

# Policy recommendation from international Conference: “Building Stronger Ecosystems for Social Enterprises in Europe”

We, representatives of social enterprises from Greece, Italy, Bulgaria and Poland, driven by the desire to develop the environment for social entrepreneurship, unite around recommendations for measures and policies that can adequately address the challenges that we face in our everyday work, trying to achieve bigger social impact.

***Analyzing the most significant problems facing the development of social entrepreneurship, namely:***

- **Insufficient financial resources for the development and sustainability of social entrepreneurship ideas** (relative to the level of development - start-up capital, capital for developing new ideas and products, support in crises and uncertain external environment);
- **The negative effect of the COVID-19 pandemic on the development of many social enterprises, staff retaining and motivation;**
- **The need to consider** the diversity of social entrepreneurship in terms of the areas in which they work - social activities, education, ecology and environmental protection, culture, sport, healthy lifestyles, support for people with disabilities, support for victims of domestic violence, work with refugees, local community development.

***We suggest the following measures to be implemented to support social enterprises:***

1. **Flexible funding for already developing social enterprises** - different types of financial support are needed to encourage the development and not only the survival of social enterprises. There is a particularly strong need for social enterprises to have access to working capital to enable them to cover their losses and to resources that are 'free' - for example to purchase equipment, cover taxes and business specific fees that programmes/projects do not cover. Social enterprises cannot take advantage of economies of scale as they buy smaller quantities of inputs at a higher price due to lack of funds to buy in bulk and a shrinking market.
2. **Additional efforts for recognizing the role and the added value of social economy sector** - should be explicitly underline the social economy major role in the European economy, combining profitability and solidarity, creating quality jobs, strengthens social, economic and regional cohesion, generates social capital, promotes active citizenship, solidarity and a kind of economy with democratic

values that put people first, in addition to supporting sustainable development and social innovation environmental and technological innovation.

3. **Grant schemes and measures that respond to real needs** - their allocations should be tailored to current challenges and take into account difficulties in covering large upfront payments. There is a need to increase advances for the various projects that finance social enterprise activities, to reduce the financial burden, including for securing bank guarantees, and to replace them with instruments that can take on risky investments.
4. **Support for team capacity building and human resource development** - project schemes aimed at recruiting staff are currently more difficult for social enterprises. Grants are often oriented towards hiring people in vulnerable situations, but this also requires a parallel commitment of more time and human resources within the organisation's team to effectively develop the work skills of these employees. Project funding needs to support the development of teams not only in terms of hiring people from vulnerable groups, but also in terms of developing the business component and for this, providing funds to hire such experts is key (marketing, financial management, digital presence and campaigns, etc.).
5. **Broaden the definition and increase the recognition of social enterprises** - it is important to give wider options when defining an enterprise as social. The COVID-19 pandemic and ensuing crisis exacerbated deep-seated social inequalities within our societies. Women, low-income households, children and young people, as well as low-skilled, part-time, temporary and self-employed workers, have all been disproportionately affected. While the expansion of information and communication spaces has heightened citizen engagement, concerns over the proliferation of mis- and disinformation, and the risks posed by artificial intelligence (AI) and online discrimination, are at an all-time high since the COVID-19 pandemic. Fragility is the combination of exposure to risk and insufficient coping capacities of the state, system and/or communities to manage, absorb or mitigate those risks. It occurs in a spectrum of intensity across six dimensions: economic, environmental, political, security, societal and human.
6. **SEs needs a sustainable mechanism for dialogue** and guarantees for the participation of social enterprises in the decision-making process on policies and measures affecting them. Since our role is so important for both economy and social sphere, we need to take a leading place in the sectoral conversation how to boost the impact we achieve.
7. **Crucial for the grow of the SEs ecosystem is the support for networking and exchange** - the main tool for our development is securing peer learning process, knowledge exchange and increasing the capacity for collaboration of SEs. All the efforts so far that enable the networking between all EU countries, sharing best examples and stimulate the empowerment should be reloaded and empowered.

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