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Social and Solidarity Economy: Moving Towards a New Economic
System

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The **objective** of this paper is to show the new wave of innovative SEEs that are emerging in Eastern and Southern Europe.

- What are the country scenarios and the organisational structures through which social enterprises are emerging?
- What are the emerging sectors of SEEs in Eastern Europe?
- And what are the consequences that such innovative trends are generating?



Methodology

The methodological approach comprises:

Review of legal frameworks, definitions and governance models in the targeted countries

The collection and review of documents, interviews (in person and by telephone) and study visits on the ground by experts involved at national level.

This part has been carried out with the contribution of national experts from the DIESIS network and partner organisations.

It should be noted that the research was conducted over a number of years through the implementation of an observatory on social economy enterprises and new emerging sectors and the implementation of European projects to promote the development of the social economy at European level



First part of the research is dedicated to an overview of general ecosystems of Sees in targeted Countries



Target, countries (CZ, HR, PL, RO, SI, SK)

- Overview of general ecosystems of SEES
- Governance models,
- Advocacy structures,
- Definitions and legal forms

Data collected from relevant country reports: Country reports by the European Commission and entitled:

"A map of social enterprises and their eco-systems in Europe, Country report"; Country scenarios elaborated under the European project R2G: http://r2g.diesis.coop.

Legal Framework

Country	Regulatory framework for social enterprises
Slovenia	Law on social entrepreneurship (SOCP)/2011
Croatia	Strategy for Social Entrepreneurship 2014- 2020.
	No specific law defining or regulating social enterprises. However, we distinguish a number of legal forms of
	organisation in the sector of social economy: cooperatives, associations and foundations, social enterprises
	(registered as companies) and private social welfare institutions (the Croatian legal system allows the
	development of social entrepreneurship through various legal forms, which are easy to register).
Romania	Law 219/2015 on Social Economy.
	A social enterprise is defined as any legal entity under private law which undertakes activities which fall in the
	social economy sphere and which respects the principles listed above (Art 5(d)). It can include: Cooperative
	societies which operate under Law 1/2005; Credit cooperatives regulated by Government Ordinance 99/2006;
	Associations and foundations regulated by Government Ordinance 26/2000, amended and completed by Law
	246/2005; Mutual aid associations for salaried employees regulated by Law 122/1996; Mutual aid
	associations for pensioners regulated by Law 540/2002; Any other legal entities operating under the principles
	of social economy listed above.
	The law stipulates that each social enterprise should be certified by the public employment agency at county
	level.



Legal Framework

Slovakia	The issue of social economy and social enterprises in Slovakia is addressed by a separate law, Act 112/2018 Coll. on social economy and
	social enterprises (in the text as the Act) from May 2018.
	As defined in Slovakia, social enterprise is not a legal form, but a status that can be granted to an organisation of any legal form that meets
	all of the five characteristics listed below. A social enterprise which has been granted the status of social enterprise under the Act becomes
	a registered social enterprise and uses the abbreviation r.s.p. (registered social enterprise).
Poland	Draft National Programme of Social Economy Development (KPRES) 2014.
	The most important groups of social enterprises are civic organisations conducting their economic activity for public benefit, and
	cooperatives. The latter include legal
	forms such as: social cooperatives (one of the most important for the whole sector); worker cooperatives; cooperatives of disabled and blind
	people; folk handicraft cooperatives (almost extinct). All cooperatives above are established according to the Cooperative Law – all except
	social ones. The legal base for the latter was designed rather recently by the Social Cooperatives Act of 27 April 2006.
	Among civic organisations, the most popular forms of social enterprises are: associations (regulated by the Associations Act of 7 April 1989);
	foundations (Foundations Act of 6 April 1984); farmers' cooperatives – kółka rolnicze – (Socio-professional Farmers' Organisations Act of 8
	October 1982).
Czech	Commercial Corporations Law 90/2012 Coll.
Republic	Social enterprises in the Czech Republic are identified by their inclusion in the database run by the Thematic Network for the Development of
	Social Economy
	(TESSEA). To sign up, members of this database have to accept the TESSEA definition and indicators of a social enterprise. Membership is not
	conditional on any specific legal form. The most common legal forms are: social cooperative, civic association, limited liability company and
	public benefit organisation.



Governance Models

- ❖ SEEs have over time developed a variety of governance solutions, which can be more or less participatory (Cornforth and Spear, 2010).
- ❖ The multi-stakeholder model of governance of social enterprise is a way to foster democratic participation and the deeper involvement of different groups of workers, beneficiaries, funders, and so on, who are all participants in the effectiveness and efficiency of the business (Travaglini et al., 2009).
- Several analyses suggested that participatory governance may represent both an opportunity for marginalised groups to empower themselves and an opportunity for more privileged groups to act as local "citizen representatives" and articulate the interests of their neighbourhoods (Gustafson, P., and Hertting, N., 2017).
- ❖ Since SEEs promote inclusive governance models, they also have a direct influence on the management of local economic development and the empowerment of the local community in strategic decision-making (Sugden and Wilson, 2000).



 The second part of the paper focuses on examples of new emerging SEEs involved in technology and digitisation projects in these targeted countries.

It should be noted that the research was conducted over a number of years through the implementation of an observatory on social economy enterprises and new emerging sectors and the implementation of European projects to promote the development of the social economy at European level (see Seeding, https://www.diesis.coop/project/seeding/, R2G – fostering information, consultation, participation, rights to help social enterprises grow, http://r2g.diesis.coop).



New Emerging
Sectors



We are witnessing the emergence of fascinating new phenomena, such as the potential offered by open data, collaborative e-platforms and blockchain technology.

The innovation ecosystem would be decentralised and open, and rely on the genuinely collaborative economy and consumption, the maker movement and e-democracy (EESC, 2017).





Create responsible is the first e-cooperative that supports the activation of individuals by using the high tech tool – blockchain platform, facilitating access to services and the market, thus providing greate visibility, security and stability of members.



The target group

freelancers, unemployed, performing part-time work, part-time employees, workers in culture, persons with supplementary work statuses and social enterprises.

Based on the principles of cooperative models and key elements of blockchain technology, E-Cooperative #Create responsible enables:

- (1) the equal participation
- (2) support for precarious workers in the provision of services
- (3) creating creative teams for the implementation of innovative project ideas,
- (4) access to the market through the co-creation of a supportive environment
- (5) co-shaping the policies of the relevant departments in the areas of employment, social and legal security, health services for workers in precaroius workers,
- (6) with an integrated approach through a community principle, provides better conditions and a negotiating position for the activation of outsiders, both from the field of cultural and creative industries and arts in public procurement procedures.

The platform came from the Association Social Economy Slovenia in collaborataion with Diesis, (in the framework of a the project "Through Creative Inclusion to Decent Work" supported by Ministry of Republic of Slovenia for Economy, EU Social fund)

https://create-responsible.eu

Year Founded 2018

Sector
Professional Services/
Creative cultural Industries

Business Model Cooperative

Country - Slovenia



POLAND

"Leżę i pracuję" has status of a foundation and social entrepreneur. It was set up in 2017. Employs 14 people. The idea was to give employment opportunities to people with physical diabilities.

Disabled people who enter the agency cooperate with a mentor who teaches them most important skills needed to deliver services of online marketing. The most important is the change that happens in the employees, when they're no longer "pensioners" but "marketing specialist".





- "Leżę i pracuję" using their experience set up an online service to support employers who would like to employ disabled people: <u>zatrudnijwozkersa.pl</u>They've also prepared unique program <u>Tour de</u> <u>School.</u> – they visit schools and workplaces to brake the taboo of disabled people and teach sovoir vivre related to contacting such people.
- On everyday basis "Leżę i pracuję" team uses a numer of online tools to communicate, manage tasks and deliver services. Some of them are: Slack (to comunicate), Bitrix and Trello (to manage tasks), Google Drive (to store files), Loom to record webinars. They're also working on their own online platform to combine all needed functions.
- Some of the employees have to use sofisticated tools to be able to work with the computer, such as glasses that read eyeballs movment and navigate in the computer or kind of "teething ring" that helps a person to write texts.



Conclusions

- ❖ Social economy models can have an important role in boosting the regeneration of territories through innovation and new emerging trends (blockchain technology,)
- ❖ We need to acquire new skills to drive new innovations, which means that the social acceptance of these new digital technologies is a key factor for the success of the current digital transformation.
- SEEs could be key actors and the access point to promote these new digital opportunities among our communities.
- Conversely, the new digital technologies can be a tool for social economy enterprises to develop social cohesion, create employment, mitigate social problems and promote economic development.



Conclusions

❖ This paper is the first stage in the development of the observatory of SEEs involved in new technologies and digitisation in Eastern Europe and the Balkan Area.

The research will continue and will also include the states of the Balkans.





Thank You

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DIESIS

