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Alliance for Social Entrepreneurship

“IO1 - Research on the existing legislation and tools for support of
social entrepreneurship education”

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ASE





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Section 1: Introduction

In recent years there has been a steady growth in the number of social entrepreneurial ventures globally. A Social Enterprise is the way of using innovative solutions by startup companies and entrepreneurs to tackle social issues. Unlike regular businesses, profits are not distributed to owners or shareholders. They are reinvested in the company or used to fulfil a clear social goal such as: creating job opportunities; meeting health care need or preserving the environment. There are three models that could describe Social Entrepreneurship: Leveraged nonprofit ventures, Hybrid nonprofit ventures, Social business ventures.¹

Social entrepreneurs are agents of positive change who address challenges through an enterprising approach. They develop businesses which trade for a social or environmental purpose, reinvest profits into their mission, and are accountable for their actions. They create jobs and bring hope to our most disadvantaged communities, delivering social, environmental and economic value. Through their innovative approaches to reduce inequalities, social enterprises might even provide a model for rebalancing how money and power are controlled.² The main goal of a social entrepreneur is not to earn a profit, but rather to implement widespread improvements in society.³

Furthermore, challenging socioeconomic context of some EU countries has played a major role in the growth of the Social and Solidarity Economy sector since 2010, including factors such as a high unemployment rate, a lack of job security in the private and public sector, reduced public sector spending, and the emergence of political movements linked with the Social and Solidarity Economy.

¹ Social entrepreneurship as an alternative for young unemployed. Erasmus Plus Project (2018): So Vet, Retrieved from <https://sovet-project.eu/en/project/>

²https://www.britishcouncil.org/sites/default/files/british_council_social_entrepreneurship_in_education_web_final.pdf

³ Barone, A. (2020, February 3). The Aims of Social Enterprises. Retrieved from: <https://www.investopedia.com/terms/s/social-enterprise.asp>



However, social entrepreneurship is not a newly defined concept, on the contrary, social entrepreneurs have been around for a long time. What has changed over the years is the incremental acknowledgement of the importance of social entrepreneurship in and out of the business world nowadays. In Europe, the concept first appeared in the early 1990s associated with the community and voluntary sectors.⁴

Social entrepreneurship is a complex practice which is considered a social business practice in the US whereas in Europe, SE is primarily perceived to be a way of generating public benefit. There has been strong development in theory and business practices in this specialised field in the past fifteen years, but there has been less attention to education related to the field. Providing learners with a robust understanding of social entrepreneurship will enable further development of theory, strengthen practice and assist policy makers to design appropriate ways to address complex and entrenched issues of disadvantage.⁵

The aim of this research is to highlight the importance of education on the field of social entrepreneurship by analysing the existing legislation and the tools that support the field. This research is composed of two sections – the desk and the field research. In the desk research each partner will expose the current situation in their country in terms of legislation, methodologies, and good practices in social entrepreneurship. The field research is based on a survey applied to different groups of people that are in contact with social entrepreneurship as well as to sectors where social entrepreneurship education could be taught and introduced.

Ever since the appearance of the concept of the "Invisible hand"⁶ by Adam Smith and Schumpeter's concept of entrepreneurship, we can observe a fast development of entrepreneurship and private companies. One of the preconditions for the active participation of private companies in the market is a market economy based on freedom of competition. This freedom allows the entrepreneur to act as if he was guided by an "invisible

⁴ Apostolakis, C. (2011) 'The role of higher education in enhancing social entrepreneurship', *Int. J. Social Entrepreneurship and Innovation*, Vol. 1, No. 2, pp.124–137
(PDF) *The role of higher education in enhancing social entrepreneurship*. Available at:
https://www.researchgate.net/publication/264813267_The_role_of_higher_education_in_enhancing_social_entrepreneurship#fullTextFileContent

⁵ Douglas, H. 2015. Designing social entrepreneurship education. *International Journal of Social Entrepreneurship and Innovation* 3(5), 362-373 (PDF) *Designing Social Entrepreneurship Education*. Available at: https://www.researchgate.net/publication/288004364_Designing_Social_Entrepreneurship_Education

⁶ <https://economictimes.indiatimes.com/definition/invisible-hand>



hand" and thus acquires benefits not only for himself but also for his environment. In theory, then, the quality of life of individuals would depend on the number of entrepreneurs. To a large extent, this is the case, but due to the way of doing business of standard companies where (other than social) profit is the main goal, entrepreneurship at its core cannot solve the world's problems. So, in a world that is richer than ever, 800 million people are starving and living in poverty. A large number of people with physical disabilities cannot live a normal life due to a lack of understanding of society and the inability to find employment. Many governmental and non-governmental organisations are trying to alleviate these problems but cannot find a more lasting and sustainable solution.

Social entrepreneurship is perhaps one of the solutions to address social problems. Whereas this model has existed already in the past, lately it has gained popularity, due to the growing self-consciousness in society of the own impact in sustaining and contributing to a fair and sustainable society and world overall. Unlike a common company, in a social company, profit is not the main goal of the business, although it is important for the very survival of the company. The main difference between a regular business and social entrepreneurship is that the latter strives for is a positive social impact and tries to make a difference in the community.



Section 2: Desk research - Legislation, methodologies, and good practices

2.1. Social entrepreneurship at EU level

According to the European Commission's definition a social enterprise is an *“operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners or shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed in an open and responsible manner and involves employees, consumers and stakeholders affected by its commercial activities”*⁷.

The Commission uses the term 'social enterprise' to cover the following types of business:

- Those for whom the social or societal objective of the common good is the reason for the commercial activity, often in the form of a high level of social innovation
- Those whose profits are mainly reinvested to achieve this social objective
- Those where the method of organisation or the ownership system reflects the enterprise's mission, using democratic or participatory principles or focusing on social justice

There is no single legal form for social enterprises, but most of social enterprises operate in the form of social cooperatives, private companies limited by guarantee and non-profit-distributing organisations like provident societies, associations, voluntary organisations, charities or foundations. The fields in which social enterprises mainly operate are in the fields of work integration (training and integration of people with disabilities and unemployed people) personal social services (health, well-being and medical care, professional training, education, health services, childcare services, services for elderly people, or aid for

⁷ https://ec.europa.eu/growth/sectors/social-economy/enterprises_en



disadvantaged people), development of disadvantaged areas (social enterprises in remote rural areas, neighbourhood development/rehabilitation schemes in urban areas, development aid and development cooperation with third countries) and other important topics like recycling, environmental protection, sports, arts, culture or historical preservation, science, research and innovation, consumer protection and amateur sports

Initiatives at EU level

The Start-up and Scale-up Initiative⁸

This initiative of The Commission to support social economy ecosystems was launched in 2016 and aims to give innovative entrepreneurs the opportunity to become world leading companies. The main proposals of the start-up and scale-up initiative are:

- to remove barriers for start-ups to scale up in the single market
- to create better opportunities for partnership, commercial opportunities, and skills
- to facilitate the access to finance

The Social Business Initiative (SBI)²

This initiative launched in 2011, aims to introduce a short-term action plan to support the development of social enterprises, key stakeholders in the social economy and social innovation. It also aims to prompt a debate on the unexplored territory medium/long term.

There are 11 priority measures, organised around 3 themes:

Details of the SBI:

Theme 1: Making it easier for social enterprises to obtain funding

Action 1 : Put forward a **European regulatory framework** for **social investment funds**.

⁸ https://ec.europa.eu/growth/sectors/social-economy/enterprises_en



Action 2: Encourage the development of **microcredit** in Europe, specifically by improving the related legal and institutional framework.

Action 3: Set up an **EU financial instrument** to provide easier access to funding.

Action 4: Make social enterprises an **investment priority** of the European Regional Development Fund and European Social Fund.

Theme 2: Increasing the visibility of social entrepreneurship

Action 5 : Identify best practices by establishing an **exhaustive register of social enterprises** in Europe.

Action 6: Create a **public database of labels and certifications** applicable to social enterprises in Europe.

Action 7: Help **national and regional governments** introduce measures to support, promote and finance social enterprises.

Action 8: Create a **multilingual information and exchange platform** for social entrepreneurs, business incubators and clusters, as well as social investors. Increase the visibility of EU programmes to support social entrepreneurs and make it easier to obtain funding.

Theme 3: Making the legal environment friendlier for social enterprises

Action 9 : Simplify the rules regarding legal recognition as a **European Cooperative Society** ; put forward a regulation creating a legal status for **European foundations**. Conduct a study on the situation of **mutual societies**.

Action 10: Make **quality** and **working conditions** more important criteria for the awarding of **public procurement contracts**, particularly for social and health services.

Action 11: Simplify the rules for awarding **public aid** to social and local services (which would benefit many social enterprises).



Initiated by the SBI, the Commission and the **expert group on social entrepreneurship**, established a **5-pillar strategy** aimed at increased access to funding, access to markets, improved framework conditions, foster social innovation and continue to work on internationalisation.

Expert group on social entrepreneurship⁹

This group was set up in 2011 for a 6-year period. GECES (French acronym) was consulted by the Commission on the development, set up and implementation of all the actions mentioned in the SBI and the further development of social entrepreneurship and social economy.

About the “EU support for social entrepreneurs “

Social enterprises encounter challenges in their operations, mostly related to regulatory obstacles and difficulties in accessing funding. At EU level the momentum gained by the already mentioned Social Business Initiative of 2011 is currently being supplemented by regulatory changes such as the *review of the regulation on the European Social Entrepreneurship Funds*, improving access to public procurement and developing methodologies for measuring social impact¹⁰. The EU is also making efforts to improve funding opportunities, for instance via the *Social Impact Accelerator* and the '*microfinance and social entrepreneurship*' axis of the Employment and Social Innovation programme. Expansion of the social economy, however, requires further development of a supportive regulatory environment, a tailored financial ecosystem, and also increased visibility and recognition.

There are about two million social economy enterprises operating in Europe; they represent 10 % of all EU businesses.

⁹ https://ec.europa.eu/growth/sectors/social-economy/enterprises_en

¹⁰ [https://www.europarl.europa.eu/RegData/etudes/BRIE/2017/599346/EPRS_BRI\(2017\)599346_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2017/599346/EPRS_BRI(2017)599346_EN.pdf)



Regulatory framework at EU level

Single Market Regulation: (EU) No 346/2013¹¹:

It is a regulation on European social entrepreneurship funds (EuSEF) to set out a new European Social Entrepreneurship Fund label, enabling investors to identify funds that focus on investing in European social businesses. The label guarantees that at least 70 % of capital received from investors is used in support of social businesses. This uniform label facilitates the marketing of social entrepreneurship funds across Europe.

The public procurement reform package (2014)

This reform package included provisions encouraging public authorities to introduce social considerations in procurement decision-making. More specifically, it allowed for the insertion of certain social clauses in procurement procedures and terms of reference.

Services of General Economic Interest (SGEI) (2012)

This package similar to the “the public procurement reform” package introduced more flexibility for public authorities when providing state aid for social enterprises in the area of public service compensation. According to the European Commission's 2014 report on social enterprises and their ecosystems in Europe, only 16 EU countries have some form of legislation that recognises and regulates social enterprise activity. Some countries have a separate, legally defined, social enterprise status (e.g. Denmark, Finland and Slovenia), whereas in others social enterprises operate as cooperatives, associations, mutuals, foundations, WISE (work integration social enterprises) and various types of mainstream companies pursuing a social aim. Some countries have established clear rules for the required percentage of revenue from market sources or entrepreneurial activity (Czech Republic, United Kingdom, Italy and Croatia). Some national laws require a total (Italy, Poland) or partial

¹¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0346&from=EN>



(Finland, United Kingdom) non-profit distribution constraint, while others do not require reinvestment of profits (e.g. Lithuania). Rules also vary when it comes to asset lock and the involvement of stakeholders in company governance. In this sense, in order to improve the harmonisation of rules on social entrepreneurship across the EU and establish a favourable regulatory framework, stakeholders represented in the Expert Group on Social Entrepreneurship have identified four areas where action at EU level could have the most impact:

- Creating a legal framework for social enterprises
- Reinforcing opportunities in the internal market for mutuals and cooperatives
- Introducing social considerations in public procurement decision-making
- Implementing state aid rules more effectively.

EU funding

The main challenges and barriers for the growth of social enterprises and social economy are the following: the limited access to finance, the false perception that they entail higher risk and are less profitable than other businesses, the tendency to be small and lack the capacity to prepare sound business plans and the fact that their desired financing amounts are also relatively small and tend to require patient long-term capital, which implies higher transaction costs for financial intermediaries. These obstacles can be overcome with a favourable financial ecosystem and specifically tailored support. Raising awareness and understanding of the opportunities and risks of financing social enterprise is also crucial.

The EU took several steps to address some of these challenges, following up on the Social Business Initiative, like the “Programme for Employment and Social Innovation (EaSI) – microfinance and social entrepreneurship axis”¹² which has a budget of approximately €171 million for the 2014 to 2020 period and supports the development of the European market

¹² <https://ec.europa.eu/social/main.jsp?langId=en&catId=1084>



for social enterprise financing by providing microcredit with risk-sharing guarantees in order to allow them to increase their lending. It also supports the building of microcredit providers' institutional capacity. The axis builds on and extends the European Progress Microfinance Facility, which existed previously under the EaSI programme. In addition, the European Investment Fund (EIF) engages in activities aimed at increasing the availability of and access to finance for social entrepreneurs. It manages two financial instruments under EaSI: The EaSI Guarantee Instrument and the EaSI Capacity Building Investments Window. Furthermore, the EIF helps microcredit institutions to expand their capacity to lend to micro-enterprises. These micro-loans (up to €25 000) are tailored to micro-enterprises and can be used by social entrepreneurs. In 2015 the EIB Group (European Investment Bank and EIF) created the Social Impact Accelerator as a fund-of funds, strategically targeting social enterprises. It totals €243 million, which will be distributed among fund managers providing social enterprises with finance in the form of equity

Lastly, social enterprises can apply for funding directly under European Commission programmes available for SMEs, such as InnovFin under Horizon 2020 (research and innovation investments for enterprises) and COSME (Competitiveness of Enterprises and Small and Medium-sized Enterprises). Meanwhile, the European Fund for Strategic Investments (EFSI) Equity instrument also supports social enterprises through pilot equity investments made via funds linked to incubators and accelerators, as well as co-investments with social business angels.



2.2. Social entrepreneurship in Belgium

Belgium is a federal state composed of three Regions (Flanders, Brussels, Wallonia) and three Communities based on the official languages (the Flemish, French and German-speaking Communities). Regions and Communities do not have the exact same territories. Some competencies are held at the national level by the Federal State, while others are held at the sub-national level, usually by Regions. Each level of government has a role in setting policies and strategies (Belgium Federal Government, n.d.).

The National Reform Programme 2016 (NRP) addresses entrepreneurship through a wide range of policies. Several programmes also promote and support self-employment and entrepreneurship by youth and women at the federal level, including the Youth Guarantee Implementation Plan (EC, n.d.). At the regional level, Wallonia and Brussels focus their entrepreneurship support initiatives on young people, the unemployed, and older workers (over 55 years old) whilst Flanders targets entrepreneurship support at youth and workers over 55 years old. Overall, awareness about inclusive entrepreneurship policies is growing and policy makers are strengthening targeted and tailored support to address the specific needs of several target groups. According to the 2018 European semester country report for Belgium (EC, 2018), progress has been made with respect to the promotion of entrepreneurship in Belgium. It is one of the European states with the most social enterprises, in proportion to the size of its economy, considering the basis of the indicative European definition used in the "Social Entrepreneurship Initiative"¹³. The number of "traditional" enterprises and the number of people they employ have decreased due to the crisis and the number of social enterprises, on the other hand, has increased by 2.2% between 2008 and 2014 and they have continued to hire new employees. Over the same period, salaried employment in the social economy increased by 11.5%.

¹³ <https://economie.fgov.be/fr/themes/entreprises/economie-durable/entrepreneuriat-social/entrepreneuriat-social-en>



1995 in Belgium, the decisive role played by social enterprises was recognised with the status of "social purpose company" (SFS). The aim of this statute was to give legal status to entities whose main activity is commercial, and which do not pursue a profit-making objective. Originally created with the idea of unlocking the economic potential of not-for-profit associations (ASBLs), it has in fact rather benefited, in quantitative terms, cooperative societies, which currently account for 85% of SFSs. Based on this observation, the new Companies and Associations Code adopted by the Federal Parliament on 28 February 2019 abolishes the "social purpose company" and replaces it with a "social enterprise" intended for cooperative societies. This approval is granted to them by the Federal Minister of the Economy under certain conditions. These new provisions entered into force on 1 May 2019. The FSSs affected by the reform have a period of five years, until 2024, to comply with them if they wish to retain their approval as a social enterprise.

The proportion of people from under-represented and disadvantaged groups (e.g. women, youth, seniors, the unemployed, people with disabilities) involved in self-employment and entrepreneurship activities in Belgium remains slightly below the European Union average¹⁴. Sizeable employment differentials between specific population groups continue to result in an under-utilisation of labour, especially among the low-skilled, young people, older people and people with migrant backgrounds (EC, 2016a).

Despite this growing attention to the potential for entrepreneurship policies and programmes to also be used to reach social inclusion objectives, significant gaps remain. For example, specific objectives to encourage entrepreneurship among immigrants are not yet defined and action is taken through general policy, such as language training, diploma recognition and integration programmes.

While national policy targets on inclusive entrepreneurship have not been established, inclusive entrepreneurship policies and programmes are present at the national and regional levels for a wide range of target groups, including youth, women, seniors and the unemployed. A wide range of entrepreneurship policies and programmes are in place to support youth and women in business creation, many of which are designed and delivered at the local level. Most

¹⁴ <http://www.oecd.org/cfe/smes/BELGIUM-IE-Country-Note-2018.pdf>



of these entrepreneurship support initiatives seek to facilitate the acquisition of entrepreneurship skills and to improve access to start-up finance. More could be done to make entrepreneurship more inclusive in Belgium, including increasing awareness about ongoing initiatives and fostering good practice exchanges between the regions. More can also be done to support senior entrepreneurs, which is a group of growing political interest in the country.

In terms of geographical distribution, entrepreneurship activities are unequally distributed across regions. Of all start-ups in Belgium in 2017, 54.9% were set up in Flanders, 25.8% in Wallonia and 13.1% in Brussels (GraydonBE, 2018). However, Brussels remains the region with the highest density of business starters with 10.5 starters per 1 000 inhabitants (compared to 8 in Flanders and 6.8 in Wallonia). This high concentration is likely partly linked to its status as capital of the EU and the economic activity generated by the presence of European Institutions.

Barriers of business creation

In the period 2013-17, people in Belgium were less confident in the initiative to start a business than most of their EU partners. Less than one-third (31.9%) of Belgians believed they had the skills to start a business, significantly under the 41.9% EU average (Figure 3b) and the second lowest rate in the EU (GEM, 2018). The confidence level of Belgians overall was below the EU average, with a gap ranging from 9.2 percentage points (men) to 11.1 points (women). There is a wide gender gap in perceived abilities for business creation in Belgium: While 40.4% of men felt that they had suitable skills, only 23.5% of women did. This suggests a need to strengthen empowerment and support for potential women entrepreneurs.



Social entrepreneurship in Brussels

According to the new regulations that came into force in early 2019, recognised social enterprises are able to participate in a call for projects intended for them and obtain funding to set up an innovative project, and as the case may be, either obtain funding to develop a socio-professional integration program or obtain higher corporate bonuses¹⁵.

Licensing as social entrepreneurship conditions (Brussels)

In order to be approved as a social enterprise, the enterprise must have the approvals, authorisations, permits, inscriptions, registrations and licences necessary for the exercise of the activities or professions for which approval is requested. In addition, it may not have had its approval withdrawn during the five years preceding the application for approval. It also must:

1. be a legal entity
 - of public law or
 - of private law (ASBL or commercial company)
2. respect the three key principles of social enterprises:
 - implement an economic project
 - pursue a social purpose and
 - exercise democratic governance
3. have a registered office or place of business located on the territory of the Brussels-Capital Region.

Also, the application must fulfil the following criteria:

¹⁵ <http://werk-economie-emploi.brussels/fr/entreprise-sociale>



It has to have an economic project and the company has to

- have continuous production of goods and/or services,
- be economically viable
- generate a minimum level of quality and sustainable paid work.

It has to fulfil a social purpose

- the company's activities are in the interest of the community or a group of people. This is laid down in the company's memorandum of association/statutes.
- in the case of a public enterprise, the enterprise allocates its profits to the achievement of the social purpose of the enterprise. In the case of a private company, the company limits the distribution of profits.
- the company uses sustainable production and consumption patterns.
- the company's wage pressure is moderate.

It must have a democratic governance

The company implements:

- a high degree of management autonomy
- a democratic power of decision (for private companies: this should not be only on the holding of capital)
- a transparent and participatory dynamic



Trainings in social entrepreneurship

hub.brussels¹⁶

The hub.brussels team and partners are on hand to guide and advise when developing a business in Brussels and overseas. They are active in several sectors such as media and audiovisual, retail and horeca, sustainable construction and renovation digital, sustainable economy, health technology, tourism, Culture and events. Hub Brussels is involved in Social Entrepreneurship through various projects like the “COOPCITY”, social entrepreneurship centre and BISSIB a network dedicated to social innovation.

BE.I Belgium impact¹⁷

It is an organisation that acts as a community and network of social entrepreneurs to inspire other entrepreneurs and connect each other. These social entrepreneurs represent a large number of topics as: Biodiversity, circular economy, education, health, social exclusion, waste etc. On this platform they provide an overview of the most relevant actors in the field, such as incubators, financiers, accelerators, knowledge centers, and network organisations. This is a way for social entrepreneurs to easily find their way to those organizations that meet their needs.

COOPCITY¹⁸

COOPCITY is a social entrepreneurship center which supports project leaders through various programs to set up their projects and also supports existing social enterprises in the development of their activities. One of the programs is aimed to one or more people who

¹⁶ <https://hub.brussels/fr/>

¹⁷ <https://www.be-impact.org/>

¹⁸ <https://coopcity.be/>



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wish to turn their idea into reality by launching a project that meets a social and/or environmental need in Brussels. The selected projects aim to create sustainable jobs and be part of a spirit of collaboration. This program is composed of two phases: first a “project acceleration phase”, to test and validate the relevance of the project, to be able to make a living from the activity and to professionalise the voluntary activity and second, a tailor-made support phase to launch the project and lay the foundations for its viability.

They also offer amongst others, a program which is directed to social enterprises that have been in operation for two years and wish to be supported in their development strategy. Over a two-year period, the program equips teams to make a strategic diagnosis of the enterprise, formulate an objective of change of scale and accompany it in the elaboration and implementation of development strategies that make it possible to reconcile social goals and economic viability.

With the support of the European Regional Development Fund, the social entrepreneurship center COOPCITY provides an environment which fosters cooperation and collaboration between the various players of the social economy in Brussels. Through its various support programmes, it oversees innovation and the launch and development of social companies in Brussels. This programme is made for workers, self-employed, employees and student entrepreneurs with a single or group project, available to attend all training days.



Good practices and examples of social entrepreneurship

La Ferme Nos Pilifs¹⁹

Detailed description of practice:

La ferme Nos Pilifs is an ETA, (*entreprise de travail adapté* - adapted work company) and a non-profit association. Since the beginning of this project, there has been a desire to combine integration and professionalism, adaptation and innovation, economy and environment, local anchorage and global vision, ecology and sustainable development, organic products and ethical work. The primary need of this organisation is to ensure quality employment for workers with disabilities and meaningful employment for supervisory workers. In this association they run a farm that provides fresh food, like vegetables, bakery goods and biscuits that are sold in ecological shops around Brussels. They also offer a gardening services and activities for children, like excursions in their farm, and eco-gardening workshops.

Target group:

Its mission is to provide useful, remunerative and rewarding jobs for 145 disabled workers and for the forty or so employees who supervise these exceptional workers.

Casablanca²⁰

Casablanca is a non-profit organisation that has been active in the social economy sector for 17 years. Its objective is twofold: the socio-professional integration, mainly in construction, of people in difficulty on the labour market and the improvement of the living environment in the Brussels Region, mainly in disadvantaged neighbourhoods. Throughout their educational journey in Casablanca, the workers are supervised and trained on site. They also follow training courses related to their professional project. After their journey in Casablanca, they are ready to find a sustainable job, mainly in the construction sector.

¹⁹ <http://www.madeinpilifs.be/>

²⁰ <http://www.casablanca.be/fr/>



Over the years, Casablanca has managed to develop a working situation similar to that encountered on conventional contractor's building sites, and this via building sites of considerable size and complexity. Supervised by the instructors, the workers are on site daily. They acquire the knowledge and skills of the trade, opening the door to a transition into the job market. Casablanca also offers an integration programme, linked to site activities, for administrative and logistics functions. This organisation invests a lot of energy in a formal training component and offers workers general training linked to each person's professional project. The training courses focus on introduction to building trades (reading plans, masonry, flooring, painting, electricity, facade, ...), hygiene and health, working at heights, VCA (site safety), insulation and airtightness, energy performance, as well as job search (theory and simulations), driver's license and Dutch language.

Target group:

This association targets people in risk of social exclusion, that have difficulties in the labour market. They aim to improve the living environment in the Brussels Region, mainly in disadvantaged neighbourhoods. Although the profile sought to enter Casablanca is that of a multi-skilled worker, the exit profile is not standardized. Some workers will aim for versatility while others will seek to specialise in one or another construction trade

Results/outcomes described:

From the job interview to the active search for a job and this until the signing of a contract with a new employer, the workers are in a process of accompaniment during which they are stimulated in their personal reflection. Throughout their journey in Casablanca, the workers take part in regular evaluation interviews aimed at measuring their technical progress but also their functioning in the workplace. These interviews are also the time to take stock of their professional project. In addition, if they wish, the workers can benefit from social support from the association. The aim is to improve the situations that hinder socio-professional integration (housing, health, family, debts, etc.). If necessary, Casablanca refers them to specialised partners.



Déclic, en perspective²¹

Déclic en PerspectivES is a Brussels based non-profit organisation that has set itself the mission of stimulating the ability to act and position itself as a driving force for collective projects that are committed with the principles of the social economy. Their approach favours the development of a critical mind and is based on the use of collective intelligence and idea structuring tools. They create links between project leaders and existing support structures in Brussels and Wallonia. They design and run training courses (short and/or long) for different audiences (young people, jobseekers, people in transition, students, companies...) in order to open up the field of possibilities and to accompany change (from desire to action). For example, events to discover social entrepreneurship, participatory processes to keep a group alive and energised, training that makes people dare to do things differently and inspire paths to question oneself and identify one's professional desires

One of their programmes is called La Rouche (the Beehive) and intends to find or test an idea for a project to launch. Participation can be done alone or in a group and it is not necessary to have a project idea to participate. It is also possible to co-create a project during or join an existing project. The purpose is to gather tools, inspiration, means to take action and a community of entrepreneurs to support them. The main objectives of this programme are discovering the contours of the social economy, take a critical look at the economic system and its challenges, identifying societal issues for action, making inspiring encounters, discover project structuring tools, confronting the own ideas and thoughts in a group, understand how oneself acts as a team, deconstruct fears into action, carry out a project in line with the own values and create links.

The “Research project associates evening” is organised especially for those who have decided to take action and get involved in a project with a social and/or environmental purpose. During the evening, 10 people will present their projects in a 3-minute pitch. This event is organised

²¹ <https://declik-en-perspectives.be/>



with CoopCity, a centre dedicated to social entrepreneurship in Brussels that offers support programs for project development.

Target group:

Through training courses, they accompany those people who want to start, but who have yet to find or test their project idea and/or have not yet dared to take the first step.

BISSIB²²

BISSIB is a network dedicated to social innovation that brings together entrepreneurs, researchers, federations and public authorities interested in creating social innovation in Brussels was founded in 2019. Supported by several organisations, including hub.brussels, BISSIB (Brussels Innovation Sociale – Sociale Innovatie in Brussel) seeks to encourage multidisciplinary players to work together to drive experimentation and bring about, consolidate and spread social innovation that meets the needs of the population and region

²² <https://bissib.be/>



2.3. Social entrepreneurship in Bulgaria

In 2012, the Council of Ministers of the Republic of Bulgaria adopted a National Concept for the Social Economy, which initiated a targeted coordinated state policy in this field. In its implementation, action plans are being developed and the contemplated activities are in line with the objectives of the concept and the new legal framework adopted in 2018 - the Law on Enterprises of the Social and Solidarity Economy. The activities are carried out independently by the state institutions or jointly with stakeholders from the non-governmental sector, social partners, employers' associations and others.

According to the Bulgarian law for the enterprises of the social and solidarity economy the definition of the the social and solidarity economy is a form of entrepreneurship aimed at one or more social activities and/or social goals pursued by enterprises, including the production of various goods or the provision of services, in cooperation with state or local authorities or independently. The principles of the social and solidarity economy are the advantage of social over economic goals; association for public and/or collective benefit; publicity and transparency; independence from the bodies of state power and the participation of members or employees in making management decisions.

The social enterprises are divided in two classes A and A+. Both need to carry out social activity that produces social added value, determined according to a methodology issued by the Minister of Labor and Social Policy. They need to be managed transparently and the employees should be engaged in the decision-making process. In order to classify as a class A enterprise more than 50 percent of the positive accounting financial result of the enterprise after taxation for the last reporting period should be spent for carrying out a social activity or such purpose. Not less than 30 percent and not less than three persons employed by the enterprise at the date of the employment should be part of one the following groups:

- people with permanent disabilities;
- long-term unemployed persons who are entitled to monthly social assistance under the Social Assistance Act;
- persons up to the age of 29 who have no previous professional experience;



- persons placed outside the family under the Child Protection Act, including after termination of their placement;
- unemployed persons over 55 who are registered with the Labor Office Directorate; persons who raise children with permanent disabilities;
- persons who have been imprisoned (for a term not less than 5 years) if the sentence has expired within the last three years of employment;
- persons with addiction to alcohol or narcotic substances who have successfully undergone a medical or psychosocial rehabilitation program in the last two years prior to the employment; homeless persons;
- foreigners who have received asylum in the Republic of Bulgaria in accordance with the Law on Asylum and Refugees during the last three years after their employment;
- persons who have been granted special protection status under the Anti-Trafficking Act;
- persons affected by domestic violence within the meaning of the Domestic Violence Protection Act.

All these should be fulfilled and the additional requirements that need to be met in order to classify as class A+ are either the social added value that the enterprise is carrying out should be entirely within the administrative boundaries of municipalities which, for the previous year, have an unemployment rate equal to or higher than the national average; or to invest more than 50 percent and not less than 75,000 BGN of the positive accounting financial result of the enterprise after taxation is social activity; or at least 30 of the employees are persons from minorities (mentioned beforehand) have worked continuously in the enterprise for the last 6 months.

The Ministry of Labour and Social Policy is managing a register with social enterprises²³. All of them have the possibility entered after submitting a form with all relevant documents, which certify that they comply with the requirements mentioned. If they are compliant, the Minister of Labor and Social Policy shall issue a certificate to the enterprise for entry in the register of

²³ <http://seconomy.mlsp.government.bg/db/bg>



social enterprises within 14 days of filing the application for registration. Once they are part of the register of social enterprises, they have the right to add to their name and legal form the words "social enterprise" and to designate the goods or services they provide with the words "product of social enterprise".

In case of inconsistencies and/or incompleteness of the application, the applicant is notified and has 14 days term to provide all the additional documents, so the application can be reevaluated.

A Class A social enterprise entered in the register of social enterprises must submit to the Minister of Labor and Social Policy the documents proving that the enterprise continues to be eligible for registration every third year from the date of its registration. A class A + social enterprise entered in the register must provide proof every second year. If the submitted documents show that a class A + social enterprise no longer fulfills the conditions for a social enterprise of this class but continues to satisfy those of a class A, the Minister of Labor and Social Policy can issue an order, with which re-registers it as a Class A social enterprise in the Register of Social Enterprises.

The Minister of Labor and Social Policy encourages and supports the subjects of the social and solidarity economy by facilitating dialogue with each other and with public authorities, including facilitating joint initiatives in the field of social and solidarity economies with different public bodies and supporting the involvement of citizens in the activities of social and solidarity economy entities and in pursuit of their social goals by creating an electronic platform through which they are able to present their activities to stakeholders for the purpose of future partnerships and collaborations.

Furthermore, The Ministry provides methodological assistance in seeking specialised financing for the activity of the social enterprises, conducts national training programs for the development of their management capacity, creates, registers and maintains a distinctive certification mark for social enterprises and their goods or services, making them available for use by social enterprises entered in the register of social enterprises and proposes the establishment of objective indicators for the statistical reporting of the social and solidarity



economy with the National Statistical Institute, analyzes and proposes changes or new measures for promotion.

Local self-government bodies can assist the social and solidarity economy entities in their activities by encouraging people to participate in courses provided by the governmental body on topics in the field of social entrepreneurship and participate in the activities of the social and solidarity economy through various forms of cooperation.

The 2020-2021 plan for development of the social entrepreneurship in Bulgaria contains the following aims:

- Raising stakeholder awareness of legal, financial, information and other aspects related to the functioning of the social and solidarity economy and social entrepreneurship through: conducting information campaigns, as well as organizing conference '10 years Social and Solidarity Economy in Bulgaria' and European seminar under the name 'Cooperatives - a key partner in the European social and solidarity economy'.
- Building partnerships and disseminate good practices in the social and solidarity economy by organizing of yearly forum for social enterprises, international seminars and conferences in the field.
- Providing institutional support for the social economy by organizing information meetings with participants from different sectors, to present funding opportunities and micro-credit instruments to social enterprises. In addition, the web platform development for database of social enterprises. The plan foresees establishment of a network of resource centers/incubators at local and regional level to support the social economy, including providing targeted institutional support through initial and continuing training programs.
- Maintaining an information environment for the development of the social economy through web pages, implementation of a structured information and training program for the implementation of the Law on Enterprises of Social and Solidarity Economy.



- Development and implementation of educational and training programs in the field of social and solidarity economy, based on assessed economic and social impact of social and solidarity actors on employment, social inclusion and the achievement of social and territorial cohesion.
- Optimising the national regulatory and strategic framework for the development of the social and solidarity economy.

Training in social entrepreneurship

In the last years there have been various organisations that have started promoting and offering courses on social entrepreneurship such as universities, non-governmental organisations and training centers. Some of them are free or they are part of a university degree, so they are paid or accessible online. One example for such a training is an elective course in the Faculty of Economics, Sofia University 'St. Kliment Ohridski' for bachelors and masters and is open to all associates who are interested in social entrepreneurship. The course aims to prepare students for the real world of business by building on examples of successful social enterprises in Bulgaria, Kenya, South Africa and the USA. The organisers are United ideas for Bulgaria²⁴. Students can acquire practical knowledge and skills related to building, financing and managing a social enterprise. By discussing case studies from Bulgaria and the world, they can learn the main steps, challenges, and goals in the design, launch and scaling of successful entrepreneurial initiatives with a social element.

The course content includes analyses of various business structures, resource management methods, team structuring and good practices for achieving enterprise sustainability. They explore strategies, risks, and challenges in starting and managing a social enterprise. The practical orientation of the course, and the limited theoretical formulation, are major advantages of the subject. The course includes case discussions, to explore areas as sustainability (social enterprise revenue channels, methods to ensure a long-term vision for development), impact and measurement of success – (effect of social enterprise, social effect,

²⁴ <https://oib.bg/>



influence on target groups), methodology for measuring the impact of social enterprise and its effectiveness and innovation (types of social innovation, process of creation and growth).

Another platform to learn more about SE is created under project Open Mind²⁵, a cooperation between 8 partners which is provided online and for free. It has a duration of 75 hrs., and 8 topics that are covered:

- Basic Social Economy and Entrepreneurship
- Business management
- Legislative framework
- Business models
- Social Enterprise Marketing Financing
- Writing a business plan
- Social projects and social impact

The course is created in a special gaming platform and uses one of the latest trends in e-learning - gaming. It features game design elements, such as goals, levels, rules, collaboration, competitiveness, sharing, feedback, rewards, fun, and more. They create an engaging and motivating learning environment that will help you acquire the knowledge, skills and competencies needed in social entrepreneurship

Yet another platform that was developed under as a collaboration between different countries is the SUYSE: Starting Up Young Social Entrepreneurs²⁶. The objectives of the project are to strengthen the entrepreneurial spirit; to offer training and guidance to provide the participants with an introduction on how to start up socially as well as to increase the sense of initiative and entrepreneurship; with the aim to lower the unemployment rate among young people, and therefore, contribute to their labor and social inclusion. The online course prepared by them has 5 modules:

²⁵ <http://platform.open-mind-project.eu/>

²⁶ <http://www.suyse.eu/>



- Introduction to SE
- Your idea
- Product development and project planning
- Starting up and leadership/marketing
- Extralife: Business plan development, Business Model Canvas, Strategic forms

Along with the online tools there are also programs that are taking place after working hours and during the weekends. The course that the Academy for Social Entrepreneurs²⁷ is organising is a 9-day training course, containing 3 main modules: Social change, Sustainable business model and attracting support. It has a lot of practical examples and workshops for the participants, so they are able to engage and learn from real life situations. The process of selection is with an application form and then an interview. There are scholarships for the 30 best applicants, and they receive 50% off the tuition fee. The fee for the full course is 480 BGN (240 EUR).

Methodologies in social entrepreneurship training

Online trainings

These trainings take place on different platforms and the methodology used in them is allowing anyone interested to learn more on the topic of social entrepreneurship to enroll in the course. The courses are prepared by professionals in the sphere and are normally divided in 5 to 8 categories. The main two topics that are discussed are information on SE and how to develop your own social enterprise.

The courses contain a module for introduction to SE, presenting the basic aim and idea behind the name social economy and entrepreneurship. Then, they continue with part dedicated to

²⁷ <https://www.se-academy.bg/>



the legislative framework used in the country and afterwards business models and business management, dedicated to providing guidance on how the business should be structured and gave the chance to acquire knowledge about different business models that can be used.

Once the basics have been reviewed thoroughly, they develop the participant's own idea. This part of the training contains modules about product or service development and project planning. Another main topic is writing a business plan, creating marketing strategy and finding funding for the newly started social enterprise.

This type of trainings tries to attract people with new and user-friendly platforms, which give them a chance to interact with other participants through feedback, reviews, sharing ideas etc. Most of the platforms are free to register and use, which is giving them advantage compared to the life trainings. Another advantage is the possibility to watch or read the materials online anything from everywhere.

Live trainings

This type of trainings take place in a specific city and are limited to number of people who can participate. Prior to join such training the applicant should fill in a form, very often there is also a motivational letter required or other documents showing a real interest in the program. A limited number of participants are selected to participate in the training and this life interaction during the course is giving chance for networking and interacting with people right on the spot, thus creating closer connections and possibility for future projects.

The trainings vary in the duration, from 3-4 days to 2-3 months depending on the intensity of the course. The main topics discussed do not differ much from the topics covered in the online training. There is introduction part for the social enterprises and how a business model is structured. Most of the trainings analyse practical examples working examples, which gives them a better in situ insight, being able to learn about the difficulties that they might encounter. The second part of the training is the development of the participants own idea or business plan. They might work in teams to create a strategy plan for the development of a social enterprise, its products, or services. Depending on the course, there might be mentors



for every enterprise, that could help with guidance and advise. Important topics which are discussed are the social enterprise marketing and finances, as they are crucial for the success of the newly founded enterprise. Once the course is over, the mentors continue to work with the participants in order to provide support for the first six months of the life cycle of the newly founded social enterprise.

Good practices in social entrepreneurship

Bulgarian Center for Not-for-Profit Law – BCNL²⁸

Entrepreneurship for non-profit organisations is a program devoted to help organisations create their social enterprises. The course is provided by the Bulgarian Center for Not-for-Profit Law. BCNL is part of the network of the International Center for Not-for-Profit Law (ICNL) and of the European Center for Not-for-Profit Law (ECNL) which operate in over 100 countries worldwide with the aim to protect the right to association and develop the legal framework for civil organisations.

Their mission is to provide support for the drafting and implementation of legislation and policies with the aim to advance the civil society, civil participation and good governance in Bulgaria. They pursue it with the strong belief that the improvement of the NGO legal framework is instrumental for the creation of an independent and prosperous civil society.

The program is suitable for all non-governmental organisations developing or intending to pursue business in support of their mission and goals. The requirements are to be a non-governmental organisation (association, foundation or community center) that has at least two successfully implemented projects / initiatives alone or in partnership (projects can be both non-profit and economic) and has annual revenues over BGN 5,000 (2,500 EUR) for the last two years (the requirement is for both non-profit and business income).

²⁸ <http://bcnl.org/>



There is an application process in place, to participate in the course and only a limited amount of people is selected. The tuition fee is of 180 BGN (90 EUR), which partially covers the cost of accommodation, food and coffee breaks at the training sessions of the program and the application at the NGO Best Business Plan Contest. The participants take part in two training meetings (two or three days) and individual consultations are planned according to the needs of each participant. Through these, the participants in the first phase of the program, will improve their organisation's business plan and presentation skills.

Each participant will be able to submit their organisation's final business plan for inclusion in the second phase of the program - NGO Best Business Plan Contest. The business plans will be reviewed and evaluated by a jury composed of representatives of the program's partners.

The winners of the NGO Best Business Plan Contest after the second phase will be announced at an official ceremony, among which the prizes will be distributed. Traditionally, the Ceremony is accompanied by the Bazaar of Social Enterprises "Little is Much". Those awarded in the Contest will receive additional training and mentoring from business experts in the next six months.

This is the third stage in the Program - «Lab4e - mentoring program for a successful start».

Currently till 2020 based on the program there are over 170 organisations which are developing their business plans with their help. Over 195,000.00 BGN (97,500 EUR) were invested in the best ideas.

Social Enterprise School²⁹

For the past 7 years the team of the Bread Houses Network, have been developing various innovative services, products, and programs, which solve different social problems by using social entrepreneurial approaches. The Social Enterprise School offers Bulgarian and international trainings on social entrepreneurship and their mission is to offer training and

²⁹ <http://en.socialenterpriseschool.eu/>



equip the participants with specific, practical skills on how to create and develop step by step a sustainable social business model. They have previous experience in the creation of:

- the first “social franchise” model in Bulgaria, which consists of social enterprises – bakeries for sour-dough bread and employs people from vulnerable groups.
- social and cultural community centers, which offer free Bread therapy for people with disabilities, traumas, and other special needs.

The bread houses are the first Bulgarian social innovation that has become popular worldwide and has already spread to more than 18 countries in the 5 continents.

They have founded Sofia Bread House – Nadezhko Social Bakery (www.nadezhko.com) – an innovative model of social enterprise-bakeries for authentic sourdough bread, which trains and employs people from different vulnerable groups (at-risk youth, people with disabilities and chronic diseases, long-term unemployed mothers). At the same time, it offers regular free sessions of the unique Bread Therapy for people with disabilities and other special needs. The positive effect of the Bread Therapy has been confirmed by many psychologists. The mission of the bakery is to serve its neighbourhood and city as a social and cultural community center organising supportive community bread making events for mixed groups of different age and background every week. Their motto is “We are all from the same dough”.

In trainings they apply approaches and concepts from the fields of social entrepreneurship and social change. The great added value is the practical experience in starting and managing social enterprises as well as foreign good practices they have acquired through international work.

The training they perform is divided in three modules:

- Training in the field of social entrepreneurship which consists of definitions and best practices, business plan development, challenges, and social impact assessment
- Social Entrepreneurship & BHN: case study module in which the history and development of the social enterprise model is being reviewed. These sessions



include hands-on training and learning the methods for teambuilding and art therapy used.

- Development of own business model – developing the idea, fundraising strategy and development of plan for finding customers, marketing products and services.

The tuition fee is 700 EUR, but it can be lowered depending on the group size.

2.4. Social entrepreneurship in Croatia

Juridical situation and framework for social entrepreneurship

The National Strategy for the Development of Social Entrepreneurship defines the basic goals and activities for the period 2015-2020 in order to create a legal, financial and institutional framework for the development of social entrepreneurship in the Republic of Croatia, as well as systems of measures and activities for the development of social entrepreneurs.

The aim of the National Strategy for the Development of Social Entrepreneurship is to create a stimulating environment for the development of social entrepreneurship in the Republic of Croatia, legislative and fiscal frameworks, financial and technical support to social entrepreneurs, defining criteria and instruments for identifying, monitoring and developing social entrepreneurs. recognising the importance of social entrepreneurship as an essential component of economic development.

The Strategy for the Development of Social Entrepreneurship in the Republic of Croatia provides basic information and guidelines for the future of social entrepreneurship. The first two chapters provide an overview of the history and experience of social entrepreneurship in Europe and the Republic of Croatia, with special reference to the methodology of drafting the Strategy. The third chapter presents the basic and specific objectives of the Strategy. The SWOT analysis indicates the basic strengths and weaknesses in the implementation of the

Strategy. The most important part consists of measures and planned activities with defined stakeholders, deadlines, funds and indicators needed to monitor the development of the Strategy. At the end of the document, the financial table of planned funds for the development of social entrepreneurship in the Republic of Croatia in the period from 2015 to 2020 is presented.

On 1 July 2013, the Republic of Croatia became a member state of the European Union, thus undertaking the obligation to implement the Europe 2020 Strategy. Strategic priorities complement each other and form the basis of a development model aimed at improving the socio-economic picture of the European Union in the period from 2014 to 2020 and further on.

In general, Croatian legislation does not recognise social entrepreneurship as a specific term. However, the legal framework does not prevent the development and operation of a social entrepreneur. The acts that are important for the sector are the *Law on Cooperatives* (OG 34/11, 125/13, 76/14), *Law on Associations* (OG 74/14), *Law on Foundations* (OG 36/95, 64/01), *The Institutions Act* (OG 76/93, 29/97, 47/99, 35/08), the *Companies Act* (OG 152/11, 111/12), the *Act on Vocational Rehabilitation and Employment of Persons with Disabilities* (OG 143/02, 33/05, 157/13), *Public Procurement Act* (OG 90/11, 83/13, 143/13), *Act on Encouraging the Development of Small Business* (OG 29/02, 63/07, 53 / 12, 56/13) and the *Act on the Rights of Croatian Homeland War Veterans and Members of Their Families* (OG 174/04, 92/05, 2/07, 107/07, 65/09, 137/09, 146/10, 55 / 11, 140/12, 33/13, 148/13, 92/14).

A part of social-entrepreneurial ventures in Croatia was started through associations, which according to the *Law on Associations* are defined as any form of free and voluntary association of several natural or legal persons who, in order to protect their benefits or advocate for human rights and freedoms, environment and nature and sustainable development, and for humanitarian, social, cultural, educational, scientific, sports, health, technical, informational, professional or other beliefs and goals that are not in conflict with the Constitution and the law, without the intention of gaining profit or other economically assessable benefits, are subject to the rules governing the structure and operation of that form of association. The *Act on Associations* is in certain parts in line with the basic principles



of social entrepreneurship. According to Article 31, an association may perform economic activities if it is prescribed by the statute and in accordance with special regulations governing the conditions for performing that type of activity. The association may perform economic activities in addition to the activities that achieve its goals set by the statute, but due to its non-profit nature it may not perform the activities with the aim of gaining profit for its members or third parties and, if the association generates excess income over expenses it has to be used exclusively to achieve the goals set by the statute. Also, according to Article 8 of the Act on Associations, the activities of the association are based on the principle of democratic organisation, i.e. the association is governed by members in such a way that the internal structure of the association must be based on the principles of democratic representation and democratic expression of the members' will, which is in accordance with the principle of democratic management emphasised in the criteria for the recognition of social entrepreneurs. The number of associations in the Republic of Croatia is constantly growing. In February 2015, over 52,000 associations were registered in the Register of Associations. Numerous associations are also engaged in economic activities, which account for about 20% of their total income.

Cooperatives have a strong potential as one of the instruments of economic and local development, as through association they encourage competitiveness and strengthen the ability to enter the market of smaller economic entities. The *Law on Cooperatives* defines a cooperative as a voluntary, open, independent and autonomous society managed by its members, and through its work and other activities or use of its services, based on partnership and mutual assistance, achieve, promote and protect their individual and joint economic, social, educational, cultural and other needs and interests and achieve the goals for which the cooperative was founded. The *Law on Cooperatives* also states in Article 2 the cooperative principles which the cooperative is obliged to adhere to in its operations, and which include the following:

- voluntary and open membership;
- supervision of operations by members;
- economic participation of members in the work of the cooperative and distribution;
- autonomy and independence;



- education, professional training and informing the members of the cooperative;
- cooperation between cooperatives;
- care for the community.

These principles are in line with the basic principles of social entrepreneurship and the criteria for identifying social entrepreneurs set out in this Strategy. In addition, in the part listing the types of cooperatives, the Act specifically defines social cooperatives (Article 66) that are established to perform activities that provide assistance in meeting the basic living needs of socially disadvantaged, infirm and other persons in difficult life situations. The second activity mentioned in the article refers to the inclusion of persons with reduced working capacity and other natural persons who do not have sufficient funds to meet basic living needs, and are not able to achieve them through their work or income from property or other sources in their work and economic processes. Apart from social cooperatives, all other types of cooperatives (e.g. consumer cooperatives) can operate according to the principles of social entrepreneurship. The principles of social entrepreneurship are to some extent embedded in cooperative principles and cooperatives as a model. A special model of cooperatives is a veterans' social-work cooperative, which is established to achieve psychosocial empowerment and health rehabilitation, i.e. easier and faster reintegration of its members into society, and inclusion in the work and economic processes of members with disabilities and unemployed persons.

According to the new provisions, the cooperative must have a minimum of 7 members and a minimum membership fee of HRK 1,000 per member. On 31 December 2014, the cooperative system consisted of 1,247 cooperatives with 20,192 members and 2,716 employees. After the entry into force of the new act, on 31 December 2012, the cooperative system consisted of 1,033 cooperatives with 17,504 members and 2,606 employees. The analysis of the Croatian Center for Cooperative Entrepreneurship shows that the realized income of cooperatives in the mentioned period did not decrease significantly due to the change in the *Law on Cooperatives* and the consequent reduction in the number of cooperatives.



The aim of the Act on Professional Rehabilitation and Employment of Persons with Disabilities is to protect persons with disabilities and to regulate the process of their employment on the open labour market. According to Article 18 of the said Act, institutions or companies established for the purpose of employing persons with disabilities and employing at least 40% of persons with disabilities in relation to the total number of employees, receive the status of an integrative workshop. Institutions or companies that employ a minimum of 51% of persons with disabilities in relation to the total number of employees exclusively in protective workplaces receive the status of a protective workshop (Article 20). The Act also regulates the area of self-employment of persons with disabilities. In addition, Article 29 emphasizes that an employer who employs a person with a disability, i.e. a person with a disability who is self-employed, can exercise the right to tax relief and various financial incentives. Also, according to the Public Procurement Act (OG 90/11, 83/13, 143/13) “contracting authorities may reserve the right to participate in public procurement procedures to protective workshops or allow contracts to be performed in the context of protected employment programs if the majority of employees are in a relation to the total number of employed persons with disabilities who, due to the nature of the severity of their disability, cannot perform occupations in regular conditions”(Article 15).

The general objective of the Strategy for the Development of Social Entrepreneurship in the Republic of Croatia in the period from 2015 to 2020 is to establish a supportive environment for the promotion and development of social entrepreneurship in the Republic of Croatia in order to reduce regional disparities and ensure increased employment.

Specific objectives:

1. Establishment and improvement of the legislative and institutional framework for the development of social entrepreneurship.
2. Establishment of a financial framework for the efficient operation of social entrepreneurs.
3. Promoting the importance and role of social entrepreneurship through all forms of education.
4. Ensuring the visibility of the role and opportunities of social entrepreneurship in the



Republic of Croatia and informing the general public on topics related to social entrepreneurship.

In addition to the stated objectives, the Strategy also lists the Measures and activities that will be implemented, among which the Measure 1 is the Establishment and improvement of the legislative and institutional framework for the development of social entrepreneurship, which includes the establishment of an institutional unit and partnerships with other institutions with the aim of effective preparation and implementation of public policies intended for the development and monitoring of social entrepreneurship,

- in-depth analysis of the needs of existing social entrepreneurs
- in-depth analysis of the existing legislative framework as a basis for initiating harmonized legislative changes with the aim of creating a stimulating environment for the development of social entrepreneurship
- development of a system of incentives and benefits for social entrepreneurs based on the recommendations arising from the analysis of the legislative framework and needs analysis
- ensuring favourable conditions for the use of unused public spatial resources (business, construction, agricultural) throughout the Republic of Croatia and through the provision of appropriate sources of funding for the purposes of adaptation and equipping of infrastructure for social and entrepreneurial activities
- development and systematic support to the operation of national support mechanisms for the development of social entrepreneurship
- grants for quantitative and qualitative scientific and professional research on social entrepreneurship
- development and application of a methodology for monitoring and evaluating the social, economic and environmental impact of social entrepreneurship.³⁰

³⁰ Strategy for the Development of Social Entrepreneurship in the Republic of Croatia for the period 2015 - 2020, <http://www.esf.hr/wordpress/wp-content/uploads/2015/02/Strategija-razvoja-dru%C5%A1tvenog-poduzetni%C5%A1tva-u-RH-za-razdoblje-2015-2020.pdf>.



Training in social entrepreneurship education

The Strategy for the Development of Social Entrepreneurship in the Republic of Croatia for the period from 2015 to 2020 points out that, taking into account the insufficient level of knowledge and skills in the field of management, financing and promotion of social entrepreneurial activities, entrepreneurial support institutions (development agencies, entrepreneurial centres and CEDRA HR) have a significant role in the development of the social entrepreneurship sector in the Republic of Croatia. The work of regional development support institutions such as development agencies and regional support centers and related partner organizations in counties involved in the Regional Civil Society and Local Community Development Program supported by the National Foundation for Civil Society Development needs to be further supported.³¹ In the last few years, the academic community in the Republic of Croatia has recognised social entrepreneurship as part of overall economic and social activities and included it in its curricula:

Faculty of Economics in Zagreb and Osijek, Zagreb School of Economics and Management, VERN, Faculty of Law in Zagreb, Faculty of Agriculture in Zagreb, Teachers' Academy in Zagreb. Ina Vojvodić and Ružica Šimić Banović in their paper, Analysis of Social Entrepreneurship in Croatia with a Comparative View of the Regulatory Framework, point out that although it is often stated that in Croatia, education and higher education programs still do not significantly recognize the topic of social entrepreneurship, it is necessary to emphasize some examples of good practice. VERN Polytechnic has been conducting the elective course of Social Entrepreneurship and Social Innovations for many years. The Faculty of Economics of the University of Zagreb and the Faculty of Economics of the University of Osijek, apart from the course of Entrepreneurship, contribute to practical activities through the Economic Clinic. The Juraj Dobrila Polytechnic in Pula deals with topics on solidarity

³¹ Strategy for the Development of Social Entrepreneurship in the Republic of Croatia for the period from 2015 to 2020, <http://www.esf.hr/wordpress/wp-content/uploads/2015/02/Strategija-razvoja-dru%C5%A1tvenog-poduzetni%C5%A1tva-u-RH-za-razdoblje-2015-2020.pdf>).



economy through relevant scientific papers. Furthermore, the Faculty of Law of the University of Zagreb introduced the course Social Economy and Social Entrepreneurship into the Study of Social Work. In October 2018, ACT grupa launched the Academy of Business Skills for the leading staff of civil society organizations and social enterprises, to which key knowledge and skills are passed on by experts from the corporate sector through innovative cooperation. The growing need of the market for more concrete educational measures was very clearly elaborated by Ćorić by considering the key educational measures that the Croatian education system should encourage in order for the social entrepreneurship sector to continue to develop:

- to introduce the course of Social Entrepreneurship into entrepreneurship studies and continue to familiarize students with the topic within the relevant courses
- to develop stronger cooperation with civil society organizations that promote and / or implement social entrepreneurship
- to enable students to perform student internships, volunteer, and / or socially useful learning in these organizations
- to invite social entrepreneurs as guests at lectures on entrepreneurship or business ethics with the possibility of assigning practical tasks or involving students in specific projects with social entrepreneurs.³²

PAR University College is another higher education institution that intends to implement a verified training program for social enterprise management. The goals of the programme are, in addition to training, to increase employability and greater social inclusion, especially in the category of discriminated groups of citizens. After the training, the leaders of social enterprises could find employment in associations and cooperatives operating in the field of social entrepreneurship, but they could also become the founders of such associations and cooperatives. The professional training program for the management of a social enterprise can be enrolled by a person with a university degree

³² (Vojvodić, I. and Šimić Banović, R., Analysis of Social Entrepreneurship in Croatia with a Comparative View of the Regulatory Framework), <https://hrcak.srce.hr/223934>.



Training in the field of social entrepreneurship in the Republic of Croatia is also organised by many associations. For example, the Miva Art Cooperative, as part of the Miva Art 2 project, funded by the European Union from the European Social Fund, conducts education for social entrepreneurs on business and management skills which is intended for social entrepreneurs and young unemployed.³³

ZEF is also a non-profit organisation that brings together more than 1,200 natural and legal persons, who work together to develop a democratic, transparent, solidary and socially and environmentally responsible economy. By joining ZEF, members get access to business and financial consulting services, support in drafting project proposals related to EU funds but also the opportunity to obtain various benefits in the internal market. The membership fee is 2,500 kuna.³⁴

CEDRA, a cluster for eco-social innovation and development, provides information, education, counselling and networking services to people, organizations, institutions, and communities around the same or complementary goals, values and efforts. Services include development of investment studies, feasibility studies and cost-benefit studies, development of business plans, development and revision of strategies, development and operational plans, support to local action groups, local employment partnerships, but also start-up and project incubation support, including preparation and development of project proposals, marketing and branding services, market research, educational and consulting programs of personal, organizational and institutional development, social research, business connections and networking and the creation of new value chains, information, socially responsible investment, organisation of public events, campaigns, study travel and economic missions, and in particular solving complex social and business problems by facilitating innovation processes, building teams and capacity for social, organizational and institutional change. Also, CEDRA HR through its support

³³ (Udruga zveno, <https://www.udrugazvono.hr/odrzana-edukacija-za-drustvene-poduzetnike/>).

³⁴ (ZEF, <https://www.zef.hr/hr/o-nama/o-zef-u>).

centres offers space and infrastructure for work, socializing and exchange of information and knowledge.³⁵

In addition to higher education institutions, associations and non-profit organisations, educational activities in the field of social entrepreneurship are also carried out by counties. For example, the Zagreb County joined the project "How to become a social entrepreneur" implemented by the Faculty of Economics in Zagreb, which was funded by the European Social Fund. The training was intended for unemployed target social groups with permanent or temporary residence in the Zagreb County, primarily for young unemployed persons with at least completed high school, up to 25 years of age, then for the disabled, children of veterans and minorities, but also for candidates working in social associations.

As part of the training, participants attended the following courses: Fundamentals of Microeconomics, Fundamentals of Entrepreneurship, Entrepreneurial Strategies, Entrepreneurial Management, Social / Entrepreneurship, Financing of Project / Entrepreneurial Activities, Entrepreneurial Accounting, Local Economic Development, Virtual Economics, Business Project Marketing, Stakeholder Approach in Entrepreneurship and Business Planning - Analysis of Plans.³⁶

As another example, we can mention STEP RI, a science and technology park of the University of Rijeka that offers seminars in the field of socially responsible business where participants have the opportunity to learn the basics of social entrepreneurship and socially responsible business and go through the basic steps of starting a social enterprise and introducing the principles of socially responsible business in existing companies.³⁷

Based on all the above, we can conclude that in the Republic of Croatia there is currently no systematic education on social entrepreneurship that would be available to all citizens. At higher education institutions, social entrepreneurship programs are held within the regular study and are primarily intended for their students. On the other hand, associations and non-profit organisations implement such programs sporadically, but as a positive aspect, we can

³⁵ (CEDRA, <https://slap.hr/cedra-hr/>).

³⁶ (Totalinfo.hr, <https://totalinfo.hr/iz-zagrebacke-zupanije-besplatna-edukacija-kako-postati-drustveni-poduzetnik/>).

³⁷ (STEP RI, <https://www.step.uniri.hr/edukacija/drustveno-odgovorno-poslovanje/>).

say that many of these workshops and seminars are free and thus available to a wider audience.

Methodology in social entrepreneurship in Croatia

At polytechnics as well as at state universities, education in the field of social entrepreneurship is most often held as part of the regular student program as compulsory or elective courses intended for students.

At PAR University College, a 170-hour training program for social enterprise management is planned to be realized through regular or consultative-instructional classes. The theoretical part of the program lasts 66 hours and includes 104 hours of exercises performed in classrooms.

On the other hand, the ACT grupa within its Academy of Business Skills implements a modular program of training for managers of social enterprises and non-profit organizations conducted by experts from corporations. The beneficiaries of the program are social / impact companies and non-profit organizations that operate stably, and the method of work is education. As a result of the program, new acquired knowledge and skills on key business functions, new business ideas, new markets, new business partners, new business models are listed. These are one-day training events, 13 separate such events over the course of a year.³⁸

As for the Miva Art cooperative, the training for social entrepreneurs included several modules as fundamentals of Social Entrepreneurship, Social Entrepreneurship Marketing, Social Enterprise Strategy, Social Enterprise Management Skills, Financial Management and Teamwork.³⁹ In January 2019, the Social Entrepreneurship training was held at ZEF, which hosted social entrepreneurs who discussed their experiences, successes, challenges and similar topics⁴⁰. For example, through its Peer ACT - Inclusive Tourism project, CEDRA sought

³⁸ (ACT grupa, <https://act-grupa.hr/akademija-poslovnih-vjestina/>).

³⁹ (Udruga zvono, <https://www.udrugazvono.hr/odrzana-edukacija-za-drustvene-poduzetnike/>).

⁴⁰ (ZEF, <https://www.zef.hr/hr/edukacija/zef-edukacija-drustveno-poduzetnistvo>).



to encourage social inclusion, open education, and innovative practices in the digital age, especially for people with special needs. The main principle in the process of including people with special needs is their equal participation in all relevant topics, activities and processes of everyday life, as well as enabling them to become recognized experts in their field of interest and helping them to develop their abilities. Accordingly, the project had two main target groups: people with special needs who needed help on their way to become experts in their field of activity and counsellors and trainers to people with equal problems and difficulties and key decision-makers in both private and public organizations related to tourism to achieve the goal: inclusiveness in tourism and adaptability to people with disabilities. The main activities of the project were the development and application of an innovative methodology for training people with disabilities, training and coaching of people with disabilities to become experts in their field of interest and trainers to help people with similar problems, development and equipping of 5 regional Peer-Act training centers in the project partner countries, holding mentoring training, organizing e-learning courses, holding professional training related to the inclusion of persons with disabilities in tourism, promotion and visibility.⁴¹

The Zagreb County, in partnership with the Faculty of Economics in Zagreb, organised a free training "How to become a social entrepreneur". The training was held from February 9 to May 5, 2018, Fridays from 4:15 p.m. to 8:00 p.m. and Saturdays from 9:15 a.m. to 1:00 p.m. at the Faculty of Economics. Upon completion of the training, participants were awarded a certificate of completion of the FBA study "Entrepreneurship in the Knowledge Economy". As part of the training, participants attended the following courses: Fundamentals of Microeconomics, Fundamentals of Entrepreneurship, Entrepreneurial Strategies, Entrepreneurial Management, Social Entrepreneurship, Financing of Project / Entrepreneurial Activities, Entrepreneurial Accounting, Local Economic Development, Virtual Economics, Business Project Marketing, Stakeholder Approach in Entrepreneurship and Business planning - analysis of plans.⁴²

⁴¹ (CEDRA, <https://slap.hr/peer-act-u-provedbi/>).

⁴² (Totalinfo.hr <https://totalinfo.hr/iz-zagrebacke-zupanije-besplatna-edukacija-kako-postati-drustveni-poduzetnik/>).



Finally, STEP RI conducted a seminar on Corporate Social Responsibility - Choice or Obligation?

The seminar included the following units:

Understanding the basic concepts related to corporate social responsibility

- What is considered a socially responsible business?
- What is corporate social responsibility?
- CSR and competitive advantage
- Arguments for and against CSR.

The impact of responsible companies on society and the environment

- Attitude towards employees, customers and suppliers
- Attitude towards competition
- Attitude towards the environment
- Attitude towards the local community.

Social entrepreneurship and socially responsible business - similarities and differences

- What is social entrepreneurship and how is it related to CSR?
- Fundamental differences between the concepts of social entrepreneurship and socially responsible business

Application of socially responsible methods in business

- Corporate social responsibility standard
- Corporate Social Responsibility Index
- ISO 26000
- Examples of good practice in Croatia

Availability of EU grants

- Grants for socially responsible ideas
- Grants for social enterprises



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Response to local and global challenges

- CSR in the future - choice or obligation?
- CSR as a solution to social inequalities?
- Management of impacts on the environment and natural resources .



Good practices in social entrepreneurship

ACT grupa⁴³

It is an association of citizens from Čakovec which through information, counselling, training and other forms of support works to develop the social capital of the community and civil society with equal access to resources, knowledge and information where each individual is important and responsible and acts productively for society and nature. Other activities of the association are:

- Encouraging the development of philanthropy
- Creating an independent and free media space
- Development and provision of social services
- Promoting lifelong learning
- Encouraging social partnership
- Humanitarian action
- Developing socially responsible behavior and business

ACT is a non-profit organisation founded in January 2003. Its first entrepreneurial activities included the organisation of courses and workshops and cultural events, and later it founded several social enterprises.⁴⁴

In 2018, the ACT grupa developed and launched new services and support models: Social Impact Award Croatia (the project is designed as a series of events and workshops aimed at

⁴³ <https://act-grupa.hr/>

⁴⁴ (Stjepan Benotić, Prepoznatljivost koncepta socijalnog poduzetništva u Hrvatskoj, završni rad br./ Recognition of the concept of social entrepreneurship in Croatia, Final thesis no. 165/PMM/2019, Koprivnica, 2019).



raising awareness of social entrepreneurship, teaching skills necessary to implement ideas), Erasmus for young entrepreneurs is a cross-border exchange program that provides an opportunity for young and promising entrepreneurs to learn from experienced entrepreneurs who run smaller companies in other participating countries), the Academy of Business Skills (a one-year training program in specific areas for managers of civil society organizations and social enterprises), Co-Impact Foundation for Sustainable Investment and Entrepreneurship Development (Co-Impact Foundation's programs complete the circle of support and provide international collaboration opportunities to the key actors in the impact investment ecosystem) and Digital Innovation Hub (an operational group for precision agriculture).

Target groups:

Social / impact entrepreneurs (or those who want to become one), civil society organizations or socially responsible companies.

Results/outcomes described:

ACT is constantly working to advance existing and develop new projects. It currently employs 45 people and operates positively. ACT grupa emphasizes their efforts to give back to the community as much as possible. They put a great imperative on environmental protection. They are also the winners of the following awards: Croatian Green Award, A' Design Award, Metro-star of the community, Green Mark for the brand "Ekoteka" (Sočo, 2009.).

During 2018, 389 people participated in ACT grupa training events, of which 370 claimed that the activity significantly helped them in their work and development. The Impact conference co-organized by the ACT grupa in Zagreb was attended by 240 participants and 50 speakers.



HEDONA d.o.o. ⁴⁵

It is a social enterprise founded by the Association of the Disabled Križevci headed by Petar Gatarić in 2013 as part of the project “Chocolateria Cris” - Križevci Chocolate Factory. It is the first company in Croatia whose main motive is to enable the employment of people with disabilities. In the company, all profits are reinvested in employees, in the development of their competencies and satisfaction, and the addition of new activities. The company's mission is to employ all persons with disabilities in the Koprivnica-Križevci County and thus influence the improvement of the quality of their personal lives and the development of social sensitivity in the wider society and breaking down prejudices against those who are a minority. At Hedona, they point out that they operate under the same conditions as ordinary companies.

Although the employees are people with disabilities, the director points out that their productivity is at a high level, and the employees have not used a single day of sick leave since the beginning of work. The main activity of the company is the production of chocolate and chocolate pralines. The production manager is a food technology engineer, and production takes place according to HACCP food safety standards.

With the idea and the efforts of the Association of the Disabled Križevci and later the employees and director of this social enterprise, a positive story was created that helped people for whom it would otherwise be very difficult to find employment.

Target group:

People with disabilities

Results/outcomes described:

Hedona is a humane but also economically successful company. It was not easy to break into the chocolate and praline market. Hedona has succeeded in this because it produces extremely high-quality chocolates from top-quality raw materials and delicious pralines with

⁴⁵ <https://hedona.hr/>



a dozen of different fillings. At Hedona, they follow trends and new technological procedures, they adapt to them, professionally improve and maintain the top quality of their handmade desserts. They also specialise in making pralines on request, so they adapt flavours and packaging to customer requirements. In Hedona, they are especially proud of their cooperation with the legendary Hotel Esplanade in Zagreb, where guests regularly enjoy their sweets. But they also work with many other hotels and companies.

2.5. Social entrepreneurship in Greece

The legal framework in Greece consists of government policies and the existing legislative framework for the social economy. The main objectives are the integration of social groups that are discriminated in the employment sector, the enhancement of entrepreneurial spirit in social entrepreneurship issues, the continuous adaption of workers and enterprises to different challenges but also the avoidance of discrimination on the basis of gender in employment.

Until 2011, there was no recognition of the sector of social economy and social entrepreneurship in the national legal framework. The first step towards Social Economy in Greece was achieved by the Law 2716/1999 in which Social Cooperatives of Limited Responsibility (SCLR) have been defined, with a key role to integrate people with psychosocial problems into the labour market. However, SCLR can provide productive, consumer, commercial, credit, education and civil services. Legislation concerning Social Economy and Social Entrepreneurship updated with Law 4019/2011 which defined social economy and social cooperative enterprises in Greece for the first time. According to Law 4019/2011, Social Economy is: "all economic, business, productive and social activities which are undertaken by legal entities or associations, whose statutory purpose is the pursuit of collective benefit and to serve broader social interests". This law established the Social Cooperative Enterprise



(Koin.S.Ep.) as a new legal form in 2011, giving citizens of and residents in Greece the possibility to create cooperative enterprises with a social purpose.

In 2016 a subsequent law restructured the social enterprise sector with a series of key elements. The former law (4019/2011) emphasised ‘social economy’ and ‘social entrepreneurship’, whereas current Law 4430/2016 is built around the concept of ‘social and solidarity economy’.

Notably, Law 4430/2016 on Social and Solidarity Economy sets new ground for the development and broadening of Greek social enterprise fields of activity. First, the new law attempted to unify the Social and Solidarity Economy spectrum by allowing greater flexibility when choosing the most suitable legal form based on each social enterprise’s needs. Second,

it largely broadened the meaning of ‘social aim’ to include a series of activities for the general public as opposed to being exclusively focused on vulnerable and/or special social groups. Third, it introduced and operationalised terms such as ‘social innovation’ and ‘social impact’ for the first time in Greece.

1. Social cooperative enterprise (SCE)

Law 4430/2016 introduced the SCE legal form that fully complies with the EU operational definition. SCEs were also mentioned in the preceding law (4019/2011), albeit in a slightly different way. According to Law 4430/2016, SCEs (KoinSEp) are the “civic cooperatives of Law 1667/1986, which have as fundamental aim the collective and social benefit [...] and have ex lege entrepreneurial activity”. SCEs are divided into two categories, related to their special purpose:

- a. Integration SCEs (KoinSEp Entaxis)
- b. SCEs for collective and social benefit purposes (KoinSEp Syllogikis & Koinonikis Ofeleias)

Integration SCEs are then divided into two subcategories:

a.1. SCEs for the integration of ‘vulnerable’ groups in social and economic life that integrate social groups such as people with disabilities, drug addicts, rehabilitated drug addicts, released prisoners, juvenile offenders, etc. At least 30% of both members and employees should belong to such groups.

a.2. SCEs for the integration of ‘special’ groups in social and economic life. This refers to victims of domestic violence, victims of trafficking, the homeless, migrants, refugees and asylum seekers (for as long as their asylum application is pending), heads of single parent families, etc. At least 50% of both members and employees should belong to such groups.

SCEs for collective and social benefit purposes (KoinSEp Syllogikis & Koinonikis Ofeleias) are defined as entities that undertake ‘sustainable development’ activities or supply ‘services of general interest’ (i.e., serving local and collective interests and promoting employment, social cohesion and local or regional development). More specifically, this type of SCE involves activities such as: the protection and restoration of the natural environment and biodiversity; sustainable agriculture and farming; direct commercial relations between producers and consumers; fair and solidarity trade; production of energy from renewable sources; and reduction of waste and sustainable waste management.

2. Limited liability social cooperatives (KoiSPEs) KoiSPEs

They are explicitly acknowledged as SCEs and as a key component of the Greek SSE spectrum by Law 4430/2016. KoiSPEs were created under Law 2716/99 on the ‘Development and Modernisation of Mental Health Services’ of the Ministry of Health. At that time this was an innovative cooperative action to promote partnership and equal participation of individuals with psychosocial problems, employees in psychiatric units, and community institutions, people from marginalised groups, or with other disabilities, the unemployed, etc. KoiSPEs are at the same time productive/ commercial and mental health units, administered by the Mental Health Department of the Ministry of Health. Unlike other types of cooperatives where membership is usually composed of a single stakeholder type and other types are optional, KoiSPEs require wider stakeholder participation, consisting of three main categories:

mental patients (at least 35% of members); workers in mental health unit workers (up to 45% of members) and individuals, municipalities, communities and other public or private legal entities (up to 20% of members). Each member, irrespective of their categorisation, participates in the decision-making process with one vote.

There are three types of social cooperative enterprises prescribed by the law 4019/2011, depending on the pursued objective, the social cooperative enterprises for integration, the social services' social cooperative enterprises and the social cooperative enterprises with a collective and productive purpose whilst raising the profile of the SSE, this legislation did receive some criticism for its focus and scope, and for being excessively bureaucratic (see Section 1.5.4). An important aspect of L.4019/2011 was the creation and introduction of the MoL Registry for Social Cooperative Enterprises (Koin.S.Ep) and Social Cooperatives of Limited Liability (Koi.S.P.E) wherein all organisations were recorded.

3. Worker cooperatives

According to Law 4430/2016, the 'worker cooperative' (synaiterismos ergazomenon) is another Greek SSE legal form by default. These cooperatives consist of at least three individuals who cooperate in order to produce goods and services for third parties. Worker cooperatives do not have to pursue a social aim or deliver benefits to larger parts of society. They employ democratic decision-making and their profit distribution should not exceed 35% of total profit, as is the case for SCEs. However, worker cooperatives do not have an explicit social aim; therefore, they do not fulfil all of the EU operational definition for social enterprise criteria and are excluded from the present social enterprise spectrum. The example of Greek worker cooperatives reveals some of the fundamental divergences between the otherwise similar approaches between the Greek approach to the SSE and the EU framework on social enterprises. It could be argued that Integration SCEs and KoiSPEs have an exclusively social character; worker cooperatives have an exclusively economic and productive dimension with



an emphasis on self-organisation and SCEs for collective and social benefit purposes try to find a balance between the two.⁴⁶

Alongside the restructuring of previous Social and Solidarity Economy legal forms, Law 4430/2016 launched the Special Secretary of Social and Solidarity Economy, a distinct administrative body fostering the Social and Solidarity Economy sector. This new body belongs to the Ministry of Labour and its main tasks revolve around designing and implementing national Social and Solidarity Economy policies. With the enactment of the new legal framework (4430/2016), from 2017 onwards, the K.A.L.O. are registered in the General Register of Social and Solidarity Economy Bodies ("Register"). The "Register" is a database, which is kept by the Department of the General Register of Bodies K.A.L.O. of the Directorate of Social & Solidarity Economy of the Special Secretariat of Social & Solidarity Economy of the Ministry of Labour, Social Security and Social Solidarity.

Training in social entrepreneurship

Undoubtedly, Universities are the anchors, shapers and innovators of our communities and countries. They foster cultural, social and economic vitality. They have stepped into the field of Social Economy offering masters and undergraduate degrees as well as extra-curricular activities. Consequently, the institutions as well as the educational opportunities they provide are going to be analysed.

Athens University of Economics and Business

Founded in 1920, Athens University of Economics and Business (AUEB) is a public university located in Athens, Greece. It is the third oldest university in Greece and subject specialisms include Business Administration, Economics, Accounting & Finance, Marketing &

⁴⁶ European Commission (2019) Social enterprises and their ecosystems in Europe. Updated country report: Greece. Authors: Angelos Varvarousis and Georgios Tsitsirigkos. Luxembourg: Publications Office of the European Union. Available at <https://europa.eu/!Qg64ny>



Communication, Management Science & Technology, International and European Economic Studies, Statistics and Informatics. They have between 10,000 and 15,000 students currently enrolled.

AUEB's primary interest in social enterprise results from their commitment to sustainability, business ethics, social responsibility and the development of management capacity in the social economy sector. They work with social enterprises to develop research opportunities, because it helps them innovate, to address national needs, to improve their student experience, and to improve the reputation of the High Education Institutions.

Linked to the national priorities for social enterprise, AUEB are particularly supportive of students' social entrepreneurship initiatives concerned with integrating disadvantaged groups, providing social care and developing technological and web solutions for these groups of people. AUEB is particularly supportive of social enterprise activities that facilitate an increase in students' employability and enhances their entrepreneurial spirit. The Diploma in Social Entrepreneurship is an academic course that also functions as an incubator for social enterprises at AUEB. They accept young social entrepreneurs with specific social venture ideas that they wish to develop as social enterprises. They provide multiple individuals with support at any one time and students receive assistance in the development of sustainable business plans for their social projects.⁴⁷

Hellenic Open University

The Hellenic Open University was founded under the Act N.2552/97, as a self-administered State University with its premises located mainly in Patras Greece. The University accepted its first students in 1998. It has four Schools (Social Sciences, Applied Arts, Science and Technology and Humanities). Currently, over 30.000 undergraduate and postgraduate students are registered in. They are educated by an outward looking academic faculty of around 50 members, supported by 2000 adjunct lecturers, professors, post-doctoral researchers, laboratory support staff, instructors e.tc, as well as around 200 administrative

⁴⁷ Find more information at: <https://www.aueb.gr/en/content/kedivim-opa>

support staff. This university teaches a Master of Science, M.Sc. in the field of Social and Solidarity Economy and the duration of the study is two years. The courses of the programme are related to the theory of Social and Solidarity Economy, the legal framework of the field and the financial support of social enterprises.⁴⁸

National and Kapodistrian University of Athens

E-learning Program in Social Economy, Social Entrepreneurship and Microcredit

This program aims at a wide audience of professionals in the field of entrepreneurship, bank executives, social entrepreneurs and students in the social economy. The program can be very useful to those who will attend it in their professional and personal life. It deals with key theoretical issues and all the legal forms of social entrepreneurship in Greece, as well as ways and steps of creating viable social enterprises. At the same time, it affects issues of corporate social responsibility and female entrepreneurship.

It is based on the tutor lecture book, 100 video lectures and group discussion, daily electronic communication, assignments, and exercises. Its duration is 3 months (65 hours). The E-Learning of the University of Athens's Education and Lifelong Learning Center has implemented the European Credit Transfer and Training System (ECVET) since 2015. In all programs, ECVETs are awarded, while graduates receive both the certificate and the Europass Certificate Supplement.

University of Piraeus

E-learning Program in Social Innovation

The goal of this programme is to define new roles and strategies for ambitious entrepreneurs, public and private sector executives who want to support the creation of social business and

⁴⁸<https://www.eap.gr/el/programmata-spoudwn/444-%CE%BA%CE%BF%CE%B9%CE%BD%CF%89%CE%BD%CE%B9%CE%BA%CE%AE-%CE%BA%CE%B1%CE%B9-%CE%B1%CE%BB%CE%BB%CE%B7%CE%BB%CE%AD%CE%B3%CE%B3%CF%85%CE%B1-%CE%BF%CE%B9%CE%BA%CE%BF%CE%BD%CE%BF%CE%BC%CE%AF%CE%B1/5415-koinoniki-kai-allileggva-oikonomia-ka>



sustainable development. The successful completion of the online course means that the trainee will be able to understand the complex dynamics of social entrepreneurship as a global phenomenon. Moreover, learners will be able to recognise and critically evaluate alternative ways of developing business while creating social value. The acquirement of necessary skills, financing and sustainable development of the social enterprise is going to be thorough. The duration of the programme is of 3 months. At the end of the quarter, trainees should deliver a 5-10-page paper with a short business plan based on the mission-based business plan. Trainees should submit this plan for a social enterprise or an innovative social project. This plan involves a profit-making or non-profit organisation serving a community, the arts, the environment or some other social purpose. Trainees can optionally submit their work in video format. At the end of the program a Certificate of Attendance is provided.⁴⁹

Advocacy and networking- Available Finance support

In recent years, a considerable number of incubators have recently sprung up in Greece. Some of them are members of international networks, some belong to larger Greek organisations/foundations and some are independent entities.

- Athens Center for Entrepreneurship and Innovation (ACEin) provides support across a range of areas, including business development, designing new products and services, market analysis and marketing strategies, team management and motivation, financing and financial planning, and legal support.
- Impact Hub Greece designs and facilitates a series of acceleration services offering access to resources and knowledge to help entrepreneurs increase their positive impact and grow their business locally and internationally. Moreover, it raises awareness about social entrepreneurship.

⁴⁹ Sotiropoulos, K. (2018, May 23). Social innovation trainings in Greece. Retrieved from <http://www.socialinnovationacademy.eu/social-innovation-trainings-in-greece/>



- INNOVATHENS is an initiative that helps to mature innovative business ideas and turn them into start-up businesses. It supports the scaling-up of existing start-ups and provides advisory support.
- Centre ERGANI provides expert business counselling on topics of interest to potential entrepreneurs, including the formulation of business ideas. It also runs training programmes.

Additionally, several networking efforts have been made among Greek social enterprises. Most are involved in advocacy and knowledge sharing, whereas others also include actions such as work sharing etc. Some of the most important networks are worth mentioning are the following:

- The National Observatory of Civil Society Organisations is a SSE network that focuses on the horizontal networking of civil society actors, the empowerment of the commons, and relationships between SSE actors and local authorities, as well as informing the general public about social economy-related issues.
- The Social Solidarity and Regional Development Network (KAPA network) was established in 2008 and promotes Greek social enterprises. Its main activities include cooperative education, the promotion of cooperatives and the development of new legal frameworks.
- The Network of Cooperative Ventures of Athens (Kollektives.org), launched in 2012, is a politically orientated networking initiative. Its activities have a triple goal. First, to offer mutual support to ventures that participate in the network, including work sharing. Second, to promote cooperatives within society. Third, to connect with social movements in order to promote broader societal transformations.
- The Regional Mechanism of Social Cooperative Enterprises of Attica was founded in 2014 and brings together the skills, talents, and professional potential of the Social Cooperative Enterprises of Attica to promote Greek social economy development. It operates as a de facto, second-level trade union body that rehabilitates and reintegrates its members into the economy through social entrepreneurship.

- The Social Cooperative Enterprises Network of Western Macedonia provides a platform for meeting, discussing, informing, and sharing experiences, synthesising proposals and promoting common positions in relation to promoting the Social and Solidarity Economy and social cooperative enterprises in western Macedonia.

At this point it is crucial to make an extent reference in the financial support of Social and Solidarity Economy sector. As is common in most European countries, access to finance emerges as one of the key factors to an individual organisation's sustainability and growth in Greece.⁵⁰

Most of the Greek social enterprises are new entities that find themselves at an early developmental stage. As a result, their sources of income are usually still inadequate in relation to their demands. In the British Council Report 2017, a lack of access to appropriate finance was highlighted as one of the most important challenges that social enterprises face. A breakdown of Greek social enterprise income sources explains their financial demands.⁵¹

However, the resources available for the development of the Social and Solidarity Economy come mainly from the ESPA 2014-2020 but also from other sources such as the Technical Assistance managed directly by the European Commission through the SRSS. According to the distribution of resources that has been done so far in the ESPA, there is an initial allocation of resources for the Department of Social and Solidarity Economy.⁵²

The EU funds the vast majority of planned and implemented actions that promote and support Greek Social and Solidarity Economy organisations. More specifically, these actions are funded through the European Social Fund (ESF) and European Regional Development

⁵⁰British Council (2017) Social and Solidarity Economy Report: Greece. Authors: Angelos Varvarousis, Chrysostomos Galanos, George Tsitsirigos, Georgia Bekridaki
https://www.britishcouncil.org/sites/default/files/greece_social_and_solidarity_economy_report_english_british_council_0.pdf

⁵¹ European Commission (2019) Social enterprises and their ecosystems in Europe. Updated country report: Greece. Authors: Angelos Varvarousis and Georgios Tsitsirigkos. Luxembourg: Publications Office of the European Union. Available at <https://europa.eu/!Qq64ny>

⁵² Social Solidarity Economy in Greece I Progress so far. Retrieved from <https://www.greeknewsagenda.gr/index.php/topics/business-r-d/6577-social-solidarity-economy-in-greece-i-progress-so-far>

Fund (ERDF). Both existing and future support measures are presented in detail in the Annual Greek Social and Solidarity Economy Report of 2018. The total EU budget for Social and Solidarity Economy related actions for the period 2014-2020 is about 164.5 million EUR. These funds are managed by both the Ministry of Labour and Greek Regional Authorities, and support three types of actions: direct grants, supporting structures and financial instruments.⁵³

The cooperative Ecosystem of Karditsa in central Greece was developed over many years of strategic work, which started when the Development Agency of Karditsa (ANKA) was established in 1989. ANKA produced, supported and hosted important activities in its incubator. One of them was the credit cooperative of Karditsa, which was founded in 1994 and transformed into the Cooperative Bank of Karditsa four years later, an organisation that plays a key role in addressing crucial funding issues. The collaboration between various cooperative initiatives has created the space for a whole ecosystem to flourish. Today, the ecosystem consists of approximately 36 collective schemes, including agricultural, social and civic cooperatives, networks of small businesses and NGOs.

Methodologies in social entrepreneurship

Athena E-learning Platform

Athena is an e-Learning platform that aims to educate and certify, powered by Institute of Entrepreneurship Development (iED). The courses provided cover several areas such as Entrepreneurship, Technology, Training on soft skills and competences, Social Economy etc. The most relevant courses on the Social Entrepreneurship field on Athena platform are ‘Youth Entrepreneurial Skills’⁵⁴ and ‘Social Economy Consultant’⁵⁵.

⁵³ European Commission (2019) Social enterprises and their ecosystems in Europe. Updated country report: Greece. Authors: Angelos Varvarousis and Georgios Tsitsirigkos. Luxembourg: Publications Office of the European Union. Available at <https://europa.eu/!Qg64ny>

⁵⁴ Find more information here: <http://athena.entre.gr/en/courses/youth-entrepreneurial-skills>

⁵⁵ Find more information here: <http://athena.entre.gr/en/courses/social-economy-consultant>



'Youth Entrepreneurial Skills': The main objectives of this online course are to improve the trainee's entrepreneurial skills by learning the basic issues of entrepreneurship. After studying the training material, the trainee should be able to identify and develop a business idea, to assess and manage the business risks as well as evaluate the factors of the business environment. At the end of all courses and after the answer of the questions, the trainee will be able to have the certification of attendance. This certification is an additional qualification for the job market.

'Social Economy Consultant': The main objectives of this online course are the validation of informal learning acquired by executives at training and consulting centers in the field of social economy, so as the certification of knowledge and informal skills and competences of a Consultant or an Unemployed in the Social Economy sector. The course aims to achieve the establishment of European standards for certification in the field of Social Economy.

The E-learning platform of the Directorate of Social and Solidarity Economy (K.A.L.O.)

It is an ecosystem of mutual education and support of K.A.L.O. based on the values that govern it. The e-learning platform was developed in 2017 by the following K.A.L.O. bodies:

- The cooperative ecosystem of Karditsa
- DOCK: The social solidarity economy zone
- KOMVOS for social economy, empowerment and innovation
- Social Enterprise: "κοινS2επτ"
- Open Lab Athens NGO
- Self-Help Promotion Program of the Aristotle University of Thessaloniki
- Heinrich Böll Foundation Greece

The platform contains educational material for the Social Solidarity Economy in Greek with a simple and understandable style and in an open and accessible form to anyone interested.



Several Seminars

A popular method of extra accreditation in Greece is through seminars. They are mainly provided by universities and VET providers and are focused on many sectors. One of them is also the Social Economy and Entrepreneurship. There are several seminars that are organised based on this topic. The average duration of those seminars are 3 months and the beneficiary receive a certificate after its completion. The seminars can be both online and offline (physical presence).

An example of such seminar is the one provided by the National and Kapodistrian University of Athens. The seminar is on the topic of "Social Economy, Social Entrepreneurship and Microcredit" and is an attempt to approach the issues of Social and Solidarity Economy, Social Entrepreneurship, as they have been formed in Greece, Europe and the International Community to date. The program also addresses issues related to Women's Social Entrepreneurship, the Legislative Framework for Social Economy and Entrepreneurship in Greece (with all legal forms of Social Enterprises), issues of Solidarity Economy and Civil Society, and shows best practices of the sector. The program is implemented through video lectures and live streaming meeting and lasts 3 months (65 hours)

2.6. Social entrepreneurship in Italy

Legal framework and legislation

The legal landscape regarding the social entrepreneurship sector in Italy is made up of a series of legislative decrees which have governed the matter over the past 15 years. It is with



the Delegation Law n. 118/2005⁵⁶ that the Italian government has undertaken to reform the “third sector”. A year later the Italian Parliament approved the Legislative Decree n. 155/2006⁵⁷ that represents the first discipline of the social enterprise, in accordance with the Delegation Law.

Social enterprise reform will be achieved thanks to Legislative Decree n. 112/2017⁵⁸ (and subsequent amendments) which is actually the cornerstone of this panorama. The qualification of Social Enterprise can be acquired by private entities and companies that exercise "on a stable and main basis a business activity of general interest, for civic, solidarity and social utility purposes and no-profits". The law does not recognise a new legal entity, but introduces, on the basis of general defining elements, some characteristics applicable to any private legal business structure (not only of non-profit origin, but also of a commercial nature). These characteristics mainly concern:

- the aims of the enterprise: which the law describes as objectives of “general interest”;
- the sectors of intervention: meaning that a social enterprise is a business that produces goods of “social utility”, which in practice corresponds to a relatively wide range of sectors like culture, education, social tourism, etc., joining the list of classic social welfare and educational services and economic activities for the integration of disadvantaged people into employment;
- the human resources: very disadvantaged workers and disadvantaged or disabled people can be employed, as well as persons benefiting from international protection and homeless people.

⁵⁶ Delegation Law 13 June 2005, no. 118, published in the Official Journal n. 153 of 4th July 2005. For further information, it is possible to consult the full text of the Law at <http://www.parlamento.it/parlam/leggi/05118l.htm>

⁵⁷ Legislative Decree March 24, 2006, no. 155 “Discipline of the social enterprise” published in the Official Journal on April 27, 2006. For further information, it is possible to consult the full text of the Decree at <https://www.gazzettaufficiale.it/eli/id/2006/04/27/006G0176/sg>

⁵⁸ Legislative Decree July 3, 2017, no. 112, published in the Italian Official Journal of July 19, 2017, no. 167. For further information, it is possible to consult the full text of the Decree at <https://www.gazzettaufficiale.it/eli/id/2017/07/19/17G00124/sg>

- the governance system: which should provide for “forms of involvement” (formulated differently in the applicable decrees);
- the distribution of business profits: which is not allowed, including indirectly;
- accounting methods for the entrepreneurial activity: with the obligation to produce not only a financial report but also a social report.

With the Legislative Decree n. 95/2018 although there are no substantial amendments of the law, some innovations have been introduced as the extension of the categories of disadvantaged workers in accordance with the European legislation and the introduction of tax and financial benefits (revolving fund, crowdfunding, tax breaks for investors).

The quantification of social entrepreneurial activity in Italy by number of businesses, employees, turnover, beneficiaries of services and other similar parameters represents an important analytical step because it allows us to measure the phenomenon’s fundamental aspects and, at the same time, to understand the main trends that challenge interpretative models and regulatory frameworks. To carry out this type of analysis it is necessary to make a series of approximations and to consult various sources. Firstly, the data banks regarding social enterprises that have been formally constituted in accordance with the current legislation must be consulted. Secondly, it is also possible to focus on certain areas within social enterprises might already be active, even if they are not formally recognised, or where new expressions of this entrepreneurial model can develop. The central nucleus is made up of social enterprises that have conformed to the most recent regulations on the subject (Law 118/05 and subsequent decrees).

Social entrepreneurship was born to respond to those needs, especially new ones, that neither profit-making companies nor public social protection policies were able to satisfy adequately. The development of the non-profit sector in general in Italy was favored by the

deinstitutionalization and closure of large public or para-public structures, including those of segregation, integrated with disadvantaged people previously institutionalized. Since the 1990s, a series of regulatory rules have developed and recognised specific legal forms for



non-profit organisations, (distinguishing between associations, cooperatives, foundations) but it will only be from 2006 that in Italy the "Social Enterprise" will take on a specific legal form. In any case, it is worth clarifying that the social enterprise is not a completely new legal entity in Italy. The first regulation did not live up to expectations and statistics have shown that very few have used it to conduct their business⁵⁹. However the same sources represent a sharply increasing trend. In fact, the permanent census of non-profit institutions, managed by ISTAT (Italian National Institute of Statistics) in 2016 in order to integrate statistical registers and data of administrative source, although most of the legal form of social enterprise is chosen less than the other organizational forms, records an 86% update in the years 2011 to 2015. Given this scenario, the European Union strongly encouraged this recent change, singing the praises of social enterprise in official documents.

The communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee, and the Committee of the Regions "Social Business Initiative," adopted on October 25, 2011, reports that "The single market needs new, inclusive growth, focused on employment for all, underpinning the growing desire of Europeans for their work, consumption, savings and investments to be more closely attuned and aligned with 'ethical' and 'social' principles." In this respect, the European Commission pointed out that social enterprises (and the social economy in general) have shown a high capacity in providing "innovative responses to the current economic, social and, in some cases, environmental challenges by developing sustainable, largely non-exportable jobs, social inclusion, improvement of local social services, territorial cohesion, etc."⁶⁰

Thus, the time had come for social enterprises in Italy to play a role in driving a material change in the economic model that shapes the market.

⁵⁹ According to the report of the Italian National Institute of Statistics (ISTAT) concerning non-profit organizations in Italy dated December 20, 2017, until 2015 only few organizations chose the legal form of "social enterprise." The number of such organizations is so low that, in the above report, they are included in the item "other legal entities." Such items included social enterprises, ecclesiastical institutions, committees, and friendly societies. The overall percentage of all these different organizations is equal to 8%.

⁶⁰ See Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on "Social Business Initiative" – "Creating a favourable climate for social enterprises, key stakeholders in the social economy and innovation," adopted on October 25, 2011, COM (2011), 682.

Challenges in social entrepreneurship in Italy

It is an entity that brings together two items that are usually considered contradictory: commercial activity and social objectives. As far as Italy is concerned, this “contradiction” had been strongly stressed in the past, both by scholars and case law. Both argued that organisations that pursued social objectives were not allowed – at the same time – to carry out commercial activities, otherwise the Courts would have reclassified them as *de facto* commercial companies for the purpose of declaring bankruptcy, if they were unable to pay their debts. A few scholars, however, contested this view, arguing that “pure” commercial companies were (and are) fully allowed to distribute net profits. On the contrary, the organisations that pursue social objectives were (and are) characterized by the “non-distribution constraint” (i.e. they are not allowed – or allowed only in part – to distribute net profits). This argument made clear that the central point of social enterprises (and, generally, of third sector organisations) is the non-distribution constraint. The fact that these organisations are not allowed to distribute net profits is the key argument to overcome the contradiction that an organization may, at the same time, carry out commercial activity and pursue social objectives. Nowadays, this is a well-established principle in Italy. However, debate on this issue ended only in 2006, when the first regulation of social enterprise entered into force (though such regulation had a lot of drawbacks, it was helpful to establish the principle that commercial activity and social objectives may coexist within the same organization).

Focusing the attention on the new regulation of the social enterprise introduced in 2017, the definition of a “social enterprise” according to Article 1 of Legislative Decree July 3, 2017, no. 112, may be any organisation (regardless of the legal form – it can be an association or a foundation, a cooperative society, and even a commercial company) that carries out commercial activity in order to pursue, mainly and permanently, “civic, solidarity or social utility objectives.” Considering this definition, the profits that the organisation makes through commercial activity shall be mainly invested to pursue the social objectives listed in the by-laws. The experience of the previous regulation of 2006 showed that the main



drawbacks were a too strict non-distribution constraint (the distribution of net profits to the shareholders of the organization was not allowed at all), the absence of any tax benefits, and the difficulty in raising finances. In that scenario, why would an entrepreneur have invested in a social enterprise?

The entrepreneur, indeed, would not have been able to enjoy the profits of the organisation and the shareholders of an organization would have experienced difficulty in raising funds. And there were not even tax benefits to counterbalance these drawbacks. Many scholars maintained that the real advantage for the entrepreneur would have been the possibility to use the qualification of *impresa sociale* within the market. Such a “brand” would have increased the reputation of the organization in the eyes of third parties (clients, suppliers, other stakeholders, etc.). Experience, however, showed that this was not enough. Consequently, with the new regulation, the Italian government is aiming to address the above three issues.

The non-distribution constraint

When dealing with the social enterprise challenges, the cornerstone is the non-distribution constraint. It is worth noting that the non-distribution constraint is fully consistent with the philosophy underlying the social economy: it is supposed to foreground the quality of the goods produced by the enterprise, leaving behind the individual profit of the shareholders. In other words, while the ordinary entrepreneur focuses on gaining net profits (i.e. he or she will strive to produce the product at the very lowest cost and to sell it at the very highest price, in order to gain net profits), the social entrepreneur, instead, focuses more on improving the product (i.e. as the distribution of net profits is forbidden or strictly limited, they will be reinvested to have a product with higher quality).

Consequently, the strict non-distribution constraint provided for by the regulation of 2006 was not strange in the context of the social economy. However, tax benefits usually counterbalance the non-distribution constraint, which is something that was missing in the regulation of 2006. In this respect, it is important to note that some years earlier, in the United Kingdom, the legislature regulated organisations that were similar to the Italian social enterprise, called community interest companies, without granting any tax benefits. To

counterbalance the lack of tax benefits, the UK legislature provided for the possibility to distribute, though to a limited extent, the net profits to the shareholders.

No such possibility existed in Italy and, following an intense debate among scholars and other stakeholders, the Italian government realized that it was necessary to find a “fair” balance to avoid the strict non-distribution constraint. According to the new Legislative Decree July 3, 2017, no. 112, net profits and surpluses must be reinvested in the corporate business or in the net worth (as is common in the social economy). However, a certain amount of net profits and surpluses can now be allocated outside of the organization. This new scenario has thus allowed distribution to shareholders.

The social enterprise is allowed to allocate part of its net profits, in an amount less than 50% (and after deducting possible losses), to:

- Free capital increase (however, within the limit of the variation of the index that measures annually the prices for families of workers and employees as calculated by the Italian Statistic Agency); and/or
- Distribute net profits to the shareholders. These two options apply only to the social enterprises incorporated in the form of commercial companies; and/or
- Free contribution in favour of organisations of the third sector other than social enterprises. Such free contribution shall be aimed at pursuing specific projects with social utility. This option applies to all social enterprises, regardless of the legal form of the organisation (i.e. it applies to associations and foundations, to cooperative societies, and to commercial companies).

In addition, the social enterprise can contribute an amount not exceeding 3% of the yearly net profits to certain funds to be established according to Article 16 of Legislative Decree July 3, 2017, no. 112 (this article will deal with these funds later). Hence, this is the “fair” balance elaborated by the Italian government: on the one hand, the shareholders can now, in part, enjoy the net profits; on the other hand, the fact that the regulation still contains a constraint to the distribution of net profits makes it consistent with the philosophy



underlying the social economy, which, as already mentioned, does not look favourably on a completely free distribution of net profits.

The new tax regime

A clue to this philosophy also appears in the new tax regime applicable to the new social enterprise: only net profits that are reinvested in the corporate business or in the net worth of the social enterprise are excluded from the taxable income, while the net profits that are distributed to the shareholders do not benefit from this favourable treatment. The decree adopted on July 17, 2018 by the Italian Council of Ministers clarified, on this point, that allocations of net profits through free capital increase (within the limit of the variation of the index that measures annually the prices for families of workers and employees as calculated by the Italian Statistic Agency) are not excluded from the taxable income. As far as the tax regime is concerned, it is worth noting that specific measures have been adopted to attract investments in social enterprises in the “early stage.” Entrepreneurs that invest in social enterprises incorporated by no more than 36 months are eligible for a deduction in income tax in an amount equal to 30% of the investment in the corporate capital of social enterprises. However, this decree amended the above provision, by stating that the deduction only applies with respect to those investments made after the entry into force of legislative decree no. 112/2017 and provided that the financed entity has acquired the qualification as “social enterprise” by no more than five years (the latter provision is aimed at aligning the regulation of social enterprise with the regulation of cutting-edge start-ups). The maximum amount to which the deduction applies is equal to one million euros for each tax year, as far as private investors are concerned, while it is equal to 1.8 million euros for company investors. Such a deduction can be exercised within the third tax year after the tax year in which the investment was made. The investment, however, shall be kept at least for three years, otherwise the tax benefit will be lost. On this latter point, the decree adopted on July 17, 2018 stated that the investment shall be kept for at least five years (and not only three years).

Lastly, the decree pointed out that, in the case of a violation of the above tax regime, the social enterprise will lose the tax incentives and, eventually, the minister for labour may

revoke the directors and auditors of the social enterprise and replace them with a public commissioner.

New forms of financing

The possibility to enjoy part of the net profits and the fiscal benefits has surely increased the appeal of social enterprise in the eyes of investors and entrepreneurs. However, given that “social enterprise” is included in the definition of non-profit organisation, any social enterprise will also face the key issue for any non-profit organization: the difficulty of raising funds. The sources of financing for non-profits usually include self-financing, donations, and grants from public authorities. In the context of economic crisis, such as the one Italy is going through, the usual sources of financing have decreased and, therefore, stakeholders need to find new ways to fundraise. The Italian government seems to be aware of this issue and, in an attempt to mitigate it, has adopted, over the years, specific forms of financing for social enterprises. Legislative Decree July 3, 2017, no. 112 provides for two new measures for social enterprises.

The first concerns the establishment of certain funds for the promotion and financing of social enterprises. These funds will finance, *inter alia*, studies and research in the field of social enterprise and specific programs for the development of social enterprises.

Money for these funds will come either from contributions from social enterprises (which, though not obliged – as we have mentioned above – are allowed to allocate a part not exceeding 3% of the yearly net profits to such funds) or from the worth remaining after the dissolution of the social enterprises.

The second measure concerns the possibility for social enterprises to raise funds through portals for the collection of risk capital (so-called crowdfunding). This measure is rather new in Italy and only a few kinds of companies have so far been allowed to raise funds in this way⁶¹ (consequently, by means of Legislative Decree July 3, 2017, no. 112, this new way of financing has also been extended to social enterprises).

⁶¹ Other kind of companies that are allowed to raise funds through portals for the collection of risk capital are cutting-edge start-ups (according to Article 30 of Law Decree October 18, 2012, no. 179).

In addition to the above two measures, it is worth mentioning a third that, though not included in Legislative Decree July 3, 2017, no. 112, has taken shape through a series of decrees adopted by the Italian Ministry of Economic Development in the years 2015-2017 (hence, while the government was working on the new regulation of social enterprises). According to such decrees, social enterprises can apply – until the relevant budget is exhausted – both for subsidized loans from the Revolving Fund to Sustain Enterprises and Investments (the so called “FRI”) in order to pursue specific investment plans, and for non-returnable grants from the Fund for Sustainable Growth. The overall amount of the budget of these funds is 223 million euro (200 million euro for the FRI and 23 million for the Fund for Sustainable Growth).

In conclusion, it appears that the new regulation for social enterprises consists of some remarkable steps forward when compared to the past government activity in this area. Of course, Legislative Decree July 3, 2017, no. 112 has entered in force very recently and, at this stage, there are no statistics to show its actual impact in the field of the social economy. It is, however, clear that it has overcome many of the shortcomings of the regulation of 2006, which hindered the “take off” of social enterprises. Consequently, it is reasonable to hope for the future. Time will tell if these hopes are well-founded. The Evolutionary Pathways of Social Innovation in Italy The field of social innovation clearly reflects the effects derived from applying the paradigm of social innovation, looking at both the changes in its conformation and its internal segmentation. If for decades the game was played inside the nonprofit sector with the objective of making a distinction between productive organisations - social enterprises - from advocacy organisations, now the confrontation is made on a much larger scale. In fact, on the wave of social innovation rides new actors from both business and the public administration (on a lesser scale) that declare to act as social enterprises and social entrepreneurs. The epicenter of this “great transformation” in terms of organisational models, management practices and above all the approaches and culture of social innovation coincides with the various forms of financing. In fact the leap in quality in terms of the impact - social, occupational, economic - of social enterprises is commonly seen in the measure in which economic resources are made available, coming from both public and



private funds in the form of both grants and equity. Specialised financial tools hence represent a particularly relevant angle from which to read the present evolution and above all the future of social enterprises. The framework of what this specialised finance offers is already rich in initiatives and actors: rotating funds regulated by norms in almost all of the regions in Italy, strategic donations by grant making subjects such as foundations of bank origin, the financing tools provided by Banca Etica - the bank founded and owned by the third sector in Italy - and experiments with merchant banks like Cosis, active since the mid-90s with dedicated financing tools. The ecosystem surrounding social financing tends however to get even more diverse. The main commercial banks in Italy, for example, have undertaken, in a different measure, a strategy of specialisation in regards to social entrepreneurship. Banca Prossima in this aspect is of particular interest, being a credit institution of the Banca Intesa Group that as its slogan says operates “for social enterprises and the community”. Local banks too, mainly cooperatives, have shown a growing interest in the sector, sharing its social goals and more generally its adhesion to a specific socioeconomic context in a given territory. Furthermore, despite consistent delays, new emerging figures of venture capitalists are arriving on the scene and company foundations transforming themselves from donators to financial backers of social enterprises (The Vodafone Foundation).

Current data show an internal picture, that in its essential characteristics, seems to be able to intercept only a part of the resources available. The majority of social enterprises in Italy have financed, and continue still today to finance, its own growth and development through the self-financing mechanisms of its members and the surplus resulting from its business activities in other words, the classic tools that give value to the collective nature of these enterprises which in the majority of cases have adopted the legal form of a cooperative. This model however is destined in the short term to reach “the limits of its own growth”. On the front of self-financing, many social enterprises have in fact taken on, in time, ways to capitalize, engaging their members, due also to public initiatives (The Jeremie Fund) and private initiatives (Cosis) which have provided the necessary incentive structures for this form of financing. Due to the crisis, social enterprises have suffered from progressive decreases in surplus in end-year balance sheets, as much of its income comes from the public



sector which has seen significant budget cuts in recent years . When put in context with the rising need of economic resources to make structural investments and to face problems of cash flow, due also to growing delays in payment from the Public Administration, many social enterprises find themselves in a growth phase that induces it, both for need and virtue, to modify radically their business model. Social enterprises are seeing themselves go from managers acting on behalf of third-parties (mostly public institutions) to owners of service centers, 'keys in hand', able to sell to diverse clients in methods equally diverse. This often occurs through product innovation as well as service models. The mix of these factors has already brought a part of the more traditional forms of social entrepreneurship in Italy to re-orient their strategies in order to intercept financial resources based on new models and more substantial stock. This process of reconversion is moreover boosted by the very financial subjects that act on behalf of the sector in a non-neutral way, or rather those who propose products and solutions that incorporate new forms and models of social enterprise. These subjects push for the enterprise's dimensional growth, internal efficiency, and its expansion in new sectors different from its traditional activities.

Training in social entrepreneurship

The Italian panorama offers various training opportunities among the system of education for social entrepreneurship. The training proposals are mostly present in the Regions of Northern Italy and are offered by several providers as university institutes, NGOs, training bodies, founding entities, national confederations of enterprises associations, enterprises consortiums and business accelerators.

The topic of training of social enterprise management must be contextualised having as reference a horizon that includes both the terms "enterprise" and "social". The identity of the social enterprise is a strong distinctive factor, or rather a "specific strategic resource", source of original evolutions and adaptation to environmental needs which underline in the first place the concept of responsibility and social performance in relation to managerial and organisational development. Within this context, the Social Entrepreneur, at different



levels, must be able to carry out complex decision-making processes by building consensus through inclusion processes of different actors, often in a fragmented way, both within and outside the organization's boundaries, for example project / business partners and customers / clients.

It follows both the need to be an integrative negotiator capable of satisfying people's need for expression, and to promote rewarding relationships between individuals and the intrinsic contents of the work capable of motivating action, and finally the need to develop procedures and methods rigorous work oriented so that we can achieve development goals. Below we selected three emblematic examples among the social enterprise training providers that we can count in the Italian context:

Manager of Social Enterprises and Non-Profit

This training course is a university proposal course managed by the *SDA Bocconi School of Management*: a school of business management and managerial culture of the private Luigi Bocconi University in Milan, founded in 1971, of the 56 Business Schools that have obtained the "triple crown" or three international accreditations (AACSB, EQUIS, AMBA).

School of Social Enterprise

This training proposal is that offered by the worthy of note because the Institute is entirely dedicated to training in the specific sector of social entrepreneurship (most training schools dedicate their courses to business for profit). Addressed to social cooperative enterprises in the territory of Milan, Lodi, Monza and Brianza, is the proposal for continuous training that a local Consortium makes available to cooperatives and social enterprises. Body accredited by the Lombardy Region for the provision of continuous training services, it draws up its proposals starting from the activity of monitoring the training needs and human resources conducted over the years systematically in the context of cooperative networks. It is aimed at people already employed in social enterprises in order to develop their potential to support social development and innovation processes.



Born from the experience of the most important cooperatives and social enterprises in the area, it is configured as an interprovincial "business school" due to the high interaction between the systematic survey of training needs and the didactic offer - academic and social practice available. The school is oriented towards supporting innovation and development of social enterprises, collaboration and the creation of networks between them. The training proposal of the School of Social Enterprise is articulated to attend the company's need for skills in various development phases - from startup, to growth, consolidation, development, possible crisis management - and in its different business functions: management, administration and finance, human resource management, production, marketing, research and innovation, security, quality and privacy. It pays particular attention to the value system and to the development of awareness of the role that social enterprises can fulfill when listening to emerging social questions they know how to combine innovative answers, sustainability, production and equitable distribution of wealth, promoting growth and social cohesion processes.

Euricse (European Research Institute on Cooperative and Social Enterprises)

Its mission is to promote knowledge development and innovation for the field of cooperatives, social enterprises and other nonprofit organisations engaged in the production of goods and services. The Institute aims to deepen the understanding of these types of organisations and their impact on economic and social development, furthering their growth and assisting them to work more effectively. Through activities directed toward and in partnership with both the scholarly community and practitioners, including primarily theoretical and applied research and training, we address issues of national and international interest to this sector, favouring openness and collaboration. Specifically, Euricse focuses on all forms of private organisations and enterprises that pursue purposes other than profit, are characterised by participatory management models, and adopt a development approach that blends social and economic well being. Euricse combines multidisciplinary research, training, and consulting services, in order not only to develop better knowledge on this kind of enterprises, but also to create and promote ownership, governance and management models uniquely tailored to their characteristics. Euricse is a



haven for study and reflection that fosters dialogue between researchers and practitioners and encourages their active and direct participation. Euricse is committed to the practical application of the knowledge developed through its research. Moreover, its activities aim to reduce the fragmentation in the research on cooperative and social enterprises, and to enhance the visibility of this sector in the scientific and political debate. Euricse was founded in 2008 by Cooperatives Europe, the Federazione Trentina della Cooperazione (Trentino Federation of Cooperatives), the Fondazione Cassa di Risparmio di Trento e Rovereto (Trento and Rovereto Bank Foundation), the Province of Trento and the University of Trento. While Euricse is rooted in the Italian region of Trentino and is closely connected to the organizations that operate there, its activities address issues of national and international interest, and its approach favours openness and collaboration with other research centres, both domestically and internationally.

Methodology in social entrepreneurship

SDA Bocconi School of Management⁶²

This course is aimed at quantifying social enterprises, foundations, associations, social cooperatives, ex IPAB and in general in non-profit companies as managers, collaborators, consultants and are interested in acquiring or consolidating their skills in the levers of management. The methodology includes classroom activities, case studies and workshops. It lasts 22 days, spread over 10 months and is divided into 5 teaching modules:

- Social enterprise management: entrepreneurship and sustainable development.
- Community funds: strategies, management and reporting
- Human resources and non-profit companies: manage, negotiate and motivate
- The fundraising tools of non-profit companies

⁶² <https://www.sdabocconi.it/it/formazione-manageriale/percorso-manager-delle-imprese-sociali-del-non-profit>

- AC accountability in non-profit companies: programming, budget and taxation

School of Social Enterprise⁶³:

The particularity of the teaching methodology of the Social Business School is the flexibility of the training courses, a need that emerged during the classroom hours and accepted to meet the specific characteristics of the participants and companies. In fact, a specific training agreement is stipulated with the Coordinator, which will focus on investigating the learning expectations of the participants, as well as the needs, characteristics and development of the training course. Within the basic criteria established by the training course, an attempt will be made to encourage communication in which the participants' experience is compared with conceptual reflection. We will work on materials and / or situations present to the experience of the participants.

The several courses in the training catalog are divided into 4 different thematic areas:

- management & management: These are courses aimed at the management of community social enterprises both at an operational level and at middle managers, with the aim of strengthening specific managerial and operational skills
- development & innovation: These courses are aimed to developing strategic and technical operational skills. They also intend to explore the feasibility of innovative paths to give new answers to emerging and consolidated social problems.
- Safety: among the obligations and indications provided by the Consolidated Law on Safety at Work, of primary importance are those concerning training for safety in the workplace.
- Services: supplementary services are designed to explore the demand and training needs expressed by an organization and to promote specific planning around Training needs analysis for associated cooperative

⁶³ <http://www.scuolaimpresasociale.org/>



In addition to the proposals in the training catalog, the School is increasingly oriented towards developing customized ad-hoc responses in relation to the needs expressed by each organization that requests it.

EURICSE

Ericse carries out four different types of activities:

- **Research:** Ericse conducts and supports theoretical and empirical research projects that are interdisciplinary and comparative in nature, organised in six research areas.
- **Training:** Ericse designs and organises training programs specifically aimed at the professional development of young researchers and at enhancing the skills and knowledge of those who work in non-profit enterprises and cooperative organizations.
- **Consulting:** Ericse offers consulting services to non-profit organisations, including in particular cooperatives and social enterprises, as well as to local, national and international public institutions.
- **Communications:** Ericse shares and promotes research and findings through publications, presentations, conferences and seminars for researchers as well as for the general public.

2.7. Social entrepreneurship in Latvia

The terms “social entrepreneurship” and “social enterprise” were first introduced in Latvia around 2009, by social entrepreneurship pioneers in the country, Otrā elpa⁶⁴, a charity shop, and MAMMU⁶⁵, a social business fashion company which aimed to support young mothers in need. Social business is a rather new concept in Latvia, yet social enterprises are developing quickly, raising interest from different stakeholders. Social enterprises in Latvia owe their presence to civil society organisations, which have provided the expertise, research and funds needed to take this industry further. Since 2013, policy makers have discussed the development of social enterprises in Latvia. An essential turning point in the development of social enterprises took place on 1 April 2018 when the Social Enterprise Law was adopted. Amendments and changes in other laws followed.

By the end of April 2020, there were 100 companies registered in the Register of Social Enterprises - these are the businesses which have status of “social enterprise” according to the law. In the case of Latvia we should also consider de facto social enterprises operating under other legal forms, such as associations or foundations. It is estimated that up to 200 social enterprises operate in Latvia.⁶⁶ Most social enterprises are relatively new, having established themselves within the last three to seven years, and usually do not employ more than 10 people.

Social enterprises in Latvia operate in various sectors including work integration, education, inclusive civic society, cultural diversity, sports, health services and prevention, social services and support to those in risk of social inclusion. The two most popular sectors of the registered social enterprises in Latvia are work integration and education - 31% and 24%.⁶⁷ After examining various social enterprises in Latvia, one can conclude that their scale of operation

⁶⁴ <http://www.otraelpa.lv/>

⁶⁵ <https://www.facebook.com/mammu.lv/>

⁶⁶ European Commission (2018) Social enterprises and their ecosystems in Europe. Updated country report: Latvia. Author: Lāsma Līcīte. Luxembourg: Publications Office of the European Union. Available at <https://www.euricse.eu/social-enterprises-and-their-ecosystems-in-europe-mapping-study/>

⁶⁷ The Ministry of Welfare, April 30, 2020.

is mainly localised within a region, a city, or a municipality. Fewer enterprises work at the national level and hardly any operate at the international level. More than half of social enterprises operate in the capital city, Riga.⁶⁸ Some of the social enterprises in Latvia are well known and recognised, while others are less known because of their smaller scale or the geographic focus of their activity in regions outside the capital city. Occasionally, organisations do not even recognise themselves as social enterprises.⁶⁹

The adoption of the Social Enterprise Law has promoted development and awareness of social entrepreneurship. Social entrepreneurs in Latvia now have different opportunities to receive free consultations about business plan development, including finances, marketing, accounting, and taxes and participate in acceleration or incubation programmes. There are also different opportunities to receive financial support.

And still, the potential of social entrepreneurship is far from being fully harnessed. As pointed out by the Ministry of Welfare, social enterprises play an important role because the government does not have the resources to solve all social problems, therefore, the development of social enterprises is important for the formation of a welfare system. However, there is a risk that the economic and social contribution made by social enterprises is not sufficiently appreciated, largely due to the fact that too few social enterprises exist and their impacts cannot be felt on a large scale, while the shortage of research cannot effectively reveal their impacts. To successfully foster the development of social enterprises in Latvia, it is important to continue promoting cooperation among local authorities, enterprises and educational institutions, as well as to provide financial support for social enterprises.

Legal framework

The main law which provides a legal framework to the work of social enterprises in Latvia is Social Enterprise Law⁷⁰ which was adopted in April 2018. The purpose of this law is to facilitate

⁶⁸ The Ministry of Welfare, April 30, 2020.

⁶⁹ European Commission (2018) Social enterprises and their ecosystems in Europe. Updated country report: Latvia. Author: Lāsma Līcīte. Luxembourg: Publications Office of the European Union. Available at <https://www.euricse.eu/social-enterprises-and-their-ecosystems-in-europe-mapping-study/>

⁷⁰ <https://likumi.lv/ta/en/en/id/294484>



improvement in the quality of life of the society and to foster employment of population groups at risk of social exclusion, creating an economic activity environment favourable to social enterprises.

Before the Social Enterprise Law came into effect, entities used various organisational forms for running activities that might be defined as social entrepreneurship: associations, foundations, and limited liability companies, sometimes combining different legal forms in order to reach their goals. After the Social Enterprise Law came into force, only limited liability companies can acquire social enterprise status, which means that existing associations and foundations had to decide on how to continue operating. At the moment associations and foundations can only perform as de facto social enterprises - without legal acknowledgement.

The Law stipulates that a social enterprise is a limited liability company with a special status. In order to obtain this social enterprise status, the company must fulfil certain criteria, which include an obligation to have a positive social aim as the company's main purpose, the staff's consent to adoption of the social enterprise status, requirement to employ paid staff and a restriction on profit distribution to company owners - profits must be either reinvested in the company or invested in reaching the social aim. Also, a representative of the target group must act in the organisation's executive or supervisory body, or a representative of the target group or a representative of an association or foundation representing the target group, or an expert of the specific field must be involved in the advisory body of the enterprise, if such has been established.

The legislation⁷¹ also defines the population groups at risk of social exclusion which are the target groups social enterprises must work for: persons with disabilities, persons for whom the conformity with the status of the needy family (person) has been determined, unemployed persons who have dependent persons, unemployed persons older than 54 years of age and long-term unemployed persons, ethnic minority of Roma, prisoners or persons released from the place of imprisonment, persons with problems of addiction to alcohol, narcotic, psychotropic or toxic substances, gambling or computer games, persons whose place of residence is declared in a night shelter, victims of human trafficking, persons to whom

⁷¹ <https://likumi.lv/ta/en/en/id/298035>



the status of a refugee, alternative status or the status of a stateless person has been granted in the Republic of Latvia, as well as orphans and children left without parental care at the age from 15 years, and also adult persons conforming to this group until reaching 24 years of age.

The activities of a social enterprise with regard to these different population groups at risk of social exclusion could take different forms. A social enterprise might engage these groups of individuals in employment relationships to acquire work experience or permanent jobs. It might integrate target groups into society through economic activities, for example, selling needlework items made by single retired persons. Psychological or material support or educational services might be provided to these target groups as well.

Unlike a conventional enterprise in Latvia, social enterprises are entitled to additional benefits. For instance - a company with the status of social enterprise may receive donations for purposes that match the goals set in the statute of the enterprise. The enterprise income tax is not applicable to the donations. A social enterprise also has the right to attract volunteers to perform tasks other than managerial duties, accounting, or main operations. In order to receive a status of a social enterprise the company must submit an application to the Ministry of Welfare. A special commission revises the application and makes a decision.

The Social Enterprise Law does not oblige the existing associations and foundations to establish a new limited liability company or stop economic activity, as it is up to every organisation to decide which way to choose and how to continue operating strategically. The associations and foundations have two potential directions within the scope of social enterprise.

Firstly, they might establish a new limited liability company, becoming its owner. The current social enterprise activities of an association or foundation would be then transferred to the new limited liability company. Secondly, their economic activities can be performed as separate projects. If the economic activity does not reach a significant proportion, or is transitory, there is no need to establish a limited liability company. However, economic activity comprises one of the most essential criteria for identifying a social enterprise. Given the economic activity restrictions, associations and foundations are not considered appropriate for obtaining social enterprise status according to the Social Enterprise Law.

Associations and foundations remain de facto social enterprises in Latvia. If economic activities of associations and foundations grow to become their main activities, then they must establish their own business companies and divide activities into the two legal forms.

Stakeholders have stressed the positive aspects that arise from the Social Enterprise Law. It's been a clear political move which shows that social enterprises receive recognition in the country. The Law clearly structures the field of activity of social enterprises, and clearly defines support instruments including reduced real estate tax rates, permission for social enterprises to use municipal property for free, special financial support schemes and privileged public procurement procedures for social enterprises.

Challenges for social enterprises in Latvia

Social enterprises in Latvia face numerous challenges. Below there is a brief overview of some of them and exploration of educational measures that might help to address these challenges:

Employing socially vulnerable groups

The labour productivity of individuals from socially sensitive groups might differ from that of conventionally employed persons. Most social enterprises need to invest more time in training their employees, who may have insufficient work experience and qualifications. Additionally, social entrepreneurs admit that they struggle to attract highly skilled employees because the salary package does not compete with other enterprises. Social enterprises often work with target groups that tend to face marginalisation and prejudice. These companies can confront damaging societal misconceptions that vulnerable groups create worse quality products or that their work is not worth the attention. Restrictions on profit distribution and employing socially vulnerable groups often make creditors and potential investors fear that such enterprises are less profitable, and they hesitate to loan any funds to the enterprises. Therefore, a more positive attitude amongst the general public towards inclusion of

vulnerable groups would be helpful. All kinds of educational work that aims at overcoming prejudice and discrimination and fostering social inclusion and solidarity might be an indirect support to social enterprises, in addition to increasing their understanding and skills of how to better engage and assist groups at the risk of social exclusion. The knowledge of social work and social issues is important in this context, even knowledge about how to work with mass and social media in order to transform certain narratives and media images of particular groups of people or social problems. In addition, enterprises may benefit from learning how to recruit and manage volunteers as an additional human resource.

Lack of entrepreneurial abilities

Most social enterprises in Latvia have grown from associations and foundations that prioritise addressing social problems rather than entrepreneurial activity, which sometimes means that their leaders tend to think within the framework of grants and donations. Though they provide good quality products, many social enterprises have difficulties with marketing, sales and access to global markets, struggling to sustain themselves in the competitive business environment.⁷² In regions it can also be challenging to find adequate human resources. The poor or incipient managerial skills of social entrepreneurs also adversely affect their competitiveness. There is now good business coaching and mentoring available to the entrepreneurs which enrol in accelerator or incubator programs but, before an entrepreneur decides to join such a program and is able to do so, there is a need to foster the development of business skills among activists, leaders of associations and volunteers. Some researchers also point out a general lack of people who would be willing to take risks and start their own initiatives connecting it to the post soviet culture. To boost entrepreneurship and social innovation, providing educational activities aimed at increasing openness to new solutions, proactivity, participation, creative thinking, empathy, uncertainty tolerance, networking,

⁷² European Commission (2018) Social enterprises and their ecosystems in Europe. Updated country report: Latvia. Author: Lāsma Līcīte. Luxembourg: Publications Office of the European Union. Available at <https://www.euricse.eu/social-enterprises-and-their-ecosystems-in-europe-mapping-study/>

cooperation and reducing power distance might help to transform the entire culture for it to foster and encourage all kinds of entrepreneurial activities.

Lack of understanding of the social dimension

On the other end of the spectrum, those social entrepreneurs who come from the business environment tend to lack an understanding of the social dimension.⁷³ Finding a good balance between social and economical goals is one of the biggest challenges to new social entrepreneurs. In addition there is a risk that the status of social enterprise might be obtained and used to gain some advantages or support even in companies which have no true interest in addressing social challenges. It would be important that education activities that are offered to potential social entrepreneurs provide in-depth understanding of social problems and various vulnerable target groups thus helping the entrepreneurs to create a sustainable strategy to address problems they care about.

Measuring impact

Another challenge for social enterprises lies in measuring and demonstrating their social impact. Funders and other stakeholders increasingly require social enterprises to demonstrate precisely what added value they can bring in developing solutions to social needs. This may be a complex and costly process for social enterprises taken individually. At present, a few social entrepreneurs in Latvia seek to assess impacts of their companies, but this practice has remained rare due to lack of human and other resources. It would be beneficial to develop entrepreneurs' knowledge about planning and measuring social impact and different tools that could be used in this process. It is also important to encourage cross-sectoral cooperation in order to increase interest of students to research the impact of social entrepreneurship as part of their studies and thesis.

⁷³ European Commission (2018) Social enterprises and their ecosystems in Europe. Updated country report: Latvia. Author: Lāsma Līcīte. Luxembourg: Publications Office of the European Union. Available at <https://www.euricse.eu/social-enterprises-and-their-ecosystems-in-europe-mapping-study/>



Recognition of society

In the last decade social enterprises have become better recognised in Latvia but lack of general awareness of social entrepreneurship is still a significant factor hindering the development of social enterprises. The social enterprises face the daily challenge of acknowledgement as genuine enterprises that contribute to the broader economy. A closer partnership with education institutions could help to change this by increasing the awareness and recognition of social entrepreneurship - thus perhaps also inspiring more and more people to start a social business or to invest their time and competences in it, or to purchase from social enterprises. It is important for social entrepreneurs also to learn how to build their brand, promote their products or services, and communicate about their work better with all the stakeholders in order to achieve bigger recognition. It is related also to measuring and communicating the social impact.

Scaling up

Competition and a market size influence the development of social enterprises. Very often social enterprises are not competitive due to their products' relatively high prices or their insufficient amount of production for export. Social enterprises in Latvia are just beginning their establishment and development. The market is small, and the population faces limited purchasing power, and competition with existing products and services has proved tough. Social enterprises in Latvia are mainly locally based, providing services or products for local demand. They may need to focus their activities more broadly. In Latvia, it is important to promote social entrepreneurship in the context of global export ambitions, therefore the main topics that are related to export and work at international level should be included in the educational programs for social entrepreneurs.



Fragmented social impact investment market

As awareness and interest among key stakeholders rises in Latvia, the social investment industry begins its early stages of development. The private investor ecosystem functions fragmentally, based on private initiative and networks. Private investors do not yet consider social enterprises as a distinct target group, largely due to distrust in their commercial viability, along with stereotypes and prejudices about their work, management, and profitability.

Grant requirements

Overall, there is no shortage of funds for social entrepreneurs. But grant programs create some risks - entrepreneurs may adapt the social problems they wish to address to the grant they apply for, just because it presents a financial opportunity. Another risk lies in the ease for some social entrepreneurs to demonstrate an immediate social impact from their activities, just to participate in the grant programme. It then proves difficult for those planning to create long-term impacts on social problems to demonstrate their effectiveness or access grant funding.

To sum up, in Latvia there are quite a lot of opportunities to receive financial, consultative and training support for those people, who are already in the process of establishing or running a new social enterprise. Different irregular activities are available to young people, usually on a project basis. There are also adult education projects in the field of social entrepreneurship, but it seems that adults have much less learning opportunities at local and national level and even at international level. Of course, it also would be important that more bachelor and master programs would be offered in social entrepreneurship, especially as the only current program has a strong connection with religious values and context.

Most training programs are offered in the capital, peripherals still have limited access to social business stimulant and entrepreneurial mind-set training. Thus it would be beneficial to develop educational opportunities using tools for distance learning, also courses that can be



combined with full time work, and provide them in Latvian language, as at international level, of course, it is not difficult to find learning opportunities.

Overcoming lack of flexible adult education opportunities might increase awareness and recognition of social entrepreneurship and increase trust in its potential to address social problems, as well as the number of adults who might choose to start a social enterprise instead of starting a more conventional entrepreneurship.

Trainings and methodologies in social entrepreneurship

The social entrepreneurship education like social enterprises themselves are at the very beginning of their development in Latvia. It's been around 10 years, even less, since the first social entrepreneurship courses were introduced in higher education institutions. Of course, there has been a significant increase in research and training. Nationwide educational strategies or a mainstreaming of the social entrepreneurship dimension in entrepreneurship education in general is still missing but there are quite some chances to learn about social entrepreneurship within the context of formal education and non-formal education as well.

Formal education

Latvian Christian Academy⁷⁴

This academy invites to obtain a professional master degree in social entrepreneurship management programme Social Entrepreneurship Administration⁷⁵ which was accredited in 2013 and is the only study programme in Latvia which offers to receive a degree directly related to social entrepreneurship. This programme links principles and methods of social work and social entrepreneurship in an interdisciplinary package with aim to reach social

⁷⁴ <http://en.kra.lv/>

⁷⁵ <http://en.kra.lv/studies/master-level-studies/>



goals in entrepreneurship. It offers insight in the principles of organising and running of social business and deals with social and spiritual needs of socially marginalized people, promoting the cohesion of society. Students are required to have a professional bachelor or higher education in commerce or economics, or professional higher education in social work or social pedagogy. Learning outcomes include knowledge about how to create a social enterprise in lines with innovative social and caritative work and commerce technologies, abilities to use anthropological, theological and social theories and concepts in assessment of the social problems and increased understanding of the impact of socioeconomic environment on provision of social services.

Latvia University of Life Sciences and Technologies⁷⁶

Since 2013 this university offers an optional course in social entrepreneurship⁷⁷ as part of the Professional Master's Degree Program in Business Management. Master students can get a detailed knowledge of the essence and principles of social entrepreneurship in Latvia, as well as acquire knowledge of and skills in establishment of a social business according to its mission and legal regulation in Latvia, and can assess its social and economic performance. The course tackles also aspects such as social entrepreneurship and social innovation, sources of financing a social enterprise and social business impact assessment. During the course students are carrying out analysis of a selected social enterprise in Europe and an economic and social impact assessment of a selected social enterprise. Social entrepreneurship is also offered as one of the directions of the research to the students of the Faculty of Economics and Social Development.

⁷⁶ <https://www.llu.lv/en>

⁷⁷ https://lais.llu.lv/lluis/kursa_apraksts_pub/GVAD6024/2



University of Latvia⁷⁸

This university offers two courses. One of them is Economics on Social Issues⁷⁹ which aims to acquaint students with the subject of social economy, the key element of which is social enterprise. This course is much focused on social policy and doesn't tackle practical aspects of running social enterprise. This course is offered in the Pharmacy study program. There is another course offered within the Sociology study program "Social Innovations and Social Economics"⁸⁰. The aim of the course is to introduce students to the sociological view of social innovation. The course includes analysing the phenomena of social economy from the perspective of sociology. The main focus is on social innovation. At the end of the course students should be able to identify and discuss particular social innovation processes and factors affecting them and to compare and choose appropriate theoretical and methodological approaches for researching and evaluating them.

Riga Technical University⁸¹ and Riga Business School⁸²

These universities offer a course on Social Entrepreneurship⁸³ in English. The course has been designed for students who would like to establish a social enterprise and covers topics such as global and local context of social entrepreneurship, challenges and opportunities, legal regulation and financing models of social entrepreneurship in Latvia. Students are learning what differs social enterprise from a traditional enterprise and experiment with tools and methods how to lead a social change and balance social and economic outcomes. In 2019 it

⁷⁸ <https://www.lu.lv/en/>

⁷⁹ https://www.lu.lv/en/studies/study-process/courses/courses/?tx_lustudycatalogue_pi1%5Baction%5D=detail&tx_lustudycatalogue_pi1%5Bcontroller%5D=Course&tx_lustudycatalogue_pi1%5Bcourse%5D=Kon5070&cHash=7dda2a7405157ae552b9f04cffc2f186

⁸⁰ https://www.lu.lv/en/studies/study-process/courses/courses/?tx_lustudycatalogue_pi1%5Baction%5D=detail&tx_lustudycatalogue_pi1%5Bcontroller%5D=Course&tx_lustudycatalogue_pi1%5Bcourse%5D=Soci3056&cHash=80d16be4a0c2fb323aff06af2903ee5

⁸¹ <https://www.rtu.lv/en>

⁸² <http://www.rbs.lv/>

⁸³ https://info.rtu.lv/rtupub/disc2/printDisc.28898/PBM730_Sociala-uznemejdarbiba_Social-Entrepreneurship.pdf



also hosted a two weeks long summer school program Social Innovation⁸⁴ where students could participate in lectures and practical works on topics related to cultural changes, urban social ecosystems, sustainable entrepreneurship and social business.

BA School of Business and Finance⁸⁵

This school offers bachelor studies in Innovation and Product Development⁸⁶. Within these studies it is possible to take a course on Social Entrepreneurship⁸⁷ which aims at increasing understanding of social entrepreneurship and its innovative solutions to social issues. Students can learn about the role and essence of social entrepreneurship, different types of social enterprises, recognising opportunities, social impact, creating a strategy for social enterprise and financing models. At the end of the course students should be able to prepare a business plan of a social enterprise.

Rīga Stradiņš University⁸⁸

This university offers a course Social Entrepreneurship. The aim of the course is to develop understanding of principles of social entrepreneurship and its role in solving socio economic issues. Students learn also about creating a management strategy and business plan for a social enterprise.

RISEBA

RISEBA⁸⁹ has organised separate short activities related to social entrepreneurship, besides it runs a “Creative Business Incubator”⁹⁰ which supports RISEBA students in the business idea

⁸⁴ <https://www.rtu.lv/en/internationalization/international-events/summer-schools/archive-1/summer-school-social-innovation?highlight=social+entrepreneurship>

⁸⁵ <https://www.ba.lv/en/>

⁸⁶ <https://www.ba.lv/studijas/programma/inovacijas-un-produktu-attistiba-uznemejdarbiba/>

⁸⁷ <https://docs.google.com/document/d/1ZNtcWzT1yYcuPFJdAFHukD4Ub8uGwQMhHa5GPln2tPQ/edit>

⁸⁸ <https://www.rsu.lv/en>

⁸⁹ <https://www.riseba.lv/en>

⁹⁰ <https://www.facebook.com/RISEBA.BI/>



and project development process and acceleration process of the new companies. Students are welcomed to start social enterprises during their studies and receive recommendations on how to create a business model and a business plan, consultations from business coaches and mentors, network and participate in guest lectures.

The Stockholm School of Economics⁹¹

This school in Riga is the institution which began holding a Social Entrepreneurship Forum in Latvia in 2009. In 2014 together with the Grameen Creative Lab it organised a practical workshop about social business. The elective course in social entrepreneurship is offered there to students of Economics and Business. Students can also learn about the welfare economics and ethics and sustainability in business.

Also, few other higher education institutions in Latvia offer courses in social entrepreneurship or one-time activities related to it or provide their students with support of a business incubator. Almost each of the biggest higher education institutions in Latvia has at least one social entrepreneurship related course in their program. However, in most cases social entrepreneurship is just one of many topics that students, mostly students of economics and business management, are learning about. The content of the courses tends to be focused on theoretical and legal aspects of social entrepreneurship and often there is little practice included.

We can also see that the number of thesis in social entrepreneurship has been growing and that students have a potential to contribute a lot to the development of social entrepreneurship in Latvia through research work and exploring their social and business impact. In general, the number of learning opportunities within formal education have been growing and formal education institutions have an important role in increasing awareness and recognition of social entrepreneurship as a valid solution to social and environmental problems.

⁹¹ <https://www.sseriga.edu/>



Non-formal and informal education

In Latvia associations and foundations have had an important role in providing practical training opportunities and creation of educational and informative materials covering different topics of social entrepreneurship.

Social Entrepreneurship Association of Latvia⁹²

This is the main organisation who is promoting development of the social business environment in Latvia. It brings together organisations, companies and people who are ready to participate in the development of the social entrepreneurship sector. Association was founded in 2015 and it now unites more than 90 members. Social Entrepreneurship Association of Latvia provides advocacy of interests at local, regional and national levels, informs society about social entrepreneurship and contributes to the improvement of the capacity of members, development of the experience and knowledge sharing platform. Most visible event of the association is the Social Entrepreneurship Forum. The forum takes place every year and lasts for several days, offering different parallel activities. Each forum has gathered around 100 to 200 people, and it has had a high influence on promoting social entrepreneurship in Latvia. Association also maintains the largest source of information in the Latvian language about social entrepreneurship. As an educational support it offers consultations, seminars, lectures, and other events. The Social Entrepreneurship Association in cooperation with the British Council in Latvia also runs an initiative called Social Entrepreneurship Ambassadors. Social Entrepreneurship Ambassadors are active professionals of various fields who help the residents of Latvian cities and regions to get to know and understand social entrepreneurship opportunities and nuances better. The ambassadors organize events, advise, and support emerging social enterprises, meet with local government representatives, inform local media, build new partnerships, and in various other ways do everything to promote social entrepreneurship.

⁹² <https://sua.lv/>



Social Innovation Centre⁹³

This centre is an association which provides non-formal education events and lectures about social innovation, social entrepreneurship, and policy formation for disadvantaged society groups, and attempts to increase civic participation in social and political processes. Organisation aims at strengthening and disseminating the knowledge, promoting the international and national experience exchange and establishing the networking for social innovation thus enhancing the sustainable development of society. The Social Innovation Centre has been involved in different international projects and with support from programmes such as Erasmus+ has published several free informative and educational materials about social entrepreneurship in Latvian language.

NewDoor Riga⁹⁴

It is an international platform of social innovations with the centre of activity in Riga, initiated in 2013, which works in Latvia with the support of the cultural and educational society Migrash, bank Rietumu and the Embassy of Israel in Latvia. The platform is also supported by several public and commercial organisations in Latvia, Sweden, Israel, Ukraine and other countries. NewDoor Riga opens a social business accelerator for new entries every year, and it is free of charge. The program consists of 4 modules, 2 full days each. Modules are dedicated to specific business processes and structured to mirror the logic of business development. Modules cover topics such as vision and formation of an idea, market analysis, business modelling, planning and project management, creation and adjustment of a prototype, budgeting, project presentation, networking, fundraising, public relations and marketing. The additional sessions include different topics related to social entrepreneurship: civil society and its economic impact. Program also includes consultations and individual work with the international trainers and business consultants and local mentors. Each module is followed

⁹³ <http://socialinnovation.lv/LV/>

⁹⁴ <https://newdoor.lv/>



by homework assignments. Homework between modules is done in project teams and is closely supervised by mentors. At the end of the program, New Door accelerator alumni have a clear definition of their product or service and its business model, clear sales and marketing plan, business plan and detailed action plan for 1 year and an action plan outlook for 3 years.

Reach for Change

This is an international non-profit founded in Sweden. Since 2010 Reach for Change has been empowering social entrepreneurs to develop innovative solutions that improve the lives of children and youth. Their first social business idea competition in Latvia was organised in 2014. “Reach for Change Latvia”⁹⁵ provides a free social business acceleration and incubation, as well as financial support. Individuals or organisations can apply for support from Reach for Change every year in an open contest. The participants who gain access to the accelerator program and incubator program can learn about themes such as storytelling, leadership, partnership, personality and team building, understanding the problem and solution design, social impact, business models, financial management, business and finance, communication and social media, marketing, pitching and sales, promotion, strategic planning for business development and impact scaling, social impact measurement, financial sustainability and fundraising. In the latest competition round happening in 2020 everyone who has a social business idea for improving the life of children and teenagers can win non-financial support - participation in the business incubator and receive consultations from local and international experts.

Around 2015 another social business accelerator was active in Latvia – “Socifaction”⁹⁶. Their last training and networking activities can be traced back to 2018.

⁹⁵ <https://www.facebook.com/r4clatvia/>

⁹⁶ <https://www.facebook.com/socifaction/>



“Junior Achievement”⁹⁷

Pupils have a chance to learn about creating and running businesses thanks to the programme which is managed in cooperation with schools. This program is not focused on social entrepreneurship in particular however there have been some opportunities to learn about social entrepreneurship offered. There are also other organisations that are offering general entrepreneurship training opportunities to young people but Junior Achievement has been the only one initiative which has provided entrepreneurship education to young people in a systematic way and in longer term, involving around 120 000 pupils from all Latvia every year.

Biznesa attīstības fonds

This foundation is not active now but between 2012 and 2014 has implemented few projects that aimed to promote social entrepreneurship and provide entrepreneurship education. This organisation developed educational materials about development and management of social enterprises, including an educational game for young people, and several events were organised. None of these educational materials are now available to the public, reminding that project-based work often lacks sustainability and long-term impact. Similarly, there are several other organisations that have done some social entrepreneurship education activities in the past, but almost no information can be found about sustainability of those activities and if these associations or foundations are still active.

Associations and foundations in Latvia have been implementing separate non-formal education projects that aim to boost social entrepreneurship. These have been a good way to introduce especially young people to social entrepreneurship and raise their interest to become social entrepreneurs. Lots of these projects have happened thanks to the support from Youth in Action and Erasmus+ Programme of the European Commission. Since 2011, more than 130 Youth in Action and Erasmus+ projects have been implemented by organisations in Latvia, where topics of entrepreneurship education and social

⁹⁷ <http://jalatvia.lv/>

entrepreneurship have been tackled with different target groups. Different educational materials have also been produced within some of these projects, however most of these materials are available in English only. The materials that have been published in Latvian language are reviewed under the chapter about learning resources.

Research work in Latvia

The first extensive study available in the Latvian language is Latvia towards Social Entrepreneurship⁹⁸ from the foundation PROVIDUS and the Latvian Civil Alliance, published in 2012, which deeply analysed foreign experience in the field of social entrepreneurship and defined the basic principles of social enterprises. The researchers involved in this research have written few papers which focus on the distinctive features of social enterprises and their role in tackling socio-economic problems in Latvia. Since then several other studies have been published. There are more and more students interested in writing their bachelor or master theses about topics that are related to social entrepreneurship.

In 2014 at Latvia University of Life Sciences and Technologies, Lāsma Dobeļe defended the first and only doctoral dissertation to date on social enterprises: “Social Entrepreneurship Development Possibilities in Latvia”⁹⁹. Furthermore, she published the first book in Latvian about development of social enterprises and several scientific papers now available in international journals and databases. There have been no new social entrepreneurship books published in Latvia. Latvian experts have participated also in important international social entrepreneurship researches such as “Social enterprises and their ecosystems in Europe”.

⁹⁸ http://providus.lv/article_files/2265/original/SU_gala_9nov.pdf?1352889758

⁹⁹ https://lufb.llu.lv/disertacijas/entrepreneurship/LasmaDobeļe_promocijas_darbs_2014_LLU_ESAF.pdf

Learning resources

In addition to courses and other educational or accelerator programs it is worth to take a look at various learning resources that are available. There is no lack of tools and educational materials about social entrepreneurship in English. When it comes to Latvian language, the Social Entrepreneurship Association¹⁰⁰ has created a great collection of publications most of which are oriented towards providing information and analysis. Overall, there are few practical materials about starting and running a social enterprise available in Latvian language. Also, current courses in higher education institutions are good at covering more theoretic and legal aspects of social entrepreneurship but what they sometimes fail to do is to introduce practical business development and management tools and skills.

“Social Entrepreneurship Support Network of the Baltic Sea Region”¹⁰¹ is a learning and collaboration platform that has been created within an Erasmus+ project. The Social Innovation Centre¹⁰² is the association which represented Latvia in this project and also has done a lot of work to produce educational tools and promote social entrepreneurship in Latvia. Several educational materials in Latvian language can be found on this website. One of them is a 12 hours training module called Skills and Mindset of a Social Entrepreneur¹⁰³. there is a detailed manual available for adult educators who would like to deliver this training. In addition to introducing social entrepreneurship the training module explores what competences a social entrepreneur needs and offers tools for self-assessment and planning one’s professional development. Another training module available on the platform is called “A Social Entrepreneur’s Handbook”¹⁰⁴ and is made for aspiring social entrepreneurs. It introduces social entrepreneurship and sustainable development goals and guides through product development and preparing a business plan. It addresses measuring social impact and marketing, human resource management, work with volunteers, networking, financing

¹⁰⁰ <https://sua.lv/resursi/>

¹⁰¹ <http://www.socialenterprisebsr.net/>

¹⁰² <http://socialinnovation.lv/LV/>

¹⁰³ http://www.socialenterprisebsr.net/wp-content/uploads/2019/08/modulis_nordplus_2019_LV.pdf

¹⁰⁴ http://www.socialenterprisebsr.net/wp-content/uploads/2018/07/Social_Business_edu_module_LV.pdf

opportunities and legal framework taking into account the national context. This handbook is one of the most comprehensive and newest learning materials for social entrepreneurs in Latvian language. The platform also includes research materials and guidelines for municipalities for fostering social entrepreneurship.

The Social Innovation Centre has also published several other resources in Latvian language about social entrepreneurship including the handbooks Social Impact Analysis¹⁰⁵ and First Steps in Social Business¹⁰⁶. In addition, in 2017, the Social Innovation Centre has published several manuals that are aimed at boosting social entrepreneurship among young people. It includes guidelines on How to facilitate development of social business incubation for youth for youth organisations¹⁰⁷ - published during the project “Development and promotion of social business within youth sector” executed under the Erasmus+ Programme. During this project the organization has also translated its French partner’s methodology “SenseFiction”¹⁰⁸ offering a manual that can be used to help young people to find their own social entrepreneurship ideas.

Good practices on social entrepreneurship education

IDEA PITCH¹⁰⁹

Idea Pitch is a game that has been developed to generate ideas for new social enterprises and other projects. It aims to help to find innovative and interesting ideas and develop a set of entrepreneurship skills. The game includes 36 inspiration cards with photos, 36 situation cards with photos, 3 iceberg cards, 36 coins, as well as several additional aids and templates.

¹⁰⁵ <http://socialinnovation.lv/wp-content/uploads/2015/07/LV-final-Sociala-ietekme-10.07.2015.pdf>

¹⁰⁶ http://socialinnovation.lv/wp-content/uploads/2014/01/Pirmie_soli_socialaja_biznesaa_RLukjanska_2013s.pdf

¹⁰⁷ <http://socialinnovation.lv/wp-content/uploads/2017/09/makets-2017-LV.pdf>

¹⁰⁸ http://socialinnovation.lv/wp-content/uploads/2017/08/SenseFiction_5_hour_Manual_LV.pdf

¹⁰⁹ <http://www.tellyourstorycards.com/par-metodi/ideju-pitch/>



The length of the game is around 45 minutes and it is suitable for a group of maximum 36 people who are divided into smaller groups of 3 persons each.

At the beginning of the game each participant chooses one random situation card without seeing them. Participants split in smaller groups according to the place which is shown on the card. Participants are invited to team up and discuss three ideas for social initiatives or business which might be related to the place on their card. After 7 minutes each team receives 3 random inspiration cards. The images on the cards and their elements are used as stimuli to further develop ideas and make them more innovative. Each team is invited to write down additional ideas. After 7 minutes each team chooses their favorite idea and prepares a 60 seconds presentation goal of which is to get support for their idea from other people in the group.

Before the presentations each participant receives one coin. Participants are invited to put themselves in the shoes of investors and choose one idea to invest their coin in. The team which receives most coins is the winner of the game. Iceberg cards can be used as an additional tool to introduce Simon Sinek's Golden Circle model and to evaluate and elaborate the ideas further.

After the game group is invited to discuss their experience and draw some lessons for their further work.

Target group:

Young people and adults who are in need for new ideas or wish to develop their creative thinking and presentation skills, as well as to learn alternative idea generation methods.

Learning outcomes:

Learners have generated new ideas and increased their understanding of how to turn ideas into action. Their presentation, teamwork and communication skills, as well as creative thinking has been boosted. Learners are encouraged to take initiative and risks.



The seed project – learning zone¹¹⁰

The SEED project happened between 2014 and 2016 with support of Erasmus+ Programme and aimed to promote social entrepreneurship education among adult educators and social entrepreneurs. The website of the project includes a Learning Area where topics such as introduction to social entrepreneurship, communication and idea pitch, human resource management, marketing and business plan are covered. Learners can read about these topics and browse through a collection of different video resources, questions for reflection and practical exercises. A curriculum for social entrepreneurs has also been produced within the project along with several other materials that can be accessed free of charge. The website is available in several languages, including Latvian, providing a first introduction to creating and managing a social enterprise.

Target group:

Adult educators, adult education organizations, associations and foundations, social entrepreneurs and organizations which promote development of social entrepreneurship.

Learning outcomes:

Using the Learning Area one can develop knowledge about topics such as the concept of social entrepreneurship, effective communication, argumentation and presentation, leadership and human resource management, marketing, including social media communication, and preparing a business plan.

To sum up - most of the handbooks for social entrepreneurs that are available in Latvian language have been published thanks to support from European Commission and work of non-governmental and non-profit associations. These resources are sufficient to get an introduction to social entrepreneurship and understand the local context. The tools that are offered in these materials have been adapted from other countries. There is still a space to

¹¹⁰ <http://seedproject.eu/>



Funded by the
Erasmus+ Programme
of the European Union

produce high quality and comprehensive original learning materials and for improving how the existing materials are made available to the public and promoted.



Section 3: Field research

Part of project Alliance for Social Entrepreneurship (KA204-BF8C4AAB) is a research on the existing tools and needs for support of social entrepreneurship education in each partner country. The output was elaborated during 6 months through a standard methodology for delivering research work, including the use of questionnaires, face-to-face interviews, and participative observation. Various activities were integrated to have the output produced:

First, the consortium elaborated three different questionnaires for three different target groups which are students, educators in the field of social entrepreneurship and social entrepreneurs. Each partner administered the questionnaire to around 40 to 60 people in their country. Questionnaire were translated by each partner to the languages of their country if necessary.

Regarding the focus, the participants were separated in three groups:

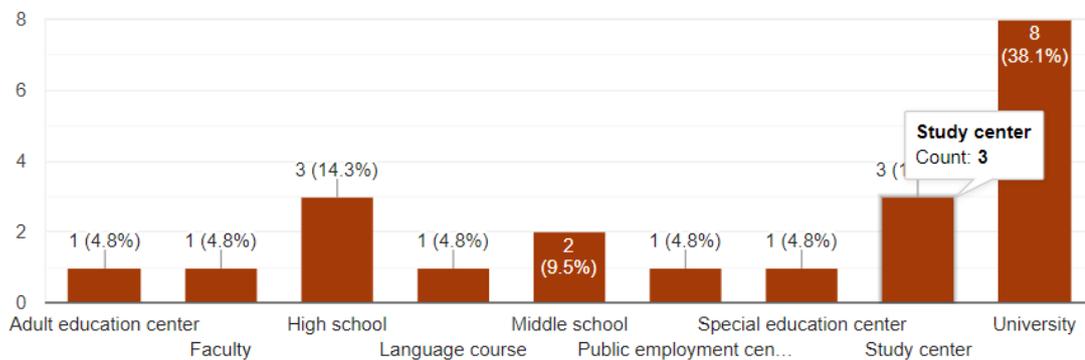
- learners, a local group of people from different age ranges;
- institutions, different companies who are part of the institutions providing education;
- social entrepreneurs, group of people with experience and working in or with social enterprises.

3.1. Belgium

The following analysis was done in Belgium by European professionals Network and represents the results of the questionnaires distributed among educational institutions social entrepreneurs, as well as students in order to help us highlight the needs of the relevant sector. We have distributed the questionnaires using our existing network. A total of 64 persons have answered the questionnaires – 21 people of educational institutions, 22 professionals in social entrepreneurship and 21 students.

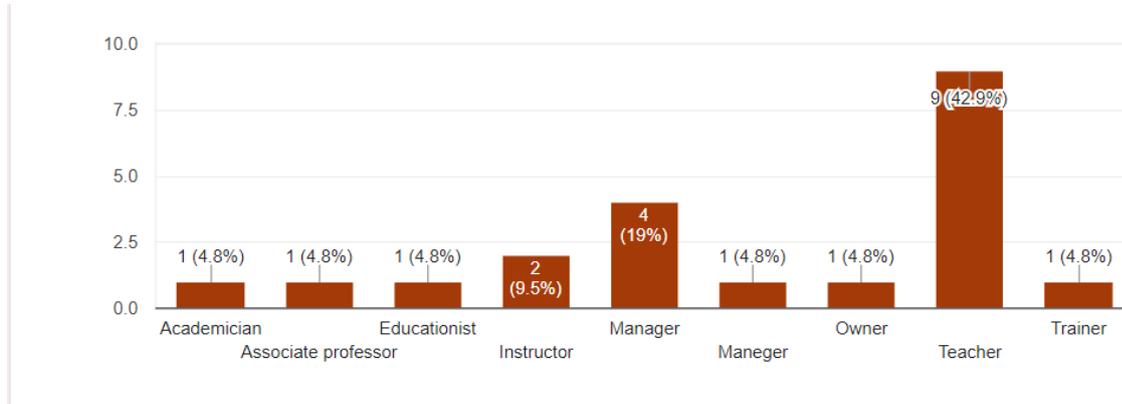
Educational Institutions questionnaire

1. What kind of educational institution do you represent?



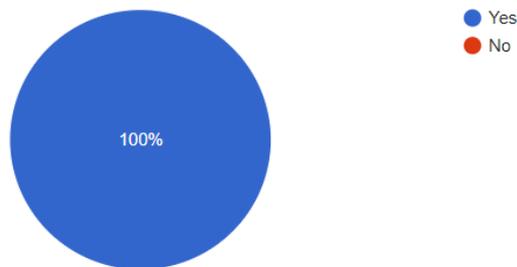
According to the results of the questionnaire the kind of educational institutions that the respondents represent are universities and high schools

2. What is your role in this?



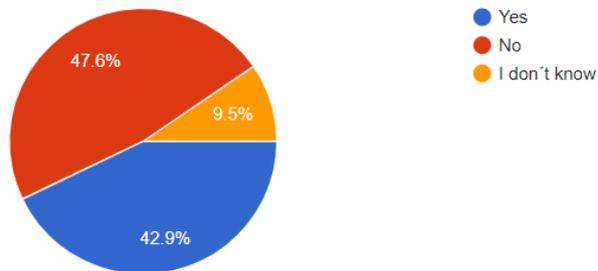
The roles that the respondents have in the educational institutions as stated in the questionnaires, are teachers and managers

3. Are you aware of the meaning of Social Entrepreneurship?



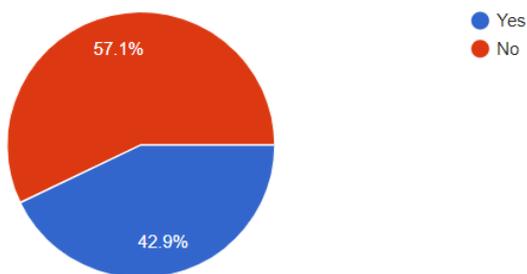
All participant stated being aware of the meaning of social entrepreneurship

4. Is there a program at your educational institution that teaches Social Entrepreneurship?



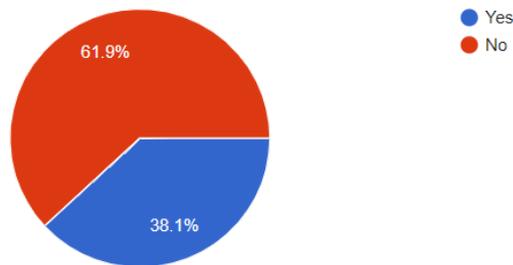
The results show that in most institutions they don't teach a specific programme on social entrepreneurship, but an important 42% of the institution teaches about social entrepreneurship.

5. Have you attended a course on Social Entrepreneurship?



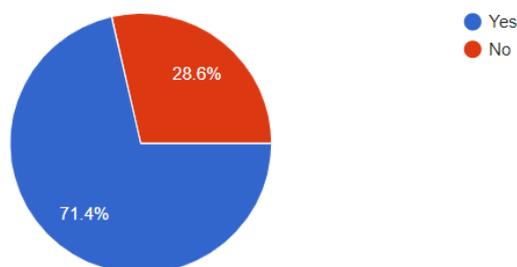
According to the results of this graph a bit over half of the responders have not participated in courses in Social Entrepreneurship.

6. In your opinion, does the state provide the necessary support to institutions that teach Social Entrepreneurship?



The majority of the respondents state that the country does not provide the necessary support to the institutions that teach Social Entrepreneurship. Although, we shouldn't ignore the percentage of people that believe the opposite, as it reaches almost 38% of the total answers.

7. Is your educational institution interested in providing more education on Social Entrepreneurship?



The results generated by this graph indicate that the overwhelming majority of respondents supports the idea of providing more education on Social Entrepreneurship in their educational institutions. Only 28,6% of them are not interested.

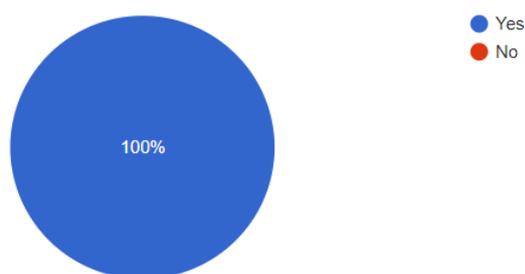
8. What would help your educational institution to promote social entrepreneurship?

- This question had the form of an open question. Following are the answers provided:
- Financial support



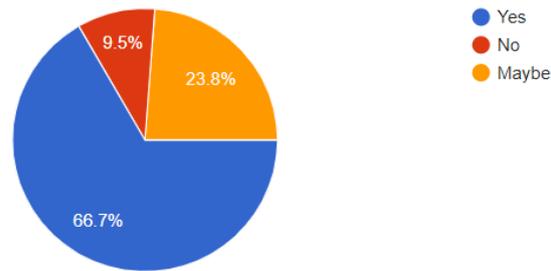
- Provide educator
- Teacher
- Financial support
- To raise awareness and promote entrepreneurship
- Real entrepreneurs teaching
- Instructor and curriculum support
- If the participants are coached to start a business, the demand occurs
- Financial and information support
- Support of government
- Coaching system
- Subsidy
- Quality curriculum and educator
- If entrepreneurship incentives increase for entrepreneurs, training increases
- Solution of financial problems
- Most of those who come to our institution do not have capital to become entrepreneurs
- Bringing students together with popular entrepreneurs

9. Would you be interested in attending an online course aimed at educators in social entrepreneurship?



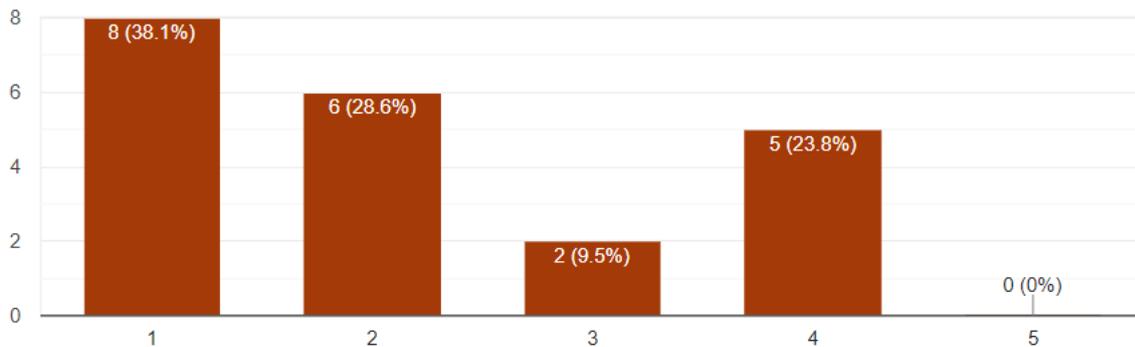
All respondents show interest in attending an online course in social entrepreneurship

10. Would you be interested in teaching a course on Social Entrepreneurship?



This chart shows that slightly about half of the respondents would be interested in teaching about social entrepreneurship.

11. Do you think students would be interested in attending a course on Social Entrepreneurship?



Being 1 likely and 5 very unlikely, the majority of respondents answered that the students would be interested in attending relevant courses – reaching 90% of the total answers

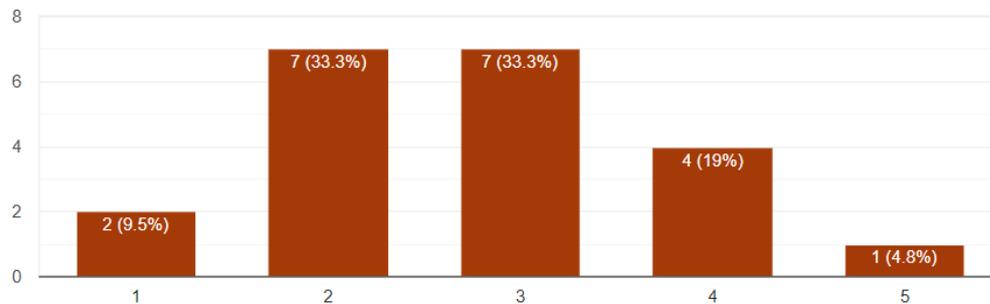


12. In your opinion, what are the biggest difficulties facing education on Social Entrepreneurship?

This question had the form of an open question. Following are the answers:

- Request
- Good trainers
- Provide guide
- Financial support for participant
- Find clear lesson content
- Making education attractive
- Financial concerns of those who intend to participate
- Good trainer
- Encouragement
- Be understandable
- Qualified trainer
- Create demand
- Experienced educator
- Unable to provide support during the start-up phase
- Find people interested
- Explaining that entrepreneurship needs education
- Lack of quality experts
- Entrepreneurial training not known
- Financial problems
- Inability to understand the necessity of training
- Lack of demand

13. How likely would you start your own business in social entrepreneurship?



Being 1 very likely and 5 not likely the majority answered 2 and 3 with each a 33% which shows a tendency towards creating an own business.

Social entrepreneurs' questionnaire

1. How and why did you decide to become a social entrepreneur?

This is an open question, and these are the answers:

- do the job I love and be the boss of my own job
- to turn my experience into advice
- My family has always been an entrepreneur
- I wanted to invest in an area of interest
- I like developing new things
- I wanted to be the boss of my own business
- I was unemployed
- I wanted to do my hobbies as my job
- I have a dream about children
- I like to develop something
- I wanted to perform my art and make money



- To make more money
- I was doing all the work where I worked. I wanted to do the same for myself
- I was thinking of starting my own business when I had enough experience
- I think I am very good at my job. I wanted to use this knowledge better by setting up my own business.
- I thought I should be boss if I make money with my labor
- I wanted a job that would set my working hours myself
- Because I want to make more money in a good job
- I had good connections that could be customers. I became an entrepreneur by trusting them
- I wanted to do my own business
- to be beneficial to people
- I also wanted to be useful while making money

2. Where does your business focus on?

This is an open question, and these are the answers:

- Audit
- Cleaning products
- Education
- Financial consultant
- Food
- Furniture sale
- Health products
- Metal industry
- Project management
- Sub-industry
- Tourism

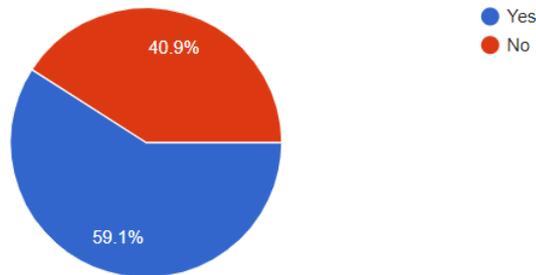


3. Where did you get the idea for your business?

This is an open question, and these are the answers:

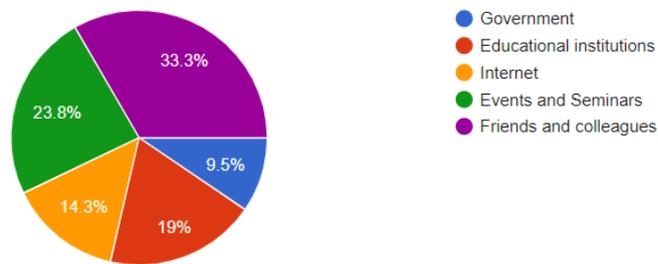
- By doing market research
- I realized that there is a need in the sector
- I did market research
- I education I received gave an idea
- I noticed a product needed in the industry
- My links
- Friends doing similar work
- I love bicycles
- I want to develop more useful educational models
- I have management experience in this industry. With this experience, I wanted to do new things
- I wanted to make my work already my own
- I wanted to use my job more efficiently
- This was always my job
- I was already doing same job at another company
- It was always on my mind
- It came to my mind after I started to disagree with my boss
- I love driving and working at any time I want.
- I know a lot of furniture manufacturers and they encourage me and supported with their products.
- Potential customers and their needs encouraged me
- I had information about this job. I also knew that it was knowledge-based and required little capital
- I wanted to reach more people by reducing distances with software
- I constantly look for innovations in the industry

4. Did you have any training on Social Entrepreneurship before you started your own business?



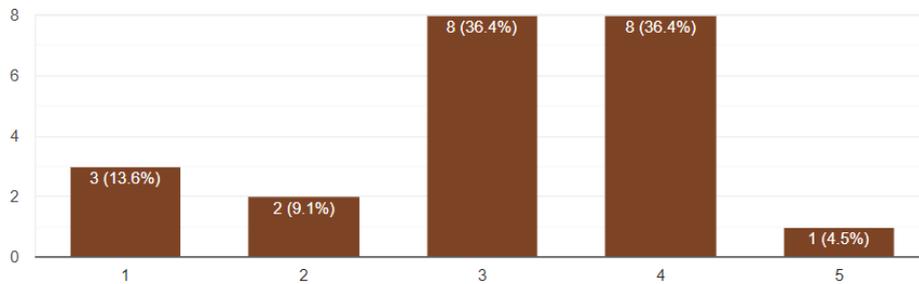
The results show a slight majority of positive answers regarding having had training about social entrepreneurship in the past.

5. Where did you find information on Social Entrepreneurship before you started your business?



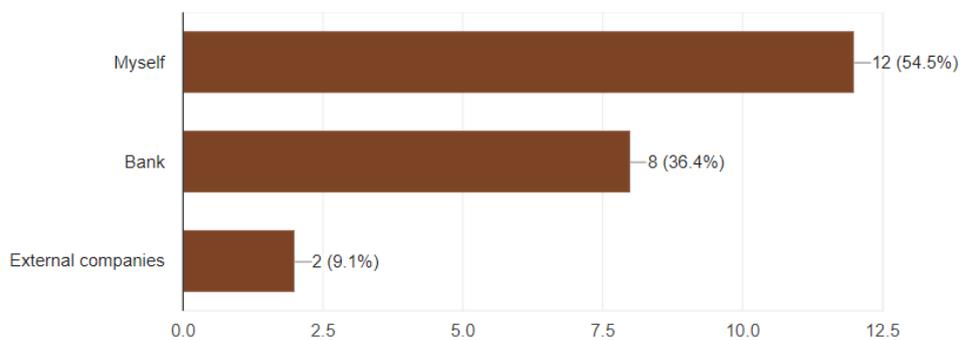
Responses are various but most people found information about social entrepreneurship in their social and work circles and events and seminars. Only 19% acquired knowledge through educational institutions.

6. How easily did you find information about the laws and regulations on Social Entrepreneurship?



Being 1 very easy and 5 very complicated the majority answered 3 and 4 which tends to a slight difficulty to find information about this topic.

7. Who invested in your business?



More than half had to invest themselves in their business whilst 36% was the bank investing in their business.



8. What was the biggest obstacle you had to face when you started your business?

This was an open question. Following the answers:

- This question had the form of an open question. Following are the answers:
- Capital
- Legislation
- Finding new customers
- Official affairs
- To convince customers
- Requested reports and other legislative works
- leave the old job
- Financial problems
- Not knowing the details of the job very well
- Information
- Find a market for the product
- making sure of work
- Find new project and formalize
- Formality

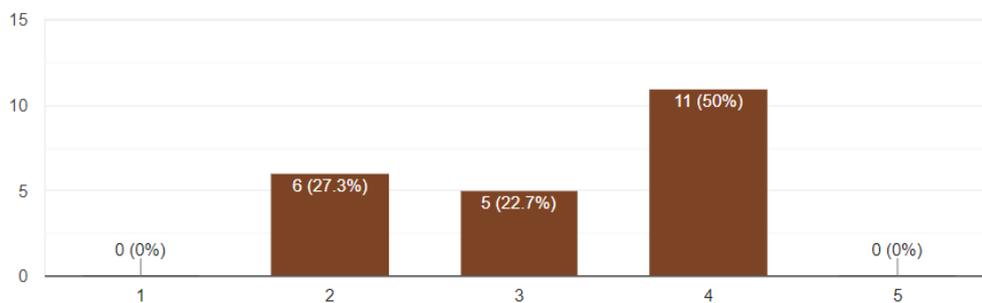
9. What helped you the most to be convinced and establish your social enterprise?

This was an open question. Following the answers:

- My experiences
- My friends
- My education
- My knowledge
- My customers know me and my carpentry
- My knowledge and experience
- My knowledge and experience

- The directions of the company I work with(uber)
- more government support should be provided for jobs that benefit people
- My information and my hobby
- I have a supply chain
- My trust in work
- more financial support and reduction of formal procedures
- My experienced friends
- Professional experience
- My previous experiences
- My family

10. How easy was to start your own social business?

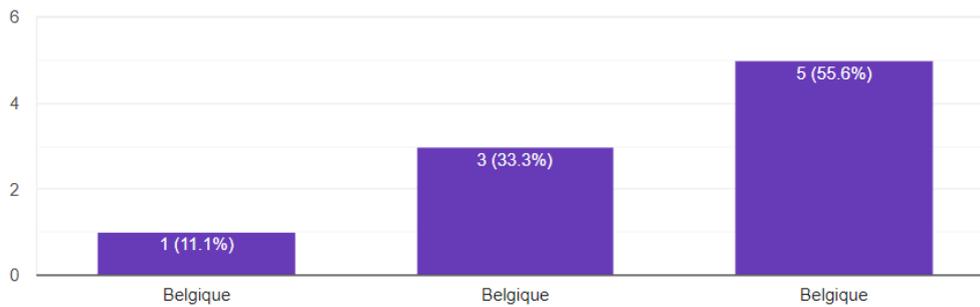
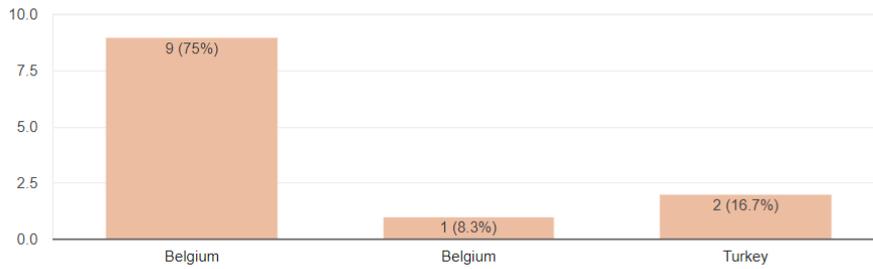


Being 1 very easy and 5 very complicated the majority answered a 4 which is difficult finding no responses in very easy nor very difficult.

Learners questionnaire

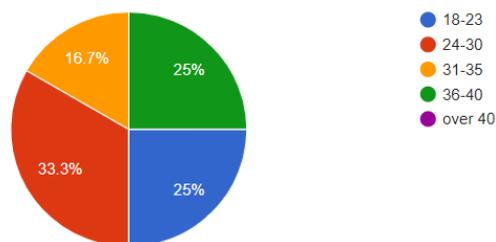
This questionnaire was given among learners in English version and in a French version. The first graph corresponds to the English version and the second one to the French.

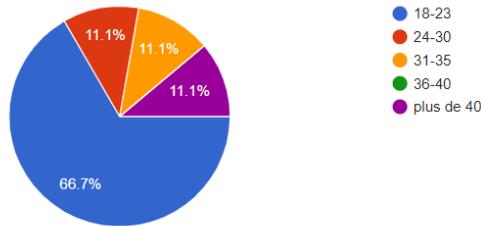
1. What country are you living in?



The majority currently lives in Belgium

2. What is your age?





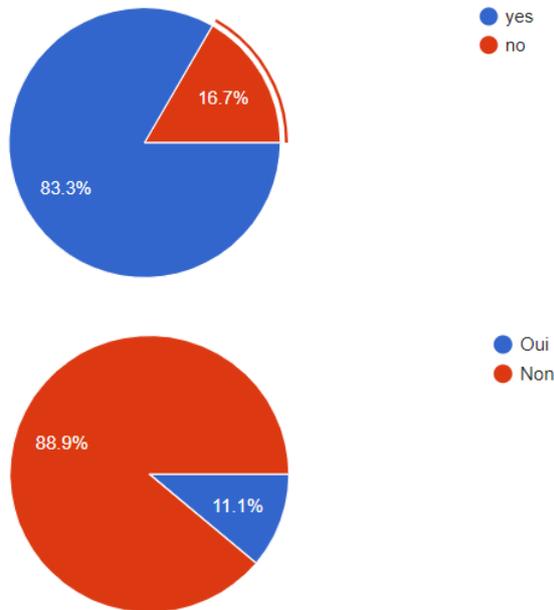
The biggest range of age is between 18 and 30.

3. What do you understand under the concept of social entrepreneurship?

This is an open question. Following the answers:

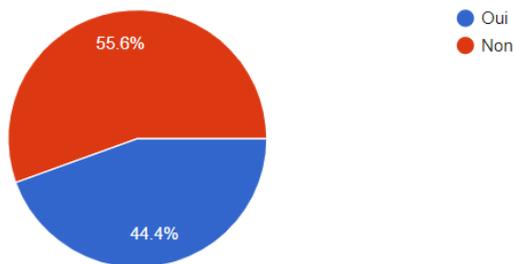
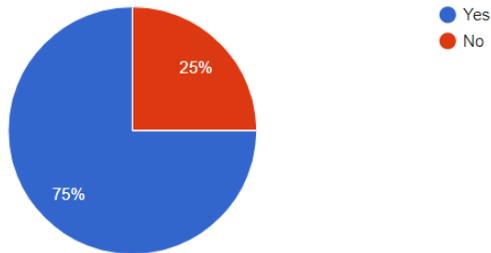
- Being beneficial to people
- To produce projects
- Being a leader and presenting new method an in areas like education, societal problems and so on
- Taking initiatives and making innovations for social problems
- innovation for good
- Working for humanity
- To be an entrepreneur to be useful
- Benefit for people
- Do good things for the world
- innovative and useful investments
- Do useful things
- Doing clever things for people
- Undertaking in any field with attention to the workers of any company
- A partnership between entrepreneurs in the social
- Not much, unfortunately.
- When the aim is to improve the daily life of citizens or to solve a social problem
- Social Improvement
- An aid project

4. Have you heard of this concept before? If yes, where?



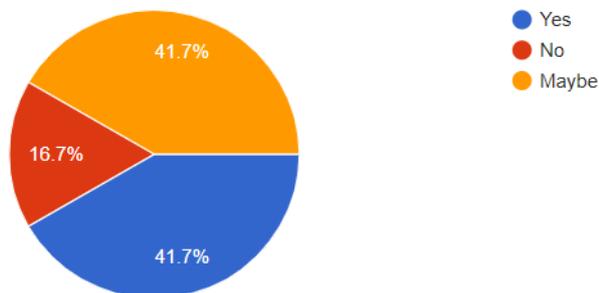
Here we can observe a big difference between learners that were asked in English and in French. The vast majority of the first have heard about the concept and the vast majority who answered the questionnaire has not. The difference may be due to the difference in education as the latter were learners that are not enrolled in a higher education. The second group answering where they had heard about social entrepreneurship answered the internet and television whilst the first group's sources were apart from TV and the internet, friends, and school

5. Are you interested in following an education and career in topics related to social issues and impact?

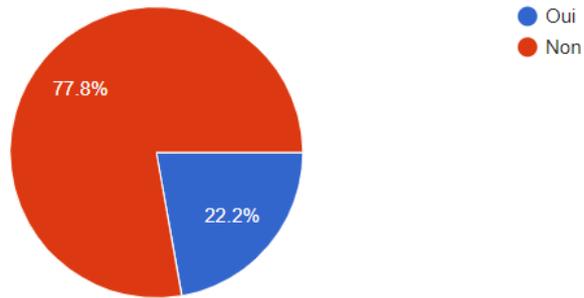


We can observe that most people asked in the English version are more interested in following an education in this domain than the students asked with the French version of the questionnaire.

6. Social entrepreneurship aims to focus on businesses for a greater social good and not uniquely pursue of profits. Would you consider pursuing a career in this area?

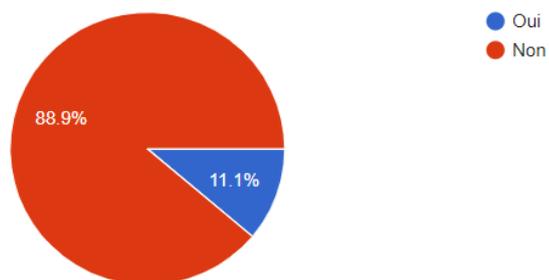
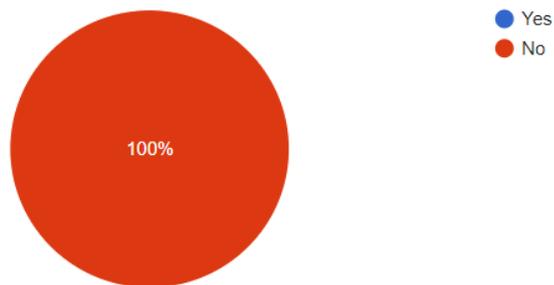


A small amount of the percentage would not consider following a career in this domain, whilst the rest is equally distributed in the answers yes and maybe.



The vast majority of the people answered they would not consider following a career in social entrepreneurship.

7. Do you think there is enough information about social entrepreneurship available?



The vast majority of the respondents think there is not enough information available about social entrepreneurship.

8. In which areas related to the social entrepreneurship is there lack of information and tools?

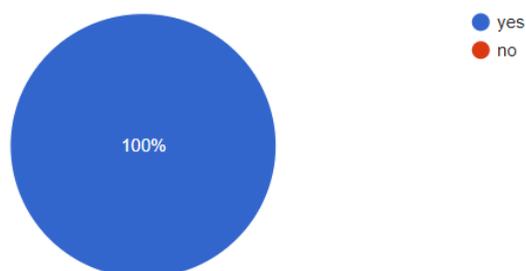
This was an open question and following are the answers:

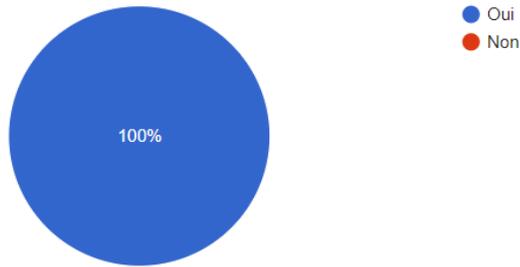
- As to how it works on practice
- Education
- Finance
- Funding for research
- Health
- Lack of expert trainer
- Missing guidance
- People have no idea like me
- What is not known
- What it is and how it is done

French version:

- Specific areas of application
- I don't really know
- I have no idea.
- In most companies such as call centre
- The background of the concept
- All

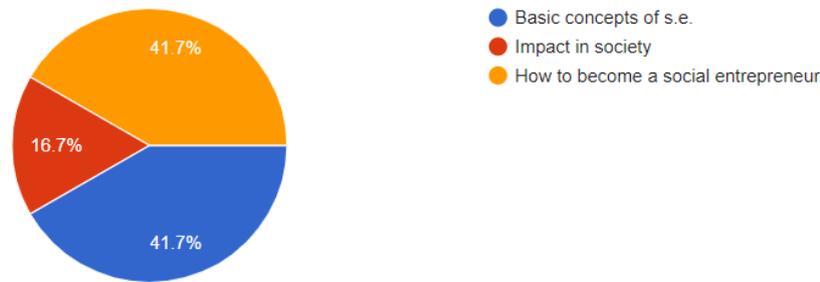
9. Do you believe in the positive impact of social entrepreneurship in society?



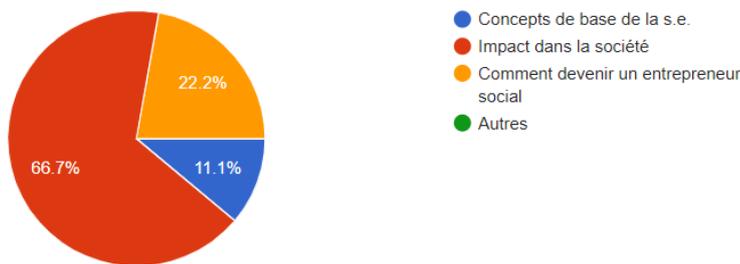


A 100% of respondents answered that they believe in the positive impact of social entrepreneurship.

10. What are the aspects of social entrepreneurship you would be interested to learn about?

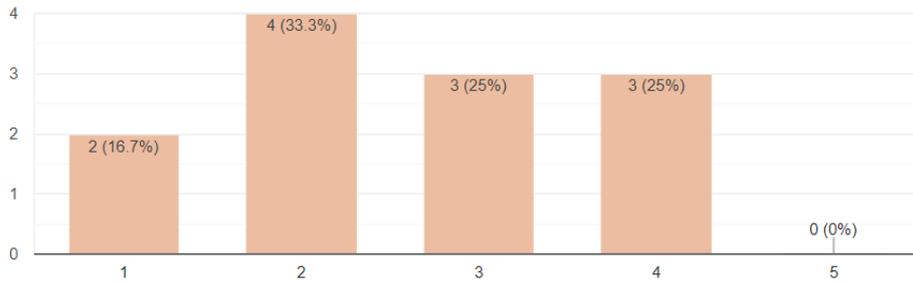


The majority of respondents would like to know more about how to become a social entrepreneur and about the basic concepts of social entrepreneurship.

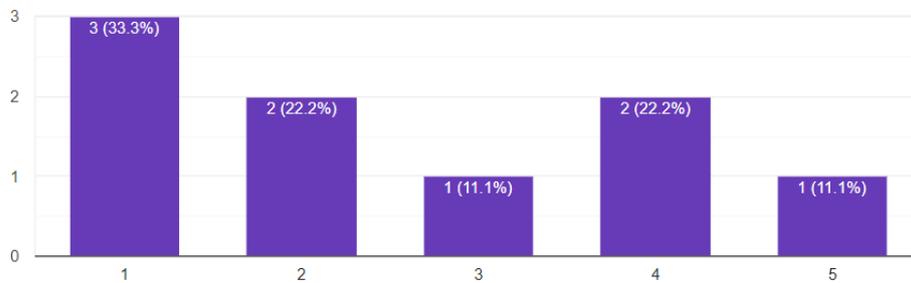


For the French speaking target group the majority answered they would like to know more about the impact of SE in society followed by how to become a social entrepreneur.

11. How likely would you participate in a introductory course about social entrepreneurship?

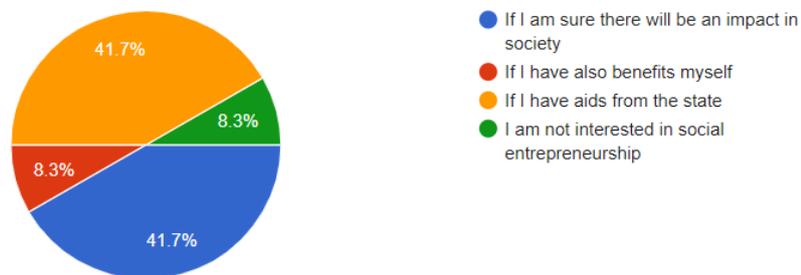


Being 1 very likely and 5 very unlikely the majority of respondents tend towards 2 followed by 3 and 4 with the same amount of percentage



Similarly, in the French version, a 33% of respondents would attend very likely a course about social entrepreneurship.

12. What would make you change your career path to social entrepreneurship?





Most of respondents in both groups, with a 41% and 44% would change the path to SE if they would be sure of a social impact in society.

The first group also answered in a big percentage, if they would receive more aid from state, whilst the second most voted answer by the second group was that they were not interested in changing their career path followed by a 22% that would change the career path if there would be some benefits for themselves.

3.2. Bulgaria

Educational institutions questionnaire

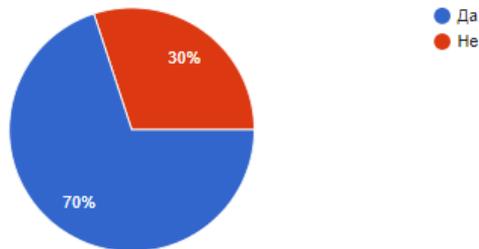
1. What kind of educational institution do you represent?

The participants in the institution's questionnaire were from three main groups of education bodies – 20% schools, 20 % non-governmental organizations and 60% universities.

2. What is your role in this?

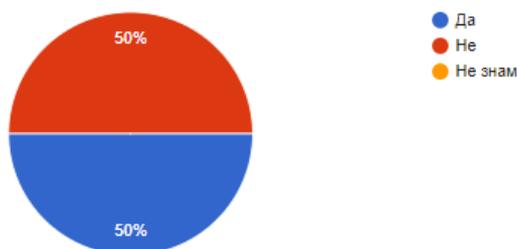
According to the results the respondents were teachers, professors and project managers.

3. Are you aware of the meaning of Social Entrepreneurship?



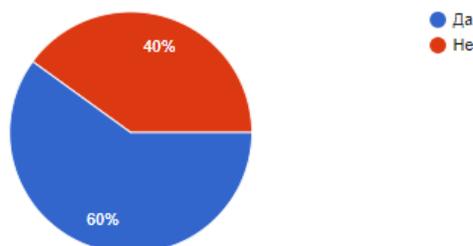
According to the results on the survey 70% of the respondents replied positive, that they are aware of the meaning of SE.

4. Is there a program at your educational institution that teaches Social Entrepreneurship?



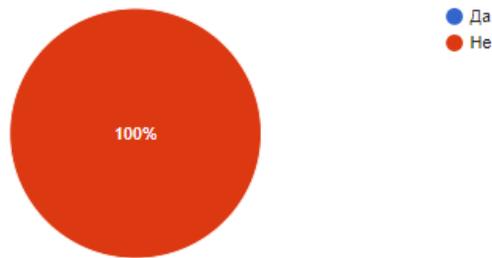
Half of the education bodies had a specific program dedicated to teaching social entrepreneurship.

5. Have you attended a course on Social Entrepreneurship?



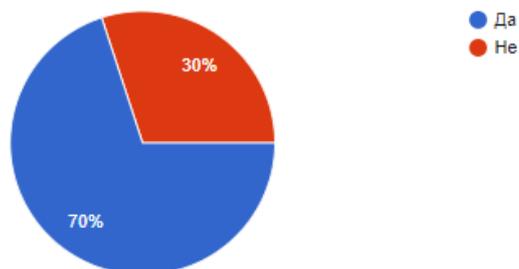
60% of the respondents had followed a course on social entrepreneurship.

6. In your opinion, does the state provide the necessary support to institutions that teach Social Entrepreneurship?



All the participants agreed that the state was not providing enough support to institutions which are providing social entrepreneurship education.

7. Is your educational institution interested in providing more education on Social Entrepreneurship?



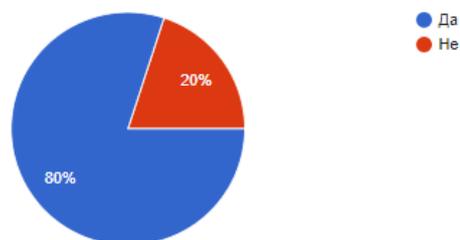
On the question if their institution is interested in providing more education about social entrepreneurship – 70% of the respondents replied positive.

8. What would help your educational institution to promote social entrepreneurship?

This question had the form of an open question. The following are the answers of the respondents regarding the practices that would help educational institutions to promote social entrepreneurship.

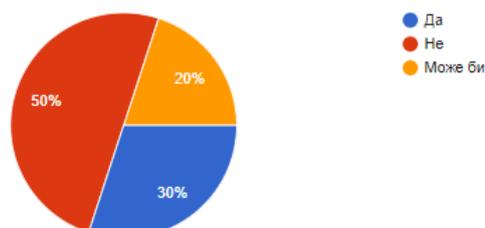
- The appropriate educational materials and tools
- Targeted training and funding by the state
- Online materials
- Funding for additional educational material
- Collaboration with successful social enterprises

9. Would you be interested in attending an online course aimed at educators in social entrepreneurship?



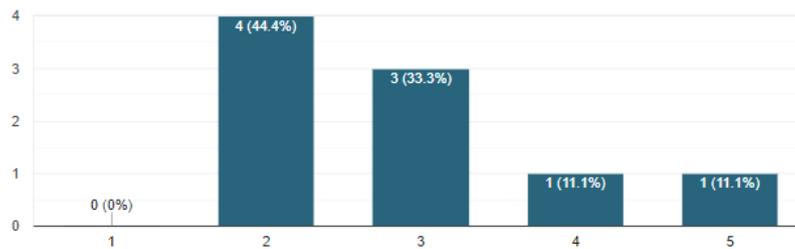
80% of the participants replied that they would be interested in following an online course for educators on social entrepreneurship.

10. Would you be interested in teaching a course on Social Entrepreneurship?



Half said that they are not feeling prepared and replied negative, 30% were interested in doing it and the rest remained neutral.

11. Do you think students would be interested in attending a course on Social Entrepreneurship?



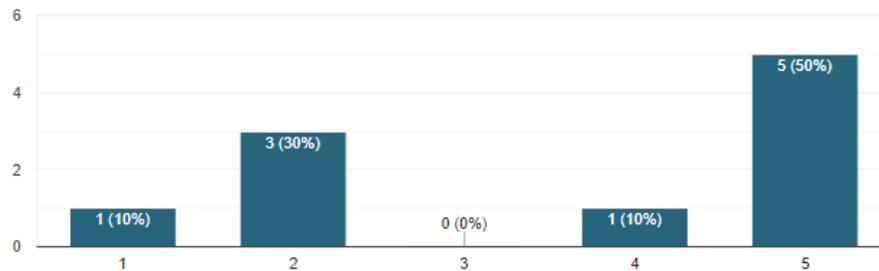
According to the respondent who replied on the question 45% replied that it was very likely to attend a course on SE, 34% remained neutral and 21% replied that in their opinion it was not very likely that their students would be interested in such a course.

12. In your opinion, what are the biggest difficulties facing education on Social Entrepreneurship?

This question had the form of an open question. The following are the answers of the respondents regarding the obstacles and difficulties education on Social Entrepreneurship has faced.

- Lack of know-how and appropriate training
- It is difficult for people to understand the legal framework of social enterprise
- Lack of information
- Lack of teachers and good practises
- The field is not promoted enough, and people do not know the possibilities
- People are not interested to learn more

13. How possible is it for you to start your own social enterprise?



According to the results 10% replied that it was very likely to start their own SE; 30% said it was likely and 60% of the respondents said it was quite unlikely.

Based on the answers received from the participants in the institutions group, it is clearly visible that additional training is needed both for the educators and learners on the topic of social entrepreneurship. Lack of resources and support from the state is another factor which is negatively impacting the spread of the possibilities that SE gives.

Summing up, the lack of information, resources and good practices are the main setbacks when talking about SE education. Most of the participants, among which there were professors, teachers and others believe that more than 40 % of the people they work with would be interested in such education, which is a great input from people in the education field.

Social entrepreneur's questionnaire

1. How and why did you decide to become a social entrepreneur?

This question had the form of an open question. The respondents answer the following about the ways and the reasons of deciding to become a Social Entrepreneur.

- The desire to help and create better opportunities for people in vulnerable groups.
- The desire to give better opportunities for young people at risk, people with disabilities or mental problems, to help their integration and provide support.
- The belief that social entrepreneurship is a sustainable model for developing ideas and projects that are meaningful and useful to society.

- I had a problem defined, then I found the solution and developed a business plan for the project.
- Due to unemployment and desire to help
- To integrate my family who are in risk groups
- Inspired by education trainings in which they have participated and then decided to create their own social enterprise and try giving better possibilities for all
- Volunteer in different organizations and based on this I already had experience working with all kind of people and were looking for solutions.

2. Where does your business focus on?

This question had the form of an open question. According to the respondents, the following are the sectors their businesses focus on.

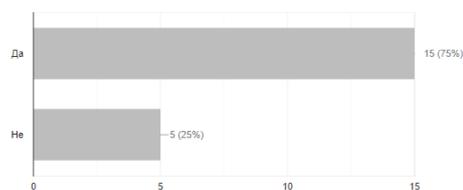
- education,
- art therapy,
- helping women in difficulties,
- integration of young people without families,
- raising awareness for the protected areas and polar regions
- elderly people and people with mental health problems.
- catering
- processing of agricultural products
- coffee shop

3. Where did you get the idea for your business?

This question had the form of an open question. The following answers indicate from where Social Entrepreneurs were inspired to start their businesses.

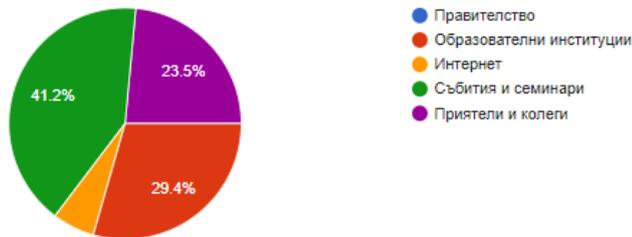
- I have seen something similar in other countries and decided that it is a good practice that is needed in Bulgaria as well.
- I have been working as a foundation and after that decided that in order to have more diverse way of funding their activity, they can grow it and develop a social enterprise.
- I noticed a need which I was able to resolve with the social enterprise I have created for example a platform for young people devoted to art.
- When noticed the real needs of the local community that were not served by the private or the public sector
- From my participation in such a training
- The idea for a social enterprise which was born from the need for financing of an NGO working in the environment and biodiversity sector - the idea of symbiosis emerged between protected area farmers and the products produced there. By creating a social enterprise, we supported the distribution of the products and raise funds for raising awareness and the conservation of these protected areas and their biodiversity.

4. Did you have any training on Social Entrepreneurship before you started your own business?



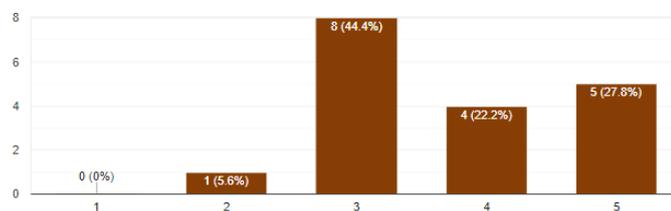
Based on the results 75% of the respondents answered positive, that they have participated in a training on the topic prior to starting their SE.

5. Where did you find information on Social Entrepreneurship before you started your business?



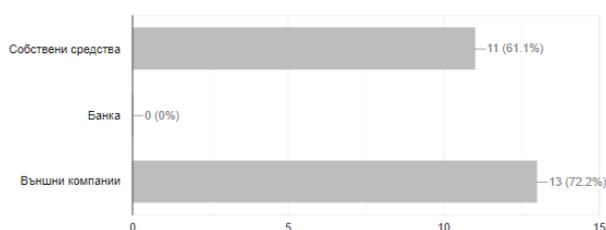
According to the results 41% of the participants said events and conferences; 30% answered educational institutions; 24% replied that the main source were friends and colleagues; the remaining part was based on Internet.

6. How easily did you find information about the laws and regulations on Social Entrepreneurship?



Based on the difficulty of finding information about legislations and law in social entrepreneurship in Bulgaria only 5% of the participants replied that it was easy, 50% said it was rather difficult and 45% remained neutral.

7. Who invested in your business?



When asked who invested in their businesses – two thirds of the participants said that the initial funds for starting the social enterprise were provided by their savings and external companies; and the percentage was equally spread between business which were funded by own savings and external companies.

8. What was the biggest obstacle you had to face when you started your business?

This question had the form of an open question. The following are the answers of the respondents regarding the obstacles and difficulties they have faced when they started their businesses.

- Among the biggest obstacles when starting the businesses was the lack of information and good practices
- The constant changes in the laws
- Difficulties in marketing the products as people are unaware of the specifications of social enterprises.
- It was difficult starting because of the funding and then sustaining the business in the long run.
- Funding capital
- The ignorance of the people for the difference that social enterprises have.
- Bureaucracy
- The ignorance of civil servants about the specifications of SE

9. What helped you the most to be convinced and establish your social enterprise?

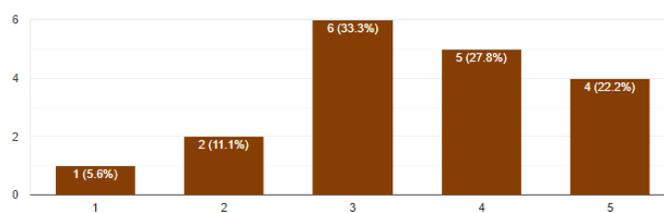
This question had the form of an open question. The following responses indicate what was that that helped the most the Social Entrepreneurs to be convinced and thus to establish their social enterprise.

- the networking from various events and seminars in which I have participated
- the Bulgarian Center for Not-for-Profit Law was the organization who helped us during the whole process



- EU projects funding
- the passion to help
- personal characteristics such as patience, perseverance and the motivation to make a difference for the risk groups we are working with.
- Collective responsibility and team effort
- the social benefit
- the common acceptance of the idea among the members

10. How easy was to start your own social business?



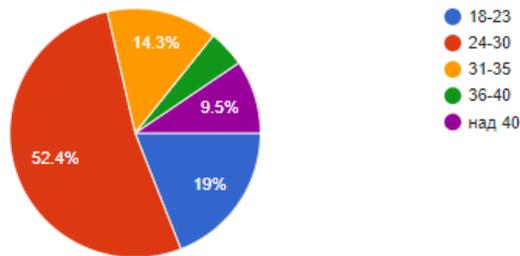
On the last question of the survey on how easy was to start a business in social entrepreneurship in Bulgaria – 17% said it was overall easy, half of the respondents replied that it was difficult and 33% remained in the middle.

Learner's questionnaire

1. In which country do you live currently?

All the participants that took part in the survey were currently living in Bulgaria.

2. Age:



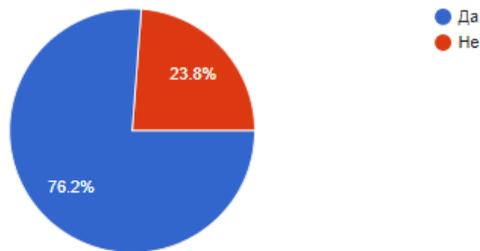
Half of them were in the 24-30 years old range, another 20% were younger, in the range of 18 to 23 years old and 14 % - 31-35 years old. The remaining were over 35.

3. What do you understand when you hear social entrepreneurship?

This question had the form of an open question.

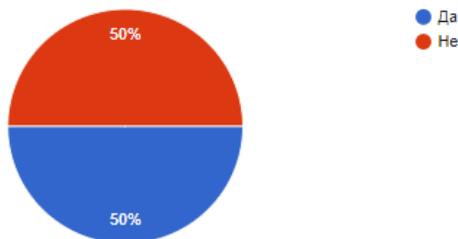
- Social entrepreneurship is a term referring to groups of people who work to find innovative solutions to social problems
- Initiatives and projects have a lot of added information to discuss, in relation to what has been implemented, and based on opportunities / weaknesses on this action.
- A social enterprise or social business is defined as a business that has specific social objectives that serve its primary purpose. Social enterprises seek to maximize profits while maximizing benefits to society and the environment.
- Private companies whose product is supporting the public interest
- Carrying out some economic activity, the income of which is invested in a social cause.
- Shops and services that benefit society
- A business venture that aims to help people who are in risk groups.
- NGO
- I have no idea
- Start up with the purpose to help the society

4. Have you heard the concept before?



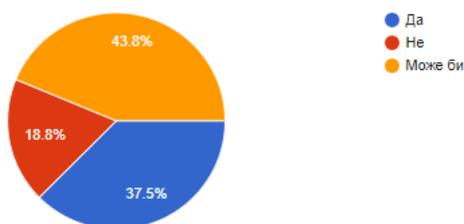
About 2/3 of the participants had previously heard of the concept.

5. Are you interested in following an education in topics related to social issues and impact?



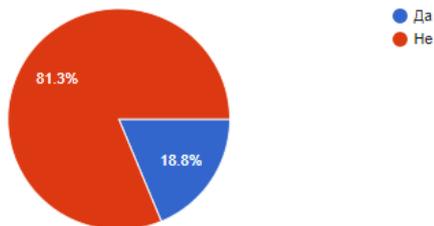
Half of the respondents answered that they would be interested in such topic.

6. As social entrepreneurship aims to focus on businesses for a greater social good and not uniquely pursue of profits, would you consider pursuing a career in this area?



More than 35% replied that they are considering such a career, 18 % were not interested at all, 44% said that they were interested to some extent.

7. Do you think there is enough information available on the topic of social entrepreneurship?



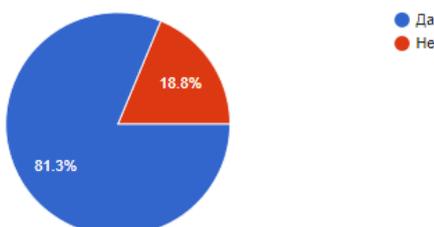
More than 80% replied that the data on the topic is not enough.

8. Which are the areas connected with SE, where there is lack of information and tools?

This question had the form of an open question.

- the effect on the society and economy
- opportunities for business development with such a focus
- assistance from authorities or tax breaks.
- the financial sphere
- ideas how to market products and services provided by SE.

9. Do you believe in the positive impact of social entrepreneurship in society?



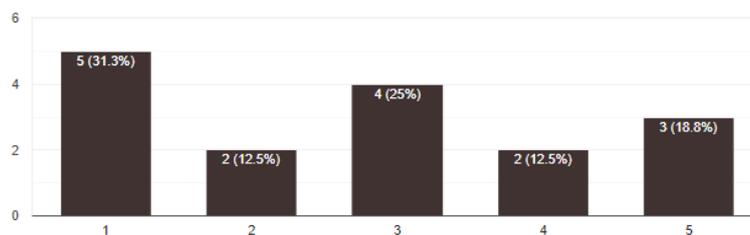
More than 80% replied positive that they believe in the positive impact of social entrepreneurship.

10. Which are aspects of social entrepreneurship that you would be interested to learn more about?



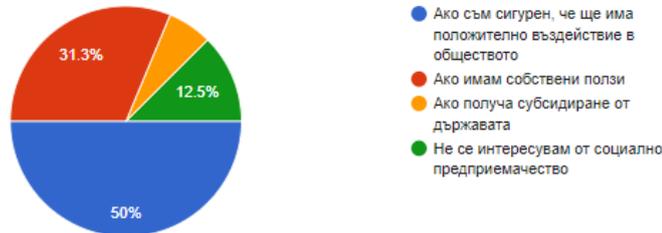
47% of the participants said that it would be the impact over the community that a SE has; 27% were interested in how to become social entrepreneur and the remaining 26% were curious to learn more about the basic information for social entrepreneurship.

11. How likely is to participate in an introductory course for SE?



One third of the respondents said that it was very likely that they would participate in a introductory course about social entrepreneurship. Another 13% replies that they are likely to do it, 31% responded that it is unlikely or very unlikely to take part in such course and 25% remained neutral.

12. What would make you change your chosen career path to social entrepreneurship?



Half of the respondents said they would be interested in changing their career path to social entrepreneurship only if they are sure, that this will have a positive impact over the community. 31% said that they would do it if they have personal benefits from that; 12% were not interested at all and 7% replied that they would if they received aids or are being subsidized by the state in some form.

In conclusion, based on the series of questions in the survey the results are showing lack of knowledge and understanding of what social entrepreneurship is, what are the problem it tackles and what are the instruments at its disposal. Most of the participants were eager to learn more about the topic or clarify the confusion that is around the term.

In summary, based on the education part of the questionnaire it was visible that there is interest on the topic. Considering the desire that most of the respondents showed during the research, a module with well-organized and prepared information on social entrepreneurship will be useful and can motivate more people to engage in this field. Due to the lack of materials, or their scarce promotion a lot of people are not aware of the possibilities that this sector gives.

The conclusion that can be drawn from the last part is that a full course of education on social entrepreneurship is needed. There should be different parts covered discussing:

- the basic information, which will be useful for all kind of people;
- the impact it has on the community, as it is one of the main drivers for the participant's interest in pursuing education or their own business in the field
- how to become a social entrepreneur – module for people interesting in following a deeper education on the topic, looking forward to implementing the knowledge as their future career path.

3.3. Croatia

The following analysis was done in Republic of Croatia by Partner PAR University College and represents the results of the questionnaires distributed among Educational institutions Social Entrepreneurs and Physical persons.

Number of collected answer is as following:

- Educational Institutions (11)
- Social Entrepreneurs (6)
- Physical persons (34)

Educational institutions questionnaire

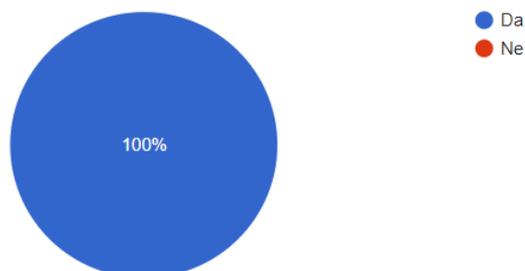
1. What kind of educational institution do you represent?

According to the results of the questionnaire the kind of educational institutions that the respondents represent are universities and vocational institutions.

2. What is your role in this?

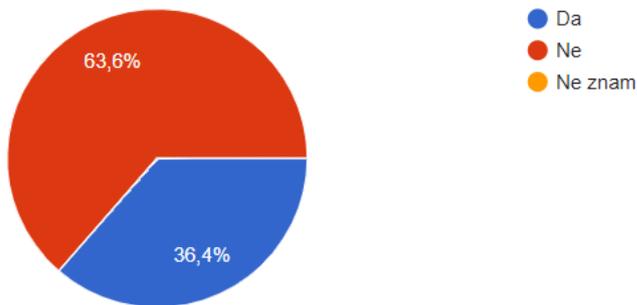
The roles that the respondents have in the educational institutions as stated in the questionnaires, are educators (63,3%), head of departments (27,3%) as well as owners of institutions (9%).

3. Are you aware of the meaning of Social Entrepreneurship?



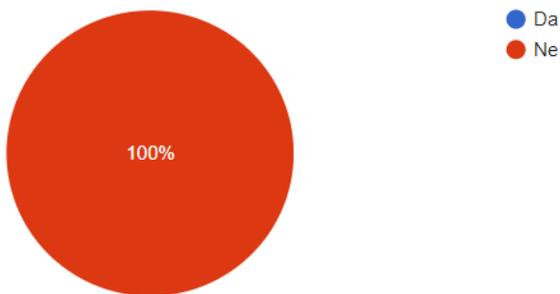
All of respondents claimed that they are aware of the meaning of Social Entrepreneurship (100%).

4. Is there a program at your educational institution that teaches Social Entrepreneurship?



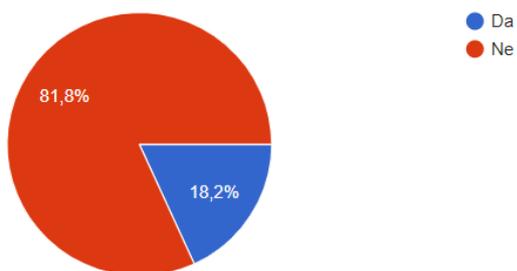
The results of the particular graph shows that the majority of the educational institutions do not provide courses of Social Entrepreneurship (63,6 %).

5. Have you attended a course on Social Entrepreneurship?



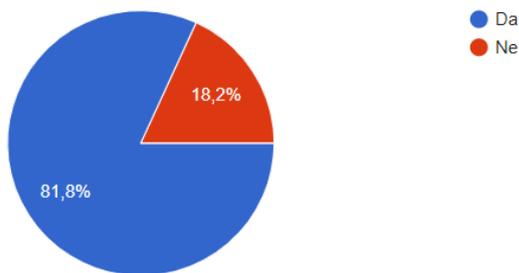
The results of the particular graph shows that all of the respondent have attended a course for Social Entrepreneurship (100%).

6. In your opinion, does the state provide the necessary support to institutions that teach Social Entrepreneurship?



The majority of the respondents state that the country do not provide the necessary support to the institutions that teach Social Entrepreneurship (81,8 %). The percentage of respondents who think opposite is 18,2%.

7. Is your educational institution interested in providing more education on Social Entrepreneurship?



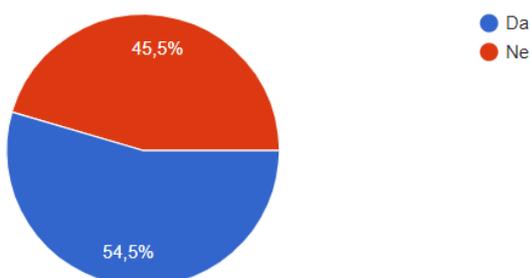
The results generated by this graph indicate that the overwhelming majority of respondents supports the idea of providing more education on Social Entrepreneurship in their educational institutions (81,2%). Only 18,2% of them are not interested.

8. What would help your educational institution to promote social entrepreneurship?

The following are the answers of the respondents regarding the practices that would help educational institutions to promote social entrepreneurship:

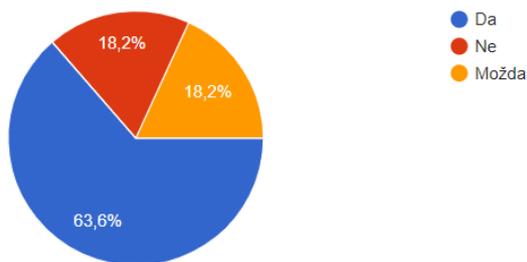
- Availability of experts (36,4%)
- More information (27,3%)
- Higher interest from student’s side (27,3%)
- Rest (9,1%)

9. Would you be interested in attending an online course aimed at educators in social entrepreneurship?



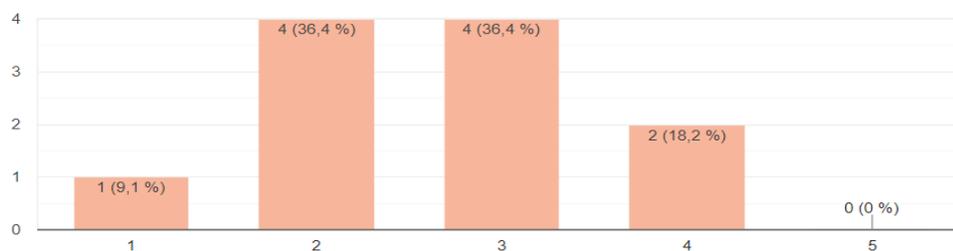
The majority – 54,5% of the respondents is willing to attend online courses referring to educators on Social Entrepreneurship. The percentage of respondents who are not interested on the courses is 45,5%.

10. Would you be interested in teaching a course on Social Entrepreneurship?



The evidence of this chart shows that the 63,6% respondents are interested in teaching a course on Social Entrepreneurship or not, with the percentages being almost equally distributed.

11. Do you think students would be interested in attending a course on Social Entrepreneurship?



Most respondents answered that the students would be interested in attending relevant courses – reaching 72,8% of the total answers.

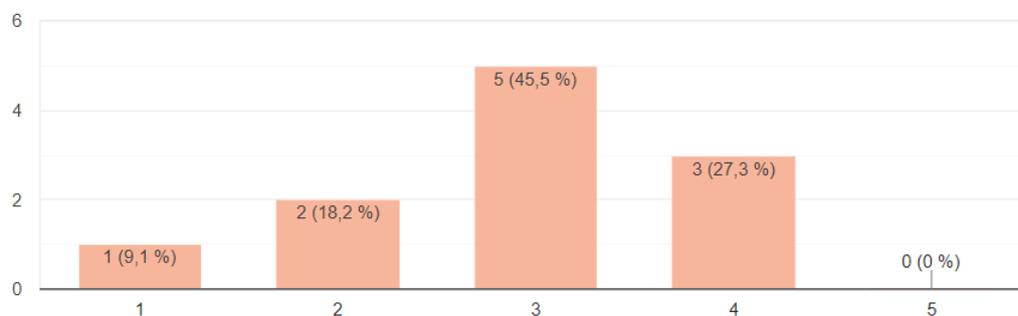
12. In your opinion, what are the biggest difficulties facing education on Social Entrepreneurship?

This question had the form of an open question. The following are the answers of the respondents regarding the obstacles and difficulties education on Social Entrepreneurship has faced.

- Declining number of students at the national level, excessive fragmentation of educational programs
- Focus solely on profit
- Balance of business and private life, the role of the media, informing people
- Insufficient information on social entrepreneurship

- Low interest and insufficient financial resources
- Interest in the topic and motivation of students to acquire new social skills
- Initiative
- Well-organized and constructively organized lectures, insufficient information, professional staff
- Lack of experience and thus a lecturer on the subject

13. How possible is it for you to start your own social enterprise?



The results in the question have divided among all possible options. Specifically, 63,7% of the respondents claimed that is likely and likely to start their own enterprise, while 27,3% are not so likely to start their own enterprise. The rest of the percentage belongs to people who are not sure whether they would establish or not their own social enterprise.

Social entrepreneurs' questionnaire

1. How and why did you decide to become a social entrepreneur?

This question had the form of an open question. The respondents answer the following about the ways and the reasons of deciding to become a Social Entrepreneur.

- After 12 years of working in the private sector, through occasional volunteering in the civil sector, I became acquainted with the concept of social entrepreneurship, and after a study trip to Italy (Bari), love was born.
- In 2019, we founded Misterion Riviera d.o.o. with its headquarters in the small rural municipality of Kamanje (Karlovac County), as a direct product of the project: Misterion - experience the secrets of water, which is funded by the Interreg program Slovenia - Croatia.
- I wanted to do design and it was not possible to do that in a state-owned company in 1992

- Out of concern for the social way of behaving and doing business
- Because of the desire to change and apply the acquired knowledge and work experience.
- Personally, with good decisions

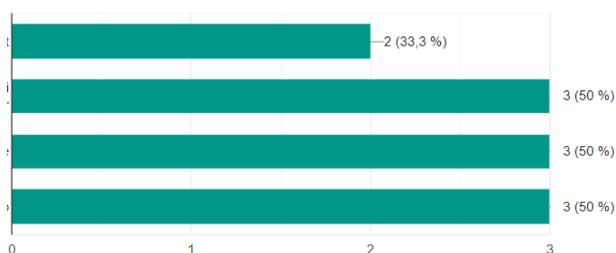
2. Where does your business focus on?

- Solving social and environmental problems in the local community
- Rural tourism
- Interior & product design
- Education and community assistance
- To provide services for various economic segments.
- Work and work

3. Where did you get the idea for your business?

- Study visit to Belgium and Italy. But the idea itself has been refined over time and adapted to market needs
- As part of the mentioned project Misterion - experiences of the secret of water, we worked on arranging the sites of natural and cultural heritage of rural communities along the river Kupa (Bela krajina, Pokuplje and Zumberak). Since the springs, bicycle and hiking trails, the Natural History Museum of Bela Krajina in Semic and the Archaeological Park in Kamanj have been arranged, it was natural to create a tourist agency that will bring guests to the area.
- That's what I wanted to do so back then I almost 92 invented an occupation back then
- Because I worked similarly in a previous firm.
- While working in my craft, I realized the need for this type of service.
- It is ingrained in me and I improved it every day

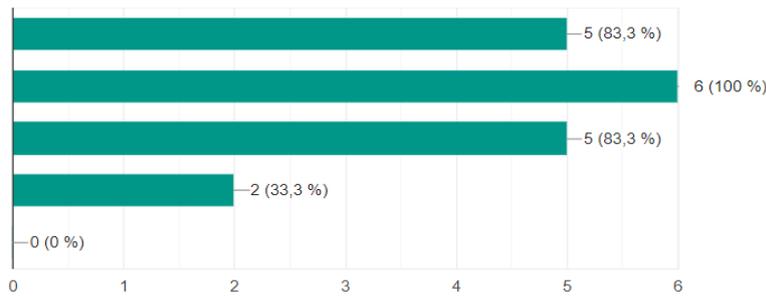
4. Where did you find information on Social Entrepreneurship before you started your business?



The results generated by this graph point out that the most common source of finding information on Social Entrepreneurship is through Internet (33.3%). As it follows, the second source is events and

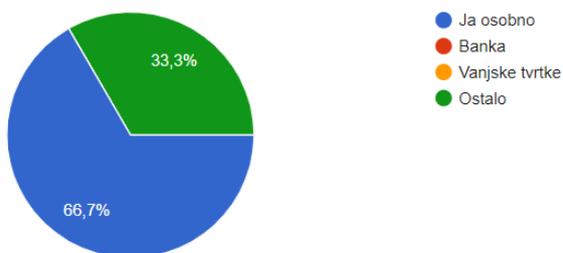
seminars in the field (30%). 30% of respondents chose to be informed from business meetings and business partners.

5. How do you advertise your business?



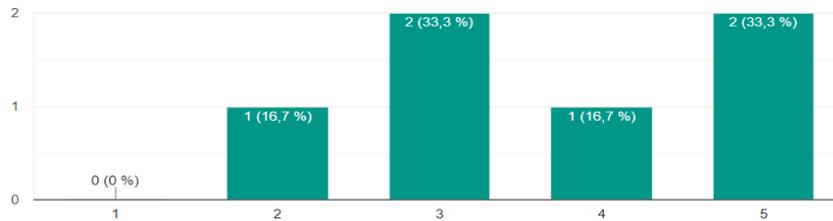
The results generated by this graph point out that the most common advertising channel are social networks (100%). 83,5% respondents are also using web pages and specialized fairs. 33,3% respondents are using print media.

6. Who invested in your business?



The majority of 66,7% answered that the those who invested in their business were themselves. 33,3% answered that they found another source of financing.

7. How easily did you find information about the laws and regulations on Social Entrepreneurship?



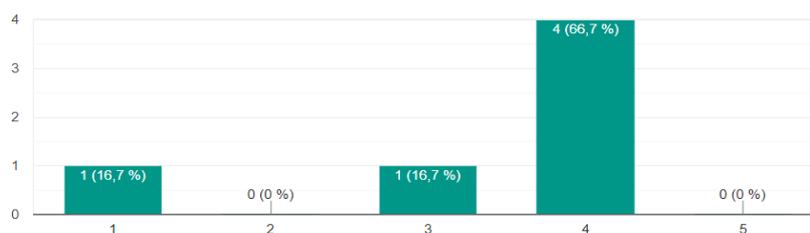
16,7% of the respondents answered that it was quite difficult finding information about law and regulations on Social Entrepreneurship. For the next high percentage of respondents (33.3%), the ease to find information about laws and regulations on Social entrepreneurship is in an average level. The rest of respondents – 50% found the required information easily.

8. What was the biggest obstacle you had to face when you started your business?

This question had the form of an open question. The following are the answers of the respondents regarding the obstacles and difficulties they have faced when they started their businesses.

- Registration of a social cooperative (2011)
- We had the overwhelming support of the local rural development organization LAG Vallis Colapis and op. Kamanje, so we didn't have any major obstacles at the start.
- Finances, find good co-workers, know how to organize business
- Money
- Bureaucracy
- Start-up capital

9. How easy was to start your own social business?



The majority of the respondents (66.7%) claimed that starting a social business was difficult/more difficult. 16,7% found the process of establishing a social enterprise in Republic of Croatia easy.

10. What helped you the most in starting a business in social entrepreneurship?

This question had the form of an open question. The following are the answers of the respondents regarding the obstacles and difficulties they have faced when they started their businesses.

- Search the internet and similar resources of others in the business self-consistency
- Previous experience in running the private travel agency Croatia Open Land, which thus became the founder and majority owner of the new socially-owned company Misterion Riviera d.o.o. with the fact that in the meantime we applied to the Croatia Open Land agency for an ESF tender for the transition to business according to social entrepreneurial principles (the LAG vallis Colapis organization also helped us with this).
- Eu funds
- Information from professional business associates
- My will, when you are young you go to the goal ... and later experience slows down because it predicts

Physical persons

1. In which country do you currently live in?

100% of the respondents answered that they live in Republic of Croatia.

2. How old are you?

The age of the respondents ranges between 29 and 62 years.

3. How do you define the term social entrepreneurship?

This question had the form of an open question. The following are the answers of the respondents regarding definition of social entrepreneurship.

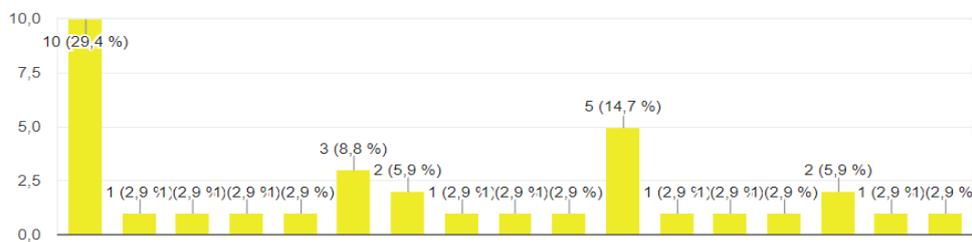
- Entrepreneurship based on a social concept, social responsibility
- I do not know
- Entrepreneurship in the service of the community whose goal is not exclusively financial gain
- Entrepreneurship aimed at the betterment of the whole society
- Work to improve the overall environment
- Entrepreneurship involving entities primarily focused on meeting social goals
- Social entrepreneurship is doing business and pushing for entrepreneurial initiatives in areas that are not or do not belong and making a profit and accumulating wealth of a small number

of entrepreneurs, but profitable doing business that serves more people gathered around common interests or the wider community to solve certain problems in society .

- Entrepreneurship that respects and supports the development of the local community, promotes the principles of sustainable development
- Work of associations
- Contribution to the community
- A part of the economic system that includes subjects primarily focused on meeting social goals
- Business based on the principles of social, environmental and economic sustainability. THE GOAL is the well-being of society or community.
- I understand that the very goal of entrepreneurial practices from the business world is increasingly associated with social responsibility with the principles of environmental protection
- The main reason for the existence of entrepreneurs is not profit but social benefit.
- Social entrepreneurship includes business activities aimed at improving the quality of life of the inhabitants of an area, which are not covered by the scope of public bodies. A socially-owned enterprise is not established to make a profit and has an obligation to return it if it is realized in the community.
- Socially useful work
- Social entrepreneurship aims to focus on business for the purpose of greater social benefit;
- The goal of social entrepreneurship is to solve critical social problems in a sustainable way
- Type of entrepreneurship focused on the values and needs of society
- entrepreneurial activities aimed at meeting the needs of the community or the local environment of the people living in it
- The kind of entrepreneurship that should provide better living conditions better conditions
- Entrepreneurial activity that has some form of positive impact on the community, society.
- Entrepreneurship that does not aim to maximize profits for board members and directors but implies participatory leadership and giving back to the community (through its products or services) thus creating a circular economy.
- Business and investment of companies in the social community, ie in order to achieve social goals in order to improve the quality of life
- Entrepreneurship with the goal of social progress.
- Entrepreneurship that aims at social change
- I wouldn't know
- I do not know
- Entrepreneurship that is socially beneficial.
- Socially responsible entrepreneurship.
- Corporate social responsibility.

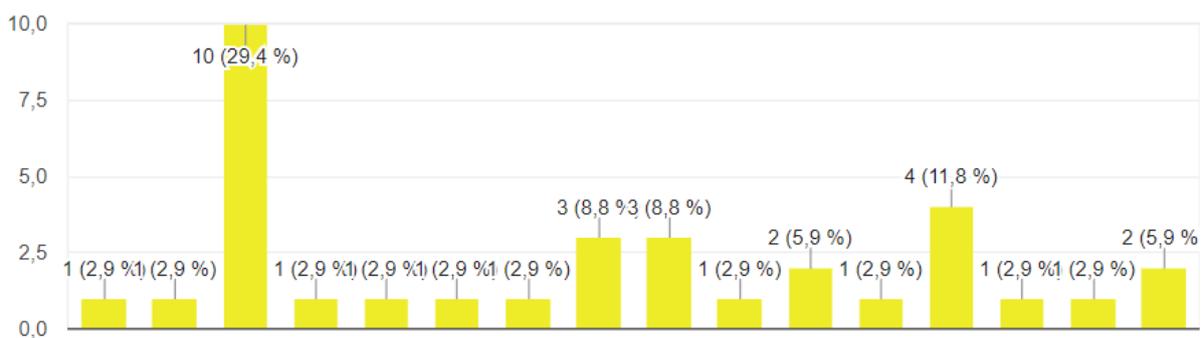
- Additional social value in addition to the core business
- Entrepreneurship with emphasized sociality
- An entrepreneurship model based on the achievement of social, environmental and financial goals. A form of entrepreneurship whose primary goal is not to maximize profits for the owner but to create social value in the local community.
- Matching money

4. Are you interested in education and careers in areas related to social issues and impact?



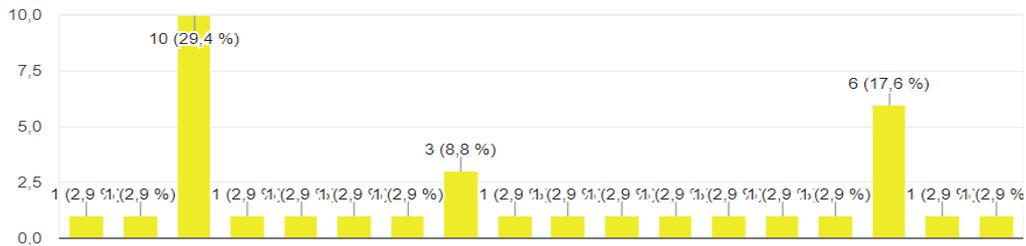
14,7% of respondents claimed that they are not interested in education and careers in areas related to social issues and impact.

5. Social entrepreneurship aims to focus on doing business for the purpose of greater social benefit, rather than simply making a profit. Would you consider a career in this field?



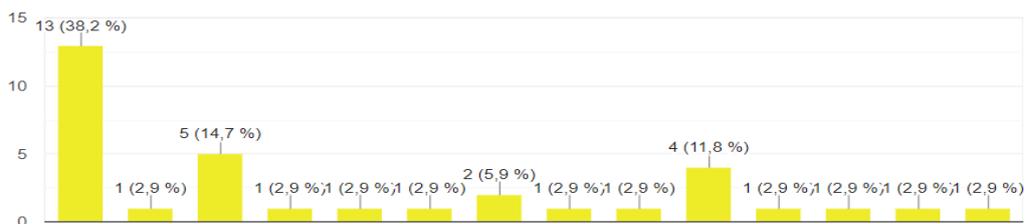
14,7% of respondents claimed that they are not considering a career in field of social entrepreneurship. The rest of respondents (85,3%) are considering/could consider a career in this field.

6. Do you think there is enough information available on social entrepreneurship?



5,8% of respondents claimed that they think there is enough information available on social entrepreneurship. The rest of respondents (94,2%) consider there is not enough information available on social entrepreneurship.

7. Do you believe in the positive impact of social entrepreneurship on society?



2,9% of respondents claimed that they don't believe in the positive impact of social entrepreneurship on society. The rest of respondents (97,1%) claimed they do believe in positive impact of social entrepreneurship on society.

8. What aspects of social entrepreneurship would you like to learn about?

This question had the form of an open question. The following are the answers of the respondents regarding learning aspects of social entrepreneurship:

- Everything, how to turn to social entrepreneurship, which companies exist in Croatia and Europe that deal with it, what are the main characteristics ...
- I do not know
- About non-profit organizations
- Caring for the environment.
- All
- Aspects related to marine conservation organizations



- Social entrepreneurship as a tool for employment, as a model of conservation or controlled use of natural resources for the benefit of the community or the local environment where it takes place.
- Local community development
- Development of new business ideas
- Contribution to education
- About human resource management
- Launching entrepreneurial activities related to the social mission, which enable the financial independence of the organization
- On resource conservation, heritage valuation and biodiversity
- Business strategies
- Absolutely everything.
- Overview
- About application and strategies
- Social entrepreneurship as a motivator of a better life for people in certain areas: digitalization and informatization of remote areas and people, supply of the elderly population, ways to encourage local people to cooperate and encourage entrepreneurship ..
- Renewable energy sources (if it is part of social entrepreneurship))
- Everything is interesting to me. Good practices in the world.
- I think there is no institution or course that can teach you entrepreneurship because to be an entrepreneur you have to start your own business and go through all the situations that require the same, so I believe that not all institutions that provide entrepreneurship education are necessary for success. Maybe for someone who doesn't know what nice is. report and how to make a profit
- On social and economic aspects and the impact on the environment
- Starting a business.
- Environmental protection, women's rights and the rights of minorities, the promotion of culture (especially outside large cities)
- working with vulnerable groups
- I do not want
- Environmental Protection.
- Persons with disabilities.
- About everything.
- On objectives without principled formulations
- About everyone
- Business planning and financing of social enterprises, designing sustainable social entrepreneurial ventures
- Honest and fair undertaking

9. What would drive you to change your career towards social entrepreneurship?

This question had the form of an open question. The following are the answers of the respondents regarding changing the career towards social entrepreneurship:

- To know more about it and to really like it
- Interest
- Dissatisfaction with his current career
- Possibility of employment.
- A sense of contributing to society
- A close encounter with the seriousness of the problem
- I don't need a motive, I agree if it would allow enough income to pay the bills
- Incentive of the state system
- I'm not sure
- Certainty
- Nothing
- Long-term planning for the benefit of the community and greater involvement in such a garden of entrepreneurship. Also state support.
- That the entire climate in Croatia is turned in that direction ... unfortunately it is not for now, so most like me have no choice
- Interesting.
- Social entrepreneurship is our only future and I want to be a part of those who create the future.
- Still the possibility of making some money
- Personal challenge
- Positive experiences and examples
- I don't need an incentive
- A dynamic job with adequate income
- Sustainability of business in the sense that I can really make a living from it normally.
- Welfare of the whole community (quality of life)
- Fast and visible results.
- There must be this option
- Economic independence
- I do not know
- Nothing at the moment.
- I do not know.



- I do not know
- I am active in this field but I do not see it as a career. I think that the word which is a translation from foreign literature introduces a fundamental ambiguity
- Financial stability
- Social entrepreneurship is an area in which I plan to develop my future career
- Honesty

3.4. Greece

The following analysis was done in Greece by the Institute of Entrepreneurship Development and represents the results of the questionnaires distributed among educational institutions as well as Social Entrepreneurs, in order to help us highlight the needs of the relevant sector. We have distributed the questionnaires using mainly our Facebook page and our existing network. Total of 50 persons have answered the questions – 22 for the questionnaire focusing on the educational institutions and 28 for the questionnaire focusing on the professional in the sector of social entrepreneurship.

Educational Institutions

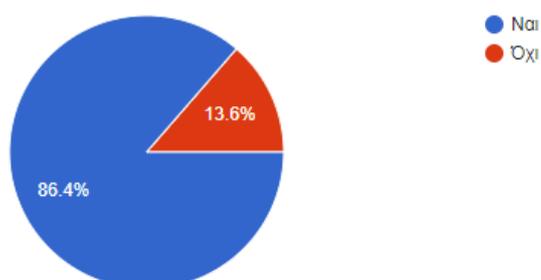
1. What kind of educational institution do you represent?

According to the results of the questionnaire the kind of educational institutions that the respondents represent are universities, vocational training centres and vocational institutions.

2. What is your role in this?

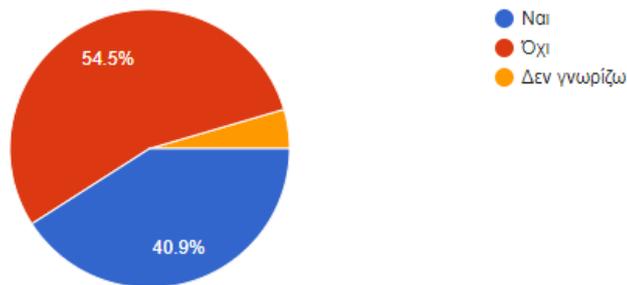
The roles that the respondents have in the educational institutions as stated in the questionnaires, are educators, students, project managers as well as owners of institutions.

3. Are you aware of the meaning of Social Entrepreneurship?



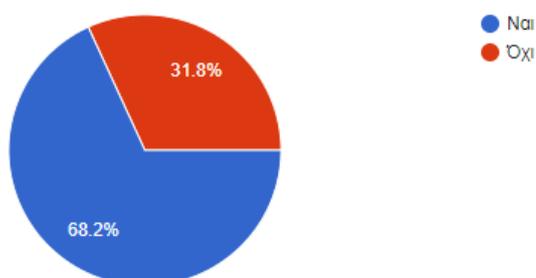
The majority of respondents claimed that they are aware of the meaning of Social Entrepreneurship. The percentage of those who are not aware of the term barely reaches 13%.

4. Is there a program at your educational institution that teaches Social Entrepreneurship?



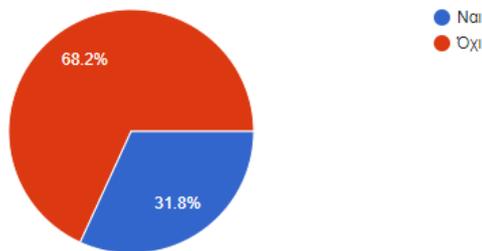
The results of the particular graph shows that the majority of the educational institutions do not provide courses of Social Entrepreneurship, although the percentage is not much higher than the ones that already provide these courses.

5. Have you attended a course on Social Entrepreneurship?



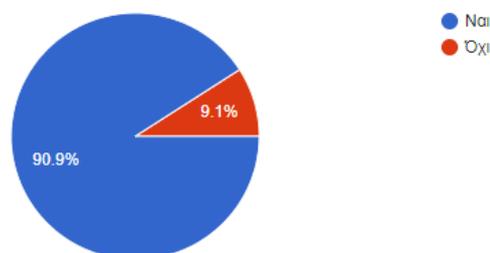
According to the results of this graph the majority of respondents have participated in courses in Social Entrepreneurship. Although quite a lot of them haven't participated in such courses.

6. In your opinion, does the state provide the necessary support to institutions that teach Social Entrepreneurship?



The majority of the respondents state that the country do not provide the necessary support to the institutions that teach Social Entrepreneurship. Although, we shouldn't ignore the percentage of people that believe the opposite, as it reaches almost 32% of the total responds.

7. Is your educational institution interested in providing more education on Social Entrepreneurship?



The results generated by this graph indicate that the overwhelming majority of respondents supports the idea of providing more education on Social Entrepreneurship in their educational institutions. Only 9% of them are not interested.

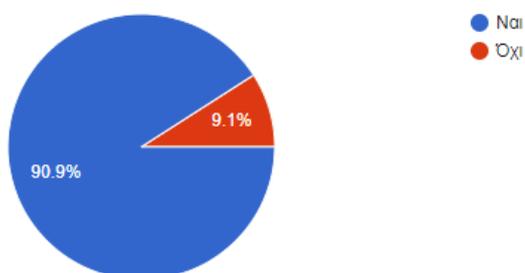
8. What would help your educational institution to promote social entrepreneurship?

This question had the form of an open question. The following are the answers of the respondents regarding the practices that would help educational institutions to promote social entrepreneurship.

- Practical examples

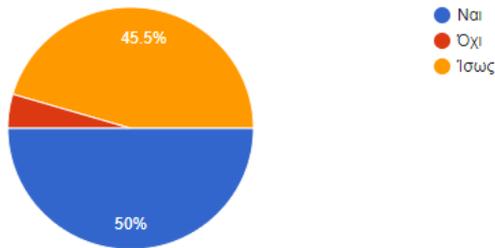
- A relevant subsidized program, in which apprentices could be trained in social entrepreneurship, combined with some kind of internship in a social enterprise.
- The appropriate educational materials and tools
- Targeted training and funding by the state
- Complete teaching programs
- Collaboration with successful social enterprises
- Appropriate training material - correct description in the study program for student promotion - possibility of extensive internship
- It would help to train the interested parties with the appropriate knowledge for the development of their business skills in the respective field.
- A Social Entrepreneurship seminar would be helpful
- Some online material
- Specialized teachers on the subject
- Additional educational material

9. Would you be interested in attending an online course aimed at educators in social entrepreneurship?



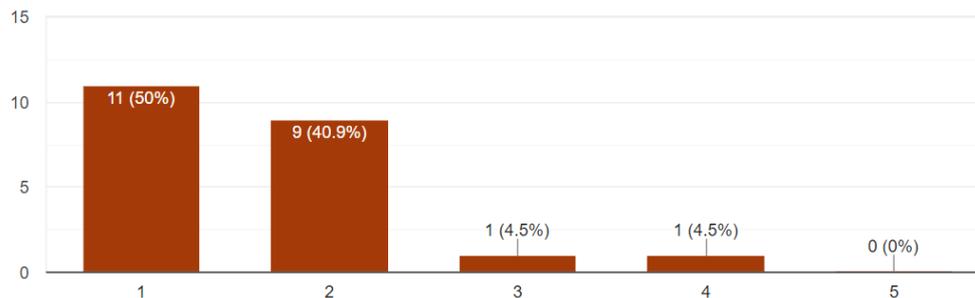
Happily, the majority – 90% of the respondents is willing to attend online courses referring to educators on Social Entrepreneurship. The percentage of respondents who are not interested on the courses is quite low – 9%.

10. Would you be interested in teaching a course on Social Entrepreneurship?



The evidence of this chart shows that the respondents are divided between teaching a course on Social Entrepreneurship or not, with the percentages being almost equally distributed.

11. Do you think students would be interested in attending a course on Social Entrepreneurship?



The majority of respondents answered that the students would be interested in attending relevant courses – reaching 90% of the total answers

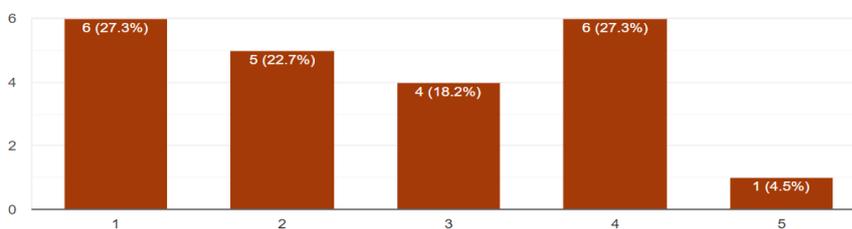
12. In your opinion, what are the biggest difficulties facing education on Social Entrepreneurship?

This question had the form of an open question. The following are the answers of the respondents regarding the obstacles and difficulties education on Social Entrepreneurship has faced.

- The variable framework
- It has not yet been integrated into university studies and, in addition, there are no subsidized educational programs for private entities to be able to train individuals in social entrepreneurship.

- There are not enough materials and good practices from companies in Greece that deal with this sector
- The fact that it is a field that is not yet well known to the general public, does not attract so many people
- There is no proper material
- It is difficult for people to understand the legal form of social enterprise and how it is financially supported
- Lack of information
- Lack of know-how and appropriate training
- They don't know it so they know if they care or not
- Lack of appropriate educational material
- Lack of teachers
- Insufficient educational material
- Lack of information

13. How possible is it for you will to start your own social enterprise?



The results in the particular question have divided among all possible options. Specifically, 50% of the respondents claimed that is very likely and likely to start their own enterprise, while a bit more than 30% are not so likely to start their own enterprise. The rest of the percentage belongs to people who are not sure whether they would establish or not their own social enterprise.

Social entrepreneurs

1. How and why did you decide to become a social entrepreneur?

This question had the form of an open question. The respondents answer the following about the ways and the reasons of deciding to become a Social Entrepreneur.

- Firstly, the lack of capital, secondly, the offer to people who need the job, Thirdly, cooperation with the other partners, because that way you can see them and I believe that you will be able to function as a team that will achieve dreams and goals in innovative ideas. 4 ways to survive honestly on the ideas you have
- The philosophy of social entrepreneurship suits me perfectly. The collective effort to grow a business, I think is the most important motivation
- Result of Regional Action Plans for Employment (gr. ΤΟΠΣΑ)
- I wanted to give people and me a chance to move forward with a dynamic start.
- Due to the Democratic way of managing Social Cooperative Enterprises and cooperation
- My decision to engage in Social Entrepreneurship was taken because, as a long-term unemployed person, an executive of the Greek Industry, I believe that the problem of Development in Greece is primarily Social, secondarily Economic, while the need to fight corruption is great. The answer to all this is promised by the Social Economy and its institutions, through actions of Social Innovation
- To strengthen social cohesion through psychosocial reintegration for the disabled people.
- The decision was a matter of philosophy
- Being a social entrepreneur is not a personal matter. It was a joint decision with people we share common values with.
- From an ideological point of view, despite the "difficult" legal framework
- Due to unemployment and because this specific form of business served us



- We wanted to join forces
- We were interested in our actions having a collective character and mainly a social impact.
- Due to insecurity and unemployment
- We needed a common scheme to promote and network our products and our region
- For social purposes
- I believe in the social character of a business.
- Because I believe in the principles of social entrepreneurship and I considered that with the adoption of Law 4430/2016 and the state intends in the economic crisis to strengthen the social economy
- For the social good
- I believe in collective management
- Through a program, due to unemployment
- Due to the low cost of creation and maintenance of Social Cooperative Enterprise (gr. Κοιν.Σ.Επ.) (exemption from performance fees, exemption from National Social Security Agency (gr. ΕΦΚΑ) e.tc)
- The goal was and is collective and social benefit
- I have a disabled son who is able to work, but he was excluded from work or with cheap options
- Because it is a concept that goes hand in hand with the goals of my profession
- Unemployment

2. Where does your business focus on?

This question had the form of an open question. According to the respondents, the following are the sectors their businesses focus on.



- Our company focuses on three pillars, stray animal management, non-hazardous waste recycling, ways of personal protection.
- In social care, in the care of vulnerable groups
- Provision of Counseling Services
- We work to build more locally based Sustainable Food Economies
- In film and television productions and more generally in relation to productions.
- Production - Processing - Standardization and Trade of local agricultural products
- Compensatory Recycling
- In the psychosocial reintegration of people with psychiatric problems
- Focuses on environmental protection
- In Counseling
- Culture
- Management and promotion of natural and cultural resources and alternative tourism
- Nutrition
- Culture, Tourism, Education (guided tours, educational programs, art workshops, scientific research)
- Education
- It focuses on the promotion and distribution of our products and the promotion of our region
- Food
- Research
- In Tourism and Social Franchising
- In empowering young people
- Web design - Marketing – Consulting
- Tourism, Culture
- Production and marketing of handicrafts-souvenirs and distribution-production of audiovisual material
- Inclusion in the labor market of people with disabilities
- Awareness campaigns

- processing of agricultural products

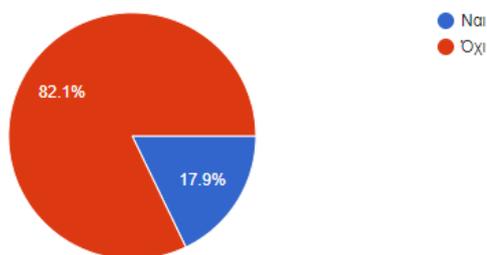
3. Where did you get the idea for your business?

This question had the form of an open question. The following answers indicate from where Social Entrepreneurs were inspired to start their businesses.

- First of all, each of us has a uniqueness. For example, our president is Dr. Animal Behaviour Analyst. Our Vice President knows non-hazardous waste very well and generally deals with waste management. Also, another member of ours deals with and knows a lot, with great know-how, the means of personal protection to protect the uniformed, the workforce, at all levels of work. Based on these, we started this great journey step by step and so far we have succeeded, this is due to us and not to me.
- I have been a freelance professional for years and with this experience as well as going to many business meetings, I realized that this model can essentially work.
- From the Regional Action Plans for Employment (gr. ΤΟΠΣΑ)
- From the study on the internet channels of the country that had nothing to give me as an audience but also from the study of Greece that had never been done by anyone properly.
- From the real needs of the local community that were not served by the private and public sector
- National Employment Agency (gr. ΟΑΕΔ) Work Progress Program
- Limited Liability Social Cooperatives (gr. Κοι.Σ.Πε.) has been operating as a social cooperative since 1999 in accordance with the law on psychiatric reform 2716/99
- From my partner and the stress of the environment
- From the need of the market and our scientific competence
- From personal need
- Numerous corresponding companies abroad and one domestic.
- from other Social Cooperative Enterprises (gr. Κοιν.Σ.Επ.)
- We wanted to use our scientific specialties and knowledge through innovative actions and modern approaches in the fields of culture, tourism and education.
- From the internet
- From my participation in the Regional Action Plans for Employment (gr. ΤΟΠΣΑ)

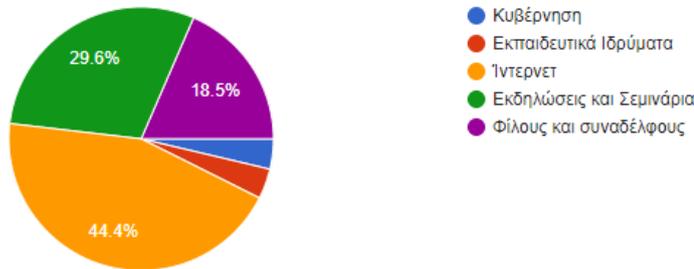
- From abroad
- From my interests
- From my relevant activities
- Out of personal need for the subject
- Reading
- Experience and knowledge
- I had the idea for a long time and I was given the opportunity to start it when I learned about Social Cooperative Enterprises (gr. Κοιν.Σ.Επ.)
- From a meeting with the municipal authority
- Scotland
- From my work experience
- Study for Social Cooperative Enterprises (gr. Κοιν.Σ.Επ.)

4. Did you have any training on Social Entrepreneurship before you started your own business?



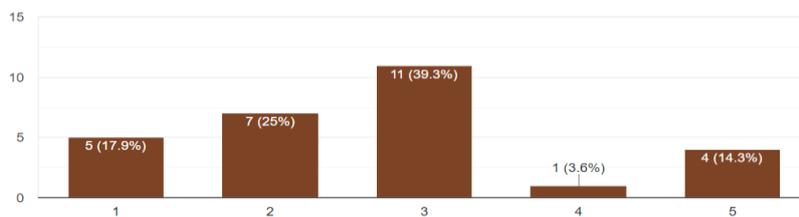
The results of the particular graph illustrate that the majority of Social Entrepreneurs had a relevant training in the field before starting their businesses, while just 17% of them hadn't have any training

5. Where did you find information on Social Entrepreneurship before you started your business?



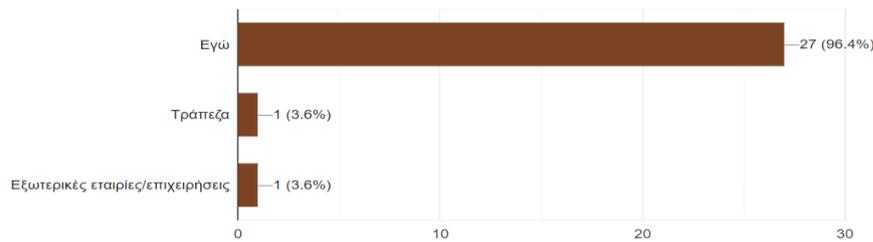
The results generated by this graph point out that the most common source of finding information on Social Entrepreneurship is through Internet (44.4%). As it follows, the second source is events and seminars in the field (29%). Also, a lower percentage of respondents (18.5%) chose to be informed from colleagues and friends. The rest of the respondents, who form the lowest percentage have been informed by the government and educational institutions.

6. How easily did you find information about the laws and regulations on Social Entrepreneurship?



The majority of the respondents answered that it was quite difficult finding information about law and regulations on Social Entrepreneurship as the percentage reached almost 43%. For the next high percentage of respondents (39.3%), the ease to find information about laws and regulations on Social entrepreneurship is in an average level. The rest of respondents – almost 18% found the required information easily.

7. Who invested in your business?



The overwhelming majority of 96.4% answered that the those who invested in their business were themselves. Only low percentage answered that banks or other enterprises have invested in their businesses.

8. What was the biggest obstacle you had to face when you started your business?

This question had the form of an open question. The following are the answers of the respondents regarding the obstacles and difficulties they have faced when they started their businesses.

- The bureaucracy
- The fact that while we are talking about social contribution and commercial action, unfortunately these two cannot be separated even by our own municipality, there is complete ambiguity in many services, there are no financial tools, but the most important of all is that you ask to enter. in the NSRF with 35 and 40%, when you do not have funds because a joint venture means a business without capital. So it means in a trading company, they treat you as a non-profit company that produces in voluntary work for the citizens, and as long as this is true Social Cooperative Enterprises (gr. Κοιν.Σ.Επ.) will not be able to highlight their work, unless we have access to ministers where the individual will be which unfortunately many are wronged. Incidentally, in the foreign community it is one of the main pillars of the state's economy. Unfortunately, here we have not reached even 1%.
- The ignorance of the bodies of the social enterprise.
- Public services that did not have information and knowledge
- We didn't have any obstacles.
- Funding and selection of a collaborative team
- Lack of Collaborative Culture
- Funding capital
- The bureaucracy and the lack of information about services, banks, etc.



- The little knowledge of the Greek Public Administration about the Directorate of Social and Solidarity Economy (gr. Κ.Α.Λ.Ο.)
- Ignorance of the institution by state structures and bureaucracy
- Financial issues
- Bureaucracy and ignorance of Social Entrepreneurship. Note that we founded our Social Cooperative Enterprise (gr. Κοιν.Σ.Επ.) in 2013.
- The state's Policy
- Time for engagement and liquidity
- the ignorance of civil servants about the social solidarity economy
- Bureaucracy
- Society's attitude towards social entrepreneurship
- Division of labor and decisions
- Customer recognition and trust
- Many and complex bureaucratic procedures and publication obligations, many restrictions and commitments regarding the distribution of profits and the obligation to hire a certain number of staff, uninformed organizations / banks / public services regarding this form of business, relative difficulty in opening account.
- To convince my colleagues about the new venture
- Misunderstanding and other Greek pathogens
- Funding, co-operation

9. What helped you the most to be convinced and establish your social enterprise?

This question had the form of an open question. The following responses indicate what was that that helped the most the Social Entrepreneurs to be convinced and thus to establish their social enterprise.

- The rest of my members and partners, where they have given me and continue to show me their trust and respect so much that I can climb this Golgotha and I together with the other children hand in hand. Because unfortunately in Greece they really see them as NGOs. Nevertheless, we have succeeded and continue to vigorously prove that the synopsis in Greece has a future when you really have the passion to sweat and prove with your actions

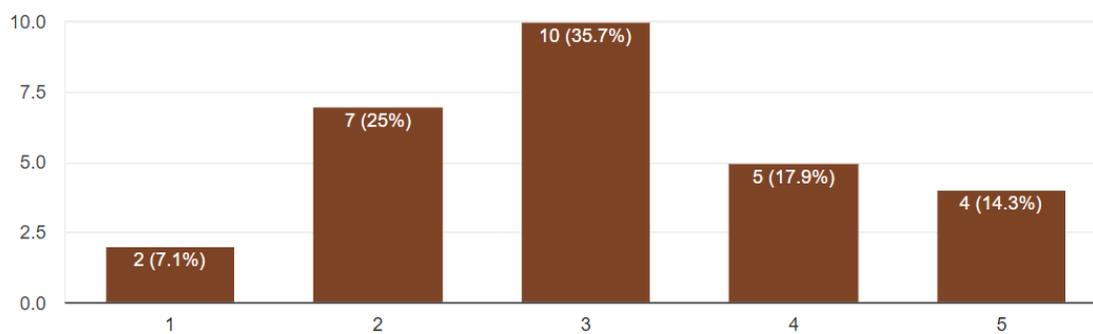


that there is action there is a benefit to society to vulnerable groups and to people who really want a job and can't find one.

- Collective responsibility and effort.
- The concepts and ideas of social and solidarity entrepreneurship
- Our will to create!
- Deepening knowledge of Social Entrepreneurship
- Personal expediency research
- Government social policy
- The philosophy of the social and solidarity economy, the different way of acting and dealing with the economy
- The interest of partners
- Personal stubbornness
- The fact that it served our purposes and (mainly financial) function
- the social benefit
- Social impact, equality and democracy among members.
- The common acceptance of the idea among the members
- What convinced me has now changed and is not true
- Collaborators
- The promises of the State
- The right partners
- The economic crisis
- Age and unemployment
- The low initial cost (National Social Security Agency (gr. ΕΦΚΑ) exemption and achievement fee)

- As mentioned in the first question, the collective and social benefit
- The passion for the lives of the beneficiaries
- The lack of alternatives
- The willingness

10. How easy was to start your own social business?



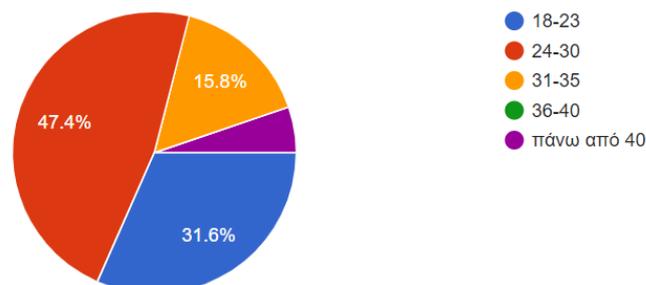
The majority of the respondents (35.7%) claimed that starting a social business was neither easy nor difficult. Also, a bit more than 32% of the respondents lean to believe that starting a social business has a level of difficulty, while 32% found the process of establishing a social enterprise in Greece, easy.

Learner's questionnaire

Total of 19 students participated in the survey, all of them currently living in Greece.

1. What is your age?

19 responses





The biggest percentage of the survey's participants are between 18 and 30, forming the biggest group (more than 85%), while there are participants from other age groups – 31 to 35; 36 to 40 and above 40.

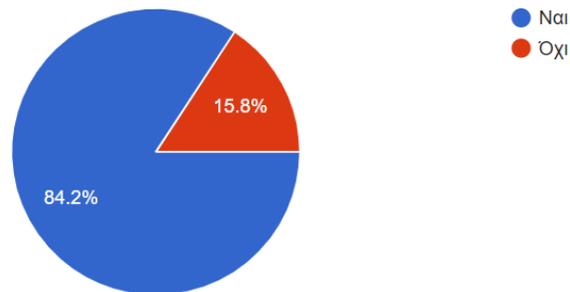
2. What do you understand under the concept of social entrepreneurship?

- Social Economy
- Businesses that are not seeking for profit
- Are the companies that aim to benefit society
- Business activities that aim to employ many different social groups
- Entrepreneurship with a social character, which is not seeking for profit
- Businesses that help people with fewer opportunities
- The term consists of two components, the business and the social dimension. Social entrepreneurship is therefore the form of entrepreneurship that does not aim primarily at profit but at providing services of high social value and / or addressing social problems.
- Social entrepreneurship is the action in which a company aims to address social challenges and stereotypes
- An enterprise addresses a social problem.
- A way to help a fellow human being
- Social entrepreneurship refers to the creation of a business that will have as its main goal the service of society as a whole and the social interest.
- Businesses that have a social impact
- A way to make a difference in society and help your fellow human beings
- The type of entrepreneurship that does not focus on profit but on the provision of social assistance to both man and society and the environment.
- Business action for the benefit of society and not economic gain

- Businesses with a positive impact

3. Have you heard of this concept before? If yes, where?

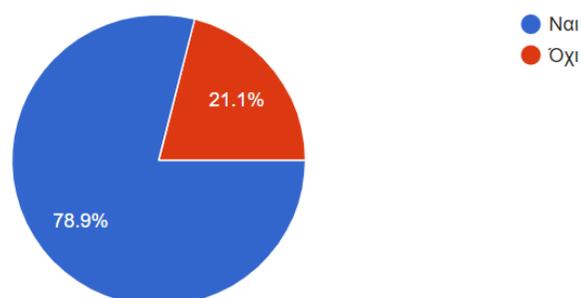
19 responses



A quite high percentage of the survey's participants (84.2%) have heard the concept of social entrepreneurship before, while 15.8% of the have not.

4. Are you interested in following an education and career in topics related to social issues and impact?

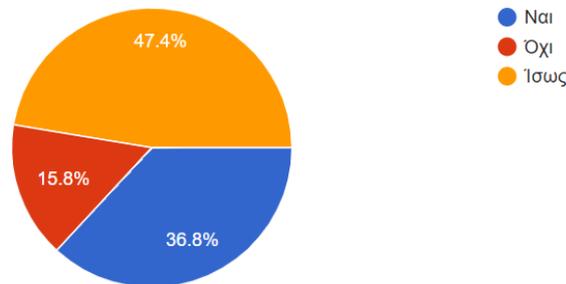
19 responses



Same as above, the biggest percentage of the attendees have answered positively, while just 21.1% of them are not interested in following an education and career in topics related to social issues and impact.

5. Social entrepreneurship aims to focus on businesses for a greater social good and not uniquely pursue of profits. Would you consider pursuing a career in this area?

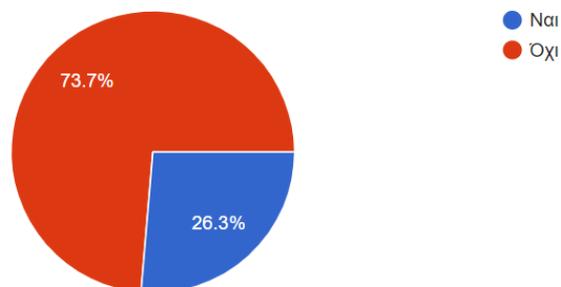
19 responses



In this graph, we can see that the biggest percentage of the survey's respondents they would probably like to start a business for the greater good, while just 15% of them have answered negatively.

6. Do you think there is enough information about social entrepreneurship available?

19 responses



A surprisingly high number of students in Greece, think that the available information about social entrepreneurship is not enough, forming the almost 74% of the respondents. Only 26% of them think the available information is satisfactory.

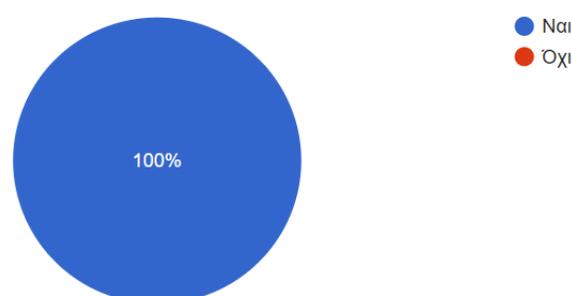
7. In which areas related to the social entrepreneurship is there lack of information and tools?

- Maybe in the process of establishment
- How can one be actively involved and explanation for the professional roles

- Legal framework
- In the areas of Integration, Social Care and Collective & Production Purpose
- State support
- Legislation and financial support from the state
- Promotion
- Lack of educational material
- Establishment of a social enterprise
- Social enterprises dealing with environmental issues
- In general, there are shortcomings in the legislation and in the conditions for the establishment of social enterprises
- In general in Greece, the information related to this field is not much. For example, many people do not even know the terminology or some businesses that are active as social enterprises.
- In the field of financing

8. Do you believe in the positive impact of social entrepreneurship in society?

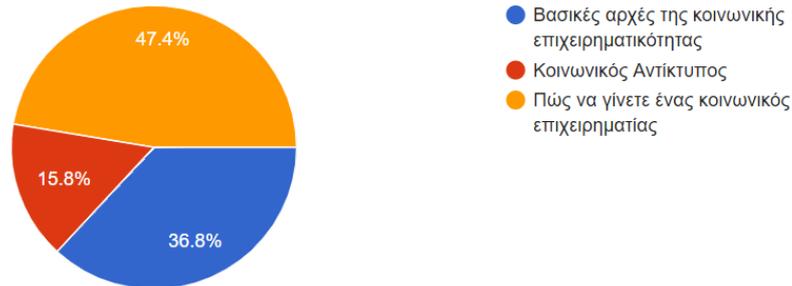
19 responses



In this question we have a 100% of positive answers, as all respondents believe in the positive impact of the social entrepreneurship in society.

9. What are the aspects of social entrepreneurship you would be interested to learn about?

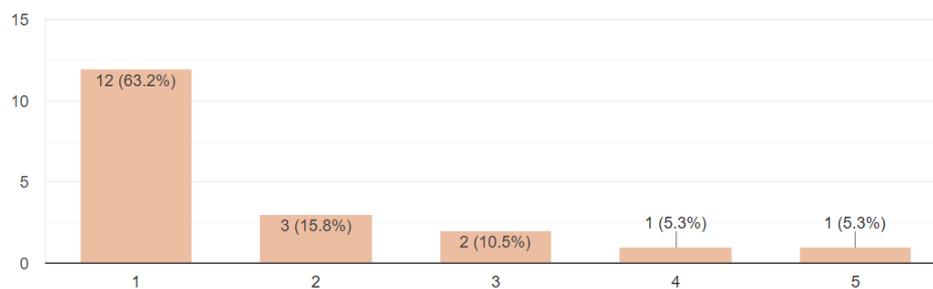
19 responses



In this question, the answers are separated among all three options. The biggest percentage can be found on the aspect of how to become a social entrepreneur, while the lowest percentage on the social impact. The rest of the respondents have chosen the basic principles of social entrepreneurship.

10. How likely would you participate in an introductory course about social entrepreneurship?

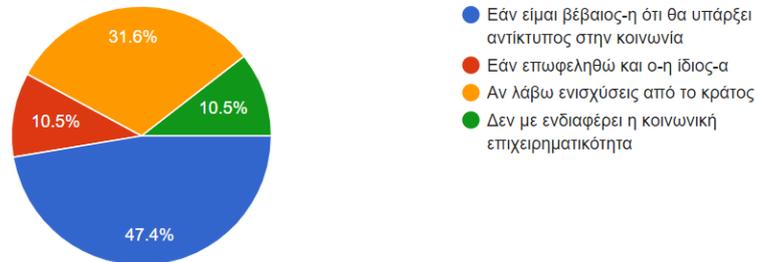
19 responses



Quite high percentage of the survey's participants – 63.2%, have answered that is very likely to participate in an introductory course about social entrepreneurship, while only 2 of them have answered that they are not interested in participating in such initiative.

11. What would make you change your career path to social entrepreneurship?

19 responses



In this question the answers are separated among all options. Most of the participants they would change their career path to social entrepreneurship, only if they were sure that their job would have a positive impact on the society. Then, the 31% of them would do it if they would receive financial support from the state, while the lowest percentage is separate among the options “If I have also benefits myself” and “I am not interested in social entrepreneurship”.

12. Where have you heard about social entrepreneurship?

Participants have stated that they have heard about social entrepreneurship from:

- Internet
- IED's social media
- Erasmus+ Youth Exchanges
- Non-formal education activities
- Seminars and events
- Professional activities
- University



3.5. Italy

The following analysis was elaborated in Italy by Mine Vaganti NGO and represents the results of three several questionnaires distributed among Students, Educational Institutions and Social Entrepreneurs, in order to help us to highlight the needs of the sector on which this research is focused. We promoted the survey through our Networks, mailing list, social media. A total of 50 people completed the questionnaires, 26 questionnaires from Students, 17 from educational Institutions, and 8 questionnaire from social entrepreneurs. The educational institutes comprised schools, universities, social entrepreneurship, social entrepreneurship consortium, professional institutions specializing in learning disorders, consultancy and training companies and NGOs working in the field of training and the development of business ideas. Of these, 52% offer a specific program to teach social entrepreneurship.

The roles covered in these Educational Institutions by respondents range from the teacher to the educator, from the project manager to the administrative director and coordinator.

Educational institutions

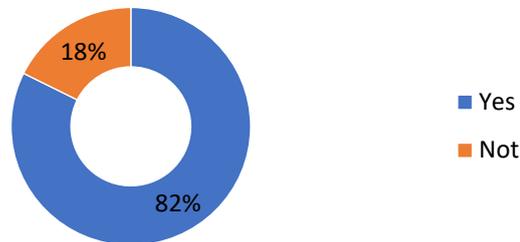
1. What kind of educational institution do you represent?

According to the results collected, the kind of educational institutions that the respondents represent are Schools, Universities, Social Entrepreneurship, Consortium of Social Entrepreneurship, Vocational Institutions specialized in learning disorders, Consulting and Training Companies and NGOs working in the field of trainings and development of entrepreneurial ideas.

2. Which is your role in it?

The roles that the respondents have in the educational institutions as stated in the questionnaires, are teachers, educators, administrative directors, administrative representatives, project managers, training coordinator, Erasmus Plus project coordinator.

3. Have you heard about social entrepreneurship?



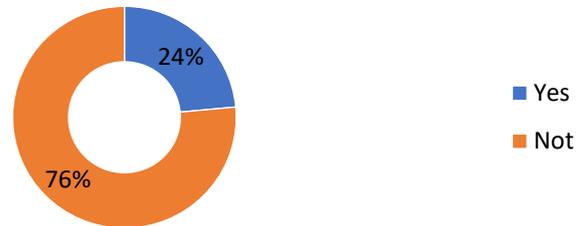
The majority of respondents claimed that they are aware of the meaning of Social Entrepreneurship. The percentage of those who are not aware of the term barely reaches 17%.

4. Is there a specific program to teach social entrepreneurship in your institution?



The majority of respondents claimed that in their Institutions there is a program that teaches Social Entrepreneurship; two people answered that they don't have any specific program while the remaining five respondents are unaware of it.

5. Have you attended any course on Social Entrepreneurship?



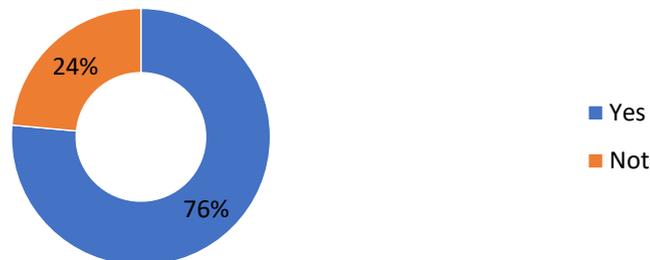
The majority of people in the Focus Group did not attend a social entrepreneurship course. Only four respondents claimed that they have followed a specific training of the subject.

6. In your opinion, do you think the state provides enough support to institutions which are providing social entrepreneurship education?



The results showed in this graph indicate that the overwhelming majority of respondents agrees that the country do not provide the necessary support to the institutions that teach Social Entrepreneurship.

7. Is your educational institution interested in providing more education about Social Entrepreneurship?



The results generated by this graph indicate that the majority of respondents supports the idea of providing more education on Social Entrepreneurship in their educational institutions. Only 24% of them are not interested.

8. What would help you to promote education about social entrepreneurship in your institution?

Respondents indicated that the promotion of social entrepreneurship in their institution could be encouraged by:

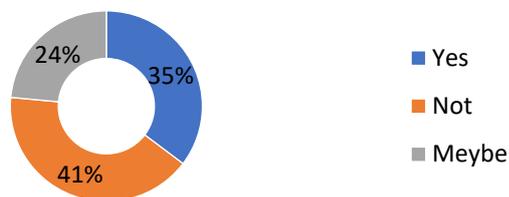
- receiving training on social entrepreneurship for teachers as well as for last year students;
- receiving guidelines, tool kit and training format that can be replicated;
- receiving materials and support by a network of stakeholders interested as investors;
- being able to count on a more effective local network;
- creating a collaboration whit “Camera di Commercio” (Italian Institution for the development of local economies);
- having more time available;
- getting more availability from teachers;
- having a clear normative reference

9. Would you be interested in attending an online course for educators on social entrepreneurship?



The vast majority of respondents would attend an online course in social entrepreneurship.

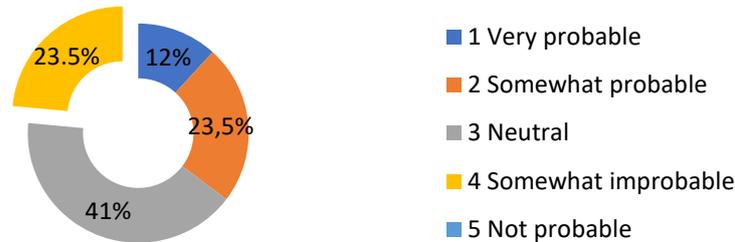
10. Are you interested in teaching a course on Social Entrepreneurship?



According to the results shown by the corresponding graph, we can observe that six respondents have no doubts about their interest in teaching a course on social entrepreneurship and, although a good part of the respondents (seven) would not teach in a course, four respondents do not completely reject the possibility of doing it.

11. How likely do you think students would take part in a course about social entrepreneurship?

Student Interest



Most of the respondents are in a neutral position indicating a small chance that students may be interested in courses on Social Entrepreneurship. The number of respondents that is placed in the opposite positions somewhat improbable and somewhat probable is exactly specular: 4 respondents each. The needle of the balance is brought positively by two respondents, confident of registering a high interest from their students in relation to courses on Social entrepreneurship. Overall, we can observe a certain uncertainty, probably linked to the strong heterogeneity of the educational institutions involved, which range from public bodies to private companies from high schools to universities, however the prevailing orientation is not to completely exclude the possibility of registering an interest on subject matter.

12. In your opinion, what are the biggest challenges related to the education on Social Entrepreneurship?

The respondents indicate some challenges that in their opinion are related to education in the field of Social entrepreneurship, some aspects are mentioned by several interviewees, such as the need to clarify the peculiarities of the enterprise that operates in the social field and what differentiates it from other forms non-profit organizations that cannot be defined as enterprises.

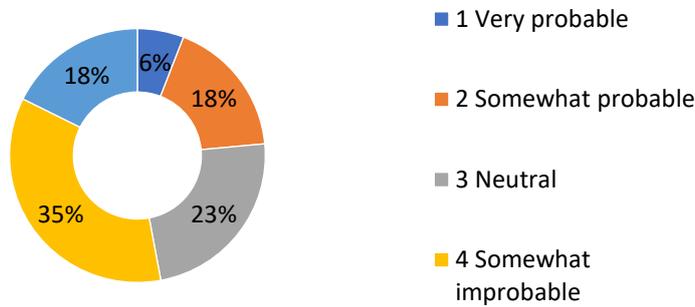
Below we have chosen to report the most significant answers:

- Reintegration of people who have just left recovery paths.
- ETHICS concept education problems.



- An educational program in the language and job culture is needed.
- Credibility;
- Sustainability.
- Professional opportunities.
- Create motivation by proposing an employment opportunity.
- To define its job opportunities and give potential participants clear information on the applicability of the training content.
- To transfer not merely theoretical knowledge and skills but the concepts of economic sustainability and social impact generation.
- A REAL and REALISTIC knowledge of the territory to which it addresses, its needs, its resources and potential stakeholders.
- The need to reassure possible users about the presence of dedicated resources to carry out this type of project.
- This is a sector that in the collective imagination is often associated to volunteering. It is still difficult for many people to think at social entrepreneurship as a sector through which developing a real business.
- the word “Social” linked to “Entrepreneurship” often provokes a distorted reading of the reality and little interest in the topic.
- To understand the distinction between social enterprise and other forms of similar but not entrepreneurial association. It is a subtle difference.
- Absence of transnational social entrepreneurship legislation.

13. How likely would you start your own business in social entrepreneurship?



As shown in the graph, the answers to the present question are heterogeneous. However, for most of the respondents it is scarcely probable or even highly improbable to start their own business, in fact the majority of the sample points their preference between the value four and the value five.

Learners questionnaire

To carry out the study of the students' questionnaires, we decided to start analyzing first the combination of the answers to question n° 5 (Have you ever heard of this concept before?)- which investigates whether students have ever heard of social entrepreneurship - together with question

1. Where have you heard about social entrepreneurship?



[OBJ]

From the graph we can see that the majority of respondents (the equivalent to 18 students), indicated that they had already heard about social entrepreneurship. Eight students haven't heard about it yet. The channels through which students claim to have heard of social entrepreneurship are:

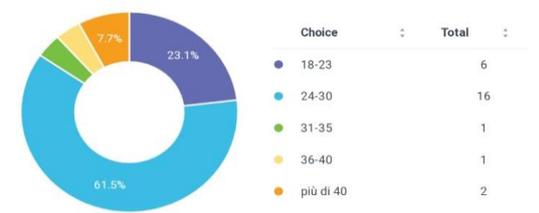
- Web and Social Media;
- Events, conferences, training Courses;
- Friends and colleagues;
- Internship
- University and Erasmus
- Work
- The Global Social Venture
- Competition

2. What country are you currently living in?

Almost all the students interviewed currently live in Italy, one lives in Spain and one in Germany.

3. What is your age?

The graph shows the age range of respondents: the majority of them are between 24 and 30 years old.



4. What do you understand under the concept of social entrepreneurship?

The open question allows us to deepen the exact understanding of the concept of social entrepreneurship among students. For the purposes of the analysis, we decided to report literally the answers of the respondents, so as to avoid misinterpreting their real knowledge of the subject.

The students' answers are the following:

- little
- quite



- Social entrepreneurship is a type of entrepreneurship that does not focus on profit but on man, society and the environment
- a way of doing business that has as its main goal not the achievement of a profit but the improvement of the quality of life of as many people as possible
- Create a system, create a team with which to collaborate, network with other companies in order to achieve common objectives.
- It falls within the Tertiary sector and deals with activities with social utility
- Development of knowledge at the service of others
- I am not aware of the meaning of social entrepreneurship
- Activities that have a social impact (?)
- For me, the social enterprise is based on the same business model as a traditional company, but its strategies concern solutions for a social problem
- A form of entrepreneurship with social or environmental purposes
- management / resolution of social problems
- The desire of a young man to get involved in the world of work and be able to make his own way
- Integration
- Produce/create something good for the local
- Social entrepreneurs are those companies, businesses or start-ups that offer services to the social community.
- Company involved in making social changes beyond the pursuit of profit
- A project that has to do with people
- The creation of an activity via web or social networks
- Help and collaborate for better results
- It is a business that focuses on creating a value proposition with positive implications for society, the less well-off classes, the populations of developing countries and the ecosystem
- Solution of a social problem
- Nothing
- I need to inquire better before answering this question
- All entrepreneurial initiatives that respond to social needs neglected by the public administration, to give a small example social residence, protected houses, canteens etc.
- Of activities by companies that have a beneficial impact on society

6. Are you interested in following an education and career in topics related to social issues and impact?



As the graph above shows, the majority of students (62%) would be interested in training and career on social issues.

7. Social entrepreneurship aims to focus on businesses to create greater social good and not just to increase profits. Would you consider starting a career in this sector?



According to the data collected and as shown by the graph above: 42% of students would be interested in a career in social entrepreneurship and 16% replied that they had no interest at all in the sector. However, despite this minimal percentage of absolute lack of interest, 42% of them were still undecided.

8. Do you think there is enough information about social entrepreneurship available?



As it can be deduced from the graph, the majority of respondents stated that there is still not enough information available on the topic.

9. In which areas related to the social entrepreneurship is there lack of information and tools?

To this question, some respondents indicate that there are information gaps in all sectors, other respondents go into detail indicating the following areas:

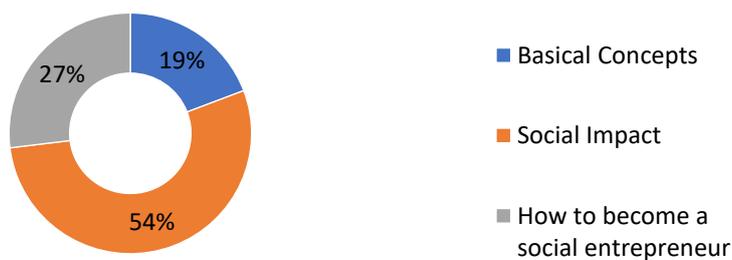


- Communication
- Sustainable tourism
- Cultural, artistic and landscape heritage;
- Environment and climate change;
- Post-graduate education and training
- Education
- Medical and Scientific;
- Internet;
- Social integration;
- Youth (especially youth entrepreneurship)
- Administrative fiscal sector.

10. Do you believe in the positive impact of social entrepreneurship in society?

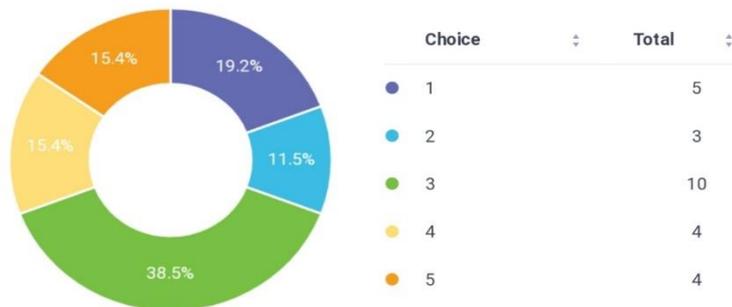
This graph also shows a clear position by the majority of the sample which indicates that they believe in the positive impact generated by social entrepreneurship. Only two respondents are undecided.

11. What are the aspects of social entrepreneurship you would be interested to learn about?



As we can see from the graph, 54% of the students interviewed would be interested in studying the social impact aspect of social entrepreneurship, following career-related aspects and how to become an entrepreneur. Only the 19% of the respondents would be interested in studying the basic concept on social entrepreneurship.

**12. How likely would you be to participate in an introductory course on social entrepreneurship?
choose a value from 1 (very likely) to 5 (not very likely)**



The majority of the Focus Group (10 respondents) takes an intermediate position that reflects the presence of an evaluation process about the possibility of participating in a training course on the topic, without excluding completely the possibility. We can easily guess that these students would evaluate participation under certain conditions. Five students would most likely participate and four would probably participate in a training course on the subject. While, on the other hand, for four students there is no probability and for other four there is a slight probability to do it.

Social entrepreneurs

1. Why and how did you become a social entrepreneur?

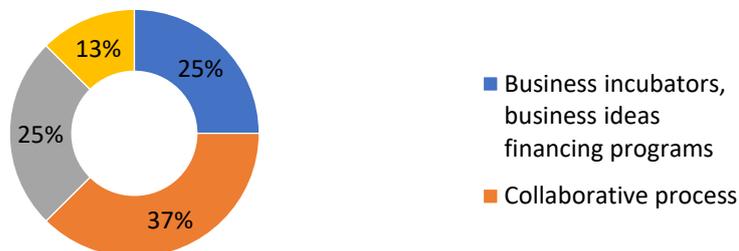
Respondents focused on the motivations that encouraged them to start the business. In particular, two respondents indicated that they had undertaken their entrepreneurial activity driven by the connection with the territory and the social issues, two respondents were driven by personal motivations such as the dissatisfaction derived from carrying out a job as an employee and the desire to engage in high social impact activities. One respondent was driven by his study background; one respondent from family background education on Social Entrepreneurship approach; and one respondent was driven by motivations related to one's ideals, in particular equal opportunities and overcoming social disadvantages.

2. What does your company do?



Four out of eight respondents indicated that their company operates in the social promotion sector, with activities ranging from educational, recreational, sports to that of music, art and theater. The remaining sectors (local tourism, volunteering, business consulting) were indicated respectively by one respondent each one.

3. How did your business start?



Three respondents indicate that they have started with a collaborative process that, in one case, took place between friends, in one case sharing the project idea with another professional and in one case with potential project partners. Two respondents indicate that they have applied for funding programs for business ideas. Two respondents pursued a social cause in which they wished to engage or a social goal in the business environment. One respondent, based on her personal experience, thought of designing a service that she herself would have liked for her children.

4. Did you receive training on social entrepreneurship before starting your business?



As shown in the graph, the majority of the sample interviewed said they had not received preliminary training on social entrepreneurship. Only one respondent received training before starting his/her business.

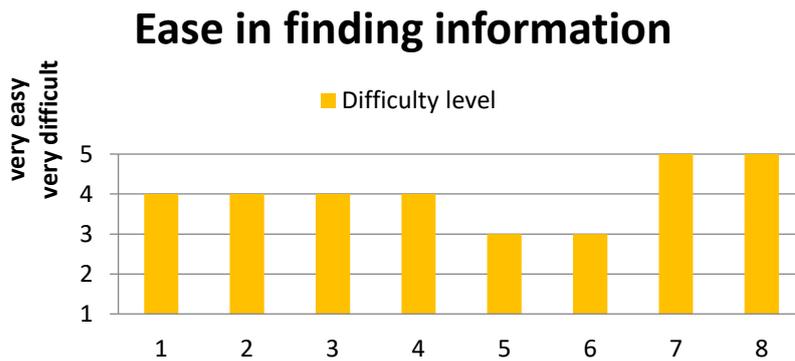
5. Where did you find information on social entrepreneurship before starting your business?



Entrepreneurs indicated participation at events and seminars as a place for finding information on the most experienced social entrepreneurship. Other information channels below, such as Internet, friends and colleagues, and finally educational institutions. While no one indicates government channels as an information source about social entrepreneurship.

6. How easy was it to find information about legislations and law in social entrepreneurship?

Respondents were asked to choose a value from 1 (very easy) to 5 (very difficult), most of them indicated that it was very difficult and quite difficult to find information on social entrepreneurship laws.



7. Who invested in your company?



Most respondents indicate that they invested their own money in their business. Only two respondents claim to have external companies among the investors, none indicated the bank.

8. What was the biggest obstacle when you started your business?



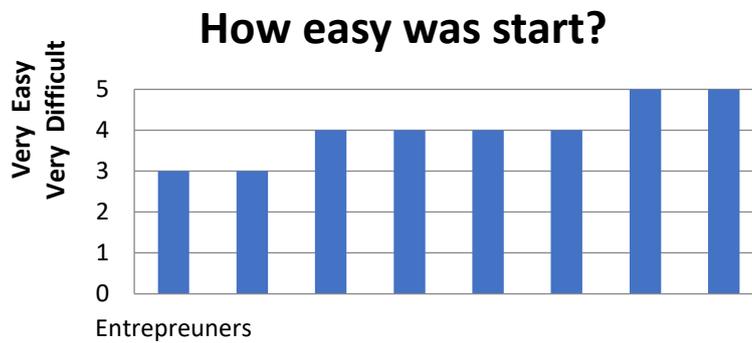
The open question allows us to explore in concrete which were the obstacles faced in the experience of each entrepreneur in their specific sector. Respondents therefore had the opportunity to indicate more than one obstacle each and a total of 8 main problems were mentioned, divided into the categories shown in the graph. The obstacle most often mentioned by the entrepreneurs interviewed is related to the *knowledge of laws and bureaucracy*. Four entrepreneurs, or half of our sample, mentioned this obstacle. Two respondents encountered problems in the field of *fundraising* and one of them also in the *management of business costs*. Two entrepreneurs found it difficult to *engage users*. An entrepreneur in *involving volunteers and collaborators*. One respondent mentioned *difficulties in understanding the technical language of the stakeholders* and an entrepreneur found difficulties in "*Being able to focus on the company instead of the products/services*" that we have summarized in the concept of entrepreneurial vision, which implies having a global vision of the company

9. What helped you most in pursuing the start-up of a company in the field of social entrepreneurship?

Entrepreneurs say it helped them:

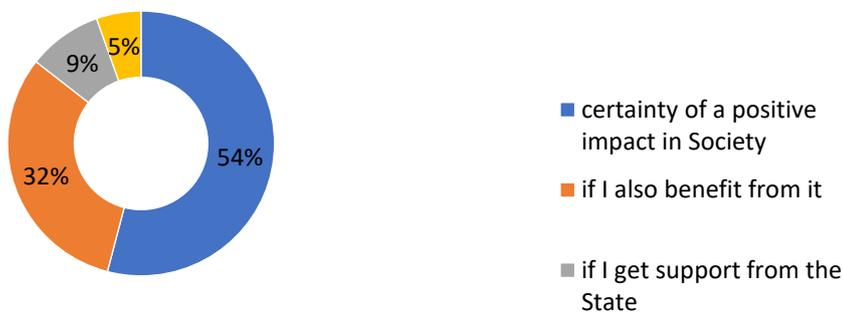
- the awareness of contributing to the development of a collaborative community;
- the determination and support of the network of contacts;
- The passion and perseverance;
- the desire to maintain decision-making autonomy;
- The research and experimentation of various methodologies;
- previous experiences
- being able to count on a network of partner organizations and European funding;
- the enthusiasm that derives from the awareness of combining passion, pride for the product created and sustainability, in a virtuous circle that involves patience, the user and the community.

10. How easy was it to start a business in social entrepreneurship? Choose a value from



Being 1 very easy and 5 very difficult for most respondents, starting a business in social entrepreneurship was quite difficult, for two even very difficult. Only two respondents found it quite easy.

6. What could make you change your career path towards social entrepreneurship?



According to the data, 54% of respondents said they would change their career path if they were confident of making a positive impact on society. 32% of students would change it only if this would also benefit them. 9% only if they get a form of support from the State. Only 5% of our sample states that they would not be willing to change their career path because they are not interested in social entrepreneurship.



3.6. Latvia

The following analysis is based on the results of the questionnaires distributed among adults from Latvia who might be interested to learn about social entrepreneurship and - to gain a more diverse perspective - also among Latvian educational institutions and social entrepreneurs themselves. The questionnaires were distributed in relevant online communities and interest groups. In total 52 people responded - most of them are potential learners and there are few insights from representatives of educational institutions and social enterprises. Each target group received a bit different set of questions in order to develop a more comprehensive perspective on needs and possible content of the learning materials about social entrepreneurship that would be helpful to each of these three target groups.

Educational Institutions Questionnaire

1. What kind of educational institution do you represent?

According to the results of the questionnaire, the kind of educational institutions that the respondents represent, are the higher education institutions, vocational schools, adult education centres, interest education centres and also non-governmental associations which are providing educational activities.

2. What is your role in the institution?

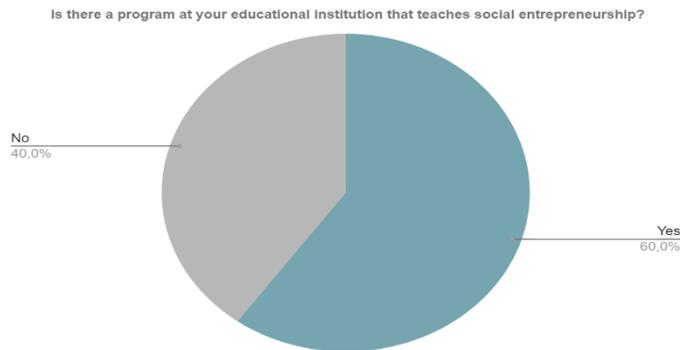
The roles that the respondents have in the educational institutions as stated in the questionnaires, are mostly educators, some of them are also project managers.

3. Are you aware of the meaning of social entrepreneurship?

All the respondents are aware of the meaning of social entrepreneurship.

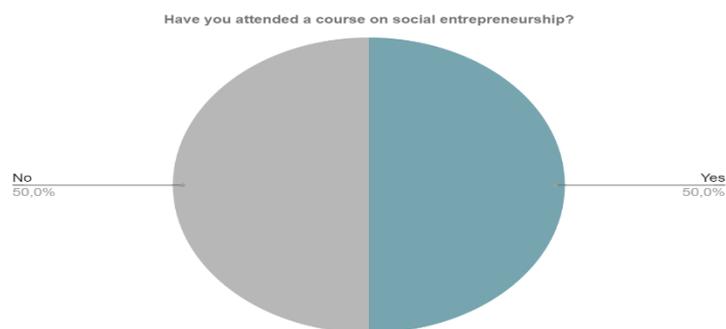
4. Is there a program at your educational institution that teaches social entrepreneurship?

60% of the respondents who participated in the research are from educational institutions that are providing opportunities to learn about social entrepreneurship.



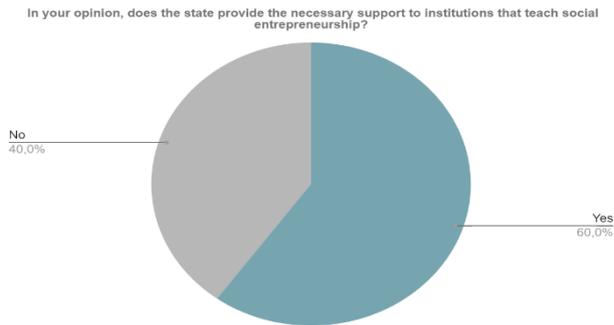
5. Have you attended a course on social entrepreneurship?

50% of the respondents have attended some sort of training events about social entrepreneurship. Many of them mentioned participation in residential courses that took place with support from Erasmus+ programme, as well as the Social Entrepreneurship Forum that takes place in Latvia every year.



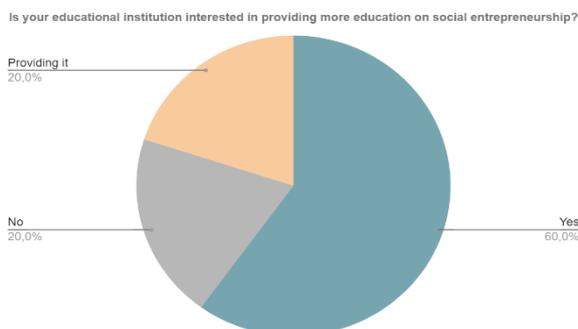
6. In your opinion, does the state provide the necessary support to institutions that teach social entrepreneurship?

60% of the respondents think that the state provides enough support to the institutions that teach social entrepreneurship.



7. Is your educational institution interested in providing more education on social entrepreneurship?

60% of the respondents are representing educational institutions that are already providing opportunities to learn about social entrepreneurship. 20% of the respondents confirmed that their institution would be interested to provide an education in social entrepreneurship and 20% said they would be interested themselves to learn more about the topic and include social entrepreneurship in their teachings, however there is not the same interest from the side of the institution they represent.

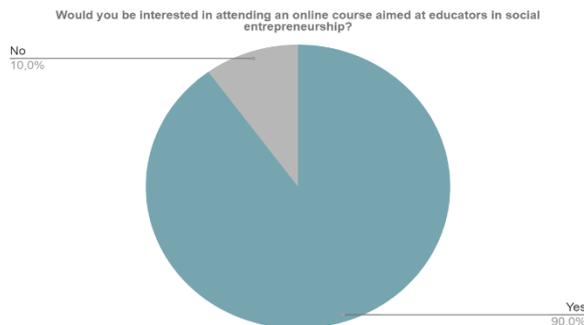


8. What would help your educational institution to promote social entrepreneurship?

Among the resources and activities that would be helpful the respondents mentioned access to more teaching and training materials. It is also mentioned that it would be helpful to establish contacts with social entrepreneurs who would be willing to support students in the learning process with advice, coaching or inspirational stories from the practice.

9. Would you be interested in attending an online course aimed at educators in social entrepreneurship?

90% of the respondents are willing to attend online courses about social entrepreneurship that would be designed for educators. 10% are not sure and told that it would depend on the offer of the course and their time resources and other needs at the moment.



90% of the respondents expressed interest to learn about educational approaches, methods and tools in order to be able to teach about social entrepreneurship, provide an innovative and efficient learning process. 60% find it important to learn about funding opportunities, and 50% are interested to learn about starting a social enterprise, development of a business model, as well as about public and private partnership.

Several respondents expressed that they would appreciate a chance to participate in a course which would allow them to interact with social entrepreneurs and discover more about practical work in the field of social entrepreneurship. A representative of the business school emphasised that it would be important to have a chance to learn more about different social problems and how to work with more vulnerable groups of people, as these are the aspects usually not covered in entrepreneurship education and there are not many learning materials designed especially for existing or potential social entrepreneurs around these topics.



10. Would you be interested in teaching a course on social entrepreneurship?

All the respondents expressed interest to start to teach or continue to teach about social entrepreneurship, some of them mentioning that, however, at the moment they don't feel confident and capable enough to do so.

11. Do you think students would be interested in attending a course on social entrepreneurship?

50% of the respondents think that their students would be highly interested to learn about social entrepreneurship. 40% think that their students would be rather interested to learn about social entrepreneurship, and 10% assume that the interest would be fair. On average, the possible interest to learn about social entrepreneurship was estimated with 4.4 points out of 5.

12. In your opinion, what are the biggest difficulties facing education on social entrepreneurship?

Almost half of the respondents mentioned that the biggest challenge is lack of qualified educators and methodological materials and tools in Latvian language. It is also often mentioned that general lack of awareness and knowledge about social entrepreneurship poses a challenge to develop social entrepreneurship education. Also challenges such as how to ensure that after the learning students take a step to actually start their own enterprise, how to motivate students, how to enable students to gain and combine knowledge from business and social work fields and how to be successful in a very small market were identified. One respondent mentioned that the current biggest challenge is the restrictions related to the pandemic.

13. How possible is it for you to start your own social enterprise?

The respondents have very different thoughts about this question, thus there are no clear tendencies. On average, the possibility of oneself becoming a social entrepreneur was estimated with 3 points out of 5.



Social Entrepreneurs Questionnaire

1. How and why did you decide to become a social entrepreneur?

Several respondents explained that they started their work as non-governmental association and transformed their activities into social entrepreneurship trying to ensure more stability, less dependence on grants, also willing to explore something that seemed to be innovative and valuable. One person mentioned that the main reason to start a social entrepreneurship was a need for improving the personal financial situation. Several entrepreneurs started their action basing on the need and personal willingness to solve a certain environmental or social problem.

2. Where does your business focus on?

The entrepreneurs who were participating in the research are working in the different fields including education, mental and physical health, youth employment, animal protection, environmental protection and providing employment to young mothers.

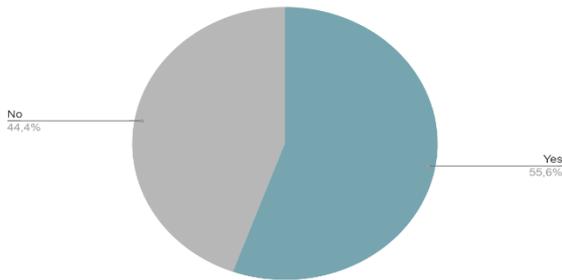
3. Where did you get the idea for your business?

Most of the respondents explained that their business idea has grown from many years of working in their field. Some mentioned that participation in training, grant competitions or incubator programs was what helped them to clarify their idea, as well as to add a business element to their social or environmental work, or encouraged and inspired them to take a step forward and transform their civic activity into an entrepreneurial one.

4. Did you have any training on social entrepreneurship before you started your own business?

Social entrepreneurs have had different learning paths. More than half of them have had some previous training, including participation in international programs, but almost the same amount of people said that they have been networking, attending short events, researching experience and ideas from other countries and done a lot of self-directed learning, and a lot of learning has happened also by trial and error - in the process of their entrepreneurial activity.

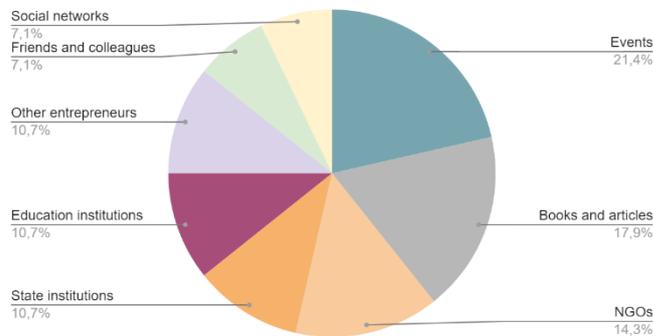
Did you have any training on social entrepreneurship before you started your own business?



5. Where did you find information on social entrepreneurship before you started your business?

Social entrepreneurs are using a wide range of sources in order to find out the information needed for their work. Among the most popular information sources are participation in different relevant educational or networking events, reading books, research reports and articles, as well as information provided by associations and foundations.

Where did you find information on social entrepreneurship before you started your business?

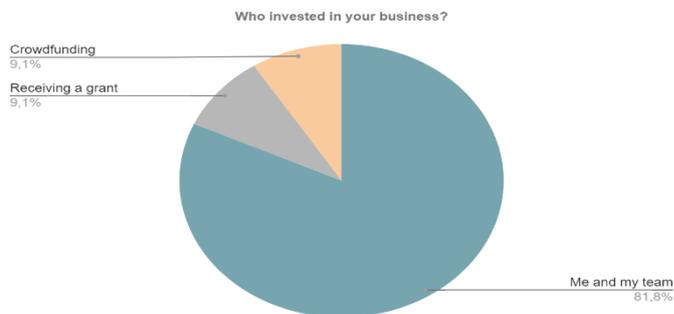


6. How easily did you find information about the laws and regulations on social entrepreneurship?

55.6% of the respondents confirmed that it was very easy to find information they needed. For 33.3% it was rather easy. The average assessment of easiness to find information is 4.4 points out of 5.

7. Who invested in your business?

The overwhelming majority of 90% answered that those who invested in their business were themselves. Small proportion of respondents mentioned participation in a social entrepreneurship support programme or using a crowdfunding platform.



8. What was the biggest obstacle you had to face when you started your business?

Most of respondents found it challenging to find their market that would be big enough and ensure enough sales. For some of them it was difficult to understand and deal with the legal requirements. Entrepreneurs admit that it was also challenging to establish a good and efficient team.

9. What helped you the most to be convinced and establish your social enterprise?

There are no common trends in the response to this question. Entrepreneurs mention elements such as:

- Starting small without big ambitions
- Motivation of the team and understanding that their work has a value
- Positive attitude towards taking risks and making mistakes
- Adaptation ability
- Lockdown which was a challenge and a booster at the same time
- Passion about solving the problem at hand
- Previous employment experience in the business sector and sufficient personal financial resources to afford to experiment with new ideas
- Having a parallel income
- Gaining a financial support through the grant
- Previous professional experience and a good reputation in marketing and branding.

10. How easy was it to start your own social business?

55.6% of the respondents answered that starting a social business was neither easy, nor difficult. 11.1% said it was very easy, 22.2% said it was rather easy and 11.1% found it rather difficult. The average assessment of easiness to start a social business is 3.3 points out of 5.

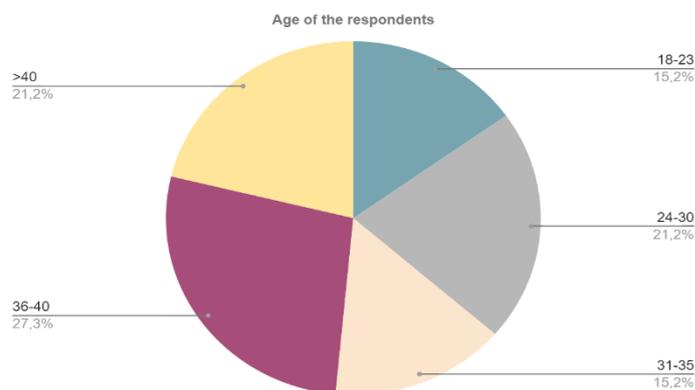
Learners questionnaire

1. In which country do you live currently?

All the participants that took part in the survey are currently living in Latvia

2. What is your age?

The people who participated in this research represent diverse age and professional groups. Many of them are students or currently looking for a new job, many are freelancers, many work in the third sector, including youth workers and social workers.



3. What do you understand when you hear the term social entrepreneurship?

Most respondents were emphasizing the social benefit aspect of social entrepreneurship defining it as a business that solves social and environmental problems, employs people from vulnerable groups at the risk of social exclusion and contributes to improving quality of life within some society.

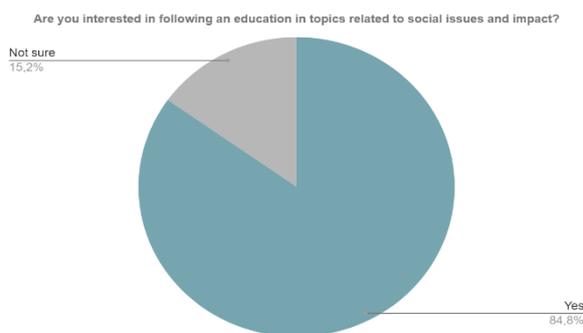
Several respondents believe that the profit aspect is less important, and just few of them mentioned that the aspect of financial success is as important as the social aspect of the operation of social entrepreneurship. In general, there is a common understanding that profit is not a goal, but means to solve some social issue. Many respondents were emphasizing also work integration aspects. One person sees social entrepreneurship as an opportunity to invest his skills and experience in a work that is needed for society, also as an opportunity to boost one’s own professional and personal growth.

4. Have you heard the concept before?

All the respondents have heard about social entrepreneurship before and were able to offer their own explanation of the meaning of social entrepreneurship which is more or less in lines with how social entrepreneurship is defined also in the legislation of Latvia.

5. Are you interested in following an education in topics related to social issues and impact?

Most of the respondents expressed interest to learn about social issues and social impact.

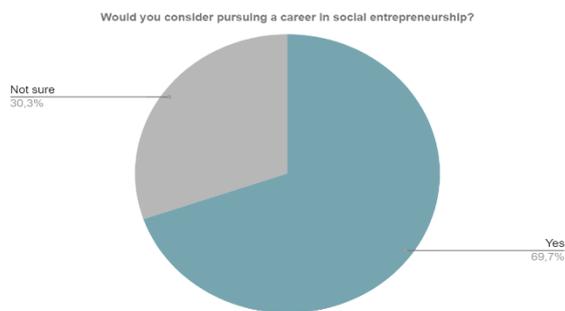


We also asked respondents what are the social issues that they would like to address as social entrepreneurs. Number of social challenges were identified such as intergenerational gap and lack of active involvement of seniors in social processes, loneliness among older generation, lack of support to single parents, issues related to gender equality, inequality, social exclusion, pollution, domestic violence, lack of access to innovative, qualitative education opportunities among children and adults, lack of personal empowerment, unemployment of people who belong to the groups at risk of social inclusion, unemployment of people who are close to the retirement age, waste management,

pollution, issues related to the environmental protection and animal protection, overconsumption, issues related to the cultural diversity, refugee issues, stress, and lack of support to young people with mental disabilities.

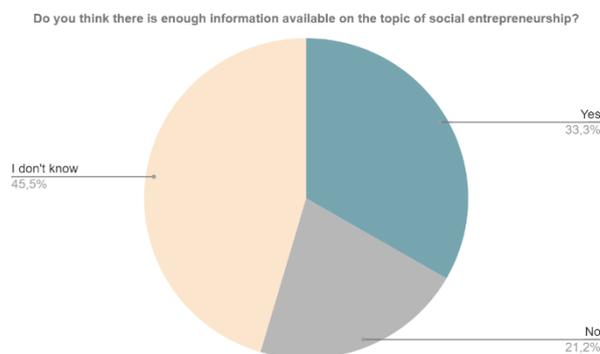
6. As social entrepreneurship aims to focus on businesses for a greater social good and not uniquely pursue profits, would you consider pursuing a career in this area?

None of the respondents said that they would not consider at all becoming a social entrepreneur, however around one third of them is not sure if they would like to move in this direction. 69.7% of the respondents are willing to explore opportunities to become social entrepreneurs.



7. Do you think there is enough information available on the topic of social entrepreneurship?

Almost half of the respondents were not sure whether there is enough information available. 33.3% would agree that there is enough information while 21.2% of the respondents think that information is not sufficient.



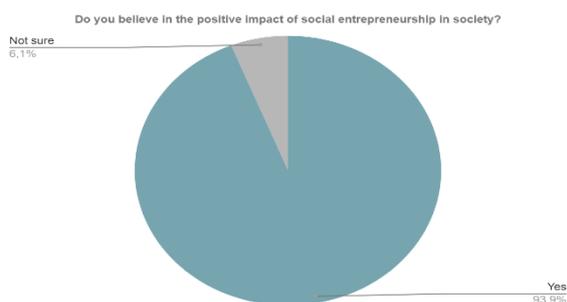
8. Which are the areas connected with social entrepreneurship, where there is a lack of information and tools?

We also asked respondents what information is missing. Some of them said that they have not been exploring this field, so they are not sure. Following information needs were identified:

- How to achieve that social entrepreneurship is a business and not a charity
- How municipalities could provide more practical support, for example, provide office premises
- The research data about social problems that would help to understand what means are needed to solve these problems
- Practical steps of establishing an enterprise and addressing problems during the establishing of the enterprise and its first year of activity
- Funding opportunities
- Experience stories
- Easy to review information about mandatory elements of social entrepreneurship
- How to provide financial sustainability of operation
- Different business models
- Legal aspects of social entrepreneurship
- How to start a social enterprise considering the local context, legal framework and funding opportunities

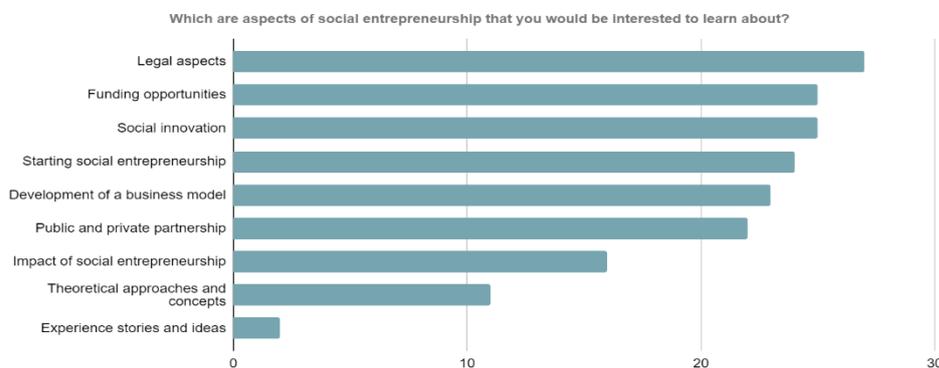
9. Do you believe in the positive impact of social entrepreneurship in society?

93.9% of the respondents replied that they believe in the positive impact of social entrepreneurship. None of them said that they do not believe at all in the positive impact of social entrepreneurship, however few of respondents were not sure.



10. Which are aspects of social entrepreneurship that you would be interested to learn more about?

The potential learners are most interested to learn about legal aspects of social entrepreneurship including tax issues. Important topics are also funding opportunities and social innovation. Several people mentioned that they would like to be guided through the process of starting a social enterprise.



We also asked respondents what their preferred teaching and learning methods would be in case these topics were delivered in an online course.



The respondents have three favourite online training elements - video lectures, opportunity to receive feedback from instructors or mentors, as well as opportunity to interact with instructors and other learners. Respondents are also quite interested in quizzes and games, individual worksheets and questions for reflection. Having group tasks or discussion forums was less favoured.

75.8% of the respondents confirm that they would prefer to access course materials and activities in Latvian language and not in English.

11. How likely it is that you would participate in an introductory course about social entrepreneurship?

54.5% of the respondents expressed a high interest to join the introductory course about social entrepreneurship, and 15.2% told they would be rather interested. 21.2% were neither very interested, nor disinterested. The average interest to attend such a course is 4.1 points out of 5 points.

We also asked what should be included in the course, so the respondents decided to join it.

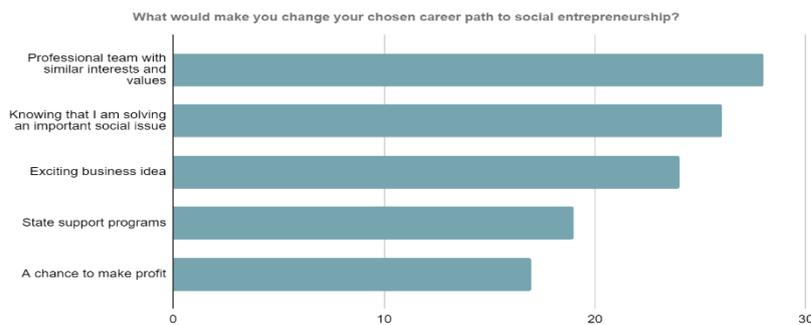
Following suggestions were given:

- I would at first need to have a business idea
- An opportunity to find partners and develop a business plan together, as well as to receive consultations how to improve it
- Interactivity and active engagement of the participants
- Experienced and inspiring instructors
- Receiving a mentorship from someone already active in the field
- Information about actual social issues and possible directions to develop social entrepreneurship
- A gift at the end of course
- Feedback from the instructor
- Information about taxes and financial issues
- A chance to learn about realistic problem situations and problem solving
- Informal way of delivery of the course
- Experience stories and examples
- Elastic timing
- Practical information and exercises
- A chance to ask questions
- Motivation

- Step by step guide to starting an enterprise
- Guided teambuilding among the students

12. What would make you change your chosen career path to social entrepreneurship?

Most of the respondents emphasised the importance of having a professional team of people with similar interests and values as an important factor that would encourage them to take a decision to become a social entrepreneur. Just a little bit less important aspect is awareness that this work is important and valuable and contributes to solving social issues. Several respondents also repeatedly mentioned that they would need to find a business idea they are passionate about. Least important factor was a chance to make profit.



Section 4: Conclusions

Social entrepreneurship is a relatively new concept on a global scale. Although examples of social entrepreneurship exist already for a long time, it seems that society at a larger scale, has started realising the value of social entrepreneurship only in the past years. Nowadays there is a generalised awareness, that problems, which have been so far not fully nor correctly addressed with existing policies and companies, social entrepreneurs can address in a different and more productive way. This is done through innovation and perseverance and commitment to the social goal. By doing so, social entrepreneurs are an inspiration for others to initiate social change. A social enterprise strives for a social change in a competitive market that maximises profits.

The main goal of distributing the questionnaires to different target groups was to spot the needs and challenges in the field of social entrepreneurship education and identify directions in which educators and educational institutions might develop their training offers in order to respond to the needs of the learners in a more accurate way.

Considering the results of the questionnaires during the field research, it becomes clear that a well systemised and easy access to education on SE is needed. In all countries, the three groups of participants agreed on the lack of clear legal framework and guidance on the topic. It was provided that most of the respondents in the learners' group were not a 100% informed about the topic but eager to learn more. In addition to that, the respondents confirmed the need of support by the state toward Social Entrepreneurship.

Concerning the questionnaire distribution among educational institutions, the respondents are aware of the meaning of Social Entrepreneurship, they are willing to attend online courses in order to attain further education within the field and, why not, to add the course into their institutions' curriculum. In addition, the respondents do not hesitate to highlight the need of support by the state toward Social Entrepreneurship. Although there are obstacles in the Social Entrepreneurship field, the respondents consider starting a social enterprise.

Among Social Entrepreneurs, the overall results indicate that social purpose is the main and common characteristic of their practices. Most of them outline the passion they had at the beginning of their businesses. Starting a social enterprise is not an easy procedure, something that is proved since various difficulties they used to face during that period are cited in the analysis. Bureaucracy, state's policy, economic crisis, unemployment and some personal reasons are examples of those difficulties.



In some countries like in Bulgaria, a desire to help and previous volunteering experience was present. They were socially engaged, looking for ways to improve things and address the pain topics that the society has with young people at risk, people with disabilities or mental problems, and they wanted to help their integration and provide support. Prior starting the business a big part of the entrepreneurs had received some kind a training and based on events and conferences they were able to receive more information on the topic. Everyone agreed that the legal framework is difficult to understand and there were difficulties regarding finding relevant information. This, together with the funding were among the biggest challenges faced when starting the SE. The motivators were the network that they have built when participating in events and conferences and the personal motivation and belief in the positive impact from their work.

Developing complete courses diving deep in the meaning of social entrepreneurship, the benefits it has for the community, how to become SE and how to navigate through the legislation on this topic, would be therefor of advantage and much needed. For social entrepreneurs the intrinsic motivation to help and create a better environment was noticeable and all of them confirmed that starting a social enterprise is not an easy task due to lack of information and bureaucracy, but their passion helped them pursue their dream. The percentage of those who would change their path if they benefited for themselves, is worth pointing out.

Also, data reflect on the possibility of participating in an introductory course on social entrepreneurship, where most would be undecided whether to participate. For the large majority of entrepreneurs interviewed starting a business in social entrepreneurship was difficult. What helped them most in pursuing the company's start-up are personal skills like as awareness of their contribution to the community, determination, passion, perseverance, enthusiasm in the project or the desire to maintain decision-making autonomy. In some case was also important the support of the network; research and experimentation of various methodologies; and previous experience. They also pointed out challenges such as difficulties to find their market, increase sales, marketing strategies, sales and work in export markets was among the topics that they would be most interested to learn about.

It is important to make the distinction between social enterprise and other forms of similar but not entrepreneurial associations. This sector is often connected to volunteering and a collective believe that developing a real business with this model is not possible or very difficult. At the same time it is important to have a transnational social entrepreneurship legislation; to have resources to carry out projects and to promote real professional employment opportunities; last but not last achieving the

reintegration of people who have just left recovery paths, transferring not merely theoretical knowledge and skills but the culture of work and the concepts of economic sustainability and social impact is also a factor that should be taken into consideration.

Educators were expressing interest to learn mainly about different entrepreneurship education approaches and methods that would provide them ideas how to design a more efficient learning process. They also pointed out the fact, that it would be important for them to have more opportunities to establish contacts with social entrepreneurs who would be willing to support students with their stories, examples, mentoring and advice, to bridge the theory with practice. Thus promoting a cross-sectorial cooperation among social enterprises and educational institutions might be very helpful.

Concerning the potential trainees or students in social entrepreneurship, it turned out that many of them do not know what kind of information, resources and learning opportunities exist about social entrepreneurship. It is positive, that all the respondents have heard about social entrepreneurship before, are aware of social issues and expressed quite a lot of interest to develop their knowledge in this field and even become social entrepreneurs. However, an important factor for them, even before deciding to take some learning opportunities, was to have a business idea and team they would believe in. We could conclude that an important part of social entrepreneurship education activities should be networking, practical problem solving and idea generation sessions, also opportunities to hear inspiring examples, ideas and experience stories.

Also, for potential learners, most actual topics to learn about are legal aspects of social entrepreneurship, funding opportunities and social innovation. A lot of learners expressed that they would appreciate a chance to receive step by step guidance in starting a social enterprise, a support of a mentor and feedback. It is important to point out that adult learners are interested also to learn about different social problems and their possible solutions that would be based on research data, case studies and practical experience. An increased understanding of social issues and possible solutions might help to generate business ideas and an efficient social business model.

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