

SOCIAL ENTREPRENEURSHIP BAROMETER 2023

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SSE AND IMPACT ECONOMY, COMPLEMENTARY FOR A SUSTAINABLE FUTURE

The new European Corporate Sustainability Reporting Directive (CSRD), whose progressive application began on 1 January 2024, will put the principle of double materiality at the heart of companies, meaning that they will have to assess the impact of sustainability issues on their financial performance, as well as the impact of their activities on society and the environment. To do so, it standardises non-financial reporting obligations around their three Environment - Social - Governance (ESG) pillars, and provides verification of the resulting sustainability report by statutory auditors or independent third-party bodies.

This reform of businesses is leading to a redefinition of the relationship between the Social and Solidarity Economy (SSE) and the conventional economy. Long disqualified and relegated to the task of adapting to management standards, the social economy is now seen as a model and is at the forefront of the response to social and climate emergencies. Companies, faced with the challenge of responsibility, are now turning to it as a way of creating partnerships, hybridising and even transforming themselves. There are many different types of partnership, ranging from responsible practices (responsible private procurement, inclusion, etc.) to social innovation

(experimentation with new solutions), sponsorship (financial, in-kind, skills) and economic cooperation (joint offerings). In most cases, they help to strengthen the territorial responsibility of companies that are anchored locally while acting for the common good, as illustrated by experiments in ecological and social clusters ("pôles territoriaux de coopération économique"), territorial employment guarantees ("Territoires zéro chômeur de longue durée") or social security for food.

Public authorities will also be pushing for more hybrid initiatives. French ministry of economy wants to support the deployment of social joint ventures (creation of a joint subsidiary between a conventional company and a SSE organisation) or social impact contracts (private financing of a social experiment in the SSE sector).

Lastly, companies can go so far as to transform themselves, as demonstrated by SSE trading companies or the transfer of companies to employees in the form of Scops ("Société coopérative de production" or "Société coopérative et participative"). Innovations inspired by other countries are emerging in this area, such as shareholder foundations (Scandinavian countries, Germany), in which shareholders donate their title deeds to a foundation, or Employee Stock Ownership Plans

(United States, United Kingdom), in which companies are transferred to employees (shares are bought back by drawing on profits and debt).

Faced with the systemic crisis we are going through, the SSE is set to emerge from its marginality to become the standard for the economy of the future.

Timothée DUVERGER
Head of the TerrESS Chair
Sciences Po Bordeaux

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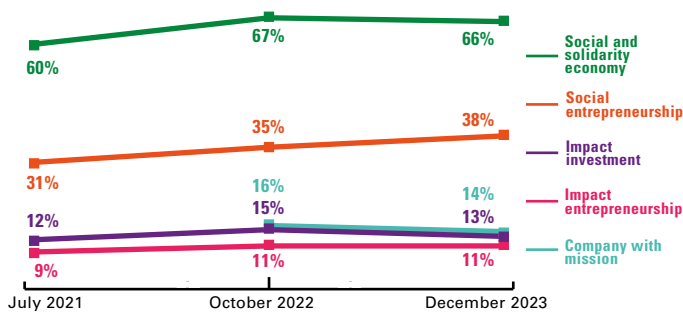
SOCIAL ENTREPRENEURSHIP AS SEEN BY

For the 11th consecutive year, OpinionWay has conducted an original survey for Convergences on the perception of social entrepreneurship in France and the impact of the various crises (climate, social, energy) on the sector. The survey reveals the perceptions of social entrepreneurs and the general public regarding the capacity of social enterprises to respond to societal and environmental problems. It also presents the trends and prospects for the sector in the long term.

Awareness of the concept of social entrepreneurship and its missions among French people is stabilising

After two years of clear growth, we are seeing a certain slowdown in awareness of the concepts of the Social Solidarity Economy (SSE) and Social Entrepreneurship among the general public. **Today, 66% of respondents say they have already heard of the term "Social Solidarity Economy", a figure that is virtually unchanged from 2022.** With an increase of three points in one year, the concept of social entrepreneurship received 38% positive responses, showing a slight increase in recognition of the sector by the general public. Unprecedented for 2023, this growth dynamic came at the slight expense of other related concepts, such as Impact businesses (14% /-2pts), Impact investment (13% /-2pts) and Impact entrepreneurship (11% /-pts).

Figure 1 - Awareness of the SSE stabilises in 2023, social entrepreneurship keeps growing



Our survey also highlights certain disparities in the level of appropriation among these terms according to age and status. In fact, 72% (-2pts) of people from the upper socio-professional categories (PCS+) and 67% (-5pts) of inactive people claim to be familiar with the term "SSE", compared with 59% (+4pts) of PCS-. Despite a slight drop in awareness of the term "SSE" among the PCS+ compared to last year, and therefore a closer match with the PCS- sample, the upper professional categories still seem to be more familiar with the SSE sector than the rest of the population. Also, while 73% (-5pts) of those aged 65 and over are familiar with the SSE, only 52% (-10pts) of those aged 25-34 say they are familiar with the term. This significant gap has widened this year, in a context where overall awareness of the sector seems to be stagnating or even declining.

This trend also applies to the term "social entrepreneurship", which still enjoys a certain degree of popularity among senior citizens (44% /+6pt) and less so among other categories. By contrast, this tendency is completely reversed when the terms "impact" (company, investment or entrepreneurship) are mentioned. Despite a drop compared to last year, the youngest categories still have the most information on these terms. The results are almost identical among 18-24 and 25-34 year-olds, with an average of 20%, compared with 8% among older people.

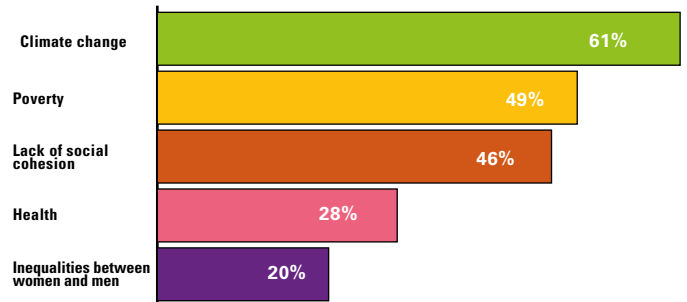
Another finding of this year's survey is that French people seem to associate social entrepreneurship more spontaneously with the fight against social inequality and exclusion. In fact, 83% of respondents associate these two sectors, compared with 76% and 66% respectively for the fight against poverty and the ecological transition, although the latter has fallen back slightly this year. These trends are also found among professionals. While 77% associate the ecological transition with social entrepreneurship, 92% of social entrepreneurs spontaneously make the link between social business and the fight against inequality and exclusion.

Finally, it should be noted that in terms of annual growth, the role of digital technology is declining in the perception of entrepreneurs and the general public, after an increase in its recognition last year by professionals.

The urgency of climate change, poverty and the lack of social cohesion: major concerns for French people

As in the 2022 edition, climate change tops the list of the most urgent problems to be resolved for social entrepreneurs (61%), followed by poverty (49%) and the lack of social cohesion (46%). **The fact that these three issues have remained at the top of the ranking for the past two years reflects the persistent concerns linked to the combined consequences of the social and energy crises** affecting the country, the effects of which have been felt on the dynamism of the economy, employment and overall living standards. As was the case last year, health issues (28%) are only in fourth place, after a fall of almost 20 points in two years. For social entrepreneurs, concerns about COVID-19 seem to have gradually given way to more directly economic and social issues.

Figure 2 - Climate change, poverty and lack of social cohesion remain the most important concerns for entrepreneurs

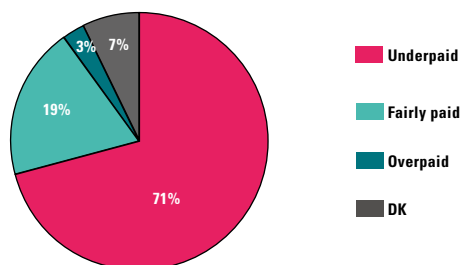


These findings are partly shared by the general public. For 47% of them (+3pts), poverty is an urgent problem to be solved, closely followed by delinquency (46% /+2pt) and climate change (42% /-3pts). The presence of the 'crime' item so high up the list among the general public could be explained by the age of the people questioned (over 50% are over 50), the political focus on security issues and the large proportion of inactive people (42%), pensioners and others, who responded to the survey.

THE GENERAL PUBLIC AND ENTREPRENEURS

This year, two new questions were addressed to entrepreneurs. The first concerns the remuneration of SSE jobs according to the professionals in the sector surveyed. **For 71% of them, compared with traditional companies, SSE jobs are not paid enough** compared with the national average, and for equal responsibility. The second concerns the visibility and accessibility of organisations providing support for SSE structures. For 69% of those surveyed, these organisations are not sufficiently visible and accessible within the entrepreneurial landscape. In this context of gradual recognition of the SSE for achieving the Sustainable Development Goals (SDGs) and a change of scale at international level, it will be interesting to compare these data over an extended period of time, and observe whether the SSE professions are becoming more integrated and recognised in the French economy.

Figure 3 - SSE jobs perceived as underpaid compared to the national average



Social entrepreneurship seen as ahead of the game on issues of recruitment, equality and representation

The survey also reveals some underlying trends in the way the general public perceives social entrepreneurship in relation to various aspects of work. **For example, 47% of respondents consider social entrepreneurs to be better at recruiting people with few or no qualifications in the sector concerned. This is closely followed by recruitment.** In fact, 46% of the French people questioned think that social enterprises are more advanced than their traditional counterparts when it comes to recruiting young people for their first job. Finally, 45% (+3pts) believe that social enterprises are more capable of promoting and applying equal pay for men and women.

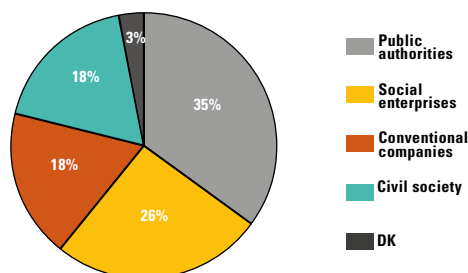
Interestingly, these findings tend to be shared by entrepreneurs themselves. Recruitment of people with few or no qualifications (63%), equal pay for men and women (60%) and recruitment of young people in their first job (51%) also top the list, well ahead of the possibility of teleworking and the right to disconnect. This year, however, a new item has risen to third place: the representation of women in the company's management bodies (55%). These factors seem to indicate **a certain sensitivity on the part of the sector to issues of equality and the fight against the exclusion of the social categories most marginalised** in the French labour market, namely women and young people.

Social entrepreneurship and public authorities: two sectors that are becoming essential to solving social and environmental challenges.

Another effect of the crisis that has already been seen in previous editions is that **French people are expressing high expectations of public authorities**, identified by 35% of

respondents as the most innovative player in solving social and environmental problems, an increase of two points compared to 2022. A similar increase was noted last year in this same case, with a four-point rise compared to the last pre-crisis survey in 2018. Social enterprises, for their part, are perceived as the most innovative in solving society's problems by 26% of French people, a figure up three points compared to 2022. This year, the gap is widening between social enterprises and the "conventional" business sector, which is seen by 18% of those surveyed as equally innovative in tackling major contemporary issues, on a par with civil society. It seems that the economic crisis has strengthened the idea that public authorities are the key players in solving social and environmental problems. In line with the previous survey, the general public's increased confidence in public authorities is not at the expense of social enterprises, but rather at the expense of civil society and businesses, which have lost two and four points respectively in this survey compared to 2022.

Graph 4 - The public authorities, the most innovative player in solving social and environmental problems, according to the general public



Despite a sharp fall this year (-13pts), social enterprises continue to believe that they are the most effective players in tackling social and environmental issues, a conviction shared by 30% of them. Civil society, for its part, is identified by 29% (+1pt) of entrepreneurs as a trusted player in this area. These figures should be seen in the context of entrepreneurs' optimism about their ability to respond to society's main problems. In fact, 57% of them are confident in their ability to respond to these issues, a drop of eight points compared to last year, confirming a trend of decreasing optimism in the entrepreneurial landscape on these subjects since the post-Covid period; an observation already made in 2022, when a drop of 17 points compared to 2021 was recorded.

These results reveal a commonly shared feeling of **uncertainty in the face of a social and economic climate under strain**. Despite a less optimistic trend, social enterprises, which at the time were poorly equipped to deal with the health crisis and its consequences, seem to retain a degree of confidence in the role they can play in a crisis of a different kind.

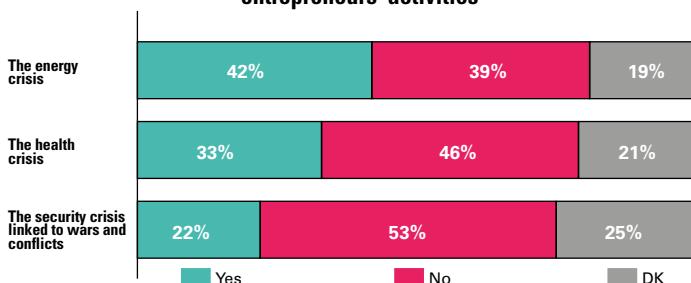
The impact of crises on social entrepreneurs' activities

Depuis l'année dernière, le sondage OpinionWay adresse une série de questions sur l'impact de la crise énergétique sur l'entrepreneuriat social en France et sur les modes de consommation des Français-e-s. Ces chiffres révélaient que la crise du COVID-19 avait marqué une première étape pour beaucoup de Français-e-s concernant le changement de leurs pratiques de consommation.

As far as the general public is concerned, the prevalence of crises of various kinds calls for a reaction from entrepreneurs in terms of their commitment. With almost 72% of responses positive, an increase of two points, **French people want entrepreneurs to incorporate the constraints associated with the energy crisis into their timetable**, and to make a concrete commitment on this subject. This result reveals the constraints, particularly material and economic, caused by this context, which continue to influence the choices made by the French in terms of their consumption habits. Also up three points this year (65%), the COVID-19 crisis should encourage entrepreneurs to become more involved in social issues, according to the general public. This figure underlines the intensity with which the health crisis has left its mark on people's minds, several years after it occurred; the prospect of a similar crisis recurring and its social and economic consequences need to be avoided for the long term. Finally, the ever-present but stable context of security crises linked to the theatres of war around the world is seen by 58% of French people as an element that should be taken into account by entrepreneurs.

For entrepreneurs, the perception of the crisis context is changing. To the question "Have you or are you planning to redirect all or part of your activities in response to the crises?" 42% answered positively to the energy crisis, down eight points on last year. On the other hand, 33% of respondents still consider the health crisis to be sufficiently damaging to justify reorienting their activities accordingly, a sharp increase of 18 points. After the peak of the energy crisis, the health crisis and its effects seem to have had a greater impact on the activities of professionals. Finally, despite a sharp increase of 15 points compared to 2022, the security context is of relatively little concern to social enterprises, only 22% of which have incorporated this parameter into their plans.

Figure 5 - The impact of crises (energy, health or security) on social entrepreneurs' activities

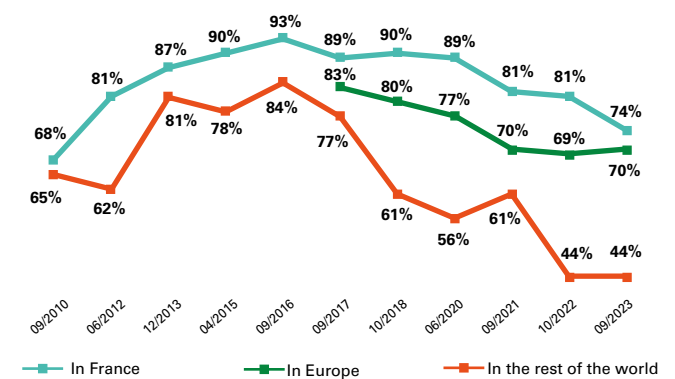


Perception of the potential for development of social entrepreneurship stable worldwide, but falls in France

As the crisis has fostered a climate of uncertainty, there have also been contrasting effects on the development perspectives for social entrepreneurship in France and around the world. Thus, 74% (-7pt) of entrepreneurs believe that development opportunities for the sector remain favourable or very favourable in France. Internationally, the trends are

stable: 44% of respondents consider the opportunities for developing entrepreneurship internationally to be good. At the intermediate European level, these two trends offset each other: 70% (+1pt) of respondents consider that Europe remains a favourable breeding ground for the development of social entrepreneurship, a figure that has remained stable since 2021.

Figure 6 - Downward trend in the outlook for the social economy in France



The results of this survey highlight a number of trends. On the one hand, there is a **climate of uncertainty that is characteristic of periods of crisis**, where individuals seem to be looking for greater proximity, but also communicate their desire to find in social enterprises issues related to basic necessities, which help to alleviate social or economic inequalities. **The national level continues to reassure entrepreneurs and investors**, who see collaboration between businesses and public authorities as a key to success. **The relative lack of optimism** among professionals in the sector about the ability of social entrepreneurship to respond to current challenges can be linked to the slowdown caused by successive crises and the decline in confidence in the sector's international development opportunities. This creative tension seems to **favour the development of a much more territorialised approach of social entrepreneurship, in France and worldwide**.

Lucas MAGNANI
Publications officer
Convergences



“*opinionway*”

Methodological note

As part of its corporate social responsibility policy, OpinionWay supports organisations with high social and/or environmental added value in their development. OpinionWay carried out this survey for Convergences en pro bono using two samples: a sample of 1,004 people representative of the French population aged 18 and over and a survey of a sample of 80 social entrepreneurs. The sample of the general public was drawn up using the quota method, based on gender, age, socio-professional category, urban area and region of residence. This sample was interviewed using a CAWI online self-administered questionnaire from 5 December 2023 to 2 January 2024. The sample of social entrepreneurs was interviewed using a CAWI (Computer Assisted Web Interview) online self-administered questionnaire and the interviews were conducted between 5 December 2023 and 2 January 2024. The results should be read taking into account the margins of uncertainty: between 1.5 and 3 points for the general public sample and between 6.2 and 14.4 points for the social entrepreneur sample. OpinionWay conducted this survey in accordance with the procedures and rules of the ISO 20252 standard.

THE INTERNATIONAL DYNAMIC OF SSE AT THE SERVICE OF THE SUSTAINABLE DEVELOPMENT GOALS

At a time when the Social and Solidarity Economy (SSE) is gaining global notoriety for providing multiple, adapted and bold responses to the social and environmental challenges we face, the role of international bodies in **providing the best possible support to local innovation** efforts appears essential, particularly to achieve the Sustainable Development Goals by 2030.

Recognition of a sustainable economic and social development model

In June 2022, the adoption of the first universal conclusions on SSE by the International Labour Conference **laid the foundations for an internationally recognised definition of the Social and Solidarity Economy (SSE)**. At the same time, the OECD Council recommended that it be strengthened, through the promotion of a culture of the social economy, institutional and legal frameworks, and access to finance.

In April 2023, **the adoption of the United Nations General Assembly resolution “Promoting the Social and Solidarity Economy for Sustainable Development”** gave an official definition of SSE¹ and recognised the sector’s contribution to the achievement and localisation of the Sustainable Development Goals (SDGs). It encourages States to implement strategies and programmes in favour of SSE at national, local and regional levels (legal framework, statistics, education, access to finance), and UN agencies and financial institutions to support these approaches.

This is the first time that high-level discussions in the UN system have taken place on the subject, in a very favourable context. At European level, the Commission developed an action plan for the social economy in 2021 and the Council issued a recommendation on the establishment of framework conditions for the social economy in June 2023.

France committed to SSE

Involved in this effort, France has made the bet that the structures that compose it could be **formidable accelerators of the implementation of the 2030 Agenda**. This support had already been expressed in a number of measures:

- The adoption in 2014 of a law to promote SSE at the territorial level ;
- The launch in 2016 of “Innovating Together”, the strategy to promote social and inclusive economy models internationally ;
- The launch in 2019, as part of the French presidency of the G7, of the Pact for Impact.

Since 2021, France has recognised the essential role of SSE companies in its development and international solidarity policy, and offers to support their initiatives internationally while strengthening local actions, promoting access to finance and the structuring of ecosystems. In June 2023, the National Council for Sustainable Development and International Solidarity² called for continued momentum for the internationalisation of the SSE.

France’s conviction that SSE has a key role to play in achieving the SDGs is based on several considerations:

- By going beyond simple financial profitability and pursuing social and environmental objectives, SSE structures offer a model that is more attentive to people and the planet, which fully responds to the logic of the 2030 Agenda.

- SSE is an important sector for the creation of decent, quality jobs that respect workers’ rights. While developing countries continue to focus the greatest challenges on achieving the SDGs, SSE contributes to the transition of many jobs from the informal to the formal economy and to the deployment of high social standards.
- By promoting democratic and participatory modes of governance, SSE organisations and companies are pioneers in the development of new inclusive models of partnership in line with the ambition of SDG 17³.
- The SSE, by its history and its DNA, is structured in a collective and federative logic through associations, cooperatives, mutual societies and foundations. This ensures a real local anchorage. Far from a vertical model, it guarantees a great diversity and flexibility of organisational methods, with real ownership in the field. These multiple and diverse links are undeniably assets that promote experimentation and agility, especially in times of crisis.

Collective action for the SDGs

Spain, Chile and Senegal, co-facilitators of the resolution voted by the UN, have distinguished themselves in the promotion of SSE at several levels, notably with the organisation of the World Social Economy Forum (GSEF) in Dakar in 2023 and the European Conference of the Social Economy under the Spanish presidency of the EU in San Sebastian. Chile, President of the United Nations Economic and Social Council (ECOSOC) since July 2023, continues to bring SSE to the UN and recently adopted a resolution on cooperatives in social development. Through their advocacy, the members of the United Nations Inter-Agency Working Group on the Social and Solidarity Economy (UNTFSSSE), led by the United Nations Conference on Trade and Development (UNCTAD) and the International Labour Organisation, have also played a key role.

The beginning of the path

This work of institutional recognition of the SSE was crucial, but it is only a first step. All stakeholders will embrace this model and put in place favourable policy and financial frameworks to enable it to flourish. The UNTFSSSE will be a privileged relay for the operationalisation of the resolution, in particular for the promotion of SSE in the various UN agencies.

France will continue to pursue a proactive policy in this area, in support of national and international SSE structures, in particular through the mobilisation of experts with UN and national institutions, collaboration with the research community and support for capacity building.

1. SSE encompasses companies, organisations and other entities engaged in economic, social and environmental activities in the service of the collective or general interest, which are based on the principles of voluntary cooperation and mutual assistance, democratic or participatory governance, autonomy and independence, and the primacy of people and social objectives over capital in the distribution and use of surpluses or profits as well as assets.

2. The National Council for Development and International Solidarity (CNDSI) is the forum for Dialogue and regular consultation between all development and solidarity actors on the orientations, objectives and means of development policy.

3. Goal 17: Strengthen the means of implementation of the Global Partnership for Development and revitalise it.

Aurélien Lechevallier

Managing director for Globalisation
Ministry for Europe and Foreign Affairs (France)

TEN YEARS AFTER THE ADOPTION OF THE LAW, THE MOMENT OF TRUTH FOR SSE

A law that has enshrined important milestones

In 2014, France adopted a law on the Social and Solidarity Economy, which is to date the most successful legislative work in this area. This law recognises SSE as a “mode of entrepreneurship and economic development” and highlights the common principles of management of SSE organisations. In this respect, Article 1 is of crucial importance and has even inspired the progressive recognition of the SSE within European and international bodies! In this sense, the Higher Council of the Social and Solidarity Economy (CSESS) has decided on the question of revising this first article and has confirmed, unanimously minus one vote, that the current definition is accepted by all SSE families.

“THE SSE MUST DEPLOY A UNIFYING NARRATIVE AND HIGHLIGHT ITS MULTIPLE PERFORMANCE FACTORS (ECONOMIC, SOCIAL, TERRITORIAL, ENVIRONMENTAL, DEMOCRATIC, ETC.) TO DESIGN A DESIRABLE FUTURE FOR THE BENEFIT OF ALL!”

By recognising representative organisations at the national and territorial level, the “Hamon” law has also helped to support the structuring of the SSE already at work. The text calls on ambitious notions in terms of social innovation or socially responsible purchasing and integrates sectoral and technical measures for the development of SSE companies. The first objectives of the law have been achieved: **to have SSE recognised as a specific way of doing business, to better structure the SSE at the national and regional level by allowing the formulation of a sovereign SSE policy.** Thus, essential guiding principles were set in stone by this text and the SSE has since benefited from a clarified framework that should make it possible to accelerate its development.

A lack of adequate means to fully realise its original ambitions

However, the intention is not enough, and the ambitions set out in the text would have required them to be given the appropriate means to ensure their implementation. While SSE organisations have been able to demonstrate their resilience, including in times of crisis, and have experienced a certain development over the last ten years, this remains insufficient in relation to the ambitions set by the legislator in 2014 and by the SSE ecosystem more broadly. The provisions relating to territorial policies in the law (Articles 7 to 10) and to the mechanisms that contribute to the development of SSE companies (Articles 11 to 14) have suffered from a lack of resources, both budgetary and from the point of view of the organisation of State services. **There is therefore a gap to be bridged between the ambitions of the text and the financial resources earmarked for these ambitions.**

Minister Olivia Grégoire announced the priorities of her roadmap on November 6, 2023. Among these: working for the development of SSE businesses and territorial ecosystems by strengthening support for territorial clusters for economic cooperation (TCEPs), access for associations to the territorial accessibility fund, a seed fund specifically dedicated to SSE

structures as part of the rurality plan of three million euros over three years, etc. These commitments have yet to be implemented and the representative actors of the SSE are at the disposal of the Minister to mobilise their energy in this objective.

In this respect, ESS France has called and continues to call for the implementation of a genuine SSE development strategy based on a substantial and planned financial investment by the Government and Parliament. **To this end, a budget programming law is necessary,** making it possible to support SSE companies and organisations at all stages (from emergence to the scaling up of activities, as well as in the event of financial difficulties) and encouraging the conversion of lucrative companies to SSE statuses. These development objectives must be a priority for public action and the companies that make up the SSE ecosystem.

Thinking about the next ten years

In addition to the question of the resources dedicated to it, the SSE ecosystem must open various projects to think about and anticipate the next ten years:

- Place SSE at the heart of ecological and social planning, why not by mobilizing tools such as sector contracts ;
- Continue the reflection on practices within the SSE and the accountability of our structures ;
- Work on the place of employees in the governance of SSE companies.

These projects will be explored during the SSE Congress to be held on 12 and 13 June 2024 in Paris. Bringing together both public decision-makers and the women and men who carry out SSE on a daily basis, this SSE highlight should make it possible to draw the next ten years of the sector's development.

Finally, the SSE must deploy a unifying narrative and highlight its multiple performance factors (economic, social, territorial, environmental, democratic, etc.) to design a desirable future for the benefit of all!

Jérôme Saddier
Chairman
ESS France



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TOWARDS A BROADENING OF THE DEFINITION OF SSE?

The issue of its broadening is as old as the SSE itself! It is also formulated as follows: what is the relevant or desirable perimeter of the SSE, where to put limits? These two adjectives, “relevant” or “desirable”, show from the outset that the subject of demarcation is hardly “objective”. It is mixed with representations, interests, and ideology. Broadening is also a matter of conviction, because the legal definition of SSE is the result of political presuppositions, compromises, and context.

The broadening of the definition of the SSE is part of its historical trajectory. The SSE appeared legally in France under the term “social economy” in 1981 with a minister in charge and the creation of an interministerial delegation (DIES). The political and legal definition was limited to “partnerships”, as opposed to capital companies.

A first broadening is taking place with the rise of solidarity initiatives: with the excluded (integration structures, solidarity finance), with the so-called “Southern” countries (fair trade), with future generations (ecology), which define themselves as a “solidarity economy”. In the 2000s, the social economy was de facto, but not yet de jure, extended to the solidarity economy, to gradually become, and not without tensions, the social and solidarity economy.

Barely stabilized conceptually, the international rise of social entrepreneurship has re-examined its scope. Should the SSE be extended to social entrepreneurship, some of whose initiators do not use partnership statutes and are traditional capital companies? There are pros and cons.

In Article 1 of the 2014 French law, Minister Benoît Hamon and the legislator arbitrate in favour of a “reasoned broadening”, by retaining in the definition, companies with partnership status (associations, cooperatives, mutual societies and foundations) as well as social enterprises with the status of capital companies respecting SSE principles (limited profit, participatory governance, social utility). One of the merits of the 2014 law lies in the fact that it defines a perimeter for the first time in law. The SSE now knows where it lives.

However, the following decade saw the debate continue actively. On the one hand, **part of the SSE has not accepted this broadening**, considering that neither a corporate foundation such as TotalEnergies or LVMH, nor social start-ups that can be resold like any other company are part of the SSE. On the other hand, in a new ecological context, **a powerful current is developing to say that the subject is no longer the status of the company, but its impact**, and that since the SSE represents only about 10% of GDP, we will not lead a real ecological and social transition by acting in this area alone. This trend can be based in part on the french “PACTE law” of 2019, which creates “mission-driven companies” in positive law, which can be used as a *raison d’être* by objectives of general interest. Recently, the transformation of the “Mouvement des entrepreneurs sociaux” (Mouves) into Mouvement impact France (Mif) and especially the expansion of its Board of Directors strongly embody

“TO NAME THINGS WRONGLY IS TO ADD TO THE MISFORTUNE OF THIS WORLD,” SAID CAMUS. SO LET US BE CLEAR! THE SSE IS NOT THE IMPACT ECONOMY, AND THE IMPACT ECONOMY IS NOT THE SSE.”

this trend.

Two observations should be made in this honourable debate:

- First, it must be noted that the French definition of the 2014 law has since become the European definition through two texts. One from the European Commission adopted in December 2021, setting out an Action Plan for the Social Economy; the other in preparation for 2023/24: a draft Recommendation of the European Council to the EU Member States, takes up word for word the balance of the French definition of SSE. If we add to these two European texts, the OECD Recommendation in June 2022 and the UN resolution in April 2023, we see the emergence and stabilisation of an international definition of SSE close to the French definition. **There are therefore many, including myself, who believe that**

it would not be appropriate to extend it at a time when an initial international consensus is being established. The first Opinion of the French Higher Council of the SSE on the evaluation of the 2014 law logically goes in the direction of not changing its article 1.

- The second observation is to avoid confusion of words and postures. “To name things wrongly is to add to the misfortune of this world,” said Camus. So, let’s be clear! The SSE is not the impact economy, and the impact economy is not the SSE. **The definition of SSE gives it and must preserve its own and legible identity**, which is its strength. To dilute it is to weaken it. In this definition, the issues of profit-making and governance are decisive and deserve to remain so. However, the SSE must recognise that it needs to work more on its impacts, its ecological utility, and concern itself with how it can become the norm for a sustainable, fair and inclusive economy.

Thus, the following questions seem more relevant nowadays: how does the SSE pollinate the rest of the economy? How does it establish project alliances with other players (including impact enterprises), particularly in the territories, to transform the economy in depth?

Hugues SIBILLE

*Former Interministerial Delegate
Chariman
Labo de l’ESS*



INCLUSIVE ENTREPRENEURSHIP, THAT'S JUST OUR TYPE!

At the European level, although women make up 52% of the total population, only 34% of self-employed workers and 30% of young entrepreneurs are women (WEbarometer Report, 2021). These figures are similar in France. The latest study from Startup Heatmap (2020) on women entrepreneurs in Europe revealed that they receive 38% less funding than their male counterparts when starting under the same conditions. Even in cities with strong support ecosystems, less than one in five startup founders is a woman.

Despite increasing media attention to this issue, the situation remains alarming. As Maxime Baduel, Ministerial Delegate for Social and Solidarity Economy (ESS), points out, **these figures illustrate a pervasive inequality in the French entrepreneurial ecosystem** and a paradox, as impact projects led by women entrepreneurs are more sustainable.

Despite a growing number of gender equality plans in companies and public institutions, these statistics demonstrate that we are still far from achieving true gender equality in entrepreneurship.

Yet, in 2022, PULSE France supported 72% women entrepreneurs. On the scale of the Pulse Group, women represent over 60% of beneficiaries across all the countries where the group operates.

We are proud of these results, but it is clear that other impact support structures in France all have cohorts close to parity and do not face real difficulties in recruiting women entrepreneurs.

Could impact entrepreneurship be a feminised sector?

Women are at the forefront of impact innovation. These impact projects led by women generally have distinctive features. The women entrepreneurs who join us have medium- and long-term projects, which are committed locally, first and foremost on a regional scale, which stem from real-life experiences, which rely more on teamwork and collaboration, and which make solving social and/or environmental problems part of their core business... These are just some of the issues to which these entrepreneurs are responding, and which naturally make them the forerunners of a new entrepreneurial model that is more committed, more sustainable and more responsible.

Naturally, many other criteria are added to the commitment of these women

entrepreneurs to their entrepreneurial projects. At the same time, their over-representation in our graduating classes in no way detracts from the difficulties they may encounter in their careers and in their integration into the French entrepreneurial ecosystem.

We therefore collectively have two major challenges to meet:

- **Developing an impact-based entrepreneurial model** that takes account of social and environmental challenges by supporting and building on entrepreneurial initiatives led by women;
- **Securing career paths and removing the obstacles and inequalities** encountered by women entrepreneurs throughout their entrepreneurial careers.

Women entrepreneurs in France and Europe face difficulties that are specifically linked to their gender: lack of networks, lack of access to finance, lack of access to opportunities and so on. **As a member of the ecosystem, we have a duty to act for the development of impact entrepreneurship and to fight for a more egalitarian ecosystem.**

The social and environmental crisis we are facing requires us to tackle these two challenges together.

Public authorities, the entrepreneurial ecosystem, support players, the SSE field... we all have our part to play. As Ahmed Bouzouaid, Director of Quartiers 2030 at Bpifrance, puts it: "The success of an entrepreneur is not an individual success, it's a collective success. The ecosystem is just as important as the entrepreneur."

What can we do?

To remove these obstacles and secure the careers of women entrepreneurs, we need to:

1. **Set an example ourselves** by making strong commitments at the level of our respective structures to take better account of gender in our operations and organisations (gender mainstreaming in HR policy, anti-harassment charter, governance, demands made of partners, etc.);
2. **Increase awareness-raising initiatives** to counter gender stereotypes in the social economy and promote impact entrepreneurship as a sustainable and responsible business model;

3. **Adapt the way we approach and "unearth" our entrepreneurs;**

4. **Secure the support path** for female entrepreneurs by taking into account their specific needs, right through to financing. To this end, we are developing tailored programmes to help them successfully complete their business start-up or development projects while acquiring new skills;

5. **Acting on/with the entrepreneurial ecosystem** to really facilitate the empowerment of women. In particular, by adapting our support programmes, their formats, teaching tools, the way in which we showcase female entrepreneurs, by providing better access to the network, etc;

6. **Promoting greater collaboration between impact-based support providers and funders** to give women entrepreneurs easier access to funding opportunities at all stages of their development. Raise awareness of the impact entrepreneurship ecosystem among business angels, who are key players in the financing process, and provide them with training to remove any obstacles to their investments in impact projects led by women entrepreneurs;

7. **Make the successes (and failures) of our female entrepreneurs more visible**, so as to continue to inspire new vocations in the field of impact entrepreneurship;

8. **Make the voice of women entrepreneurs even louder**, so that they can influence economic and political decisions. By raising the profile of these women entrepreneurs and their careers; and by supporting the emergence of new role models who will carry the voice of impact entrepreneurship and equality in entrepreneurship.

All these initiatives are the fruit of in-depth work with our ecosystem partners in the ACT! and Fowose projects. We are convinced that **to encourage female entrepreneurship, we need to support the development of impact entrepreneurship** and put in place all these levers for action.

Let's work together to make entrepreneurship more inclusive!

Florian JOUFLINEAU
Managing Director (France)
Pulse (Groupe SOS)

EMPOWERMENT IN PRIORITY NEIGHBOURHOODS: THE EMPLOYMENT APPROACH

In 2005, the urban suburbs sparked a revolt following the tragic deaths of two teenagers, reflecting the anger of the residents affected by exclusion, leading to insecurity and extreme poverty. The Positiv association was set up in the wake of these upheavals, with the mission of **tackling all forms of exclusion and helping people living in working-class neighbourhoods back into employment by providing entrepreneurial support**. According to Jacques Attali, founder and chairman of the association, work is a fundamental vehicle for social integration and emancipation.

Positiv has therefore opened offices in working-class neighbourhoods where there is often a lack of prospects and support, even though there is no shortage of talent.

The association has developed a support system covering everything from the concept to the implementation of the project. Individual meetings on the project are complemented by group workshops where beneficiaries develop skills in creating a business plan, a commercial strategy, legal and administrative fundamentals, etc. The human aspect is also at the heart of the Positiv method: self-confidence, work organisation and the entrepreneur's posture are all subjects that are addressed throughout the programme.

With 50 branches and offices in five regions covering 170 priority neighbourhoods, **Positiv helps an average of 2,500 people a year to set up 1,000 businesses each year**. As a result, 87% of the entrepreneurs supported are integrated into the labour market: a social project that is genuinely useful, sustainable and rooted in the local area.

One of the keys to success: local hyper-proximity

The association's strength lies in the support it provides to everyone, without prior selection on the basis of applications, and in its real local presence. The branches and offices are located in the heart of the city's priority neighbourhoods, and beneficiaries are made aware of employment and entrepreneurship "at the foot of the tower blocks". The entrepreneurship advisers often come from these neighbourhoods, and have a clear understanding of the issues facing the "Positivs" (the name given to the entrepreneurs they support). According to Redha Boudjema, Positiv's Regional Manager for Normandy, "our day-to-day presence on the ground, close to the needs of people living in working-class neighbourhoods, means we can be more responsive and effective, but above all more human, always in tune with the projects expressed and led by our beneficiaries".

Positive, sustainable projects: two women entrepreneurs tell their stories

Personal services, textiles, construction and public works, catering... the businesses created cover a wide range of sectors. The average age of the people supported is 38, and 55% are

women. "Redha Boudjema helped me from A to Z with my project. He never let me down and was the driving force behind my project. 'You can do it and you're going to do it,' he told me from the very first meeting," says **Tabara Draissi Keita, founder of the "Mon soin mes cheveux" an Afro hairdressing salon in the city of Le Havre.**

Princillia Bintsita, 27, founded **Telama, a company dedicated to autistic children and teenagers aged 11 to 18, inspired by her personal and family history**. Faced with the lack of access to education and activities for these children, her structure offers cultural, culinary and sporting activities, supervised by professionals and limited in number to ensure a comfortable environment and the opportunity to flourish. Her project has a positive social impact and underlines the importance of inclusion for every child and adolescent, whatever their disability. "Positiv was a catalyst for my project, because it helped me to develop patience and perseverance. You can't be afraid to fail, to say to yourself that it's not going to work. You simply have to go for it, and Positiv helped me do just that", explains Princillia Bintsita, a Positiver from Trappes in the Yvelines department.

An opportunity for all

Positiv's main objective is to empower people living in working-class neighbourhoods through employment. First and foremost through entrepreneurship, but in some cases the professional project may not come to fruition. Not everyone is cut out for entrepreneurship, and a project may not be solid enough or fit into the right timeframe for a person's life. In these situations, Positiv offers to guide beneficiaries whose entrepreneurial project cannot succeed towards a return to employment in a company. The aim of the support is to enable people to master the tools and codes of the workplace so that they can be integrated into it on a long-term basis. With a pilot project in the Ile-de-France region - "Positiv Talents" - the association is forging partnerships with major companies in short-staffed occupations where recruitment is difficult, such as construction, personal services and the hotel industry.

Whether it's a matter of entrepreneurship or a return to salaried employment, Positiv's aim is to help people living in disadvantaged neighbourhoods to find practical solutions that reflect the diversity of their profiles, needs and career paths, thereby achieving greater social justice and inclusion for all.

Agathe PIRONNEAU

Marketing & Communication Director
Positiv



8 November 2023 - The annual Positiv Awards ceremony honoured five talents supported by the association (Tabara and Princillia were present).

CROWDFUNDING: EMPOWERING EVERYONE!

For almost 15 years, **crowdfunding** has enabled thousands of people to finance projects of all kinds and bring to life creative ideas that can have a positive impact on society. Initially available only through dedicated platforms, crowdfunding has evolved considerably as a result of technological and societal advances, leading to major changes in usage and consumption patterns, particularly as a result of social networking. A wide range of players, from video broadcasting platforms to brand websites, are now offering consumers the chance to finance projects in exchange for something in return.

As participatory funding becomes more commonplace, the traditional term of crowdfunding is beginning to fade, but its use is becoming increasingly democratic. This trend bears witness to the continuing strength of the bond between a project owner and his or her community. **It's not about discovering good ideas and supporting them; it's about getting together to support a person or a company you already know.**

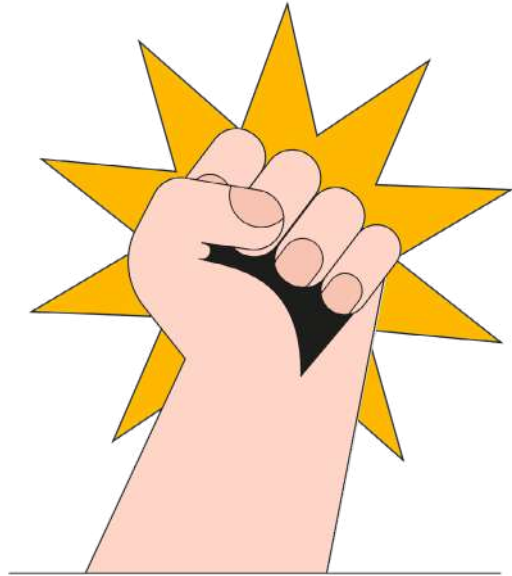
This dynamic has obviously been reinforced by the rise in power of social networks and the surge of solidarity caused by the Covid-19 crisis. The proliferation of players and social networking algorithms means that companies and individuals alike have to produce content and build a community in order to emerge. The key to success? Trust between players and consumers. This depends on the price and quality of the product on offer, as well as the image and commitment of the brand.

With inflation and the climate crisis on the rise, these pillars of trust are essential and play a key role in consumer decision-making, especially when it comes to crowdfunding. On KissKissBankBank, only projects with a positive impact on society can run a campaign, and they must comply with a number of ethical rules. **It's a way of giving the power to act back to the people who contribute to a project:** with a simple contribution, they make a first act of citizenship and commit themselves to causes that are close to their hearts.

It's worth noting that the average shopping basket of a contributor on KissKissBankBank has barely changed in recent years, at €62 in 2023, reflecting a considered rather than impulsive investment, while the time taken to run a crowdfunding campaign has been stretched to allow project owners to mobilise their community. Although the budget issue often remains the priority, **crowdfunding involves investing in a promise through processes that go beyond traditional production channels.** By contributing to a project, everyone can finance the independence, ethics and deployment of individual or collective actions, and so support local entrepreneurship.

For example, video maker and science populariser Marie Wild receives a monthly income supplement from her community via her subscription page on KissKissBankBank. This enables her to finance her business over the long term, through one-off or recurring donations. This enables her to invest in and produce environmental awareness videos.

Another example: the commune of Barbentane went directly to participative financing to mobilise citizens to protect the natural landscape of the Montagne. **The project raised more than €68,000** and got a lot of media coverage. In just three clicks, anyone wishing to support the protection of this natural environment was able to take action.



The feeling of accomplishment that comes from taking part in a collective initiative is one of the direct rewards of equity crowdfunding, and a real driving force for both the contributors and the person behind the project.

For entrepreneurs, crowdfunding also offers more responsible production methods. Pre-sales, for example, are used to produce only what is necessary by assessing demand and matching supply to demand, rather than the other way round. On KissKissBankBank, project initiators can also benefit from the support of other players with whom they are put in contact through calls for projects. Every month, **La Banque Postale** selects two projects with a positive social or environmental impact, which are then put to the public vote, and the winner receives 50% of his or her campaign target in funding. **These schemes demonstrate the commitment of more and more brands, who are prepared to support independent entrepreneurs who are helping to change the way we do things and society in general.** Consumers and entrepreneurs alike: citizens are back at the heart of the action.

If crowdfunding has been able to adapt to changing practices to keep pace with our changing world, it is highly likely that it will continue to do so in the future, giving power and rights back to many players in areas that are currently monopolised and standardised.

Jean-Samuel KRIEGK

Operations and Development Director

Chloé TOURNÈS

Head of communications & content

KissKissBankBank

ABOUT KISSKISSBANKBANK

KissKissBankBank is a French participative financing platform and subsidiary of La Banque Postale, which supports innovative and creative projects with a positive impact. Our aim: to help good ideas become reality and change our society. More than 28,000 projects have been financed thanks to 2.9 million committed KissBankers.

DEMOCRATISING SOCIAL ENTREPRENEURSHIP TO STIMULATE AND PROMOTE LOCAL DEVELOPMENT

In France, the more than 1,500 areas defined since 2015 as “Quartiers Prioritaires de la Politique de la Ville” (QPV) (priority neighbourhoods for urban development) are home to almost 5.5 million people. According to INSEE’s demographic estimates for 2018, 70% of them have a working population aged 15 to 74, with an employment rate of 45%, well below the national average of over 68%. In the QPVs, the proportion of young people aged between 16 and 25 who are not in education and who are unemployed is 31.2%, and the proportion of working craftspeople, shopkeepers, company directors, managers and higher intellectual professions is only 9.4%, whereas this proportion of the population represents 27.2% of people in employment nationally.

According to a study carried out in 2016 by Bpifrance, JP Morgan and Terra Nova, the rate of business start-ups is 1.7% per inhabitant of a QPV, compared with 2.1% outside these areas.

Yet there is no lack of creativity or entrepreneurial mindset. In these neighbourhoods, there are many obstacles to setting up a business, which occur long before entrepreneurs decide to take the first step.

On one hand, the digital and social divisions are exacerbated by the remoteness and lack of awareness of entrepreneurial culture among residents. On the other hand, the lack of bank finance is combined with the low level of personal funds available to residents to inject when they launch their business. **In fact, 32% of entrepreneurs from QPVs say they have difficulty accessing banking services**, compared with 27% of those from outside QPVs, and this gap widens according to level of qualification and sector of activity.

Of the 10,000 entrepreneurs that BGE PaRIF receives each year, 11% live in a QPV. Over the past 44 years of action on the ground, we have been able to demonstrate that, given the right tools and skills, **entrepreneurs in these neighbourhoods can set up projects that are useful, innovative and drivers of change.** The figures bear this out: businesses set up in these areas are just as likely, if not more likely, to be sustainable.

We are convinced that entrepreneurship is **a major vector of economic development for society as a whole in every region**, as well as a pathway to employment, and even a social lift for the most isolated.

In 2021, Nadia Hai, the then Minister for Urban Affairs, said: “In the working class neighbourhoods, as elsewhere, people have the desire to be enterprising and the right to succeed. Entrepreneurship is a powerful lever for emancipation, but

also for the attractiveness of these vulnerable areas”.

So, if we are to develop social entrepreneurship exponentially, we all need to do more to change attitudes outside vulnerable neighbourhoods. We need to get closer to people who are far from the centre, promote inclusion and diversity, raise awareness among the youngest members of society, and give entrepreneurs the tools they need to avoid failure and job insecurity...

Entrepreneurship, whatever the sector, would be social in nature if only it succeeded in establishing itself at the heart of disadvantaged neighbourhoods, by being developed for and by residents. This would create collective wealth, employment, and social cohesion, and not just a way out to a “better neighbourhood” for those who succeed.

The BGE PaRIF team

1. Data on “quartiers prioritaires de la Politique de la Ville” (QPV). Published on 16/11/2023: <https://www.insee.fr/fr/statistiques/7456573?sommaire=2500477>
2. “Entreprendre dans les quartiers : libérer tous les potentiels”. Published on 23/06/2020: <https://tnova.fr/economie-social/entreprises-travail-emploi/entreprendre-dans-les-quartiers-liberer-tous-les-potentiels/>



ABOUT BGE PARIF

BGE PaRIF, a founding member of the national BGE association network, has been working since 1979 to make entrepreneurship a reality accessible to all.

As an association in the Ile-de-France region that helps people set up and take over enterprises, it supports the various stages in the construction of entrepreneurial projects, from the emergence of the idea right through to the development and long-term survival of the business.

BGE PaRIF passes on entrepreneurial skills and know-how through tailor-made support programmes, customised training courses and awareness-raising initiatives carried out in conjunction with the public and private actors in the regional economic ecosystem.

With a strong and long-standing local presence in the Île-de-France region, the association has more than 30 welcome centres and local teams of expert advisers and trainers who receive and support more than 10,000 entrepreneurs every year and run 900 training sessions.

For more information, visit: www.bge-parif.com

ADDRESSING LOCAL CHALLENGES THROUGH THE “FABRIQUES À INITIATIVES”



Although local stakeholders regularly identify potential activities to meet the challenges facing their area, particularly in rural areas and the “Quartiers prioritaires de la Politique de la Ville” (priority neighbourhoods for urban development), these sometimes fail to become a reality due to the lack of a project leader with the network, funding, skills, desire, and time to define and launch them.

It was to put an end to these too many “missed opportunities” that Avise set up the national **“Fabrique à initiatives”** scheme in 2010, with the aim of supporting local players in developing social innovations.

A tried and tested methodology...

Already implemented in 33 regions by structures providing support for the creation of new businesses, the system provides the necessary expertise in terms of facilitating cooperation, analysing needs and economic modelling. **In 2022, a network of 4,300 partners (local authorities, institutional players, businesses, and association networks) has been mobilised by the “Fabriques à initiatives” to help design projects.**

Since the scheme was launched, more than 200 socially valuable activities have been created using a proven methodology. This is based firstly on identifying needs as close to the community as possible, and then on coordinating

local players. **The aim is to collectively design economically viable activities that are adapted to the issues identified, and to support their launch, for the greater benefit of the areas concerned!**

“WHENEVER A NEED ARISES IN THE AREA, THE ‘FABRIQUE À INITIATIVES’ IS THERE TO SUPPORT THE SEARCH FOR A SUITABLE SOLUTION.”

...for promoting the ecological and social transition...

Many of the Social and Solidarity Economy (SSE) activities that have emerged because of the “Fabriques à initiatives” methodology and customised support are contributing to the ecological and social transition. Food and agriculture, recycling and reuse, mobility and transport, energy transition: many sectors of activity are covered by the projects supported. What do they have in common? **They are all working to transform the way we produce, consume, and manage resources**, and are proving daily that it is possible to reconcile economic activity with social utility by providing a global and sustainable solution to the environmental and social challenges of our century.

A perfect example of this is in the Lot department, in the Figeac area (Occitanie), where the Figeacteurs Territorial Economic Cooperation Cluster ("PTCE - Pôle territorial de coopération économique"), an "Fabrique à Initiatives" being piloted since 2021, has helped to develop alternatives to the use of private cars for commuting between home and work. One of these alternatives is "**Figeac Écomobilité**", a **project run by a local resident to offer long-term hire of electric bicycles to private individuals**. After a test phase that began in September 2022, the project, with an initial fleet of 20 bikes, quickly caught on with the people of Figeac.

"IN 2022, THE SCHEME HAD HELPED TO CREATE 47 NEW ACTIVITIES, AND IS CONTINUING TO EXPAND, NOW ON A EUROPEAN SCALE!"

With its fleet of 83 electric bicycles available for hire today, Figeac Écomobilité has avoided the emission of no less than 3.7 tonnes of CO² in the space of just two months. Led by the "Fabrique à initiatives", the steering committee now meets once a month to monitor the project, look ahead to the sustainability of the "Figeac Écomobilité" business model and explore the creation of new services.

...as locally based as possible!

As soon as a need arises in the area, the "Fabrique à initiatives" is there to support the search for and emergence of a suitable solution.

In the Creuse region, the "Fabrique à initiatives" du Limousin,

supported by France Active Nouvelle-Aquitaine, has been instrumental in setting up **the EC³ association, which offers building professionals in the Creuse region the opportunity to drop off their sorted waste at a site close to their building sites, at a reduced cost.** It had previously been approached by the "Fédération du Bâtiment and the Fédération des Travaux Publics de la Creuse", which were keen to comply with AGECE regulations on building waste, improve waste management, encourage recycling, tackle illegal dumping, and reduce waste.

The results are impressive: the department now has **two main waste disposal platforms capable of processing 30,000 tons of waste within a year.** By 2024, a dozen similar platforms will be dotted around the region. The EC³ association has no intention of stopping there and plans to develop the reuse part of its business in parallel, possibly with the help of an inclusion site.

The recipe explored by the "Fabrique à initiatives", through its network of 33 member organisations, is to use a societal need expressed on the ground to create a dynamic for social innovation in local areas. In 2022, the scheme had helped to create 47 new activities, and is continuing to expand, now on a European scale!

1. The anti-waste law for a circular economy (AGECE) aims to accelerate the change of production and consumption model to limit waste and preserve natural resources, biodiversity and climate.

Louise DE ROCHECHOUART
Pole Manager
Avisé



THE SSE PURCHASING POLICY FOR THE PARIS 2024 GAMES

As the Olympic and Paralympic Games get underway in France, the organisers of the world's biggest sporting event have set high standards and are already seeing significant initial results in terms of responsible purchasing and the use of socially responsible and circular suppliers.

A responsible purchasing policy, whether implemented by a private or public player, reflects a structural commitment: it encourages the use of short circuits, the circular economy or collaboration with companies employing people on work integration schemes or people with disabilities, and often involves SSE players. More and more buyers are sensitive to ethical practices and social and environmental performance when selecting their suppliers, as revealed by the 2021 Ecovadis "Responsible Purchasing" barometer, which shows that 69% of buyer respondents take these criteria into account, compared with 51% in 2019.

"SUPPORTED BY "LES CANAUX", ESS 2024 AIMS TO ACT AS A LINK BETWEEN CONTRACTORS AND THESE LOCAL, SOCIALLY RESPONSIBLE AND CIRCULAR COMPANIES"

Building on this momentum, right from the start of Paris' bid to host the 2024 Olympic Games, the organisers committed to staging more responsible, inclusive and supportive Games, reducing their environmental impact and increasing local economic spin-offs. **Access to the Games markets for SSE companies was a major focus of the bid, contributing to its success.**

To give concrete expression to these commitments, an agreement was signed on 23 May 2018 between the "Comité d'Organisation de Paris 2024" (Paris 2024 Organising Committee), the "Ville de Paris" (City of Paris), Les Canaux and the Yunus Centre, founded by the 2006 Nobel Peace Prize winner. The aim of this agreement was to organise the first inclusive and solidarity-based Games, through the launch of the SSE 2024 programme.

Supported by "Les Canaux", **ESS 2024 aims to act as a link between**

contractors and these local, socially responsible and circular companies, and to promote a responsible purchasing policy that is unprecedented for such a large-scale event.

To meet its objectives, the ESS 2024 team relied on **two key instruments:** first, **targeted communications to relay the Games' markets to companies** in their sector of activity as soon as they are launched, combined with a newsletter dedicated to news about the inclusive and supportive Games, to inform and mobilise all the players involved. This approach enabled each company to receive all the information needed to make its own contribution to the success of the Games. Secondly, **ESS 2024 is supporting companies in their response to these contracts**, in particular by training them in how to respond to public tenders and by helping to find partners so that they can meet technical and volume expectations.

Since its creation, the ESS 2024 team has carried out in-depth work to identify SSE structures across France. In particular, thanks to a nationwide tour, **more than 6,000 structures, including very small businesses, have been referenced in its database.** The aim was to make it easier for these companies to meet and work together to bid on contracts, target SSE capabilities in each sector that might be in demand from Games contractors and show all buyers that these companies could meet their needs by having a positive social impact and/or limiting their environmental impact. The creation of the SSE 2024 programme was accompanied by ambitious commitments made by the organisers.

For Paris 2024, a responsible purchasing strategy has been put in place, based on five pillars: a circular economy approach, carbon neutrality and preservation of the environment, social innovation, inclusion of people with disabilities and creation of local value. For its part, the "Société de Livraison des Ouvrages Olympiques", SOLIDEO, (Olympic Works Delivery Company) has undertaken to allocate 25% of the value of construction, renovation and equipment contracts to local VSEs and SSE players. In addition, 10% of the hours worked on the projects must be carried out by people on work integration schemes.

ESS 2024 is working to enable contracting authorities to meet these commitments, in particular by supporting them in the orientation of the criteria of their contracts, social and environmental clauses, allotment and the reservation of certain consultations for structures for integration through economic activity and disability. It is also advocating responsible practices among the major private groups that are partners or suppliers to the Games. As a result of the commitments made by Paris 2024, **these groups are being encouraged to review their practices and identify new partners** to promote more sustainable purchasing policies.

Lastly, regional coordination is an essential part of the ESS 2024 platform. In partnership with the facilitating networks, the teams are active in the areas heavily involved in hosting the Games, through the Fabrique économique et solidaire des Jeux (Economic and Solidarity Factory of the Games). Webinars, training sessions and business meetings are being organised to forge local links between SSE companies, consular chambers and contractors. These initiatives contribute fully to the legacy of the Olympic Games, by training companies in public procurement, enabling them to respond to the markets of the Games and those of their region in the future.

To date, more than 480 services linked to the Olympic Games have been provided by solidarity and circular companies, and many others will contribute to making this major event a success. The example of the Paris 2024 Games shows that major sporting events can play a structuring role in introducing new responsible purchasing practices and encouraging the development of the SSE. The ESS 2024 platform aspires to be an inspiring and sustainable approach to promoting the adoption of responsible purchasing policies by events, companies and local authorities.

Elisa YAVCHITZ
Managing Director
Les Canaux

DRAWING INSPIRATION FROM HYBRID AND RESILIENT ECONOMIC MODELS ON A GLOBAL SCALE



The hybrid economic models of social enterprises have been developed to ensure the sustainability and funding of activities, and thus enable the growth of organisations and their impact. In the Global South, and in Europe, some social enterprise business models are too dependent on public subsidies or payments from beneficiaries who are not very solvent. It is therefore important to think about diversifying sources of income. In this article, we present examples drawn from the encounters we had during our eight-month research trip to India and East Africa.

We distinguish between **simple** and **complex** hybrid models.

In simple hybrid models, the same activity will have multiple sources of financing.

This is the case with the impact company **Sistema.bio**, which we studied in Kenya, even accompanying the sales teams door-to-door. **Sistema.bio sells small methanisation units that convert livestock waste into biogas and natural fertiliser.** Its innovation lies in a low-tech system that is very solid, easy to install and inexpensive, as well as a package of services (financing, installation, training, warranty, maintenance) that makes it easy to adopt. The company, which originated in Mexico, now operates throughout Latin America, as well as in Africa and India. Its hybrid business model is tending to stabilise around three sources of revenue, although experiments with combinations are still under way. A biodigester sold to a farmer in Africa or India can be financed by one or more of the following methods:

- by the farmers themselves, who will probably take out a twelve-month loan with Sistema.bio to do so. For them, this purchase represents significant savings on cooking gas and fertiliser, that the solution will bring over twenty years, from the second year onwards. Their financial participation is essential, not only for the business model, but also to ensure their level of commitment to the solution.
- by an international development foundation, which is interested in the environmental benefits (methane transformed into biogas, natural and non-chemical fertilisers) and social benefits for users (savings in money, time and health, as biogas does not give off smoke, unlike wood for cooking). Its contribution reduces the price paid by the farmer.

- Finally, by income from carbon credits on the voluntary market. For the companies that buy these credits, the aim is to “offset” their own emissions with a solid project and immediate emissions savings. This funding helps to drive down the price paid to farmers, making it accessible to particularly vulnerable groups.

This hybridisation is particularly interesting in the context of impact projects because different stakeholders buy different benefits: farmers buy the product that provides economic gains and greater energy comfort, while companies and institutions buy the product’s social and environmental ‘co-benefits’ (carbon credits and social impacts). This also implies different commercial strategies and offers, even if they are all based on the same product.

Then there are the more complex hybrid models, organisational and economic hybrids that are also organisations based on an NGO branch, where the core business is located, and a commercial branch.

In this case, it is less a question of selling different benefits linked to the same product or service to different stakeholders, than of identifying the organisation’s ‘assets’ and ‘know-how’ that can be used to create lucrative commercial offers.

HIAL, Himalayan Institute of Alternatives Ladakh, is a multidisciplinary university in Leh, the capital of Ladakh, a region in the far north of India, which aims to **combine the best of contemporary research and traditional knowledge**, in order to accelerate the ecological and social transition in the Himalayan mountains. HIAL has a whole department of applied research into the construction of passive energy buildings. These are built from local materials, using innovative but frugal techniques, and face due south. This ensures excellent insulation and a minimum interior temperature of 17°C in all seasons. By working during their curriculum on projects for Sheshyon Innovations, a commercial entity owned by HIAL, the students, for whom university is free, contribute to the funding of HIAL, while gaining practical experience on real projects.

HIAL’s business model is made up of tuition fees paid by students, donations from major Indian groups as part of their philanthropic policy, and income from their commercial entities.

These different resource hybridisation strategies are not without their challenges (different markets, different administrative logics, sometimes even different cultures within the same organisation). Nevertheless, they can **reduce dependence on a single or uncertain source of income, thereby increasing the organisation’s resilience.** In all cases, they require a good understanding of the needs of stakeholders and the markets in which the organisation is positioned.

More details here: [ImpactInContext.com](https://www.impactincontext.com)

Emma FRANCE
Félix BEAULIEU
Impact In Context

HYBRIDISATION OF ECONOMIC MODELS: A KEY LEVER FOR THE DEVELOPMENT OF IMPACT ECONOMY

In a constantly changing world, where the boundaries between the traditional concepts of market and non-market logics are gradually fading, it is increasingly imperative to rethink our economic models. This transformation is all the more crucial at a time when public funding is tending to fluctuate and even shrink. As a result, non-profit organisations are faced with the urgent need to diversify their sources of funding to ensure their long-term survival.

This need for reinvention is not just a concern for not-for-profit organisations. **A growing number of companies, philanthropists and employees are embracing business models that reconcile profitability with social or environmental responsibility.** As the social and solidarity economy (SSE) becomes more and more professional, this trend continues to grow, along with the gradual incorporation of market principles into the sector.

Given the scale of environmental and social challenges, positive impact entrepreneurship is emerging as a promising response.

Hybridising models: a win-win approach

Hybridisation of models is an innovative strategy that combines lucrative and non-lucrative resources to generate a significant impact. This strategy, which can take various forms depending on the specific needs of organisations, is emerging more and more and offers real opportunities to shape a more sustainable and inclusive future.

For example, a charity may decide to set up a subsidiary dedicated to marketing its original offer, but this time on behalf of solvent customers, alongside its free offer aimed at its regular beneficiaries. Similarly, a commercial enterprise may opt for the opposite approach, by setting up an association vehicle to raise non-market financing, which will then be used to fund non-profit-making activities. This creative hybridisation of business models opens the way to a new era in which the objectives of profitability and social responsibility converge to generate a lasting positive impact.

Two inspiring examples

- Live for Good and huggle

Designed by Live for Good to meet its own internal needs, **the “huggle” tech platform fulfils the specific requirements of the positive-impact entrepreneurs supported by Live for Good**, serving as a digital support for training them in the development of their social or environmental projects. It also enables the positive impact generated by these initiatives to be measured. In 2020, Live for Good decided to spin off this activity, as several players in the SSE ecosystem seemed to be interested in it for their own needs. The management team then decided to turn huggle into a fully-fledged commercial activity to give itself the human and financial resources to invest in the platform so that it would be robust enough to be used by multiple players. This decision was motivated both by the search for additional impact (using tech to accelerate the impact of other general interest organisations) and with the ultimate aim of diversifying the association’s financial resources.

Huggle’s clients are exclusively not-for-profit organisations, positive-impact entrepreneurs, incubators and other SSE players looking to boost their operational efficiency and their ability to create a measurable positive impact (Unis-Cité, Groupe Caisse des Dépôts, Banque des Territoires, etc.). This initiative illustrates an “association-holding” model that **brings together general interest and economic efficiency**, while capitalising on Live for Good’s initial technological expertise.



- Simplon.co and Simplon Foundation

Simplon has taken a different path in adopting a hybrid approach to fulfil its commitment of training digital talent from under-represented backgrounds. Initially set up as an Simplified Joint Stock Company (“Société par Actions Simplifiée”) with ESUS (“Entreprise Solidaire d’Utilité Sociale”) accreditation, the SSE company decided to create **Simplon Foundation, an endowment fund that allows it to be eligible for sponsorship, as well as Simplon Asso, an association that allows it to use public subsidies.** Simplon Foundation and Simplon Asso are actively involved in **social, solidarity and ecological initiatives** aimed at widening access to digital skills and creating opportunities for the most disadvantaged people (NEET¹, disabled people, migrants) and complementing traditional funding for vocational training. Thanks to this hybridisation of models, Simplon has succeeded in mobilising private investment to support its social mission, thereby strengthening its impact and its ability **to bridge the digital gap.**

The two non-profit organisations also run programmes that are not directly or indirectly related to Simplon, promoting accessibility for people with disabilities and ‘green’ uses of digital technology, leading cross-disciplinary, multi-stakeholder initiatives (feminisation of tech professions, promotion of responsible and sustainable uses of metavers), and raising funds that are redistributed to associations through calls for projects.

Hybridisation of models: a host of benefits

It provides an opportunity to:

- **Amplify and sustain positive impact** : by diversifying resources: by combining financial resources, hybrid organisations can develop more robust social solutions and extend their reach. Through the integration of social and environmental objectives, companies can achieve a lasting positive impact while meeting their financial objectives. This can lead to greater customer loyalty and a better corporate reputation.
- **Gain autonomy** : By developing internal mechanisms to generate their own income, non-profit organisations reduce their reliance on traditional resources such as sponsorship and public grants. This financial autonomy strengthens their long-term stability and their ability to maintain a consistent positive impact on their beneficiaries. By creating their own economic engine, organisations can better secure their operations and ensure the continuity of their initiatives, thus contributing sustainably to the achievement of their social mission.
- **Promoting innovation**: model Hybridisation fosters innovation by pushing companies to rethink their processes and find innovative solutions to social and environmental challenges through the sharing of best practices and exploration of new ideas. By creating a commercial subsidiary, an association will be led to structure an offering for clients with the ability to pay, thereby improving their offering for the benefit of their beneficiaries as well.

Challenges and opportunities

Challenges of hybridising economic models:

- **Long-term profitability**: a major challenge lies in the long-term profitability of the new lucrative activity, requiring a sustainable approach.
- **Financial diversification**: this diversification approach does not immediately offset a significant portion of the association’s budget.

- **Risks associated with privileged relationships**: legally, the main risk is the establishment of privileged relationships between the association and its subsidiary, which could be perceived as a competitive advantage.
- **Maintaining the social mission**: another challenge is the risk of deviating from the original social mission in favor of revenue generation, requiring a new lucrative activity aligned with the mission.
- **Recruitment of suitable talents**: from a human resources perspective, recruiting suitable talents is essential for the successful Hybridisation of economic models.

Key success factors:

- **Thorough planning**, crucial for achieving financial success and the fulfillment of the social mission.
- **Long-term strategy**, necessary for managing the challenges of Hybridisation.
- **Adequate risk management**, crucial to minimize potential obstacles

Towards balanced Hybridisation

The hybrid nature of new economic models undoubtedly offers invaluable opportunities for organisations seeking to combine profitability with social or environmental responsibility. **However, it is imperative to nuance this approach and recognize that this evolution does not constitute a universal solution.**

It would be unfair to demand that all non-profit structures create a commercial activity, as it does not align with their primary mission or historical competencies. Organisations such as Restos du Cœur, for example, play a crucial role in society by providing essential food aid, and it is entirely justified for the government to subsidize them to fulfill this mission.

Furthermore, hybrid models are not suitable for everyone. Each organisation must carefully assess whether Hybridisation aligns with its goals, values, and competencies. Preserving the diversity of the nonprofit landscape is essential, recognizing that different approaches can coexist to meet the varied needs of society.

Ultimately, the Hybridisation of economic models represents a powerful tool, but it should not be imposed as a norm. The choice of Hybridisation serves the common interest and, therefore, must be guided by the mission and capabilities of each organisation. This balanced approach allows harnessing the full potential of Hybridisation while respecting the diversity and specificity of nonprofit sector actors, contributing to a more balanced and sustainable world for all.

1. Neither in Employment, Education or Training

Christophe CONCEICAO

Deputy Managing Director

Mélanie DIAN

Head of Communications and Communities

Live for Good

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**CONVERGENCES**

Ansuiffat Aboubacar
Elisabeth Foy-Talissé
Maurane Guivet

Clara James
Lucas Magnani
Fanny Roussey

Nassim Slimani
Lorelei Ursenbach

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More information on : contact@convergences.org ou www.convergences.org