

Enhance social entrepreneurship and social innovation in Europe

Dear new Commission,

December 1st, 2019

Euclid Network, the European Network representing social enterprises, together with 24 of the most prominent national networks for social enterprises from 20 countries join forces to wish you a successful mandate.

As European Commission you are in a good position to enhance social entrepreneurship and social innovation in Europe. In this statement we present 7 priorities to keep impact-driven entrepreneurs advancing in Europe and its single market.

The European Union commits to implement the Sustainable Development Goals (SDGs) in its policies. Global trade, investment and business activity are the most powerful drivers of economic transformation and social change. So social enterprises, which trade for a social or environmental purpose, offer a business model to help achieve our shared objective for more equitable and sustainable development.

Every day in Europe, 2.8 million social economy enterprises employing some 19.1 million people and accounting for 6.3% of the total paid workforce in Europe are dedicated to solving societal challenges while running a sustainable business.

Like other businesses, social enterprise creates revenues, jobs and profits but their main objective is to create social value and transform lives for the better. They are working towards an inclusive and circular economy and a more cohesive society.

While the number of social enterprises continues to increase, we believe their positive impact on the European society and beyond could develop much faster and at larger scale. So here, we present recommendations to harness the potential of enterprises with a social purpose in delivering our common goals.

To further contribute to the social enterprise sector, we call upon you to build on the existing national and international social enterprise support programmes (such as the European Commission's Social Business Initiative*) to commit to the following Actions:

Proposed actions:

- 1 **Ensure visibility of social enterprises** amongst the general public, governments and corporates through a European wide Buy Social campaign.
- 2 **Advance towards a common understanding on the legal and regulatory framework** of social enterprises across Europe through cross-border learning and cross-border exchange.
- 3 **Improve access to finance for social enterprises** through:
 - simplified application procedures for EU funding, especially of the European Social Fund.
 - increasing the budget of EaSI guarantee instrument** (via Invest EU)
 - Investing in innovative financial products tailored to the specific characteristics of social enterprises.
- 4 **Promote socially responsible public procurement in Europe** through:
 - binding social and environmental clauses in 100% of EU tenders and public contracts.
 - encouraging Member States to include binding social and environmental clauses in all their public contracts.
- 5 **Invest and educate in impact measurement for social enterprises** to better demonstrate their positive effect on the economy and society.
- 6 **Enhance social innovation across Europe** through:
 - supporting internationalisation of social enterprises
 - building and enhancing (academic) knowledge on social entrepreneurship.
 - encouraging educational institutions such as schools and universities to cover social entrepreneurship skills in their curricula.
- 7 **Support intermediary organisations offering social enterprises assistance** in financing, networking, business advisory and development support.

We want to thank you for your attention to these points. Your stance and vision are crucial to the health of the European social enterprise sector, enabling improved impact of sustainable solutions to global challenges. We stand ready to work alongside you to further advance these priorities.

Your sincerely,



Find out more:

British Council & Social Enterprise UK (2015)
 ↓ **Think global, Trade Social**

European Commission (2015)
 ↓ **A map of social enterprises and their eco-systems in Europe**

Commission Expert Group on Social Entrepreneurship (2016)
 ↓ **Social enterprises and the social economy going forward**

Organisation for Economic Cooperation and Development (2017)
 ↓ **Good Practice Compendium**

*The social business initiative (SBI), launched in 2011, aims to introduce a short-term action plan to support the development of social enterprises, key stakeholders in the social economy and social innovation. It also aims to prompt a debate on the avenues to be explored in the medium/long term. There are 11 priority measures, organised around 3 themes.

**The EaSI Guarantee Instrument is funded from the EaSI Programme and is specifically dedicated to microfinance and social entrepreneurship. One of its key objectives is to increase the availability of and access to finance for vulnerable groups wishing to launch their own enterprises, micro-enterprises and social enterprises, both in their start-up and development phases.