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*Social Enterprises in Bulgaria – fuelling social
innovation and social inclusion*

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on “The Social Economy in Central,
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Background

- Bulgaria – EU accession as main driver for reforms and development
- Social sector – reform and decentralization / potential role for NGOs as social service providers
- Social enterprises – social service NGOs which conduct income generating activities
- Cultural – lack of solidarity and trust
- Political – strong state involvement / fragile civil society
- Socio-economic conditions – more people in need, decline of welfare state

Existing Problems and Obstacles

- NGOs in Bulgaria – low capacity and high donor dependency
- Fragmented support infrastructure
- Human resources and local networks
- Low risk taking and entrepreneurial culture
- Social inclusion – need for active measures
- Lack of awareness and recognition of Social Enterprises
- Financing

Social Economy Tools

■ Program action

- ✓ Assessment
- ✓ Selection
- ✓ Customized training
- ✓ Technical assistance
- ✓ Financial package – seed grants and no-interest loans
- ✓ External motivation and support

■ Lobbying activities

- ✓ Awareness raising
- ✓ Coalition building
- ✓ Active community PR campaigns
- ✓ Collaboration with advocacy NGOs
- ✓ Social economy platforms

Partnerships and Networks

- Partnerships with private sectors – skills matching and leveraging of resources
- Public sector – NGOs as realized partner in social inclusion of disadvantaged groups
- Networks – critical success factor (functional network of 40 Social Enterprises in Bulgaria)
- Exchanges and study tours – change of mentality

Key Lessons Learned

- Successful local practices can be transferred at national level policies
- Develop adequate support infrastructure
- Effective partnerships with private and public sector and leverage of resources
- Exchanges with academia
- Motivation and support from international organizations in changing mentality

Policy Implications – National Level

- Social innovation – enabling factors:
 1. Formal and informal networks – ability to mobilize communities, social capital
 2. Enterprising culture – improved market competitiveness of social enterprises
 3. Government programs to support social inclusion and employment of disadvantaged groups
 4. Effective use of non-profit sector in social sector

Policy Implications – Local Level

- Mechanism for social contracting – contract out social services to non-profit organizations
- Public –private partnerships for local economic development
- Accessible local services for low income families
- Local employment programs that reflect the local context
- Provision in municipal budget to support community initiatives and social enterprises

Conclusions and Recommendations

- Value of Social Enterprises – inclusion of disadvantaged groups and communities
- More effective participation of civil society in decision making
- Create enabling environment for social enterprises
- Knowledge base for social enterprises
- International networking and collaboration