

IDEA

Investment Development and Empowerment Action



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OPEN CALL, IDEA PROJECT

OPEN CALL, TRAINING MODULE "Planning and Designing a Business Plan for Socially Owned Enterprises"



Invest In Social Capital

On December 2018, in the framework of the IDEA project, AULEDA produced the 'Study of Social Enterprises'. In this research, starting from the definition of "social enterprise", the Agency presented an overview of social enterprises and their development across Europe and Albania.

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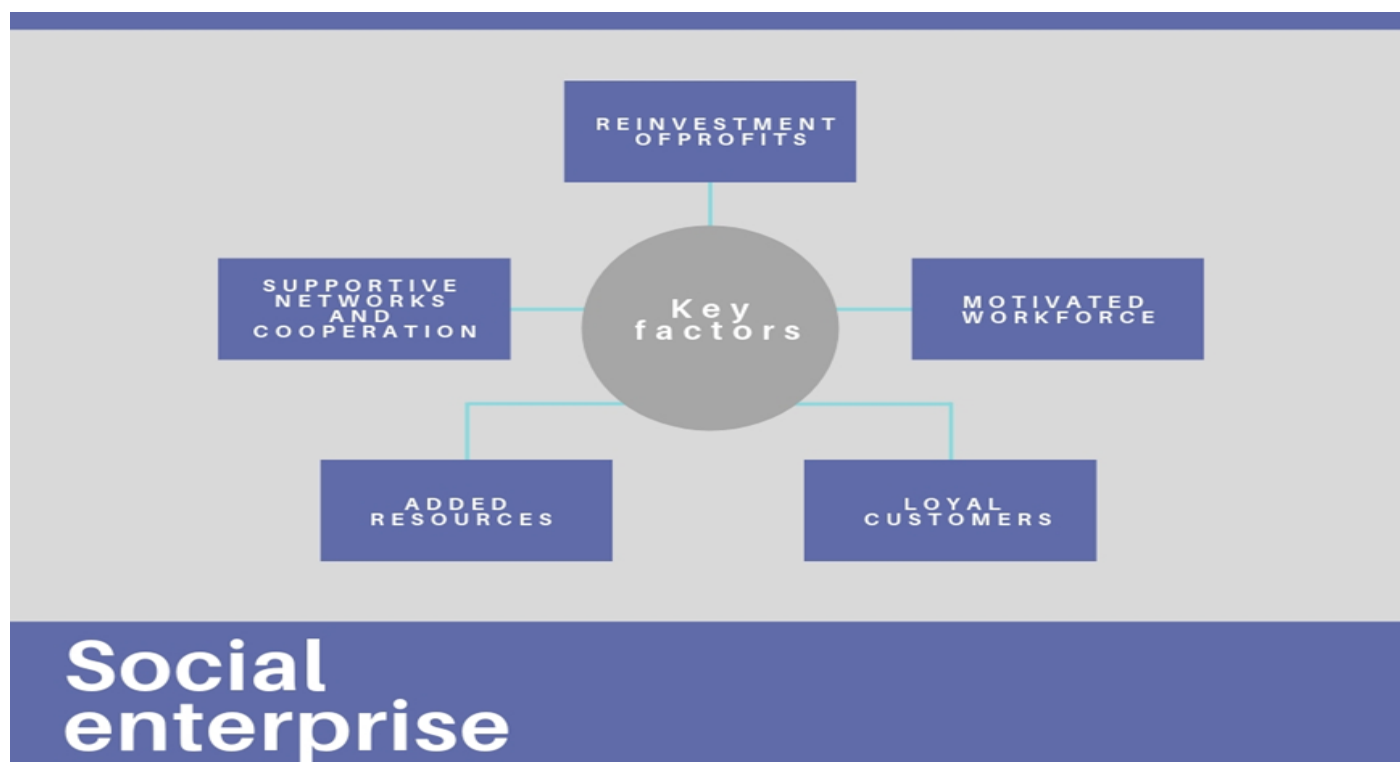
During the recent decades, social enterprises (SE) have grown rapidly being considered very important forms of organization that are efficient and that provide contributions to economic and social development, in order to have a more fair society, that offers opportunities for all individuals, communities and groups regardless of their abilities and needs. Although there is no widely accepted definition, social enterprises are understood as “enterprises that combine social purpose with entrepreneurial spirit”. According to the European Commission (2013), they are companies that provide profit, but the profit is reinvested in supplying products and services to reach a wider social impact in the communities they serve and operate.

Their activities are diverse and efficient, contributing for example to social inclusion of marginalized groups. The development of social enterprises in the past 20 years is considered one of the key factors in response to social, economic, cultural and environmental needs anywhere in the world. They are effective and innovative models to the challenges facing societies today. Acting in the public interest, social enterprises create employment opportunities, provide innovative products and services, and promote social inclusion and economic development.

It should be pointed out that the development of social enterprises in Albania is still in its initial stage. Nonetheless, in recent years, the development of social enterprises has gained the attention of different actors in the country. Recognizing the role of social enterprises in employment and economic development, this study aims to shed light on the potential of social enterprise development in Albania to increase employment opportunities for disadvantaged groups, especially among girls and women.

From this research emerged that the main reason for the robustness of social enterprise lies in the values that drive it, even in a global recession, and in the fact that they choose to operate in places, and with people, often neglected by private enterprise.

The key factors which differentiate a social enterprise from a private one are:

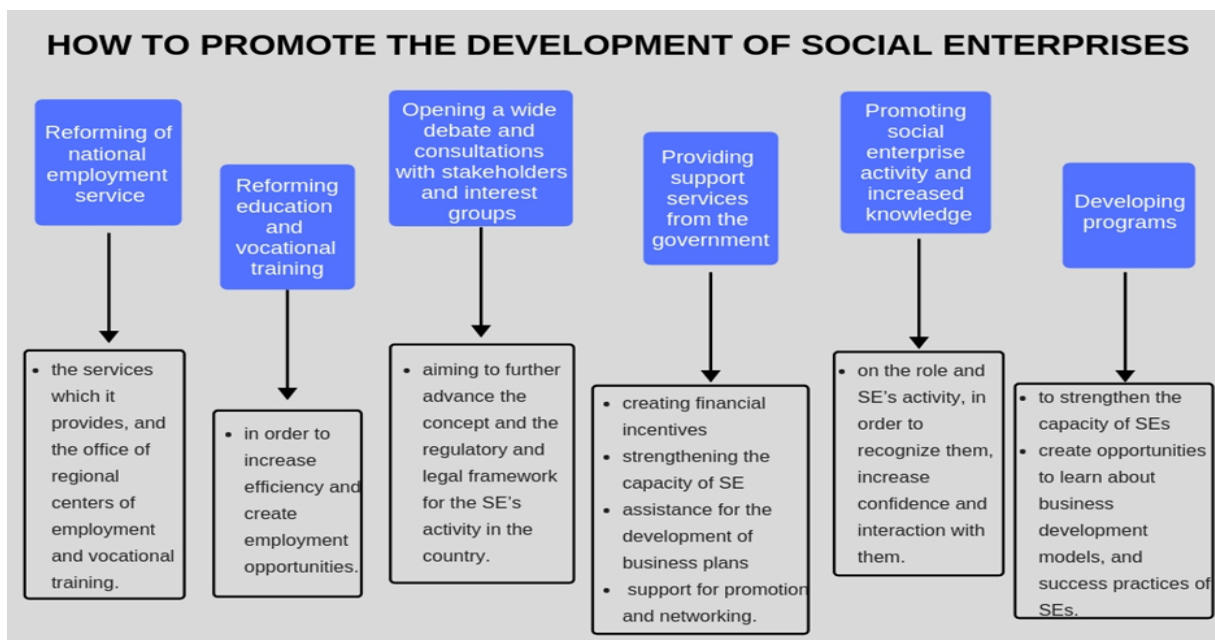


- **Reinvestment of profits:** Even if they take a 'for profit' legal structure, social enterprises tend to invest most of their profits back into the business. This gives them an advantage over companies that have to pay dividends to shareholders.
- **Motivated workforce:** Because of the priority given to social objectives, and because of the prevailing values of equality and fairness, workers and volunteers of social enterprises are more motivated and loyal.
- **Loyal customers:** Because of the social objectives and added value attached to the goods and services produced by social enterprises they build up a loyal customer base who will be less sensitive to competition based on price.
- **Added resources:** Because social enterprises also deliver benefits these can be "sold" as added value to funders and grant giving organizations. The social objectives also attract a large body of volunteers willing to donate their time and skills as a contribution to a cause. Communities and agencies also buying into the social objectives will be happy to donate resources such as free equipment or premises as well as a willingness to fund raise for the social enterprise.
- **Supportive networks and cooperation:** Because they contribute to the solution of larger problems, social enterprises often operate in a less competitive environment, where other social enterprises operating in the same market are open to collaboration and cooperation. Social enterprises can also take advantage of the powerful regional and global networks supporting third sector organizations.

As regard as social enterprises in Albania, the lack of legal framework, non-favorable fiscal framework, understanding of values, and of trust among all stakeholders of the society as a whole, together with the lack of funds for establishment and support for SE's and the capacity strengthening programs / training for their staff, are some of the main concerns to be addressed in order to create a more enabling environment for the development of this kind of enterprises in the country.

In conclusion, this study provided the following suggestions for the promotion of a social and economic environment suitable for the development of social enterprises:

- Reforming of national employment service and the services which it provides, and the office of regional centers of employment and vocational training.
- Reforming education and vocational training, in order to increase efficiency and create employment opportunities.
- Opening a wide debate and consultations with stakeholders and interest groups, aiming to further advance the concept and the regulatory and legal framework for the SE's activity in the country.
- Providing support services from the government, including the establishment of financial support schemes and soft loans, creating financial incentives considering the social purpose of the SE's activity, financial counseling, strengthening the capacity of SE's, and assistance for the development of business plans, as well as support for the promotion and networking within the country, the region, in EU and beyond.
- Promoting social enterprise activity and increased knowledge of state institutions, business, CSOs, the public in general, on the role and SE's activity, in order to recognize them, increase confidence and interaction with them.
- Developing programs from the government, international institutions, donors and civil society organizations to strengthen the capacity of SEs, as well as creating opportunities to learn about business development models, and especially success practices of local and international SEs. This will serve as a model for the development of SEs, and also to advocate for an enabling environment for them.





IDEA Project - Investment Development and Empowerment Action,
IPA CBC Programme "Greece – Albania 2014 – 2020"

Deadline: 30 March 2019.

The call is open to all non-profit organizations (NGOs), social care institutions with decentralized management, social forums, individuals, or groups of individuals who:

- ◇ Act on social, environmental and rural development in the Vlora Region
- ◇ They have experience working or providing services in this field
- ◇ Have innovative ideas to create a social business or social enterprise that aims to improve certain aspects of the eco-social, environmental and rural development system.

Interested entities will send:

Letter of Expression of Interest in which will describe:

Motivation of expression of interest to be included in the Social Entrepreneurship Empowerment Program - IDEA project and added value that can be provided by any applicants based on their experience.



Open Call



This project is funded by the European Union

AULEDA VLORE (Local Economic Development Agency), Interreg IPA CBC Program "Greece - Albania" in cooperation with SeforCSO (Social Association for Civil Society Organizations), funded by European Union

Will organize in Vlora City on March 26-27-28 the TRAINING PROGRAM FOR THE Module **"Planning and Designing a Business Plan for Socially Owned Enterprises"**, in regard to the IDEA project (Investment Development and Empowerment Action) and the "SUPPORT FOR CIVIL SOCIETY ORGANIZATIONS FOR THE DEVELOPMENT OF SOCIAL ENTERPRISES" project.

Training Purpose: This training aims to increase the capacities of participants from Civil Society Organizations in order to be able to plan and demonstrate, theoretically or practically, the design of their Business Plan and to benefit from the funds which will serve as an incentive for the establishment or the development of a sustainable Social Enterprise in the market.

Participants in Training: representatives of civil society organizations from the country of Vlora, interested in opening social enterprises.

Trainings and Duration: 3 days (18 hours of training).



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Partners



"The views expressed in this newsletter do not necessarily reflect the views of the European Union, the participating countries and the Managing Authority".