



European trends in Social Entrepreneurship

According to the EU level synthesis report the interest in social enterprises amongst policymakers, public authorities, and researchers has increased remarkably in most European countries.

The discussion and approval of new legislation and the promotion of new support and funding schemes confirm this trend.

The number of social enterprises and people employed is progressively increasing in most EU Member States. Although people are still not fully aware of the potential of the social enterprise, society is more socially conscious, with people showing more interest in responsible consumption, including local, organic, and fair products. Moreover, companies demonstrate concern about their CSR (corporate social responsibility), and investors pay more attention to ethical issues.

The domains of engagement of social enterprises are broadening. Social enterprises engage with societal problems, which differ from country to country and within countries and local territories. Demographic changes linked to low birth rates and aging populations, in-migration (e.g., Germany, Italy, Luxembourg, Sweden) and out-migration flows (e.g., Bulgaria, Poland, Romania, and Slovakia), climate change, regional development, and marginalization of remote communities and groups, including Roma (e.g., Czech Republic, Hungary, Romania, Slovakia), are amongst the most pressing challenges faced by social enterprises in the EU Member States.

Against the decrease in the number of traditional low-skills positions induced by digital technologies, innovative approaches to integrating disadvantaged people have the potential for success in emerging fields, such as social farming, upcycling, and culture, in which social enterprises are increasingly engaging.



This wider perspective going beyond the welfare domain is reflected in recent legal reforms acknowledging new societal challenges tackled by a social enterprise (i.e., Bulgaria, Italy).

In some countries, stakeholders highlight the natural linkage between the national adaptation of the UN Sustainable Development Goals (SDGs) and the space for social enterprise to focus on “green policy” and environmental sustainability (e.g., Czech Republic, Denmark).

The potential of the social enterprise as a business model is nowadays addressed at the crossroads of several policy areas: welfare services, health, energy, agriculture, and the environment. What is more, the role of the social enterprise has proved to be strongly linked to local communities and actors that are willing to interact with social enterprises to address common challenges.

The role of municipalities in supporting social enterprises in their local contexts has increased in the many EU Member States over the last five years. As the European report suggests, new processes of decentralization in social service delivery put municipalities in a unique position to support social enterprises at the local level (e.g., Denmark, Sweden).

In the Netherlands, the local governments increasingly see the value of collaborating with social enterprises to tackle numerous challenges. This is also the case in remote areas, where social enterprises are less developed and have access to fewer public support schemes, despite these territories demonstrating the most pressing needs (e.g., Bulgaria, Germany, Italy).

