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Small business - a major player in social entrepreneurship - a contribution to a sustainable social economy!

Or how to be of service to ourselves and others! The Triad - PEOPLE / PLANET / PROFIT

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INNOVENTER
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INNOVENTER Project Idea

- To establish vocational training for social entrepreneurship for SMEs so that they can innovate while engaging disadvantaged people as employees
- To address the differences between classic business and social entrepreneurship
- The project incorporates concepts of the Social Entrepreneurship Initiative (Social Economy and Entrepreneurship) with commercial entrepreneurship, encompassing the characteristics of a social enterprise to encourage businesses to be managed in a more open and responsible way.
- Project results are nationally adapted, tailored to ECVET social entrepreneurship training courses with curricula, training modules and guides, online and mobile training platforms with interactive SME tools and a supportive knowledge database, mentoring program and employment issues.

SMEs in BULGARIA

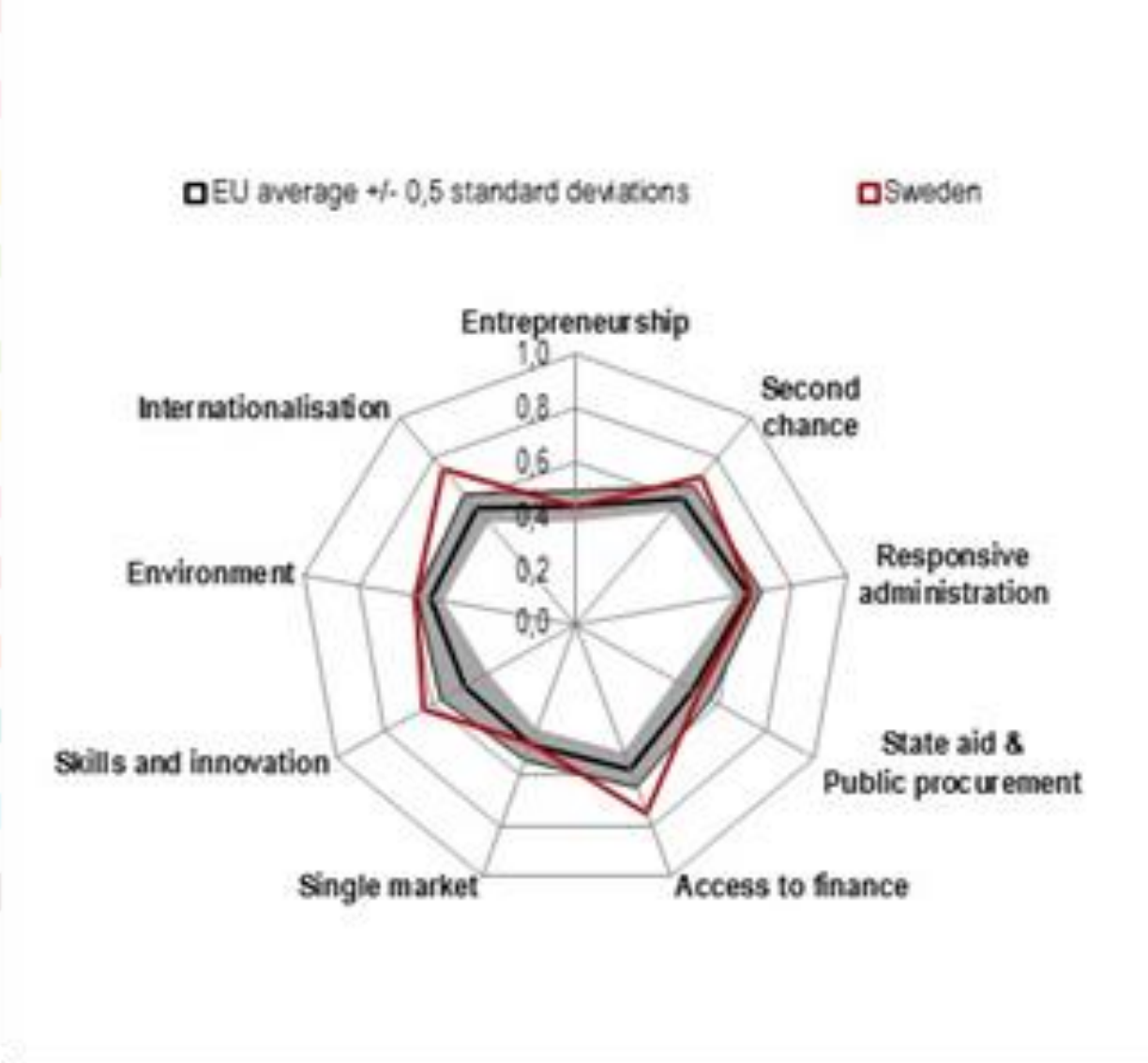
SMEs are the backbone of Bulgaria's "non-financial business economy".

- 65.2% of value added and 75.4% of employment, well above the EU average of 56.8% and 66.4% respectively.
- Bulgarian SMEs employ an average of 4.4 people compared to 3.9 in the EU as a whole. Bulgarian SMEs achieved strong value added growth of 60.5% in 2011-2017. The increase is particularly strong in micro-enterprises, with value added increasing by 83.9% over the same period.
- In 2017-2019, the value added of SMEs increased by 15.1%.
- SME employment increased by 3.1% over the same period, corresponding to around 46 500 new jobs created by SMEs

SMEs in BULGARIA

- The SBA profile in Bulgaria shows a performance below the EU average in several SBA areas.
- In particular, the results show that the country's weakest performance is in the areas of "entrepreneurship", "responsible administration", "environment" and "skills and innovation".
- State aid and public procurement, access to finance, the single market and internationalization are in line with the EU average.
- Bulgaria's strongest performance is in the "second chance" area, where the country has recorded a higher EU average over the current and previous reference period.
- Since 2008, the country's performance on "access to finance" and "second chance" has improved.

SMEs in BULGARIA



INNOVENTER Social entrepreneurship training program

In this context, we - NFI / LP launched the INNOVENTER Social Entrepreneurship Training Program in Sofia, Blagoevgrad and Burgas / South West & Southeast Bulgaria / with the main target groups.

- Existing SMEs
- Start-ups
- Potential entrepreneurs
- NGOs and local public authorities

INNOVENTER training for SMEs - specifics and challenges

NEW LAW ON SOCIAL AND SOLIDAR ECONOMY IN BG

"Social enterprise" - an enterprise that, regardless of its legal form, aims to produce goods or provide services, combining economic results with social goals, achieving measurable positive social added value, transparent management with the involvement of employees in management decisions , some of the average number of staff are vulnerable and / or profits are reinvested primarily for the purpose of pursuing a social activity and / or social purpose under the memorandum or articles of association.

"Social entrepreneurship" is a form of entrepreneurship that combines economic activity with the pursuit of social goals, leading to social added value

INNOVENTER training for SMEs - specifics and challenges

INNOVENTER training for SMEs - SPECIFICATIONS

- Different experience and experience in entrepreneurship, most SMEs are micro-enterprises / family business / self-employed /
- Lack of development strategies in the context of which the transition to social entrepreneurship is planned
- The majority of SMEs, in particular start-ups, are not related to the social and solidarity economy
- Standard difficulties in small business development combined with a chronic shortage of supportive business infrastructure in smaller municipalities, even in major cities, with the exception of Sofia, Blgrd, Burgas
- .....

INNOVENTER training for SMEs - specifics and challenges

INNOVENTER training for SMEs – CHALLENGES

- to introduce the new concept for social business initiatives, which should be considered as a life and business strategy
- to apply an innovative way of learning through the tools of INNOVENTER
- to meet the challenges of adult learning

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Social entrepreneurship in Bulgaria

INNOVENTER training for SMEs - CHALLENGES

- Over 2.98 Million People at Risk of Poverty or Social Exclusion:
- 41.3% of the Bulgarian population
- Over 170,000 discouraged people aged 15-64
- Over 204,000 people aged 15-64 not working due to poor health or disability
- Unemployment rate 7.1%:
- Long-term unemployment 5.6%

Social Entrepreneurship in Bulgaria

PROBLEMS BEFORE SOCIAL ENTREPRENEURSHIP

- Lack of specialized knowledge and training
- Improvement of capacity and human resources for effective management of social enterprises;
- Measures to increase administrative capacity in social enterprises;
- Lack of information
- Social marketing, partnerships and networks;
- Access to finance
- Support for social enterprises, specialized enterprises and cooperatives of and for persons with disabilities;
- Financial instruments;

Social Entrepreneurship in Bulgaria

NATIONAL CONTEXT

- Favorable legal environment for the development of social entrepreneurship
- National concept for social economy
- National Action Plan for the Social Economy 2018 - 2019
- Updated Employment Strategy of the Republic of Bulgaria 2013-2020
- National Youth Strategy 2010 - 2020
- National Poverty Reduction and Promotion Strategy for Social Inclusion 2020
- New Law on Enterprises of Social and Solidarity Economy

Social Entrepreneurship in Bulgaria

Challenges to Social Entrepreneurship

At national level

At local and regional level

The role of local authorities in the development of the social economy !!!

Social Entrepreneurship in Bulgaria

Introducing social entrepreneurship training into the vocational training system in Bulgaria

- Initiated procedure before MLSP in December 2018
- Partnership and interaction with NAVET
- Inclusion of CVTs, secondary education and employers' organizations in the INNOVENTER network
- Sustainable use of INNOVENTER's online platform
- Public-private partnership in the social economy
- **Municipalities as a social entrepreneur - is this possible and how?!**

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INNOVENTER training for SMEs – specifics and challenges

Thank you for your attention!

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