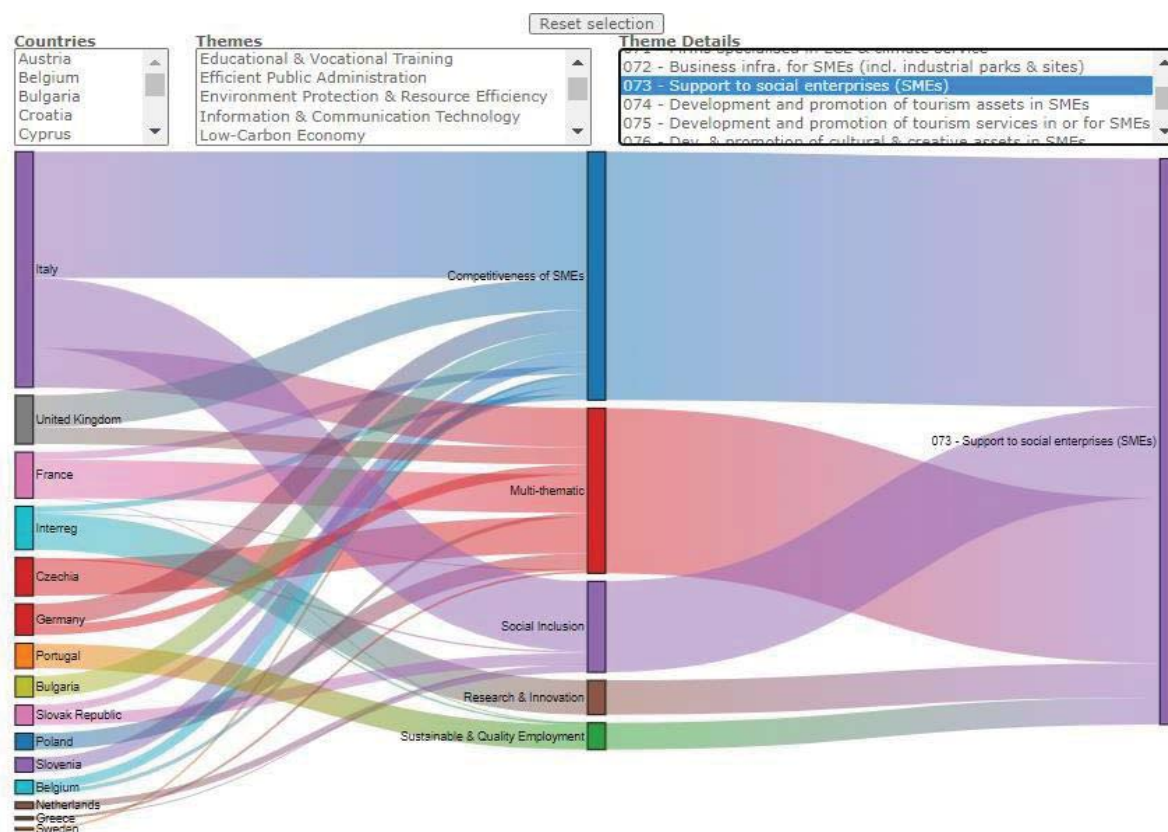
The latest ESF implementation report⁷⁹ explains: "According to this report and until 2018, the ESF had already considerable results: "Within TO9, investment priority 9v brings together projects that focus on promoting the social economy. While the common result indicators on job-status give some indication on results of these interventions, assessing

⁷⁹ European Commission (2019). Final ESF Synthesis Report of AIRs 2017 (submitted in 2018). Written by Fondazione Giacomo Brodolini with Metis, Applica and Ockham IPS. Luxembourg: Publications Office of the European Union, 2019. (page 99)

the programme-specific indicators allows a deeper understanding of the ESF's achievements in this area. By the end of 2017, 5,078 social enterprises have benefited from ESF support. For these 5,078 enterprises, 2,412 jobs were created, while another 10,725 jobs were preserved with support from ESF. Moreover, a total of 3,407 projects were counted that were implemented at least partially by civil society organisations."

With regard to the ERDF, EUR 397.1 million are planned to be spent by ERDF programmes on the specific topic "support to social enterprises (SMEs)". In ERDF Programmes, Italy, UK, France and the Interreg programmes plan to spend most resources on this topic.

Figure 4.5 Planned EU financing (ERDF 2014-2020) by detailed theme "Support to social enterprises"



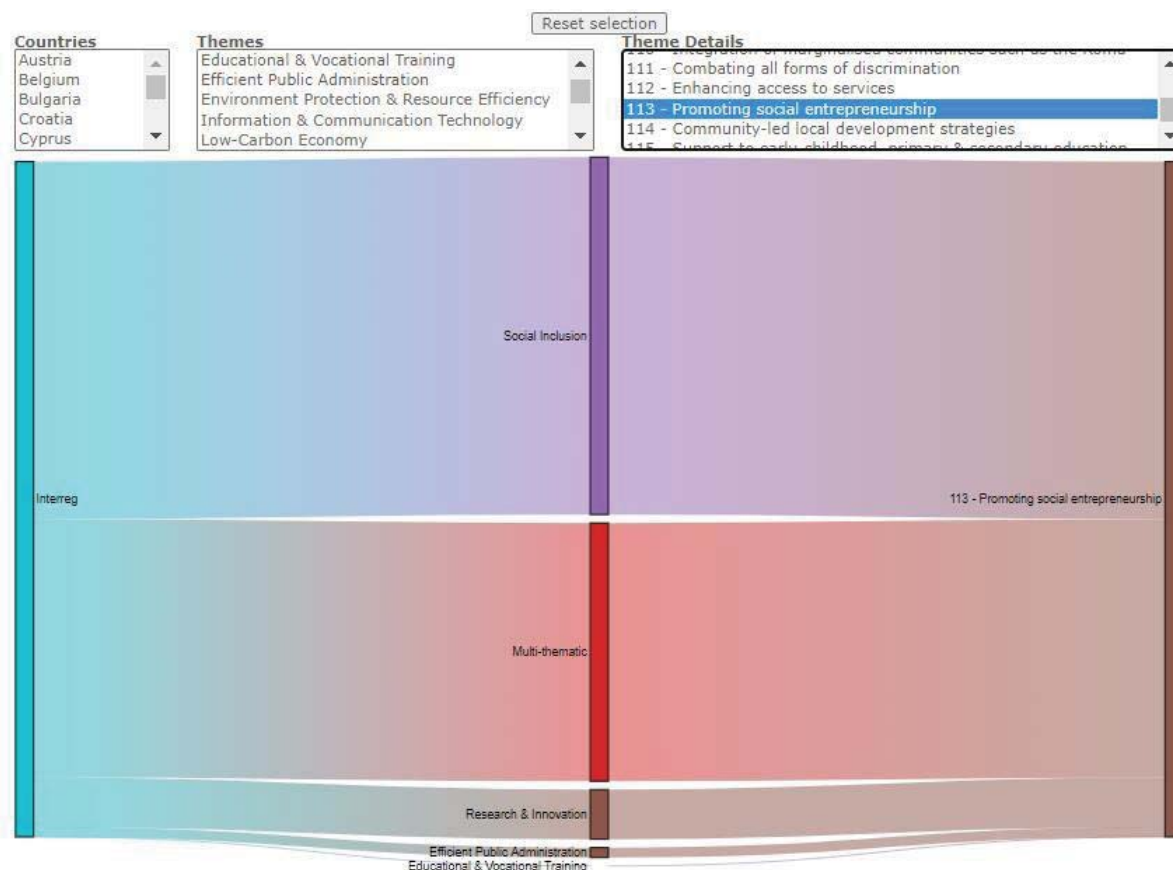
Data Source: <https://cohesiondata.ec.europa.eu/> (Access on the 29/06/2020) (Period Covered: up to 31/12/2019)

In the figure above, we can also see that not all ERDF funds to be spent on this topic are channelled via TO9. Some are programmed in multi-thematic programmes, others under TO3 (Competitiveness and SMEs), TO1 (Research and Innovation) as well as TO8 (Sustainable and Quality Employment).

An additional EUR 13.6 million are planned to be spent on the specific topic "promoting social entrepreneurship" but only within Interreg programmes of territorial cooperation

Figure 4.6 Planned EU financing (ERDF 2014-2020) by detailed theme

“Promoting social entrepreneurship”



Data Source: <https://cohesiondata.ec.europa.eu/> (Access on the 29/06/2020) (Period Covered: up to 31/12/2019)

Unfortunately, a comparison with 2007-20013 data on expenditure is not possible, as the categorization is not completely comparable and data is not available for the whole EU.

Annex 8. Targeted analysis – relevance of social enterprises and SBI in social media channels

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1 Methodological approach

The analysis of relevance of social enterprises and the SBI to the general public and EU citizens is based on two methodological elements: first, the analysis of social media channels has been used as a proxy to reflect the general awareness of specific terms and concepts in social networks of people. Secondly, interviews with stakeholders, national and regional policymakers and academics and experts, conducted in the framework of this study, have been analysed regarding the general awareness on SBI.

The analysis of social media channels for assessing the relevance of social enterprise is based on the count of posts and interactions on selected pages on LinkedIn, Facebook, and Twitter. The search was carried out between mid-March and mid-April 2020, and addressed content dated as far back in time as possible, all the way to the establishment of the page or account. For counting interactions, the Twitter analysis entailed counting retweets, favourites, and replies, while the LinkedIn and Facebook analyses have counted reactions, including likes. The pages, groups, and accounts are hereby listed.

Twitter	Type	Geographical scope
CEPES	Account	Spain
Empresa_Social	Account	Spain
ImpresaSociale	Account	Italy
SocEntScot	Account	Scotland, UK
Social Economy EU	Account	Europe
Strasbourg Économie Sociale et Solidaire	Account	Strasbourg, Europe
LinkedIn	Type	Geographical scope
Social and Solidarity Economy (ESS-SSE)	Listed group	Europe
Social Enterprise NL	Listed group	Netherlands
Social Enterprise Scotland	Listed Group	Scotland, UK
Social Enterprise UK	Listed Group	UK
Facebook	Type	Geographical scope
Agenda de l'économie sociale et solidaire	Page	France
Economie sociale et solidaire	Page	France

Pour une économie sociale et solidaire (ESS) ... écologique !	Group	France
Social Economy Europe	Page	Europe
Social Enterprise	Public group	World
Social Enterprise & Social Good	Public group	World
Social enterprise world forum	Page	World
Social Firms Europe CE FEC	Page	Europe

In addition, a keyword search has been carried out on Twitter, addressing keywords relating to social enterprises and social entrepreneurship in general. This task analysed a total of 253,002 tweets in 21 languages. Search terms used for the relevance of social enterprises are: "social enterprise", "social start-ups", "social economy", "social entrepreneurship", "social innovation". These keywords have been searched for both in extended and in hashtag form. Search terms have been translated and applied in the following languages: Bulgarian, Croatian, Czech, Danish, Dutch, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Romanian, Slovak, Slovene, Swedish. Given the very limited information available on Twitter on the location of tweets, search terms in English, Spanish, and Portuguese have been omitted in the analysis related to the general topic of social enterprises. This has been necessary due to the high number of tweets written in these languages not relating to the EU scope. Data has been cleaned to remove duplicates found across different searches, and tweets with identical content.

As for the search on keywords specific to the SBI, the search terms have been: Social Business Initiative, EaSI microfinance, EaSI social enterprise, EuSEF, ESER European Social Economy Regions, GECES / Commission Expert Group on social entrepreneurship, Microcredit code of conduct. In addition to the 21 languages listed above, English, Spanish, and Portuguese were included for this analysis, addressing all official EU28 languages.

An attempt has been carried out to perform a sentiment analysis on the collected tweets, however the vast majority of the tweets in scope are informative and do not provide qualitative assessments or mood reactions, therefore, this type of analysis has been deemed unsuitable.

2 Relevance of 'social enterprises' in social media channels

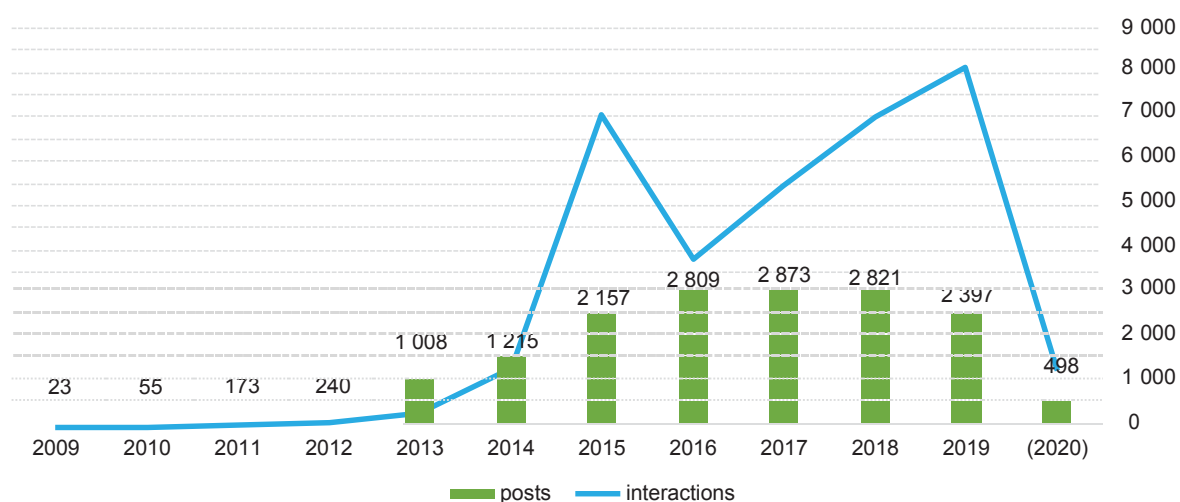
Relevance of SE to the general public is an under-researched topic. While there has been a substantial effort at the European level to identify methods for assessing SE impacts, these have mostly been focused on the measurement of the effectiveness of specific SEs on their respective target groups. These efforts have been aimed at providing evidence to support specific investment, either through public grants or social finance, rather than analysing the broader relevance of SEs as a whole on the general public.

There is a limited set of research initiatives on the perception of SEs by the public. In a few cases, research documents have addressed the issue from the point of view of the actors (SEs, policymakers, conventional businesses), but there are no surveys or research activities that have targeted the perception of SEs by citizens at the EU level. No suitable analysis can be based on EU-wide surveys with a broader scope such as Eurobarometer.

At the national level, one eminent example is the barometer for social entrepreneurship carried out by Convergences, which has been surveying the perception of the capacity of SEs to cater for social needs in France. In its latest iteration in 2019, SEs have been regarded by the general public as among the most innovative types of actors in tackling social issues. 25% of respondents indicated SEs as the most innovative, on par with the civil society and ahead of public bodies and conventional businesses.⁸⁰ The survey by Convergences also assessed the popularity of SE over time. The term “social and solidary economy” – much more used in France – was up from 57% recognition in 2012, to 58% in 2018. Likewise, the term “social entrepreneurship” was recognised by just 18% of respondents in 2012, up to 38% in 2018.

In order to identify the extent to which SE are relevant to the EU public, we carried out a social network search. We searched pages and groups on LinkedIn, Facebook, and Twitter related to the SE world in all the EU languages. The research has resulted in a few pages and groups that are suitable for the analysis.

Figure 2.1 Posts and interactions on eight Facebook pages related to social enterprise in the EU



Source: own elaboration. 2020 refers to posts up to March 2020

Analysis of eight Facebook pages and groups allows to get an understanding of the popularity of the topics of SE and social economy to the users of the platform. Given that roughly one in every two EU citizens have a Facebook account,⁸¹ this social network can be considered a good proxy for analysing the engagement of EU citizens with given topics. Despite the high number of EU citizens subscribing to Facebook, there is a limited number of pages and groups relating to the topic of social enterprise, and these pages have a relatively low number of interactions. The number of interactions has however been growing quickly in recent years.

As shown in Figure 2.1, pages and groups started to be regularly active from 2011, the year that the SBI was launched. The activity has gained momentum starting from 2013, two years later. Reactions from the public caught up starting in 2014, with 1,327 interactions, and saw substantial growth in 2015, reaching 7,076 interactions. In the following years, posts stabilised around an average of 2,700 per year, while interactions grew from 3,814 in 2016, to 8,099 in 2019. Growth in the first years of the decade may

⁸⁰ Convergences (2019) Baromètre 2019 de l’entrepreneuriat social. Retrieved at http://www.convergences.org/wp-content/uploads/2019/02/BES2019_FINAL_WEB.pdf

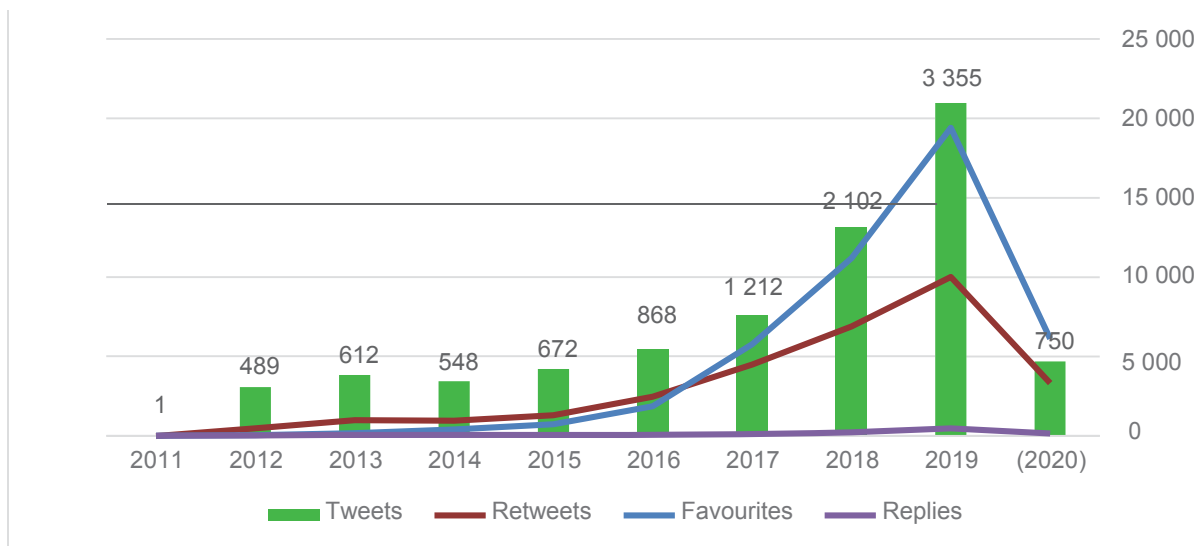
⁸¹ Internet World Stats (2019) Internet Usage in the European Union. Retrieved at <https://www.internetworldstats.com/stats9.htm>

be explained by the dynamics of the social network, which greatly enlarged its user base in these years. The increase in interactions in recent years is instead telling of a greater engagement, given that the growth of Facebook EU users has been recently plateauing⁸². In the first three months of 2020, both the new posts and interactions seem to show a slight slowdown.

LinkedIn has been used for a long time since its launch in 2003 chiefly as a job and CV posting platform, and only in more recent years has it become more popular for social networking. Pages relating to social enterprise and social economy in the EU context have therefore appeared on the platform later than they have on other social networks. Currently, only a very limited number of pages is currently active on the topic: for this analysis, data from four pages is used. Pages have become fairly active in the past three years. There has been a clear growth trend especially in the last 12 months. However, it should be noted that the sample of pages is small, and the overall trend is influenced by strong growth from the UK and Scottish pages, but a decrease in engagement from the Dutch and the EU-wide page.

The analysis on Twitter profiles (Figure 2.2) provides access to a greater amount of information. It also enables more meaningful analysis given that Twitter active users have remained almost completely stable since 2015.⁸³ The six pages analysed started their activity in different times: the Spanish and Italian pages started between 2012 and 2013, and were later joined by other pages such as Social Economy Europe (2015), and Social Enterprise Scotland (2017). Overall, the activity of these pages started shortly after the SBI was launched, but only gained momentum in 2016. 2019 marked a record year both in number of posts (3,355) and total interactions (29,910), while 2020 is on track to achieving similar results. It is relevant to note how, for a similar amount of posts in recent years, Twitter profiles receive a much larger engagement by the public in terms of reactions.

Figure 2.2 Tweets and interactions on six Twitter pages related to social enterprise in the EU



Source: own elaboration. 2020 refers to tweets up to April 2020

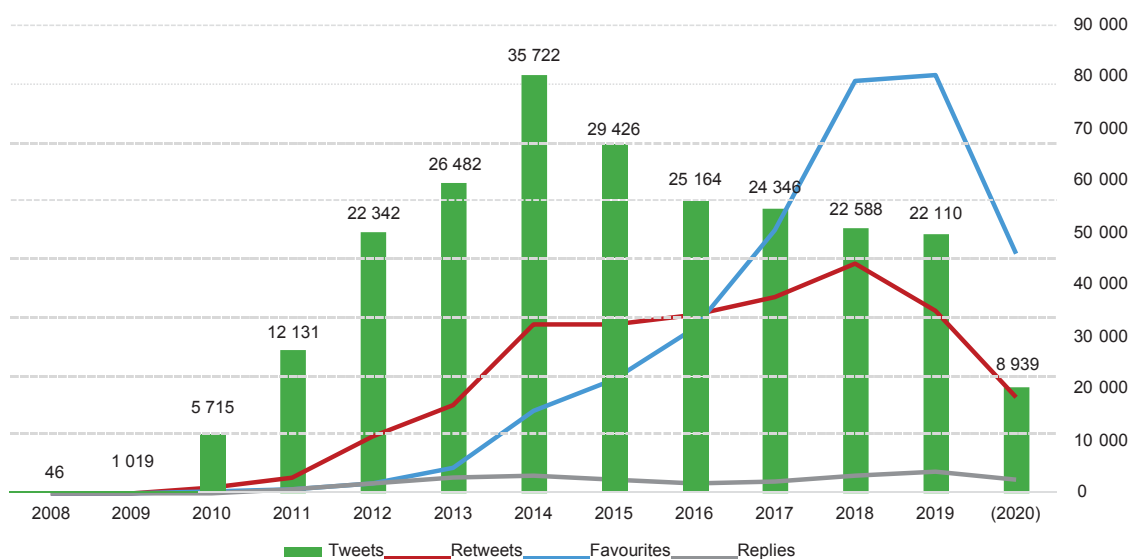
⁸² Source: <https://www.businessinsider.com/facebook-grew-monthly-average-users-in-q1-2019-4?IR=T>

⁸³ Source: <https://www.statista.com/statistics/282087/number-of-monthly-active-twitter-users/>

Twitter allows for the performance of more targeted analyses utilising keyword searches addressing tweets by all Twitter users across time. Tweets mentioning social enterprises, social start-ups, the social economy, social entrepreneurship, and social innovation have been analysed, focusing on the EU context. The results for all combined keywords in 21 EU languages are shown in

Figure 2.3. The numbers show a high growth of tweets in the period after the introduction of the SBI, from 2011 to 2014, later decreasing and stabilising above the 22 thousand tweets mark. The trend for 2020 suggests that this will be achieved in this year as well. It is notable how, also in this case, engagement by the public has increased sharply, with retweets and favourites on a general growth path, especially after 2014. This is particularly notable as Twitter active users have remained roughly constant since 2015, reflecting an increase in the popularity of social enterprises: overall, we counted a total of 236,030 unique tweets, which received 623,620 interactions.

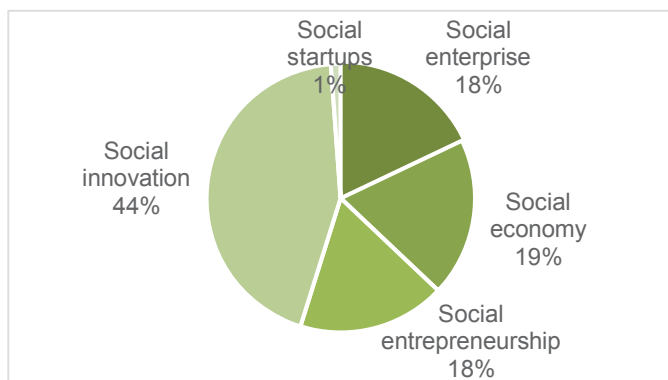
Figure 2.3 Tweets and interactions on five keywords related to social enterprise and social economy



Source: own elaboration. 2020 refers to tweets up to April 2020

Digging down on the specific topics (Figure 2.4), social innovation was the most popular across the whole period, representing almost half of all tweets. The remaining is split equally between “social enterprise”, “social economy”, and “social entrepreneurship”. Social start-ups are rarely mentioned.

Figure 2.4 Recurrent keywords in Twitter keyword search



Source: own elaboration.

As for languages, French and Italian take up most tweets (39% and 31% respectively), followed by Dutch (17%), German (5%), and Greek (3%). Swedish and Danish are around the 1% mark, followed by Slovene and Romanian. Other languages represent small amounts of tweets. This polarisation reflects the advanced state of SE environment in France and Italy, and the lag in development in many other countries. English, Spanish and Portuguese have been excluded from this analysis as a large proportion of the tweets in these languages are not relevant to the EU context.

These results seem to show an overall increase in the activity and popularity that social media discussions around SE have seen in the last few years. However, it is important to note that these developments also reflect a general increase in the use of social media, with many pages on the topic being established only in the last three to four years.

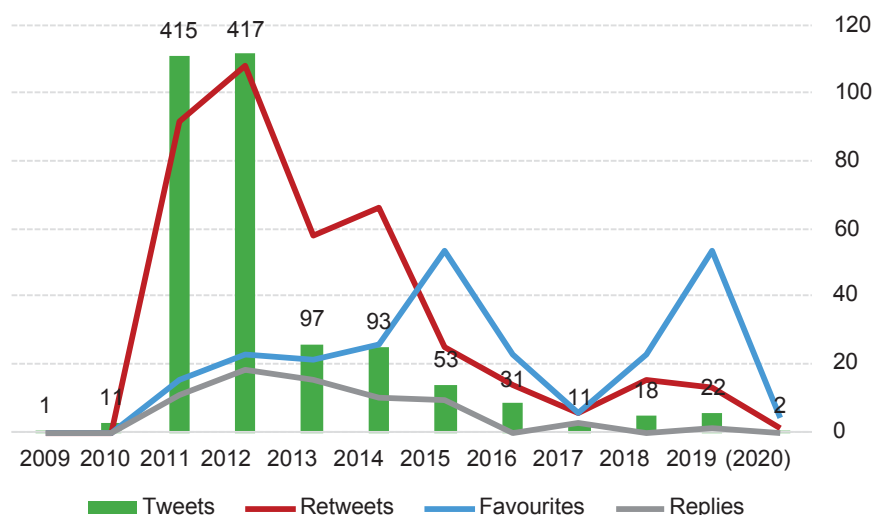
Overall, it is possible to conclude that the popularity of social enterprises, social entrepreneurship, and the social economy, has substantially improved in the years in which the SBI has been implemented. The most definitive argument for this comes from the analysis carried out in France with a consistent methodology in the whole period, and it is also confirmed for the whole European context based on social media data. This improvement is mostly applicable to a few national contexts, highlighting room for improvement in countries where the topic is less well established.

3 Relevance of the 'SBI' in social media channels

In order to get a clearer understanding of the perception of the SBI and of its various components, Twitter analysis was used for keywords specific to the SBI.

Analysing keywords related to the SBI as a whole (Figure 3.1), it emerges how the initiative was widely discussed on Twitter in the two years after it was launched, but it has received declining interest ever since, going down to almost no posts and interactions in the early months of 2020. This confirms the perception that the SBI is referred to as an official policy initiative, but the linkage to the overall coordinated effort has become less visible after its initial launch. Overall, the SBI was mentioned in 1 171 tweets, which received 711 interactions.

Figure 3.1 Tweets and interactions for "Social Business Initiative"



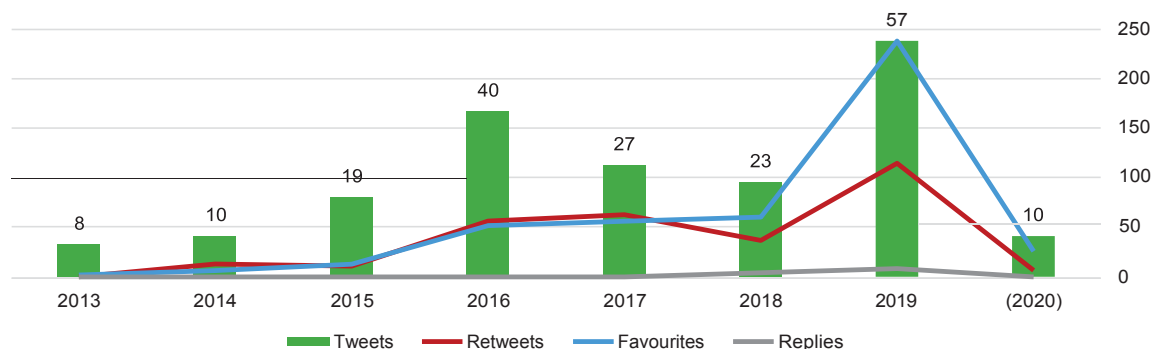
Source: own elaboration. 2020 refers to tweets up to April 2020

We had a closer look on some of the most visible SBI initiatives in order to understand how their perception compares.

The EaSI Programme for employment and social innovation is one of these. In order to produce meaningful results, the search had to include terms related to the content of EaSI, which reduced the overall number of results: we searched for EaSI and microfinance (Figure 3.2), and for EaSI and SE (Figure 3.3).

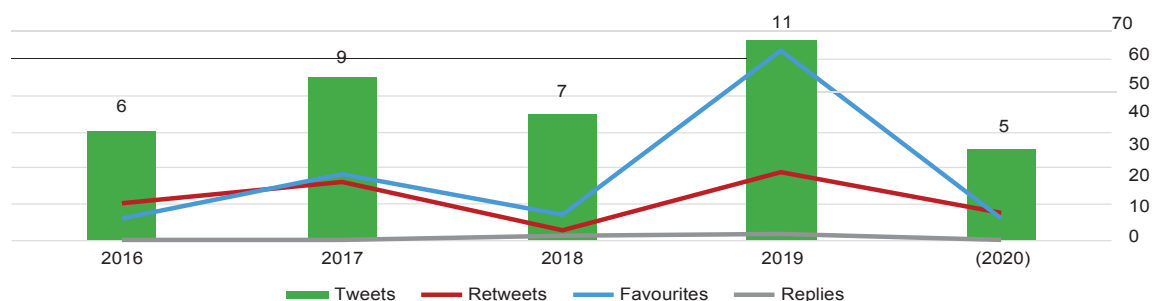
In both cases, the number of tweets and interactions is low. One visible pattern in both cases is a peak in 2019, which is likely to be linked to the relevant number of EaSI-financed actions and projects which came to maturity in this year. The combined total for EaSI is 232 tweets and 944 interactions.

Figure 3.2 Tweets and interactions for “EaSI microfinance”



Source: own elaboration. 2020 refers to tweets up to April 2020

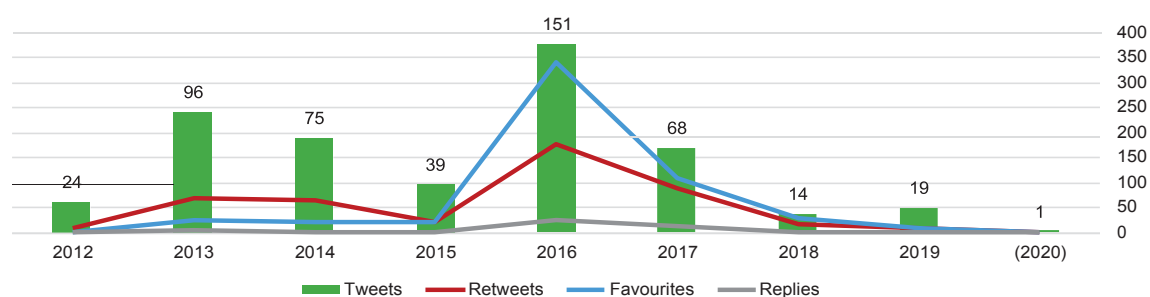
Figure 3.3 Tweets and interactions for “EaSI social enterprise”



Source: own elaboration. 2020 refers to tweets up to April 2020

Figure 3.4 shows the tweets and interactions related to EuSEF regulation, which add up to a total of 487 tweets and 1 058 interactions. As could be expected, the peaks in discussions around EuSEF centre on the year it was launched (2013) and in the years around its update (2017).

The analysis on tweets relating to the code of conduct for microcredit provision resulted in a total of just 12 tweets, dated around 2011 when the Code was first launched, and on its update in 2018. Likewise, the search on ESER European Social Economy Regions resulted in 38 tweets, equally distributed between 2018 and 2019, the two years of operation of the project. Lastly, data was analysed with regard to the GECES expert group, resulting in 66 tweets and 284 interactions between 2012 and 2019, with no substantial variation between years.

Figure 3.4 Tweets and interactions for the term “EuSEF”

Source: own elaboration. 2020 refers to tweets up to April 2020

In conclusion, the SBI is perceived by the public as a technical vehicle relevant mostly at the EU policy level. According to stakeholders interviewed for this report, the SBI has a limited visibility among the general public, and sometimes even among the experts working with some of its components. This is confirmed by the fact that social media information goes little beyond news relating to the launch of the SBI or of its instruments. Moreover, a glance at the content and accounts related to the tweets, suggests that the topics are almost exclusively discussed by specialised experts and organisations, unlikely to enter a wider public debate. This suggests there is room for improvement in communicating the SBI and its follow-up actions, as a coordinated EU effort for SE, to the general public.

4 Relevance of the SBI and follow-up actions in interviews to stakeholders

Interviews carried out for this study have pointed out how the SBI itself is little known by the general public, and often even to people working in the social economy and in some of the SBI initiatives (see also the Chapter on Relevance in the main report).

Indeed, in many cases initiatives themselves (such as EaSI, or supported EU networks) are more recognised by respondents than the term SBI or Social Business Initiative. The public knows about the EU's different commitments to SE but has little visibility of the fact that these are under a coordinated effort. Rather than a "brand", the SBI is perceived as a policy definition combining different elements, and mostly relevant internally to the EC.

5 Conclusions

Social enterprises and the social economy are increasingly recognised and discussed on social media and thus reaching the public debate. Social media analysis illustrates increasing number of social media groups and interaction on the topics of social enterprises, social innovation and the social economy. As such it reflects a tendency that can also be observed in the population, linked to greater awareness on impact economy or social welfare models.

The number of social media accounts and interactions increased since the launch of the SBI, suggesting a positive effect of the SBI on the public debate. Since 2011 the number of social media groups and interaction have increased. The topics discussed changed partially over time, among others linked to specific SBI follow-up actions. EuSEF appeared relatively often in tweets between 2013 and 2017. EaSI (micro-finance and social enterprise) appeared mostly in tweets between 2016 and 2019. ESER appeared in discussions since its launch in 2018 but reached less attention on social media than EuSEF or EaSI. The mentioning of GECES has been constant since 2011 but remains rather low.

Most social media messages, tweets, were in languages of countries with a rather advanced ecosystem for SE, namely French and Italian as well as Dutch (Flanders). This may suggest that the topic is mostly discussed among people that are already familiar with social enterprises and the social economy. The SBI may have thus contributed little to enhance public debate in countries with less advanced SE ecosystems.

Social media analysis suggests thus that the SBI is mostly discussed among insiders, e.g. persons familiar with specific follow-up actions and persons in countries with most advanced ecosystems for SE. Most other people or unaware of the SBI. The SBI and its follow-up activities may in fact contributed to the public debate rather indirectly, while adding more to the debates between experts and practitioners.

Annex 9. Targeted analysis of trends and recent development in the field of social enterprises and social economy

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1 Introduction

This document presents the results of the targeted analysis on trends and developments that are relevant for the development of social enterprises and the social economy in Europe. It has taken into account the recent development of social enterprise ecosystems, but also broader trends in the economic environment, such as the ambition of businesses to demonstrate their social and societal impact through, e.g. CSR or non-financial reporting. Similarly, it takes into consideration developments in ethical and social finance and impact investment.

The analysis of trends was done via desk research and the analysis of the interviews.

2 Societal challenges and general social trends in the next decade

As a basis for future development it is important to be aware of general societal challenges that might lead to new trends, not only for SE and social economy development but as general trend markers for all economic and social development.

The Report "SOCIAL INNOVATION TRENDS 2020-2030: THE NEXT DECADE OF SOCIAL INNOVATION" by Social Innovation Academy and partners (2020) analysed different studies and trend scenarios. The report summaries main trends for overall societies, for which social economy organisations, but also public and private entities probably will and shall play a role in the future. The trends refer originally to social innovation. On this basis we have developed likely trends that will influence the social economy in the next decade:

Social trends

- **The Demography Challenge and Social Economy.** The challenges and problems arising from an ageing population and other demographic changes are a hot topic in Western societies. In a decade with more people aged over 30 than under, we must rethink how to improve our social system and make it more inclusive and equalitarian in terms of education, health care or cultural services.
- **Migration and Social Economy.** Migration is becoming an urgent and specific issue, specifically for Europe, which as a region hosts the largest number of international migrants in the world (not counting intra-country migration). Social economy has a lot to offer concerning the challenge of migration.
- **Education and Social Economy.** Education is mostly based on the acquisition of knowledge. In the years to come, there will be a greater need to foster developing competences and skills regarding social innovation and social economy at all levels of the education system.
- **The Future of Work.** In a world of constant change, societies will need to be intuitive, to sense and respond to new technological opportunities, social challenges and citizens' needs, and it is here where social economy can play a role to make societies more inclusive, democratic, resilient and equal.
- **Health and Social Economy.** In this century, health and social care systems around the world are exposed to new strains. The challenge of caring for an ageing population is compounded by other challenges such as how to deal with the refugee crisis or how to deal with a global health crisis, as has been the case with the recent COVID-19 pandemic. These challenges also represent great opportunities to develop innovative responses and to enhance collaboration between and across sectors. Innovation in health can be related to a wide range of activities, from new products to new services or new forms of governance of public systems.

Sustainability

- **Sustainable Development Goals (SDGs) and Social Economy.** Achieving the 17 goals by 2030 will require new forms of innovation both in but also for development. In this sense, the social economy is a specific element to work with across the 17 SDGs in order to help meet societal needs. Thus, moving far beyond designing initiatives and developing ideas to tackle contemporary global challenges, social economy can help create a new mindset and supportive framework for SDGs as a particular input of the new knowledge paradigm. This will require, among other things, linking strategic development of SEO and reporting better to SDGs.
- **Urbanisation and Social Economy.** Europe is becoming more and more urban. This results in emerging social problems and increasing pressure on resources, natural capital and the provision of ecosystemic services to human settlements. There is a reinforcement of the role of cities as spaces for experimentation and laboratories of opportunities to build smart, green, sustainable, inclusive and resilient societies.
- **Climate Change and Social Economy.** Climate change is one of the most urgent challenges of this century. Actions to combat climate change have gained the attention of social economy practitioners, innovators and the community as a whole. Actions regarding the mitigation of climate change will become a general practice for social economy.
- **The Circular Economy and Social Economy.** In 2015, the EU launched the Circular Economy Action Plan, which defined a set of actions to be implemented by member states to deal with future challenges and paving the way to a climate-neutral, circular economy where pressure on natural and freshwater resources as well as ecosystems is minimised. This will require important involvement of the social economy and communities.

Technology

- **Technological Development and Social Economy.** Despite the ~~und~~value of the digital world, new digital technologies will transform our societies as we know them. From the education field to the work environment, from policy making to the forms of relationships, our societies will experience radical changes.
- Technology will also support other **emerging areas** based on ~~ica~~ technological development and adoption (e.g. artificial intelligence, robotics and distributed ledger technology): youth empowerment, digital democracy, human-machine interaction, autonomous decision-making, machine ethics, new forms of communication and financial interaction etc.

These overall trends can influence the development of the social economy. This leads us to the following more specific trends and needs relevant for the development of social enterprises and social economy organisations in Europe in the next years.

3 Trends relevant for SE development

Compared with the year of launching of the SBI (2011), the interest in the social economy in general and social enterprises amongst policymakers, public authorities and researchers has changed and basically increased remarkably in most EU countries. The discussion and approval of new legislation and the promotion of new support and funding schemes inspired by the SBI confirm this widespread trend. The Synthesis Report of the Mapping Study corroborates that the number of social enterprises and people employed is progressively increasing in most EU Member States.

Moreover, the general environment in which social enterprises operate is becoming slightly more enabling. The demand for personal and general interest services provided by social enterprises is growing. Although people are still not fully aware of the potential of social enterprise, society is in general more socially conscious, with people showing more interest in responsible consumption, companies demonstrating more concern about their Corporate Social Responsibility (CSR); and investors paying more attention to ethical issues. Furthermore, the domains of engagement of social enterprise are progressively broadening. Innovative approaches to integrating disadvantaged people have the potential for success in emerging fields, such as social farming, upcycling and culture, in which social enterprises are increasingly engaging. This wider perspective going beyond the welfare domain is reflected in recent legal reforms acknowledging new societal challenges tackled by social enterprise (i.e., Bulgaria, Italy, Slovenia).

Against the uncertainty and, sometimes, scant effectiveness of national public policies, the role of municipalities in supporting social enterprise in their local contexts has increased in many EU Member States over the last five years. New and ongoing processes of decentralisation in social service delivery have and are likely to put municipalities in a unique position to support social enterprises at the local level (e.g., Denmark, Sweden). Nevertheless, in several countries the role of municipalities is still far from being valorised (e.g., Bulgaria, Estonia, Lithuania, Slovenia). In spite of the steps taken by state institutions and municipalities to involve social enterprises, there is still a good deal of distrust. Overall, the potential of social enterprise is still far from being fully harnessed.

3.1 From social enterprise to social economy

When the SBI was launched, Europe was falling back (#107). Hence its objectives, particularly the focus on job creation (#301), reflected this fragility (#579). Over the years, following an improvement of the overall economic situation, the SBI focus has moved from a "recovery policy" to a "better society policy" (#201). This move coincided with a mind-set shift from "I want to help others" to "I want to create and design society"

(“Gestaltung” in German) (#30) and from the tackling of specific social challenges (e.g., work integration) (#673) towards the pursuit of well-being as an overarching goal (#108). According to this broader approach, the social enterprise is now regarded as a solution for a plurality of social and societal challenges (European Commission 2020c; EU Green Deal and forthcoming EU Action Plan for the Social Economy).

As the level of sophistication of the debate has increased (#108 and #313), the scope of the SBI has moved from a specific entrepreneurial form - the social enterprise- to the wider social economy (#313). This extension of the scope offers the opportunity to promote, more clearly than in the past, another way of doing business that bridges the longstanding tradition of cooperatives, mutual aid societies and associations (#315) with current concerns that plague contemporary societies. Recent legal changes that recognize the social enterprise as part of a wider phenomenon (the social economy, the social and solidarity economy or the third sector) (European Commission 2020c) reflect this trend.

In brief, two trends proceed in parallel. First, the consolidation of the social enterprise and, second, the recognition of a larger phenomenon: the social economy, whose potential has so far been largely overlooked.

3.2 The future role of the social enterprise in EU welfare systems

Demographic changes coupled with the enduring consequences of the 2008 economic and financial crises and parallel environmental crisis have posed multiple challenges to both European welfare systems and EU institutions. These challenges have been harshly exacerbated by the recent COVID-19 emergency, which has posed immediate pressures on national health services; has forced the closure of many businesses, including social enterprises providing social and cultural services that are now at risk of survival; has triggered an exponential rise of unemployment; and has generated the emergence of new needs in local communities. The pandemic has led to multiple short-term policy interventions by national governments that struggled to strengthen national health systems; support workers and their families so as to safeguard incomes and jobs; and prevent many private enterprises from going bankrupt.

What is still missing is one medium-term strategy designed to strengthen service delivery that is tailored to social enterprises’ peculiar needs and specificities.

Policy responses to the dramatic diversification and increase in the demand for health, social and general interest services will most likely vary to a significant extent across EU MSs in the medium or longer-term. It is moreover plausible that there will be an increase in both the demand for and supply of services. Nevertheless, such an increase can be realized in various ways. Future scenarios may be positioned between two policy alternatives. One possibility is that after years of constant withdrawal, the new consensus on the welfare state that was forged by the recent pandemic leads to a re-expansion of EU welfare states’ direct intervention; an alternative possibility is that the role of private welfare providers—primarily of social enterprises—is strengthened. A third, in-between avenue is an increase in both public and private interventions by means of old and new forms of collaboration.

Before the COVID-19 crisis, it was hoped that the results of citizen movements, re-territorialisation and ecology would have a positive effect. Its duration and magnitude suggest that the COVID-19 crisis may have an accelerating effect on these trends (#592). Not surprisingly, the pandemic re-affirmed also the key role played by social enterprises in designing new solutions to emerging social and economic problems arising in local societies in multiple domains, including the social and health sectors as well as the educational sphere.

During the COVID-19 outbreak, many social enterprises reinvented themselves and increased the scale, scope, quality and impact of their activities by designing new bottom-up responses thanks to the contextual empowerment of local populations, the promotion

of a solidarity culture and the attraction of new resources, including financial ones. This exceptional mobilisation of tangible and intangible resources enabled to strengthen the resilience of local health systems and communities that had been hardly hit by the consequences of the pandemic (#750).

Against the background of a likely increase in needs that public bodies will struggle to address the contribution of social enterprises will hence be essential to ensure the future sustainability of European welfare systems. It will be accordingly important to clearly acknowledge, valorise and support through proper policies the capacity of social enterprises to tackle a plurality of social and societal challenges and favour a convergence between climate change mitigation and the furthering of social aims.

Differently from the past, the likely increase in needs ought to be tackled by fully exploiting the potential of the social economy and social enterprises in a more conscious way.

3.3 Beyond conceptual chaos

Given the multiple concerns tackled, it is increasingly recognized that social enterprises have a vital role to play in the European economy and in the social fabric of EU countries (#108).

One hindering factor that is jeopardizing the recognition, visibility, and growth of social enterprises is however the lack of clarity about what is a social enterprise (#105, #542, #556, #629, #662 and #692; European Commission 2020c). Differences across EU MSs definitions together with the use of multiple terms add to the confusion. The degree of confusion around the social enterprise definition is extremely high especially in some MSs.

The need to clarify the difference between the social economy, social enterprise, social entrepreneurship, social innovation and a company that has an appropriate CSR policy was already there ten years ago, but it has become more pressing lately. As highlighted by one interviewee *"If you had asked me ten years ago, I would have said the EU should not be specific... now I believe the EU must be very clear and specific"* (#102).

Why has this need increased in relevance? Confusion is nourished by the overlap of various concepts: the social enterprise and the social economy and the social enterprise and social entrepreneurship or CSR.

The first type of confusion is easier to deal with. Since their emergence, all social economy organisations have tackled a plurality of social problems - poverty, ageing, fragmentation of societies, problems with access to health, changes in energy policy and its commitment to green goals and a clean environment, including the pressing need to re-design the policies of economic development (#756). The term "grand challenges" referred to by one interviewee is meaningful in this respect, as it refers to a "plurality of crises" (#545) that social economy organisations have been addressing. Social enterprises are one component of this broader phenomenon: they use the legal forms made available by the social economy but show furthermore some peculiar specificities. These include increased attention to the needs of non-members; compliance with the non-profit distribution constraint; and the adoption of an inclusive—and not just democratic—governance.

As for the second type of confusion, overcoming the conceptual chaos has become especially important as many enterprises are now more responsive and demands for socially responsible behaviours are on the rise. While the growth in relevance of "responsible business" (#598) and of the "social purpose movement" is extremely positive, these trends ought to be kept separated from the social enterprise phenomenon. The overlap between phenomena that have a diverse rationale has indeed created some confusion on the specific features and mission of social enterprises and social economy organisations and has contextually increased the risk of "social washing" of conventional enterprises (#116, #132, #720, #724).

The affirmation of “responsibility” has in essence contributed to trivializing the social economy and social enterprises (#598) on the one hand, while for-profit enterprises, on the other hand, have started to pretend to act in a way that they and their advocates present as very similar to social enterprises (#115).

The academic literature focusing on the social enterprise does not help to solve the problem. It is rather polarized: on the one hand there are studies that draw on the SBI operational definition, which are in turn inspired by the concept of social enterprise developed by the EMES International Network (Borzaga and Defourny 2001; Borzaga, Fazzi and Galera 2016; Pestoff and Hulgard 2016; Defourny and Nyssens 2017a and 2017b). On the opposed pole, are found management studies that focus on the broader concept of social entrepreneurship (albeit often employing the definition of social enterprise interchangeably with social entrepreneurship) to refer also to enterprises which do not prioritize the pursuit of an explicit social aim and do not foresee compliance with the key criteria of the EU operational definition (such observance of a partial or total ban on profits distribution and engagement of the stakeholders concerned in the governing bodies of the social enterprise) (Kerlin 2010; Santos 2012; Bacq and Janssen 2011; Spear, Cornforth and Aiken 2014). Conversely, the relevance of certain characteristics and formal constraints on the decision-making power of owners can strongly influence the behaviour of enterprises (#101, #102 and #115).

The future scenarios are hence positioned along two extremes: on the one end, the progressive distinction of social enterprises from mainstream enterprises and, on the other extreme, the loss of the specificity of the social enterprise that ends up being absorbed by conventional enterprises with a social focus and/or mission.

The predominant opinion is that the key criteria of the social enterprise—as defined by the EU operational definition—ought to be safeguarded. Distinguishing eligible organisations from enterprises that do not qualify has become extremely important especially for fiscal, support policy and public procurement purposes. While safeguarding institutional pluralism, policies should be tailored to the specific features of the diverse types of enterprises and not address indistinctly all enterprises that assume some form of social responsibility (#621, #623). In brief, social enterprises need specific policies that can best valorise their competitive advantage in delivering general interest services and tackling new challenges that may arise in local communities (#693). At the same time, many stakeholders interviewed underline the fact that rather than mimicking conventional enterprises, social enterprises should keep their own specificities so as to reduce the risk of social washing (e.g., #308).

In this respect, some stakeholders shed light on the need to clearly recognize the limited lucrability (#591) and link the social aim to the inclusive governance of social enterprises, thus reaffirming participatory aspects that have been to a certain extent neglected by the SBI (#101, #556, Laville, Young and Eynaud 2015). The inclusive dimension is indeed both the least defined and explored feature that is shown by social enterprises.

In brief, social enterprise ought to be kept separated from bordering trends. Although they share some features with broader dynamics, social enterprises are a distinct phenomenon within the social economy. As such it differs significantly from the trend towards a stronger responsiveness of mainstream enterprises.

3.4 Social Impact Measurement (SIM): buzzword or innovative method for defining social enterprises?

As a concept, social impact measurement has been around for decades in the domain of development aid/international cooperation. Its application in social finance/impact investing is conversely rather recent. This concept is distinguished by some ambiguity, which makes its application – as highlighted by several stakeholders – rather questionable.

On a meta-level, there are diverse macro approaches to social impact measurement that can be traced back to the philosophical dichotomy between an “investor-driven/Anglo-Saxon” approach and a “civil-society/bottom-up” concept. The investor-driven approach – the most recently used – aims to quantify (or even monetarize) social impact in order to make transparent and efficient investment decisions. This school of thought defines outcome as the overall change observed and impact as the specific contribution of an intervention (i.e. outcome minus all effects to be adjusted such as attribution, deadweight, drop-off, etc.). The “civil-society/bottom-up” school of thought aims to rather understand how social impact is created. It illustrates how to “make good investments” without comparing different investment alternatives. This approach standing from the sphere of development aid has been used in the past by non-profit organisations and social enterprises, albeit in an informal and occasional manner. Here, outcome is defined as the change occurring within the target group/primary beneficiaries and impact is every change going beyond these primarily addressed, such as their families, communities, etc.

In these different “worldviews” lies the first problem manifesting itself in different aims, heterogeneous terminology and different measurement approaches. In practice, the “investor-driven approach” is still impossible to fully implement as: (1) it is most of the time too complex and costly to obtain all the necessary data; (2) there are so many assumptions implied in this approach (e.g. relating to attribution or the question of the timeline – do you measure along the lifecycle of a product/a company or only the duration of one usage per person) that results often remain arbitrary and receptive for manipulation; (3) there is the ethical discussion around “putting a price tag on human life” in general and how to quantify/ monetarize qualitative changes.

The “civil-society approach” is however also confronted with criticism. (1) Understanding problem-solving approaches requires a certain understanding of the logic of how the social economy and social enterprises work on the side of the investor or financier – this knowledge is often missing or not deemed important. (2) The information often remains qualitative and is not attributed to specific interventions – thus an efficient investment decision between two equal (if that exists at all) investment decisions is impossible and (3) in some sectors, such as ecological/renewable energy topics, investors expect information about adjusting effects such as unintended consequences or drop-off.

As highlighted by both the desk research and interviews, perspectives on the subject of social impact measurement partly reflect this dichotomy and partly mirror extremely diverse positions vis-à-vis SIM. On the one extreme are found very critical studies and stakeholders who think social impact measurement has been given too much importance; on the opposite side, are positioned stakeholders that believe social enterprises as a policy priority will disappear altogether at the EU level, if they will not have their social impact demonstrated.

Critics argue the culture of evaluation and social impact has been forged according to an externally driven approach that comes from the mainstream world of enterprises, which reflects the needs of financial intermediaries and potential investors rather than the needs of social enterprises (#307, #579 and #592). Not surprisingly, measurement methods normally put a lot of pressure on social enterprises, are extremely expensive, rely mostly on quantitative criteria, and overlook the complex process leading to the generation of social impact. Methods designed overlook the process that leads to a particular outcome (#547 and #755).

Since impact measurement forms are normally copied from conventional business sector/escalators and incubators that are not familiar with community building (#102), the consequence is that social enterprises often find themselves trapped in methodologies that clash with their nature.

This situation has not prevented SIM from becoming a true obsession (#115, #303 and #612), which has mainly benefited the industry of social impact measurement (#108). Conversely, it has led to rather disappointing results for social enterprises up to the point that some stakeholders believe social impact has had a detrimental impact upon the recognition of social enterprises (#525).

SIM tends to flatten social enterprises on positions that are mainstream and pushes them to crowd out recipients that are too vulnerable and/or hard to employ (so, to comply with given thresholds social enterprises may decide to integrate only those that are likely to find a job in the open labour market in the expected time frame and exclude less performing recipients) (#514).

On the opposite side are found those who believe social impact measurement is the currency of exchange that enables to define, quantify and measure whatever any type of organisation does. Here are positioned both schools of thought mentioned above. Given the diverse approaches used by MSs to define social enterprises, SIM ought to be used according to some stakeholders as a framework alternative to the still not fully shared SBI definition. The shift would hence be from concepts that draw on legal forms to social impact (#608). Based on this approach, policy-making should move in a direction in which not only associations, foundations, social cooperatives and non-profit ltd-s are acknowledged as social enterprises, but traditional business organisations too (e.g. ltd-s and partnerships), as long as they have a social impact (#608). In essence, social impact measurement would be the condition sine qua non for social enterprise growth (#533, #690 and #709).

For the time being, no school of thought is dominating, and both approaches to SIM still show methodological shortcomings. As a result, every investor chooses from the menu whatever seems feasible and appropriate and designs its own SIM in incremental steps – for example starting with describing adjustable effects in a qualitative way and not measuring it. As there is not the need to decide between totally similar investment opportunities, most measurement/reporting systems remain on the output/outcome level. It is rather about “making good investments” (that have in general a positive net social bottom line) than “efficiently choosing investment alternatives”.

While there is a long way to go to better understand how social change happens (understanding the logic model) and more data are needed to identify (and thus fund) the best approaches, the proposed view is to currently take social impact measurement in consideration for informative and communication rather than definition purposes, leaving thus to financiers or investors the decision about the type of indicators that the social enterprise must measure. Provided that it does not put social enterprises under pressure and it is not overly costly, social impact measurement could indeed contribute to increasing awareness of both social entrepreneurs and beneficiaries/users (#621).

In essence, the emphasis on social impact measurement needs to be scaled back in light of the clear measurement difficulties faced. The application of SIM must be left to the parties that enter into a relationship (in particular public or private funders and social enterprises). Also, the costs associated to measurement ought to be taken into account, as they subtract resources from social policies. In any event, SIM should not be used to define institutions and determine the type of public policies they are subject to. The peculiar founding features that distinguish organisations should remain the key elements for their definition. Institutions should not be defined in virtue of something that is very difficult and costly to assess.

3.5 What is the kind of recognition needed to support social enterprise development?

Recognition of social enterprise vital role has improved over the past decade also thanks to the new legal frameworks and policies aligned with the SBI that have been adopted in numerous EU MSs. This notwithstanding, the potential of this type of enterprise is still far from being fully harnessed.

Situations across Europe are extremely diverse. Numerous countries still lack a proper recognition of what is a social enterprise. At the same time, in a number of countries with a rather enabling legal environment for de facto social enterprises (e.g., Germany and The Netherlands), there is not a perceived need for an ad hoc legislation (national reports mapping). When compared to ten years ago, social enterprises have been nevertheless politically and legally recognized by a large number of MSs. While legislation has contributed to clarity, the perception of most stakeholders is that legal and policy recognition has proved to be a necessary but not a sufficient condition to boost the growth of the sector.

Strategies, measures, acts, and regulations that have been adopted at national level are seen by most respondents only as a first step of a much longer and unfinished reform process (e.g., 311), which is part of the building of a complex adaptive ecosystem of interdependent linkages that has yet to be realized in most of the countries studied.

On top of this, it should be noticed that the political and legal recognition of social enterprises has not been everywhere fully effective owing to severe shortcomings of other elements that build the ecosystem of social enterprises.

The controversial impact of some legal reforms and support policies raise two main questions. First, how should a comprehensive law on social enterprise look like so as to fully valorise the various forms of collective action that are reacting to the failure of the traditional models of representative democracy and are increasingly inclined to manage common goods (#101)? Second, why is recognition rather weak in many countries?

As for the first question, examples of inadequate legislations are numerous. Several legislations that have provided for ad hoc recognition limit social enterprise activity only to specific fields. In countries where only certain forms of social enterprise have been formalized (notably WISEs), legal recognition has played a dual role, sometimes with ambiguity. On the one hand, it has contributed to capturing the bigger part of the phenomenon: it has given it visibility and it has supported its development. On the other hand, legislative interventions have involuntarily contributed to overshadowing the numerous de facto social enterprises, which is those that have not been formally recognized but produce important services of general interest (#556, European Commission 2020c, Slovenia 2019, Italy 2020). In Bulgaria, if a local community—including one which is underprivileged—creates a cooperative for its own production and consumption of energy which fully complies with the SBI definition, it would neither be recognized by the Bulgarian legal framework nor be stimulated by it (#556). The desk research (Fici 2016; UK 2019, European Commission 2020c; France 2020; Italy 2020) suggests that a comprehensive law on social enterprise should enable a general acknowledgment of diversity, should not impose overly restrictive constraints (especially to the activities of general interest they are allowed to carry out), should introduce some fiscal advantages and should be preceded by the active engagement of the social enterprise community in the reform process. All conditions that have rarely occurred (European Commission 2020c).

Second, various factors contribute to explaining the still poor recognition of social enterprises also in countries where this new phenomenon has been regulated by recent legal acts and legal reforms. Among these factors, the following should be taken into consideration:

- a) **insufficient knowledge and degree of engagement of social enterprises in the law or policy-making processes.** Some countries have pushed for legal recognition without sufficiently engaging practitioners on the ground and this has led to the design of legislations that are not fully aligned with the rich practice of social enterprise. Self-recognizing with something that is given from the outside has proved to be extremely challenging (#306).
- b) **scarce understanding of the context wherein social enterprises operate.** The incapacity to apply the SBI definition to national contexts so as to identify all types of organisations that may fulfil its criteria, explains the ineffectiveness of several legal frameworks, which reflect contingent policy priorities (e.g., work integration) rather than the need to fully valorise the capacity of social enterprises to address current social and societal challenges.
- c) **misunderstanding of the role and level of autonomy of social enterprise.** Conceptual confusion has led many commentators to depict the social enterprise simply as a privatisation strategy and/or as a new form of philanthropy rather than a collective production model that is meant to create value for local communities. Misunderstandings tend to be stronger where the sector is not regulated, but it is still there also in countries where social enterprise definitions have been adopted (#108, #509, #664, #692, #707). By interpreting the social enterprise as any enterprise that has a social impact, Management Studies have contributed to driving away many organisations that value as extremely important the link between the social aim they pursue and the inclusive governance. This link—which is well highlighted by the SBI—is neglected by many definitions of social enterprise forged by business schools.

To be effective, legal and policy recognition of social enterprise should be backed by a contextual self-recognition of the entitled organisations. Unfortunately, self-recognition is still a problem. Even though education, networking and exchanges enabled by the EU have increased awareness of social enterprises (#315, #666, #748), there are still many organisations that do not recognize themselves as such, although they are essentially social enterprises (#315, #608, #666, #700). More work needs to be done to support the creation of an identity bottom-up in addition to forcing MSs to take a position in this area (#306).

Against this background, the move to the wider concept of the social economy embraced by the EU Commission without denying the specificity of the social enterprise may both contribute to conceptual clarity and increase the awareness of many organisations that were until recently reluctant to self-recognize as social enterprise.

This trend is reflected by a number of legal frameworks in Bulgaria, France, Greece, Italy, Luxembourg, Romania and Slovakia, which have introduced legal statuses qualifying social enterprises within a broader recognition of the social and solidarity economy, social economy or the third sector (European Commission 2020c). As long as it allows for a comprehensive recognition of a plurality of organisations, it is likely that this more comprehensive approach focused on the social economy will pave the way for a stronger acceptance and awareness of local organisations about the importance of legitimizing the social enterprise concept and role.

This seems however not to be the case of some EU MSs (e.g., Luxembourg) where the impact of the recent legislation on the SSE has been strongly contested (Case study Luxembourg).

In essence, the transversal analysis of recognition patterns suggests that legal recognition of social enterprises is an appropriate—when not necessary—but insufficient condition. Recognition of social enterprise role and autonomy ought to be one of the key steps for building an enabling and comprehensive ecosystem. This said, recognition of the social enterprise as part of the social economy/social and solidarity economy/third sector is to be preferred to an isolated, una tantum recognition.

3.6 Social enterprise internal strategies

3.6.1 Scaling and/or maintenance of strong local anchorages?

Scaling is often recommended by academics and policy makers. However, it poses numerous challenges, as it generates both new opportunities and threats for social enterprises. New opportunities include the increase in number of recipients served; the creation of new employment; and the design of new models of services that may address new and old needs. Threats are connected to the consequences of an organisational growth that may put some of the peculiar features explaining the added value of social enterprises, such as community bonds, voluntary work, inclusive governance, at risk (#101).

Research conducted in the framework of this study reveals that social enterprises have experimented with some particular scaling patterns (e.g., networks, consortia) that are consistent with their characteristics. Conversely, scaling strategies that tend to mimic development patterns typical of mainstream enterprises have often led to controversial outcomes (#514).

This implies that there is not one sole scaling path that social enterprises may undertake. Depending on the stage of development of the social enterprise, its recipients and domain of engagement, scaling strategies can differ significantly.

Several respondents highlight the need to safeguard the local embeddedness of social enterprises and suggest that scaling is understood not as organisational growth (#208) but as a scaling deep (#110), "*replication, transfer, transition. Qualitative jumps, not quantitative*" (#207 and #210), which would require a shift from a project-based to a more stabilized support system (#504).

Others argue that too many policy initiatives have been launched to support social start-ups, whereas much more effort should be put into consolidation, acceleration and scaling of business. Pouring many resources into social innovation and start-ups is regarded as a disservice to the sector looking for the latest newest thing, neglecting what works and making this big (#302 and #591).

Attention should be paid on the success factors of large social enterprises (#114) without neglecting the local level. The local level should indeed be the real model on which new development and scaling patterns that are consistent with the rationale of social enterprises are built (#514).

In essence, social enterprise growth is both desirable and possible as long as it does not replicate traditional scaling models. Scaling models reflecting social enterprise local embeddedness and networking inclination are needed.

3.6.2 The changing role of networks vis-à-vis new, upcoming social and societal challenges

The number and degree of sophistication of networks (i.e., capacity to gather different types of entities and play a wide set of roles from advocacy up to the development of entrepreneurial strategies) reflects the maturity of both the sector and the ecosystem wherein social enterprises operate. Depending on the stage of development of the sector, the degree of awareness of the belonging organisations and the internal cohesiveness among the diverse families that compose the social economy, the goals of networks may change significantly.

Situation across MSs are extremely diverse. In several countries with a longstanding tradition of social economy and social enterprise networks, the recognition and representation roles of networks are being questioned. There is a perceived need to re-adjust the role of intermediary bodies so as to improve the capacity of the sector to face upcoming challenges, firstly the need to strengthen the entrepreneurial dimension (Italy, France, Portugal). An interesting case is Scotland, which is distinguished by an extremely

high degree of connections at diverse levels where networks structured around geographical and thematic areas are run through an intermediary organisation (a network of networks named Social Entrepreneurs Network for Scotland, SENSOT) (#748).

In non-EU and in several CEE countries there are very few or no networks altogether; networks have either emerged and then disappeared (Croatia) or they are rather ineffective (Romania). This is due to either poor capacities or to the misunderstanding of the role played by umbrella and second level organisations by the same social enterprises (#313).

A dramatic increase in number of networks has been conversely observed in given MSs and more in general at EU level. This is the case for instance of Sweden where the number of social enterprise networks (including networks of social entrepreneurs, networks on social innovation and for social economy), many of which operating at the regional and inter-regional levels, is growing and sometimes overlapping (#672). A mushrooming of networks has taken place at EU level, where many thematic networks were created thanks to EU funds (e.g., EU social franchising network, European network on SROI) and then disappeared altogether after the project ended (#308).

The growth in number of networks is not necessarily seen as positive. Indeed, when competition and fragmentation predominate, consequences generated by an excess of intermediary bodies tend to be rather negative (#307). Especially detrimental for the development of the sector is competition between different families of SEOs (such traditional SEOs, social service providers and new types of networks) (#307). Spain is in this respect a case in point of the tension between organisations of the social and solidarity economy, which are perceived as more transformative, and the traditional SEOs (e.g., cooperatives) traditionally represented by the CEPES (#579). In France and Portugal, the divide is between the world of SEOs—the associative world, the mutualist world and the cooperative world—and the world of young impact companies and start-ups, which do not intersect (#589, #663).

While in some countries fragmentation and competition among networks representing diverse interests and displaying different roles ought to be solved, in countries where networks are lacking the current need is to support the creation of more networks and the strengthening of emerging ones (#214).

In both cases, adequate visibility should be however ensured to the diverse social enterprise models and interests, including small organisations. To this end, the creation of networks that manage to represent both the interests of social enterprises and the social economy as well as the funding of regional networks is recommended.

The EU should facilitate dialogue and collaboration and promote and support cooperation and networking rather than stimulate competition amongst different types of networks.

3.6.3 What kind of management and financial development skills do social enterprises need to develop?

Most stakeholders agree that when compared to ten years ago, management skills of social enterprises have improved and the sector is becoming more professionalized (#101, #700, #703, #744 and #748). While many new programmes are there, the challenge for most social enterprises is having the time and capacity to participate (#742).

Improvements have in any event been rather uneven and patchy across EU MSs. Moreover, while there are now more training, university courses and EU programmes specifically addressed to people who want to work in social enterprises, several respondents shed light on a “cultural problem”. Management studies do not consider social enterprises; they focus only on conventional enterprises and have not yet developed training programmes focused on social enterprises and their specificities. Managers perform their careers in conventional enterprises and, at a later stage, they consider social enterprises as a possible alternative (#315).

In essence, while progress has been made, there is still a necessity to understand what are the needed skills and capacities and business models suited to social enterprises (#108 and #304). Emphasis on managerialism and productivism has proved to be not useful (#306): running a social enterprise demands indeed specific managerial skills (#310). Even psychologically, the social enterprise manager does not fit the main concept of being a manager: finding balances between the social, the business, the community; motivating people rather than having an eye for detail is much more important (#752). There are moreover various key training areas that need to be tailored to the specificities of social enterprises, including the ability to deal with vulnerable people (#307).

The predominant tendency to replicate management tools and models that have proved to be successful for conventional enterprises reflects the reluctance of many stakeholders to acknowledge the specificity of social enterprises. At the same time, it reflects the inferiority complex of many social enterprises, including several networks, which see conventional enterprises as the benchmark to aim for. This feeling of general inadequacy perceived by many social enterprises pushes them to mimic conventional enterprises rather than to experiment with tools and models that are consistent with their rationale.

In brief, public policies should support training and educational programmes that develop and promote a proper managerial culture that enables to exploit the added value of social enterprises in tackling specific social and economic challenges.

3.7 Access to market: cooperation versus competition

Given the type of services they supply, many social enterprises entertain strong relations—including financial relations—with local public administrations. For several decades relations have been traditionally based on non-competitive contractual agreements.

More recently, there has been a shift towards the implementation of competitive logics also in the domains of welfare services and work integration where social enterprises engage. While transposition of this rationale in MSs has been very uneven, in all countries relations, which were based on direct awards before, are now mainly based on competition (#105). The 2014 EU Directive on Public Procurement acknowledges the difficulty of applying strictly competitive modalities in the domains where social enterprises engage and hence allows for the adoption of reserving tenders to sheltered workshops or service providers integrating disabled or disadvantaged persons, it enables cooperative interactions, and it allows for the further application of social and environmental award criteria (#215).

As highlighted by the desk research and interviews, public procurement is however underutilized in most MSs (#101, #105, #220, #516 and #521); and especially in several CEE, Baltic and non-EU countries such as Albania (#522, #537, Albania 2019), Croatia (#602 and #603), Estonia (#569 and #571), Hungary (#611 and #612), Latvia (#638 and #642) Slovakia (#684 and #685), and Romania (#664, #698, Romania 2019).

All in all, while some provisions have been adopted, including the use of reserved contracts and employment clauses, other opportunities are not exploited (e.g., accessibility requirements should be mentioned in the technical specifications of tenders for services dealing with people with disabilities, but apparently, they are not used) (#307).

The attitude is more positive in Latin/Western countries; it is rather negative in CEE countries (including Germany) where criteria are quite often based on the lowest price, and there has been some improvement driven by necessity in a few MSs (e.g., Denmark and Sweden) (#304). However, while legal provisions for “reserved contracts” and “idea-driven public partnerships” exist in Sweden, in practice, few local authorities make use of these possibilities, as associated legal risks are considered to be too high (#513).

Some respondents are very critical towards the way the new Directive on Public Procurement has been interpreted by certain national laws (#101 and #204). Indeed, the

paradigm of competition, which continues to be preferred, seems to have suffocated the inclination of social enterprises to innovate (#101).

Moreover, stakeholders observe that competitive tenders have pushed social enterprises into adopting more standardised practices—typical of either public welfare providers or conventional enterprises—making them abandon the propensity to innovate and weakening their community bonds. Most important, competitive tenders push for the concentration of social enterprises to supply their services in favour of the group of users targeted by the public policies, at the same time weakening their attention and advocacy role in favour of detecting and addressing unmet needs, with detrimental effects for the most vulnerable beneficiaries (European Commission 2020c).

Among the possible causes explaining the underutilisation and/or misuse of public procurement there are EU and national policy makers' incapacity to understand the specificity of small and peripheral municipalities where bid-rotations may create a lot of problems and generate high costs given the lack of locally-based welfare providers to compete with (#515 and #516); the inability of public administrations to apply EU regulations and an excessive interpretation of some EU regulations by national and local authorities as instruments to protect themselves (#304, #592 and #625).

All in all, there is a perceived need that public procurement fully recognizes the role of local provision and community empowerment, thus helping to regenerate and rebirth economic activity in local communities (#693). In this respect, a mechanism that is alternative to competitive public procurement is the co-design of welfare interventions by public and private welfare providers through co-programming and co-planning strategies. Since social enterprises would contribute under this framework with their own resources, the quantity and quality of services is expected to improve. Several respondents have shed light on the potential of this alternative form of public-private interaction, which has yet to be fully exploited. One respondent, highlighted in particular the reluctance of the EC to favour relations between social enterprises and PAs based on co-planning and co-production, even when these forms are legal in the MSs (#308).

Thus, while access to market has improved thanks to the EU Directives on Public Procurement, public officials and social enterprises themselves continue to face several limitations, which call for serious capacity building on both sides (#116). What public officials need are in particular concrete examples of what can be done without infringing competition and anti-corruption rules (#307).

Another avenue whereby social enterprises can improve market access is by partnering with conventional enterprises. Collaborations have yet to be fully exploited (#307) and according to some respondents not sufficient attention has been paid by the SBI to the relations of social enterprises with conventional enterprises (#307 and #308). The French "loi pact" is in this respect regarded as a promising measure that is expected to bring commercial enterprises closer to social enterprises and that could be used as a blueprint for other EU MSs (#203). Initiatives of corporate welfare launched by conventional enterprises also provide the opportunity to shape new forms of partnerships between traditional enterprises and social enterprises for the provision of diverse types of welfare measures for the workers of the same traditional enterprises.

Briefly, provided that the specificities of social enterprises and the convergence of the objectives pursued by social enterprises and public administrations are fully acknowledged, there is a clear need for re-designing public procurement regulations in a cooperative sense.

3.8 Access to finance

Ideally, social enterprises can draw on a mix of resources. They can access capital markets (equity or debt capital but also philanthropic resources) or develop recurring revenue streams based on public contracts or earned income, among others. Each entrepreneurial lifecycle stage has thereby its own mix of resources.

Currently, many social enterprises do not find adequate financial products on the market that acknowledge the specificities of the social economy sector and their needs. Social enterprises' genesis (SEs emerged to encounter explicit social aims), size (SEs are mostly small or medium-sized enterprises), type of recipients served (SEs' users are often not able/not required to pay) and production processes (SEs mostly rely on labour intensive activities) explain their peculiar financial needs. In addition, small and micro social enterprises, which are the vast majority of social enterprises, face – like general small businesses – additional obstacles hampering growth, development and scale-up, including difficulties to obtain information, to deal with specific legal and institutional issues and to have access to finance (even without an established track record). The funding needs of the sector change over the SE's life cycle: while older companies with a history of development have for instance financing needs based on debt capital, start-ups and small enterprises rather need smaller amounts of equity capital and other forms of subsidies (#546). With the observed growth of the number of social enterprises in many countries, the need for finance is likely to increase in relevance over the next years.

There are significant country variations mainly due to the diverse stages of development of social enterprises and social enterprise financial intermediaries, as well as to the different degrees of financial readiness of social enterprises across MSs. Overall, there are countries with a mature market of social finance, e.g. the UK or France, while many other countries have less mature or rather incipient social finance markets.

As highlighted by the desk research and interviews, access to equity and especially loans for social enterprises can be facilitated by financial products designed especially for social enterprises and by a number of enabling conditions: a legislation that clearly acknowledges the entrepreneurial nature; the relevance of the social enterprise sector; and a good structure of relationships with public administrations. The SBI has improved access to loans and equity quite significantly for both social enterprises and social economy organisations. By unlocking the potential of many financial actors (#583), the SBI and its actions have boosted the financial arsenal (#589 and #592) through various arrangements for access to finance for social enterprises.

Over the last decade, more and more loans by traditional banks (a few banks across Europe have set up special units for social enterprises) and dedicated banks (ethical banks) are able to meet the financial demand of social enterprises in countries where the ecosystem of social enterprises is more advanced. These include for instance Italy, the United Kingdom, Spain, France, Denmark and Belgium. But still, social enterprises may find it difficult to apply for funding from banks also in these countries, for example due to the adoption of criteria by bank officials to provide loans that are not specific for SEs (#596). In Portugal, social enterprises have overall more difficulties in accessing credit due to a banking culture that tends to support conventional enterprises much more easily than social economy organisations and social enterprises (#659), as well as in most CEE countries (e.g. Slovenia, Romania, Hungary) where only few banks offer products designed specifically for SEs (#607, #680 and #705).

While there is a growing availability of financial resources (#741), not all countries have proved to be equally ready to absorb financial support or investment (#600). There seems to be more money than finance-ready social enterprises (#304, #307, #601 and #694).

Against this backdrop, occasional criticisms include that the EC puts excessive emphasis on finance (#525) and provides for too complex and bureaucratic procedures. Funds allocated through the ESIF programmes are not always directly accessible for social

enterprises or social economy organisations, as many actions are targeting intermediaries or local and regional authorities. In some cases, stakeholders think that requirements are too strict, in other cases, they are afraid of additional reporting and certain limitations that come along with the ESIF funding (e.g. state aid requirements) (#507). Many social enterprises miss specific financial instruments or grants at national level. Sometimes they are aware of existing funds from EIF or EU programmes, but they consider this offer as limited to what is actually needed.

There is also a problem of awareness and knowledge transfer: the information regarding the availability of financial instruments available to SEOs does not reach the small organisations, only the very big ones have access to information (#723).

Regarding the supply side, the funding of social enterprises is still a new area for investors, and some are disappointed that the sector has not grown stronger. Still, the sector is hardly recognizable compared to 2011 at the start of the SBI. Across Europe, there are banks, crowdfunding platforms, funds as well as social business angels engaged in this area. Many new intermediaries have emerged, but still new capacities and a higher awareness on the needs of the social economy are needed in the traditional banking sector.

In essence, access to equity and loans continues to be a pressing need for social enterprises, in particular for micro and small social enterprises. There is a wide range of financing needs including debt capital, but also equity capital and other forms of subsidies. The need for finance is likely to increase in relevance over the next years. Access to equity and especially loans for social enterprises can be facilitated by financial products designed especially for social enterprises and by a number of enabling conditions, including better capacities and awareness on specific needs of the sector at the financial intermediaries. EU funding, for example via ESIF or financial instruments implemented by the EIF serves as a valuable signal for intermediaries and as a lever for financial instruments at MS level and should be continued and expanded.

3.9 Risks and challenges posed by digitalisation

The digital transition will have an impact on every aspect of our economy and society. Social economy has to make the most of this digital transition, while ensuring that our values are respected as new technologies develop.

With the exception of a few social enterprises that are based on sharp technological solutions, most social enterprises have so far been rather reluctant to adapt to technological change for diverse reasons. Firstly, the same sectors where social enterprises engage (welfare services) can (in many cases) only be marginally digitalized. Among other factors mentioned by respondents, there are ideological prejudices, lack of time and resources needed to fund the move towards digitisation, and territorial disparities (#572, #608 and #616).

In general, with regard to social enterprises and social economy organisations, digitisation can play an important role and contribute:

- To make organisational processes (such as administration, accounting, labour matching, project management, communication, talent attraction) more efficient and effective.
- To automate external-facing functions. These include the interface with users, members and other stakeholders, as well as marketing (digital marketing) and sales (E-commerce).
- To create new (or additional) business opportunities through digital distribution channels, accessing new markets or offering new types of products and services.
- To develop new collaborations, engage with consumers and citizens, bring in external resources into local networks, grow in scale and scope, manage larger networks of

people, organisations or projects. This is mainly done via digital platforms. "Digital platforms are becoming crucial for the modern social economy. They offer unprecedented opportunities for networking and collaborations going beyond physical reach. Social economy actors are increasingly using digital platforms to marshal community engagement and foster collaborations with public and private stakeholders more effectively and efficiently than ever before. Old means, such as word-of-mouth or face-to-face interactions, cannot compare with digital-platform-based interaction. For example, fundraising over crowdfunding and crowdsourcing platforms outperform traditional fundraising events." (EASME 2020: 3)

The COVID-19 crisis has suddenly reawakened the topic of digitalisation. In countries that were severely lagging behind in the domain of digitalisation (e.g., Italy), the recent pandemic has stimulated a prompt acceleration in social enterprises that had no other choice but to upgrade digital skills to ensure their survival (#538).

In other countries (UK) where massive increase in use of technology from within the sector were already on the way thanks to crowdfunding, investment platforms and coworking, the higher degree of technology has enabled to contain the loss in productivity and it has strengthened the resilience of the sector. Had the Corona virus hit 10 years ago, many social enterprises would have been in a far worse situation (#693).

Nevertheless, in all countries hit, the health emergency has shown that digitisation is not such a difficult challenge and it can even enable social enterprise to save time and money in the long term (#616). The COVID-19 crisis has moreover revealed the potential of technology in the health sector and digital platforms have enabled to maintain many relational connections that would have most likely got lost and have allowed for the capturing and gathering of needs that would have struggled to come to the surface.

At the same time, the risks connected with digitalisation are self-evident too. Digitisation can become a further element of inequality, as it is by definition only available for those who can gain access and have technological literacy (#690).

Many conditions for potential digitalisation are still missing in several remote areas (#608) and technology can be detrimental for disadvantaged people who do not have access to it (#537), while also encouraging their replacement with technology.

In essence, as a new challenge, digitalisation contributes to solving existing needs, but it also creates new needs (#315) that need to be tackled.

First, framework conditions need to be favourable to foster digitisation, and this refers not only to the social economy. Legal and ethical aspects such as transparency of data use, data protection rules of digital applications, liability of automatised decision-making, health and safety at work, dependency on energy provision and contingency planning of secured service provision, need to be taken into account and adapted to new digitised business frameworks, .

Second, the digital transformation generates new needs for SE and SEO at least in the following areas:

- Education and training for digital skills (new need for technological skills, new marketing skills, more professional management techniques).
- Deploy accessible and feasible technology: Exploit the potential of low-code or zero-code or software as a service (SaaS) packages which might make the access to basic IT services affordable and manageable for even the smaller social economy organisations. Some platforms offer plugin presence, so an online space can be used instead of making website or platform from scratch.
- Funding for research and testing of advanced technologies in SE and social economy organisations: 3D and Virtual Reality, Video Gaming, Artificial intelligence and Machine learning, Blockchain applications, IoT (Internet of Things).

- Acknowledge the emergence and relevance of digital communities and digital civic society as important intermediaries and beneficiaries of support activities. EU-supported Digital Innovation Hubs might be a way to deploy solutions at the local and regional level in the coming years.
- Use the potential of digital communities to raise awareness on social innovation and to support R&I activities in the social economy (e.g. with hackathons and bootcamps, hands-on demonstrations and open lab spaces).
- Exploring new regulations that may be conducive to digital social innovation emerging from the use of digital social platforms and advanced technologies.

So far digitisation has been largely overlooked by social enterprises. Covid-19 helped to raise awareness of the potential of digitisation. All in all, it seems to be particularly beneficial for recipients: digitisation can contribute to better identifying and encountering the needs of users. Digitisation needs however to be accompanied by investments in digital skills and technological infrastructures aimed at ensuring that it does not turn into an element of exclusion.

Annex 10. Interviews: overview and related information

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1 Introduction

Interviews are one of the main information sources to assess the impact of the SBI between 2011 and 2020. Information from the interviews is supplemented by information collected through desk research.

Interviews have been held with representatives from EU institutions, academics, stakeholder organisation at European and national levels, national public authorities, and local and regional authorities

The type of information collected from each of the target groups is similar. In short, the interviews focused on collecting a detailed understanding of the possible impact of the SBI. In more detail, interviews helped to:

- Obtain information on the quantitative and qualitative effects of the SBI and of its actions, on specific changes in national and regional regulatory frameworks and legislations, visibility of social enterprises/economy, access to finance, access to markets, new technologies and social innovation, hindering factors, relevance of the SBI objectives and actions, current needs of social enterprises/social economy stakeholders, relevance of SBI to EU citizens, and the additional value of the SBI compared to a situation without this EU initiative.
- Specify further requests for reports and studies on social enterprises, evidence on changes in legislation, institutions, policy design processes, and financing markets.
- Raise information and understand causality links between the SBI and follow-up actions and national (including regional/local) initiatives and measures.
- Ameliorate the understanding of the intervention logic regarding the SBI and the ecosystem for social enterprises.

The interviews were semi-structured. This implies that the interview structure and questions have been the same for all interviews. In practice, certain questions may have been more in focus.

Other interviews were conducted for the case studies, cost benefit analysis and trend analysis. These interviews were specific to the case or type of analysis and are as such not considered in this annex.

The following presents the questionnaire used during the interviews. Section 3 presents the response rate and section 4 presents the long list of interviewees.

2 Interview Questionnaire

The following questions were asked during the interviews:

1. How favourable is the general situation of the ecosystem of social enterprises and social economy organisations today (in your country, in your specific field)? (*not for representatives of EU institutions*)
2. Do you know the SBI and relevant follow-up actions?
3. What has changed for social enterprises and social economy organisations in general over the last 8-10 years? (in 18 impact areas)
 - o Positive changes, - negative changes, - opportunities, - obstacles etc.
4. What prompted the changes? What were the factors that led to changes in your country/field, in your opinion?
5. Can you name and describe specific changes that have been stimulated by EU or national/regional initiatives? (in 18 impact areas)
6. Which factors have (a) driven or (b) hindered progress in the relevant ecosystem for social enterprises and social economy organisations?
7. In how far have needs of social enterprises and social economy organisations evolved since 2011? (Which are the current needs, which needs are new?) (*not for representatives of EU institutions*)
8. Thinking back: To what extent were the original SBI objectives (measures, tools) appropriate and in line with needs of social enterprises and social economy organisations? Were there needs not tackled by the SBI?
9. What should the EU do to further support you / the sector of social enterprises and the general social economy in the next years?
10. To what extent is/was the SBI coherent with other European Commission's policies and priorities (e.g. in your field)? (*only representatives of EU institutions*)
11. Do you think without the SBI and its follow-up actions, there would have been the same development in the sector (in your country / Europe? Why / why not?)
12. Do you think changes a) would have happened but later; b) would have happened but at a smaller scale; c) would have happened but only in some geographical areas; d) would have happened anyway but the SBI has hindered or reduced scale?
13. Do you know if any changes will occur in your country to further develop the social enterprises and social economy organizations in the future? Which ones?
14. What, from your perspective, has been the added value of the work carried out by the multi-stakeholder expert group GECES (Commission's Expert Group on Social Entrepreneurship)?

3 Overview on conducted interviews

326 interviews were performed to collect details the SBI and its follow-up actions of which **268 interviews in European countries** and **58 at EU level**. In a few cases group interviews were organised increasing the number of stakeholders interviewed at national levels to 298.

Table 3.1 provides an overview of the interviews conducted by country and differentiating by type of interviewee.

Table 3.1 Interviews conducted per country

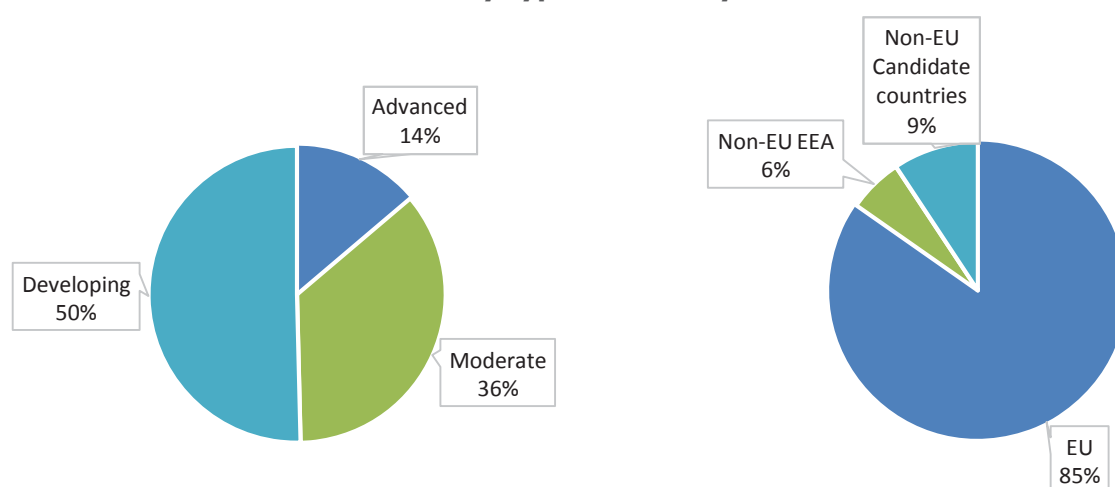
Country	Total number of interviews	Interviews with national authorities	Interviews with regional and local authorities	Interviews with stakeholder groups
Austria	7	2	3	2
Belgium	8	1	2	5
Bulgaria	8	2	3	3
Croatia	7	3	0	4
Cyprus	4	2	0	2
Czechia	7	3	1	3
Denmark	8	2	2	4
Estonia	8	5	0	3
Finland	8	1	0	7
France	11	3	1	7
Germany	9	1	2	6
Greece	12	3	2	7
Hungary	7	5	0	2
Ireland	6	2	0	4
Italy	12	5	3	4
Latvia	5	2	1	2
Lithuania	8	5	0	3
Luxembourg	6	1	0	5
Malta	7	2	0	5
The Netherlands	8	2	2	4
Poland	15	3	3	9
Portugal	12	3	3	6
Romania	7	2	2	3
Slovakia	8	3	2	3
Slovenia	7	3	1	3
Spain	8	1	3	4
Sweden	8	3	3	2
UK	6	1	1	4
Albania	4	2	0	2
Island	4	2	0	2

Country	Total number of interviews	Interviews with national authorities	Interviews with regional and local authorities	Interviews with stakeholder groups
Liechtenstein	1	0	0	1
Montenegro	5	2	0	3
North Macedonia	5	3	0	2
Norway	5	1	2	2
Serbia	5	3	0	2
Switzerland	6	2	0	4
Turkey	6	2	0	4
Total	268	88	42	138

Interviews have been conducted by national experts encouraging participation of stakeholders by offering a possibility to express their experience with SBI in their own language. Despite some challenges and delays in scheduling the interviews as result of the COVID-19 crisis the final sample of interview provided sufficient examples and insights on changes in the SE ecosystem and the impact of the SBI.

85% of the interviews represent EU Member States, while 6% represent interviews from non-EU EEA countries (Norway, Switzerland, Liechtenstein and Island) and 9% represent experts, practitioners and policymakers in non-EU candidate countries (Albania, Montenegro, North Macedonia, Serbia and Turkey).

Figure 3.1 Share of interviewees by type of country



For the sake of analysis interview responses, when possible, were grouped by types of countries in two different ways (Figure 3.1). We are aware that there are more differences between countries, but for the sake of a transparent analysis, we opted for three groups of countries.

1. European countries with a rather **advanced SE ecosystem** already in 2011: Belgium, France, Italy and UK.
2. Countries with a **moderate development of the SE ecosystem**, that either follow a specific model to support SE within an advanced social economy ecosystem or have with little interest to develop a specific top-down SE ecosystem: Austria, Denmark, Germany,

Finland, Ireland, Island, Liechtenstein, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland.

3. Countries that mostly have a **developing SE ecosystem**: These are especially CEE countries and non-EU candidate countries such as Albania, Bulgaria, Cyprus, Czechia, Estonia, Greece, Croatia, Hungary, Lithuania, Latvia, North Macedonia, Montenegro, Malta, Poland, Romania, Serbia, Slovenia, Slovakia and Turkey.

In addition to the interviews at national levels, **58 interviews** have been performed with **representatives at European level**, namely

- 18 academics and experts with a European perspective, given their expertise
- 23 from EU institutions
- 17 stakeholder organisations working at European level.

Some of the interviews involved multiple interviewees at the same time. In total, insights from 64 interviewees at European level have been considered for the analysis.

4 Anonymised list of interviewees

Country	Type of interview	Organisation
EU	Academic or expert	Agricultural University Athens
EU	Academic or expert	Aix-Marseille Université, Laboratoire d'Économie et de Sociologie du Travail, France
EU	Academic or expert	B-Corps
EU	Academic or expert	Center for Sustainable Finance and Private Wealth (CSP) - University Zurich
EU	Academic or expert	Centre for Social Studies, University of Coimbra (Portugal)
EU	Academic or expert	Copenhagen Business School
EU	Academic or expert	CSI Heidelberg
EU	Academic or expert	ESSEC Business School
EU	Academic or expert	Impact Transfer Agency
EU	Academic or expert	Institute of Political Studies the Polish Academy
EU	Academic or expert	International Labour organization
EU	Academic or expert	Organisation for Economic Cooperation and Development (OECD)
EU	Academic or expert	Previous Commissioner
EU	Academic or expert	Roskilde University & Tata Institute, Denmark
EU	Academic or expert	School of Management, Politecnico di Milano, Italy (also member of the G8 Task Force on Social Impact Finance)
EU	Academic or expert	Sheffield Hallam University
EU	Academic or expert	Vienna University of Economics
EU	Academic or expert	Yunus Centre for Social Business and Health, Glasgow Caledonian University, Scotland, UK
EU	EU institution	Civil Society Development Foundation (CSDF) and European Economic and Social Committee (EESC)
EU	EU institution	CoR
EU	EU institution	DG EAC
EU	EU institution	DG ECFIN
EU	EU institution	DG EMPL
EU	EU institution	DG EMPL
EU	EU institution	DG EMPL
EU	EU institution	DG EMPL
EU	EU institution	DG FISMA
EU	EU institution	DG GROW
EU	EU institution	DG GROW, DG Internal Market, Industry, entrepreneurship and SMEs
EU	EU institution	DG NEAR
EU	EU institution	DG Reform (former SRSS-SRSP)
EU	EU institution	DG REGIO, European Commission
EU	EU institution	DG Research
EU	EU institution	Directorate General for Migration and Home Affairs
EU	EU institution	EIB
EU	EU institution	European Economic and Social Committee

Country	Type of interview	Organisation
EU	EU institution	European Economic and Social Committee
EU	EU institution	European Investment Fund
EU	EU institution	Former member of EC
EU	EU institution	Joint Research Centre (JRC)
EU	EU institution	Retired, formerly EU Commission, DG EMPL
EU	EU stakeholder	Ashoka
EU	EU stakeholder	DIESIS
EU	EU stakeholder	EMES International Research Network
EU	EU stakeholder	ESELA
EU	EU stakeholder	EUCLID network
EU	EU stakeholder	Eurada
EU	EU stakeholder	European Association for Information on Local Development (AEIDL)
EU	EU stakeholder	European Federation of Ethical and Alternative Banks (FEBEA)
EU	EU stakeholder	European Network of Cities and Regions for the Social Economy (REVES)
EU	EU stakeholder	European Network of Cities and Regions for the Social Economy (REVES)
EU	EU stakeholder	European Network of Social Integration Enterprises (ENSIE)
EU	EU stakeholder	EVPA/Esade Entrepreneurship Institute
EU	EU stakeholder	Impact Hub Network
EU	EU stakeholder	International Cooperative Alliance
EU	EU stakeholder	European Foundation Centre /La Caixa Foundation
EU	EU stakeholder	Pour la Solidarité
EU	EU stakeholder	Social Economy Europe (SEE) This organizations beside representing social economy organizations, also functions as the Secretariat of the Intergroup on Social Economy of the EU Parliament
AL	National authority	Albanian Investment Development Agency
AL	National authority	Ministry of Health and Social Protection
AL	Stakeholder association	Beyond Barriers
AL	Stakeholder association	Yunus Social Business Balkans
AT	National authority	Austrian Research Promotion Agency (FFG)
AT	National authority	AWS
AT	Regional or local entity or authority	Carinthian Government
AT	Regional or local entity or authority	waff Wiener ArbeitnehmerInnen Förderungsfonds
AT	Regional or local entity or authority	Wirtschaftsagentur Wien
AT	Stakeholder association	Arbeit Plus / Lead Candidate
AT	Stakeholder association	SENA - Social Entrepreneurship Network Austria
BE	National authority	WSE Vlaanderen department for social economy from the Flemish government

Country	Type of interview	Organisation
BE	Regional or local entity or authority	German-Speaking Community East Belgium, Ministerium der Deutschsprachigen Gemeinschaft
BE	Regional or local entity or authority	Region public service for social economy - Brussels Capitale Region
BE	Stakeholder association	FEBELOOP
BE	Stakeholder association	Financité network
BE	Stakeholder association	SAW-B (Belgique)
BE	Stakeholder association	Sociale Innovatie Fabriek
BE	Stakeholder association	VERSO
BG	National authority	Directorate "Economic policy", Ministry of Economy
BG	National authority	Ministry of Education and Science
BG	Regional or local entity or authority	Municipality of Tundja
BG	Regional or local entity or authority	National Association of Municipalities of Republic of Bulgaria (NAMBR)
BG	Regional or local entity or authority	Sofia Municipality
BG	Stakeholder association	Bulgarian Centre for Not-for-Profit Law (BCNL)
BG	Stakeholder association	Foundation for Social Change and Inclusion
BG	Stakeholder association	Institute of Philosophy and Sociology, Sofia
CH	National authority	Cantonal Division of Vocational Training
CH	National authority	Swiss Parliament and Cooperative Suisse
CH	Stakeholder association	APRES-GE (Geneva - CH)
CH	Stakeholder association	Ashoka Switzerland (previously)
CH	Stakeholder association	Caritas Ticino
CH	Stakeholder association	Partners Group
CY	National authority	Cyprus Chamber of Commerce and Industry
CY	National authority	Directorate General for European Programmes, Coordination and Development (first three interviewees) and Ministry of Energy, Commerce and Industry (last one)
CY	Stakeholder association	Agia Skepi bio, Cyprus
CY	Stakeholder association	Deaf Cooperative Company (Cyprus)
CZ	National authority	Ministry of Labour and Social Affairs
CZ	National authority	Ministry of the Regional Development, the Department of Social Inclusion
CZ	National authority	Ministry of Trade and Labour

Country	Type of interview	Organisation
CZ	Regional or local entity or authority	Moravian-Silesian Regional Office
CZ	Stakeholder association	Cluster of Social Innovation and Enterprises SINEC
CZ	Stakeholder association	Spiralis z.s.
CZ	Stakeholder association	TESSEA ČR, z.s.
DE	National authority	Bundesministerium für Wirtschaft und Energie
DE	Regional or local entity or authority	Hamburgische Investitions- und Förderbank
DE	Regional or local entity or authority	Stadt Mannheim
DE	Stakeholder association	Ashoka Germany
DE	Stakeholder association	Bundesverband Deutscher Stiftungen
DE	Stakeholder association	Der Paritätische Gesamtverband e. V.
DE	Stakeholder association	MW Malteser Werke gGmbH
DE	Stakeholder association	Social Entrepreneurship AKademie
DE	Stakeholder association	Social Entrepreneurship Network Deutschland e.V.
DK	National authority	ESIF - Labor and Social Inclusion, Danish Business Authority
DK	National authority	Social Responsibility and SDGs, Danish Business Authority
DK	Regional or local entity or authority	Jammerbugt Municipality
DK	Regional or local entity or authority	Roskilde Municipality, Division for Social Jobs and Health
DK	Stakeholder association	Copenhagen Dome, Videnscenter for Social Economy Grennesminde
DK	Stakeholder association	Social Entrepreneurs Denmark
DK	Stakeholder association	The Cooperative Movement in DK
DK	Stakeholder association	The Social Capital Foundation
EE	National authority	Ministry of Economic Affairs and Communications, Economic Development Department
EE	National authority	Ministry of Education and Research, Youth Affairs Department
EE	National authority	Ministry of Social Affairs, Employment Department
EE	National authority	Ministry of the Interior
EE	National authority	Ministry of the Interior, Civil Society and Adaptation Policy Department
EE	Stakeholder association	Association of Estonian Cities and Rural Municipalities
EE	Stakeholder association	Estonian Social Enterprise Network (ESEN)

Country	Type of interview	Organisation
EE	Stakeholder association	National Foundation of Civil Society
EL	National authority	Ministry of Labour and Social Affairs, General Secretariat of Labour. NSEF Sector for Employment and Social Economy Subdivision III on the management of Employment and Social Economy, Unit A2 Planning, Coordination, Evaluation and Implementation of Social economy Actions.
EL	National authority	Ministry of Labour and Social Affairs
EL	National authority	Ministry of Labour and Social Affairs
EL	Regional or local entity or authority	ANKA Karditsa, Thessaly, Greece
EL	Regional or local entity or authority	Chamber of Commerce of Karditsa, Thessaly, Greece
EL	Stakeholder association	Dock - Social Solidarity Economy Zone (Greece)
EL	Stakeholder association	dot2dot, Thessaloniki, Greece
EL	Stakeholder association	Koinsep Kalloni-Kellia, Tinos island, Greece
EL	Stakeholder association	Shedia
EL	Stakeholder association	Sociality (Greece)
EL	Stakeholder association	Stimmuli
EL	Stakeholder association	βίος coop (bios coop) - Greece
ES	National authority	Ministry of Labour and Social Economy, DG Self-Employment, Social Economy and CSR
ES	Regional or local entity or authority	Municipality of Barcelona
ES	Regional or local entity or authority	Municipality of Seville
ES	Regional or local entity or authority	Xunta de Galicia
ES	Stakeholder association	CEPES - Spanish Social Economy Employers' Confederation
ES	Stakeholder association	Cooperativa SOKIO – consulting on social and solidarity economy
ES	Stakeholder association	Fiare – Banca Etica
ES	Stakeholder association	Tangente Cooperative Group Tangente
FI	National authority	Ministry of Economic Affairs and Employment of Finland
FI	Stakeholder association	Diaconia University of Applied Sciences (Diak)
FI	Stakeholder association	Finnish Association for Social Enterprises ARVO
FI	Stakeholder association	Finnish Innovation Fund Sitra / City of Helsinki
FI	Stakeholder association	Helsinki Metropolitan Area Reuse Centre

Country	Type of interview	Organisation
FI	Stakeholder association	Säätiötillipalvelu (an accounting company specialized in social enterprises)
FI	Stakeholder association	Silta Valmennus
FI	Stakeholder association	The Association for Finnish Work
FR	National authority	AVISE
FR	National authority	DG TRESOR (Ministry of Finance - France)
FR	National authority	Haut-Commissariat à l'ESS (France)
FR	Regional or local entity or authority	Région Grand Est
FR	Stakeholder association	ESS France (national representative organisation for SSE)
FR	Stakeholder association	Fédération des entreprises d'insertion (FEI - Federation of WISE in France)
FR	Stakeholder association	France Active
FR	Stakeholder association	INCO
FR	Stakeholder association	Le Labo de l'ESS (the "SSE lab")
FR	Stakeholder association	RTES - Réseau des collectivités territoriales pour l'économie sociale
FR	Stakeholder association	UDES (Union des Employeurs des l'ESS - Union of SSE Employers)
HR	National authority	HAMAG - BICRO (Croatian Agency for SMEs, Innovations and Investments)
HR	National authority	Ministry of Economy, Entrepreneurship and Crafts
HR	National authority	Ministry of Labour and Pension System (National Authority in charge of the implementation of the SE Strategy)
HR	Stakeholder association	ACT Group - Consortium of SEs
HR	Stakeholder association	Cooperative for Ethical Financing (gathers SEs among others)
HR	Stakeholder association	Impact hub
HR	Stakeholder association	Support organizations: <ul style="list-style-type: none"> • ZMAG - Network of green economy social actors • Good Economy Cooperative - Cooperative of SEs and social economy organisations engaged in food production and supply
HU	National authority	IFKA Public Benefit Non-profit Limited Company (auxiliary organization to the Ministry of Innovation and Technology).
HU	National authority	Ministry of Finance
HU	National authority	OFA - National Employment Public Benefit Non-profit Ltd. (OFA) OFA is the auxiliary organization to the Ministry of Finance and it is the EDIOP Managing Authority. OFA works as a partner organisation in the implementation of vision/mission and activities carried out by the Ministry.
HU	National authority	Social Cooperative Coordination Department, Ministry of Interior
HU	National authority	SzoSzöv (National Federation of Social Cooperatives) Community Social Cooperative (Közösségi Szociális Szövetkezet – KöSzSz)
HU	Stakeholder association	National Federation of Social Farms, Szimbíózis Foundation

Country	Type of interview	Organisation
HU	Stakeholder association	TAVOSZ - National Federation of Social Enterprises
IE	National authority	Department of Justice and Equality - Probation and Irish Prison Services
IE	National authority	Department of Rural and Community Development (DRCD) - Rural Strategy and Social Enterprise Unit
IE	Stakeholder association	Irish Local Development Network (ILDN)
IE	Stakeholder association	Irish Social Enterprise Network
IE	Stakeholder association	Social Finance Foundation (SFF)
IE	Stakeholder association	Social Innovation Fund of Ireland (SIFI)
IS	National authority	Ministry of Health
IS	National authority	Ministry of Social Affairs
IS	Stakeholder association	ÁS - WISE integrating disabled people (it is the largest SE in Iceland, with 300+ employees).
IS	Stakeholder association	The network of Third Sector Organizations in Iceland - Almannaheill Public benefit organization
IT	National authority	Fondazione con il Sud (Foundation "with the South")
IT	National authority	Invitalia (National Agency for investments & business development, under the Ministry of Economic Development)
IT	National authority	Italian Parliament & Ministry of Labour and Social Affairs
IT	National authority	Member of Parliament
IT	National authority	Ministry of Labor and Social Policies
IT	Regional or local entity or authority	Agency of Labour, Province of Trento
IT	Regional or local entity or authority	Emilia Romagna Region - Service for Social Integration Policies and the Third Sector
IT	Regional or local entity or authority	Municipality of Malegno
IT	Stakeholder association	Consorzio Nazionale della Cooperazione Sociale Gino Mattarelli (CGM) • IRIS Network (National Network of research centres on SEs)
IT	Stakeholder association	Assifero (Italian Association of Foundations and Institutions of Institutional Philanthropy)
IT	Stakeholder association	Confcooperative Federsolidarietà (national federation of social cooperatives)
IT	Stakeholder association	Idee in rete
LI	Stakeholder association	Social Innovation Lab (currently in creation)
LT	National authority	Enterprise Lithuania
LT	National authority	Ministry of Agriculture of the Republic of Lithuania
LT	National authority	Ministry of Economy and Innovations of the Republic of Lithuania
LT	National authority	Ministry of Social Security and Labour of the Republic of Lithuania
LT	National authority	NVO Avily; SOCIFACTION social business accelerator
LT	Stakeholder association	Lithuanian association of social businesses

Impact of the EC Social Business Initiative and its follow-up actions

Country	Type of interview	Organisation
LT	Stakeholder association	Reach for Change
LT	Stakeholder association	Social business consultant, MB "Tulbos konsultacijos"
LU	National authority	MTEESS (Ministry of work and SSE in Luxembourg)
LU	Stakeholder association	CIGL Esch
LU	Stakeholder association	IMS Luxembourg
LU	Stakeholder association	Touchpoints Luxembourg
LU	Stakeholder association	ULESS (Union Luxembourgeoise de l'ESS)
LU	Stakeholder association	Youth and Work (Luxembourg)
LV	National authority	Ministry of Welfare, Republic of Latvia
LV	National authority	National Development Financial Institution ALTUM
LV	Regional or local entity or authority	Riga City Council
LV	Stakeholder association	SE Accelerator New Door, https://newdoor.lv
LV	Stakeholder association	SE Association and various SEs - members of the Association
MK	National authority	Ministry of economy
MK	National authority	Ministry of labour and social policy
MK	National authority	Ministry of labour and social policy/ UNDP project for increasing Roma employability
MK	Stakeholder association	ARNO- Association for development of new options
MK	Stakeholder association	National network of social enterprises
MN	National authority	Ministry of Economy
MN	National authority	Ministry of Labour and Social Welfare
MN	Stakeholder association	Center for Development of NGOs
MN	Stakeholder association	Center for Economic Prosperity and Freedom - CEPS
MN	Stakeholder association	Center for Social Economy Development
MT	National authority	Foundation of Social Welfare Systems - Malta Government
MT	National authority	Ministry for Family, Children's Rights and Social Solidarity
MT	Stakeholder association	Core Platform
MT	Stakeholder association	Kopin Malta
MT	Stakeholder association	Malta Cooperative Federation
MT	Stakeholder association	Malta Council for the Voluntary Sector

Country	Type of interview	Organisation
MT	Stakeholder association	ZAAR Crowdfunding Malta
NL	National authority	Ministry of Economic Affairs and Climate
NL	National authority	Ministry of Social Affairs and Employment & Ministry of Economic Affairs
NL	Regional or local entity or authority	G40
NL	Regional or local entity or authority	Provincie Brabant
NL	Stakeholder association	Code sociale ondernemingen
NL	Stakeholder association	Impact Noord
NL	Stakeholder association	Social Enterprise NL
NL	Stakeholder association	Triodos Bank
NO	National authority	Ministry of Labour and Social Affairs
NO	Regional or local entity or authority	FERD social entrepreneurs
NO	Regional or local entity or authority	Norwegian Association of Local and Regional Authorities (KS)
NO	Stakeholder association	SoCentral
NO	Stakeholder association	University of South Eastern Norway - SESAM centre for social innovation and entrepreneurship
PL	National authority	Ministry of Development Funds and Regional Policy
PL	National authority	Ministry of Family, Labour and Social Policy
PL	National authority	Ministry of Family, Labour and Social Policy
PL	Regional or local entity or authority	Małopolskie Entrepreneurship Centre
PL	Regional or local entity or authority	Małopolskie Regional Social Assistance Centre
PL	Regional or local entity or authority	Pomorskie Regional Social Assistance Centre
PL	Stakeholder association	(1) Małopolskie Regional Social Economy Council; (2) Rabka Region Development Foundation
PL	Stakeholder association	Civil Society Development Foundation [i.a. Siedlce (Mazovia) Social Economy Support Unit/Centre (OWES)]
PL	Stakeholder association	Gdansk-Gdynia-Sopot (Pomorskie Region) Social Economy Support Unit "Good job"
PL	Stakeholder association	Małopolskie Regional Social Economy Support Centre
PL	Stakeholder association	Małopolskie Regional Social Economy Support Centre
PL	Stakeholder association	Małopolskie Regional Social Economy Support Centre
PL	Stakeholder association	National Audit Union of Social Cooperatives
PL	Stakeholder association	NESsT

Impact of the EC Social Business Initiative and its follow-up actions

Country	Type of interview	Organisation
PL	Stakeholder association	Wielkopolskie Regional Social Economy Support Centre
PT	National authority	CASES - Cooperativa António Sérgio para a Economia Social
PT	National authority	Portugal Inovação Social (EMPIS - Mission Structure Portugal Social Innovation)
PT	National authority	SCML - Santa Casa da Misericórdia de Lisboa
PT	Regional or local entity or authority	CIM do Vale do Ave - Intermunicipal Commission for the Vale do Ave Region (Northern Region)
PT	Regional or local entity or authority	Municipality of Fundão
PT	Regional or local entity or authority	PMA - Porto Metropolitan Area (AMP - Área Metropolitana do Porto)
PT	Stakeholder association	ANIMAR - Portuguese Association for Local Development
PT	Stakeholder association	European Anti-Poverty Network (EAPN) Portugal
PT	Stakeholder association	FCG - Calouste Gulbenkian Foundation
PT	Stakeholder association	FENACERCI - Federação Nacional de Cooperativas de Solidariedade Social CONFECOOP - Confederação Cooperativa Portuguesa
PT	Stakeholder association	IES - Social Business School
PT	Stakeholder association	RedPES - Portuguese Solidarity Economy Network
RO	National authority	Competition Council (autonomous administrative body aimed at protecting and stimulating competition to ensure a normal competitive environment, with a view towards the consumers' interests).
RO	National authority	Present -Public Company; former - Ministry of European Funds
RO	Regional or local entity or authority	County Council of the Ilfov region (Romania)
RO	Regional or local entity or authority	Municipality of Bucharest - sector 1 (Social Protection)
RO	Stakeholder association	Association "Ateliere Fara Frontiere" (Workshops without Borders)
RO	Stakeholder association	Federation of Non-Governmental Organizations for Social Services - FONSS
RO	Stakeholder association	RISE Romania - Romanian Network of SEs
RS	National authority	Ministry of Economy
RS	National authority	Ministry of Labour, Employment, Veterans and Social Affairs
RS	National authority	Social Inclusion and Poverty Reduction Unit (SIPRU) of the Government of Serbia
RS	Stakeholder association	Coalition for Development of Solidarity Economy - KORSE
RS	Stakeholder association	SMART Kolektiv / Forum of Responsible Business
SE	National authority	Swedish ESF Council
SE	National authority	Tillväxtverket - Swedish Agency for Economic and Regional Growth
SE	National authority	VINNOVA - Swedish Innovation Agency

Impact of the EC Social Business Initiative and its follow-up actions

Country	Type of interview	Organisation
SE	Regional or local entity or authority	Coompanion Örebro and Västmanland regions Coompanion Mälardalen region
SE	Regional or local entity or authority	Örebro region
SE	Regional or local entity or authority	Swedish Association of Local and Regional Authorities (SALAR / SKR)
SE	Stakeholder association	Samarkand 2015 (https://www.samarkand2015.com/en-GB) Development company for Ludvika och Smedjebacken municipalities in Dalarna region
SE	Stakeholder association	Södertörn University
SI	National authority	Former State Secretary in the office of the Prime Minister; Former member of the GECES
SI	National authority	Ministry for Economic development and Technology
SI	National authority	Ministry for Economic development and Technology of the Republic of Slovenia
SI	Regional or local entity or authority	Chamber of Commerce of Primorska – Primorska Gospodarska Zbornica (PGZ)
SI	Stakeholder association	Association Social Economy of Slovenia ("Združenje Socialna ekonomija Slovenije")
SI	Stakeholder association	Korenika social enterprise
SI	Stakeholder association	Središče Rotunda – Social center of Primorska
SK	National authority	Ministry of Finance
SK	National authority	Ministry of Labour, Social Affairs and Family, Social Economy Unit
SK	National authority	Slovak Business Agency
SK	Regional or local entity or authority	Banska Bystrica Self-Governing Region
SK	Regional or local entity or authority	Institute of Social Economy - Implementation Agency of Ministry of Labour, Social Affairs and Family
SK	Stakeholder association	Ano pre život – registered social enterprise
SK	Stakeholder association	Slovenska sporitelna (Slovak saving bank - part of ERSTE), Social Bank Initiative
SK	Stakeholder association	Young Roma Association (registered social enterprise) and Association of Social Economy Subjects (ASSE)
TR	National authority	Ankara Development Agency
TR	National authority	Ministry of Foreign Affairs, Directorate for EU Affairs, DG for Financial Cooperation and Project Implementation, Department for Union Programmes and Cross-border Cooperation
TR	Stakeholder association	İhtiyaç Haritası (www.ihtiyacharitasi.org) - Center for International and European Studies at Kadir Has University Corporate Social Responsibility Association of Turkey
TR	Stakeholder association	Istasyon TEDU, Social Innovation Center of TED University
TR	Stakeholder association	KUSIF-Koç University Social Impact Forum
TR	Stakeholder association	SIMURG – Union of Women Operating Cooperatives
UK	National authority	Mutuals Team at the Financial Conduct Authority (FCA)

Country	Type of interview	Organisation
UK	Regional or local entity or authority	Scottish Government
UK	Stakeholder association	Social Business International
UK	Stakeholder association	Social Enterprise International
UK	Stakeholder association	Social Enterprise UK (SEUK)
UK	Stakeholder association	Wales Co-operative Centre

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