

A SNAPSHOT OF THE SOCIAL ENTREPRENEURSHIP ECOSYSTEM IN THE EASTERN PARTNERSHIP COUNTRIES AND RUSSIA



BACKGROUND INFORMATION

The project

“Collaborate for Impact” is a five-year EU-funded project (2020–2025) led by EVPA, in partnership with the European Commission, in the Eastern Partnership (EaP) countries and Russia. It aims to contribute to the development of a more favourable social entrepreneurship ecosystem in the region. As a result, civil society organisations (CSOs) and social enterprises will benefit from social investment to become sustainable and have an increased positive societal impact.

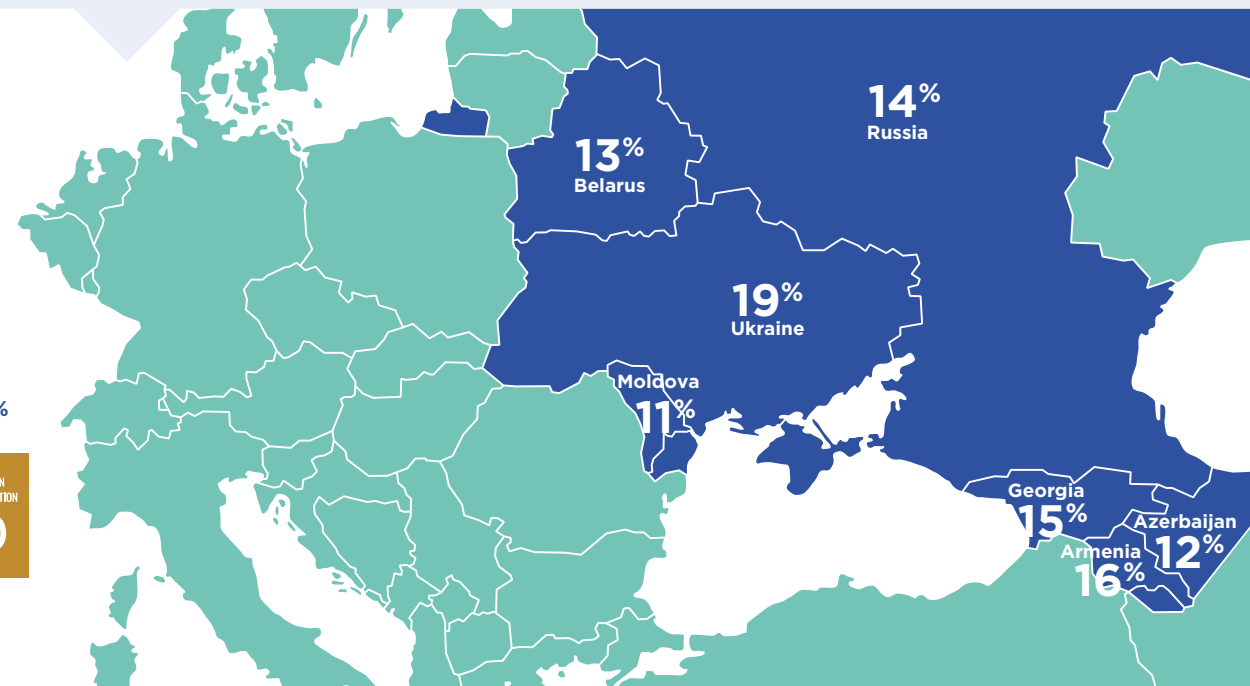
The survey

The social enterprise needs assessment survey collected 181 responses from entities who consider themselves social entrepreneurs or social enterprises, including informal groups, CSOs and social enterprises as defined by local legislation. The survey aimed to gather insights into their needs with regard to long-term financial and organisational sustainability, scaling opportunities, type and size of investments sought for growth and increased societal impact.

SOCIAL ENTERPRISES IN THE EAP COUNTRIES AND RUSSIA AIM TO TACKLE MULTIPLE SOCIAL AND ECONOMIC CHALLENGES.



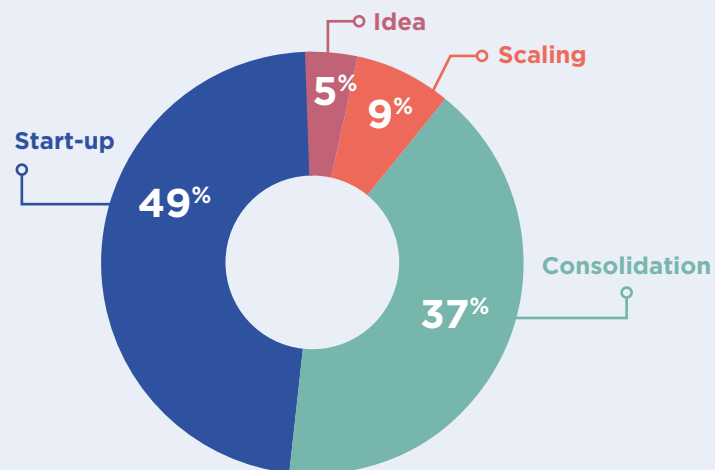
Top 5 SDGs supported - % respondents, multiple choice (n=181).



COUNTRIES INCLUDED IN THE PROJECT

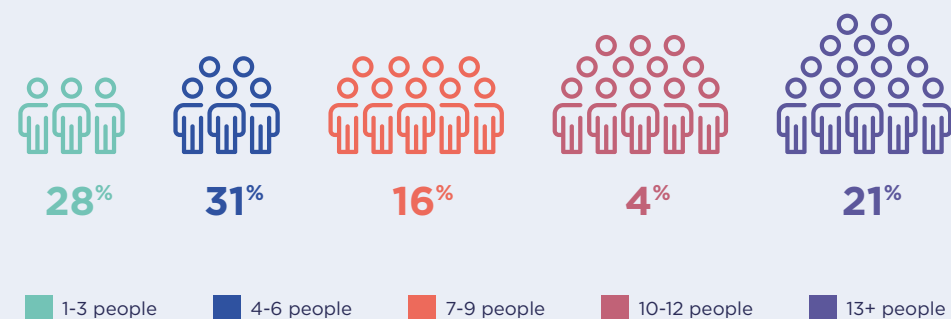
% respondents per country (n=181).

THE SURVEY RESULTS SHOW THAT THE MAJORITY OF SOCIAL ENTERPRISES ARE AT THE EARLY STAGE OF DEVELOPMENT.



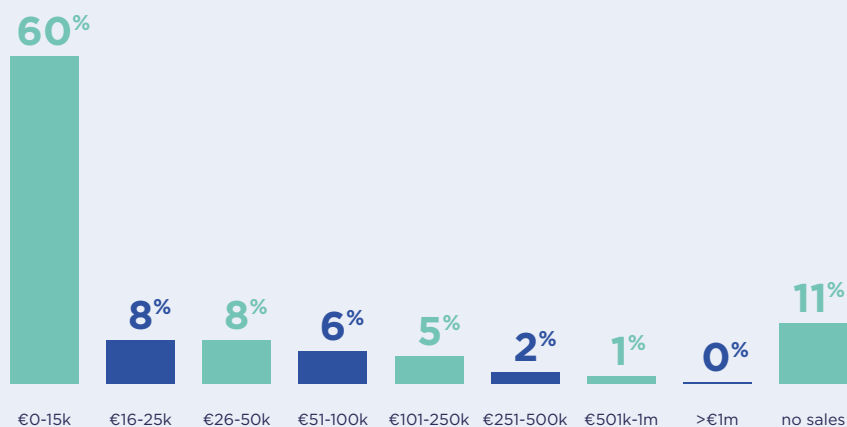
% self-assessment of entities who consider themselves social entrepreneurs (n=181)

MOST SOCIAL ENTERPRISES OPERATE WITH A TEAM OF UP TO 6 PEOPLE.



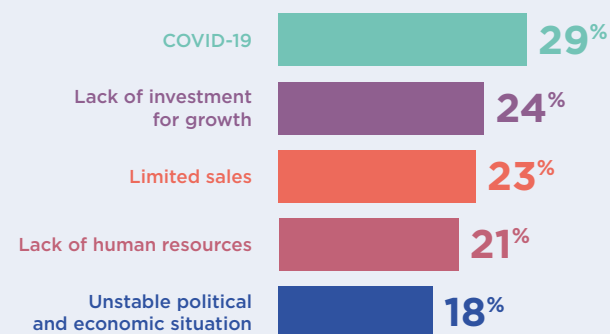
% team size (n=181)

SALES REVENUES ARE MOSTLY BELOW €15,000 EUR.



% sales revenues generated in 2020 (n=181)

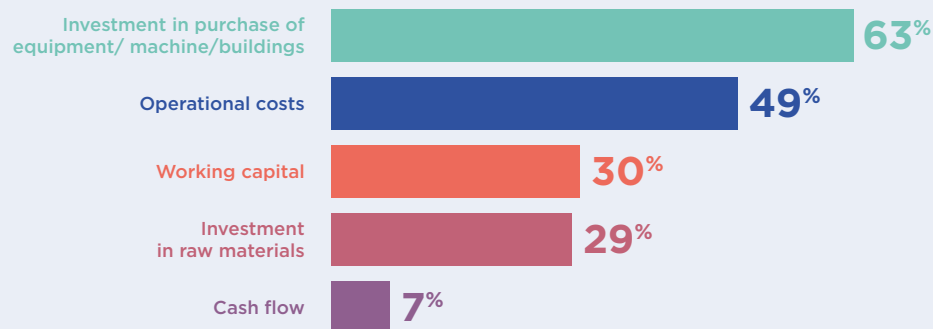
SOCIAL ENTERPRISES IN THE EAP COUNTRIES AND RUSSIA FACE VARIOUS CHALLENGES.



Top 5 challenges, open-ended question (n=177)

TO ACHIEVE LONG-TERM SUSTAINABILITY, GROWTH AND INCREASED SOCIETAL IMPACT, SOCIAL ENTREPRENEURS NEED SPECIFIC SUPPORT FROM INVESTORS FOR IMPACT.

One-third of social entrepreneurs indicated that they need investments for purchase of equipment, machinery or buildings, signifying an early-stage market.



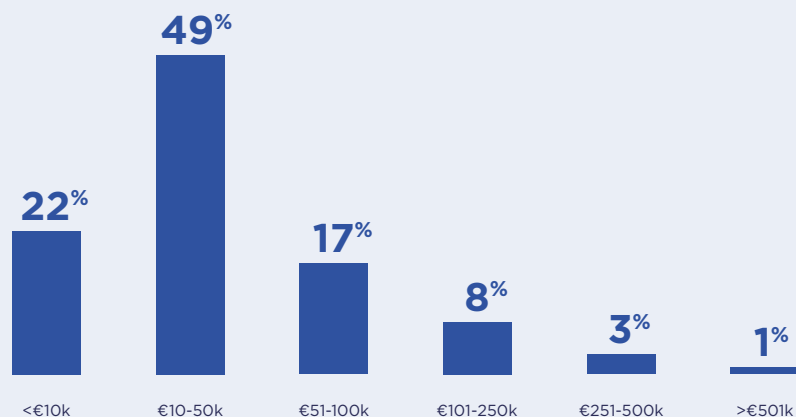
% preferred tailor-made financial support, multiple choice (n=178).

The majority of social entrepreneurs would prefer grants or government funding with social/impact investors as an investment for the further development of their business model, particularly for prototyping, production activities and infrastructure investment. This indicates that the social entrepreneurship ecosystem is at the early stage of development.



% investment type needed, multiple choice (n=178).

Almost three-quarters of social entrepreneurs reported that the size of investment they seek is below €50,000, mostly for development of infrastructure.



% responses per social enterprise organisation (n=178).

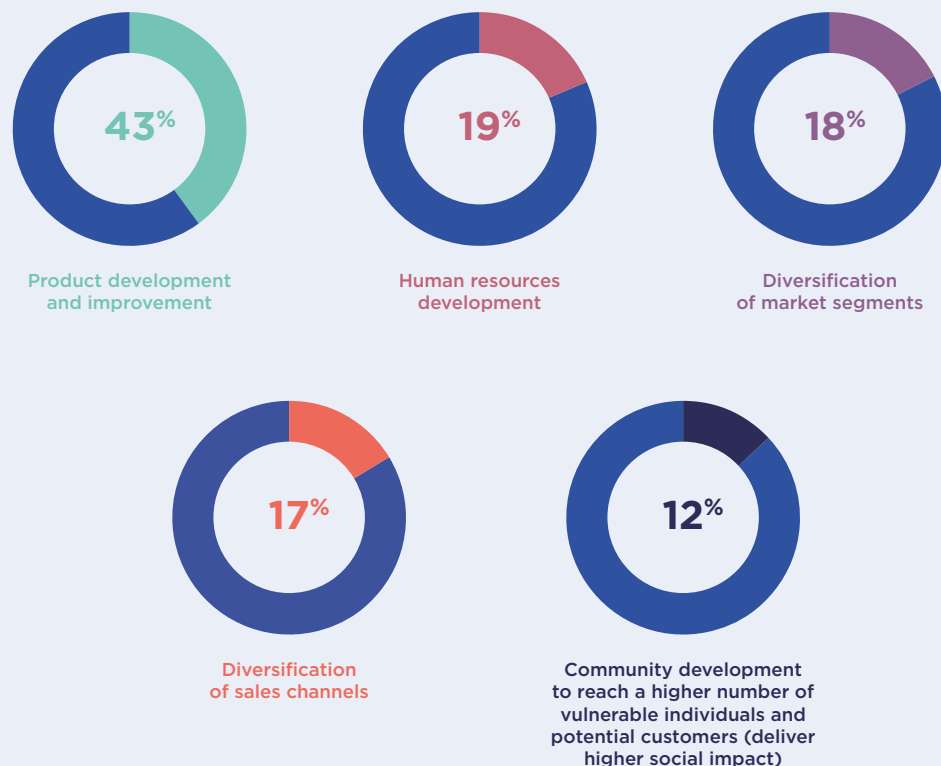
One-quarter of social enterprises stated that they need to improve their marketing and sales strategies, and would need support in these fields.



% top 4 priorities in non-financial support needed, multiple choice (n=180)

LOOKING FORWARD

Social entrepreneurs plan to work in the following areas of business development in 2021.



Top 5 business development priorities for 2021, open-ended question (n=180)

CALL TO ACTION FOR INVESTORS FOR IMPACT IN THE EaP COUNTRIES AND RUSSIA



Build your understanding of the region and its networks by engaging with national and regional players and attending local social impact business clubs that build up the investment community and offer opportunities to invest.



Invest in support organisations, including their training and capacity-building efforts, rather than running such programmes directly. Provide funds to help support organisations in their sustainability efforts and pipeline building.



Become an early investor or co-investor in an existing or developing Social Purpose Organisation (SPO) in the region.



Engage SPOs as reliable suppliers in your value chain. Such organisations are capable business partners.

This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of EVPA and do not necessarily reflect the views of the European Union. More information about the EU-funded “Collaborate for Impact” project can be found at: <https://collaborate4impact.org/>

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