

ACTION PLAN FOR SOCIAL ENTERPRISE RECOGNITION AND SUPPORT IN LAPLAND



Abbreviations

ELY Centre: Centre for Economic Development, Transport and the Environment

ESF: European Social Fund

ERDF: European Regional Development Fund

LUC: Lapland University Consortium

ry: Rekisteröity Yhdistys (registered association)

SE: Social Enterprise

SIM: Social Impact Measurement

SOCENT SPAs: Social Entrepreneurship in Sparsely Populated Areas

VET: Vocational Education and Training

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LETTER OF ENDORSEMENT

Interreg Europe project Action Plan:
Social Entrepreneurship in Sparsely Populated areas SOCENT SPAs

The Regional Council of Lapland as Managing Authority of Lapland's Arctic Specialisation Programme (RIS3) & Regional Programme "Lapland Agreement" expressed from the outset all support to Lapland University of Applied Sciences as partner of the Social Entrepreneurship in Sparsely Populated areas SOCENT SPAs project.

We had the opportunity to participate in stakeholder meetings, the interregional round table session, workshops on depopulation and future/present of social enterprises, two bilateral visits and the workshop to finalize the Action Plan. Furthermore, we were strongly involved in the Action Plan process, both in the expert group meetings as well as one-to-one meetings with Lapland University of Applied Sciences.

In these contexts, it was possible to participate in the development of the project and be aware of the quality of work developed.

The Action Plan brings together of work done by all stakeholders in the region and results in a working tool of great importance to facilitate the development of social enterprises in Lapland. Lapland as a region is committed to supporting the theme of social entrepreneurship and the Action Plan supports the region's development strategies.

In this context, we endorse the Action Plan submitted by the Lapland University of Applied Sciences in the context of the Interreg Europe project SOCENT SPAs.



Mika Riipi
County Governor
Regional Council of Lapland
Rovaniemi, 14 th of June 2019

Part I: General information

Project: Social Entrepreneurship in Sparsely Populated Areas

Abbreviation: SOCENT SPAs

Lead partner: General Directorate for Social Economy and Self-Employed Persons - Regional Government of Castile and León

Partner organization: Lapland University of Applied Sciences

State: Finland

NUTS Region: North and East Finland

About the project: The SOCENT SPAs project aims at fostering interregional cooperation among six public/private entities of Finland, Germany, Slovakia and Spain in a view to improve the effectiveness of regional policies in actively supporting the visibility, incubation and acceleration of social entrepreneurs in sparsely populated areas (SPAs) as a driver to regional competitiveness and inclusive growth.

In SPAs, demographic trends are a particular challenge. As counter-measure, social innovation needs to be developed to promote employment and competitiveness as it can make a real difference as a source of innovative approaches for resolving societal challenges through mobilizing civil society to further inclusive socioeconomic development. Social Enterprises (SEs) directly benefit local development and correct major socioeconomic imbalances while benefiting local communities, a crucial asset to secure the population in SPAs. However, bespoke support for SEs is limited; policymakers can play a significant role by setting up the right legal framework.

Thus, to influence policies in a view to enhance SEs' visibility and competitiveness whilst taking into account SPAs' conditions, interregional exchange of knowledge and successful experiences/good practices are fundamental.

With an integrated approach, a comprehensive learning process based on identification, analysis and transfer is implemented through workshops, site visits and meetings with stakeholders. Based on the learning acquired, action plans aiming at integrating SEs in SPAs support schemes into policies are developed. Communication will play a crucial role in supporting the action.

Project: Social Entrepreneurship in Sparsely Populated Areas

Partner organisation: Lapland University of Applied Sciences

Other partner organisations involved (if relevant): _____

Country: Finland

NUTS2 region: North and East Finland

NUTS3 region: Lapland

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Part II – Policy context

The Action Plan aims to impact:

Investment for Growth and Jobs programme

European Territorial Cooperation programme

x Other regional development policy instrument

Name of the policy instrument addressed: Lapland's Arctic Specialisation Programme (RIS3) & Lapland Agreement

Policy context

This Action Plan aims at addressing Lapland's Arctic Specialisation Programme (RIS3¹), as updated version part of the Lapland and Arctic international highflyer - Strategic Priorities for International and Smart Specialization 2018-2022 as well as the Lapland Agreement.

The European commission has introduced the Smart Specialisation policy concept in order to support the regions and to boost competitiveness and innovation. Strategies help regions integrate development efforts through EU financing. Lapland's Arctic Specialization Programme (S3) focuses on the opportunities of Lapland's smart specialization and on concrete proposals. The key target group is financing authorities, development organizations and municipalities as well as small and medium-sized enterprises. However, S3 is not a financing instrument in itself.

S3 recognizes the role of Lapland as an arctic living environment, in which development efforts are constantly pursued in interaction with inhabitants. The key objective is to develop businesses whose sustainable utilization offers opportunities to exploit its commercial expertise. Another aim is to offer employment to inhabitants and provide companies with preconditions for development. The goal of the S3 is that the whole region stays inhabited and vital.

¹ Nowadays referred to as S3

Lapland has joined the S3 Social Economy Thematic Partnership, in order to (further) develop social economy in Lapland, in the frame of the updated Lappish internationalization strategy. Therefore, this project and its Action Plan are part of this development initiative, as social enterprises are a part to the social economy. With its participation in the S3 platform, Lapland shows that social economy and social enterprises are an important topic in its policy making and development and are being taken seriously. Support for social economy and social enterprises is still, however, in its infancy, as development work in this field has started with the project kick-off in 2017 and officially joining of the S3 Social Economy platform in 2018. In Lapland, therefore, the concepts social economy and social enterprise are not yet well known amongst municipalities and potential start-ups. Hence, groundwork has to be done as part of the Action Plan to spread knowledge about the possibilities of social economy and social enterprises in potentially providing solutions to challenges faced in sparsely populated Lapland, such as the provision of social and health care services through local enterprises. A small number of good examples of social enterprises already exist in the region; however, wider policy support is needed to turn a few examples into practice more widely taken up.

LAPLAND in facts and figures

- Surface area 100,366 km², of which 7,699 km² is water
- Population 180,200, population density 1.8 /km²
- Employment: approximately 69,000 jobs, of which approx. 50% are in private enterprises
- Number of private enterprises 9,100
- Annual revenue of Lapland €12,000 M, of which 70% comes from private enterprises
- Annual revenue of mining and metal industry approx. € 5,000 M
- Annual revenue of forest bioeconomy approx. € 1,300 M
- World's northernmost bio, mining and metal industry hub
- Europe's only chromium mine and the largest gold mine in Europe
- Tourism is the fastest growing industry with overall demand of approx. € 1,000 M and an average annual growth of 9%, in 2017 as much as 20%

- Agricultural production and reindeer husbandry approx. € 340 M
- Finland's fourth largest export region, 7 % of Finnish export
- Nine national parks in the area
- World's cleanest air and Europe's purest water
- World's largest wild organic harvesting area
- Strong educational structure:
 - University of Lapland,
 - Lapland University of Applied Sciences,
 - Vocational College Lappia,
 - Lapland Education Centre REDU and Sami Education Institute
- Research institutes:
 - Geological Survey of Finland (GTK),
 - Natural Resources Institute Finland (LUKE),
 - Sodankylä Geophysical Observatory (SGO) as the most notable
- National circular and bio-economy centre in Kemi

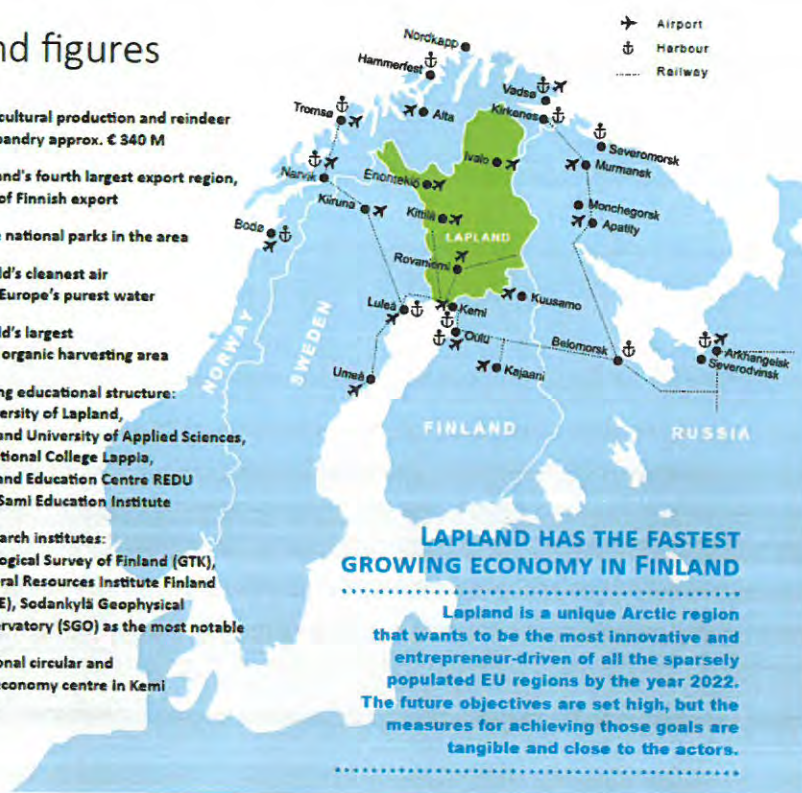


Figure 1 Facts about Lapland (Regional Council of Lapland 2018)

During the implementation of the project, it has become clear that not only Lapland's Arctic Specialisation Programme is tackling the issue of social economy and social enterprises in Lapland, but also the Lapland Agreement (Lappi-sopimus) i.e. regional development and its implementation plan. The Lapland Agreement is the regional development program, and it outlines the strategic development and principles for funding four years at a time. The current Lapland Agreement spans the years 2018—2021. The name Lapland Agreement stems from the agreement being crafted in cooperation with actors and stakeholders in the region: regional authorities,

municipalities, political actors, educational and research institutions, Sámi Parliament, business life and third sector. All these parties that have participated in conceiving the regional strategy have committed to the goals of the strategy, therefore the strategy has been given the name Lapland Agreement.

The Lapland Agreement spans four years at a time, which is too long of a period to observe and steer regional development in practice. Therefore, an implementation plan for the Agreement is composed every two years, or even annually, if necessary. The plan consist of proposals for actions that put the Lapland Agreement into practice, and priorities to which the funding available from national and EU sources is directed. The Implementation Plan is monitored every autumn, when success in meeting the goals is assessed and focus of the funding is specified. Measures are in place to monitor its success, however, new measures monitoring social criteria in particular might be needed. Lapland is one of the regions in EU where the model for social economy is piloted (S3 Social Economy Thematic Partnership). Social economy is one of the areas of emphasis in the current implementation plan. The current implementation plan outlines sustainable public procurement and employment for those in a difficult labour market position belonging to goals of the model of social economy in Lapland as well as socially sustainable entrepreneurship. Also previous work in the Civil Safety –project will be adopted in the operational culture in the region.

Finland as a Nordic welfare state has a different approach to the provision of some services pertaining to social and health care as states with a less developed welfare system. Hence, it is mostly municipalities, which provide social and health care services. However, with a decline in population in sparsely populated areas, a dwindling birth rate and the municipalities' challenging financial situation, the provision of these services is challenging for some municipalities' budgets. In order to guarantee the provision of basic services in sparsely populated areas also in the future, social enterprises might be a solution to this predicament. The right to choose one's own service provider might become more common with the reorganisation of the social and health care sector, therefore providing a possible opening for the creation of social enterprises providing such services. Hence, in the frame of the Lapland's Strategic Priorities for International and Smart Specialisation & Lapland Agreement the importance and potential of social economy and social enterprises for the continued provision of basic services in Lapland also in the future has been recognized.

Example

Currently, already one example of such a social enterprise providing social and health care services in Lapland is operating. The cooperative Sompion Tähti provides basic health care services to the remote villages of the Sodankylä municipality, employing village inhabitants. This has two advantages for the municipalities: First, the elderly can live at home longer, saving on retirement housing costs. Secondly, employing locals saves the municipality social and health care staff time and money. This is because some of the villages are located 80 km one way from the centre of Sodankylä, requiring a long commute from the staff located in Sodankylä – time and money that could be used more efficiently.

Current situation of social economy in Lapland

In Lapland, there are multitudes of activities that have a social economy dimension. Potential actors for social economy are amongst others public actors, such as municipalities, education and research institutes, local NGOs and both social and traditional enterprises. The existing strong culture of communality is a great possibility in Lapland. Local village associations, LEADER action groups and successful pilot projects on cooperation of public sector and civil society contributing to local well-being are just a few examples.

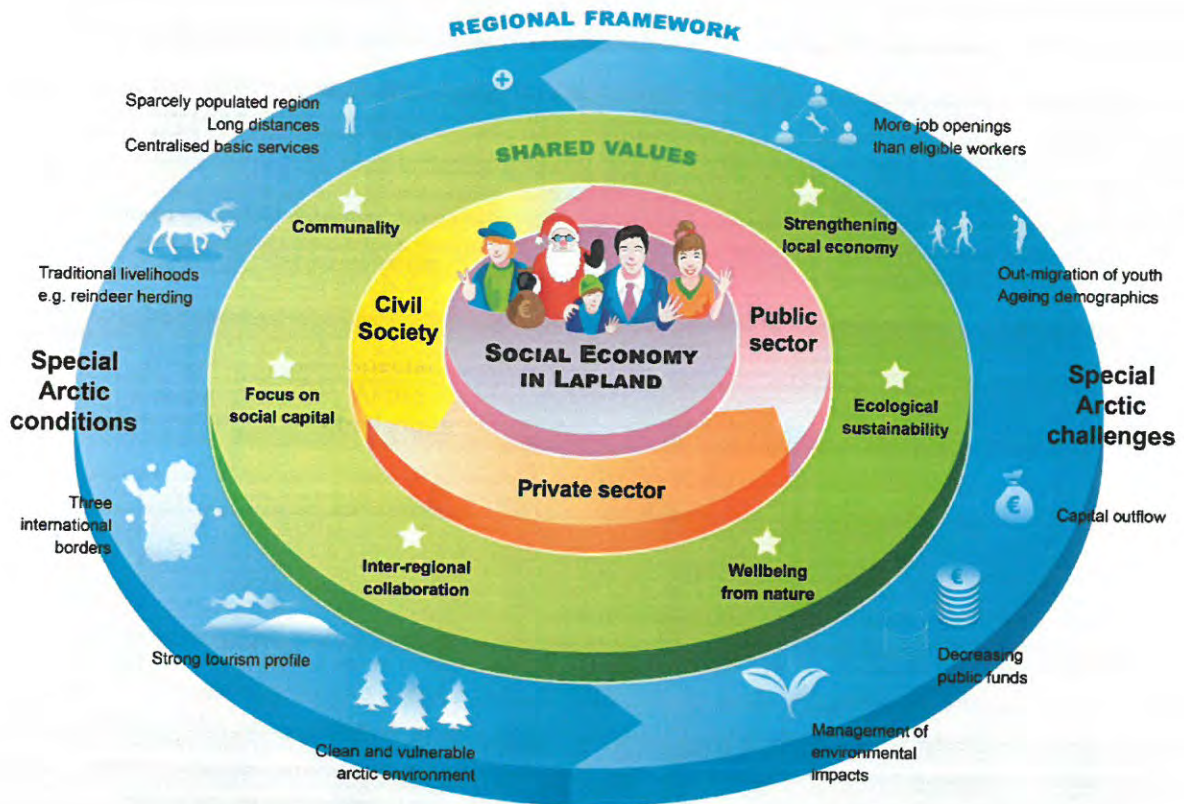


Figure 2 Social Economy in Lapland (Regional Council Lapland)

Cooperatives and social enterprises are yet emerging on a larger scale; however, many local businesses are interested in contributing to the well-being of the local community. With existing actors and actions, Lapland is creating its own social economy model to support socially sustainable businesses.

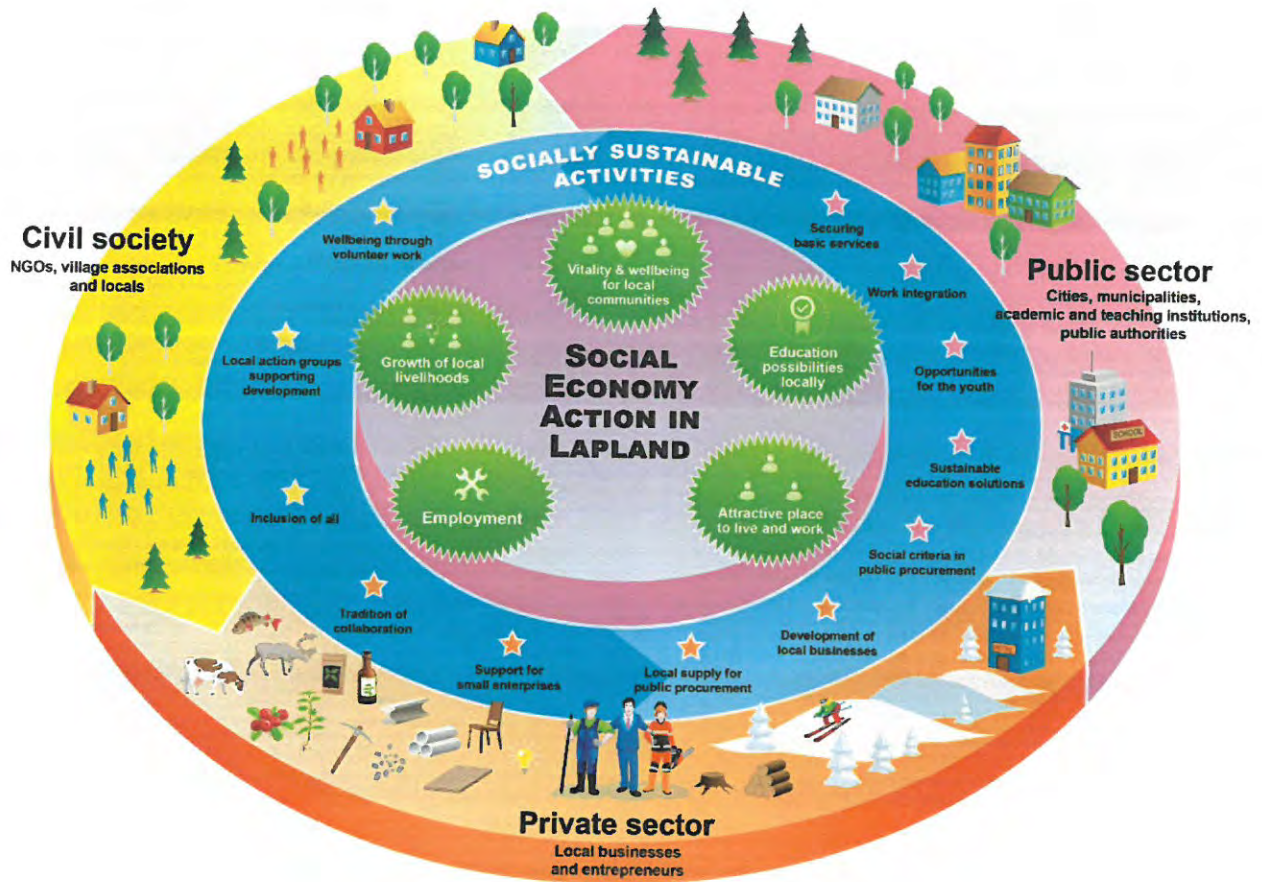


Figure 3 Social Economy in Lapland (Regional Council of Lapland)

The implementation of social economy actions in Lapland aims at the following:

- Maintain preconditions for well-being in both the rural and urban areas despite scarce resources and long distances;
- Prevent the outflow of local resources by producing more necessities (e.g. energy and food) locally;
- Employ more people locally, especially those in difficult labour market positions;
- Promote new channels and forms of employment and employability as well as lower the threshold for start-ups;
- Find solutions to the paradox of simultaneous high unemployment and lack of skilled workforce.

Action Plan process

The Action Plan was drawn up in Lapland in tight cooperation with key stakeholders, in an almost constant feedback loop with the main stakeholder and policy maker Regional Council of Lapland. Although the Action Plan is based on lessons learnt and good practices observed in the project's partner regions, the plan's actions were developed together with stakeholders and policy makers in four expert group meetings in 2018 and 2019.

The main stakeholders involved in the formulation of the Action Plan are:

- Regional Council of Lapland (policy maker and main stakeholder)
- Lapland University of Applied Sciences
- The Centre for Economic Development, Transport and the Environment (ELY Centre), Lapland
- 3 Lappish LEADER groups (Pohjoisimman Lapin Leader ry, Leader Tunturi-Lappi ry, Outokaira tuottamhan ry)
- Digipolis
- The Federation of Lappish Enterprises
- Various Lappish municipalities
- Pro Agria

The Action Plan at hand proposes actions in three different categories:

1. Enhancing the Image and Knowledge of Social Enterprises and Social Economy in Lapland
2. Initiating a System for Social Impact Measurement
3. Fostering social enterprise start-ups

Good practices and initiatives/activities the inspired the actions

Interregional site visits to Castile and Leon, Gemer and Brandenburg

During the interregional site visits in spring of 2017, several initiatives and activities have inspired the Action Plan for Lapland. These were, amongst others, the challenging implementation of social enterprise actions in Slovakia in previous years as well as the activities of Social Impact and El Hueco in fostering social enterprise start-ups.

Present and future of Social Enterprise workshop, Roznava/Slovakia

The new law on social enterprises and social economy of the Slovak Republic, which came into force in spring 2018, was presented during the workshop highlighted the importance clear definitions of what a social enterprise constitutes of and who actors in the sphere of social enterprises are.

Interregional Round Table Session, Soria/Spain

In the frame of the interregional round table session, the importance of social enterprise incubators and programmes was underlined by several key note speakers and panellists, e.g. Victoria Tortosa/La Exclusiva and Juan Jose Manzano/Almanatura, Innovacion Rural.

Best practice seminar, Rovaniemi & Salla/Finland

Key notes and panel discussions during the best practice seminar served as sources of inspiration, as they highlighted the importance of social impact measurements and giving concrete examples how this is done. Especially the key note *Creating social value through public procurement*, the subsequent panel *From strategies*

to good practice: how to implement social values in sparsely populated areas and the following discussions among seminar participants were of great use for the Action Plan for Lapland.

Bilateral visit Brandenburg

The social impact measurement tools presented in the frame of the bilateral visit in Brandenburg and the ensuing discussions at the various visit destinations, e.g. the municipality of Eberswalde, underlined the importance of functioning social impact measurement, not only in public procurement, but for a region as a whole.

Bilateral visit Castile and Leon

During the bilateral visit, the importance of a 'train the trainer' programme was discussed by all the regions participating of the project as something very much needed, but currently still lacking in each region. Hence, it was decided to develop a joint pilot action on this topic, to address this lack of expertise in each region.

Part III – Details of the actions envisaged

ACTION 1: Enhancing the Image and Knowledge of Social Enterprises and Social Economy in Lapland

Source or inspiration from the project (initiative/activity or good practice that inspired this action)

The good practice this action is based on was observed in Gemer/Slovakia. During the interregional site visit in Gemer in April 2017, the importance of knowledge on what social enterprises are and what they are aiming to do is crucial. This has been highlighted by the Slovakian partners of the project, as they had struggled with building a positive image of social enterprises previously.

In March 2018, the Slovakian parliament adopted the Act on Social Economy and Social Enterprises. The act was introduced to project partners during the 'Present and future of Social Enterprises' seminar. This Act has served as guide for Lapland, as to how to create adequate conditions for social economy – and with it social enterprises – in Lapland. Although there is no legislation forthcoming on this topic on a regional or national level in Finland, the act still highlights important issues that need to be taken into account when developing social economy and social enterprises on a strategy- and policy level. These issues in particular are image and knowledge of social enterprises and social economy in Lapland.

Action

This action provides Lapland with a jointly agreed framework for the social economy and social enterprises, including definitions of what social economy entails in Lapland and who its actors are in Lapland as well as which support organizations are of use on a national and international basis. In that frame of the SOCENT SPAs project and the Social Economy Thematic Partnership a committed network of actors has been established in Lapland. Nevertheless, this network needs to be active also in future and further actors systematically added to the current network.

Furthermore, jointly agreed tasks are carried out to further these sectors in Lapland. In order to be able to communicate the importance and purpose of social enterprises to decision makers in municipalities and other relevant organisations, as well as the wider public, impact communication material is developed and popularized.

Social economy, social sustainability and new forms of employment have been mentioned as topics in the newly formed government of Finland. Furthermore, also the Ministry for Economic Affairs and Employment of Finland is aiming to increase employment in the health and social service sector. Hence, momentum in this subject is ongoing, not only in Lapland but the whole of Finland.

Sub-actions

As part of this action, three sub-actions are proposed, which lead to a strengthened positive image and increased knowledge of social enterprises and the social economy as a whole.

1. Mapping current situation of social economy actors important for the development of social enterprise support: This action takes place in autumn of 2019 and is crucial for the successful implementation of all further actions. Part of the mapping is a changing chairmanship for hosting regular meetings on social economy and social enterprise development in Lapland. Furthermore, cooperation is established with organizations and initiatives supporting social enterprises such as SITRA, Soteuttamo, Regional Government Reform preparation outcomes, Entraus. During those **three meetings** taking place within 12 months, a living document on social enterprise/social economy actors and development will be discussed and subsequently updated.

Deliverables: Living document on social enterprise/economy actors and development.

2. Carrying out **four mini-seminars** with key actors of social economy and social enterprises for further development, testing and strengthening of cooperation: The mini-seminars are executed in tight cooperation between the Regional Council of Lapland, ELY Centre and municipalities and potentially also the Finnish Ministry for Economic Affairs and Employment. This action starts in the autumn 2019 and is completed in spring 2020. The action develops a funding framework and receiving input for impact communication material (see next sub-action).

Deliverables: Four seminar, two funding applications.

3. Developing **impact communication material** and putting it in use: This action starts in autumn of 2019 and provides communication material on social economy and social enterprises, goals and purpose of social enterprises as well as their future potential for the social and health care services in Lapland, so it can be easily communicated. Hence, knowledge and understanding of the importance of social economy and social enterprises are increasing in Lapland, as municipal decision makers are more aware of social enterprises as viable options for the provision of services.

Deliverables: Impact and branding material.

Relevance

The Lapland Agreement, which directs the use of financial instruments in the area, already now strongly indicates services and business opportunities in sparsely populated area being a key issue. Social Economy has already emerged as a tool for creating services and boosting entrepreneurship.

Through this Action Plan, social economy provides practical experience and is able to develop these two aspects. The Lapland Agreement for Lapland will be renewed in 2020-2021 and this experience helps to morph the topic into a clearer goal and thereby guide future applications for regional funding. The theme has also been chosen as one of the themes promoting Lapland's smart specialization program and partnerships in in the Lapland Agreement's Implementation Plan, which guides the direction of funding used in the area, making social economy one of the themes to be funded. The Ministry of Employment and the Economy also raises social enterprises as a key for development, and so Lapland can contribute to the development of national policies in this regard. Social entrepreneurship is one of the service development models promoted in Finland. Hence, through this action plan, Lapland can verify and test the effectiveness of social enterprises and receive more definitions for implementing future programs.

Impact on policy instrument: provide concrete terminology definitions for social enterprise, social economy to establish concrete frameworks for support and financing programmes.

To increase the competitiveness and attractiveness of Lapland, new forms of entrepreneurship are needed (Lapland Agreement, p. 23), e.g. in the form of social enterprises. Hence, to be able to develop social enterprise support on a strategic level, both in the Lapland Agreement and the Lapland's Arctic Specialisation Programme, it is important to have a jointly developed definition and charted network of social enterprise actors in the region. Concrete terminology and a defined actor network are crucial, so that the support of these forms of entrepreneurship can be clearly defined in the Lapland's Agreement's implementation plan, giving the implementing bodies a clear framework in which they operate. Without a clear terminology and network of actors, no concrete support can be established.

Impact on policy instrument: create concrete goals and actions to be taken on in the Lapland's Smart Specialization Programme, impacting strategies on a multi-level basis – from municipalities, to regional and national governments.

This is also the case for the goal of the Lapland's Smart Specialization Programme: to make Lapland the most innovative and entrepreneur-friendly of all the sparsely populated and circumpolar regions of the EU (page 8). Hence, to achieve the goal of being the most innovative and entrepreneur-friendly region, more support is needed in the establishment of social economy enterprises, such as social enterprises. This is also especially the case, as Lapland is a partner region in the S3 Social Economy thematic partnership. Through participation in the thematic partnership, Lapland is constantly receiving a chance to reflect upon its own development in this sector.

Players involved

Main partners responsible: Regional Council of Lapland: is taking care of regional strategy work and aims at increasing employment while preventing exclusion of different societal groups. They also provide the link to the Lappish municipalities and representing them as local players. The Regional Council of Lapland is the holder of the living document on social economy and is in

charge of the impact and branding material (e.g. content and design, distributing it to municipalities, etc.). The Regional Council of Lapland is acting alternately as chair for the four seminars and provides expert input for the funding applications.

Lapland University Consortium (LUC)²: is providing expertise in regional development. From the point of LUC, the development of social enterprises is a cross-cutting issue touching on many fields, not only the social and health care services. LUC is the administrative owner of this project entirety. Therefore, administrative issues as well as expertise for the content of this action is provided by LUC.

Centre for Economic Development, Transport and the Environment (ELY Centres) Lapland: their role is to prevent exclusion through the provision of financing. The framework for financing topics is provided in cooperation with the Regional Council of Lapland. The ELY Centre is acting alternately as chair for the four seminars and provides expert input for the funding applications as well as the branding material.

Timeframe

Autumn 2019- Autumn 2020

Indicative costs (if relevant)

500 000 € (including public sector person hours used for preparation of funding applications and hosting of meetings)

Indicative funding sources (if relevant):

European Social Fund, European Regional Development Fund

Expected impacts:

Quantitative KPIs:

- 2 funding applications
- 1 set of funding and branding material
- 1 living document on SE development

Qualitative KPIs:

- Visibility of social entrepreneurship in Lapland
- Increased awareness of social entrepreneurship in Lapland
- Functioning social entrepreneurship network

² The Lapland University Consortium is composed of the Lapland University of Applied Sciences and the University of Lapland.

ACTION 2: Initiating a System for Social impact Measurement

Source or inspiration from the project (initiative/activity or good practice that inspired this action)

In the seminar connected to the interregional round table meeting in Soria in May 2018, the importance of social impact measurement was strongly highlighted by various seminar key notes, e.g. in the panel discussion *European programs for boosting social entrepreneurship and social innovation in Europe*. . Also in the frame of the best practice seminar in Lapland in October 2018, the project explored best practices from different areas influencing social entrepreneurs and the topic of social impact measurement was continuously discussed in the frame of this seminar as well. This was the case e.g. in the key note *Creating social value through public procurement* and the following panel discussion: *From strategies to good practices: how to implement social values in sparsely populated area*. When collecting feedback from the seminar participants, they were particular impressed by these presentations on sustainable social procurement processes and systems to measure their social impact. The examples presented reinvented their public procurement process, using it as a tool to develop and support social enterprises, whilst simultaneously providing measuring tools to give clear indicators on the social procurement criteria's impact.

In like manner, during the bilateral visit in Brandenburg in April 2019, the importance of functioning tools and programmes supporting social procurement and its impact measurements have especially been highlighted. Social impact measurement tools introduced were i.e. social reporting standards, social return on investment and ValueGame, but also several certification frameworks were discussed.

Overall, it has been discussed during the project's lifetime, both with regional stakeholders in Lapland, as well as in the project consortium that it is vital to measure the actual impact of social economy and social enterprises on society, both in monetary and well-being terms. With knowledge of the monetary and life quality impact social enterprises and social economy have on a region's population, decision makers are easier to convince of its importance.

Action (please list and describe the actions to be implemented)

In this action, a system for social impact measurement (SIM) is developed. Currently, a myriad of social impact measurement models and tools are available, with different social economy actors using different models. In Lapland, some actors are already using social impact measurement, such as the VET provider Luovi, while other bodies, such as municipalities and private sector enterprises are interested in this field but are not using SIM yet. Hence, existing SIM models are charted and classified according to their usability. The most suitable tools subsequently are modified and adapted, to suit the needs of Lappish users. Once as SIM model for Lapland is in place and the first measurements have occurred, its outcomes are visualized in the form of infographs, which make the

impact of social enterprises visible, both in monetary terms, but also in the terms of well-being of the Lappish population.

Sub-action

The action 'System for social measurement impact' has three sub-actions:

1. Charting social impact measurement (SIM) models currently in use in Finland and similar countries: This action takes place in spring 2020. The action contributes to the development of statistics in the field of social enterprises and social economy. This is done through the organization of four seminars/workshops with relevant organizations/actors on statistics during 2019 and 2020.

Deliverables: One funding application, four seminars/workshops, database of social impact measurement models/tools.

2. Modifying and taking into use suitable SIM methods: The action takes place from summer 2020 to winter 2020. In this action, suitable SIM models and tools, which have been deemed as suitable and applicable for Lapland in the previous action, are taken into use and, if needed, modified to respond to the needs of the region. Furthermore, a review cycle is put in place to guarantee the ongoing suitability of the chosen methods in a changing environment. This sub-action is carried out in the frame of four seminars/workshops.

Deliverables: SIM methodology for Lapland, review cycle for SIM methodology, four seminars/workshops.

3. Developing and popularizing of information material on social economy/enterprise statistics: This action is implemented in spring of 2021. To visualize the importance and impact of social enterprises on the region's economy and populations' well-being, infographs are developed and popularized.

Deliverables: Infographs depicting statistics derived through social impact measurement.

Relevance

The Lapland Agreement, which directs the use of financial instruments in the area, already now strongly indicates services and business opportunities in sparsely populated area being a key issue. Social Economy has already emerged as a tool for creating services and boosting entrepreneurship. Through this Action Plan, social economy provides practical experience and is able to develop these two aspects. The Lapland Agreement for Lapland will be renewed in 2020-2021 and this experience

helps to morph the topic into a clearer goal and thereby guide future applications for regional funding. The theme has also been chosen as one of the themes promoting Lapland's smart specialization program and partnerships in

Impact on policy instrument: providing tools to measure the success of the implemented policies, which in turn will facilitate the continues support of social enterprises in future policy updates.

Concrete measures are needed to assess the success of a strategy. In the frame of the Lapland Agreement's implementation plan, a review process is implemented to assess the relevance and success of the actions stipulated in the agreement. As pointed out in the Lapland's Smart Specialization Programme, one distinct way of promoting a socially sustainable economy is taking social sustainability into account in all public procurements.

Hence, in order to measure whether the implementation of strategic support for social enterprises is successful, both in monetary and well-being of the local population's terms, impact measurement is needed. Furthermore, measurement is needed as to whether social criteria in public procurement processes are successful in achieving social impact.

Unlike other regions in Finland, Lapland's sparse population and long distances nevertheless might call for a unique set of measures, which are potentially not available yet in such a form. Therefore, it is necessary to adapt and/or modify existing methods to suit the two policies' needs.

Players involved

Main partners responsible: Regional Council of Lapland: is taking care of regional strategy work and aims at increasing employment while preventing exclusion of different societal groups. They also provide the link to the Lappish municipalities and representing them as local players. Therefore, they are co-hosting the seminars/workshops as well as providing their expertise for the SIM methodology for Lapland and the resulting infographs.

Lapland University Consortium (LUC)³: is providing expertise in regional development. From the point of LUC, the development of social enterprises is a cross-cutting issue touching on many fields, not only the social and health care services. LUC is the administrative owner of this project entirety. Therefore, administrative issues as well as expertise for the content of this action is provided by LUC.

Statistics Finland: is providing a platform for the data collected, while acting also as advisory body in this action. They are consulted in the collection of SIM as well as in the developing of SIM methodology for Lapland.

Players involved

Main partners responsible: Regional Council of Lapland, LUC, Statistics Finland.

Timeframe

³ The Lapland University Consortium is composed of the Lapland University of Applied Sciences and the University of Lapland.

Autumn 2019- Winter 2020

Indicative costs (if relevant)

€ 800 000 (given that Interreg Nord application is developed with Swedish cooperation partner Örebro County, who is a member of the S3 Social Economy thematic partnership)

Indicative funding sources (if relevant):

ESF, ERDF, Interreg Nord

Expected impacts:

Quantitative KPIs:

- No. new businesses using SIM methodology
- No. established businesses using SIM methodology
- No. of positive funding decisions for project applications to ESF/ERDF/Interreg Nord
- No. SIM methodology

Qualitative KPIs:

- Awareness of SIM methodology and knowledge how to use it

ACTION 3: Fostering social enterprise start-ups

Source or inspiration from the project (initiative/activity or good practice that inspired this action)

Throughout the project lifetime, the importance of incubator and start-up services for social enterprises has been observed. Especially the examples from Brandenburg, i.e. the Social Impact Lab in Potsdam and Cives Mundi running El Hueco in Soria and El Burgo de Osma have served as leading examples, which had been explored during the interregional site visits in spring of 2017.

During the first visit to Castile and Leon in spring of 2017, the incubator in El Burgo de Osma was only in its planning stage. However, when visiting El Burgo de Osma again in spring 2019, the El Hueco incubator was already running, incubating the first social enterprises on the spot.

The importance of social enterprise incubators was also discussed in the form of key notes during the seminar in connection to the interregional round table event in Soria in May 2018, e.g. by Juan José Manzano, CEO & founder of Almanatura, Innovación Rural. In order to provide social enterprises with the support needed in a concrete physical space, also Lapland is in need of establishing such an incubator.

Action

This action provides a space and potential model to grow and develop for social enterprise start-ups and already existing social enterprises, in the form of an incubator. In Southern Finland, such an incubator is in its development stage and tight cooperation is envisioned between Lapland and Southern Finland in this matter. Hence, in cooperation with entrepreneurs in the frame of design thinking workshops, a business plan for the incubator is developed and subsequently the incubator is established.

In the frame of the incubator, the content developed in the frame of Action 2 is scaled up and implemented in the incubating programme.

Furthermore, this action is an integral part of the Fell-Lapland development strategy, which includes the municipalities of Muonio, Enontekiö and Kolari (and potentially Kittilä). An incubator is especially needed for the development of the budding natural cosmetics field in the sparsely populated villages of Fell-Lapland.

Sub-action

The action 'Fostering social enterprise start-ups' is divided into two phases:

1. Phase 1 - Planning stage: A funding application is developed for the creation of a business plan for a social enterprise incubator in Lapland. This task application is carried out from autumn of 2019 to spring of 2020. Based on the networking and

branding carried out in Action 1, the main applicant for the lump-sum funding application is chosen. In the frame of a designing thinking workshops, entrepreneurs are invited (through tenders) to participate in the shaping of the business plan.

Deliverables: 1 funding application including design thinking workshop and tendering documents.

2. Phase 2 – Implementation stage: In autumn of 2020, the business plan developed in phase one is tested in the frame of a lump-sum project. Furthermore, incubator ownership is resolved, mentors are recruited and the application process for start-ups as mentees developed and implemented.

Deliverables: incubator ownership, list of mentors, list of mentees.

Relevance

The Lapland Agreement, which directs the use of financial instruments in the area, already now strongly indicates services and business opportunities in sparsely populated area being a key issue. Social Economy has already emerged as a tool for creating services and boosting entrepreneurship. Through this Action Plan, social economy provides practical experience and is able to develop these two aspects. The Lapland Agreement for Lapland will be renewed in 2020-2021 and this experience helps to morph the topic into a clearer goal and thereby guide future applications for regional funding. The theme has also been chosen as one of the themes promoting Lapland's smart specialization program and partnerships in in the Lapland Agreement's Implementation Plan, which guides the direction of funding used in the area, making social economy one of the themes to be funded. The Ministry of Employment and the Economy also raises social enterprises as a key for development, and so Lapland can contribute to the development of national policies in this regard. Social entrepreneurship is one of the service development models promoted in Finland. Hence, through this action plan, Lapland can verify and test the effectiveness of social enterprises and receive more definitions for implementing future programs.

Impact on policy instrument: impacting strategies on a multi-level basis – from municipalities, to regional and national governments, hence more start-ups are created in the field of social enterprises, which in turn increases employments (see Lapland Agreement's goals below).

The Lapland Agreement's goals are, amongst others, to support lowering the threshold of starting entrepreneurial activities and creating new service packages. As the Lapland Agreement further points out, its goal is to create employment, increase entrepreneurship and ensure the continuity of existing businesses. Lapland's Arctic Specialisation Programme specifies that the operating principles of a socially sustainable economy include transparency and the pursuit of societal gain in addition to economic benefits.

Therefore, new tools for the support of start-ups and service providers are needed. Currently, there is not one central actor or concrete physical space offering support and mentoring, especially for social enterprise start-ups in Lapland.

Through the activation of these actors, the Artic Specialization ecosystem and its clusters contribute to the increase and continuity of employment in Lapland.

Players involved

Main partners responsible: Regional Council of Lapland: is taking care of regional strategy work and aims at increasing employment while preventing exclusion of different societal groups. They also provide the link to the Lappish municipalities and representing them as local players. The Regional Council of Lapland is sharing their expertise in the design thinking workshop as well as the compilation of the tendering documents. Furthermore, they provide input on the funding application and are an active partner in the project implementation (stage 2).

Lapland University Consortium (LUC)⁴: is providing expertise in regional development. From the point of LUC, the development of social enterprises is a crosscutting issue touching on many fields, not only the social and health care services. LUC is the administrative owner of this project entirety. LUC is participating in the design thinking workshop as expert/facilitator as well as providing expertise in stage 2 of the action.

Centre for Economic Development, Transport and the Environment (ELY Centres) Lapland: their role is to prevent exclusion through the provision of financing. The framework for financing topics is provided in cooperation with the Regional Council of Lapland. The ELY Centre is sharing their knowledge in the workshop as well as providing expertise in stage 2 of the action to advise on incubator ownership and potential mentors.

Lappish municipalities: are implementing their municipal economic development policies through the incubator, amongst others. They provide potential mentors as well as mentees and ascertain their place in the ownership structure of the incubator.

REDU & Lappia (Lapland's vocational colleges): are ensuring that vocational education is providing a smooth path to social entrepreneurship from both the employer's as well as the employee's perspective. They provide potential mentees as well as expertise on how the incubator's mentoring system should be constructed.

Timeframe

Autumn 2019-Winter 2020

Indicative costs (if relevant)

€ 150 000

Indicative funding sources (if relevant):

ESF lump sum

Expected impacts:

⁴ The Lapland University Consortium is composed of the Lapland University of Applied Sciences and the University of Lapland.

Quantitative KPIs:

- 1 positive funding decision
- No. of enterprises involved

Qualitative KPIs:

- Incubator recognized as viable and functioning tool for SE development

Date: 20.12.2019

Signature: _____



Stamp of the organisation (if available): _____

Date: 31.1.2020

Signature: 

Stamp of the organisation (if available): _____

