Research and analysis of the existing systems, curricula and learning materials on social entrepreneurship existing in the educational or private system, and on available mentoring systems.

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In order to create an innovative and sustainable educational content, that meets the needs of today’s educational system, the consortium conducted a research and analysis of the existing practices and information. This report brings together a collection of information regarding the status of social entrepreneurship/social innovation in the market and in the educational or private systems across partner countries.

“The EU should create a cross-border exchange programme for teachers and professors with social enterprises and educational institutions, to exchange best practices that could be shared with students. The values of social entrepreneurship should be included in early education programmes.”

“Public recognition and awareness of social enterprise as a viable organisational form should be raised through sharing the statistical data and findings emanating from research. As members of the media are a key group of actors to achieve this, tools and ad hoc training on social business matters should be developed to better introduce the topic into the mainstream media and promote civic education on social business.”

The Commission should support the expansion of the community-led local development approach to include the delivery of social enterprise initiatives.

Social Entrepreneurship is still a field of novelty for many, not only education systems, but also economies. Many definitions exist and a wide variety of organisational forms are adopted by social enterprises around the world. This makes it difficult to establish international comparisons.

Social entrepreneurship is increasingly challenging the traditional idea of doing business just for the sake of profit, and social enterprises are developing around the world, even if in statistical terms they are still a niche form of business.

We will certainly see more social entrepreneurs in the future in Europe. Providing access to a qualitative educational programme around social entrepreneurship will come to empower young people to start their own companies, in this way helping improving social problems, as well as reducing youth unemployment. For a sustainable impact in this area, we need to give young people a real experience of how entrepreneurship works.

By understanding where social entrepreneurship stand and identifying the requirements for a valuable and appealing education problems, we can build the foundation of a sustainable solution to social entrepreneurship education in Europe.
In February 2017, the economic-financial forecast European Union report concludes that Romania has a strong growth ahead – the Real GDP is estimated to have grown by 4.9% in 2016, a new post-crisis high. Growth was driven by fiscal stimulus and supported by successive increases of the minimum wage and public sector wages, which pushed up private consumption growth to 9%. Investment grew by an estimated 5.5%, mostly on the back of private investment, while public investment recorded its weakest year since Romania joined the EU due to the drop-in investment financing from the EU linked to the cycle of EU funding programs. HICP inflation remained negative in 2016 (-1.1% over the year on average) mainly due to the reduction of the standard VAT rate from January 2016, combined with low imported inflation. Robust domestic demand, boosted by the additional 16% increase of the minimum wage in February 2017 should result in a positive output gap and inflation picking up. Private consumption is expected to grow steadily in 2017, before it moderates slightly in 2018 as consumer prices pick up. After a deceleration in 2016, investment growth is projected to speed up over the forecast horizon, with public investment gradually recovering as the implementation of projects financed by EU funds in the 2014-2020 financing period catches up. Real GDP is thus forecast to grow by 4.4% in 2017 and 3.7% in 2018.

Unemployment is approaching pre-crisis lows with the labor market continued to improve on the back of strong economic growth. The unemployment rate fell to an eight-year low in 2016. Low unemployment, combined with a shrinking labor force and persistent skills shortages, led to a tighter labor market and economy-wide wage increases. In 2017-2018, total employment is forecast to grow driven by strong economic growth, while the unemployment rate is projected to continue declining.

In the same time, despite employment growth, according to the 2016 EU Country Report for Romania, in high value-added sectors structural problems persist on the occupation market. The employment rate has been increasing in recent years, but below the EU average. At 17% of the population, the share of young people not in employment, education or training is well above the EU average of 12%. Challenges remain in raising the average skills level of the workforce, addressing the high rate of early school leaving and strengthening the capacity of labour market institutions.

Also, the poverty and social exclusion remains the highest in the European Union, particularly for children and Roma. Social transfers have a limited impact on reducing it and the provision of social services is insufficient. The low adequacy of social benefits is further hampered by the lack of a coherent adjustment mechanism. Progress with activation and labor market integration of social assistance beneficiaries has been limited.

The biggest Romania’s key development disparities are between urban and rural areas. With 46 % of Romania’s population living in rural areas and considering the magnitude of some of the challenges, the impact of the rural-urban gap hampers the achievement of national economic and social development targets. While there has been progress in some areas, partly with the use of European funding, rural areas remain far behind urban areas in terms of poverty reduction, employment and education, access to services and basic infrastructure. Agriculture, the typical occupation in rural areas, accounts for 29% of total employment in Romania, but only 5% of GDP. A high proportion of the rural labor force works in subsistence or semi-subsistence agriculture, associated with informal work or non-remunerated family work, low productivity and poverty.

Also, the public reports note that, despite investment in skills and training in high value-added sectors, skills supply challenges persist amongst population. Skills shortages are most acute in Romanian healthcare, the construction sector, hospitality and ICT. There are mismatches in the type of studies offered. In addition, learning mobility and career guidance measures as well as soft skills needed for the labour market, such as entrepreneurship and digital skills, are insufficiently developed. Participation in adult education is the lowest in the EU (1.5% in 2014 compared with an EU average of 11%). There are plans to better link curricula with the needs of employers, connect education and labour market databases and improve the functioning of the centres for the evaluation and validation of competences.
In the late 2000s Slovenian economy suffered a severe setback. In 2009 the Slovenian GDP per capita shrunk by −7.9%, which was the biggest fall in the European Union. After a slow recovery from the 2009 recession thanks to exports, the economy of Slovenia again slid into recession in the last quarter of 2011. This has been attributed to the fall in domestic consumption and the slowdown in growth of exports. The reasons for the decrease in domestic consumption have been multiple: fiscal austerity, the freeze on budget expenditure in the final months of 2011, a failure in the efforts to implement economic reforms, inappropriate financing, and the decrease in exports. In addition, the construction industry was severely hit in 2010 and 2011. From 2014 onwards GDP of Slovenia is rising again. The main factors of GDP growth are export and in year 2016 also domestic consumption, which has started to revive after the economic crisis. The GDP growth in 2015 was 2.3%. According to first assessment the GDP in 2016 amounted to 39,769 million euros, which is 3.1 percent more than in the previous year.

The main generator of economic growth in the year 2016 was as in previous years the outside demand, where the export increased for 5.9 percent. In-country demand is becoming increasingly more important; it increased for 2.4 percent. Slovenia’s trade is orientated towards other EU countries, mainly Germany, Austria, Italy, and France. This is the result of a wholesale reorientation of trade toward the West and the growing markets of central and eastern Europe in the face of the collapse of its Yugoslav markets. Slovenia’s economy is highly dependent on foreign trade. Trade equals about 120% of GDP (exports and imports combined). About two-thirds of Slovenia’s trade is with other EU members.

In 2015 the number of employed persons stayed the same, while the number of unemployed persons decreased by 8%. Persons in employment are those who during the week prior to the interview did any work for payment (in cash or kind) or family gain. In 2015, the unemployment rate was 9.0%; it was 2 p.p. higher for women than for men. Unemployed persons are those who during the week prior to the interview did not work, were actively seeking work and were currently available for work. The educational attainment level has an influence on the employment and unemployment rate. In 2015, the employment rate was the highest among persons with tertiary education, while the unemployment rate was the highest among persons with basic education or less. People most likely to have temporary jobs are the young (15–29 years); 53.3% of young employees were temporarily employed in 2015; among employees aged 50 years or more the share was 8.5%. People most likely to have permanent jobs are the elderly; 91.5% of elderly employees (50 years or more) were permanently employed in 2015; among young employees (up to 29 years) the share was 46.7%. 81.9% of employees had permanent employment contracts; 12.9% of employees had a temporary employment contract. 3.8% of employees worked via the student employment service.

At the end of year 2014 there were 10.1 billion of foreign direct investment in Slovenia, 13.9% more than at the end of year 2013. In 2013 (latest published data) direct foreign investments accounted for 24.7% of GDP of Slovenia. The most important investor countries are: Austria (33.6%), Switzerland (11.3%), Germany (10.4%), Italy (7.9%), Croatia (7.7%). Average monthly net earnings for December 2016 amounted to EUR 1,074.27. For 2016, average monthly net earnings in the public sector amounted to EUR 1,185.60 and in the private sector to EUR 950.65. In comparison with the previous year, average monthly net earnings for 2016 were higher in both sectors, in the public sector by 2.0% and in the private sector by 1.6%.

The German exports are growing increasingly. In November 2016, goods and services worth of 108,5 billion Euro were exported. There are clearly less imports than exports; also in November 2016, there were imports worth of only 85.8 billion Euro. Due to the growing gap between exports and imports, there is a clear excess of exports in Germany2.

With a gross domestic product of 3.37 Billion USD, Germany is the biggest national economy of Europe and the fourth biggest national economy of the world. In 2014, there was a gross domestic product of 35.000 Euro per head in Germany3. Especially the automobile industry as well as the electrical engineering-, engineering-, and chemical industry are the most competitive industries in Germany. The insurance business is the most competitive industry in the service sector4. Moreover, Germany shows an unemployment rate of 6.8 percent. At this juncture, the unemployment has decreased and the demand is still strong. Currently, there are 600,000 open positions in Germany and the number of social insured persons grows. However, in Germany live decreasingly unemployment persons but more and more people who are unemployed for over a year. By now, 37.4 percent of unemployed people are long term unemployed. Especially older people, people without education or people with migration background are typical for long term unemployment. These people are supported by unemployment benefit called Harz V5. Since the main objective of the German economy is the resettlement in the job market and the re-entry into employment, the unemployment benefit is supposed to offer unemployed people this chance by supporting them financially. The benefits can be requested at the responsible establishment of the Bundesagentur für Arbeit.

**FINANCIAL CIRCUMSTANCES IN GERMANY**

According to the “Deutsche Institut für Wirtschaftsforschung”, the gross asset in 2007 has been 8 trillion Euro. The biggest part of the budget has been the property ownership. In contrast to 2002, the gross asset increased about 1.1 trillion Euro. The net asset is worth about 6.6 trillion Euro and is allocated unequally. Therefore, the richest ten percent of the German population owns 61.1 percent of the total asset (state: 2007). The top five percent owns 46 percent and the top percent owns 23 percent of the total asset. On the other hand, 27.0 percent of the adult population owns no asset or is in debt. The net asset has grown increasingly in the top. However, in the other deciles, the shares decreased.

In 2007 the average net asset of all adult humans was 88,000 Euro. However, the median separating the rich from the poor was about only 15,300 Euro. Therefore, half of the adults own an asset less than 15,300 Euro and half of the adults own an asset more than 15,300 Euro.

Moreover, there is still a difference between West and East Germany. Therefore, the average net asset of the adults in West Germany was about 101,000 Euro and thus three times higher than in East Germany. Main reason is the drop of the market values of the properties.

Furthermore, there is also a difference between the individual asset regarding to gender, age and migrant background. While in 2007 people in the age of 18 to 25 owned a net asset of less than 7,000 Euro, people in the age of 56 to 65 owned in contrast a net asset of 145,000 Euro.

Moreover, in 2002, the average net asset of men (96,000 Euro) was clearly higher than the net asset of women (67,000 Euro). Also, the net asset of people without migrant background (87,000 Euro) was higher than the net asset from people with migrant background (47,000 Euro).

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2 Süddeutsche Zeitung: http://www.sueddeutsche.de/wirtschaft/exportueberschuss-deutschland-exportiert-so-viel-wie-noch-nie-1.3325142


Cyprus is an island with around 1,205,575 (July 2016 est.). The area of the Republic of Cyprus under government control has a market economy dominated by the service sector, which accounts for more than four-fifths of GDP. Tourism, financial services, shipping, and real estate have traditionally been the most important sectors. Cyprus has been a member of the EU since May 2004 and adopted the euro as its national currency in January 2008.

During the first five years of EU membership, the Cyprus economy grew at an average rate of about 4%, with unemployment between 2004 and 2008 averaging about 4%. However, the economy tipped into recession in 2009 as the ongoing global financial crisis and resulting low demand hit the tourism and construction sectors. An overextended banking sector with excessive exposure to Greek debt added to the contraction. Cyprus’ biggest two banks were among the largest holders of Greek bonds in Europe and had a substantial presence in Greece through bank branches and subsidiaries. Following numerous downgrades of its credit rating, Cyprus lost access to international capital markets in May 2011. In July 2012, Cyprus became the fifth euro-zone government to request an economic bailout program from the European Commission, European Central Bank and the International Monetary Fund - known collectively as the “Troika.”

Shortly after February 2013, Cyprus reached an agreement with the Troika on a $13 billion bailout that resulted in losses on uninsured bank deposits. The bailout triggered a two-week bank closure and the imposition of capital controls that remained partially in place until April 2015. Cyprus’ two largest banks merged and the combined entity was recapitalized through conversion of some large bank deposits to shares and imposition of losses on bank bondholders. As with other EU countries, the Troika conditioned the bailout on passing financial and structural reforms and privatizing state-owned enterprises. Despite downsizing and restructuring, the Cyprus financial sector throughout 2015 remained burdened by the largest stock of non-performing loans in the euro zone, equal to nearly half of all loans. Since the bailout, Cyprus has received positive appraisals by the Troika and outperformed fiscal targets but has struggled to overcome political opposition to bailout-mandated legislation, particularly regarding privatizations. Cyprus emerged from recession in 2015 and its economy grew an estimated 1.6% for the year, setting a positive tone for the scheduled end of the bailout program in March 2016.

In October 2013, a US-Israeli consortium completed preliminary appraisals of hydrocarbon deposits in Cyprus’ exclusive economic zone (EEZ), which revealed an estimated gross mean reserve of about 130 billion cubic meters. Though exploration continues in Cyprus’ EEZ, no additional commercially exploitable reserves were identified during the exploratory drilling in 2014/2015. Developing offshore hydrocarbon resources remains a critical component of the government’s economic recovery efforts, but development has been delayed as a result of regional developments and disagreements about exploitation methods.

The social economy sector grew from the necessity to find new and innovative solutions for some social, economic or environmental problems of the communities and to meet the needs of the community members who are either ignored or insufficiently covered by public or private sector. The main purpose of the social economy, comparing to the market economy, is not the obtaining profit, but resides in improving living conditions and offering new opportunities for disadvantaged people or part of the vulnerable categories.

In Romania, the social economy includes various forms of organization, in terms of association, such as cooperatives, mutual societies, associations, foundations, NGO’s etc.

This concept promotes a specific model of enterprise – “the social economy enterprise” or “social enterprise” - , that cannot be characterized by size or domain in which it operate, but through the fulfillment of a series of common values like: the priority of the involvement of the social actors, or persons and social objectives over the capital or profit; the support and application of the principle of solidarity and responsibility; the correlation between the interests of members and the public interest; the autonomy of the managements; open and voluntary adhesion etc.

The social enterprises are considered very important in supporting the objectives of the public policies, by contributing to a participative and inclusive society, endorsing the communities’ members to participate in solving local problems, increasing productivity and competitiveness or proposing new ways to deliver social services.

On the legal framework, the Romanian Parliament adopted in June 2015 the Law on social economy (no. 219), with the methodology and pointed organisms putted in place in 2016. The legislation aims to regulate social economy and establishes measures to promote it and support it. Also, the law regulates the conditions of certification by public authorities of the social enterprises and the social enterprises of insertion. The ministry responsible for its implementation is the Ministry of Labour.

According to this law, the social economy includes all the activities organized independently from the public sector, with the specific purpose to serve a general or a community interest by increasing employment level of the persons from the vulnerable groups and/or the production and supply of goods and/or services. The social economy is based on voluntary and solidary private initiative, with a high degree of autonomy and responsibility and limited distribution of profits to shareholders.

The law describes several mechanisms necessary to attest the organizing forms of social economy (the certified social enterprise and the social mark) and new organizational and institutional structures (social economy compartments). However, these provisions will have a minimal impact on the classic entities of social economy (cooperatives, associations, credit unions and unions of employees and retirees).

However, experts from industry declared that “[…] the Law no. 219/2015 restricts the action area of social economy to the insertion into the labour market of people from vulnerable groups, contrary to the universal meaning of social economy that is seen that an economic activity conducted while respecting various commune criteria. […] The present law orients the social economy towards complementary mechanisms of social services that are to be accessed by the members of vulnerable groups. Social economy, from the point of view of the law, leaves behind, almost irreconcilably, the idea of individual activism that effectively combines individual and collective responsibilities.” (Romeo Asiminel, “The law on social economy. From legislative to theoretical framework”, Social Alternatives magazine, 2016).

Therefore, the public framework and legislation in Romania are not entirely correlated with the accepted views on social economy and social entrepreneurship.
On a general approach, we can say that the social entrepreneurship is when you act upon opportunities and ideas and transform them into value for others. The created value can be financial, cultural, or social (FFE-VE, 2012).

This definition focuses on value creation, no matter what type of value or context. It covers value creation in any domain and possible value chain. It refers to value creation in the private, public and third sectors and in any hybrid combination of the three. It thus embraces different types of entrepreneurship, including intrapreneurship, social entrepreneurship, green entrepreneurship and digital entrepreneurship. Social entrepreneurship is entrepreneurship that aims to provide innovative solutions to unsolved social problems. Therefore, it often goes hand in hand with social innovation processes, aimed at improving people’s lives by promoting social change (see OECD, 2010).

**BULGARIA**

Social economy and social entrepreneurship have been continuously fostered in Bulgaria in recent years. This is due to their potential to find solutions to society’s problems, create sustainable jobs, facilitate social and labour integration, fighting against poverty and social exclusion.

Social enterprises differ from traditional business in a number of ways which are beneficial to the community: Social enterprises are more likely to innovate and experiment than traditional models of business, because they are usually designed to fill a gap in existing services that cannot or will not be delivered by the public and private sectors; Social enterprises can reach socially excluded people by providing volunteer, training and employment opportunities; Social enterprises are usually set up to retain and reinvest profits back into the local economy.

In the Bulgarian legal framework, there is no unified definition of social enterprise. The rules that regulate their status and activities are not consistently clarified. Despite the lack of normative definition, the practice in Bulgaria shows that organisations developing social entrepreneurship exist and they declare themselves as social enterprises.

The **National concept of social economy** provides the following definitions related to the social enterprise: Social enterprises could be cooperatives, businesses and organisations duly registered under national law, whose business aims at social and humanitarian effects and which reinvest their profits for social causes in favour of the community. Social enterprise is a business with leading social objectives whose surplus is reinvested back into the same business or in the community; Social entrepreneur is a person who mobilises resources and uses opportunities to meet existing social needs, building strong and sustainable organisations, which are set up as social enterprises; Social entrepreneurship is a business that develops, funds and implements solutions to social, cultural, or environmental causes, so that the main priority are the people and their needs.

Practice shows that the basic legal forms of social enterprises in Bulgaria are:

- **Non-profit organisations** that can perform business activities directly. It is this economic activity that would determine a NGO as a social enterprise, if it is aimed at a social objective;
- **Cooperatives of people** with disabilities and other types of cooperatives that provide social services or goods to vulnerable, marginalised people: disadvantaged or isolated persons.

Social enterprises have the capacity to become promising partners of the authorities both at national and local levels regarding resolving of pressing social issues. This partnership should be stimulated, but for that purpose modifications of the existing legislation need to be elaborated in order to create more beneficial economic environment for social entrepreneurship.

Two steps have been made in relation to the existing legal framework.

The third sector in Bulgaria constitutes of several types of organisations each of which defined by different focus in its activity. The most popular and widely used legal forms are the forms of association and foundation. These kinds of organisations are used for almost every kind of activity of public benefit. The forms mentioned so far are regulated as official legal forms through the Non-Profit Legal Entities Act. Since 01.01.2001 the Non-Profit Legal Entities Act provides the opportunity of NGOs to develop profit activity.

“"The non-profit legal entities may pursue additional business/commercial activities only provided they are related to the subject of the basic scope of activities specified in their registration, and provided the revenues are used for the purpose of attaining the objectives set forth in the statute or the articles of association. " - Non-Profit Legal Entities Act, Bulgaria, Art.3

The other premise for boosting social entrepreneurship in Bulgaria are the amendments of the Social Assistance Act which are in force since January 2003. They provide a legal opportunity and mechanism for delegation of social services from the municipalities to social services contractors. Two types of social assistance are differentiated: provision of subsidy and provision of services. Social services are based on social work and include assistance to people in need in doing everyday activities and social inclusion.

Bulgaria has launched several strategic frameworks in order to boost social entrepreneurship and social innovation initiatives at a national level:

- **National Social Economy Concept** (2011) is the key strategic document that sets the policy framework with regard to social entrepreneurship and the social economy more broadly. It is complemented by Action Plans for 2014-2015 and 2016-2017. The framework aims at:
  - Raising awareness and garnering public support for social enterprises;
  - Capacity-building within the public administration and development of legal regulations;
  - Improving understanding, knowledge, methodology, research on social entrepreneurship;
  - Capacity-building among stakeholders in the field of social entrepreneurship and introduction of the issue of the social economy in education.

- **National Youth Strategy 2010-2020**, adopted by the Council of Ministers states that Bulgaria should improve the economic activity and career development of young people and promote social entrepreneurship among them;

- **National Strategy for Reducing Poverty and Promoting Social Inclusion 2020**, the priority of which is to provide opportunities for employment and income growth through active involvement of citizens in the labour market. Among the key proposed measures is promoting entrepreneurship, including social entrepreneurship initiatives;

- **Strategy for the employment of people with disabilities 2011-2020**, which aims to provide opportunities for people with disabilities of working age to effectively exercise their right to free choice of career development, to improve the quality of life for free and achieve full inclusion in public life.

Despite all the steps taken so far, there remains the need for a more comprehensive and focused national policy to support social enterprises as tools for social inclusion and labour integration.

Some of the areas where continuous support is required are: Advocacy and lobbying to improve the environment for social entrepreneurship; Capacity for training and assistance; International exchange and networks; Improved access to markets; Consolidation of the social entrepreneurship sector.
The Social Entrepreneurship Act (orig. ZSocP) (Official Gazette of RS 20/2011) was passed in 2011 with the support of all parliamentary parties that defines:

- General conditions: Social entrepreneurship and its goals; Principles and demands of social entrepreneurship; Fields and activities of social entrepreneurship; Special Conditions for employment; Jurisdictions in the field of social entrepreneurship

- Social enterprise: Definition of social enterprise; Limitations, Associations of social enterprises, Non-profitability rule, the Statement of social enterprise; Responsibilities and obligations; Application form for social enterprise; Registration of social enterprise; The use of directives, Obligation of regulatory bodies; The access to status of social enterprise; Reporting; Prohibition of operation and termination of status; Monitoring of operation and sub-law documents

- Special conditions of operation: Accounting, Membership rules, Participation of employees, volunteers and other users in management, Work in social enterprise, Distribution of profit and excess of income, Status changes, Liquidation of social enterprise

- Supportive environment: Development planning of social entrepreneurship, Implementation of politics in the field of social entrepreneurship, Jurisdiction of Municipalities, Fostering of social entrepreneurship, Assurance of resources, Financial support, Beneficiaries

- Special incentives for social entrepreneurship: Special incentives for employment (disabled and vulnerable target groups), Other special incentives

- Evidences: the evidence of social enterprises

- Monitoring: Monitoring, Bodies that decide about offences

- Violence provisions

- Transitional and final provisions (Sources, Slovenia 1, 2, 3)

According to the Act, the ministry responsible for its implementation is Ministry of Economic Development and Technology, which keeps record of social enterprises (register), and organises different presentations and debates on social entrepreneurship for different target groups. A Council for Social Entrepreneurship was established, as governmental body. It is responsible for policy design and guidance in the area and is composed of representatives of all ministries except the Foreign Affairs one, and two representatives of social enterprises, one representative of social partners and one expert. Another Act important for the development of social enterprises is Supportive Environment for Entrepreneurship Act (Official Gazette, 102/2007; amendments in 57/2012 and 82/2013) (Source 2, 3).

The Act on Social Entrepreneurship defines two types of social enterprises: type A, which is characterized by performing activities defined in the Regulation on Determination of Activities of Social Entrepreneurship, and type B, which is a work integration type (employing people from vulnerable groups). The following groups are defined as vulnerable target groups for employment in social enterprises: the disabled, the unemployed persons that are hard-to-employ due to lasting physical or mental problems, the very long-term unemployed (over 24 months), the first time job seekers, the people aged over 55, the Roma people, the young drop-outs from primary and secondary education, the ex-prisoners for one year after serving the sentence, the refugees included in the integration programmes, drug and alcohol abusers that are in the rehabilitation programmes or up to two years after the rehabilitation programmes, and the homeless people (Source 1).

The Slovenian experience shows that legislation on social entrepreneurship is not necessary an incentive for establishment and development of social enterprises in itself. Even more, if the area is overregulated this can potentially hinder the development of social enterprises.

### Germany

In Germany exists a social market economy. Its most important exercise is to form a statutory framework in order to make economic actions possible⁶.

Most of working people (73.53 %) are employed in the service sector, such as traffic engineering, hotel and restaurant industry, health-care, housing and finance as well. In Germany, especially young people have a good chance to find a job or to get an education. One of the main success factors of the German job market is the dual education. Therefore, young people learn both in the vocational school and in the enterprise. Therefore, the German enterprises have their trainees in the enterprise very early and can take charge of their graduations. In addition to that, also graduates of universities and of universities of applied sciences have good chances to get a job very quickly.

The German social security system is based on different principles:

First of all, there is the compulsory insurance as the first principle. A major part of the German population is subjected to the compulsory insurance which means that there is an obligation to be insured against certain risks (there are possible exceptions for freelancer, officials and soldiers). Usually, both employee and employer are paying certain sums in the social security system. Moreover, there is the possibility to get an optional insurance for people who are not compulsorily insured.

The second principle is the principle of solidarity. All insured people are paying in the insurance. These sums are independent of the utilization of the services. Therefore, those who use more are protected by other members. While the sums depend on the incomes, the services are allocated with the aid of the solidary compensation.

The five most important divisions of the social insurance are the health insurance coverage, unemployment insurance, old age insurance, accident insurance and long term care insurance.

The health care insurance shows that Germany has a social character. All insured people pay the same sum (depend on the income) in the health care fund.

The unemployment insurance is mainly financed by the sums of the employers and employees. One of the most important responsibilities of the unemployment insurance is the payment of unemployment benefit after the loss of the workplace from an insured person.

The old age insurance guarantees a secure towards certain risks, such as a reduction in earning capacity, the old age and death. The services of the old age insurance depend on the payed sums.

In contrast to that, the accident insurance is only financed by the sums of the employer. While the employer bears the financial risk, the insurer bears the health risks. The accident insurance takes effect in the case of an accident at the workplace or certain diseases and is responsible for an extensive medicare.

The long-term care insurance is responsible for the supply when an insured is in need of care. The care has to be financed either by family members or by the health insurance coverage⁷.

Only in smaller countries such as Norway, Finland and the Netherlands, the citizens are better off than the Germans are. According to estimates of the BCG-Analysis, especially the strong job market, the quality of the education system as well as the comparatively high income are factors which are responsible for the general prosperity and the well-being in Germany. Depending on the prosperity and the very good economic situation, Germany is a country where social entrepreneurship is definitely possible.

In contrast to that, Germany is a country which sets great store by financial security. This is characterized by the bureaucracy and especially by the officialdom. This shows that people in Germany are choosing the safe way in order to get a regular income and a sure work place.

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⁷ BPB: http://www.bpb.de/politik/grundfragen/24-deutschland/40478/sozialversicherungssystem
In addition to that, also the banks are very careful when it comes to the question who is allowed to get a loan. Especially start-ups and enterprises who already failed have difficulties to get a loan. Therefore, regarding to financial support and the general attitude to choose the safe way, social entrepreneurship has rather no real chance to spread or increase.

In general, German enterprises offer innovative and competitive products – especially in the future markets infrastructure, environmental protection and resource protection.

For many Germans, entrepreneurship is fundamentally an attractive professional aim. According to Amway Global Entrepreneurship Report 2013, 57 percent of the German population has a positive attitude towards freelance work, in particular the younger generation: 38 percent of the respondents in the age of 20 to 36 could imagine to found an own establishment. In contrast to the world population, the interest in founding is higher to ten percent. However, compared to the twenty-year-old to the thirty-five-year-old people in Europe, the German interest in founding an own establishment is to ten percent lower than the average.

**CYPUS**

Cyprus has a long history of cooperative tradition, mainly in the banking sector, as well as a strong sector of volunteer and charity organisations. Social entrepreneurship, however, is a relative new term for Cyprus, introduced in the public sphere in late 2008 and first appeared on the governmental agenda last year. Efforts to promote the field of Social Entrepreneurship are recorded as far back as December 2008, with the presentation to the Cypriot public and policy makers of a Work Integration Social Enterprise (WISE) from France. In the same year, a comprehensive study was completed on behalf of the Social Welfare Services on the implementation of social economy programmes for the activation of vulnerable groups of people, which explored social entrepreneurship as an approach. In 2010, in an effort to create more awareness of the field, the first Conference on Social Entrepreneurship was launched in Nicosia. Between 2010 and 2013, efforts to promote the sector took place mainly in the form of conferences and training events and were the result of private efforts.

Since 2013, Social Economy/Social Entrepreneurship has been included in the Government's agenda for the Economy. Within this scope, the Ministry of Labour and Social Insurance has been working to develop a funding programme for newly formed Social Enterprises. This programme has been working to develop a funding programme for newly formed Social Enterprises. This programme has been recorded as far back as December 2008, with the presentation to the Cypriot public and policy makers of a Work Integration Social Enterprise (WISE) from France. In the same year, a comprehensive study was completed on behalf of the Social Welfare Services on the implementation of social economy programmes for the activation of vulnerable groups of people, which explored social entrepreneurship as an approach. In 2010, in an effort to create more awareness of the field, the first Conference on Social Entrepreneurship was launched in Nicosia. Between 2010 and 2013, efforts to promote the sector took place mainly in the form of conferences and training events and were the result of private efforts.

Most of the social economy organizations in the country can be classified under two categories: cooperatives and non-profit organisations (NGOs). These organizations operate mainly in finance, agriculture, manufacture and services of various kind. Most of the NGOs are legally registered under the Associations and Foundations Law (57/1972) and are running by elected councils. Additionally, non-profit institutions may be registered under the Department of Registrar of Companies and Official Receiver. According to the Cyprus Statistics Department, in 2011, all non-profit organisations had 5,707 employees and a contribution to GDP of 150,000,000. Standing to the most recent data, there are 185 NGOs registered under the Associations and Foundations Law.

To address the issue of liquidity that enterprises face and to create growth and jobs, the Government of Cyprus has developed the Cyprus Entrepreneurship Fund (CYPEF). CYPEF is an initial 200-million-euro fund pooled together by the Government and the European Investment Fund (EIF). It aims to support and strengthen entrepreneurship in the country by enhancing access to finance for SMEs and self-employed entrepreneurs by providing working capital as well as investment loans. A first call for financial intermediaries was announced in March 2014. The Fund does not state any special criteria in terms of added social value or social impact. When fully implemented, the CYPEF should be expected to contribute to the financing of social enterprises, at least those which are registered under the Company Law. However, the Fund does not mention eligibility of financing of operators of the social economy (such as associations, voluntary organisations or foundations).

As Social Entrepreneurship is a recent phenomenon, Cyprus has no legal, regulatory or fiscal framework for social enterprises. In addition, there is neither a strategic plan for the development of social entrepreneurship nor a recent completed mapping that will provide the necessary information on the number, size and scope of social enterprises. Yet there is growing interest in the country on social entrepreneurship, and the current economic crisis provides an opportunity to push the sector forward and create the ecosystem that will enable its growth.

As regards the government policy on this field, at present there is no integrated theoretical framework for social economy. The only relevant model is the “aforementioned State Scheme”, which is approved by the Council of Ministers in Cyprus and is applied through Social Welfare’s Services policy. This Scheme offers annual grants for running expenses, as well as for capital expenditure. The grant varies between 30% to 50% of their annual budget, while the remaining funds are gathered from charitable activities and payments received from beneficiaries. In order to be awarded with the grant, applying organizations must provide evidence that they satisfy essential needs towards social cohesion. In order to further develop the situation, the main issue is to establish an integrated theoretical framework and well defined social economy units, so that social economy will become a valuable player that contributes to the GDP and towards the increase of employment and social cohesion.

For the short term, Social Welfare Services will pursue to establish networks with all relevant stakeholders at district level, with an essential role undertaken by local authorities. Within the framework of this network, NGOs will receive additional technical support in order to improve their management and quality of services. There is also a number of relevant NGOs applying and receiving extra grants from the Ministry of Health as well. In 2011 the Ministry of Health granted an amount of approximately € 2,5 million to NGOs which focus upon health issues. Also, the Ministry of Education and Civilization provides support to NGOs operating in educational field and employing professional staff.

Furthermore, there is also an official institution, the Pan Cyprian Volunteerism Coordinative Council, which has a broad role for the coordination and development of the voluntary sector and volunteerism in general. This organization is expected to provide essential support to the Social Welfare Services, as a consultant in terms of policy making. In conclusion, there is still work to be done to get the social economy of Cyprus at the level of other countries, although the exchange of practices with them would definitely bring an improvement of the social economy situation in the country.

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SOCIAL ENTREPRENEURSHIP IN PRACTICE

The next part of the research present a collection of existing social enterprises and educational activities in the field of Social Entrepreneurship. These examples give a good understanding of what exists in practice at the moment around all five European countries, what are the needs that they respond to and are the best practices that can inspire our work on this strategic partnership.

FORMAL AND INFORMAL EDUCATIONAL SYSTEM, NETWORKS AND MUTUAL SUPPORT

ROMANIA

The Junior Achievement Social Enterprise 360 analysis showed in 2015 that “the concept of social entrepreneurship is rather new in Romania and its significance is largely developed by practitioners in the social field and presented as examples of good practice that often lack academic rigor. It is therefore necessary to provide a theoretical perspective of social entrepreneurship by which to clarify its conceptualization and specific components. In general, attempts of conceptualizing social entrepreneurship can be divided into four common themes: (1) focus on social profit rather than economic profit, (2) the social activist role played by the social entrepreneur, (3) elements of social innovation and entrepreneurship and (4) creating and using economic profit as a means of solving social problems rather than an end in itself.”

The development of the social entrepreneurs in Romania was largely sustained by the European Social Fund Operational Program for Human Resource Development (OPHRD Romania) 2007-2013.

The Sectoral Operational Program Human Resources Development (SOP HRD) strategic objectives supported the fulfilment of the common objectives at the European level, concerning the provisions of an increased participation on the labor market of a highly qualified and adaptable work force, focused on the education system improvement and his adaptability to the labor market demands, to promote lifelong learning, to improve the employees and enterprises adaptability, to ensure the necessary qualifications and knowledge for integration and mobility on the labor market, supporting and facilitating economic development.

Despite this emerging field and the magnitude of the funding and expertise involved during this period of time, the most of the European funded projects for training social entrepreneurs did not respond with social effects expected, corresponding to the amount invested. One reason that these initiatives did not totally succeed is that the projects were developed over short periods of time, which does not allow the proper acquisition of notions and even less a change in attitude and behavior which would lead to a different acting pattern, correlated with the fact that individuals subjected to education are short periods of time, which does not allow the proper acquisition of notions and even less a change in attitude and behavior.

The documentation on formal or informal educational programs on social entrepreneurship shows rather singular, private initiatives, not integrated into a common, national coherent strategy or approach.

- **Get Ready for Entrepreneurship** course, 2014, developed in the project financed by the Erasmus+ Youth in Action Programme (the Romanian, Belgian-FR, Hungarian and Swedish Erasmus+: Youth in Action NAs, in co-operation with SALTO-YOUTH Participation)

  The course aimed to inform and raise awareness among participants about the characteristics, benefits, values and factors for success of social entrepreneurship and to offer a holistic multi-stakeholder collaborative approach to social entrepreneurship.

- **JA Romania** program “Be a leader”, the first training on social entrepreneurship developed in Romania, started in 2004.

  The educational JA program Be a leader had the objective to help students understand the meaning of entrepreneurial initiative for social change and the role of a community leader as a person who identifies resources where others see only problems and to consider people as being more than just passive recipients. The program also involved a projects’ competition that motivated high school students to identify real problems from their community, come up with original solutions and work in teams to implement locally real projects for solving the addressed problems and obtain measurable results.

- **Top Quality Management - Consultation Company** organizes “Entrepreneur in Social Economy” paid courses. The course is certified by The National Authority for Qualifications and follows some specific competences: to be able to realize the feasibility study, the business plan and the business management, the developing of the social plan and management of the social activity, promoting the social entrepreneurship and representing the business in external relations.

- **The Foundation Center Entrepreneurship and Executive Development in Romania – CEED ROMANIA** implemented in 2014 the Learning by Sharing: mentoring for social entrepreneurship development 1 year project, financed by the American Cultural Center of the United States Embassy in Romania, aimed to develop social entrepreneurship in Romania through volunteer mentoring support provided by business and NGOs experienced managers. In this regard, 11 NGOs were made aware of the social entrepreneurship importance and of the ways to start up social enterprises; 10 volunteer mentors selected and matched with mentees; 10 NGOs received assistance to develop business ideas and start creating feasible business plans.

- **The master degree program on Entrepreneurship and Strategic Management** at the Management Faculty, National School of Political and Administrative Studies in Bucharest.

  The program is designed to develop management skills and entrepreneurship in order to be relevant to those interested in careers such as entrepreneurship, business management and management of SMEs, innovation labs and incubators, corporate entrepreneurship, social entrepreneurship.

- **The master degree program in Social Entrepreneurship** at the Faculty of European Studies from the Babes Bolyai University, Cluj-Napoca – has as general objective to create the opportunity for students to get the necessary know-how to activate within social economy, to develop social enterprises and social responsibility practices in organizations with an economic purpose.

It becomes clear that more, systematic and consistent approach of education and mentorship in social entrepreneurship is needed, at all levels, in order to generate a significant change in the environment of the Romanian social entrepreneurship.
BULGARIA

Social entrepreneurship and its concepts are becoming more and more popular in the Bulgarian education mechanisms - both formal and informal. However, the overall assessment is that social entrepreneurship is still not well covered in mainstream business and economics education.

Currently, two universities in the country provide educational programmes in Social Entrepreneurship. The St. Cyril and St. Methodius University of Veliko Tarnovo is a public university which offers a Master programme aimed at persons graduating from a Bachelor or higher degree in the field of social work rather than business or economics. The learning outcomes are mainly related to development of skills in the sphere of social service provision or corporate social responsibility in companies rather than skills for starting and managing genuine entrepreneurial ventures. The New Bulgarian University is a private university that also provides a Master programme in Social Entrepreneurship. It is likely to be devised to build capacities and skills primarily for social work, non-profit work and social service provision than for entrepreneurial ventures. Another formal educational institution is the private American University in Bulgaria. It provides a course in social entrepreneurship as a part of its Executive MBA programme. Apparently, there is no perceived need for offering specialised Bachelor degrees on the topic.

According to the Research report for Bulgaria “Involvement of business in promoting sustainable development at the regional and local levels”, in vocational education and training, the availability of quality training materials in Bulgarian is even more indispensable due to the fact that VET trainees are less likely than higher education students to be able and willing to read in English.

Informal education in the field of social entrepreneurship are usually used for raising awareness via ad hoc conferences and master classes. Bulgaria hosts an annual European fair of social enterprises and cooperatives. It is part of the International Plovdiv Fair and is co-organised by the European Commission, the Bulgarian Ministry of Labour and Social Policy, the Bulgarian Agency for People with Disabilities and the National Union of Workers’ and Producers’ Cooperatives. The 2016 edition attracted over 100 social enterprises and cooperatives.

Another interesting event from 2016 dedicated to social entrepreneurship in Bulgaria is the Alpha Ω ACADEMY OF SOCIAL ENTREPRENEURSHIP. The academy provides space for learning, networking and collaboration with future partners. International speakers share practical examples from diverse topics, which can be modified and applied to local context. The ultimate goal is to create a positive legacy of inspiration for future entrepreneurial feats. Alpha Ω Academy is jointly initiated by alumni of the premier International Visitor Leadership Program of the U.S. Department of State, the U.S. Embassy in Sofia and the Bulgarian Institute for Legal Initiatives.

The overall conclusion is that special attention still needs to be paid to covering the issue of social entrepreneurship in traditional economics, business and entrepreneurship Bachelor and Master programmes.

At a government level, the responsible institution for social entrepreneurship in Bulgaria is the Ministry of Labour and Social Policy. The Ministry maintains a website focused on the social economy - http://seconomy.mlsp.government.bg/.

Other networks and relevant organisations that provide information and news on social entrepreneurship on their websites and can be consulted for more information are:

- Institute for Social Entrepreneurship www.sociale.bg

Informal network of organisations and individuals working in the field of social entrepreneurship. It is created in the framework of a project funded by Operational Programme “Human Resources Development”. The leading organisation is the Bulgarian Charities Aid Foundation which is also actively involved with Corporate Social Responsibility in Bulgaria. The platform represents both start-up and existing social enterprises, connects them in a network, and supports the development of their capacity and their growth.

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In practice in the educational sector there is a Social Entrepreneurship Centre at the University of Ljubljana which brings together the University and 6 members of the University with the aim to develop research, education, consulting and other support activities in social entrepreneurship. The Centre was established by the University of Ljubljana, Biotechnical Faculty, Faculty of Economics, Faculty of Social Sciences, Faculty of Social Work, Faculty of Administration and Faculty of Education to set up an applied framework for research and development that connects researchers, educators and students from different areas with the economy and non-governmental sector, while offering potentials for cooperation to all those interested in the topic.

School for advanced social studies has a 4 semester post-graduate Master’s programme Social entrepreneurship. GEA College is an educational centre where they provide programmes on entrepreneurship in different semester lengths. The formal educational system in Slovenia has recognized the development of the social entrepreneurial filed and has modified their curriculum in some extent, nevertheless there are more informal educational programmes and workshops on this topic provided by NGOs, private companies, etc.

Current unemployment rate of youth (16 – 30) is 20.6 % of all unemployed people in Slovenia. There are some theoretical studies of how to tackle Slovenia’s high youth unemployment including the revial of apprenticeships and employment counselling. Young people are having huge difficulties finding jobs: they wait longer for their first job than in the past, and are more likely to be unemployed long term. Whereas the studies are only a statistical representation of the problem and do not offer any content solutions to the ever-growing problem of the youth unemployment, which by statistical data for the following years will remain on the same level with some seasonal fluctuation. There is a gap between the needs of employers and young people’s educational structure. The Slovenian labour market has too few workers with primary and vocational education, and has too many young people with higher levels of education. The recommendation of the Employment Service of Slovenia is formal and informal vocational and other training and workshops to enhance competences of the young not upheld by the formal education system. The social entrepreneurship competences and skill are purely included in the formal educational system therefore the main responsibilities lie on the informal educational organizations and projects as this.

Still there is lack of knowledge and concrete actions in the field of social entrepreneurship. The structure is set, but the actions, content and implementation is missing. Most of the social enterprises are facing lack of the funding after the funding period of the national / international funding programmes ends. Furthermore, the formal structure is not addressing the challenges such as high youth unemployment rate, long term unemployment, lack of developing skills for long term unemployed.

GERMANY

EXISTING CURRICULA AND LEARNING MATERIALS

So far, it was not really explored how entrepreneurship is formed in general schooling. Therefore, Dr. Vera Kirchner and Prof. Dr. Dirk Loewald created the basis for „Entrepreneurship Education in the ecological education“. The research shows scientific possibilities and limits and determines concrete existing curricula. Through this, it was created an extensive theoretical basis in order to support the entrepreneurial thinking and acting in general schooling. After that, there were developed certain teaching modules for the concrete application in the lesson. In order to safe the applications, it was developed an analysis of the curricula. In contrast to other offers, those teaching modules base on scientific research and are evaluated based on their fitting. Therefore, entrepreneurship-thinking can be established in school lessons.

The teaching modules are summarized as copy templates in an order with each 5 modules for the secondary levels I and II. The documents are textually focused on the following points:

- Fundamentals of social entrepreneurship
- Enterprise and founding of enterprises
- Employees in the economical sector
- Economical policy and economical order
- Entrepreneurial responsibility

Teachers who are interested can receive the modules for free.

FUNDING PROGRAMS AND SUPPORT OF SOCIAL ENTREPRENEURSHIP

The Social Entrepreneurship Akademie supports social entrepreneurs in their projects, offers guidance, assistance and accompanies them with implementations.

The start-up support is available to all founding-willing people and social enterprises inside and outside of universities. The decisive factor for the support is a social impact and the sustainability of the projects.

Another example for funding programs and support is Social Impact Start.

A focus of the work of Social Impact is the support of social start-ups which wants to solve social challenges entrepreneurially. Social start-ups receive scholarships and qualification programs which include professional consulting, networking and co-working work places.

12 SIS: http://socialimpactstart.eu/programme

11 SEA: http://www.seakademie.de/beratung-foerderung.aspx

10 https://www.joachim-herz-stiftung.de/was-wir-tun/wirtschaft-verstehen-gestalten/teach-economy/entrepreneurship-education/
In 2003, the Government of Cyprus supported the development of four business incubators:

1. Diogenes Business Incubator
2. Helix Business Incubator
3. Hermes
4. Prometheus Business Innovation Center

The incubators were developed through support by the Ministry of Commerce and Industry. The main target group of these business incubators has been high-technology enterprises. For example, Diogenes Business Incubator’s vision is “to pioneer the transformation of Cyprus into an important center, in the Eastern Mediterranean, in the area of commercializing high technology research and innovative ideas through supporting the creation and development of innovative start-ups.”

The services offered by incubators include entrepreneurship training/coaching, access to funding, accommodation (furnished, equipped office, internet, telephone, meeting rooms facilities, etc.), office support (secretarial and reception service), legal, accounting/taxation assistance. In exchange of their services, the incubators often become shareholders of the start-up company and have a share in its profits.

In addition, the government is in the final phase of establishing the first Science Technology Park, in order to create an important infrastructure for the promotion of research, innovation and high technology in Cyprus. Its ultimate goal is the “contribution towards the diversification of the country’s economy and the transformation of Cyprus into a regional applied knowledge-based hub.” The companies which are targeted by both the current business incubators and the Science Technology Park are mainly technology-oriented and/or enterprises with high potential for profits. As social enterprises are not profit-oriented, the chances that they will be accepted in such a support infrastructure are rather slim.

Efforts to develop visibility of the field of Social Entrepreneurship are recorded as far back as December 2008, with the presentation to the Cypriot public and policy makers of “Acta Vista,” a Work Integration Social Enterprise (WISE) from France at a European Conference organised in Nicosia titled “European Heritage for Employment.” The Acta Vista model of employment and work inclusion has been presented on many occasions since then, to raise awareness of social entrepreneurship and its potential to address social issues, such as unemployment and social exclusion. In the same year, a comprehensive study was completed on behalf of the Social Welfare Services on the implementation of social economy programmes for the activation of vulnerable groups of people, which explored social entrepreneurship as an approach.

In 2010, in an effort to create more awareness of the field, the first Conference on Social Entrepreneurship was organised in Nicosia by the SYNTHESIS Center for Research and Education Ltd, an enterprise which has been working to develop and promote social entrepreneurship in Cyprus since 2010.[9] Between 2011 and 2013, the efforts to promote the sector took place mainly in the form of conferencing and training events and were the result of private efforts, through self-financing or through support of the Life Long Learning Programme of the European Union. The Leonardo project “Ignite Europe: Training Trainers to Develop and Support Social Entrepreneurs” was implemented in Cyprus as well as the United Kingdom, Bulgaria, Lithuania, Germany, and Sweden during the same period.

In 2013, two European Conferences on Social Entrepreneurship were held in Cyprus: “Social Entrepreneurship: Innovation for the Future,” aimed to provide visibility of social enterprises that work in the environmental sector, and the European Conference “Social Entrepreneurship in an Economic Crisis,” which focused on the potential of Social Entrepreneurship to alleviate Cyprus problems during the financial crisis.

In May 2014, the Cyprus Unit of the European Social Fund organised the “Workshop on Social Economy and Social Entrepreneurship” with local and foreign experts. The Workshop aimed to provide information on social economy/social entrepreneurship and open a forum for discussion for policy makers, social partners, and public administrators. The discussion centred on the competition social enterprises can pose to the market; the pros and cons of establishing a legal framework in a top-down approach or allowing the sector to develop itself, in a bottom-up approach and then recognised or regulated.

Today a growing number of Cypriot institutions, including universities, business schools and NGOs, show an increasing interest on the field and undertake initiatives that increase awareness of the field of social entrepreneurship. Hub Nicosia, a community space for social entrepreneurs which will also serve as an information point on Social Economy is also underway. The project has received partial funding from the Stelios Philanthropic Foundation and the Norwegian grants. Visibility efforts on social entrepreneurship have been so far the result of private initiatives in the form of conferencing events, seminars and trainings and have been self-financed or through funding from EU’s LLP programme or other donors.
SOCIAL ENTREPRISES – GOOD EXAMPLES

ROMANIA

The number of the active social enterprises is very low in Romania, despite of the significant funding that was provided through European programs aimed to develop the social entrepreneurship. In 2016 The Ministry of the European Funds published that “…the share of employees in the social economy sector is 1.7%, comparing with 6.5% average in UE”.

The Atlas on Social Economy, last published in 2014 by the Social Economy Institute, in cooperation with Civil Society Development Foundation, had the objective to provide a comprehensive statistical picture of the dimensions of the social economy sector in Romania and of its main actors (associations, foundations, cooperatives, credit unions of pensioners and employees, commercial companies controlled by social economy organizations) and to provide an analysis of main trends registered by the sector. According to the document, the research from 2012 showed that there were identified a number of 39,347 organizations in the area (cooperatives, credit unions and commercial companies held by social economy organizations).

After four years, in October 2016, Oana Toiu, State Secretary with the Work Ministry, declared that in Romania “are active around 10,000 legal entities that are pursuing a social impact through economic mechanisms, in various forms, which can require certification under the Romanian Law on social economy (no. 219), and becoming social enterprises or social enterprises of insertion”. After registration, this social economy enterprises are encouraged to apply to public funds, both governmental and European.

According to the Unified Registry of Evidence, published by the National Agency of Employment, in February 2017 were registered 70 social economy enterprises. The process is ongoing, but it appears that the overregulation of the procedure discourages this type of organizations to require certification.

In practice, in Romania act more than 70 social economy initiatives, and the social entrepreneurship is a rising sector, with immediate impact in communities.

GOOD EXAMPLES

NESsT

The foundation develops sustainable social enterprises that solve critical social problems in emerging market economies. NESsT is a catalyst for emerging-market social enterprises that:

- provide sustainable income opportunities for low-income individuals.
- promote labor inclusion, by creating employment options for marginalized groups.
- make affordable technologies and basic services accessible to underserved markets.

As an international organization, with a Romanian subsidiary, NESsT has developed from 1997 sustainable social enterprises, from planning to scaling, using a multifaceted approach that includes financial investments, capacity support and social capital. The impact areas are:

Labor Inclusion - Enterprises targeting groups excluded from the labor market by employing them or providing them with training and placement services. Target populations include at-risk youth, ethnic minorities, people with disabilities, and others excluded from the labor market.

Sustainable Income - Enterprises operating through cooperatives or producer associations to increase the income of their members. Target populations include artisans, small-scale farmers, and micro-entrepreneurs.

Affordable Technologies - Enterprises commercializing affordable technologies focused on renewable energy, water, sanitation, and sustainable agriculture; to improve low-income and marginalized communities’ income and quality of life. Target populations include communities without access to basic services or to innovations to meet their basic needs.

MBQ is a network of social economy enterprises and small workshops funded by the Romano ButiQ NGO - http://romanobutiq.ro/. The product designers from the MBQ network develop new products, grouped into premium life-style collections, relying on traditional production techniques and influences of Roma culture. The products can be seen and bought also in the MBQ shop open in Bucharest.

Impact Hub Bucharest

Part of a global network, the organization quickly developed a global network that has over 11,000 members in 70 places. Each community creates innovative and sustainable programs, events and new content.

The Bucharest space acts like an innovative laboratory, a resources center, a business incubator and community center. The projects of the members of the community cover a wide range of industries and professions, from ecology and urbanism to businesses with social and educational impact, innovative online platforms, social integration, corporate intrapreneurship, and more.

Impact Hub helps to create new projects and organizations, stable entrepreneurial models meaning to change communities for better.

Fundatia Cartea Calatoare (The Traveling Book Foundation)

Of the 5,300 libraries and bookstores in Romania, only a few offer disability-friendly technology to meet the needs of approximately 90,000 visually-impaired citizens.

Cartea Calatoare produces audio books in DAISY (Digital Accessible Information System) format to allow the visually impaired to enjoy reading at their local libraries just like any other independent person.

The Foundation supports integration into society of the persons with visual impairments and their easier access to information, education and employment. The organization’s services offers the necessary support for the persons with visual impairments to be informed in any field and to pursue any type of education.

MamaPan Bakery

Started as a European funded project of social economy, the social enterprise MamaPan offers jobs in the bakery to single mothers and to more than two children mothers who are in vulnerable situation, affected by poverty or social and economic exclusion.

The financial gain obtained by selling the bakery products goes to fulfill the social mission of the enterprise - the creation of new jobs. MamaPan social business invests in economic performance as well in the consideration for the employees and clients.
Viitor Plus Association (a social NGO www.viitorplus.ro) established “Atelierul de pânză” as a protected social economy enterprise, so called “protected unit” (30% of personnel are people with disabilities and has a special authorization from the Labor Ministry). The shop recycles fabrics in order to produce personalized bags, pencil cases, the covers for books, folders for laptops etc. created from natural cotton or textile waste, that can be adjusted and customized.

Atelierul de pânză – The cloth workshop

SHORT DESCRIPTION OF ORGANISATION

The Co-operative, “Rayna Knyaginya - P” Ltd, provides employment for people with different types and degrees of disability. They produce plastic products (packaging for creams and clothes hangers), sew working clothes and make different logos and marks on fabric. All the people working in the co-operative are disabled and, for the rapid adaptation to the labour process, need mentors from the senior staff of the cooperative. The social impact of the enterprise is in the creation of employment for people with disabilities.

VISION AND MISSION

Integration of people with disabilities into the labour market. The motto of the firm is “A variety bigger than your imagination”. It constantly pursues innovation. One of its core objectives, however, is to guarantee integration of people with disabilities into the labour market.

ACTIVITIES

The enterprise provides employment for individuals with different degrees of reduced work capacity. 46 new jobs have been created for people with disabilities. For the successful adaptation of the employees to the working process, the firm has embraced the practice of mentorship by senior employees and all kinds of physical and emotional support for disabled people. The main objectives are to achieve long-lasting and sustainable relations between the enterprise, its customers and its employees. The activities on which the firm focuses are: investment in human capital, development of human resources and constant professional learning; investment in productivity through automation of production; maintaining a high quality professional production environment.

BULGARIA

From Co-operation to Corporation

SHORT DESCRIPTION OF ORGANISATION

The NadEzhko bakeries, developed under the company NadEzhko, are part of the Bread Houses Network and offer an innovative mix of an organic bakery with interactive bakehouse and a community centre, where people of all walks of life, socially excluded groups and people with disabilities mix to regularly make, bake, and break bread together. The company sells both high-quality breads and other boutique foods and unique services (Bread building team building; Theatre of Crumbs events; Bread in the Dark/BIND, led by blind people). The company’s 10 unique methods of bread-making with diverse art forms are proven internationally as a new form of art therapy “bread therapy”.

VISION AND MISSION

The NadEzhko bakeries are planned as a social franchise, with bakeries in neighbourhoods around the world serving also as the local community and social integration centre. The bakeries have the mission to train and employ as bakers low-income people and orphans (bakers, team building trainers, and community organizers), as well as people with diverse special needs and potential to develop good social skills (sight-impaired, handicapped, people with Down Syndrome, etc.) to be our community workshop facilitators in the collective bread-making events. The mission of these bakeries is to serve as the community gathering points that reignite local traditions, educate about solidarity, equality in diversity, cooperation in sustainable living and nutrition, arts and creativity.

ACTIVITIES

NadEzhko offers a wide variety of ecological, handmade sourdough breads and different ecological products from Bulgaria. In the bakery people from vulnerable groups are trained and employed people: orphans, long-term unemployed, mothers of many children. NadEzhko offers diverse special paid programs, and the financial income from its paid services supports:

- Regular weekly free Bread therapy sessions with our proven methods helping people with disabilities, orphans, women victims of domestic violence, former prisoners; veterans; elderly homes and hospices;
- Regular weekly community baking events for mixed groups fostering social cohesion and integration across all ages and special needs;
- Ovens for Peace Program: uniting refugees and local people to make bread and share their diverse traditions in order to foster the refugees’ local social integration.
SHORT DESCRIPTION OF ORGANISATION

The micro social enterprise “HOPe Soap” provides employment for young people who have left institutional care settings. After adequate training the youngsters produce and sell handmade soaps and, as such, are able to earn their own income. The main effect is the provision of employment and income for young people raised in orphanages and thus the social enterprise helps them to build skills for an independent life.

VISION AND MISSION

To establish an integrated approach for the provision of social services and development of social and employment skills for disadvantaged young people from social institutions.

ACTIVITIES

Handmade soaps. Soaps are made from a base ready to be melted. Fragrances, colours, etc. are then added and poured into special moulds. After cooling, soaps are packaged and are ready for commercial distribution for corporate events, weddings, etc. Socially excluded young people with few chances for labour market integration receive opportunities to earn their own income. Furthermore, there is potential to expand production and hire more people from the same social background.

SHORT DESCRIPTION OF ORGANISATION

Samaritans Association emerged in 1998 with the main mission to work for full inclusion in society of disadvantaged children, youth and families in the municipality of Stara Zagora. By 2007 the association has realised more than 35 projects and initiatives of public importance to support vulnerable children and families. The association operates a centre for social and educational support to vulnerable groups of children, crisis centre “Samaritan House” and complex for social services. Activity of the social enterprise is involved in manufacturing and marketing of apiculture products and beekeeping equipment and technology, and began operating in 2003. The main purpose of its creation is to develop economic opportunities and skills of the organization to generate revenue from the production and marketing of honey, other bee products, beekeeping equipment and technology to ensure the financing of social services provided by the organization.

ACTIVITIES

The main activity of the social enterprise is to promote beekeeping, products, technology and science achievements among the general public and to meet the professional and business interests of producers, processors and traders. Besides producing social enterprise develops business through its own store. Another new trend is that the Samaritans Association is the official representative of the Danish company “Swienty”, which is one of the world’s leading manufacturers of high quality beekeeping. Samaritans Association managed “Eurocentre for modern beekeeping and technology”, where year-round offer specialist advice and training for beginner beekeepers and young people wishing to engage in professional beekeeping. The revenue of the Social Enterprise Samaritans Association helps to secure social services for children, young people and disadvantaged families in the Centre for Social and educational support. Because of this social enterprise customers cannot only enjoy the different goods and products, but also support the social cause of the organisation.
SLOVENIA

ZDRUŽENJE EPEKA so.p.
epeka@epeka.si  http://www.epeka.si/

SHORT DESCRIPTION OF ORGANIZATION AND MAIN ACTIVITY
Scientific- research association for art, cultural and educational programs and technology EPEKA. They are multidisciplinary organization, active on field of culture, art, education, youth, ecology, research and social enterprise. They work on local, national and international level. Have of branch in Turkish Sinopu, Austrian Graz, Czech Breclavu and Armenian Yerevan.
They founded the first Gypsy restaurant to Romanika kafenava https://www.facebook.com/romanikafenava in Europe, that works round principle of social enterprise.

They were founded for intention of cooperation at Maribor 2012 - the European capital of culture, they suggested candidacy to the Municipality of Maribor for Maribor 2013 - the European capital of the young’s and Maribor 2020 - the European capital of Gypsies is now in procedure.

Zavod Carnus, so. p.
info@carnus.si  http://www.carnus.si/ http://www.carnus.si/dogodki-in-akcije

VISION AND MISSION
Mission of Institute Carnus, so.p. is conservation of nature and with this creation of new, green positions. It is founded with intention, that searches for solutions at stimulation of social solidarity with innovative approaches. Activity in charge:
Conservation of nature, stimulation to re-usage of already discarded objects, informing the public on the meaning of disabling and reusable of waste.

ZRP Pomelaj, z.o.o.
pomelaj@siol.net pomelaj@gmail.com  http://www.pomelaj.si/

VISION AND MISSION
Developing of programs, products of countryside, participating of vulnerable target groups in activity of cooperative, to offer them support both on field of production of information and at execution of activity, sale of limits, that occur, keeping traditional activities with intention.

GERMANY

Social Entrepreneurs play the role of change agents by adopting a mission, recognizing opportunities, engaging in innovation, acting without being limited by resources currently in hand, exhibiting accountability15.

In Germany, Social Entrepreneurship offers the possibility to fulfill technical and social innovations to improve health, education and environmental conditions16. The essential feature of Social Entrepreneurship is that the respective organization tries to solve social and ecological problems. Therefore, a common welfare is the aim the most important17.

Half of social enterprises have a low annual income under 0,25 billion Euro and therefore, they are rather microenterprises. Nevertheless, there are also participants with an annual income over 5 billion Euro.

The number of Social enterprises in Germany can be estimated by splitting the different divisions:

In the income-based division, there exist approximately about 1000 - 1500 strong innovatively social enterprises and about 40.000 - 70.000 non-innovative social enterprises.

Moreover, in the non-income-based division exist about 1.500 – 2.500 innovative social enterprises. However, there are almost no non-innovative social enterprises in this division.

In Germany, most of the social enterprises are locally active. According to certain data analyses, most of the social enterprises are very young organizations with a hybrid income structure from both public and private funds. Especially voluntary work plays an important role.

FIELDS OF ACTIVITY AND FINANCE
The field education and science (day care centers, Independent Schools) are financed by for example the parents, thus the finance is organized by the market. Moreover, the field social services (child and youth welfare) is financed by public sponsorships (infrastructure, projects) and social welfare.

The field social housing (joint building) is financed both by the market and membership fees from cooperatives. In order to finance certain fields, social enterprises also resorting to private means such as conveyors from foundations and donations.

SOCIAL ENTREPRENEURSHIP IN GERMANY
One of the most popular foundations in the field of Social Entrepreneurship is BonVenture – Fonds und Stiftung für soziale Verantwortung. The BonVenture group is located in Munich and solves social and ecological problems in German-speaking countries. Therefore, the foundation transfers the successful projection of Venture Capital programs to social and ecological problems. Venture Capital supports BonVenture with funds (own capital or loans), counseling and certain network-activities. This offers the chance, to support innovatively and strongly social or ecological engagement in the long term18.

Another example for Social Entrepreneurship in Germany is the Vodafone Stiftung. Its focal points of support are education programs and social entrepreneurship. Currently, the foundation supports the Quinoa-School which is supposed to offer socially disadvantaged teenagers equivalent opportunities by showing them a perspective of education and career opportunities. The secondary school opened in august 2014 in Berlin-Wedding where currently 68% of the teenagers live in households supported by welfare. 85% of the students do not have a perspective of career opportunities19.

A current example of a social entrepreneur is the German Andreas Heinicke. His work with blind persons is based on the observation that people have prejudices and fears towards disabled. This makes an appropriate handling complicated and difficult. Heinicke wants to solve this problem with “Dialog im Dunkeln” – a platform where the sighted people experience darkness. Guided by blinds, they learn to see in a new way. “Dialog im Dunkeln” shows a system of integration with the aim to overcome prejudices and to reduce compassion towards blind in order to give back disadvantaged groups their place in society.

15 CSI: https://www.kkw.de
17 The Changer: http://thechanger.org/community/social-business-deutschland-eine-bestandsaufnahme
Also the state takes measures in order to give people coming from disadvantaged groups the chance to find a job. Therefore, there are certain conditions for an enterprise such as the anti-discrimination law, the rate of employees which means that at least 5 percent of employees of an enterprise with at least 20 employees has to be disadvantaged. Otherwise the enterprise has to pay a penalty of 260 Euro per month. Moreover, an enterprise gets a benefit of maximal 70 percent of the wage for 12 month for the employment. Another point is the integration of refugees. Even though there are some several enterprises who already employ refugees (Porsche, Daimler), Germany is currently rather overstrained. Therefore, Germany has not yet an agreement or a program how to deal with the situation.

In addition to that, the bureaucratic situation in Germany hinders enterprises to find a solution for the integration of disadvantaged groups.

Also Ekaterina Karabasheva is an example for social entrepreneurship in Germany. She suffered from anorexia. During her therapy, she was requested to minute her eating behavior. In collaboration with the Berliner Charité, she developed an app in order to update just this kind of therapy. With Jourvie, Ekatarina Karabasheva improved the therapy. Therefore, she belongs to the few start-ups which decided to improve the health status.

CYPRUS

In Cyprus there are seven social enterprises identified and those can be categorised as either volunteer/NGO organisations, private companies or cooperatives.

VOLUNTEER/NGO ORGANISATIONS

There are nearly 400 volunteer and NGO organisations under the auspices of the Commissioner of Volunteerism. These organisations are registered under the following three different legal frameworks:

- Under the Pancyprian Coordinating Body for Volunteerism Law No. 61 (l) of 2006
- Associations and Foundations Law (57/1972)
- Private Companies by Guarantee (Law 113)

It should be noted that there’s not a legal entity for NGOs in Cyprus. NGOs’s are often companies by guarantee which do not distribute profits. Volunteer and NGO organisations that can be described as social enterprises include:

Anakyklos Perivallontiki - Set up in July 2010, Anakyklos is a non-for-profit environmental organisation aiming to actively contribute towards a clean, healthy and sustainable environment. The most important activity of Anakyklos is the textile collection and recycling. By collecting and recycling used clothes, shoes, linen and other items, Anakyklos contributes to the reduction of the volume of waste that end up in landfill, giving useful items to people who cannot afford to buy new clothes, and process textiles that cannot be reused so that they are turned into wiping clothes, fibres, insulation and other materials. With appropriate recycling, only a small proportion, around 2 per cent will end up as rubbish.

Cans for Kids - Founded in 1990, Cans For Kids is a registered charity that organises the collection and recycling of aluminium cans in Cyprus. It uses its proceeds to purchase medical equipment for the children’s wards at Cypriot hospitals. Since its inception, more than 25 million cans have been collected, and over €260,000 worth of equipment has been donated to the Makarios Hospital in Nicosia, which is the central paediatric hospital in Cyprus, treating seriously ill children from all over the island. As well as upgrading the equipment - and therefore the standard of care - in Cypriot children’s wards, Cans For Kids raises awareness of the benefits of recycling by visiting schools to give lectures.

Agia Skepi Therapeutic Community – Organic Products - Founded in 1999, ‘Agia Skepi’ is a therapeutic community which provides services for adults who are long-term substance abusers and their families. It is registered as non-for-profit organisation and occupies 50 acres of land which is owned by a Monastery (religious/church organisation). The objective of the services provided is to help clients lead a life without drug and alcohol use. Vocational therapy and integration in society through meaningful employment is a key part of the therapy programme. For that purpose, members of the community farm the land and produce a range of organic products such as fruit, vegetables, dairy, eggs and bread. The products are sold commercial through a major supermarket chain operating in Nicosia and Limassol. Until recently, the organisation also operated its own shop in Nicosia but this was shut following complaints about the “unfair” market position by a group of commercial organic farmers.

COMPANIES

In addition to NGOs, there are also private enterprises emphasising social mission in their business models. However, they do not always have a clause on profit redistribution and thus may not fully qualify as social enterprises. Companies operate under the Law Chapter. 113.

The organisations presented below all have a social or environmental mission:

Green Dot (Cyprus) Public Co Ltd - Green Dot is the first Packaging and Packaging Waste Management System in Cyprus. The company is registered as a public company as it has over 50 shareholders. The Company has been set up under the Laws of the Republic of Cyprus and it is a Public unlisted company. In its mission statement it states that “In cooperation with the society, our mission is:

- The achievement of the National Recovery and Recycling targets.
- The optimization of our operational performance.
- The encouragement of voluntary participation through clear communication and simple methods.

AFIS Cyprus Ltd - the organisation was founded on the initiative of the Cyprus Chamber of Commerce and Industry (CCCI) as an umbrella organisation and now its shareholders are companies – importers of batteries liable to the Republic. Until the end of June 2013 members of the System were around 170 companies. The organisation has established a Board of Directors and as of the 1st of November 2007 it collaborates with Green Dot (Cyprus) Public Co Ltd for organizing and managing its operations. For better organisation the System has collaborated with the corresponding System in Greece (AFIS S.A.). Already, with the help of AFIS Greece, the development of the System was completed and on the 7th of April 2008 has officially submitted the application for the System to the Minister of Agriculture, Natural Resources and the Environment for accreditation. The organisation has an eight-member Board of Directors. Six out of the eight members of the Board represent the producers and are elected by the Annual General Meeting of the Shareholders. The other two members represent and are appointed by the Chamber of Commerce and Industry. One of the six members representing the producers is elected by the Board as the Chairman of the Board.

SYNTHESIS Center for Research and Education Ltd - SYNTHESIS Center for Research and Education Ltd is an innovative enterprise, aiming to inspire, develop and support social entrepreneurship in Cyprus. It was established in Oct. 2002 (as a Limited Liability Company by shares) with social inclusion as its primary objective. In 2010, it was reorganised to focus on the development of Social Entrepreneurship. Since December 2012, it is based in the United Nations’ “buffer zone” of the capital, Nicosia, in view of promoting social entrepreneurship across the divided country and contributes to peace and reconciliation.
COOPERATIVES

Cooperative institutions are not generally included in the discussion of social enterprises. The main reason for this is that their social goal cannot be clearly identified, as typically the objective of cooperatives is to serve the mutual interests of their members. Furthermore, historical trajectory and recent developments have meant that the role and future of cooperatives in Cyprus is rather unclear. Despite strong growth in the first half of the century and presence in nearly every village, developments in recent years have not been positive.

Cooperatives operate under the Law of Cooperative Societies of 1985 (N. 22/1985) with its amendment (N.1071/2013). Up to 2013, they were registered with the Office of Cooperative Societies. Of the 98 cooperatives registered, nearly one third were registered before 1950s. Only six cooperatives were registered after 2010; five in the wine production industry and one bookstore. The cooperatives in Cyprus operate under the Law of Cooperative Societies of 1985 (N. 22/1985).

More recently, during the financial crisis of 2013, the large size and proportion of unsecured debt carried by Cooperative Credit Institutions was uncovered. As part of the agreement with the IMF for restructuring of the Cypriot economy and financial services sector, an amendment to the Cooperative Law transferred the task of licensing, regulation and supervision of Cooperative Credit Institutions transferred from the Office of Cooperative Societies to the Central Bank of Cyprus. Additionally, the majority of cooperative credit institutions were closed or merged into larger organisations with the Government had to provide €1.5 billion in bond capitalisation. As a result 99 per cent of share capital is now held by the Government, thus challenging further any inclusion of these organisations in the social enterprise spectrum.

Notwithstanding these challenges, there are some cooperatives emphasising the social mission in their business models, whilst also serving their members’ interests.

For example:

Cyprus Women’s Coop Bank Ltd – The Cooperative Organisation “Initiative of Women” Cyprus Ltd. started its function in January 2001 in Larnaca under the jurisdiction of the Ministry of Commerce, Industry, and Tourism. The board members represent all districts and are banking experts, business owners, and academics, all offering their services on a voluntary basis. The objective of the organisation is to address male and female clients’ interests, to cooperate with the government and other institutions in Cyprus and abroad in order to attract funds and services in the framework of a number of projects, and to use these funds for the provision of more flexible loan terms. The Women’s Coop Bank is particularly sensitive towards enhancing women’s entrepreneurial activity, with 68 per cent of loans have been given to women.

CONCLUSIONS

The main purpose of the social economy, comparing to the market economy, is not the obtaining profit, but resides in improving living conditions and offering new opportunities for disadvantaged people or people part of the vulnerable categories. The social economy grew from the necessity to find new and innovative solutions for some social, economic or environmental problems of the communities and to meet the needs of the community members who are either ignored or insufficiently covered by public or private sector.

With an economic environment on the rise, after the 2008 financial crisis, Romania, Bulgaria, Slovenia, Cyprus and, also, Germany – considered the most solid national economy of Europe and the fourth biggest national economy of the world - confer more and more attention to the social entrepreneurship sector, the “third sector”; and to its concepts; methods, actions and outcomes.

Despite this general interest and the existence of a numerous good examples of social innovative enterprises, all organizations involved in MyNNOVA project consider that the social entrepreneurship sector needs more support and development from public and private stakeholders, in all 5 countries.

Regarding the general national legislation framework, this analysis suggests that the overregulation in this area of social entrepreneurship can potentially hinder the development of social enterprises, and the fact that legislation on social entrepreneurship is not necessary an incentive for establishment and development of social enterprises. In the same time, in all countries, except Germany, was identified the need of a more comprehensive and focused public policies and initiatives to support social enterprises, as tools for social inclusion and labour integration. Some of the areas where continuous support is required are:

- Advocacy and lobbying to improve the environment for social entrepreneurship;
- Capacity for training and assistance;
- International exchange and networks;
- Improved access to markets;
- Consolidation of the social entrepreneurship sector.

As far as of the educational status in the area, this report brings evidence that there is a general need for more entrepreneurial education for young generation, across the Educational countries’ systems, with a special focus on social entrepreneurship and social innovation concepts and methods, given the challenges countries are facing. The general documentation on formal or informal educational programs of social entrepreneurship shows rather singular or private initiatives, not integrated into a common, fluent strategy or approach. It becomes clear that more, systematic and consistent and on the long-term approaches of education and mentorship in social entrepreneurship is necessary, at all levels, in order to generate a significant change in the environment.

The development of instruments devoted to social innovation and entrepreneurship, such the European Euromentor platform on social mentorship for young social innovators, can support the assessment and, also, the educated approach of important challenges that all countries faces:

- High youth unemployment rate
- Developing skills for long term unemployed, such as entrepreneurship and digital skills
- Long term unemployment
- Accessible technologies
- Difficult access to jobs for people coming from disadvantaged groups (labour inclusion)
- Learning mobility and career guidance measures.
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