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**Extended interregional analysis on the
social enterprise ecosystems in six
European regions**

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ZENTRUM FÜR SOZIALE INNOVATION
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Content overview

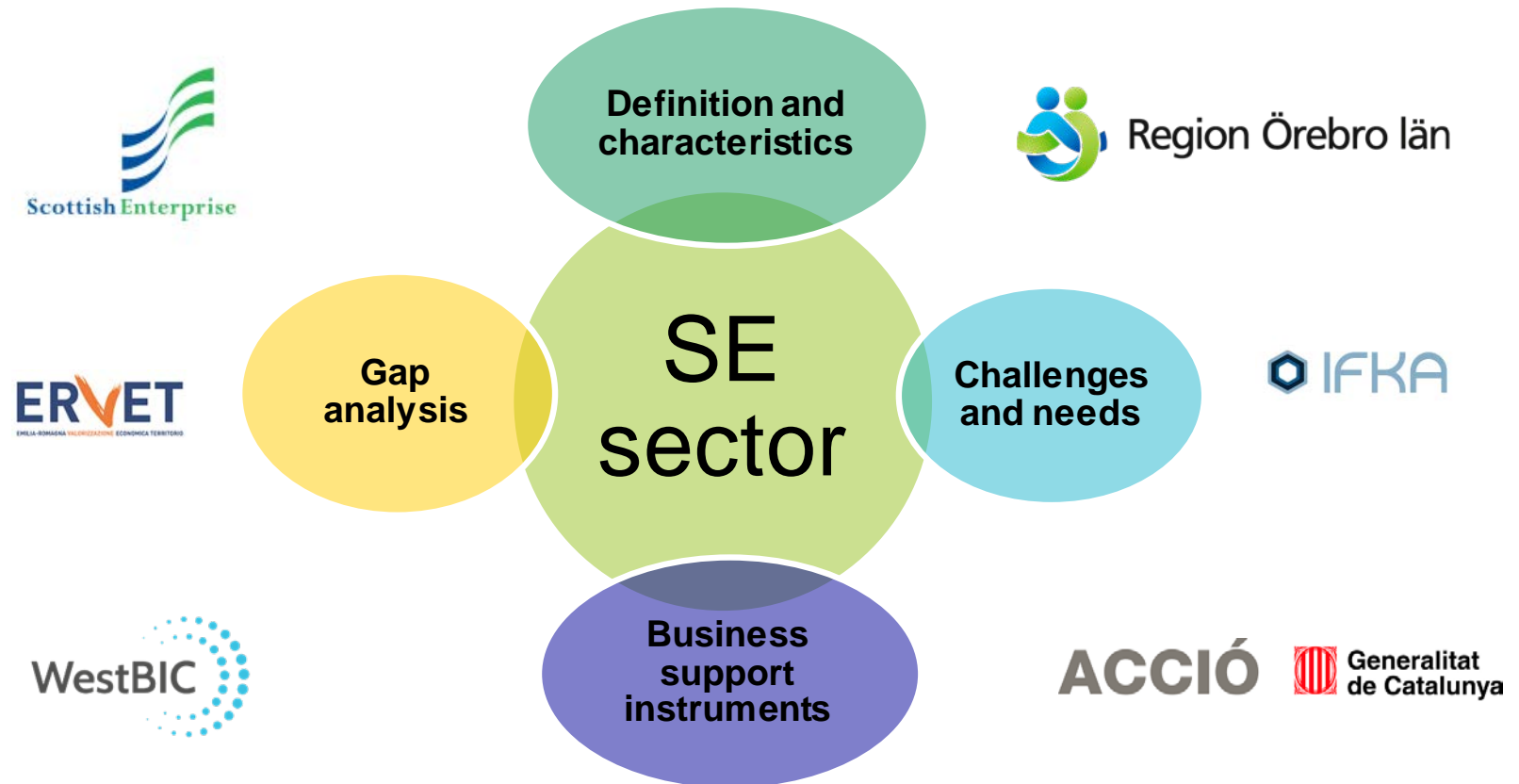
- 1. Background and objectives**
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1. Background and objectives

Background and objectives

“The mission of the interregional analysis is to map the social enterprises ecosystem (6 regional study reports) in each region and to identify barriers and needs”



Background

This analysis is based on six regional reports on the social enterprise ecosystem in six European regions (Emilia-Romagna, Scotland, Western Ireland, Örebro county, Catalonia, Hungary).

The regional reports were collected in the context of the project “RaiSE – Enhancing social enterprises competitiveness through improved business support policies”, an Interreg Europe project funded by the European Regional Development Fund. The reports were collected in autumn 2017 by the RaiSE project partners in each region:

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- ACCIO – Catalonia,
 - IFKA – Hungary,
 - WESTBIC – Western Ireland,
 - ERVET – Emilia-Romagna,
 - Örebro Regional Development Council – Örebro,
 - Scottish Enterprise – Scotland.

All studies collected provide an accurate picture of the social enterprise ecosystem in each region, and served as a starting point for the interregional analysis. The interregional analysis itself is a comparative analysis among the results of the different participant regions’ studies.

Objective

The objective of the regional study reports was to identify and map the existing social enterprises in the six regions, including a needs assessment to identify barriers to growth, and to uncover existing instruments and support services to social enterprises both at public and private level.

The objective of the present interregional analysis is to make an assessment of the regional study reports, including a comparison of the information provided on the regional (policy) ecosystems in the six regions. In more detail, the comparison includes the identification of both common but also region-specific conditions (primarily on the policy level) for the business development and internationalisation of regional social enterprises. As a result, the interregional analysis will be able to present barriers and needs for the business development and internationalisation of regional social enterprises in six European regions in a comparative perspective.

What are SE in the projects' context?

The regional contexts are differing in terms of economic development and preconditions, policies and traditions for social enterprises. Therefore, at the start of the project a search for a common definition of social enterprises has been conducted. As the differences of the ecosystem are considerable, the definition of the European Union is used in the project as a lowest common denominator. The definition is:

“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, in particular, involves employees, consumers and stakeholders affected by its commercial activities.”

This definition covers the following types of business:

- **Those for who 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 where profits are mainly reinvested with a view to achieving this social objective.**
- **Those where the method of organisation or ownership system reflects the enterprise's mission, using democratic or participatory principles or focusing on social justice.**

In the following, the six regional contexts are discussed!

SE in the six regions – different conditions, same vision?

Scotland

- The government describes SE as "businesses with a social responsibility which reinvest profits into their community, locally or across the world"
- The government is committed to SE sector to "create a more successful country, with opportunities for all of Scotland to flourish through sustainable economic growth". Between 2014-16 the government developed with the SE sector a national 10-year SE strategy ("Scotland's vision for Social Enterprises 2025")
- The SE community developed themselves a code of practice: 1. SE trades, but with objective of social/environmental benefits; 2. Aspiration of financial independence through trading; 3. Constitutional document of SE provide an asset lock; 4. SE are managed in an accountable and transparent way and with a minimum of three unrelated directors; 5. SE work apart from the public sector and are not controlled by the public sector

SE in the six regions – different conditions, same vision?

Western Ireland

- Social enterprises trade for social/societal purpose, separate from government, the surplus is invested in one or more social objective(s)
- SE work in urban and rural areas and offer a diverse range of business services; SE sector employs 25,000-33,00 people in over 1,400 SE with an income of €1.4bn/year
- Criteria for defining a SE are agreed within the SE task force: SE have a legal structure, have a stated social mission, are run by a voluntary board of directors, are community owned, and have a traded income

SE in the six regions – different conditions, same vision?

Örebro



- SE in Sweden - **mainly work-integrated** SE; In Sweden many companies have social goals, but are not necessarily also work-integrated social companies
- Sweden's public sector is traditionally strong, and only a few SE exist. The local self-governance is a key factor in the Swedish constitution, delivered by the local public sector. After assessing the six regional reports, it became obvious that SE primarily work in the delivery of quasi-public services on the local level – and probably the answer to the situation in the Swedish context
- The Swedish Agency for Economic and Regional Growth developed the following criteria for SE: 1. SE work on the **integration of people into working life and society**; 2. Employees are participating in the company's business and development; 3. Profits are re-invested into own or similar activities (to hire people; offer skills development etc.); 4. SE are independent from the public sector

SE in the six regions – different conditions, same vision?

Emilia-Romagna

- In Emilia-Romagna, the definition of a SE follows the recommendations of the EC Social Business Initiative – together with Hungary it is the only study report which emphasizes this “EU background” in the definition of SE
- 1. SE generate social impact rather than profit; 2. The profit is primarily used for reaching social objectives; 3. SE are managed in an accountable, democratic and participatory way
- Emilia-Romagna has started to redefine its concept for regional development in favor of a strong social component of its regional economy (“The creation of shared value“). SE sector is one of the most dynamic sectors, growing both in economic units and in the number of paid workers. The last census of 2011 showed that there are 28,947 institutions applying to this sector
- There are two categories of SE in Emilia-Romagna: “Social enterprises” (1,367) and “social cooperatives” (12,570) - both together respond to the needs of more than 5mio beneficiaries in Emilia-Romagna

SE in the six regions – different conditions, same vision?

Catalonia

- Definition: In Catalonia, a **SE must reinvest 100% of its profits for qualifying as a SE** and more than 50% of the income must come from the billing for sales. For the study report, qualitative interviews were conducted with 12 SE
- Most of the SE in Catalonia invoice between 80-100% for sales from their income. Around 80% of the SE completely reinvest their benefits
- SE must work at least in one field with social impact (519 SE were studied, 293 fulfilled all three criteria)

SE in the six regions – different conditions, same vision?

Hungary

- **Definition for SE aligned to EC definition:** SE are operating in the social economy, the objective is to have societal impact rather than making profits for its owners
- However, due to the lack of widely accepted definitions, no specific data exists on the size of the sector, however IFKA estimates that there are around 300-400 SE in Hungary. The study covers 50 enterprises
- According to EC SME definition, most of HU SE are micro- and small enterprises leading to weak employment capacity and territorial impact
- Most of the SE are located in Budapest (30). Their scope of activities greatly depends on the territorial needs (urban vs. rural) and managerial skills of the SE

Categories of the ecosystem mapping

Mapping of social enterprises

- Identification of existing social enterprises in the region

Needs assessment

- Needs assessment analysis focused on main barriers to grow at different levels

Taking stock of existing business support tools for the development and internationalisation of SE

- Mapping and analysis of the existing business support schemes, tools, services both public and private available to social enterprises

Gap analysis and policy recommendations

- Proposals to improve regional SE business support policies (services, schemes, financial instruments, governance with other actors, etc..)
































Data collection

Each partner was responsible to provide evidence to its findings based on empirical data from the social enterprise ecosystem. With the help of this data, the findings in this interregional analysis can be better put into context for the comparative task. However, the scope and format of the data from the six regions vary to a great extent, which sets limits to the precision of the comparative work.

Regarding the preparation and completeness of data in the six different reports, the reports from Catalonia, Scotland, Hungary and Örebro are more or less on the same level. The study reports of Western Ireland and Emilia-Romagna on the other hand lack some of the information as provided in the other reports (geographical scope of business, main needs, use of public support schemes), as they had slightly different foci. The following 9 key constitutive aspects for learning about the composition of the SE sector and the policy-delivery environment they are operating in have been defined for this analysis.

1. Types of SE in the region
2. Sector of activity
3. Types of training activities provided
4. Geographical scope of business
5. Types of objectives
6. Greatest changes in recent time
7. Greatest challenges in the near future
8. Main needs
9. Use of public support schemes

Data collection

Provision of data/field	Western Ireland	Emilia-Romagna	Catalonia	Örebro	Scotland	Hungary
Types of SE						
Sectors of activity						
Type of training activities provided						
Geographical scope of business						
Types of objectives						
Greatest changes in recent time						
Greatest challenges/objectives in near future						
Main needs						
Use of public support schemes						

2. Context and characteristics

What is the context?

The regions are from different countries with different social and economic policy contexts. These shape the ecosystem in which SE can perform their activities. Therefore, the preconditions that will be compared in the following report range from liberal economies in the Anglo-American tradition (Western Ireland and Scotland), south European economies with a strong tradition of cooperatives in the social economy (Catalonia and Emilia-Romagna), a Swedish county (Örebro) with a strong social welfare state as well as a former Eastern-European transition country with a relatively new SE landscape (Hungary).



Looking at the regions

Emilia-Romagna	Scotland	Western Ireland	Örebro	Catalonia	Hungary
Italy faced ongoing economic crisis affecting also SE	Developed country, but new economical paths for the future must be found	Country with growing economy, attractiveness for international business	Innovation leader country with strong welfare system	Spain among the countries which have been hit hard by the crisis	Hungary former transition country, gained economic pace
SE sector is well established	Government commits to SE sector for creating a sustainable economic growth	Long-established sector (57% before 2000)	Small sector, due to strong welfare state. SE mainly defined as „work-integrated“	Main working field of SE sector is „labour insertion“	SE sector is rather new but lacks a common definition, data available is insufficient
27 SE & 875 Cooperatives	5,600 SE in Scotland	1,400 SE in Ireland	16 SE in the county	293 SE	200-300 SE

Regional definition

Businesses with a social responsibility who reinvest profits into their community, locally or across the world

Social impact rather than profits, reaching social objectives, managed in an accountable, democratic and participatory way

Have a legal structure, have a stated social mission, run by a voluntary board of directors, community owned, have a traded income

Social impact rather than generating profits

Work-integrated, profits are re-invested, employees are participating in the business

100% of profits must be re-invested, more than 50% of income must come from sales



Characteristics - general

Some general trends can be identified for all six regions of the analyses. In general rather old and **established sector** where many enterprises are older than 10 years. However, this is not true for the Hungarian sector, which is still in development. In general as most SE are already well established and growth rates are rather low, the sector does not show high dynamics. This apparent in the size of the enterprises – on average they are rather small. In terms of **employees** the most often mentioned number is between 0-10 employees while the responses for **financial data** is only insufficiently available, but the available data suggests that the annual **income** is mostly below 500,000 €.

Legally, most SE are **social cooperatives**, however in some regions charities or non-profit organisations are important organisational forms as well. Most SE are tending to operate in the **urban areas**, whereby Hungary is again an exception.

Characteristics - general

The SE work for the **benefit of local and disadvantaged communities** which includes a variety of aspects like supporting elderly, socially isolated, excluded, unemployed, disabled people etc. The interventions of the SE are straightforward – In contrast to the public services, they offer a flexible and efficient services handling **small-scale problems** with and for specific groups. Thereby, they are able to adapt quickly to changing framework conditions and address new problems.

Their main field of activity is **service-delivery sector**, most often in the fields of educational, health-related and social as well as work-integrating services. The majority of the SEs runs their business only on the **local/community-related level** – however examples of a higher capacity can be found in Catalonia and Emilia-Romagna. In general, the SE sector is **profitable** with the exception of Hungary.

3. Main challenges and needs

Main challenges and needs

After seeing that even though the policy contexts in which the SE operate are varying, their characteristics are surprisingly similar, it is less astonishing that their needs and their main challenges show some common trends as well. The most common issue the SE face, is the **general economic trend** ever since the financial crisis in 2008, which has server implications on the SE sector. This is apparent in decreasing public spending and an increase in support need in vulnerable groups. This is evident as the lack of publicly available **funding**, which often leads to an insecure financial situation, is one of the most reported challenges. In combination with increasing **bureaucratic demands** the needs for personnel, that can manoeuvre under these circumstances in increasing.

However, another group of expressed needs points in this exact direction as an increasing lack of **volunteerism** can be observed (especially regarding young people) and all regions report needs in **human resources**, more concretely in hiring people with management skills, and business experience. First, is of particular importance as the lack of volunteerism enforces the lack of **time and capacity** for running the SE.

Main challenges and needs

When ask what the priority needs are, the following issues are reported:

- governance assistance,
- marketing assistance,
- networking assistance to
- business planning assistance

It is commonly reported, that the needs in **organisation and business development** are most urgent and that training in **financial management** and in **accessing** public and private **funds** is highly demanded. Additionally, a need for better **evaluation and monitoring** of activities against the background of assessing the **impact** is reported.

Main challenges and needs

Across all regions, many needs are the same and concerns expressed by the SE sector resemble each other.

Whilst the sector in all regions experiences difficulties with 1) **complex public and private funding mechanisms** (hindering it to access and gain necessary funding), an 2) **uncertain legal environment for operating** (leaving open questions on the self-perception of SE – “what role do we play in the economy’s third sector?”) and an 3) **increasing complexity in the basic management of their daily business** (administration, marketing, sales, supply chain management, service provision etc.), everything together hindering them in exploiting their full potential and “growing bigger” (overcoming the pre-start-up phase and/or expanding their business internationally), some of the challenges reported in the six analysis typically have to do with the local context and must be tackled only within the local/regional context.

As an example: Sweden with a **traditionally very strong public sector** (paternalistic governmental approach) provides less “space” for the development of a SE sector (which, as the reports show, usually work in those niches, which are less addressed by the public sector) than Italy and specifically the region of Emilia-Romagna, where many services benefitting the local society are only delivered by the strong SE sector **in absence of efficient public services provided by the national and/or communal authorities.**

4. Support and gaps

Support and gaps

- The **support system** is mapped in 4/6 regions (Catalonia and Emilia-Romagna only providing hints)
 - In general the business support sector is **well developed** in all regions
 - A broad set of **financial and non-financial** instruments are in place
 - SE can **access all business support** instruments in place and
 - Additionally, **specific** instrument targeting SE exist
- **The broader SE support environment** also includes:
 - Corporate Social Responsibility Programmes,
 - European Funding,
 - Networks and
 - Mutual support mechanisms

Support and gaps

The results regarding the support schemes for SE are heterogeneous and most striking results will be presented anecdotally. When reported, the share of SE that already have been **supported** by one of the schemes is around **50%** and SE tend to use support **specifically targeting SE** more often than general business support schemes. Nevertheless, there is a **tendency not to use them**, and when they do, they usually prefer to use private resources rather than public resources (Catalonia). If they do not use this support the reasons are either a **lack of knowledge** about them or the lack of need (Örebro).

In Scotland the SE report a gap at the **start-up and pre-start-up level** while established social enterprises sometimes do require specialist business support, which is charged at consultancy rates and therefore **not affordable** to many social enterprises (Scotland). Western Ireland and Hungary identified issues on the **policy level**.

Support and gaps

Social enterprises in Sweden identify following of areas where they **need support** from public organisations:

- Access to markets
- Support in creating networks with private business
- New types of financial support – better, larger and more contracts
- Support in strengthening social enterprise management
- Marketing
- Cooperation with other social enterprises
- Information on social enterprises to public sector
- Building up systems for certification/licensing of different occupational groups

These are similar to the issues addressed in Emilia-Romagna and Hungary

Ecosystem of business support tools and instruments: Western Ireland

In the **Irish study report**, a number of programmes and schemes for the interaction with SE from governmental departments and agencies are mentioned, but no further information is provided on the frequency, efficiency and overall satisfaction with these services from the side of the SE sector.

Ecosystem of business support tools and instruments : Emilia-Romagna

In the **study report from Emilia-Romagna**, the support tools are classified in “*public policies*” and “*citizens who organise themselves*”. The public support is framed by three regional laws targeting the sector (social cooperation, solidarity economy, social entrepreneurship). Currently the public sector establishes a “regional observatory on social economy”.

The recent national reform of the law on the third sector (2016) boosted the development of the SE sector in Italy even more. Subsidies are the key tool for supporting the SE sector by the region of Emilia-Romagna itself. The public authorities also regularly conduct research, education and skills development activities specifically targeting the SE sector.

Ecosystem of business support tools and instruments : Örebro

In the **Swedish study report**, it is emphasised that the public support structures for the for-profit sector are considerably well developed compared to the ones for social enterprises. Main support organisation for the SE sector is “Coompanion” in 25 different places in Sweden. In Örebro county the “Partnership for Social Innovation” exists – a unique network of public bodies, universities and SE representatives.

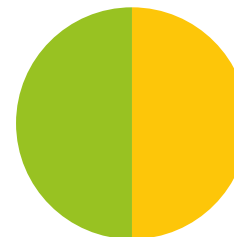
Specific services in SE to support the SE sector:

- Vinnova (SE Innovation Agency): *Innovation cheques (up to 10,500€)*
- Region Örebro County: *Social Innovation call (annually – up to 21,500€)*
- Region Örebro County: *Micro Fund (smaller credit guarantees and capital investments)*

Based on a survey in the study report, 50 from 100 interviewed SE people said they used public services specifically for SE, among which services from Coompanion were mentioned most often. The reasons for not making use of such services include a.o. “non-awareness”, “recruit own people instead of using externalservices”.

Source: Study report data from Örebro county
(sample: 100 persons)

Have you used any public or private business service/programme/scheme/instrument which supports specifically social enterprises?



■ Yes
■ No

Ecosystem of business support tools and instruments : Scotland

In **Scotland's study report**, several possibilities for supporting the SE sector are mentioned. They range from general business development support to specialist provisions matching specific needs of the companies and are delivered both at the national and local level.

For the study report, three categories of support were defined:

1. General business support: publicly funded support accessible for all businesses, delivered by public agencies. Social enterprises can tap into this support.
2. General business support available to social enterprises only.
3. Sector specific support.

The 2017 Social Enterprise Census in Scotland asked which types of business support SE sector representatives have used over the last 12 months. More than 1/3 of respondents (36%) indicated that they have not received any support. The most used support providers were “Just Enterprise” (21,2%), “Local Authority” (18,7%). “Business Gateway” (16,7%).

Ecosystem of business support tools and instruments : Scotland

Most mentioned services for all businesses	Most mentioned services for SE only	Most mentioned services in sector specific support
Support in starting a business	Study report collects here rather institutional descriptions than the services provided	Support to ethnic minorities; Support to credit unions
Access to finance (loans and grants)	The following services could be identified: business support, business recovery, development of human workforce, legal advice	Support for SE in pursuit of zero waste
Organisational development		Support in green energy development
Support in export services		Support to SE who own land
Workforce training and personal development		Support for community transport providers
Local Authority Economic Development Teams		Support for community woodlands

Ecosystem of business support tools and instruments : Catalonia

In the [Catalan study report](#), two forms of support are characterised:

1. Specific support for SE sector
2. General support for business sector

According to the answers in the study report (from a database of 519 potential social enterprises in Catalonia, 293 met the criteria for being defined a “social enterprise”. 80 of them answered a quantitative survey prepared by RaiSE lead partner ACCIO), the following observations can be made:

“Which types of services did you use specifically targeting social enterprises?”

Type of service used	Public	Private	Not used
People advice services	7%	25.5%	67.5%
Enterprise advice services	35%	42.5%	22.5%
Programmes to support growth	16.2%	12.5%	71.2%
Programmes to support the creation of enterprises	17.5%	16.2%	66.2%
Awards	16.2%	28.7%	55%
Training	33.7%	41.3%	25%
Intercooperation spaces	22.5%	26.2%	51.2%
Coworking spaces	10%	20%	70%
Funding tools	18.7%	37.5%	43.7%
Impact evaluation tools	5%	20%	75%
Others	3.7%	7.5%	88.8%

Ecosystem of business support tools and instruments : Catalonia

“Which types of services did you use specifically targeting the business sector in general?”

Types of services used	Public	Private	Not used
People advice services	3.7%	16.2%	80%
Enterprises advice services	15%	35%	50%
Programmes to support growth	5%	5%	90%
Programmes to support the creation of enterprises	6%	2.5%	91.2%
Awards	11.2%	7.5%	81.2%
Training	23.7%	25%	51.2%
Intercooperation spaces	5%	6.2%	88.8%
Coworking spaces	5%	3.7%	91.2%
Funding tools	3.7%	27.5%	68.7%
Impact evaluation tools	5%	10%	85%
Others	1%	2.5%	96.2%

Ecosystem of business support tools and instruments : Hungary

In **Hungary's study report**, a broad range of services for Hungarian social enterprises is mentioned. Hungarian SE receive both financial and non-financial support. (namely business knowledge support tools) Amongst others, this includes governmental support, co-operations with mainstream companies through Corporate Social Responsibility (CSR) programmes, and accelerator/start-up incubator programmes serviced by advisory companies.

1. CSR programmes: Many multinational organizations, banks and foundations occasionally publish small-scale tenders providing a modest grant to non-profit organisations or social enterprises (as part of their CSR strategies). Examples include UniCredit Bank together with UniCredit Foundation and NESsT, UK-based Badur Foundation in cooperation with NESsT Hungary, Fairfood etc.
2. Accelerator/start-up incubators: Over the last years, the following four companies have been standing out in regard to acceleration support for SE in Hungary: KPMG's Programme for a Responsible Society, UniCredit bank's Social Responsibility Project "Step with us", NESsT "Competition of Social Enterprises", Badur Association organizes "competitionscompetitions"
3. Governmental support: Government support provides the greatest share of available financial support to SE. Two ministries are in charge of allocating ESIF European Structural and Investment Funds resources to actors in the SE sector. SE are encouraged under the **under priority 5 by establishing sustainable business models** and also a general framework for social enterprise development **by supporting transit employment in order to promote the employment of disadvantaged people.**

5. Trends, conclusions, policy recommendations

Trends, problems, conclusions

1. Retention of volunteers → how can SE be managed in the future, which are dependent on volunteers?
2. Increased difficulties in compliance with legislative and governance framework → SE are operating in an uncertain legislative environment, hindering to fully exploit their potential
3. Uncertain statutory and public support → Without a safe legal status, SE are hesitant in implementing new actions (see point 2.)
4. Increasing complexity of available public and private financing and training mechanisms for SE → Especially for smaller SE the complexity of funding/training services both from the public and private sector can be overwhelming. Specific and separate schemes tailored to SE are needed.
5. “Internationalisation” of business is only a very little, or even not at all a concern → Most of the SE assessed deal with basic (legal, managing, human resources etc.) problems, the expansion of their market abroad is not an idea yet
6. Increased need of well educated human resources for successfully managing a SE → For becoming a “real business” (overcoming the pre-start-up phase), SE must work with skilled human resources who can deal with business administration, marketing, sales, import, export, supply-chain management etc.

Policy recommendations

While looking for specific policy recommendations formulated in the country reports, a mixed picture of how to prepare this information appears

Ireland report concludes with a very brief gap analysis mentioning that a national policy for supporting the SE sector is the greatest need (in September 2017, the government promised that the mapping exercise as for the RaiSE project will feed into the to-be-developed policy). Besides that, there is **no direct policy recommendation** in the conclusions.

Emilia-Romagna report states **five key policy recommendations**: 1. Fostering the creation of enterprises networks, legal instruments and new organization models, 2. Cross fertilization between innovative start-ups and consolidated enterprises, 3. Investments in new technologies, 4. Construction of impact-oriented financing instruments and 5. Facilitate the development of new skills within social enterprises

The **Örebro report** concludes with a list of the main areas in which SE need the support from the public sector most (access to market, support in creating networks with private business, management of SE, marketing of SE, cooperation with other SE, licensing systems for occupational groups). Alike to Ireland, **no direct policy recommendation** is included.

The **Scotland report** concludes with a contextualization of the Scottish support system for SE, anchored in the Scottish 10-year strategy (2016-2016) for supporting the SE sector. The strategy's backbone are **3-years "action plans"**. Due to the census in 2015 and 2017, there is a comprehensive picture of the sector. Despite the already well established support mechanisms, some main needs haven't been tackled yet. 1. The complexity of the support system (including many different services) is too overwhelming for some (smaller); 2. Support services are lacking efficiency in Scotland's rural areas; 3. More could be done to provide pre-start up support (support to the entrepreneurs in order to allow their self-development). Most of the needs identified in the report are addressed by a **key action in the action plans**. Also here, **no direct policy recommendations** are formulated.

Policy recommendations

While looking for specific policy recommendations formulated in the country reports, the information provided varies greatly.

The **Catalan report** report **comprehensively derives specific policy recommendations from its analysis of the difficulties, challenges, needs of the Catalan SE sector**. Based on the many interviews the authors of the report have conducted with SE stakeholders, qualitative findings are provided for the needs and challenges. The identified needs and challenges are translated point by point into, as the report calls it, „proposals of public policies“. **The following proposals resemble the policy recommendations also from other reports** (provided that slightly different formulations, but with same objectives are considered):

1. Creation of an accompaniment programme for the foundation of the social enterprise
2. Promote the setting up of a social risk capital fund
3. Support to specific training on social entrepreneurship and social enterprises management
4. Creation of a grants programme for new social entrepreneurs
5. Creation of a long-term accompaniment programme for social enterprises on an initial or growing stage

Some of the policy proposals on the other hand seem to be specifically embedded in the Catalan context (or at least the Catalan SE representatives have mentioned them)

1. Promote effective social clauses in public procurement (similar to Hungary, just other words)
2. Creation of a programme to encourage the recruitment of a salesman shared among various social enterprises
3. Creation of a programme to promote the generation of groups or mergers of social enterprises
4. Creation of a seal or a specific legal form for social enterprises

Policy recommendations

While looking for specific policy recommendations formulated in the country reports, the information provided varies greatly.

According to the **Hungary report** report, there are many intervention areas that should be better organized and / or supported by public policies. The following areas have been identified by the authors of the report for HU - those which clearly resemble the policy recommendations also in other reports are highlighted. **Regarding the formulation of specific policy recommendations**, the Hungarian report follows the example of the Catalan report and derives its policy recommendations step by step from the needs identified in the preceding chapter.

- **Transparent legal environment and administration (including a better coordination of sectoral policies between ministries)**
- **Improved access to market → Reserved contracts and social clauses should increasingly become used in competitive tenders, following the introduction of national legislation**
- **Improved access to finance → Social banking services together with mainstream hybrid financial instruments should be provided by public and private finance providers**
- Bottom-up decision-making procedure and balanced relationship with government → Communication and broad stakeholder consultations should be improved by government in order to develop adequate management tools between regional/local authorities. (Hungary specific?)
- Integrating social impact and social value creation into the heart of government funding programmes
- **Exploiting the potential of mixing public and private financing**
- **Promotion of internationalization**

Policy recommendations

The most often mentioned policy recommendations to improve the ecosystem for SE in the six European regions are:



Stronger governmental commitment (law for SE, public funding services etc.)



Support in the establishment of national and international SE networks and support in the establishment of cross-sectoral networks between SE – business sector – educational sector – civil society



Specific support already for the pre-start –up phase in order to help the transformation from entrepreneurs to a SE business



**Support in the „daily business“ of a SE:
Marketing, Management, Internationalisation**



Generation and promotion of effective social clauses in public and private procurement in order to facilitate the access-to-money-process for SE and while respecting their specific business model

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