

## SEE2: SCALING UP SOCIAL ECONOMY ENTREPRISES IN SOUTH EAST EUROPE

### Synthetic report from the European Regional conference

24 – 25 April 2017

Brdo Congress Centre, Ljubljana – Slovenia

Organised by the Government of the Republic of Slovenia in cooperation with European Commission, partner countries and organisations, the conference “SEE2: Scaling up social economy enterprises in South East Europe” gathered near 250 participants. The event was composed of 6 plenary round tables, 4 workshops, with over 50 speakers. In addition, a Fair of social enterprises took place as a side event.

The main purpose of the conference was to boost social economy enterprises in the South East Europe (SEE) region countries: Slovenia, Croatia, Greece, Bosnia and Herzegovina, Montenegro, Serbia, Kosovo\*, Former Yugoslav Republic of Macedonia, Albania, Romania and Bulgaria. It provided a platform for exchange of public and private experiences across Europe for development of social economy enterprises in SEE, for establishing links and a common strategy of the region.

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

#### **This unique event dealt with the following horizontal issues:**

- Promoting European values through partnerships and social economy;
- Promoting social inclusion and jobs creation through partnerships and social economy;
- Promoting bottom-up creation of regional networks through development cooperation programmes and Instrument for pre-accession assistance (IPA) in case of candidate countries and EU sources of financing – particularly how to better use European Structural and Investment Funds to develop social entrepreneurship and social economy as whole.

The conference operated on both top-down and bottom-up levels: firstly to create and develop synergies between States, local authorities and social economy actors; and secondly to boost social economy enterprises and identification and anticipation of their needs on the decision-making policy levels. The final goal of the conference was to create a mid-term plan for boosting social economy enterprises in SEE.

## Day 1 - 24.04.2017

### 1. Opening session and welcoming speeches

The conference introductory speeches were given by **Tadej Slapnik** and **Mojca Štepic**, representatives of conference programme committee, State Secretaries in the Office of the prime minister of the Government of the Republic of Slovenia.



**Mojca Štepic** welcomed the participants and underlined that the Conference brought together participants from different counties, for one common goal: **share participants' experiences, as well as look for the common synergies within the region for the development of the social economy.**

**Tadej Slapnik** specified that the rich Conference programme aimed to prepare together the mid-term plan for the scaling up the social economy enterprises. M Slapnik stressed that the Conference will talk about social innovation, opportunities offered by different investors and financial institutions to achieve certain impact. Social enterprises that have already become successful will also intervene, as well as other operators that raise awareness on social economy. Participants were also invited to take part in side events: Special Fair, and side conferences in Ljubljana.



**The Prime Minister of Slovenia Dr Miro Cerar** has stressed in his welcoming speech that it is an honour for Slovenia to host the event that makes social economy more important over Europe, and particularly within South East Europe.

Slovenia is advocate of many goals but the country still faces certain challenges. The path undertaken by the Government is the right one, paved into the future. Slovenia strongly supports sustainable green economy and

circular economy.

Social economy and social entrepreneurship matter to the Slovenian government, because Social economy is becoming stronger sector of economy, where it is possible to see alternative yet sustainable job places.

In 2014, at the beginning of the mandate, social economy was described as one of the most important areas of economic development in the country. The number of social economy enterprises has since increased by 300%, more and more people are aware that this area creates new jobs, and is socially inclusive. The development of youth cooperatives can also be witnessed: this is a business model where young people try to develop their ideas, without taking too much risk. It is also a way to address their housing situation. A lot was also done by the Luxembourg Declaration in December 2015, which says that the European Union (EU) has to support social economy, thus co-creating an ecosystem where that is going to enable the support for social enterprises and social innovation. Thus it is essential to:

- Modernise Single Market by giving to social economy the necessary international dimension;
- Make sure that financial means are also available for social economy.

Slovenia, which is a sort of a bridge between EU and South East Europe, can further enhance connexions between social enterprises and organisations, making sure that Government of countries in the region cooperate better.

**Zdravko Počivalšek**, minister of Economic development and technology of Slovenia stressed the importance of social economy: 7% of the Slovenian GDP. Social economy (SE) enterprises want to give more importance to the society. It is important to share good practices in the region, for better development of SE.

**Aleksandar Vulin** minister of Labour, Employment, Veteran and Social Affairs in Serbia, speech noted that, there is rare opportunity to speak among participants who understand Bosnian-Croatian-Serbian (BCS). Serbia currently does not have a law on social entrepreneurship. Social entrepreneurship should be State's activity that allows to the human beings in need of assistance to regain dignity with their work. Slovenia already for the second time changes the law on access to social entrepreneurship. Serbia is interested to be part of this movement to learn from other experiences, but in the same time not to endanger people who have never asked for help from the State.

**Ivo Vajgl**, a Slovenian member (MEP) of the European Parliament (EP), insisted on bringing together people to cooperate. As MEP, he said that interest for SE is arising. In the EP, they have adopted a number of documents, including a research study, which indicate that among EU Member States (MS) there are only 6 MS that have clear definition about what SE is. In other countries, there is no binding definition. Principle of subsidiarity cannot be applied at EU level. Yet there is an agreement to speak about common standards of this type of economy. It is important to see representatives of SEE region. The idea of our joint house EU is important and good idea.

**Mojca Žganec Metelko**, who is the General Secretary of the Slovenian association Forum of social entrepreneurship, welcomed everyone on behalf of the Forum. The Forum works in both strategic and substantial area. Ms Žganec Metelko witnessed that the number of SE enterprises has substantially increased in Slovenia, in different sectors. She suggested a new need: to bring together all different groups of SE, and encouraged a new legislation to be defined in order to further increase SE' visibility in the society. The Forum wants to have collaborative and networking function.

Ms Žganec Metelko insisted SE is not social assistance; it is an economy that produces results. There are also some challenges such as how to measure SE and how to turn it into business. The condition is to have equal status with other sectors. The Prime Minister of Slovenia has recognised the importance of SE by supporting this conference. This conference is also a meaningful result as it allows networking with and within SEE region.

## 2. Plenary round table 1 – Social economy in Europe: State of play

Firstly, **Denis Stokkink**, President of the Brussels-based European think & do tank POUR LA SOLIDARITE - PLS and the General Rapporteur of the Expert Group of the European Commission on Social Entrepreneurship (GECES) presented the recommendations from the report of GECES approved in unanimity by the members of the GECES after two years of work.

**Ulla Engelmann**, Head of Unit DG GROW at the European Commission, presented the report of Social enterprises and social economy going forward. Ms Engelmann said that series of actions has to be done, with all different actors. There is a necessity to work together to make it happen, time for action and creation of a task force. Ms Engelmann underlined the 5 pillars of EC's actions for 2017-2018:

- Pillar 1: Access to funding;
- Pillar 2: Access to markets;
- Pillar 3: Improving framework conditions;
- Pillar 4: Social innovation, technologies and new business models;
- Pillar 5: International dimension.



**Goran Svilanović**, General Secretary of the Sarajevo-based Regional Cooperation Council (RCC) developed a strategy linked to Europe 2020 as well as 3 initiatives linked with the Berlin process:

- Competitiveness: regional investment agreement is currently being negotiated, to set up a joint framework to attract investors in the SEE region;
- Skills and mobility: negotiating among SEE countries recognition of diplomas and standardisation of professions, and single labour market in the region;
- Integration of internet into broader channels.

Specific action where can be linked to the social economy (SE) sector. RCC's Regional strategic study on the social from 2014 has highlighted what SEE region is missing in the field of SE in order to strengthen it:

- Improve legal framework;
- Improve institutional framework;
- Develop financial initiatives;
- Increase capacities for SE in the region, notably through cross sectoral networks;
- Effective advocacy.

M Svilanović stressed there is a role to support this process, and RCC wishes to support it. Establishing regular mechanism of exchange could be interesting, in order to capitalise and learn of the experiences from others.

**Jaime Vera Calonje** as a Luxembourgish Investment Manager in European Investment Fund (EIF) was interested in supporting SE in the SEE region. He presented the EIF that is a financial institution proposing some actions plans, notably the Social Impact accelerator (SIA) (EUR 243 M) launched to foster SE in the phase of growth.

EIF's equity tools consist in 3 new instruments for impact investing:

- Investments in/alongside intermediaries linked to incubators targeting social;
- Investment in business angels funds or co-investments alongside business angels targeting social enterprises;
- Payment by Results investment schemes targeting social sector organisations at large.

EIF also aims to support economic ecosystems to establish and set terms that will attract capital into this ecosystem, as well as to set up a platform of knowledge.

**Nicolas Schmit**, Luxembourgish Minister of labour, employment and social and solidarity economy said that this conference is an important political signal. SE is coming out of the civil society. European Investment Bank (IEB) has also very early recognized the economic, social and politic importance of the SE, for both the EU Member states and EU non-Member States. This meeting brings together EU MS and non-MS and the exchange of good advices, practices, financial means, a view on what be developed to bring development to SEE. It is a jobs provider, and a consolidator of democracy.

M Schmit considers that regional integration is also a key. What distinguishes SE from other aspects is that it is not a grass root economy. There is also a big issue: youth unemployment. There is a necessity of local development, to buffer effects of globalisation.

### Questions & Answers:

**Ms Darja Piciga** from the Slovenian Ministry of Environment and Spatial planning has announced the forthcoming High-level Political Forum of the United Nations (New York, 10-19 July 2017) focusing on five Sustainable Development Goals (SDG) that is particularly relevant for SE: SDG1, SDG2, SDG3, SDG5, SDG14, and SDG17. Ms Piciga concluded from the GECES report that the contribution to the 5 SDG above, with the Voluntary National Reviews, can be very important and is an opportunity to increase visibility and to promote SE.

South East European Centre for Entrepreneurial learning's Director **Ms Efka Heder** has shared the information that since 3 months pre-accession countries are recognised as best practice in dealing and introducing the entrepreneurship education as the key competence, Therefore 28 EU Member states can also come to learn from the pre-accession countries.

On **Ms Anastasia Johansson's** (EEAS Kosovo) question on a one-stop shop mechanism to be created for organisations who want to receive advice in developing social enterprising, Ms Engelmann indicated that the work is ongoing in this respect in cooperation with EEAS Kosovo, and also that what already exists is a Foreign Policy Instrument (FPI) for SE.

**Ms Engelmann** has completely agreed that the mutual learning is always a two-ways process, that learning has to be mutual, learning is sharing. It is also essential to bridge between different ecosystems, to cooperate; there are notably clusters – different organisations with different players. The next step to be undertaken is to foster the links between different organisation and the SE. The digitalisation aspect is also crucial for the SE.

### 3. Plenary round table 2 – Social economy in SEE: State of play

**Victor Meseguer**, Director of the Brussels-based Social Economy Europe, emphasised that there is a strong political will to foster another model of entrepreneurship and to take social issues.

**Jozo Radoš**, as a Croatian member of European Parliament is boosting common social entrepreneurship projects in South East Europe. He said that social economy is a benefit for the whole economy. In the 6 Western Balkan countries, none of these countries have legal framework.

M Radoš recommended the Berlin process that includes cooperation of all six countries, USD 10B involved for 6 years, for energy and transports. M Radoš considers that it would be worthy to extend it also to judiciary, to civil society organisations, etc. He proposes to the EC (DG NEAR), from West Balkan countries, SEE countries, to adopt similar laws on SE with assistance of the EC, but also then to implement them. M Radoš will work on it.

**Tadej Slapnik** spoke about Mondragon cooperative. Members from these cooperatives could not understand why the vision to SE has changed so significantly. Then Zdenka Kovac and a group of experts in SE started to think about the legal acts, to raise awareness of this particular sector. They propose adoptions of legal act, they organized Social entrepreneurship.

**Goran Jeras**, Manager of the Cooperative for ethical financing in Croatia, said that, the legacy of self-management is similar in all countries of former Yugoslavia, with rich history. M Jeras suggests:

- To start from the beginning: financing/funds;
- To create banking/credit institutions that would facilitate the goal of SE development;
- To manage to get the largest cooperative;
- Contribution to the financial models in HR can increase also development of SE in SEE.

**Neven Marinović**, Serbian director of Smart Kolektiv explained that the part of SE is quite marginal in Serbia. M Marinović has underlined an issue of sustainability of SE as an important one. There is a lack of skills to scale up SEE businesses (even if there are high education diplomas, without knowing how tax system works e.g.). Other problems raised are the absence of policy to defining SE enterprise, and absence of programme to support SE entrepreneurs.

**Anastasia Andritsou**, Greek head partnerships & programmes in British Council explained that in Greece a new programme has been launched to support systemic approach. The tech assistance project aims to strengthen the capacity of Greek actors to implement the new strategy. The cornerstone of the whole project will be composed of attempts to make more in-depth analysis of SE. There are 9 legal frameworks for cooperatives, and different possibilities for bankruptcy; Social fund should be put in place, capacity building to government. At last, Ms Andritsou has named few examples of good practices in Greece:

- Myrtillo Café: a Social Cooperative Enterprise with a Special Purpose of integrating vulnerable groups into the labor market;
- Shedia Street Paper: the only Greek street paper;
- Margarita: Special Vocational Training Centre;
- Givmed: the first Greek community for utilizing excess medicines.

**Vesselin Penchev**, Bulgarian Up Group' head of public Affairs for Eurasia business Zone, presented his group, which is present in 17 countries. In SEE, Up Group is already present in Bulgaria and Romania. Up Group has been obliged to go faster and M Penchev proposed a global definition to be established: what should be SE, what should be stimulated. According to M Penchev, people should be more informed about SE.

#### **4. Plenary round table 3 – Social innovation for Societal Impact – from innovative idea to business (capacity building knowledge transfer to SEE countries)**

**Jordan Junge**, plenary table's moderator from the UK Social Innovation Exchange, made a short presentation of EIB. Ms Junge presented "Social Innovation Tournament", with a prize of EUR 50,000.

**Teia Ciulacu**, Romanian finalist of EIB Institute Social innovation tournament, made a presentation of Recicleta. This project developed by ViitorPlus, is an association for sustainable development based in Romania. It is unique recyclable collector in Bucharest but only for small



quantities of paper waste, without polluting transportation. And the organisation employs socially vulnerable people.

**Pezana Rexha**, Albanian finalist of EIB Institute Social innovation tournament, presented her project: Design by Pana. A social enterprise based in Tirana that recycles construction pallets to make furniture with innovative design. This social enterprise employs people in difficulty to offer them an opportunity to work but also to change the way the Albanian society sees them.

**Rodney Schwartz**, CEO and Founder of Clearly So in UK presented his organisation, which is an intermediary in the true sense of the word. The organisation connects and brings together diverse parties to create new models and ways of doing business. Clearly So aims to maximise the impact of investments.



**Christoph Birkholz** as Co-Founder and managing director, impact hub Zurich and impact investing in Switzerland, presented his organisation which is an entrepreneurial community with 800+ innovators, start-ups and corporate partners gathered to build a radically collaborative world. Impact hub offers also a variety of programmes and services for entrepreneurs, corporates and career shifters who seek to prototype the future of business. M Birkholz explained also that financial ownership is prioritized. He exposed the fact that, as a support a first experience is mandatory, in our own, before starting learning others.

**Denis Avriionis**, Luxembourgish expert and founder of Compellio presented is an online innovation platform Compellio that helps entrepreneurs structure and validate their business ideas. According to different types of needs, people launch their start-ups. It is possible to coach people no matter where they are. Over 200 start ups have already been supported across Europe.

## 5. Plenary round table 3 – Social impact investing in social economy enterprises

**Primož Šporar**, director of Sklad 05 in Slovenia, foundation for social impact investment, described his foundation, which is based on three main points: Social and impact investments, impact chains and impact molecules. The impact molecule is social and environmental positive group of two or more impact atoms held together by mutual trust in solving complex society challenge.



**Mika Pyykkö**, project director, Impact Investing, Finnish Innovation Fund SITRA Representative in Finland presented SITRA. He shared his experience and made a set of recommendations:

- Using the payment by results: Added value in terms of social investment;
- Government should use social impact bonds;
- New way to use tax payers money;
- Being more preventive (health expenditure);
- Challenge SE enterprises that do not want to be called as such to call them 'impact actors'.

**Sibil Svilan**, SID Banka's President of the Board and CEO, presented SID Banka. This bank is a National promotional, export and development bank, which develops and provides market complementary long-term financial services designed to promote economic competitiveness, creating of new jobs and sustainable development of Slovenia. Although SID Banka does not have a programme specifically dedicated solely to SE, there is however:

- Social housing: SID Banka loans to Municipalities (direct and indirect via commercial banks) - Size of the programme: EUR 100 million;
- Social entrepreneurship, self-employment: SID Banka favourable direct loans to SME's (expire: 31 December 2017);
- Co-operatives: SID Banka on-lending programmes via commercial banks. In period 2010-2015 SID Banka provided government guarantees for 60-80% guarantee coverage for loans also to co-operatives for financing investments and working capital.

**Giancarlo Miranda** presented the Commercial bank Banca Prossima, part of Intensa Sao Paolo group, which is interested in SE to make sure that the profit. M Miranda has stated that SE can be profitable because: it is less risky, the SE sector is much more resilient in terms of turnover, and the growth is much faster.

**Deborah Smart**, Head of Programmes: Grants, Social Investment Business in UK, presented Social investment business which is an experiment of the government. Then she presented challenges and opportunities in SE in UK:

- Collaboration;
- Changes to commissioning and service delivery;
- Meet the needs.

**Chiara Casarella** (and Jana Valkova) from the Vienna-based Interreg Central Europe Programme, explained that since 2014, 85 projects were set up. The new call is currently under finalization. There are, four priority axes:

- Cooperating on innovation to make central Europe more competitive. SO1 & SOA.2;
- Interest for the conference participants;
- SO11 Linkages of innovation system actors;
- SO12Skills development, entrepreneurship development.

Then, **Jana Valkova** presented 3 projects that were selected within the second call and now contracted:

- Social (i) Makers (EUR 3 M) 7 partner countries;
- TECH-WISE (EUR 2.3 M) in 6 countries;
- SENTINEL (EUR 2 M) in 4 countries.

**Lodovico Gherardi**, Managing authority in Italy of the Interreg Adriatic-Ionian Programme ADRION, explained what ADRION is. This new programme was created to meet the common needs of Adriatic and Ionian Sea. Migration problematics: points of view are different for all countries in the region, and even in the interior of countries. The proposal of the approval of the 1<sup>st</sup> call has been announced to be effective on 10 May 2017. Among four main aims and four main targets: social innovations are very important in the target of innovation. ADRION Programme wants to receive project that have specific points:

- Use existing technology innovatively;
- Create the environment in co-existence with the private sector;
- Improve the framework of a longer strategy, put in synergy different programmes and calls.

## 6. Workshop 1: Drafting session for upgrading SIMI (Social impact migrants investing in social enterprises) project in Adriatic – Ionian and Central region

**Mojca Štepic** presented a proposal of project. SE can be answer to address the challenges of youth unemployment. Active role of local communities using the role of partnership and collaboration can be the mean to allow better inclusion of migrants. Slovenia has proposed to build on the potential of SE, through SIMI project.

Goals of the project:

- Create overall strategy and partnership, with all actors, to result in creation of ecosystem for structures that support integration of migrants, to increase their capacity in any ready projects;
- Attract impact investments, at a short term, set up an initial structure for development of migrant needs;
- Support one pilot project for providing services;
- Capacity building for managing and facilitating social impact migrants investing;
- Promoting impact of the project, full migrant fund;
- Building synergies with other regions.

Four work packages of the project:

- Project management, Creation of infrastructure;
- Survey phase on migrants and focuses on migrants, local test areas for the project, identification of types of services needed to be implemented in the places of hosting countries, reintegration to their countries;
- Testing of guidelines, on at least 3 experiences, drafting conclusions and recommendations, on local aspects of each country. Evaluation and impact evaluation of the project activities;
- Communication and dissemination.

The main project results would be: Identification of testing locations, the developed model of the ecosystem, the communication strategy for sharing, creation of guidelines for procedure making, creation of the financial tool.

### **Round table**

The presentation was followed by the round table and expression of interest to join the consortium. Two important ideas have notably been raised by the round table:

- Work on migration flow in SEE;

- Synergy, teamwork at regional level, implement a good territorial project to develop SE.

## 7. Workshop 2: ESF Social Economy Network: how to use ESF to support innovative social economy projects

**Dorotea Daniele**, Expert, ESF SE TN, European research and development service for the social economy (DIESIS) and GECES in Belgium presented the ESF Social Economy Thematic Network, a network of ESF Managing Authorities promoting mutual learning on supporting social economy through the ESF. The workshop informed participants of two approaches to stimulating innovation in ESF calls for proposals.

**Karel Vandenpoorten**, ESF Unit Flanders member in Belgium presented the 3 types of ESF calls launched in Flanders:

- Innovation via exploration (IVE) – for radical innovation;
- Innovation via adaptation (IVA) – for incremental innovation;
- Procurement – social and conventional enterprises working together.

**Anna-Lena Wettergren-Wessman**, from the ESF Swedish Council explained that Sweden has 1 national OP + 7 regional OPs, which have been developed through discussion between the Ministry of Labour and stakeholder including the social economy. The social economy was also represented in the socio-economic analysis used to compile the regional action plans. The Structural Fund Partnerships, which also include the social economy, decide the content of the calls and select the projects. Social innovation is not identical to the social economy, but the SE is the second-largest ESF beneficiary, after municipalities. Swedish ESF asks for 50% co-financing at national level (a little less when working with severely disadvantaged people). This contributes to sustainability, as it means promoters have to bring in other partners, including in this period private and charitable organisations.

Day 2 – 25.4.2017

## 8. Introductory speech

The session was opened by **Tadej Slapnik** and **Mojca Štepic**. Ms Štepic underlined the importance of European cohesion policies 2014- 2020.

## 9. ESF Social Economy Thematic Network (ESF SE TN) plenary round table 5: legislation for social enterprises – legal framework, main elements and concrete examples / Questions & Answers



**Dorotea Daniele**, Expert, ESF SE TN, European research and development service for the social economy (DIESIS) and GECES in Belgium explained that, the aim of the network is to promote SE enterprises via ESF. The legislation plays an important role. SE enterprises are more developed in countries where the legislation is more developed. GECES working group on legal issues asked the EC to prepare a recommendation to define main principles and elements of legislation on social enterprises.

**Apostolos Ioakimidis**, Greek expert in EU law, used to work with the EC in the area of SE. The EC's work on the social economy started with its communication *Businesses in the Social Economy Sector* in 1989. This led to proposals for statutes for co-operatives, mutual companies and associations which were submitted to the Council in 1992 and emended in 1993. In the end only the co-operative statute was adopted, and the other two were withdrawn. There was then a pause until the Social Business Initiative (SBI) was launched in October 2011. The EC is very reticent to propose a 'model law' since it would not be unanimously approved by the Council (which is also the reason

for the withdrawal of the proposed statutes for the European mutual, foundation and private company).

**Victor Meseguer**, Director of Brussels-based Social Economy Europe, presented what are the needs of the sector, what Social Economy Europe proposes to support legal framework for SE enterprises. As European organisation of SE, Social Economy Europe considers it is possible to conciliate the diversity of legal forms and common elements; otherwise it will be an obstacle to SE development. M Meseguer underlined the three main characteristics of all SE enterprises: primacy over capital, voluntary and open membership, and reinvestment of the profits. The social economy is not about ideology – the proof is that governments of different hues support it. It is not a separate economy, but a plural one. We should finish with ideological debates, and focus on enterprises.

**Juan Manuel Sánchez-Terán Lledó**, Deputy assistant Director of Social Economy and CSR, Ministry of employment and social security in Spain said that Spain was the first country that adopted a framework law on SE. M Sánchez-Terán Lledó notably insisted on the importance of official recognition of SE in the State legislation.

**Jean-Christophe Burkel**, Director of Luxembourgish Union for social economy and solidarity (ULESS), explained that there are specific laws in Luxembourg that help SE. A Ministry of solidarity economy has been created by the government in 2009. ULESS was set up to promote constructive dialogue of authorities with SE organisations. What is important for governments is to ensure that there is:

- A law;
- A minister in charge;
- An institutionalised dialogue – in Luxembourg through ULESS.

The Government should find someone to talk to, and develop a tailor-made framework.

**Piotr Wołkowiński**, expert from Poland explained the evolution of legislation in Poland. The first law on social co-operatives came in 2006. It was based on the Italian social co-operative law. The law on Social and Solidarity Economy is now on the stocks. It is inspired by the French model. It sees public procurement as a source of support.

### **Questions & Answers:**

**M Meseguer** talked about the importance of supporting social enterprises to grow.

According to **M Burkel**, what is needed from the EC is not another definition, but practical help. M Burkel explained that in Luxembourg, there is a growing SE sector. The sector was not-for-profit, and the related actors wanted it to be recognised. The Government has notably introduced tax advantages for these companies.

## 10. Workshop 3: Sector-specific best practices of partnership and growth in Europe

**Vesselin Penchev**, moderator of the workshop 3, talked about the development of Cooperative Up Group, especially in Turkey and Brazil. By doing so, Up Group's aims to push principles of SE everywhere, as well as to go further in this perspective; grow by being a social enterprise.

**Predrag Stošić**, Director of Radanska ruža in Sebia, exposed his project which consists in the production of healthy food from passive rural areas.



**Danijela Dobrović**, creative Director of City Games in Croatia explained that the project was launched in 2012 to act as platform and connectivity to stimulate and promote partnerships and cities but also sport team. City games project works as a social inclusion platform.

**Sebastjan Piki** exposed the project Tekstilnica in Slovenia, which consist in reducing, reusing and recycling

clothes, but also in creating green jobs. Tekstilnica sells a second hand material.

**Ewa Konczal** as CEE manager of European Venture Philanthropy Association in Belgium gave information about European Venture Philanthropy Association (EVPA). The idea is to create sustainable organisations that can run after few years of financial support. EVPA's beneficiaries are composed of social purpose organisations of any kind, and of regular businesses realizing social missions.

**Nadine Muller**, as Head of Department for Social Economy and Solidarity at the Ministry of Labour, Employment and Social and Solidarity Economy of Luxemburg presented the latching of incubator for SE in Luxemburg named "6 zero 1". The installation of the incubator for social enterprises "6 zero1" in Luxemburg is part of the desire to complement and strengthen the national ecosystem of the social and solidarity economy. It has a number of objectives: the creation of a physical location for the social economy and social innovation in Luxemburg,



increasing the visibility of the sector and helping project leaders to succeed social entrepreneurship project thanks to a comprehensive offer of training, consultancy and networking.

## **11. Workshop 4: EIF in cooperation with Hive for Better Investments / GoodBiz: Social Impact Accelerator (SIA) and EFSI Equity Instrument**

**Anja Šerc**, moderator of the workshop from Hive for better Investments, goodbiz, Community Mana from Slovenia exposed goodbiz's vision and mission:

- Entrepreneurship for increasing well-being, inclusiveness and quality employment;
- Boosting the growth of the new economy, through enabling opportunities for investments;
- Promotion of cross-sector and multidisciplinary cooperation.

As the next steps of goodbiz, Ms Šerc notably indicated the launch of the open call for 20 social enterprises and market research, in May 2017.

**Jaime Vera Calonje** as Investment Manager and Impact and European Investment Fund (EIF), has presented EIF's impact investing instruments, impact toolbox, as well as EFSI equity tools and investment criteria. Main - and not exhaustive - EIF's investment criteria are:

- Supporting and independent management team;
- EIF ranks (at least) pari passu;
- Maximum commitment EUR 50 M;
- $7.5\% \leq \text{ticket size} \leq 50\%$  (typically);
- 2X – 2/3 rule; the eligible beneficiaries are: SMEs, Small mid-caps, Social enterprises.

**Mirjana Šakić** from Erste Group Bank AG and Social Banking Development in Austria enlightened that Erste Group supports: creation of new jobs via starting entrepreneurs, development of social organisations and improvement of low-income people's financial stability. To do so, Erste Group uses a set of instruments: education (business training, capacity building, financial education), banking (special accounts, saving, loans, insurance) and mentoring (individual advisory, support, coaching).

**Ivana Stančić** as Programme manager from Smart Kolektiv, Social Innovation Programme in Serbia exposed that their work is focused on bridging both ends of the spectre, traditional

businesses and non-profits, closer to the middle. Smart Kolektiv supports businesses, organisations and individuals willing to make a change for the better in their community, by means of: training, financial support, expert support and investment.

**Primož Šporar** as CEO of Sklad05 (Fund05 – Foundation for Social Investment) in Slovenia explained that Sklad05 is a private financial fund with the aim of financing social entrepreneurship and social innovations. Sklad05 achieves its objectives through specific-purpose financial funds (such as the Social Investment Fund, Guarantee Fund and Donation Fund), the organisation of a social financial market (Social Investors and the Social Stock Exchange) and the development of social innovations (Social Innovation Competition and HUB).

## 12. Plenary Round table 6: Launching a mid-term plan for boosting social economy enterprises in the South East European region + Key recommendations



**Mojca Štepic** made a Presentation of SIMI project.

**Alain Coheur** who is a member of the European economic and Social Committee in Belgium made a presentation of EESC. M Coheur stressed it is important to work in cooperation with the EESC's country members. This conference is a good occasion to boost SE in SEE region on social innovation.

**Miguel Crespo García**, head of the social economy service and ministry of Employment and social security in Spain gave key recommendations from Spain. As a good example of the promotion of SE, M Crespo Garcia has mentioned the programme that Spanish government has implemented from 2015 to 2016, including agricultural sector.

**Marko Pavić**, State Secretary, Ministry of labour and pension system of Croatia, gave some recommendations: first set up a sustainable framework, then work both sides bottom up and top down. M Pavić also added that investing into social change can be profitable and finally the government has to be aware in what SE actors should be supported.

At last, **M Tadej Slapnik** has presented and read the Declaration of Ljubljana (text below).



### **Ljubljana declaration – Scaling up social economy enterprises in SSE – towards stronger and structured cooperation between EU and South East Europe**

In the continuity of previous Conferences and in the framework of the Conference SSE2: Scaling up social economy enterprises in South – East Europe, held in Ljubljana on 24th and 25th of April 2017, the representatives of Governments of Slovenia, Croatia, Serbia, Bosnia and Hercegovina, Montenegro, Kosovo and Albania and Luxembourg adopt the following declaration:

WE observe that social economy is realizing the increasing recognition in EU and internationally but that social economy enterprises are still missing the appropriate recognition in certain EU member states and countries from the region of South East Europe. Therefore we strongly recommend the European Union to commit itself to strongly support social economy on European level and level of South East region of Europe. We recognize the actions presented by the European Commission to promote the development of social economy enterprises in Europe referring the recommendations of GECES Report 2016.

WE acknowledge that social economy enterprises are commonly accepted term for variety of organizations in the field of social economy. But we realize that there are differences in the field of definition of social sector. Therefore we believe that the definition of social economy sector shall be based on mutual recognition of various types and forms of organization acting as social economy organization in different EU and South East Europe countries.

WE admit that social economy can act as a driver for economic growth if supported by appropriate programmes, projects and financing. But there are still differences between EU member states and countries from South East Europe arising from different conditions in case of access to finance, provided by EU institutions. Countries of South East Europe would therefore support the creation of network of social economy organizations on the level of the region of South East Europe as a whole.

Meeting in Ljubljana on 24th and 25th April 2017 we decided to adopt the following declaration:

- The European Union and the countries of South East Europe shall put substantial effort to increase visibility and the acknowledgement of social economy and social economy enterprises on the European level, South East Europe regional level and internationally.
- Following the Luxembourg declaration, European Union and the countries from South East Europe shall acknowledge a common understanding of the scope of social economy and with respecting the diversity of organizations regarding their types and legal forms take steps to mutual recognition of social economy organizations on European level and on the level of South East Europe countries.
- The European Union and the countries of South East Europe shall take appropriate actions to create an ecosystem for social economy enterprises in the process of tackling the emerging challenges concerning migrants and refugees.
- The European support for social economy enterprises shall be strengthened and balanced for EU Member states and for South East Europe countries. Harmonization of access to programmes and instruments shall be strengthened as a convergence is needed for all European Member states and South East Europe countries.
- Social economy organizations are encouraged to create a strong regional network on the level of the region of South East Europe.
- South East Europe countries are encouraged to join Monitoring Committee of EU Member states on social economy and participation on regular High – level meetings of high political representatives in charge for social economy.

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## 13. Conclusions

Denis Stokkink drew the conclusions of the conference, by stressing six key points:

- The event has revealed the role of bridge of Slovenia between SEE and whole Europe;
- The conference has put forward the reality of social economy enterprises in the region as driver for economy growth and employment for everybody;
- There is a great richness of the social economy sector but also the diversity of enterprises;
- It is important to put forward the need of a public environment which supports the development of SE enterprises;
- Each country and national actor of SE can, and has to use the experience of public and private actors of other countries as good practices to facilitate the progress of SE at national level;
- It is essential not to overlook the importance of European framework to the detriment of national reality. Europe is the only part of the world where SE is recognised and supported.