



**"Eco-social entrepreneurship analysis;
needs, obstacles and good practices"**



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Introduction



The aim of this document is to look at the Eco-Social Economy in the European and in the projects' partners in the Western Balkans countries. The ultimate goal is to drive more young people to start and develop eco - social businesses and make sure that they have access to appropriate help and support at each stage of their entrepreneurial path.

Diesis Network together with CDP "Globus" are responsible partners for the production of this deliverable and support of all of the partners of the project: coordinating partner CEDRA Split (Croatia), Local Development Agency Prozor-Rama (Bosnia and Herzegovina), Young Ambassadors (Serbia), ADP-ZID and CSO (Montenegro) and The Hub Nicosia (Cyprus).

This document is divided into two main parts: the general background information about social entrepreneurship and the concept of eco-social entrepreneurship and the country analysis.

For each country, we have focused on the following points:

- a. Research and Analysis of the existing state of the matter regarding eco-social entrepreneurship in partner countries
- b. Research on obstacles preventing the development of eco-social projects and activities through social entrepreneurship
- c. Good practice examples of existing eco-social entrepreneurs in partner countries, EU and the world

Given that the Western Balkans is one of the regions in Europe most heavily impacted by climate change and it is estimated to have the same trend by the end of the century, the actions set forward to the Green Agenda for the Western Balkans under the Economic and Investment Plan for the Western Balkans are key enablers to achieve the climate-neutrality target. Eco social Entrepreneurship forms a significant part of the Green Agenda, which certainly can drive the region to look for options to reduce the consumption footprint and increase the circular material use rate, which in turn will boost economic growth.¹

¹ Commission Staff Working Document (2020), *Guidelines for the Implementation of the Green Agenda for the Western Balkans* accompanying the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. An Economic and Investment Plan for the Western Balkans, SWD/2020/223 final

About the project...

"The main focus of the BC4ESE project is the establishment of an innovative framework for the intersectoral eco-social development that will allow local associations and young people to actively contribute to smart, sustainable and inclusive development of targeted areas in Croatia, Bosnia, Serbia, Montenegro, Belgium and Cyprus".

Local organisations need support in raising their capacities so they can be spearhead in implementing new non-formal learning activities. By fostering cooperation between eight partners' project will contribute to the development of cross-border cooperation and raise the capacity of organisations both from Program and Partner countries.

Through the BC4ESE project we aim to build capacities for the promotion of eco-social entrepreneurship (ESE) and the development of non-formal education tools and methodologies. This will engage young people to engage ESE through the development of their soft, entrepreneurial and digital skills thus enabling behavioural changes for individual preferences, cultural values and awareness for sustainable development and lifestyles.

Methodology

Prior to the research, Diesis Network has equipped all partners with a set of guidelines and template for developing a country analysis report. The partners have used several sources in conducting the research. Please find more information below.

The European landscape on social economy was developed thanks to official EU sources and studies, as well as documents and studies from research centres, think tanks and associations, as well as previous studies developed by Diesis., CEDRA (Croatia) and Synthesis (Cyprus).

For the desk research carried by the partners for their country, they were asked to analyse the social and economic situation of the country, and the status of eco-social entrepreneurship. To do so, they used official sources, national studies and statics data, as well as academic literature. Besides the scientific research and analysis, the partners have also conducted a needs analysis involving the direct stakeholders on the topic of eco-social entrepreneurship development and education for eco-social business skills. We have involved eco-social entrepreneurs from Bosnia and Herzegovina and Montenegro to ask them about their needs in the business sector in order to understand their position first-hand. The product of those interviews is this video: <https://www.youtube.com/watch?v=kCl3y6w7IKo>
We have also involved 30 young people from 6 partner countries, 5 youth per country, and asked them about their needs regarding entrepreneurship education. A video on the needs of youth has also been created for the purpose of this output and it can be reached here: <https://www.youtube.com/watch?v=pIHNB-L TKs>

General overview of the concept of social entrepreneurship

Social entrepreneurship is a humane concept of business, which has become popular in the 21st century, although it actually dates back to the very beginnings of the development of entrepreneurship. The origin of the idea and practice of social enterprises is linked to the development of capitalism in the 18th and 19th centuries, when self-help groups and other associations were founded that were guided by the principles of philanthropy and charity. Different forms of association in order to achieve common goals or for the sake of solidarity with vulnerable groups were known earlier.²

Under the influence of globalisation, social entrepreneurship, as a concept that integrates the creation of social and economic value, is gaining in importance.

There is no single definition of social entrepreneurship in the literature. In conceptualising social entrepreneurship, it is important to start from the fact that social entrepreneurship is, above all, a form of entrepreneurship. Entrepreneurship usually refers to starting a business and creating value for entrepreneurs or for the society. Initiatives of social entrepreneurship have in common that they are business ventures aimed at creating social benefits, i.e., solving a specific social problem, while the realised profit is reinvested in whole or for the most part in further business development related to social purpose.

One of the frequent questions, especially in the countries of the Western Balkans, is how to recognize a social enterprise, that is how a social enterprise differs from traditional enterprises? The European research network EMES³ has defined nine criteria that are most often used to identify social enterprises:

Table 1. An attempt to operationalise the concept of social enterprise based on the SBI

Main dimension	General definition	Minimum requirements
Entrepreneurial/ economic dimension	<p>Stable and continuous production of goods and services</p> <p>> Revenues are generated mainly from both the direct sale of goods and services to private users or members and public contracts.</p> <p>(At least partial) use of production factors functioning in the</p>	<p>SEs must be market-oriented (incidence of trading should be ideally above 25%)</p>

² Kolin, P. M., Petrušić, N. (2008), *Social enterprises and the role of alternative economy in the processes of European integration*. European movement in Serbia

<https://solidarnaekonomija.rs/wp-content/uploads/2018/08/16.-Socijalna-preduzeca-i-uloga-alternativne-ekonomije-u-procesima-evropskih-integracija-2008.pdf>

³ Defourny, J., Nyssens, M. (2012), *The EMES approach of social enterprise in a comparative perspective*. EMES European Research Network

	<p>monetary economy (paid labour, capital, assets)</p> <p>> Although relying on both volunteers (especially in the start-up phase) and non-commercial resources, to become sustainable, SEs normally also use production factors that typically function in the monetary economy.</p>	
Social dimension	<p>The aim pursued is explicitly social. The product supplied/ activities run have a social/general interest connotation</p> <p>> The types of services offered or activities run can vary significantly from place to place, depending on unmet needs arising at the local level or in some cases even in a global context.</p>	<p>Primacy of social aim must be clearly established by national legislations, the statutes of SEs or other relevant documents.</p>
Inclusive Governance-ownership dimension	<p>Inclusive and participatory governance model</p> <p>> All concerned stakeholders are involved, regardless of the legal form.</p> <p>> The profit distribution constraint (especially on assets) guarantees that the enterprise's social purpose is safeguarded.</p>	<p>The governance and/or organisational structure of SEs must ensure that the interests of all concerned stakeholders are duly represented in decision-making processes.</p>

European Commission (2020). Social enterprises and their ecosystems in Europe. Comparative synthesis report. Authors: Carlo Borzaga, Giulia Galera, Barbara Franchini, Stefania Chiomento, Rocío Nogales and Chiara Carini. Luxembourg: Publications Office of the European Union. Available at <https://europa.eu/!Qq64ny>

Yunus⁴ (2009) defines social entrepreneurship in the broadest sense, as any effort to help other people. This initiative can be of economic and non-economic nature, for-profit and non-

⁴ Yunus, M. (2009), *Creating a World Without Poverty*. Zagreb: V.B.Z.

profit. He emphasised that social entrepreneurship and social enterprise are often equated. But they are not the same thing. A social enterprise is a subtype of social entrepreneurship. All those who plan and run social enterprises are social entrepreneurs. However, not all social entrepreneurs are involved in the work of a social enterprise.

According to the European Commission, **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.⁵

All in all, the concept of social entrepreneurship is still reasonably new in such regions, as Western Balkans, and there is a strong need to create legal favourable conditions to grow the ecosystem. Nonetheless, the literary research conducted for the purpose of this paper, will showcase the current status of social entrepreneurship and the surrounding ecosystem in the given countries, with the emphasis on eco-social entrepreneurship. This is an attempt to understand what the challenges are and to identify enabling factors for further development of social entrepreneurship.

⁵ European Commission https://ec.europa.eu/growth/sectors/proximity-and-social-economy/social-economy-eu/social-enterprises_en

Concept of eco-entrepreneurship/ ecopreneurship

The destructive environmental effects of the growth economy are increasing. The earth's resources are overexploited and the consequences of climate change ignored, regardless of the potential of future generations for a decent life. Social inequality is being deepened globally by the environmental effects of a one-sided interest in profit-making that results in countries with higher economic growth consuming more resources. For instance, the countries with the lowest economic growth suffer the most from the consequences of global warming, despite not having caused it (Diffenbaugh & Burke, 2019).⁶

The term ecopreneurship is a portmanteau word formed from combining the form eco (as in ecological) and entrepreneurship. The term eco comes from the Greek work eikos, which literally translates as home. Ecology is the branch of science that studies how our home functions in the sense of our environment and surroundings. People's interest in taking care of and preserving biological resources has increased in response to a model of production that consumes natural resources more quickly than they can recover. Under such a model, resources are depleted more quickly than they are replenished (9).⁷

Entrepreneurship, on the other hand, is generally defined as the discovery of gaps in the market in which entrepreneurs are capable of spotting and exploring new business opportunities (10–12, Ibidem). Thus, ecopreneurship is the search for new opportunities that help protect the environment in pursuit of environmental sustainability (13, Ibidem). Chopra defines ecopreneurship as “entrepreneurship through an environmental lens” (14, Ibidem).

By showing the economic benefits of being more ecological and environmentally-friendly, ecopreneurs act as a pull factor that encourages other businesses to be ecologically proactive. This role contrasts with push factors such as government regulations and pressure by stakeholders and organisations such as NGOs (24, 42, Ibidem). Ecopreneurship has also been identified as a new way of participating in the commercialization of ideas, products, and services where the outcome of the exchange between the provider of services and the consumer is positive for both parties as well as for the environment.

Johanisova and Fraňková (2017)⁸ identify five dimensions of eco-social enterprises, (i) other-than-profit goals, (ii) using profits to replenish Nature and community, (iii) democratic and localised ownership and governance patterns, (iv) rootedness in place and time, and (v) non-market production, exchange or provisioning patterns.

Further, as emphasised by Zahedi and Otterpohl (2016), entrepreneurs can play dual roles, either becoming a green entrepreneur, who through the activities leads to change the

⁶ Matthies A., Peeters J., Hirvilammi T., Stamm I. (2020), *Ecosocial innovations enabling social work to promote new forms of sustainable economy*. International Journal of Social Welfare published by Akademikerförbundet SSR (ASSR) and John Wiley & Sons Ltd, <https://onlinelibrary.wiley.com/doi/pdf/10.1111/ijsw.12423>

⁷ Rodríguez-García, M., Guijarro-García, M., Carrilero-Castillo, A. (2019), *An Overview of Ecopreneurship, Eco-Innovation, and the Ecological Sector*. Sustainability 2019, 11, 2909; doi:10.3390/su11102909 https://mdpi-res.com/d_attachment/sustainability/sustainability-11-02909/article_deploy/sustainability-11-02909-v2.pdf?version=1559007825

⁸ Johanisova, N., Fraňková, E. (2017), *Routledge handbook of ecological economics: Nature and society*. Routledge: Abingdon, New York
<http://alternativniekonomiky.fss.muni.cz/data/publikace/Johanisova-and-Frankova-Chapter-49-Eco-social-enterprises-final-1-.pdf>

structure of the economy, and one that introduces the new norms within the society, following the sustainability approach.⁹

Based on the literature review, it can be concluded that social entrepreneurship and eco-entrepreneurship are based on three pillars: innovation, concern for the environment, reinvestment of profits for a social purpose.

For the purpose of this project, the consortium will use the above definition, as the reference while promoting and raising awareness of Eco-Social Entrepreneurship in forthcoming activities and publications.

European and Western Balkan Landscape of Eco-Social Entrepreneurship

This chapter covers the background analyses of the Western Balkan countries (Montenegro, Bosnia & Herzegovina, Croatia, and Serbia), Belgium, and Cyprus. For each country, we will focus on the following points:

- ♦ Overview of the existing state of the matter regarding eco-social entrepreneurship in partner countries
- ♦ Obstacles preventing the development of eco-social projects and activities through social entrepreneurship
- ♦ Good practice examples of existing eco-social entrepreneurs in partner countries, EU and the world

⁹ ZAHEDI, A. & OTTERPOHL, R. (2016), *Towards sustainable development by creation of green social entrepreneur's communities, 12th Global conference on sustainable manufacturing.*

Bosnia and Herzegovina

Existing state of matter regarding eco-social entrepreneurship in Bosnia and Herzegovina

In today's society in Bosnia and Herzegovina (BiH), there is a great need for new business models, for better and more efficient social and economic policies in order to respond to all the challenges that society faces. Economic development in BiH is marked by numerous challenges, and the most significant are high unemployment, the presence of a grey economy, an unfavourable structure of the economy based on sectors with low added value, a lack of entrepreneurial spirit and culture, insufficient utilisation of natural and other resources. According to the Agency for Statistics of Bosnia and Herzegovina, the unemployment rate as defined by ILO definition (LFS) was 17,4 in the year of 2021.¹⁰

The high rate of unemployment in Bosnia and Herzegovina is caused by the transition processes and the slow implementation of socio-economic reforms. Changes in the macroeconomic character and the uncertain situation in the economy reflect unfavourably on economic flows. This results in economic entities with an emphasised social component not being able to develop. One of the most important and difficult problems facing BiH is the very unfavourable position of young people in society and their departure from the country.

At a time when social exclusion, poverty, unemployment and environmental pollution are acute social problems in Bosnia and Herzegovina, social entrepreneurship can offer new responses. The concept of social entrepreneurship is not sufficiently known in BiH, and there are certain dilemmas regarding this concept. It is often identified with concepts such as social case, poverty, while it represents a broader development concept. It is usually viewed through the prism of labour inclusion of marginalised categories, which is a narrow approach to this concept. However, social entrepreneurship is in the early stage of development in Bosnia and Herzegovina. It is practised in private organisations in various legal forms and sectors, whose primary goal is the creation of social values, and in which the realised profit is completely or mostly reinvested in achieving the social goal.

Although there is no precise record on social enterprises and their scale yet, in the practice of Bosnia and Herzegovina we can identify business entities similar to social enterprises in the EU according to the aforementioned criteria. These are:

- Associations of citizens that perform economic activities in accordance with the statute,
- Companies founded by citizens' associations with the aim of solving a certain social problem (e.g., youth unemployment, etc.),
- Cooperatives (primarily agricultural, etc.),
- Companies for the employment of persons with disabilities (status form),

¹⁰ Agency for Statistics of Bosnia and Herzegovina <https://bhas.gov.ba/?lang=en>

- Protective workshops (status form).

According to data published on the website of the Federal Fund for Vocational Rehabilitation and Employment of Persons with Disabilities from May 2021, the number of active companies for the employment of persons with disabilities and sheltered workshops in the Federation of Bosnia and Herzegovina was 115. This is the only available official data related to social enterprises, specifically the type that refers to the employment of persons with disabilities.

Eco-dimension of Social Enterprises

In Bosnia and Herzegovina, the term eco-social entrepreneurship is not well known. Also, the term eco-entrepreneurship has not been popularised. Social entrepreneurship with an ecological dimension is not sufficiently developed. The Law on Social Entrepreneurship of the Republic of Srpska¹¹ and the Brčko district of Bosnia and Herzegovina mentions¹² environmental challenges with their definition of social entrepreneurship in the context of fulfilling social goals. Also, in these laws, environmental protection is defined among the principles on which the development of social entrepreneurship is based. However, there are no special provisions that would refer to eco-social enterprises, in terms of providing specific forms of incentives to these companies.

The following areas have been identified as eco-social entrepreneurship in the context of BiH:

- Associations of citizens/NGOs working on issues of promotion of natural environment protection, including employers working on these issues. However, there is no precise data on the economic activities of these organizations aimed at preserving the environment, which would have the character of social entrepreneurship;
- Companies (with limited liability) dedicated to achieving the goals for recycling that are prescribed by legal frameworks, companies engaged in the production of organic food, etc;
- Cooperatives engaged in the production of healthy food.

Obstacles preventing the development of eco-social projects and activities through social entrepreneurship

In general, social entrepreneurship is not sufficiently supported in Bosnia and Herzegovina. It is represented in several public documents in the field of employment, entrepreneurship, but there are no special public policies, strategies and actions plans dedicated to issues of social entrepreneurship development yet.

¹¹ “Official Gazette of the Republic of Srpska”, no 111/21, Law on social entrepreneurship of the Republic of Srpska

<https://www.vladars.net/sr-SP->

[Cyrl/Vlada/Ministarstva/mpp/pravniokvir/mspp/Documents/%d0%97%d0%b0%d0%ba%d0%be%d0%bd%20%d0%be%20%d0%b4%d1%80%d1%83%d1%88%d1%82%d0%b2%d0%b5%d0%bd%d0%be%d0%bc%20%d0%bf%d1%80%d0%b5%d0%b4%d1%83%d0%b7%d0%b5%d1%82%d0%bd%d0%b8%d1%88%d1%82%d0%b2%d1%83%20%d0%a0%d0%b5%d0%bf%d1%83%d0%b1%d0%bb%d0%b8%d0%ba%d0%b5%20%d0%a1%d1%80%d0%bf%d1%81%d0%ba%d0%b5.pdf](https://www.vladars.net/sr-SP-Cyrl/Vlada/Ministarstva/mpp/pravniokvir/mspp/Documents/%d0%97%d0%b0%d0%ba%d0%be%d0%bd%20%d0%be%20%d0%b4%d1%80%d1%83%d1%88%d1%82%d0%b2%d0%b5%d0%bd%d0%be%d0%bc%20%d0%bf%d1%80%d0%b5%d0%b4%d1%83%d0%b7%d0%b5%d1%82%d0%bd%d0%b8%d1%88%d1%82%d0%b2%d1%83%20%d0%a0%d0%b5%d0%bf%d1%83%d0%b1%d0%bb%d0%b8%d0%ba%d0%b5%20%d0%a1%d1%80%d0%bf%d1%81%d0%ba%d0%b5.pdf)

¹² “Official Gazette of the Brčko district of Bosnia and Herzegovina”, no 2/10, Law on social entrepreneurship of the Brčko district of Bosnia and Herzegovina <https://skupstinabd.ba/3-zakon/ba/Zakon%20o%20socijalnom%20poduzetnis--tvu%20Brc--ko%20distrikta%20Bosne%20i%20Hercegovine/01B03-22%20Zakon%20o%20socijalnom%20preduzetnis--tvu%20Brc--ko%20distrikta%20Bosne%20i%20Hercegovine.pdf>

Although legal frameworks for social entrepreneurship have been adopted in the Republic of Srpska and Brčko District, they do not provide an adequate response to the needs of this sector. Based on an insight into the Law on social Entrepreneurship of the Republic of Srpska, it can be concluded that this law cannot contribute to the creation of an adequate system of support to social enterprises. Without specific forms of support for social enterprises and their implementation, the purpose of this law will not be realised. It contains a number of shortcomings regarding the goal of the law, restrictive definition of social entrepreneurship, issues related to the harmonisation of other regulations. In 2022, a preliminary draft of the Law on Social Entrepreneurship in the Federation of Bosnia and Herzegovina is planned.

Existing social enterprises in BiH (in various forms), including those focused on ecological issues, face a number of obstacles and challenges, and as of those transversals to sector we identified following:

- The importance of social entrepreneurship, including that aimed at solving environmental problems, is not sufficiently recognized;
- Business environment is unfavourable;
- There is a lack of institutional support aimed concretely to social enterprises (no permanent financial mechanism to support the establishment of new and development of existing social enterprises, no mentorship programs, etc);
- Existing support measures for companies that can be recognized as social enterprises by their characteristics are not fully implemented;
- Environmental challenges in the country are increasing;
- Success stories of entrepreneurship are little promoted in the media, etc.

Based on primary research conducted by CDP “Globus”, meetings with members of the Coalition for the Development of Social Entrepreneurship in BiH, and insight into other relevant and available sources, some of the key specific obstacles faced by social enterprises are:

- Complicated, long and expensive procedures for establishing companies;
- Lack of initial capital;
- Lack of marketing and entrepreneurial knowledge;
- High business levies;
- Unfair competition – grey economy;
- Problem of product placement;
- High costs of organic production certification,

- Incomplete application of entity laws on professional rehabilitation and employment of persons with disabilities.

Recommendations on potential strategies and improvements for eco-social entrepreneurship at national level

In order to improve the situation in the field of eco-social entrepreneurship in Bosnia and Herzegovina, we defined several key recommendations that indicate what needs to be done:

- To promote eco-social entrepreneurship, especially through examples of good practice, in order to achieve a better understanding of this concept and its significance in society;
- To improve the legal framework for social entrepreneurship, which will adequately support also eco-social entrepreneurship, through the adoption of new, improvement and harmonisation of existing laws;
- To provide adequate financial and professional support to social enterprises based on their real needs;
- To create a more favourable business environment in terms of certain tax and other benefits in business, exemption from payment of levies, especially in the first years of business, for social enterprises;
- To design and implement targeted programs to support the employment and self-employment of young people, in accordance with their interests and needs;
- To establish awards for social enterprises and entrepreneurs, including the category of eco-social entrepreneurs, on an annual basis.

Montenegro

Existing state of matter regarding eco-social entrepreneurship in Montenegro

Since Montenegro declared independence in 2006, it introduced significant privatisation and adopted the euro even though it wasn't a member of the eurozone. It joined NATO in 2017 and is an EU candidate country and it is the only self-proclaimed "ecological country" in the world. With a population of approximately 700, 000 people and a GDP of \$12.0 billion, the main economic sectors include tourism, construction and trade and service sectors. The country benefits from the fastest growing tourism sector in the world which was especially hit during travel bans due to the COVID-19 pandemic. As of 2022, the unemployment rate was at a high of 24.24%, only in part due to the pandemic. It faces significant challenges due to the high unemployment rate, as well as high poverty rates, which put significant strain on the country's social services. In addition, there is limited structural support for SEs, an overall high long-term unemployment, low labour force participation of around 68%, a lack of mobility, significant regional disparities, and a mismatch between labour supply and demand. The high unemployment rate is likely to grow even further as fiscal pressures are expected to force the government to restructure the public sector by reducing the number of civil servants. Other than large-scale foreign investments in coastal regions, private sector growth is limited.

Social enterprises often operate “under the radar” and are “hidden” among existing legal entities, primarily LLCs. It is important to note that social entrepreneurship has been recognized as a model for socio-economic development in three national strategies: the National Strategy for Employment and Human Resources Development 2016-2020¹³, the Strategy for Improving the Enabling Environment for the Activities of Non-Governmental Organisations 2018-2020¹⁴ and the Strategy for Micro and SMEs in Montenegro 2018-2020¹⁵, while the necessity for “green entrepreneurship” and green jobs is recognized in the National Strategy for Sustainable Development by 2030.¹⁶

Strategy for the development of micro, small and medium enterprises names that one of the operational goals, among others, is the “promotion of social entrepreneurship through specific goals of:

1. Advancement of the institutional framework and access to finances;
2. Providing the necessary knowledge and skills;
3. Promotion, networking, and advocacy of women, youth, and social entrepreneurs”¹⁷.

The strategy doesn’t target social entrepreneurship exclusively; it treats it rather as an area of different types of entrepreneurship activities that should be encouraged. Strategy targets entrepreneurship as a whole, with subsections on youth, female and social entrepreneurship. Regarding the number of social enterprises in Montenegro, there is no official and accurate data. According to a 2015 mapping survey conducted by the Center for the Development of Non-Governmental Organisations (CRNVO)¹⁸ covering 19 of these social enterprises, 16% of them are inactive, 73% (14) were CSOs engaged in economic activity, one was registered as a limited liability company established by CSOs and another one was a sheltered workshop established by CSOs under the Law on Vocational Rehabilitation and Employment with disabilities. Another research study conducted by NESsT (2017)¹⁹ estimated that there are 20-30 social enterprises in Montenegro. The latest research, part of the European map of social enterprises, estimated that there could be about 130 social enterprises in Montenegro companies in the form of associations and foundations, protection workshops, cooperatives, and non-governmental organisations.

Promoting social entrepreneurship is based on making visible examples of good practices through organisations dealing with this topic and mechanisms of support for which there are two leading institutions: The investment and Development Fund of Montenegro (IDF MN) and the Employment Agency of Montenegro. IDF MN in 2020 awarded one credit line in support of entrepreneurship in the amount of 45 000 euros, and the Employment agency awarded

¹³ National Strategy for Employment and Human Resources Development 2016-2020”, available at: <https://bit.ly/3R1SGT1>

¹⁴ Strategy for Improving the Enabling Environment for the Activities of Non-Governmental Organisations 2018-2020, available at: bit.ly/3KzAWfl

¹⁵ National Strategy for the development of micro, small and medium enterprises in Montenegro 2018-2022, available at: <https://bit.ly/3Q6ApCu>

¹⁶ National Strategy for Sustainable Development by 2030 available at: <https://bit.ly/3wLTvHh>

¹⁷ Ibid. 57-58

¹⁸ Marina Vuković, Jovana Bulatović (2016), *Needs Analysis of Social Enterprises in Montenegro*, Centre for Development of Non-Governmental Organisations (CRNVO).

¹⁹ European Commission - Janković, A. (2018), *Social enterprises and their ecosystem in Europe, Country fiche Montenegro*, Publications Office of the European Union; For the purposes of this NESsT research, the following definition of social enterprises, adopted by the EU, was used: “Social enterprises seek to serve the community’s interest (social, societal, environmental objectives) rather than profit maximisation. They often have an innovative nature, through the goods or services they offer, and through the organisation or production methods they resort to. They often employ society’s most fragile members (socially excluded persons). They thus contribute to social cohesion, employment and the reduction of inequalities”.

five credit lines to women in the amount of 25.000.00 euros.²⁰ Regardless, in the year 2022 in the report on the realisation of the Action Plan of the Development Strategy for micro, small and medium enterprises, only one such enterprise received the credit line. The most important visibility actions on Social and Youth Entrepreneurship are the Social Impact Award and Youth Entrepreneurship Academy along with the annual Fair of Youth Entrepreneurship which gathered more than 40 young entrepreneurs who presented their businesses. The program is intended to support entrepreneurs with the idea that addresses a specific social issue or has a general social benefit.

One of the envisaged outcomes and main activities in the area of development of social entrepreneurship was the development of strategic guidelines for improving the regulatory framework for the development of social entrepreneurship. As of 2021, when the report on the action plan was adopted, this activity was not realised. Three documents were made within this initiative and submitted to the Ministry of Economy. The initiative, however, was not realised, due to COVID-19, budget restraints, and lack of funds.²¹

According to the National Strategy for development of micro, small and medium enterprises in Montenegro 2018-2022, “social entrepreneurship has the primary goal of solving critical social challenges and innovatively meeting social needs serving the common interest and common good for the community”.²² Social entrepreneurship is essential in addressing social, economic, and environmental challenges while fostering inclusive growth, shared prosperity, and social inclusion. Moreover, social entrepreneurship contributes to creating new jobs, especially at the local level, as well as to democratic participation and improving the provision of social services.

As an important area for the promotion of social inclusion, poverty reduction, and socio-economic development, social entrepreneurship is recognized in Montenegro in the National Strategy for Employment and Human Resources Development 2016-2020²³, as well as the Strategy for Improving the Enabling Environment for the Activities of Non-Governmental Organisations 2018-2020²⁴. Social enterprises can operate in Montenegro in accordance with several legal acts: the Law on Non-Governmental Organisations, the Law on Companies, the Law on Vocational Rehabilitation and Employment of Persons with Disabilities, and the Law on Cooperatives.

Eco-dimension of Social Enterprises

The problem in researching the area of eco-social entrepreneurship is the lack of legal requirements of what constitutes eco-social entrepreneurship. Secondly, eco-social entrepreneurship as such is not targeted by the various strategies mentioned before. What is targeted by various strategies is social entrepreneurship. This form can have in its scope ecological and, in turn, social benefits. However, the lack of definition and distinction makes information hard to come by.

²⁰ Report on the implementation of the Action Plan of the Strategy for the Development of Micro, Small and Medium Enterprises in Montenegro 2018-2022, for the year 2020, Podgorica.

²¹ Montenegro, G. o. (2021), *Report on the implementation of the Action Plan of the Strategy for the Development of Micro, Small, and Medium Enterprises in Montenegro 2018-2022*, for the year 2020. Podgorica.

²² National Strategy for the development of micro, small and medium enterprises 2018-2022. (2017)

²³ National Strategy for Employment and Human Resources Development 2016-2020”, available at: <https://bit.ly/3R1SGT1>

²⁴ Strategy for Improving the Enabling Environment for the Activities of Non-Governmental Organisations 2018-2020, available at: bit.ly/3KzAWfI

Although some starting efforts are made to grow and empower eco and social entrepreneurship, information on the exact outcomes and outputs are unavailable, mostly due to the lack of consensus or national definition of eco-social entrepreneurship. Even though the Government Work Program for 2013 obliged the Ministry of Labour and Social Welfare to prepare a draft law on Social Entrepreneurship, the Strategy for Social Entrepreneurship 2013-2016, and a subsequent Action Plan for 2013, there is still no law on the SE sector, nor are there a national strategy and approved policy document. Because of the lack of definition, social enterprises can be set up in a variety of legal entities and other legal forms such as limited liability companies, associations and foundations, work integration social enterprises (WISEs) with commercial activities; cooperatives; mainstream enterprises pursuing an explicit and primary social aim (European Commission, 2018).²⁵

Obstacles preventing the development of eco-social projects and activities through social entrepreneurship

Even though the field of SE is still developing significant opportunities, incentives for entrepreneurship can be found in available active labour programs, the Fund for the professional rehabilitation and employment of persons with disabilities and the European funds.

All research shows that social enterprises, in general, need additional support in order to be sustainable and profitable and that support should be provided primarily through different training programs, consultancy, and mentorship to help them develop their managerial, financial, and marketing skills.²⁶

According to the analysis of needs, social enterprises in Montenegro's key obstacles in attaining profit from their entrepreneurial activities were:

- problems in product placement;
- lack of sales space;
- strong competition.

The study was done on a small number of social enterprises, most of which were in the form of CSOs. Hence, the representativeness of the sample for the entire population is inconclusive. On the other hand, some internal obstacles were also identified, including:

- the lack of business skills;
- the need for more quality equipment and adequate work material;
- poor networking;

IEC Technopolis²⁷ is currently implementing “BoostMeUp,” the first pre-acceleration program in Montenegro, aimed at innovators, early-stage development teams, and entrepreneurs who intend to bring new and innovative products or services to the market. The program gathered ideas and teams of young people (less than 30 years old), some in the field of social

²⁵ European Commission - Janković, A. (2018), *Social enterprises and their ecosystem in Europe, Country fiche Montenegro*. Publications Office of the European Union.

²⁶ European Commission - Janković, A. (2018), *Social enterprises and their ecosystem in Europe, Country fiche Montenegro*. Publications Office of the European Union.

²⁷ Innovation and Entrepreneurship Center (IEC) Technopolis, <http://www.tehnopolis.me/online/en/about-tehnopolis/>

entrepreneurship. Promoting eco-social entrepreneurship is mainly an activity done by certain NGOs with environmental protection programs. Through these various activities, efforts are made to promote entrepreneurship in general, especially among disadvantaged groups of people, women, and young people. According to young people in Montenegro, self-reliance, the opportunity to tackle specific environmental issues, social problems, and needs, are the most apparent motivational factors that can affect the likelihood of starting their own business in the field of eco-social entrepreneurship (Jelena Andjelic, 2020).²⁸

Government, through its various institutions, makes numerous strategic documents to achieve better visibility of all opportunities and available resources for project development and entrepreneurship, which can lead to better use of those resources and lead to economic and social development (CEED).

The European Bank for Reconstruction and Development (EBRD) launched a new Green Economy Financing Facility (GEFF) in Montenegro that will provide loans to households for energy efficiency improvements. The program will benefit from over €27 million in incentives to end borrowers supplied by the European Union through the Western Balkans Investment Framework (WBIF). (New Green Economy Financing Facility Launched in Montenegro to Support Green Investments, 2021)

In December 2015, the government of Montenegro adopted the National Strategy for Sustainable Development (NSSD) until 2030. (The Strategy structured the strategic objectives into five priority themes, including preserving natural capital (SDGs 14, 15) and introducing a green economy, governance, and finance for sustainable development (SDGs 7, 8, 9, 12). (Voluntary National Reviews at the HLPF 2016, 2017)

Developments and advancement of eco-social entrepreneurship are possible in the following sectors:

- Energy
- Waste management
- Eco-agriculture and eco-tourism
- Recycling
- Education
- Eco-products

Recommendations on potential strategies and improvements for eco-social entrepreneurship at national level

- Improvement of access to finance for the SE, especially improving access to various credit lines to provide the opportunity for more people to start their eco-social enterprises;
- Development of policy and normative positions for the development of SE that are not restrictive and focus on the improvement of side legislation which will provide a better framework for systemic tracking of specific outcomes in this sector;
- Inclusion of youth in initiatives that promote the concept of the social economy;
- Development of sustainable incubation support for social enterprises and opening of instruments available to SMEs and also to SEs;

²⁸ Andjelic, J. & Petričević, T. (2020) Regional study on social entrepreneurship in WB6. Regional Incubator for Social Entrepreneurs

- Creating and managing a data collection and database system for social enterprises in Montenegro for which a legal framework should be a base;
- Introducing models of social innovation, social economy, and circular economy in the educational system, thus improving the understanding of the concept and broadening the horizons for young people in terms of career possibilities;
- Promotion and support of the best practice examples and creation of a system of acknowledgment;
- Deepening access of SE to training, mentorship, and advisory support programs.

Croatia

Existing state of matter regarding eco-social entrepreneurship in Croatia

When we talk in general about social entrepreneurship in Croatia, it did not appear until 2015 when the Government of the Republic of Croatia adopted the Strategy for the Development of Social Entrepreneurship in the Republic of Croatia 2015 until 2020.²⁹ Although it has been officially appearing in 2015, social entrepreneurship has been present for more than 150 years and is based on the tradition of cooperatives. The first cooperative was established in 1846, and before World War II, about 2,500 cooperatives with 460,000 members existed in Croatia. The cooperatives were also very popular among the student population (elementary and middle schools) and it has an important role in learning about entrepreneurship with cooperative values such as solidarity and democratic governance.³⁰ The strategy mentioned before defines social entrepreneurship as “a business based on the principles of social, environmental and economic sustainability, in which generated profit is entirely or largely reinvested for the benefit of the community”. The focus of work is on innovatively providing goods and services, and generated profit is primarily used to achieve social objectives.³¹ Although activity 1.5 in the Strategy (2015) stands for “Establishing a Unique Social Entrepreneurs Register, Developing Criteria and Rules for Recognizing Social Entrepreneurs”, until this day the register for social entrepreneurs is not established. The only way to identify the social enterprises in Croatia is by writing reports and making research on the topic. In one research that was within the project *European Social Enterprise Monitor (ESEM) in 2020*, participated 86 social enterprises from Croatia – the biggest percentage made Limited Liability Companies 32%, non-profit organisations 23%, cooperatives 20%, and simply limited liability companies that made 11%. Other participants were institutions, crafts, joint-stock companies, family farms, and others.³²

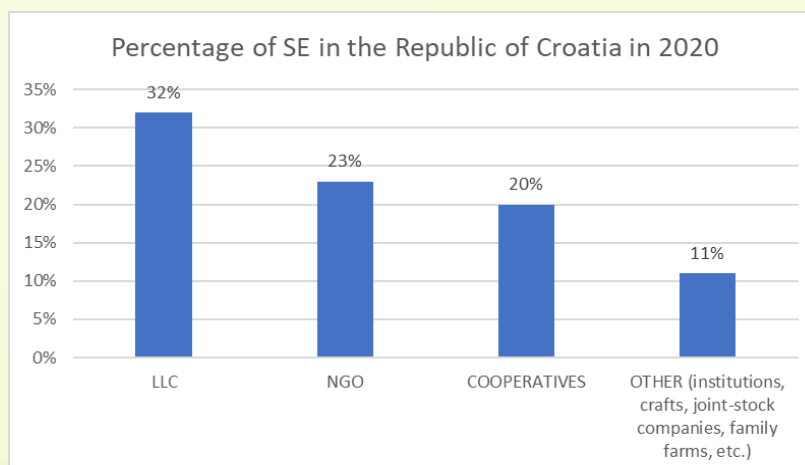


Table 3: Percentage of SE in the Republic of Croatia in 2020

²⁹ Ministry of Labour, Pension System, Family and Social Policy (2015) „Strategy for the development of social entrepreneurship in the Republic of Croatia for the period from 2015 to 2020“, Available at: <https://mrosp.gov.hr/arhiva-3104-10582/usvojena-strategija-razvoja-drustvenog-poduzetnistva-u-hrvatskoj-11570/11570>

³⁰ Vidović, D. (2019) *Social enterprises and their ecosystems in Europe*, <https://www.bib.irb.hr/1062773>

³¹ Kolaković, M., Turuk, M., Turčić, I. (2018) *Social Entrepreneurship: Strategic Development in Croatia*, pages, Zagreb International Review of Economics & Business.

³² CEPOR (2020) *Report on small and medium-sized enterprises in Croatia - 2020*, <http://www.cepor.hr/wp-content/uploads/2021/01/Izvjescje-2020-HR-web.pdf>

Source 1 Made by the author according to the CEPOR (2020) *Izvešće o malim i srednjim poduzećima u Hrvatskoj – 2020.*, page 35., <http://www.cepor.hr/wp-content/uploads/2021/01/Izvjescje-2020-HR-web.pdf>

The number of social enterprises has risen since the 2008 financial crisis, which put at severe risk the ability of the public sector to finance the traditional, infrastructure-based services of general interest and fuelled interest in more inclusive and pluralistic economic systems.³³ When it comes to SMEs, the sector has significantly the largest share in the number of companies in Croatia, amounting to 99.7%. In 2019, the total number of companies increased by 3.9% compared to the previous year, which is a continuation of the positive trend of growth in the number of companies in Croatia. Micro, small and medium enterprises employ three quarters (74.3%) of all employees in business entities in Croatia in 2019.³⁴

Eco-dimension of Social Enterprises

Sustainability can be achieved only when governments, civil society, and the economy work together. The entrepreneurs question themselves: What can I do to make my business ecological and sustainable, the answer lies in implementing the *Sustainable Development Goals (SDGs)*. It is stated that the ECG model and its assessment tool, the Common Good Balance Sheet (CGBS) can provide an approach to implementing SDGs into business management. Also, at least one SDGs is covered within each Common Good theme/matrix.³⁵ The Strategy (2015) defines 9 key characteristics which the ones that best emphasize the distinction of social from the so-called traditional companies:

- A social entrepreneur creates new value and ensures financial sustainability in a way that in three years of business he plans to realise at least 25% of annual income or realise it by performing his entrepreneurial activity;
- The social entrepreneur invests at least 75% of the annual profit, ie the surplus of income over the expenses realised by performing his activity, in the realisation and development of business goals, i.e. activities;
- In case of cessation of activity, the social entrepreneur has a defined obligation to transfer his remaining assets, (...), to the ownership of another social entrepreneur, (...).

Considering the importance of the SDGs for the development of the company's business, below is a brief overview of each goal individually (a goal that has a direct link with eco-social entrepreneurship) and its importance for the development of a sustainable work environment.

1. “No poverty” goal is very important when we talk about equal opportunities for everyone. Implementing this goal in the business contributes to the economic empowerment of

³³ LEED (2016) *Boosting social entrepreneurship and social enterprise creation - Unlocking the potential of social enterprises in Croatia*, report.

³⁴ CEPOR(2020) *Report on small and medium-sized enterprises in Croatia - 2020* <http://www.cepor.hr/wp-content/uploads/2021/01/Izvjescje-2020-HR-web.pdf>

³⁵ Kasper, M., Hofielen, G.(2021), *Businesses act for the Common Good and the SDGs* ,<https://www.ecogood.org/wp-content/uploads/2021/03/ECG-promotes-SDGs-210225-web-1.pdf>

disadvantaged groups. Also, it encourages the development and marketing of products and services which aim to create improved living conditions for at-risk and disadvantaged sections of the population. The perfect examples of businesses that are achieving this goal in Croatia are ARYA Intimo d.o.o. and Održivo društvo d.o.o.

ARYA Intimo d.o.o. is the first store completely specialised for oncology patients, and the goal is to help women who are going through recovery after mastectomy or live without one or both breasts to find everything they need in one place to feel satisfied and confident.

Održivo društvo d.o.o. was founded by the Prospero Association in 2018. The core business is making slippers, shoes, and other footwear and from the selling of shoes, they annually invest 75% of the profit in the local community. Their main users are women and youth, then old and infirm people.

2. “Zero hunger” goal is oriented toward the end of hunger, achieving food security, improving nutrition, and promoting sustainable agriculture. Every year, about a dozen Croatian eco-producers participate in the Biofach International Fair of ecological products in the German city of Nürnberg. The following eco-food producers from the territory of the Republic of Croatia stand out: Annapurna, Art of Raw, Bobica, Ecogos, Exploria, Hermes International, Jan Spider, Luxor, Vegetariana, and Viridis Farm. They are producing and distributing healthy and affordable food sources, also creating and promoting awareness for healthy eating.

3. “Quality education” goal ensures inclusive and equitable quality education and promotes lifelong learning opportunities for all. The best example of the eco-social enterprise that implemented this goal into its business is Hedona d.o.o. The chocolate workshop exclusively employs people with disabilities. In 2020 they got CEB Award for Social Cohesion.

Sfera Visia is an eco-social enterprise whose employees, people with disabilities, make natural soaps with braille.

Buba bar is a coffee bar that employs people with disabilities, most people with Down syndrome. Employees are educated for work to better integrate into society and the local community.

4. “Clean water and sanitation” goal permeates all businesses that are oriented toward ecological and sustainable products because just choosing ecologically compatible products also involves an ecological and responsible treatment of water. All the entrepreneurs mentioned so far operate following this goal.

5. „Responsible consumption and production” goal is covered within all mentioned ESE. Companies make their products from ecological ingredients; ESE also uses recycled materials and upcycling mechanisms when manufacturing products. The best thing is that by producing responsibly, the companies raise awareness in line with moderately using resources and contribute to sustainable consumer behaviour.

These were just 5 of 17 goals that one eco-social enterprise can incorporate into its business.

How can eco-social entrepreneurship answer the needs of Croatian society?

The paper “Is Social Entrepreneurship Better for Workers? The Influence of Work Experience in Croatian Social Cooperatives on Perceived Well-Being”, based on the data collected for the project iPRESENT, contains research on the employee motivation for work in social enterprises.³⁶

Puđak and Šimleša (2019) included the following research questions: 1) What type of values and motivation do employees working at social enterprises have? 2) Does employees’ job experience at a social enterprise correspond to its goal and mission? 3) How does employees’ work experience reflect on their perceived well-being? For getting the answers they used descriptive qualitative methodology. The results show that people are motivated by social approval, a sense of equity, autonomy, and other non-monetary aspects of work. Also, the participants connected their willingness to work in social enterprise with the definition of social entrepreneurship, especially with the part of helping others, making better for the community, and being protective of the environment. It is important to outline that the interviewees describe working in social enterprise as positive, that it increased the quality of their life, particularly in terms of usefulness for society. Some of the interviewees pointed out that working in SE helped them internalise new values and adopt new attitudes related to environmental protection and helping those in need. The great added value is working conditions and interpersonal relations which are stated to be more important than a high salary.

Considering a part of the research mentioned above, the benefit of working in ESE is clear. Not only are there advantages for employees and owners but also for the whole community. By implementing the SDGs in their operations, companies raise the quality of work, products, and employee satisfaction to an enviable level, which is confirmed by the responses of employees of such companies.

Obstacles preventing the development of eco-social projects and activities through social entrepreneurship

The obstacles preventing the development of social entrepreneurship in Croatia have been analyzed within the National strategy for the development of Social Entrepreneurship in the Republic of Croatia and within the country report prepared as a part of the “Boosting social entrepreneurship and social enterprise creation” (2011). The report has been developed by a team comprising members of the OECD LEED Secretariat and external experts that visited Croatia in October 2014 for a study visit, to examine the role, both real and potential, of social entrepreneurship and social enterprise, and the support which could be given to the sector to allow it to fulfill that potential.

The report concludes that, based on the development stage reached by social enterprises in other countries (e.g., UK, Italy, France) as well as on empirical observations during the study visit, a social enterprise in Croatia is currently still at an early stage of development. While

³⁶ Puđak, J., Šimleša, D. (2019) *Is Social Entrepreneurship Better for Workers? The Influence of Work Experience in Croatian Social Cooperatives on Perceived Well-Being*, Croatian Sociological Review
<https://hrcak.srce.hr/237757>.

there are several enabling factors, which could pave the way for social enterprise growth, there is also a set of obstacles that must be overcome to create a favourable environment for social enterprises.³⁷

Within this report and the national strategy, a SWOT analysis has been created that determines the internal weaknesses and external threats disabling the development of Social Entrepreneurship in Croatia.

The most impactful internal weaknesses, according to the report³⁸ and the strategy³⁹ are:

- Difficulties in defining the universe of social enterprises (e.g., associations supplying social services not included in existing statistics)
- Low awareness of the potential of social enterprises as providers of a wide range of general interest services
- Lack of understanding of the key features and aims of social enterprises
- Low propensity towards entrepreneurship
- Recognition – on the part of policymakers, practitioners, and donors – only of specific types of social enterprises
- Low visibility of social enterprise and social benefit delivered
- Legal inconsistencies
- Incomplete decentralisation and difficulties in implementing it owing to the current administrative structure (lots of small municipalities)
- Corruption
- Lack of appropriate/enabling fiscal framework
- Lack of managerial skills and competencies of social entrepreneurs
- Fragmented and circumstantial support
- Insufficient self-organisation of social enterprise

The external threats detected within the strategy⁴⁰ and the report⁴¹ are:

- lack of understanding of the social enterprise concept can result in the adoption of inadequate support policies and inadequate choices in terms of government and management tools adopted by social entrepreneurs who fail to valorise the competitive advantages of social enterprises;
- public procurement: Adoption of inadequate clauses and rules can create technical obstacles and practically exclude social enterprise access to public contracts as well as pushing towards isomorphic practices to the detriment of beneficiaries;

³⁷ European Commission (2016), *Boosting social entrepreneurship and social enterprise creation: Unlocking the potential of social enterprises in Croatia* (pages 66-83) <https://www.oecd.org/employment/leed/Croatia%20report%2025.11.16-FINAL.pdf>

³⁸ Ibid.

³⁹ Strategy for the development of social entrepreneurship in the Republic of Croatia for the period from 2015 to 2020 (2015). <http://www.esf.hr/wordpress/wp-content/uploads/2015/02/Strategija-razvoja-dru%C5%A1tvenog-poduzetni%C5%A1tva-u-RH-za-razdoblje-2015-2020.pdf>

⁴⁰ Ibid.

⁴¹ European Commission (2016), *Boosting social entrepreneurship and social enterprise creation: Unlocking the potential of social enterprises in Croatia* (pages 66-83) <https://www.oecd.org/employment/leed/Croatia%20report%2025.11.16-FINAL.pdf>

- financing: Possible mismatch between demand for funds/finance and funding/financial support offered;
- small organisations may have difficulties in competing for European funding and be hence excluded;
- risk of lower engagement of volunteers;
- fiscal inconsistencies may threaten social enterprise sustainability;

Recommendations on potential strategies and improvements for eco-social entrepreneurship at national level

Preliminary conclusions based on this research done in Croatia suggest that there are concrete similarities between EU member states when it comes to the status and ramifications of social entrepreneurship in general. The status of the notion of “eco-social” entrepreneurship does not differ from this. Nevertheless, the social responsibility produced through social enterprises has been exponentially rising, resulting in several new SEs established in Croatia in the last four years.

Despite the obstacles observed, the situation in the current Croatian labour market indicates that there are in fact several organisations and businesses following the SDGs guidelines and benefiting environmental sustainability within their activities while growing their successful eco-social businesses.

- The main issues have been found in terms of legislation and administrative matters, whereas administrative foundations have not been set in the Republic in Croatia as in the majority of EU states. Therefore, it is not clear what kind of subject can actually reach the status of a social enterprise, other than claiming the status themselves.
- The same goes with the ecological aspect within social enterprises. In regards to the eco-social dimension of Croatian social enterprises, it is important to observe the incorporation of sustainable development goals within the business subjects at stake.
- Following SDGs guidelines in the business products as well as in the creation of a sustainable work environment are crucial for businesses that wish to present themselves as eco-social enterprises.
- It is thus necessary to set the administrative regulations regarding the notion and status of social enterprises so that the legislation clearly supports the relevance of the social dimension within businesses.
- However, the entrepreneurship sector in Croatia, in general, is in desperate need of a structural economic reform without which there isn't a possibility for progress. This is crucial in order to resolve the fiscal and administrative inconsistencies that are standing in the way of social entrepreneurship development in the Republic of Croatia.
- Other problems include issues with visibility and understanding of the notion as well as lack of skills and competences of the managerial staff and external financing mismatch between the offer and the needs of the social enterprises. EU funding opportunities and local sources have already made a positive impact in regard to these challenges. However, only when we have successfully

implemented economic and administrative reform these funds will be able to achieve a smarter impact in the further development of social and eco entrepreneurship ramifications in Croatia.

Serbia

Existing state of matter regarding eco-social entrepreneurship in Serbia

The first lines of social entrepreneurship in Serbia could be recognized in the 19th century through the establishment of cooperatives. The first cooperative in Serbia was founded in 1846, immediately after the formation of first cooperatives in Europe. Also, the first Union of cooperatives in Serbia was founded in 1895 and as national association participated in the founding of International Cooperative Alliance – ICA⁴² in 1895. Three years later, in 1898, the first Law on Agricultural and Craft Cooperatives in Serbia (srp. Zakon o zemaljoradničkim i zanatskim zadrugama)⁴³ was adopted. Today, in the sector of social economy, cooperatives, civic associations, limited liability companies and registered entrepreneurs – legal entities which work on the principles of social economy and therefore it is difficult to determine the exact number of social enterprises in Serbia. According to Economic impacts of social enterprises in the Republic of Serbia⁴⁴ in 2012 operated 1.196 social enterprises in Serbia. Also, the report Economic activity of civil society organisations⁴⁵ shows that 8.100 organisations and foundations include economic activities in their founding document but only 1.905 restarted economic activities in the business register.

Social entrepreneurship in Serbia is based on production and service providing. In this sector, business entities their social mission mostly achieved through the economic empowerment and employment of vulnerable social groups.

After years of preparation and discussions of draft document, National Assembly of Republic of Serbia on 4 February 2022 adopted the Law on Social Entrepreneurship⁴⁶ which entered into force on 15 February 2022. According to Article 1, with this Law, Republic of Serbia regulates the concept, objectives, principles and area of activity of social entrepreneurship, legal position, rights and obligations of entities performing activities under the status of social entrepreneurship, conditions for acquiring and terminating the status of social entrepreneurship, the concept of socially vulnerable groups, encouragement of the development of social entrepreneurship and the support for socially vulnerable groups, registration of the social entrepreneurship status, reporting, supervision and other issues of importance for social entrepreneurship in the Republic of Serbia.

With this Law, Serbia has defined social economy as economy whose primary goal is deriving benefits for the broader social community and socially vulnerable groups, rather than making profit and social entrepreneurship as the performance of activities of general interest in order to create new and innovative opportunities for solving social problems, problems of individuals or socially vulnerable groups, and for preventing the emergence and the elimination of the consequences of social exclusion, strengthening the social cohesion and solving other problems in local.

Social entrepreneurship is also defined in article 5 of Law as a business operation in which the generated profit is invested in the integration of socially vulnerable groups, environmental

⁴² International Cooperative Alliance – ICA <https://www.ica.coop/en>, 8/9/2022

⁴³ Ministry of Economy, *Cooperatives in Serbia*, <https://www.privreda.gov.rs/oglasna-tabla/zadugarstvo-u-srbiji>, 8/9/2022

⁴⁴ Statistical Office of the Republic of Serbia, *Economic impacts of social enterprises in the Republic of Serbia*, 2014

⁴⁵ Civic Indicators, *Economic activity of civil society organisations*, 2017

⁴⁶ Official Gazette of the RoS, No.:14/2022 (*Translation in English provided by the Coalition for Solidarity Economy Development* - <https://www.diesis.coop/wp-content/uploads/2022/03/The-Law-on-Social-Entrepreneurship-ENG-1.pdf>)

protection, rural development, education, culture, social innovations and other areas of broader social interest. Social entrepreneurship is particularly realised through:

- 1) production of goods and provision of services (social, educational, health, etc.), in accordance with this Law;
 - 2) integration into labour market, in accordance with this Law;
 - 3) business operation that contributes to the sustainable development of the devastated areas and local communities;
 - 4) business operation that solves problems in other areas of general interest.
- communities and the society as a whole.

The Law defined clear conditions for acquiring the status of social entrepreneurship and process of registration of the social entrepreneurship status for business entities. The Law on Social Entrepreneurship will be applied upon the expiry of nine months from the date of its entry into force (15 February 2022) and the first effects of implementation will be seen in the coming years.

Before adoption of the Law on Social Entrepreneurship, social economy activities were partly legally framed through Law on Cooperatives, Law on Associations, Law on Social Protection, Law on professional rehabilitation and employment of persons with disabilities, Law on Business, Law on Profit Tax, Law on Value Added Tax and other legal regulation and strategic documents.

The most important contribution to development of social entrepreneurship in Serbia is based on activities of non-governmental networks and associations which provide support to different levels – from individual actors to governmental and strategic levels.

Eco- dimension of Social Enterprises

Adoption of the Law on Social Entrepreneurship⁴⁷ in Serbia introduces the term environmental protection through the principle of sustainable growth and development under the Article 3 that implies that social entrepreneurship and incentives for social entrepreneurship shall be planned and implemented while considering:

- requirements pertaining to environmental protection;
- climate change fight;
- mitigating the effects of climate change and adapting to climate change;
- preventing the overuse of natural resources;
- increasing energy efficiency and the use of renewable energy sources and reducing greenhouse gas emissions.

The effects thereof on society, especially on local communities, their development and specificities, vulnerable categories of the population, gender equality, as well as regarding the requirements of the fight against poverty.

Without a registry is difficult to define the existing number of social enterprises with ecological dimensions but different programs such as Green Ideas of Trag Foundation organised with the aims to instigate united citizens to use and develop innovative entrepreneurial ideas, operate with business sector technologies and knowledge when resolving social problems within local communities while preserving natural resources and

⁴⁷ Official Gazette of the RoS, No.:14/2022 (Translation in English provided by the Coalition for Solidarity Economy Development - <https://www.diesis.coop/wp-content/uploads/2022/03/The-Law-on-Social-Entrepreneurship-ENG-1.pdf>), 8/9/2022

the environment in the function of the principles of sustainable development and interest of different entities - teams, associations, companies to participate in the program shows that in Serbia exist a group of people and business which take care about the environment.

The ecological dimension in social enterprises in Serbia is mostly based on the use of sustainable raw materials in production (recycling and reusing) and reducing the impact on the environment through business activities (e.g., sustainable ways of transportation, biodegradable packaging, digitised administration...). Also, digital trends in the business sector provided new opportunities. Today on the market exist many digital products with social missions related to environmental issues (e.g., City & Me: digital platform with Android and iOS application which encourages activism and action of users in the field of recycling, cycling... through rewarding for achieving proposed green goals - if users ride a bike for 50 km in the city areas, they will receive 1 CM token that can be exchanged for two tickets public theatre).

Obstacles preventing the development of eco-social projects and activities through social entrepreneurship

As a part of the explanation for the adoption of the Law on Social Entrepreneurship sent to National Assembly⁴⁸, key challenges for the development of the social economy sector in Serbia identified through public discussions with relevant stakeholders are:

- inadequate legal form;
- insufficient investment in human capital;
- difficult access to funding sources;
- tax treatment;
- lack of statistical monitoring.

The concept of social entrepreneurship in Serbia is politically and legally accepted. Beside adopted Law on Social Entrepreneurship, the Serbian government formed Council for social entrepreneurship and started with the preparation of Program for social entrepreneurship with aim to support current and formation of new social enterprises⁴⁹. Also, the Serbian Chamber of Commerce (PKS) formed the Social Entrepreneurship Section⁵⁰ to work on sustainability, innovation and market orientation of social enterprises. On this level, understanding and integrating the adopted legal framework of social entrepreneurship in the regional and local policy documents, action plans and budgets will be a big challenge for many authorities and can be observed as an obstacle to the development of eco-social companies in the real conditions.

On the level of society, a key weakness for developing and supporting social enterprises and entrepreneurs, as well as eco-social projects and activities is a low level of understanding of “social” in the concept of business among general populations caused by low visibility of eco-social enterprises and its stories, recognition and understanding of the social mission in activities. Also, this is particularly influenced by awareness of the concept and importance of social entrepreneurship, as well as the level of environmental awareness of society.

⁴⁸ Draft Law on Social Entrepreneurship -

http://www.parlament.gov.rs/upload/archive/files/lat/pdf/predlozi_zakona/2021/2505-21%20-%20Lat..pdf, 8/9/2022

⁴⁹ National television of Serbia, *Brnabic: We are developing an inclusive society with equal opportunities for everyone*, <https://www.rts.rs/page/stories/sr/story/125/drustvo/4873553/zakon-o-socijalnom-preduzetnistvu-.html>, 8/9/2022

⁵⁰ Serbian Chamber of Commerce: *PKS formed the Section for Social Enterprise* - <https://pks.rs/vesti/pks-formirala-sekciju-za-socijalno-preduzetnistvo-6200>, 8/9/2022

Besides visibility and recognition, social enterprises need additional support through access to resources, education and skills development, mentoring and consultancy as well as market support measures which will together support social enterprises to be sustainable, profitable and competitive in the market in real business conditions.

Recommendations on potential strategies and improvements for eco-social entrepreneurship at national level

Based on previous country analyses of Republic of Serbia, key recommendations for development of social entrepreneurship and social economy are:

- Adaptation of strategic goals related to social economy in the national, regional and local policy documents, action plans and budgets;
- Adaptation of financial and support measures specific for social entrepreneurship and social economy;
- Development and adaptation of market support measures for product and services of social enterprises;
- Development and implementation of social enterprises register and national monitoring and evaluation model of important data of social economy.
- Increasing capacity of public sector for understanding and support development of social entrepreneurship on the national, regional and local levels;
- Development of formal and non-formal educational curriculums for young people in the educational system (from elementary level) and models of dual education in social enterprises.

Cyprus

Existing state of matter regarding eco-social entrepreneurship in Cyprus

Social entrepreneurship is extremely difficult to define. As times change and society changes with it, social entrepreneurship becomes an umbrella term; thus, creating difficulty in defining the term. Ultimately, if the term was to be defined and agreed upon with everyone, it would become redundant the next moment due to the evolving nature of society (Martin and Osberg, 2007).

Eco- dimension in Social Entrepreneurship

The concept of eco-social entrepreneurship, although quite new, is the natural evolution of entrepreneurial practices that focus on aspects other than profit. Linking it with corporate social responsibility, nature and society, go hand in hand when it comes to preserving them within society. As society grows and demands better practices from the corporate world, the people use their strongest card to drive change – the power of money. By choosing to vote with their money, the corporate world adapts so that they will not only keep their clientele but gain new ones as well. This is a problem/issue/boundary that new enterprises face as well; it is a challenge for them to gain as well as maintain clients when so many eco-social enterprises exist. As a result, eco-social entrepreneurs are at the forefront of the current as well as future entrepreneurial world⁵¹.

Eco-social entrepreneurs, although a relatively new global phenomenon, it is an even newer concept for the island of Cyprus. Due to its small size, lack of opportunities and lack of specialised infrastructure for eco-social enterprises and entrepreneurs creates a strong pull back for the development of the industry. This being said, there are some eco-social entrepreneurial practices happening on the island but the majority of them seem to have a strong connection with the government through subcontracting research activities. This evidently boosts the enterprises and allows them to bypass the common issues that eco-social enterprises face.

Social enterprises are both a new and old concept within the Cypriot society. The country has a long history and tradition of socially oriented activity performed by foundations, volunteer groups as well as associations, dating back 80 years when the cooperative sector began. Yet ‘The Social Enterprise Law’ was passed into effect as recently as the end of 2020, 23 December 2020 to be exact, with the term being introduced for the first time in 2010. The notion of helping each other and showing kindness towards others are characteristics of the Cypriot people and thus reflected within the country’s cooperative sector. Thus, the driving forces for social enterprises do not rely solely on policies, they include:

- 1) the private drive
- 2) the associate/foundation drive and
- 3) the cooperative drive⁵²

⁵¹ Karitzis, A. (March 2021), *Social Enterprises*. Karitzis Legal. <https://karitzis.com/social-enterprises/>

⁵² Karitzis, A. (March 2021), *Social Enterprises*. Karitzis Legal. <https://karitzis.com/social-enterprises/>

Issues regarding Social Entrepreneurship fall under the Authority for Cooperative Societies, a decision taken by the Council of Ministers no. 90.126 on the 7 October 2020. Social entrepreneurship and social economy are seen as innovative responses to the economy, social and environmental challenges through the creation of sustainable jobs, social inclusion, improvement of local social services and territorial cohesion.

A draft bill, entitled ‘Law for the development and maintenance of a Registry for Social Enterprises’ is currently before the House of Representatives with the aim to regulate the registration of businesses in a Social Enterprises Registry. A set of criteria needs to be decided for a natural or legal person to meet in order to qualify in being registered as a ⁵³social enterprise. The bill looks to also define and outline the obligation of social enterprises.

According to the Law, businesses can be considered a social enterprise if they fall under the following two categories:

- 1) **Social enterprise of general scope:** the primary purpose of such an enterprise should be to carry out a social mission through the promotion of positive social and/or environmental actions in the interest of society, and it should invest at least 70% of its profits to promote this social mission;
- 2) **Social integration enterprise:** the primary purpose of such an enterprise should be to carry out a social mission through the employment of persons coming from vulnerable groups of the population, and these persons should constitute at least 40% of the enterprise’s workforce.

On the 5th June 2019, it was decided by the Council of Ministers that the Registry for Social Enterprises falls under the authority of the Directorate General for European Programs, Coordination and Development.

Obstacles preventing the development of eco-social projects and activities through social entrepreneurship

There is legal framework that helps recognise and helps register social enterprises there are more conditions that support and/or constraint the entrepreneurial ecosystem of the country; these are:

- Research and development transfer
- Entrepreneurial finance
- Government programmes
- Market openness
- Legal and commercial infrastructure
- Government policy
- Physical infrastructure
- Culture and social norms
- Entrepreneurial education

⁵³Directorate General Growth (2022), *Social entrepreneurship*.

http://www.dgepcd.gov.cy/dgepcd/dgepcd.nsf/page60_en/page60_en?OpenDocument

According to the results of a 4-year study by the GEM National Report, physical infrastructures and commercial and legal infrastructures are two of the strongest local ecosystem framework conditions that promote entrepreneurship, and have been consistent over the years. With post-school entrepreneurial education following suit with a score higher than the European average as well as tax and bureaucracy improving each year. This creates an environment that helps entrepreneurship, yet there are still hiccoughs on the road of creating a strong environment to boost entrepreneurial activity and more specifically eco-entrepreneurship⁵⁴.

As an example, the Cypriot tax scheme is supportive of new businesses due to the amount of tax applicable not being a big concern for businesses, yet the funded entrepreneurial programs from the government are considered a weakness due to the difficulties that arise from the non-existent centralised system. Extracting information for programs that are available to entrepreneurs is extremely difficult, thus creating a barrier from the start – if they cannot access the information, how will they access the tools that have been put into place to support them?

Entrepreneurial activities in Cyprus concentrate predominantly on the following topics:

Table 4: Early-Stage Entrepreneurial Activity based on industry sectors

Entrepreneurial Activity	Cyprus	European Average
Agriculture	2.7%	4.7%
Mining	6%	6.3%
Manufacturing	5.7%	8.2%
Transportation	5.4%	3.6%
Wholesale/Retail	34.4%	29.2%
Infor./Communication Technology	5.5%	5.7%
Finance	5.6%	4.2%
Professional Services	8.3%	10.9%
Administrative Services	4.6%	5.2%
Health, Education, Government and Social Services	17.4%	18.6%
Personal/Consumer Services	4.4%	3.5%

⁵⁴ Polyviou. (2021), *Entrepreneurship in Cyprus, National Report 2019/2020*.

https://www.c4e.org.cy/reports/2019/Entrepreneurship%20in%20Cyprus_GEM%20National%20Report%202019_2020.pdf

Although the country of Cyprus has a good baseline of resources for entrepreneurs, there is a long way to fully support entrepreneurial activities and subsections of entrepreneurial activities that fall into niche sectors – social entrepreneurial activities and eco-social entrepreneurial activities.

Some of the improvements, suggested by the GEM report⁵⁵, to boost entrepreneurial activities in the country are:

- Increase funding from government for start-ups
- Reconsider the criteria for the people that are eligible for government funding
- Increase calls for open calls to start-ups
- Restructure the educational system at the school level to start entrepreneurial learning
- Enhance undergraduate and postgraduate programmes to address skills that are useful to entrepreneurs through internships and networking activities before graduation
- Encourage universities to develop short courses for entrepreneurs
- Provide incentives to businesses to promote entrepreneurship to their employees
- Offer courses for females to join the STEM industry – especially the ones that are already employed in other fields
- Digitalize government procedures towards businesses
- Enable the transparency of the public sector
- Speed up processes of setting up a new business
- Motivate younger generations to pursue new career paths

It is evident that through the legislation that is already in place as well as the improvements that are being suggested by reports, social entrepreneurship and eco-social entrepreneurship are far from being a priority in Cyprus. Without having a concrete legislative framework that helps promote niche entrepreneurial activities, it results in major boundaries, causing drawbacks for them, thus making it less likely for initiatives to be taken.

There have been some instances where agro-tourism, that focuses on social and environmental sustainability, have been taking place in Cyprus yet without the governmental support of financing as well as promotion the projects were doomed as their lifecycle was deemed short from the start. Changes need to be made to boost niche entrepreneurial activities to mirror the finance entrepreneurial activities that are already happening in Cyprus.

Some of the biggest eco-social entrepreneurial businesses that are currently thriving in Cyprus, have one strong common underlying factor - they all work closely with national bodies, either with public universities for research purposes or municipalities. This highlights the importance of having good connection with the governing bodies in Cyprus so that entrepreneurial activities will be backed by the governmental schemes that are available to

⁵⁵ Polyviou. (2021). *Entrepreneurship in Cyprus, National Report 2019/2020*.
https://www.c4e.org.cy/reports/2019/Entrepreneurship%20in%20Cyprus_GEM%20National%20Report%202019_2020.pdf

entrepreneurs. By having easy access to resources that benefit entrepreneurs it creates a sense of safety and reduces the fear of failure, making entrepreneurs want to take risks.

An initiative that is still new in Cyprus, yet seems to be going well, is the idea of zero waste stores and zero waste products. Once again, these initiatives are from people who choose to invest their time and money as they know that there is a demand for such products and services by the local communities. Customers choose to vote with their money, keeping these businesses viable. The demand for more sustainable shopping is growing, yet without having viable infrastructure for such enterprises, people are scared to take the leap in starting them and as the laws do not exist yet, it is hard to get investors as well as banks to invest/loan out money to them.

Recommendations on potential strategies and improvements for eco-social entrepreneurship at the national level⁵⁶

- Make it easier for individuals to collect the information that they need – online portals need to be easily accessible to individuals
- Government should announce initiatives and give time for individuals to prepare their applications for funding
- Increase specific funding from the government for start-ups and eco-social start-up specifically
- Reconsider the criteria for the people that are eligible for government funding – make it more inclusive, but also create criteria for eco-social initiatives
- Increase calls for open calls specifically for start-ups
- Restructure the educational system at the school level to start entrepreneurial learning – young individuals have a lot of ideas yet are held back at school level. With the correct guidance, they will be pushed into the path of entrepreneurialism rather than just pursuing a university degree.
- Enhance undergraduate and postgraduate programmes to address skills that are useful to entrepreneurs through internships and networking activities before graduation. Especially crucial for Cyprus, as 57.1% of individuals have a degree at a tertiary level and above – second highest in the EU⁵⁷.
- Encourage universities to develop short courses for entrepreneurs
- Provide incentives to businesses to promote entrepreneurship to their employees
- Digitalize government procedures towards businesses
- Enable the transparency of the public sector
- Speed up processes of setting up a new business
- Motivate younger generations to pursue new career paths

⁵⁶ Polyviou. (2021). *Entrepreneurship in Cyprus, National Report 2019/2020*.

https://www.c4e.org.cy/reports/2019/Entrepreneurship%20in%20Cyprus_GEM%20National%20Report%202019_2020.pdf

⁵⁷ <https://www.cyprusprofile.com/sectors/education-research#:~:text=Cyprus%20also%20has%20the%20second,according%20to%20the%20European%20Commission.>

Belgium

Existing state of matter regarding eco-social entrepreneurship in Belgium

Belgium has a very specific and unique political asset. Therefore, the development of the social economy sector is driven by the regional differences and even the definition of social enterprise slightly changes depending on the region: Brussels capital, Wallonia, Flanders and the German area. In fact, there is not a real and overall consensus in Belgium as to what constitutes a social enterprise and, more precisely, which are the real boundaries that define this notion.⁵⁸ The term “social entrepreneurship” is defined also differently depending on the level of power considered. For instance, the federal authority bases its definition on the approach of the European Commission.⁵⁹

Overall, the notion of social enterprise is the result of a plurality of roots and traditions within and at the boundaries of the broader "social economy". These include: the associative tradition, the cooperative movement, the tradition of mutuals, the (new) social economy and the more recent business-oriented approach. The role of public policies and philanthropic actors has also been very relevant in the country's development of the modern concept of social economy and social entrepreneurship.⁶⁰

The official definition of social economy given by the Belgian public services is the following: “The social economy is an alternative to the conventional economy. This form of the economy is not exclusively based on a profit-making rationale, but on various principles, including the following: management autonomy in relation to public authorities, people and labour taking priority over capital when redistributing profits, the ultimate aim of serving members and the community, rather than profit and a democratic decision-making process”.⁶¹

While, in French-speaking Belgium (Wallonia and a part of Brussels), social enterprise is typically presented as the more entrepreneurial subset of the social economy, or as a synonym of the latter, defined as any economic activity developed by associations, cooperatives, mutuals and foundations and not aiming for profit maximisation.

In Flanders, "social enterprise-social entrepreneurship" and "social economy" are not being used as synonyms, but over the past decades social entrepreneurship is partially being embraced by the social economy. Indeed, while historically the social economy in Flanders was assimilated to the work of WISEs, it has a broader concept nowadays. In the Flanders,

⁵⁸ European Commission (2020), Social enterprises, and their eco-systems: A European mapping report. Updated country report.

https://ec.europa.eu/social/main.jsp?advSearchKey=socentercountryreports&mode=advancedSubmit&catId=1307&doc_s ubmit=&policyArea=0&policyAreaSub=0&country=0&year=0

⁵⁹ Economie.fgov.be (official informative website of the Belgian government dedicated to economic trends), Social economy page. <https://economie.fgov.be/fr/themes/entreprises/economie-durable/economie-sociale-et>

⁶⁰ European Commission (2020), Social enterprises, and their eco-systems: A European mapping report. Updated country report.

https://ec.europa.eu/social/main.jsp?advSearchKey=socentercountryreports&mode=advancedSubmit&catId=1307&doc_s ubmit=&policyArea=0&policyAreaSub=0&country=0&year=0

⁶¹ Belgium.be, *Information and services. Social Economy.*

https://www.belgium.be/fr/economie/developpement_durable/economie_durable/modeles_economiques_innovants/ec onomie_sociale (25/07/2022)

now the social economy is legally defined as a set of "social entrepreneurial values" developed within various organisational forms and sectors of activity.

In the end, these regional differences in terms of definition and interpretation seem to be less relevant when examining the concrete social enterprise realities and ecosystems. For the sake of clarification, a landmark document on social economy in Belgium - Social enterprises and their ecosystems in Europe: Country report Belgium, proposes four main approaches or ideal-types associated with one or several of the traditions described above, but not exclusively restricted to one specific legal form or public policy. The approaches are:

- general interest pursued in an entrepreneurial way (typical of associations, foundations and some cooperatives with a social purpose);
- mutual and general interest combined (typical of cooperatives and mutuals);
- private interest combined with general interest (as increasingly observed in companies with a legally or otherwise defined social purpose);
- "public social enterprises".

Some numbers related to social entrepreneurship in Belgium⁶²

In Belgium, most social enterprises operate as associations. Less numerous are foundations, mutuals, cooperatives and social purpose companies—these latter two categories used to be often combined with each other until the 2019 reform (which has repealed the social purpose company and introduced a social enterprise accreditation that is only available for cooperatives).⁶³

When it comes to numbers, associations represent 94.8% and provide 87.4% of its jobs. Next come companies with a social purpose (4.2%) and mutuals (3.9%), and finally, foundations and cooperatives approved for the CNC, which represent respectively 2.8 and 1.7% of jobs in the social economy.⁶⁴

⁶² The most complete and up-to-date statistics related to the social economy sector in Wallonia and Brussels are given by the Observatoire de l'économie sociale, which provides annual state of the art reports and many other statistics and analysis. All these reports and data are available and free to access (in French) on their website: <https://observatoire-es.be/>

⁶³ European Commission (2020), *Social enterprises, and their eco-systems: A European mapping report*. Updated country report. https://ec.europa.eu/social/main.jsp?advSearchKey=socentercountryreports&mode=advancedSubmit&catId=1307&doc_s ubmit=&policyArea=0&policyAreaSub=0&country=0&year=0

⁶⁴ Economiesociale.be, Chiffres-clés de l'économie sociale: <https://economiesociale.be/decouvrir/chiffres-cles> (visited on 25/07/2022)

Table 5. Number of social enterprises in Belgium⁶⁵

Type of social enterprise	Estimated number of social enterprises	Estimated number of workers	Estimated number of FTE
German-speaking region	158	3,221	1,945
ASBLs	153	2,452	1,419
Cooperatives accredited by the NCC	1	8	4
Foundations	3	704	476
Mutuals	1	57	46
Social purpose companies	-	-	-
Brussels	4,736	90,543	69,540
ASBLs	4,532	76,621	57,780
Cooperatives accredited by the NCC	29	2,215	1,684
Foundations	103	5,256	4,820
Mutuals	33	5,572	4,636
Social purpose companies	39	879	620
Flanders	6,617	330,935	223,941
ASBLs	6,313	303,305	204,466
Cooperatives accredited by the NCC	95	4,359	3,631
Foundations	48	5,899	4,532
Mutuals	42	7,599	6,074
Social purpose companies	119	9,773	5,238
Wallonia	6,493	148,215	97,581
6,109	130,874	86,419	204,466
95	2,273	1,721	3,631
42	1,156	894	4,532
27	4,338	3,405	6,074
220	9,574	5,141	5,238
Total	18,004	572,914	393,008

⁶⁵ European Commission (2020), *Social enterprises, and their eco-systems: A European mapping report*. Updated country report.

https://ec.europa.eu/social/main.jsp?advSearchKey=socentercountryreports&mode=advancedSubmit&catId=1307&doc_submit=&policyArea=0&policyAreaSub=0&country=0&year=0

Based on the numbers above (from circa 2017/2018), the social economy represents 18,000 employing realities and 390,000 full-time jobs, meaning 1 job in 8 in Belgium.⁶⁶

Moreover, from 2013 to 2018, the number of social economy enterprises grew by 4.7%, and the number of jobs increased by 8.9%. The social economy therefore consolidates its status as a sustainable economic model and job provider in Belgium.⁶⁷

In 2020, social economy enterprises in Wallonia and Brussels provided 247,000 jobs, i.e., 12.3% of total employment, of which 14,700 net jobs created since 2016 (+6%).⁶⁸

Eco- dimension of Social Enterprises

Concept of eco entrepreneurship, social entrepreneurship and relation eco-social entrepreneurship in Belgium

In Belgium, there is a strong interest in sustainability and the social economy, and how these can be combined to provide sustainable and inclusive products and services to the community. The strong interest for both private and private actors, and the civil society and communities, to the topic of sustainability and ecology is a well-established and long-lasting trend in the country. This is well reflected in public policies, attitudes of citizens and behaviour of private actors of all sorts.

Therefore, it is not surprising that in the Belgian landscape of social enterprises, there is a strong presence of social economy enterprises acting in the eco-sustainable field.

⁶⁶ Economiesociale.be, *Key figures of the social economy*
<https://economiesociale.be/decouvrir/chiffres-cles> (visited on 25/07/2022)

⁶⁷ Observatoire de l'ES. Publications. <https://observatoire-es.be/publications/> (visited on 25/07/2022)

⁶⁸ Observatory of SE (July 2022), *The notebooks of the observatory* - Number 16 (July 2022): the inventory of the social economy 2019/2020. <https://observatoire-es.be/wp-content/uploads/2022/07/EDL-2019-2020.pdf>

Table 6. Distribution of SE companies by sector of activity⁶⁹

Sections	Wallonie		Bruxelles		Total en 2020	
	Nombre	%	Nombre	%	Nombre	%
A Agriculture, Sylviculture et Pêche	49	0,8%	2	0,0%	51	0,5%
C Industries manufacturières	22	0,3%	1	0,0%	23	0,2%
D Production et distribution électricité, gaz, vapeur et air conditionné	1	0,0%	0	0,0%	1	0,0%
E Production et distribution eau - assainissement, gestion des déchets et dépollution	22	0,3%	3	0,1%	25	0,2%
ETA Entreprises de Travail Adapté ETA	54	0,9%	12	0,2%	66	0,6%
F Construction	17	0,3%	4	0,1%	21	0,2%
G Commerce de gros et de détail - réparation d'auto et moto	61	1,0%	25	0,5%	86	0,8%
H Transports et entreposages	20	0,3%	10	0,2%	30	0,3%
I Hébergement et restauration	67	1,1%	39	0,8%	106	0,9%
ISP Insertion socio-professionnelle EFT/AFT - OISP - CISP	139	2,2%	60	1,2%	199	1,8%
J Information et communication	68	1,1%	99	2,0%	167	1,5%
K Activités financières et assurances	11	0,2%	32	0,7%	43	0,4%
L Activités immobilières	64	1,0%	40	0,8%	104	0,9%
M Activités spécialisées, scientifiques et techniques	142	2,2%	225	4,6%	367	3,3%
N Activités de services administratifs et de soutien	226	3,6%	113	2,3%	339	3,0%
O Administration publique et défense - sécurité sociale obligatoire	37	0,6%	49	1,0%	86	0,8%
P Education et enseignement (hors enseignement obligatoire)	447	7,1%	389	8,0%	836	7,5%
Q Santé humaine et action sociale	1.788	28,3%	949	19,4%	2.737	24,4%
R Arts, spectacles et activités récréatives	1.091	17,2%	683	14,0%	1.774	15,8%
S Autres activités de services	1.248	19,8%	1.934	39,6%	3.182	28,4%
U Activités des organismes extra-territoriaux	1	0,0%	6	0,1%	7	0,1%
TS Activités titres-services	184	2,9%	22	0,5%	206	1,8%
SOUS-TOTAL	5.759		4.697		10.456	
PEns Enseignement obligatoire	540	8,5%	173	3,5%	713	6,4%
QHop Hôpitaux	34	0,5%	18	0,4%	52	0,5%
TOTAL	6.333		4.888		11.221	

There is no official separate definition of what eco-social enterprises are.

In the above table, the Diesis team carrying out this research believes that the eco-social enterprises act horizontally across the ecosystem and therefore could fall in the following categories:

- Agriculture, Forestry and Fisheries
- Manufacturing industries
- Production and distribution of electricity, gas, steam and air conditioning
- Water production and distribution - sanitation, management of waste and depollution
- Construction
- Transport
- Accommodation and food products and services (HORECA)
- Financial activities and insurances
- Education and teaching
- Human health and social action
- Other service activities

Since, as mentioned above, eco-social enterprises may follow under many and heterogenous fields, it is impossible to have exact data.

However, in Belgium, there is a strong presence of the social economy enterprises that could be defined as "ecological" in 3 particular categories (organic food, fair trade and renewable

⁶⁹ Observatory of SE (July 2022), *The notebooks of the observatory* - Number 16 (July 2022): the inventory of the social economy 2019/2020. <https://observatoire-es.be/wp-content/uploads/2022/07/EDL-2019-2020.pdf>

energy).⁷⁰ Those three particular categories have been chosen as the featured one, for the need of this paper, but are not exhaustive.

Organic food and food supply chains

Building alternative food systems is a medium for our societies to become more sustainable, as the concept of a sustainable food system enables access to food for all humans.⁷¹ Furthermore, the trend of extending the food chain: the growing separation between production and consumption unfortunately breaks the link between nature and culture. The eco- social enterprises could be the medium to break this trend.⁷²

In Belgium there are a variety of cooperatives, farmer markets, grocery stores who are distributing and promoting local food production.⁷³ Their social purpose is mainly focused on breaking the global supply chain food and bringing it back to the local level. This ensures that the supply chain is mostly covered locally. Further, these impacts, as well the community through creation of new jobs, and integration in the labour market of people with disabilities or/and excluded from the job market. Lastly, the organisations participating in the food systems (i.e., Short Food Supply Chains: SFSC) have also a higher independence on voluntary work, and therefore they build a stronger relationship with citizens and/or producers, at times at the expense of market interaction with more consumers.⁷⁴

Waste Management and Recycling

In Belgium there is a solid part of Social Enterprises working in the field of re-use, repair and recycling. Belgium is already on its way to build a more sustainable society through a circular economy. The circular economy creates economic activity. One of the aims of the circular economy model is zero waste, where all materials are kept in circulation. In 2016, Belgium ranked as number two in the European Union in recycling waste; almost 77 per cent of total waste in Belgium was recycled.⁷⁵

Fair Trade

Fair trade could be, on one hand seen as the tool to educate citizens, governments and corporates, to make international trading rules and practises fairer, on the other hand, it is a way of supporting small - scale producers in the South (part of their social mission). Farmers being involved in the fairtrade are creating a change on diverse fronts, from investing in climate friendly innovative techniques to empowering the communities they live in.⁷⁶

⁷⁰ B. Huybrechts (2016), *Social Enterprise in Belgium: A Diversity of Roots, Models and Fields*.

⁷¹ J.Sumners (January 2011), *Sustainability and the Civil Commons: Rural Communities in the Age of Globalisation*

⁷² Costantini, Pastorelli, Sebillio (CIRIEC 2019), *How social enterprises contribute to sustainable food systems*, <https://www.diesis.coop/wp-content/uploads/2019/10/WP2019-14.pdf>

⁷³ B. Huybrechts (2016), *Social Enterprise in Belgium: A Diversity of Roots, Models and Fields*.

⁷⁴ B. Huybrechts (2016), *Social Enterprise in Belgium: A Diversity of Roots, Models and Fields*.

⁷⁵ <https://www.unep.org/news-and-stories/story/belgium-its-way-towards-circular-economy> (visited on 07/07/2022)

⁷⁶ <https://www.fairtrade.org.uk/what-is-fairtrade/> (visited on 07/07/2022)

Social Enterprises engaged in fair trade combine these economic and social dimensions to varying extents and through different models and practices in Belgium.⁷⁷ In Belgium Social Enterprises gathered under the umbrella of the "Belgian Fair-Trade Federation" (BFTF).

Renewable Energy

This category of eco-social enterprises is vastly dominated in Belgium by social cooperatives, who seek to raise the share of energy consumption produced based on renewable resources.⁷⁸

The governance of the social cooperatives enables consumers to invest in renewable energy generation tools such as wind turbines, photovoltaics, or hydropower. On one hand, they serve their members, as traditional cooperatives (in here supply with electricity), on the other they supply green energy to encourage energy savings and reduction of greenhouse emissions⁷⁹ (Contribution to fight climate change, thus social mission).

The considerable level of awareness about Social Economy and its growing tendency to become a common umbrella for the diverse roots and approaches⁸⁰ creates a favourable condition for eco- social entrepreneurship to thrive. Combined with the fact that most SEs who are active in eco-related sectors fall under cooperative governance structure, can only help to bring SEs even closer to the local communities and for their utmost benefit. For the purpose of the research of Diesis Network on "How Social Enterprises Contribute to Alternative Food Systems", there were experts interviewed in the social economy and social enterprises from 14 Member States of the European Union (BE, BG, DK, EE, FR, DE, HU, IT, MT, NL, PT, ES, RO, UK). It emerged that the principal role of social enterprises in creating sustainability, was their relationship with their 'clients', through which people are not only consumers but stakeholders, who are more involved and have a greater sense of responsibility.⁸¹

To conclude, within the SE Ecosystem we are witnessing the emergence of social entrepreneurs who are thinking greener, who consider social issues as closely interconnected with environmental issues.

The figure of a green social entrepreneur, though still underestimated, is seeking to make changes how social entrepreneurship is seen today, looking at the connection between economy, ecology, and society through a multilevel approach to sustainable development.⁸² This includes creation of the innovative community, to change the structure of the economy through sustainability, and a community which creates and changes the norms in a society so as to maintain sustainable development.⁸³

⁷⁷ Social Enterprise in Belgium: A Diversity of Roots, Models and Fields, B. Huybrechts, July 2016

⁷⁸ Social Enterprise in Belgium: A Diversity of Roots, Models and Fields, B. Huybrechts, July 2016

⁷⁹ Huybrechts and Mertens 2014

⁸⁰ Costantini, Pastorelli, Sebillo (CIRIEC 2019) *How social enterprises contribute to sustainable food systems*, <https://www.diesis.coop/wp-content/uploads/2019/10/WP2019-14.pdf>

⁸¹ Costantini, Pastorelli, Sebillo (CIRIEC 2019), *How social enterprises contribute to sustainable food systems*, <https://www.diesis.coop/wp-content/uploads/2019/10/WP2019-14.pdf>

⁸² Costantini, Pastorelli, Sebillo (CIRIEC 2019) *How social enterprises contribute to sustainable food systems*, <https://www.diesis.coop/wp-content/uploads/2019/10/WP2019-14.pdf>

⁸³ A.Zahedi & R. Otterpohl, (2016), *Towards sustainable development by creation of green social entrepreneur's communities*, 12th Global conference on sustainable manufacturing.

Obstacles preventing the development of eco-social projects and activities through social entrepreneurship

Although the Belgian social enterprise ecosystem is well developed, it still faces some significant challenges, paradoxically due to its diversity. Setting up social enterprise is rather challenging in Belgium, due to its diverse legislation, varying from region to region, and it is difficult for starting entrepreneurs to navigate the right legislative framework for their needs. The bureaucracy often hinders the smooth set up of the social business and therefore creates uncertainties right at the start of their entrepreneurial journey.⁸⁴

Further, social economy enterprises are represented in most fields of economy, but at times they are not yet recognized as profitable organisations. This lack of clearness and awareness about the important role that social economy enterprises play makes the access to finance uneven (SEs applying for support may not get it due to generation of revenue). There is also a significant gap in matching finance to SEs needs.

These above mentioned two challenges are the most common alongside with below one, discerned as more general ones that apply to Social Enterprises as whole, such as:

- Inability of demonstration of social impact
- Poor communication and visibility

Paradoxically, in Belgium, social entrepreneurship as the industry sector is widely promoted, and there are a considerable set of tools available to support entrepreneurs, however the access is not always very straightforward and for many inexperienced persons this could be the major obstacle.⁸⁵ On the other hand, the above-mentioned rich diversity of models within some of the sectors leaves SEs and its initiatives a rather unconstrained choice regarding which model to adopt.

Recommendations on potential strategies and improvements for eco-social entrepreneurship at national level

Based on the identified good practices and the basic research of the foregoing, the following recommendations are drafted, on potential strategies and improvements for eco-social entrepreneurship at the national level:

- Further raising awareness about the connection between social economy and the green fields/ecology. Promote the idea that social economy is a sustainable option and deeply interlinked with the green transition.
- Promote green/eco solutions among social economy entrepreneurs and social economy models among eco-entrepreneurs: promote the cross fertilizations of the fields. This also at training and incubation level.

⁸⁴ Costantini, Pastorelli, Sebillio (CIRIEC 2019), *How social enterprises contribute to sustainable food systems*, <https://www.diesis.coop/wp-content/uploads/2019/10/WP2019-14.pdf>

⁸⁵ E.Lamio (2020), *Youth Social Entrepreneurship Profile*, research within YSEH project, supported by the European Commission, section Belgium.

- Promote exchange of good practices of eco-social entrepreneurs and raise awareness about existing good examples.
- Offer further support to aspiring entrepreneurs both in terms of idea development, and logistic support (administration, access to finance, etc.).

Conclusion

From the above literary review undertaken for the research, it can be concluded that especially Western Balkan region is heavily impacted by climate change and accompanying environmental challenges such as ecological crisis. Seemingly in Cyprus and Belgium: The Eco-Social Enterprises are at the forefront of releasing Sustainable Development Goals (SDGs) they could certainly drive, especially the WB region reduction of the footprint and increase the circular material use rate, which in turn will boost economic growth. Moreover, the eco-dimension of social economy reached its momentum in terms of the EU policy priorities, closely linked to the green transition, a shift towards the circular economy, where recycling and reuse are the rule, while the use of natural resources is significantly reduced.

However, we have observed that there are significant obstacles or challenges while examining the development of Eco-Social Entrepreneurship that hinder the use of its potential, in most countries included in the research, there was a strong emphasis put on:

- lack of legal frameworks and therefore difficulties in setting up social enterprises;
- low awareness and understanding of eco- social entrepreneurship within the society and institutions;
- skills gaps and mismatches between education and labour market.

Further, the research shows that social enterprises, in general, need additional support in order to be sustainable and profitable and that support should be provided primarily through different training programs, consultancy, and mentorship to help them develop their managerial, financial, and marketing skills. Initiatives such as the BC4ESE project will help to raise awareness among youth, to drive the movement among new generations and recognise that the economy can be done in a more sustainable manner and resolve some of the pressing challenges of our times. It is imperative that young people have the opportunity to learn, understand and embrace the concept of eco- social entrepreneurship and therefore explore new ways of employment, while contributing to the sustainable goals.

Eco-Social Enterprises in partners' countries

Bosnia & Herzegovina

ORGANISATION	TYPE	DESCRIPTION	WEBSITE
GREENS d.o.o.	Social enterprise	Company for the production of micro vegetables, herbs and edible flowers in BiH.	https://greens.ba/
AGRO-PLAN d.o.o.	Social enterprise	Socially oriented company engaged in the cultivation of organic fruits and vegetables.	http://otaharin.org/
Ekopak d.o.o.	Non-profit company	The mission of Ekopak is to enable the fulfilment of legal obligations in accordance with the Rulebook for the management of packaging and packaging waste at the lowest sustainable costs for all its clients and with the greatest environmental benefits for the Federation of Bosnia and Herzegovina	https://www.ekopak.ba/
ProVita	Cooperative	The cooperative ProVita has been operating since 2018. Cooperative was established as a response to unemployment problems, especially of women. It is owned by women, one man and the association "Glas" as a legal entity that fights for a better position for women, especially from vulnerable groups. The main activity is the purchase and production of wild and plantation fruits and vegetables and their processing into value-added products, high-quality jams and juices, as well as service squeezing of fruits.	https://www.facebook.com/ProVitaZadruga/
EkoDizajn d.o.o.	Company	Founded in 2016 and owned by the Association of Citizens "Something More". EkoDizajn belongs to the	http://www.ekodizajn.ba/

		category of social enterprises by meeting the following criteria: conducting operations guided by high environmental standards, employing marginalised groups and using profits as defined by the UGNV mission and conducting non-commercial activities. The main areas of work are; food production on ecological and organic principles, spatial planning on ecological and organic principles and training for people with disabilities.	
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Montenegro

ORGANISATION	TYPE	DESCRIPTION	WEBSITE
Garmin, Danilovgrad	L.L.C (Limited liability company)	Production and distribution of biodegradable bags.	www.garmin.co.me
Seljak.me	L.L.C.	The first internet platform that provides the fastest and most efficient way for farmers to sell their products, featuring the biggest offer of homemade products for customers. The portal has a blog with informational-educational articles that provide farmers with important information necessary to upgrade their knowledge and improve their production. The same team of five young people who created this platform also implemented a direct digitization project in farm production, installing devices such as calving sensors, GPS collars for cattle and bee sensors.	www.seljak.me
Eko korijen	L.L.C.	The first platform for creating and publishing approachable, applicable, and understandable environmental content online and in-person, aimed at the wider audience in the Balkans.	https://www.ekokorijen.com/

		Responsibilities include environmental education, digital content creation (courses, e-workbooks, social media posts), green event organisation, etc.	
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Croatia

ORGANISATION	TYPE	DESCRIPTION	WEBSITE
ROUM	Youth organisation	ROUM is a project under the Roma Youth Organisation of Croatia – ROM HR. The concept is based on learning from Roma communities which have a long tradition of reusing, rethinking and upcycling discarded objects, preserving traditional crafts and trades, showing great entrepreneurship skills and as a community reducing the amount of waste in our societies. ROUM is a discarded objects rescue centre, where Roma and artists come together to make interior design pieces out of discarded objects.	https://roumupdesign.com/
Održivo d.o.o.	Social enterprise SME	Održivo d.o.o. is a social enterprise that provides living environment solutions for clients based on permaculture, architecture, and urban design. Their work puts emphasis on the sustainability and efficiency of buildings, as well as the regenerative effect on the environment.	https://odrzivo.com/
Sfera Visia	Social enterprise SME	A social enterprise developed as a centre of ideas that recognizes virtues and advantages of all the team members in order to create better conditions for the employment of blind and visually impaired persons. The main product of the company is	https://sferavisia.hr/

		an all-natural liquid soap made by their disadvantaged staff.	
Humana nova	Social enterprise	Organisation works in the scope of 3 areas: environment, social environment and economy. They employ persons with disabilities and other socially excluded persons. The company produces clothing and textiles through reusing, repurposing, recycling and other sustainable techniques.	https://humananova.org/

Serbia

ORGANIZATION	TYPE	DESCRIPTION	WEBSITE
Organela	Social enterprise	Production of organic food with the aim of making organic food available to as many people as possible and free of charge for those who need it most.	www.organela.rs
Radanska ruza	Social enterprise	A social enterprise that employs elderly and long-term unemployed women, single mothers and women with special needs from the rural parts of Lebane municipality. Radanska Ruza produces premium traditional Serbian food such as jams made from local fruits and vegetables.	www.radanskaruza.rs
NewPen	Social enterprise	Company was founded in 2018 in Smederevska Palanka, Serbia, with the aim of offering something new to the market of pencils and crayons. Products graphite pencils and crayons are made of recycled newsprint, aim primarily at protecting the environment in many ways.	www.newpen.rs

Centar Zvezda	NGO	The “Star” - Centre for social integration of children and youth is an association of citizens whose goal is to promote fostering, help to adult children without parental care in orphanages as well as those who are getting ready for an independent life after leaving the social care system. Association produces candles and souvenirs.	www.centarzvezda.rs
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Cyprus

ORGANISATION	TYPE	DESCRIPTION	WEBSITE
SYNTHESIS Centre for research and education	Research Institute/Centre	The leading organisation in the country in the fields of social entrepreneurship and social innovation. Pioneering organisation that initiates and implements projects of social impact, with a focus on social inclusion	https://www.synthesis-center.org/
Citizens in Power (C.I.P.)	Non-profit, educational and research organisation	One of the leading organisations in Cyprus in the fields of global education, social innovation, entrepreneurship, STEM and sustainable growth	https://www.citizensinpower.org/
AKTI Project and Research Centre	NGO, Non-profit	Created an extensive network of collaborators and volunteers for raising environmental awareness and promoting sustainable development.	http://www.akti.org.cy/
EkoNest	SME, family-owned, female-led company	Help customers contribute to a clean and healthy planet. They conduct their	https://eko-nest.com/

		business in an environmentally responsible, socially responsible and ethical manner, putting the environment at the core of everything	
A Good Company	Retail store	Truly Sustainable Swedish Lifestyle Brand. They design the best everyday products, without compromising on design or sustainability.	https://agood.com/
Agno	Social enterprise	Zero waste store, with locally sourced items. It works with local communities as well helping promote small local businesses.	Instagram @agnogrocery

Belgium

ORGANISATION	TYPE	DESCRIPTION	WEBSITE
BEES COOP	Cooperative	Collaborative supermarkets as an alternative to large retail stores. BEES Coop, the first such supermarket in Brussels, operates thanks to its “special customers”. The food products are organic, fair, short circuit and respectful of the environment, while the price policy is fair for all consumers while rewarding the producer properly for his work. BEES Coop is a Brussels economic and social ecological cooperative.	http://bees-coop.be/
PERMAFUNGI	cooperative	PermaFungi recycles coffee grounds into two valuable products: oyster mushrooms and compost. This technique completely transforms waste into two useful products. PermaFungi actively promotes sustainable development through social, economic and environmental actions in Brussels. This social enterprise produces and sells fresh mushrooms and compost and is developing a network of decentralised production. The enterprise has established a participatory management and socio-professional integration programme and employs interns and volunteers.	https://www.permafungi.be/
BeerFood	Social enterprise	The Beerfood project aims to promote brewery grains (malt waste for making beer) in the human diet and therefore, diffuse a more sustainable way of living, consuming and producing. These grains will serve as a basis for healthy, local and responsible products that will be processed in the Brussels Capital Region (cereal bars, chips, biscuits, waffles, breads, etc.).	https://en.beerfood.be/
ISATIO	Social Enterprise	Local production of 300 jackets based on circular economy principles. All of	https://en.isatio.com/

		<p>the materials used to produce the jackets were fabric samples and the ends of bolts from the textile industry. The entire production cycle was completed using a very short circuit: design in Etterbeek, production in Brussels-City, Molenbeek and Anderlecht and delivery via bicycle couriers. it contributes to the creation of two new sewing workshops and two jobs and the socio-professional reintegration of two jobseekers with little experience.</p>	
Fietspunten	Association with social activity	<p>Bicycle points encourage the use of bicycles in combination with public transport, such as train stations. They are run by their members who are responsible for the maintenance of the bicycles at the train stations and for bicycle leasing for companies, local authorities or private individuals. They are social enterprises with a focus on sustainable bicycle mobility.</p>	http://www.fietspunten.be/
WeCo Store	Company with social activity	<p>WeCo promotes fashion that respects the environment and human beings by making sustainable and ethical clothing and accessories brands more accessible and visible. They select a quality product with a manufacturing process that has less impact on the environment and respects workers. They provide the clearest and most transparent information possible for each of the products offered; from raw materials to product distribution, manufacturing and transportation.</p>	https://weco.store.be/

Paysans-artisans	Cooperative	<p>Paysans- artisans are a cooperative with a social purpose. Its economic activity is focused on the marketing of artisanal and local food products. Beyond this commercial activity, Paysans-Artisans defines itself as a citizen movement that brings together farmers, artisan-processors and consumers around a shared vision of agriculture and food. It is a cooperative that collaborates with many other players such as associations, public actors or private entities. Thanks to those alignments they deploy awareness-raising activities and set up new projects together.</p>	https://paysans-artisans.be/
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Eco-Social Enterprises from Europe

ORGANISATION NAME	TYPE	DESCRIPTION	WEBSITE
MeGO! (France)	Social Enterprise	MeGO! recycles cigarette butts into plastic elements that can be assembled into furniture. It aims to operate as a national waste collection programme, and provides fit-for-purpose ash tray elements or even street fixtures for organisations wishing to be active parts of the collection programme. It would almost make smoking environmentally friendly.	https://me-go.fr/
Vinted (Lithuania)	Retail Company	Vinted is a Lithuanian online marketplace for buying, selling and exchanging new or second-hand items, mainly clothing and accessories	https://www.vinted.lt/
Brigadadomar (Portugal)	NGO	The association's main purpose is to decontaminate the coastline. They develop and implement actions and events aimed at protecting biodiversity, activities related to recycling and awareness campaigns, in order to alert society in general to the scourge that is marine litter, encouraging citizens to join individually, or through their own organisation.	http://www.brigadadomar.org/

Boodla (Sweden)	Social Enterprise	Boodla builds ecological housing gardens and school gardens as a way to create a sustainable future, both socially and environmentally. Their gardens should be an intermediate between the kitchen garden and the discovery playground. The purpose is to promote people's ability to co-create their surroundings and get to know each other while growing their own vegetables.	http://boodla.se/
EcoDome (Spain)	SME	EcoDome designs and builds ecological housing solutions for clients. They offer the design and production of completely recyclable houses that manage to reduce environmental impact and energy consumption by up to 40%. Main aim is to contribute to the sustainable development of the planet through ecological architecture that is capable of creating efficient and sustainable housing.	https://www.ecodome.es
Laboratorio Cartiera (Italy)	Social enterprise	An ethical fashion enterprise that offers concrete responses to the challenges of our time: the creation of new employment opportunities, the economic integration of migrants and asylum seekers, the rediscovery of qualified artisanship, the repopulation of former industrial areas, the recovery of primary materials otherwise destined for disposal, and a production which has a minimal environmental impact.	https://www.coopcartiera.it/

Cooperative Placido Rizzotto (Italy)	Cooperative	Created the brand "Libera Terra" in Sicily within which it produces and markets organic and "Mafia-free" products with an annual income of about 6 million euros. Food is produced on the former estates of mafia bosses; It markets about 70 products from 8 cooperatives all over the world.	www.liberaterra.it
Oma Maa (Finland)	Cooperative	Oma Maa is a food co-operative based on community-supported agriculture (CSA) as well as ecologically and socially sustainable food production methods.	https://www.omamaa.fi/in-english/
Ecosia (Germany)	Social enterprise/ Company	The search engine Ecosia is a green start-up from Berlin, founded in 2009. The company donates 80% or more of its profits to non-profit organisations that focus on reforestation. It uses the generated money from advertisements to plant trees for the environment. So far, they have planted over 100 million trees and currently have around 7 million users.	https://www.ecosia.org/
Move On Wood Recycling (Scotland)	Social enterprise	Move On Wood Recycling is a social enterprise in Edinburgh that collects waste wood, sells quality timber and provides work experience, training and volunteering opportunities for disadvantaged persons, especially NEETs.	https://moveonwood.org.uk/
Enaleia (Greece)	Social enterprise	It is a non-profit social enterprise tackling two directly related problems for the marine environment: reduction of fish stocks and plastic sea pollution.	www.enaleia.com

		They also teach fishing practices that preserve local fish populations and remove the mounds of plastic that pollute the world's seas, adapting the fishing industry for a green future. Their mission is to make the marine ecosystem sustainable by tackling both overfishing and plastic pollution.	
The Lexi (UK)	Social enterprise	It is the London's only social enterprise cinema, a volunteer-run picture palace with strong links not just to their local community, but to a unique charity project thousands of miles away in South Africa. Enterprise gives 100% of its profits to charity, providing vital support to the pioneering Sustainability Institute in South Africa - a sustainable living and learning centre based in rural Stellenbosch, South Africa with educational and food programmes and ecological research initiatives.	www.thelexicinema.co.uk
SUMA (UK)	Cooperative	A self-governing workers' cooperative that employs 150 members, founded in 1975 in Leeds, trades in organic products and completely respects Fair Trade principles; all workers have the same earnings and participate equally in decision-making.	www.suma.coop

Eco-Social Enterprises from around the world

South America

ORGANISATION NAME	TYPE	DESCRIPTION	WEBSITE
ÉCHALE (Mexico)	Social enterprise	Sustainable community development through social inclusion in the construction of housing and community infrastructure in the world.	echale.mx/en
Algramo (Chile)	Company/Social Enterprise	Lead circular and sustainable practices within the company, promoting good habits, conscious consumption, and circular education. A circular platform that, through innovation, brings the best products to people, in smart and sustainable formats, so they can help the planet without overpaying.	algramo.com
Inka Moss (Peru)	Social Enterprise	A social enterprise dedicated to the production and export of Sphagnum Moss. They are focused on providing their clients with a high-quality product that generates a triple impact in the communities where they operate.	inkamoss.com
Natpacking (Colombia)	Company	The first 100% organic packaging brand in Latin America and its commitment to innovation and sustainable development is reflected in this product. They use renewable raw materials that allow them to generate a positive impact on the conservation of the planet and provide new alternatives to homes and industries in the region.	natpacking.com

North America

Electronic Recycle Association (Canada/USA)	Association	It is a non-profit organisation working to reduce electronic waste across Canada. They recycle, repurpose, and donate electronics, all while ensuring data security for those who donate their used electronics. In addition to their drop-off locations and pick-up service, the Electronic Recycling Association provides free refurbished equipment to local charities.	https://www.era.ca/
Husk Power Systems (USA)	Social enterprise/ Company	Founded in 2007. In India, about 125,000 rural villages, or more than 400 million people, live without electricity, and this is a big problem. However, there are also large amounts of rice in the area and its remnants that remain after harvest. Two billion kilograms of rice are produced annually, and it can be used to produce electricity through biomass gasification. Innovative biomass-based technology has been developed that can produce energy efficiently as well as conventional micro-level biomass uses that allow a company to supply rural settlements at a price they can afford.	https://huskpowersystems.com/

Australia			
Who Gives a Crap (Australia)	Social Enterprise	A social enterprise established through a crowdfunding campaign in 2012. They produce and sell toilet paper while 50% of their profits help build toilets and improve sanitation in the developing world.	https://au.whogivesacrap.org/
Africa			
ORGANISATION NAME	TYPE	DESCRIPTION	WEBSITE
Malo (Mali)	Social Enterprise	A social enterprise that builds and operates modern facilities that mills, fortifies, and markets rice cultivated by smallholder farmers in West Africa. Their mission is to boost incomes of smallholder farmers and enhance the lives of consumers by transforming rice harvests into healthy and affordable products.	https://www.malo.ml/
Sanergy (Kenya)	Social Enterprise	Sanergy builds healthy, prosperous communities by providing sustainable non-sewered sanitation solutions in Africa's urban informal settlements. Their unique business model allows for investment in people and operations to create compounding value. They focus on the entire sanitation value chain (build, collect and convert). In cities where they work, they are empowering communities and stimulating growth within urban informal settlements in the process.	https://www.sanergy.com/

HelloSolar (Ethiopia)	Social Enterprise	It is a decentralised off-grid solar energy solutions provider committed to improving the quality of life of rural communities in Ethiopia by facilitating access to sustainable energy and connectivity through affordable PAY-as-you-go solar systems.	https://www.hellosolarint.com/
Asia			
EcoAd (India)	Social Enterprise	EcoAd teaches underprivileged women in India who often had not held a salaried job prior – to create eco-friendly alternatives to plastic bags and packaging from newspaper waste and other paper scraps.	https://ecoad.in/
Kaneko Farm Ogawa Town, Saitama Prefecture, (Japan)	farmer/consumer (TEIKEI) cooperation	His basic philosophy is "achieving self-sufficiency in food and energy by harnessing resources existing in the neighbourhood, without depending on industrial products or petroleum." Every year, Kaneko's farm accepts some trainees who learn farming while living under one roof for a year. Graduates are now standing on their own two feet all across Japan.	https://www.japanfs.org/en/news/archives/news_id035262.html
Various Coop (South Korea)	Cooperative	Uses the useless natural tree parts to produce the toys for children.	https://www.variouscoop.com/

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