

# UNDERSTANDING OF SOCIAL ENTREPRENEURSHIP ECOSYSTEM IN RURAL AREAS



## SITUATION ANALYSIS IN THE WESTERN BALKAN COUNTRIES



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### Situation analysis for the Western Balkan countries

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## Abstract

**This study provides a snapshot and better understanding on the level of awareness, involvement and conditions for development of social entrepreneurship (SE) in rural areas in the Western Balkan countries. The current level and areas of involvement of CSOs in social entrepreneurship are assessed, along with the current conditions for further development of social entrepreneurship in rural areas in the Western Balkan countries. A tailored-made survey was carried out in the Western Balkan countries through the BRDN member-networks in order to collect data from relevant Civil Society Organisations. In total, 248 respondents completed the survey. The survey findings point to the increasing awareness of the role and meaning of social entrepreneurship and the extent of the current activities promoting it in the Western Balkan countries. The majority of survey respondents are aware of the importance of SE initiatives for further development of rural communities. The understanding of this subject is still limited and most of the civil society organisations are involved through supporting and consulting, though there is an orientation towards activating in social entrepreneurship in the near future. Recommendations on further activities include improvement of the social entrepreneurship awareness in the countries in order to spark higher interest, that should be supported with adequate institutional framework, access to markets and finance, and last but not least, knowledge, skills and business development support.**

## Introduction

**This research was carried out in the framework of the project “Support to BRDN in institutional development to Revive Rural Communities in the Western Balkan” (BRDN, [www.brdnetwork.org](http://www.brdnetwork.org)). The project undertakes actions to support BRDN in strengthening its capacities as a formally established network to become an active contributor to rural development decision-making processes and an accountable actor for inclusive and sustainable socio-economic development of rural areas in the Western Balkan Region. BRDN produces various regional researches and analyses on topics relevant to the rural development in the Western Balkans, as basis in its work for adequately and successfully representing the needs of the rural population and active involvement in creation of rural development policies.**

**The generally accepted definition of a social enterprise recognises it as “an operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners or shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities” (European Commission, 2011). The European Commission equally considers the terms 'social business' and 'social enterprise', given that the business has social or societal objective of the common good as the reason for the commercial activity, profits are mainly reinvested in order to achieve this social objective, and where the organisational or ownership structure reflects their mission. Social enterprises can further be described as “social mission driven organizations which apply market-based**

strategies to achieve a social purpose” (CSEF, 2022). Social enterprise has actually two-fold goals; to achieve social, cultural, community, and/or environmental outcomes, while also earning revenue. The movement includes non-profit organisations that use business models to pursue their mission, but can also include commercial organisations with primary social objectives.

The emergence of the social enterprise field is gradually taking pace in the Western Balkan countries, where still significant portion of the population lives in severe and moderate poverty and unemployment rates are high. Social enterprises however still tend to be detached from public policies, although gradually some recognition is being accomplished in official policy documents and through EU and other donors funding operational programmes that refer explicitly to social enterprise, especially in the case of Albania, Montenegro, North Macedonia, Serbia (Borzaga et al., 2020).

This study contributes to this important topic, and brings closer the social entrepreneurship understanding through the lenses of the civil sector in Western Balkan countries. It is part of a regional effort aimed to reveal the role and benefits of social entrepreneurship for sustainable rural development through analysis of the factors and barriers to its application. The research objective is to obtain a better understanding on the level of awareness, involvement and conditions – ecosystem for development of social entrepreneurship (SE) in rural areas in the Western Balkan countries. In that regard, the research questions focus on: (1) assessing the current level and areas of involvement of CSOs in SE, and if not involved, assessing the level of awareness of CSOs of social entrepreneurship principles and functioning; and 2) assessing the conditions for development of social entrepreneurship in rural areas in the Western Balkan countries.

## **Method and data**

The conceptual framework of the survey builds upon the social entrepreneurship ecosystem assessment modules within the better entrepreneurship policy tool (OECD/European Union, 2018). This framework allows assessment of current policies and programmes that enable and support social enterprises, as well as the contextual potential for development of social entrepreneurship. Social entrepreneurship focuses on social enterprises, which seek to have a social impact through their economic activities. These businesses can aid in local growth and social harmony, including in rural areas, and in that sense require an enabling environment and possibly targeted support measures.

In order to fulfil the objectives of this research, a questionnaire was composed within the BRDN project working group, unified for all participating countries from the Western Balkans. The questionnaire was prepared in an electronic format and the survey was conducted online, where necessary supported by telephone interviews, in the period April-May 2022.

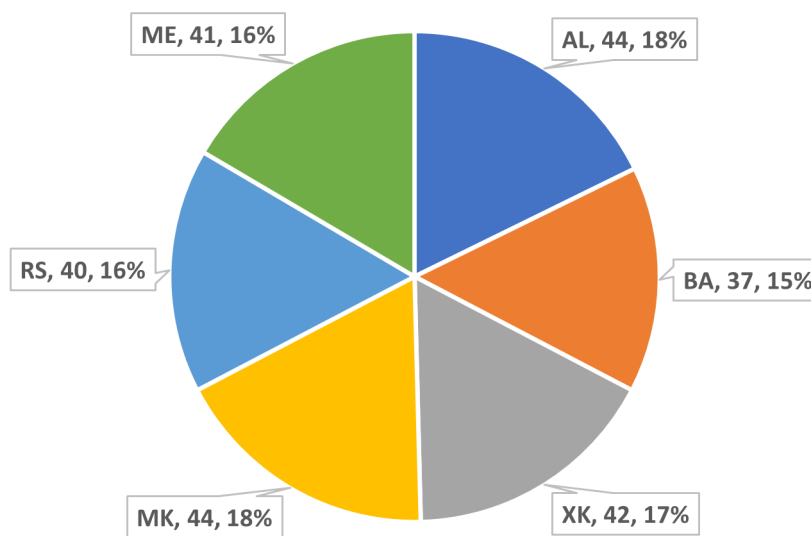
In the process of selecting potential survey participants, the approach included contacting people and/or organizations active in the non-governmental civil society sector that have

ongoing, or plan to initiate, activities in rural areas of the countries of the Western Balkans. Aiming for the results to deliver sufficient representation, the sample provides balanced inclusion of the Western Balkan countries, the regions within the countries, gender, age diversification, variety of professional backgrounds and activities of the respondents. The survey was fully completed by 248 respondents.

The document presents the aggregated findings from the six Western Balkan countries (Albania - AL, Bosnia and Herzegovina - BA, Kosovo - XK, Montenegro - ME, North Macedonia - MK and Serbia - RS). It employs a cross-country comparative approach, to reach a better overview of the differences, and similarities, in the various aspects of the social entrepreneurship filed in the Western Balkans. The individual reports with more detailed overview of the country specifics are prepared from the national experts and are available at the BRDN knowledge hub.

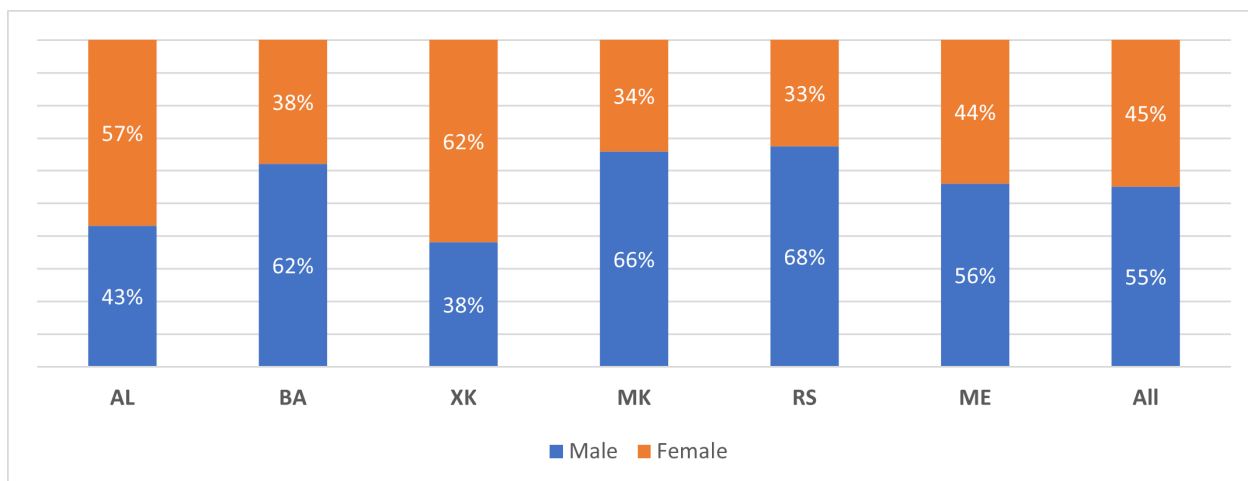
## Sample description

Responses were collected from six countries in the Western Balkans. The distribution of the responses among the whole sample is relatively evenly distributed, i.e. ranges from 37 responses in Bosnia and Herzegovina, to 44 responses each in Albania and North Macedonia, respectively (Figure 1).



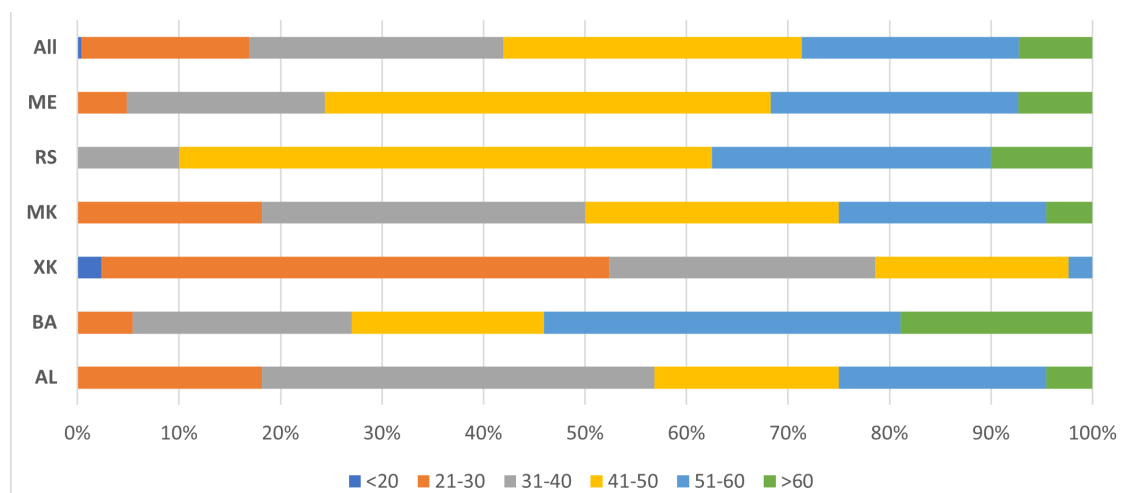
*Figure 1. Geographical representation of the respondents in the survey*

In terms of gender, overall 55% of the sample is represented by male respondents, and the remaining 45% by female (Figure 2). The highest male representation is in the Serbian sample (68%), while female respondents are most represented in the Kosovo sample (62%)



**Figure 2. Gender representation of the respondents in the survey**

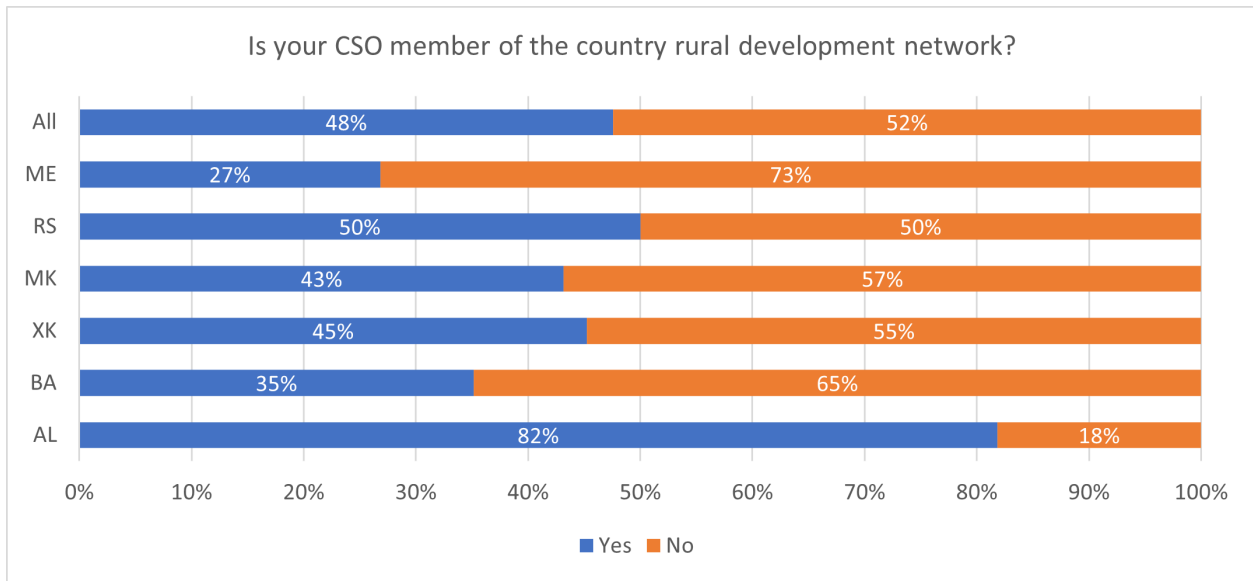
All age groups are relatively well represented in the sample (Figure 3). The ‘youngest’ sample structure is in Kosovo, where more than half of the respondents are under 30 years of age, while in Bosnia and Herzegovina around 54% of the respondents are over 50 years of age.



**Figure 3. Age representation of the respondents in the survey**

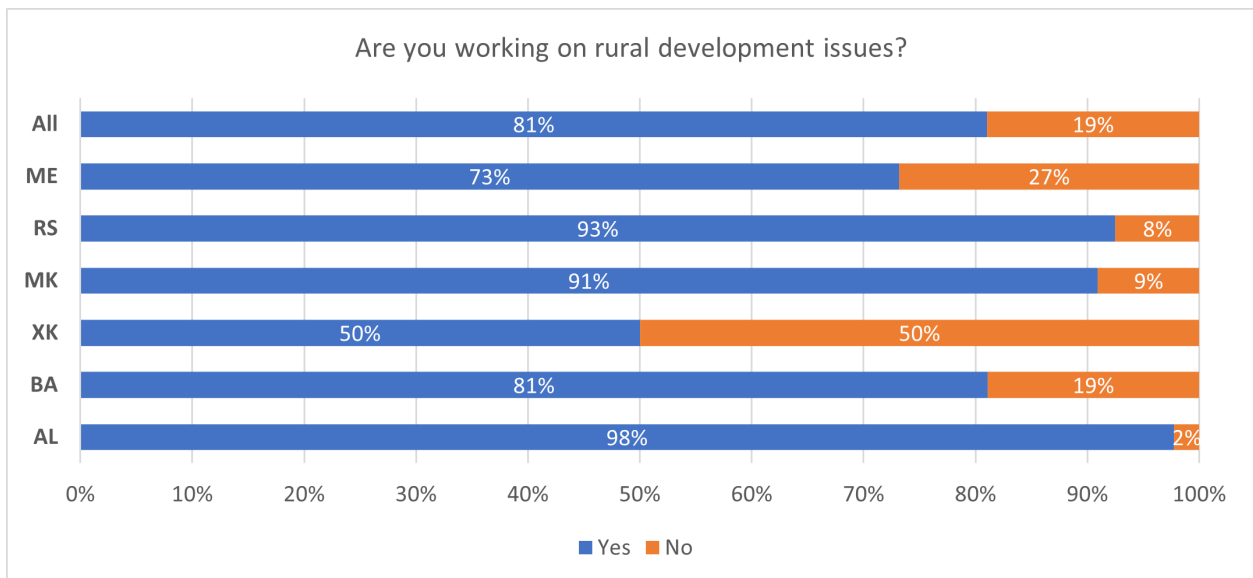
Large majority of the respondents are active members of national rural development networks (Figure 4). The highest representation of CSOs members of national rural development networks is noted in Albania (82%), followed by Serbia, North Macedonia and Kosovo sample, where around half of the respondents stated they are active members of national rural development networks.





**Figure 4. Membership of the respondent CSOs in the countries rural development networks**

Given the target group and the frequent membership in national rural development networks, most of the respondents are involved in rural development issues. Over 90% of respondents in Albania, Serbia and North Macedonia answered that they are working on rural development issues, 81% in Bosnia and Herzegovina, 73% in Montenegro and half in Kosovo (Figure 5).



**Figure 5. Responses if working on rural development issues**

The scope of work of the respondent CSOs is mostly focused on issues linked to youth and agriculture, followed by rural tourism, environmental aspects, women and vulnerable groups targeted activities (Figure 6). Given the countries' context, with dominant agricultural sectors both in terms of contribution to the economy and employment (especially in Albania), as well as the general high unemployment rates and persisting poverty levels, civil society

organisation typically engage in extremely diverse domains, including the primary agriculture, to address the issues of the vast numbers of small holder farmers. Similar approach tends to be in the area of social enterprises, surrounded by detached public policies, which are rather weak and ineffective ((Borzaga et al., 2020).

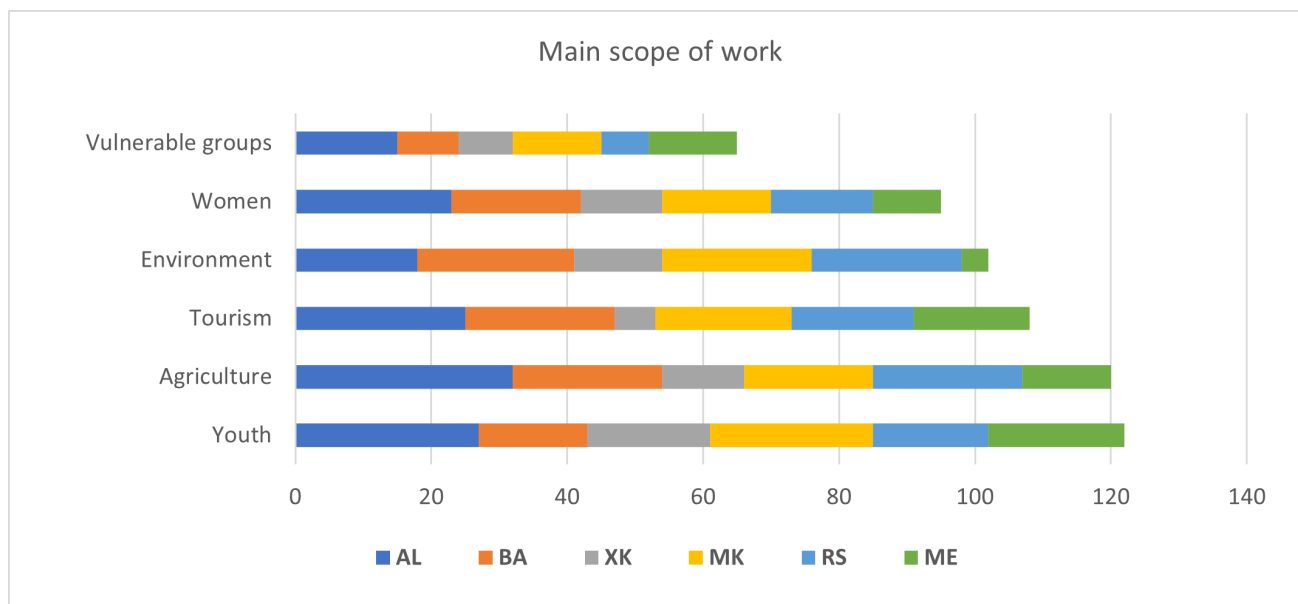


Figure 6. Main scope of work of respondent CSOs

## Findings on Social entrepreneurship ecosystem

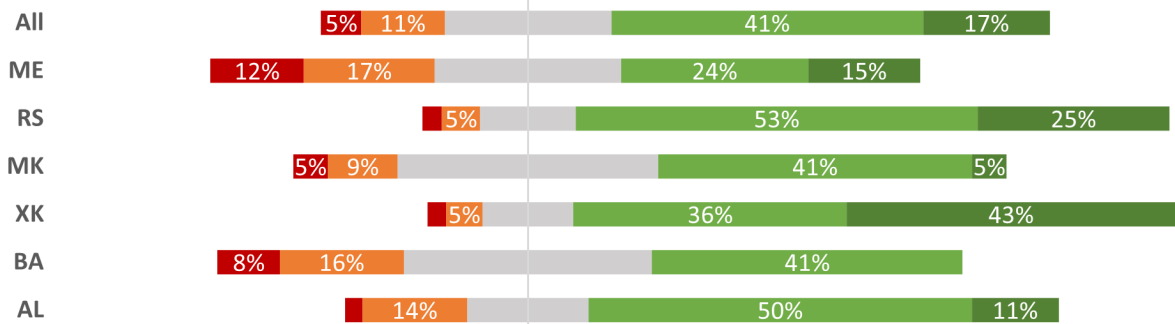
### Social entrepreneurship culture

The social entrepreneurship culture encompasses assessment of the local traditions, customs and practices. In this respect, the respondents provided their opinion on whether actions are taken to promote social entrepreneurship and whether organizations that assist the social economy and citizen-led projects receive support. The support by the academic community is also assessed, as well as the availability of relevant data and statistical information on social enterprises (Figure 7).

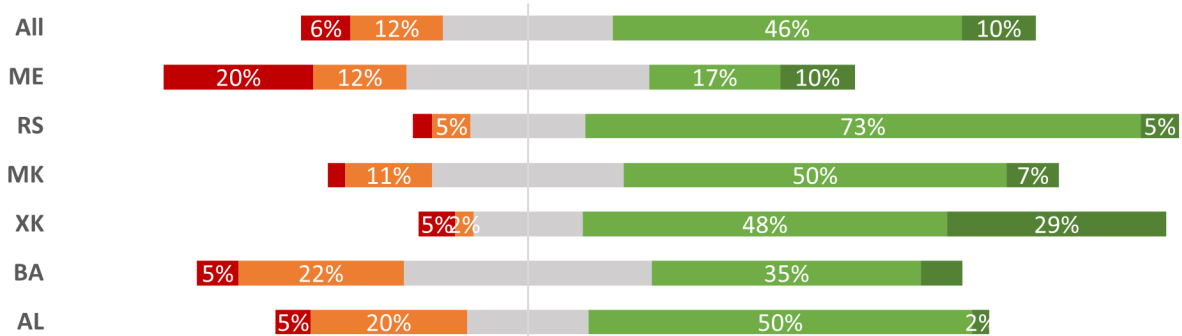
Nearly 58% of the respondents in all countries agreed that there are active civil society and social economy organisations fostering social entrepreneurship in their countries. This statement has strongest positive response in Serbia and in Kosovo with 78% of the respondents agreeing there are such enterprises active, with engagement of the civil sector, followed by Albania and North Macedonia. Lower recognition of activity is noted in Montenegro and Bosnia and Hercegovina

The assessment of the awareness-raising activities regarding social entrepreneurship undertaken in the respective countries follows a similar pattern of responses, where the notably around one-third of the respondents in Montenegro, Bosnia and Hercegovina and Albania recognised lack of effort for promoting social entrepreneurship.

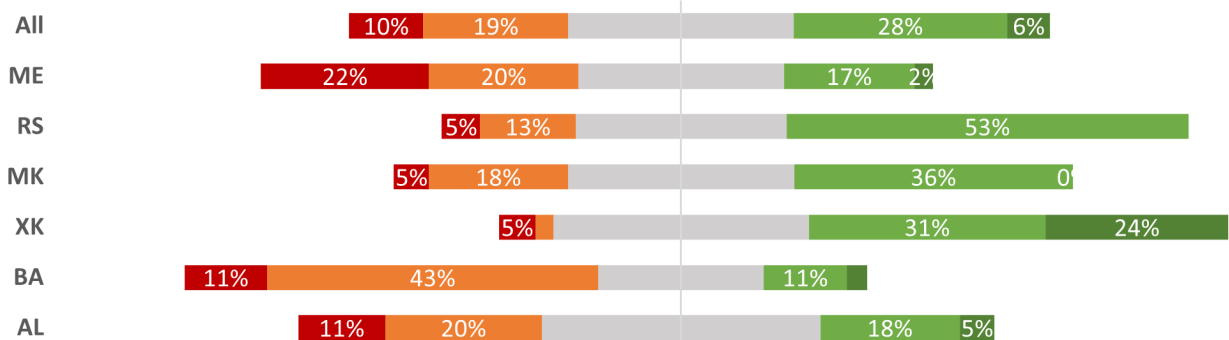
1 (strongly disagree) 2 (disagree) 3 (neutral) 4 (agree) 5 (strongly agree)



There are active civil society and social economy organisations fostering social entrepreneurship in my country.



Awareness-raising activities regarding social entrepreneurship are undertaken in my country.



Universities and research community are active in the field of social entrepreneurship.

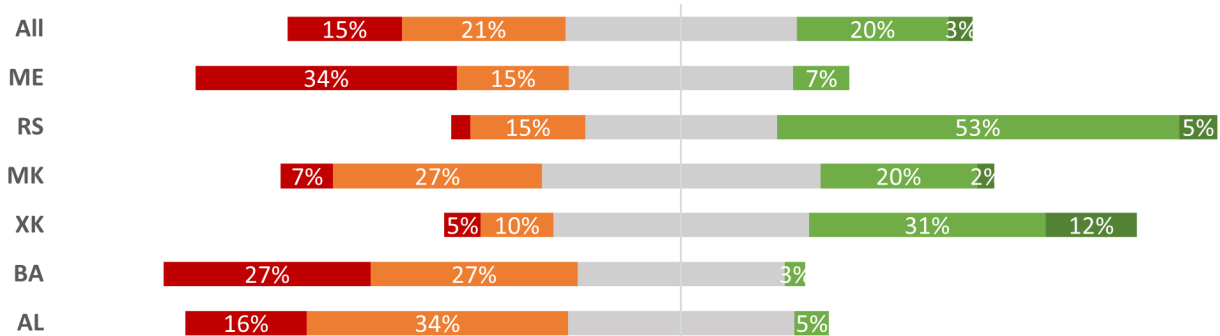


Figure 7. Respondents' assessment of the social entrepreneurship culture

The activity of universities and the research community in the field of social entrepreneurship is generally assessed as initially existing, though still being rather limited, especially in Montenegro, Bosnia and Hercegovina and Albania. Statistical data to support the analysis on social enterprises are lacking in most of the countries.

In general, there is some awareness among the respondents of the existence of centers supporting social entrepreneurship (Figure 8). For instance, the majority of survey respondents are aware on existence of first National Center for Support of Social Enterprises which was opened November 2021 in Skopje, or the Serbian Social Economy Network, as a national network that brings together social enterprises. However, on some countries such as Montenegro, apart from the Employment Agency of Montenegro as a key organization supporting entrepreneurship, there is lack of a resource center focused on social enterprises. More extensive local/regional level support is lacking in most countries.

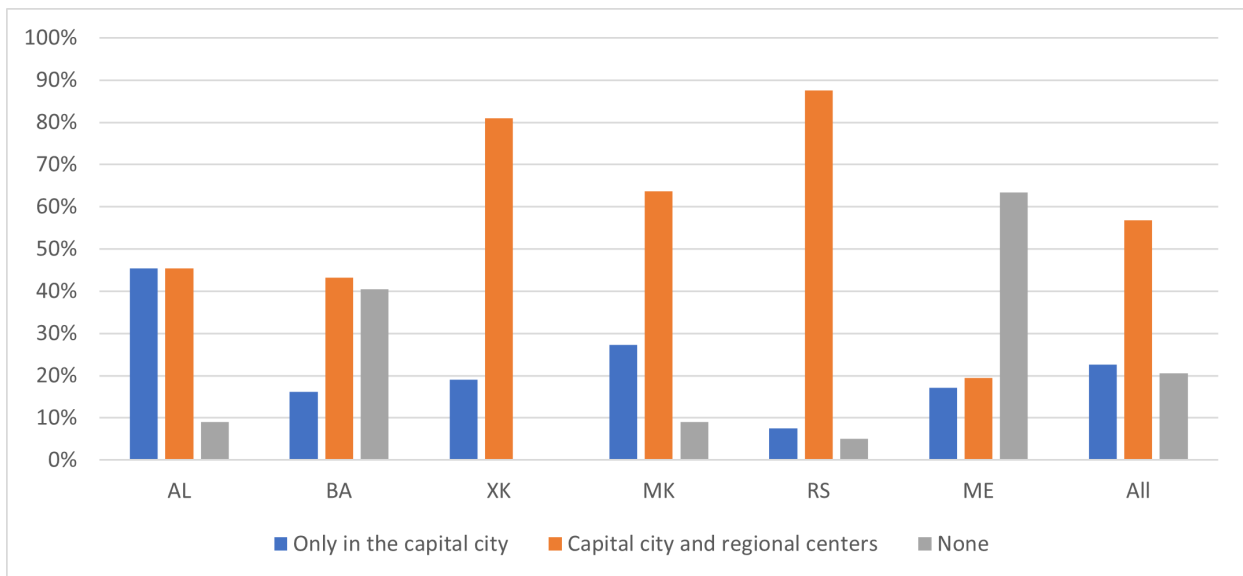


Figure 8. Respondents' awareness of existence of centres supporting social entrepreneurship

### Institutional framework

This section examines the institutional support for the growth of social enterprises, coordination across government bodies and levels of government as well as whether a sound strategy to support social entrepreneurship has been put in place and was created in conjunction with key stakeholders.

The survey results reveal certain reservations about the level of engagement and support provided by public bodies towards social entrepreneurship initiatives in the countries (Figure 9). Apart from more positive outlook in Kosovo and Serbia, in the remaining countries the mechanisms for support of social enterprises, both in terms of institutional set-up and planning framework, are perceived as not yet sufficiently developed. This is similarly perceived for the inclusiveness of the process for developing policies to support social enterprise development, which needs to be further assured. However, although the opinion of majority of

respondents recognise a low level of inclusiveness, usually such frameworks involve various stakeholders, but this perception of the respondents also relies on the transparency and the communication of the policy development process.

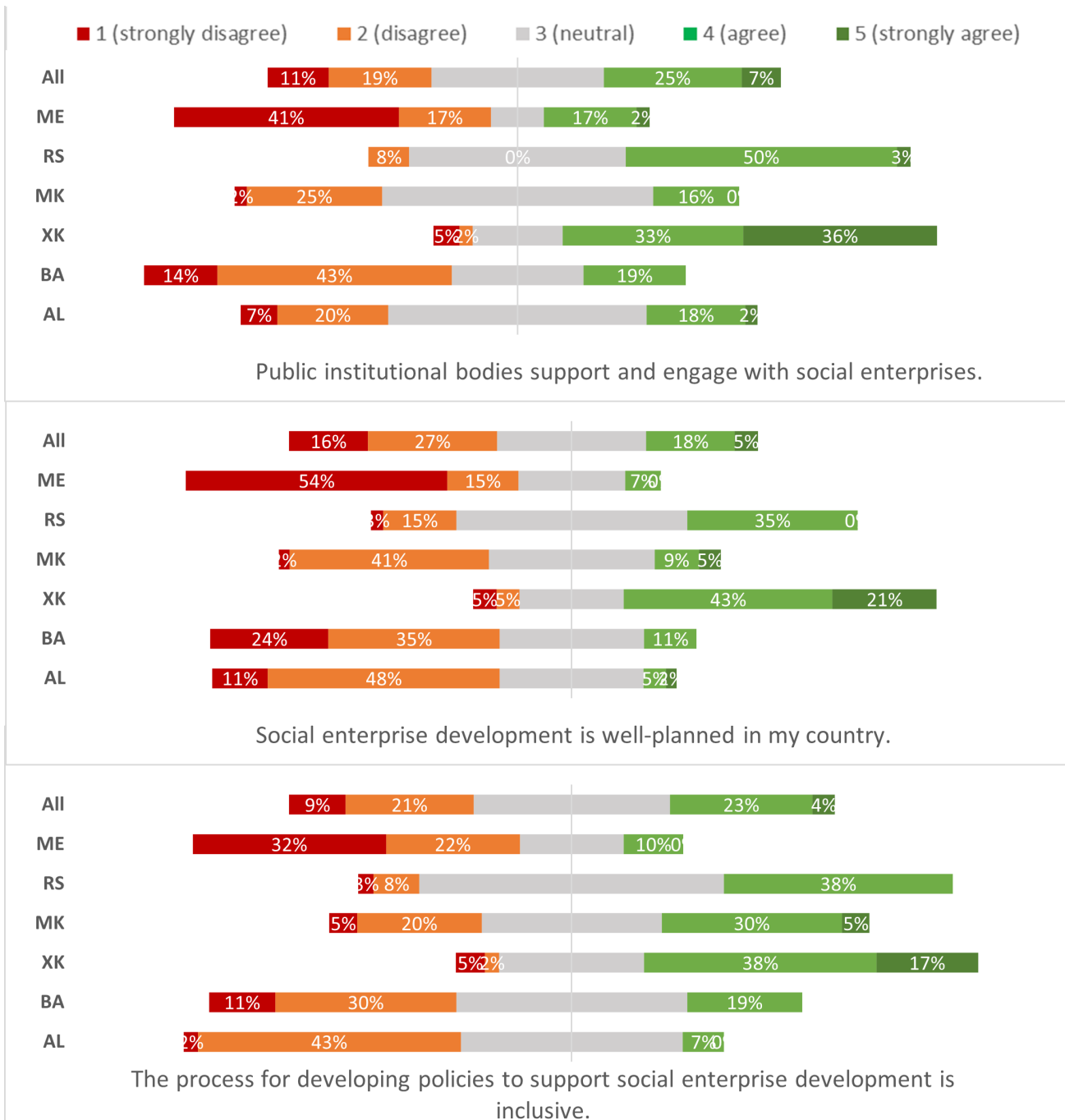


Figure 9. Respondents' assessment of social entrepreneurship institutional network

The awareness of the formal acknowledgement of social enterprises in strategic documents of the government, which are existing in the countries, is still lacking in most of the countries (Figure 10). Notable is the existing National strategy for development of social enterprises in North Macedonia (2021 – 2024), with an Action plan for implementation.

Overall, the lack of more specifically targeted strategic and programming framework points to the need for stronger political support, as well as clear policy objectives with specific measures. Implementation and enforcement of the policies remains a challenge.

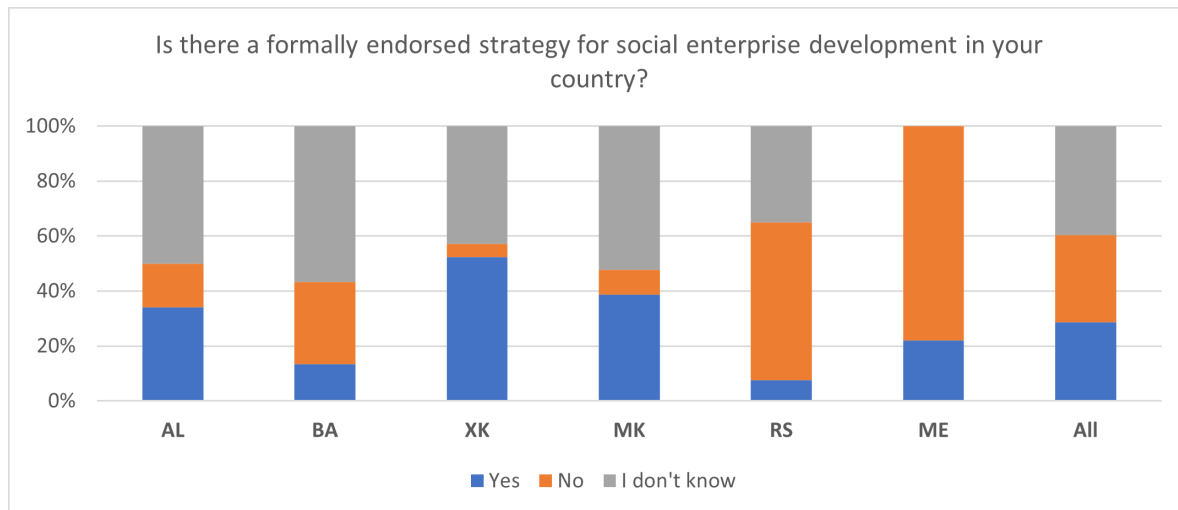


Figure 10. Responses if there is a formally endorsed strategy for social enterprise development

There are a number of projects related to social entrepreneurship in the Western Balkan countries, mostly EU or donor organizations supported (for example, among others, Yunus growing social businesses and Toka jonë Our Land Re-use of confiscated land to promote social agriculture in Albania; Social entrepreneurship as an opportunity for social and economic development in Bosnia and Herzegovina; mainly short- time projects targeting economic empowerment of women and youth in Kosovo; Self-employment and social entrepreneurship for youth in Montenegro; Support to social enterprises in North Macedonia and the Employment and Social Innovation (EaSI) program in Serbia, or the Regional incubator for social entrepreneurs RISE). The awareness of these projects is not very high – around half of the respondents are familiar with the project, although in some of the countries, such as Bosnia and Herzegovina and Montenegro, only about 25-30% in the sample responded that they know of projects dealing with social entrepreneurship in their country (Figure 11).

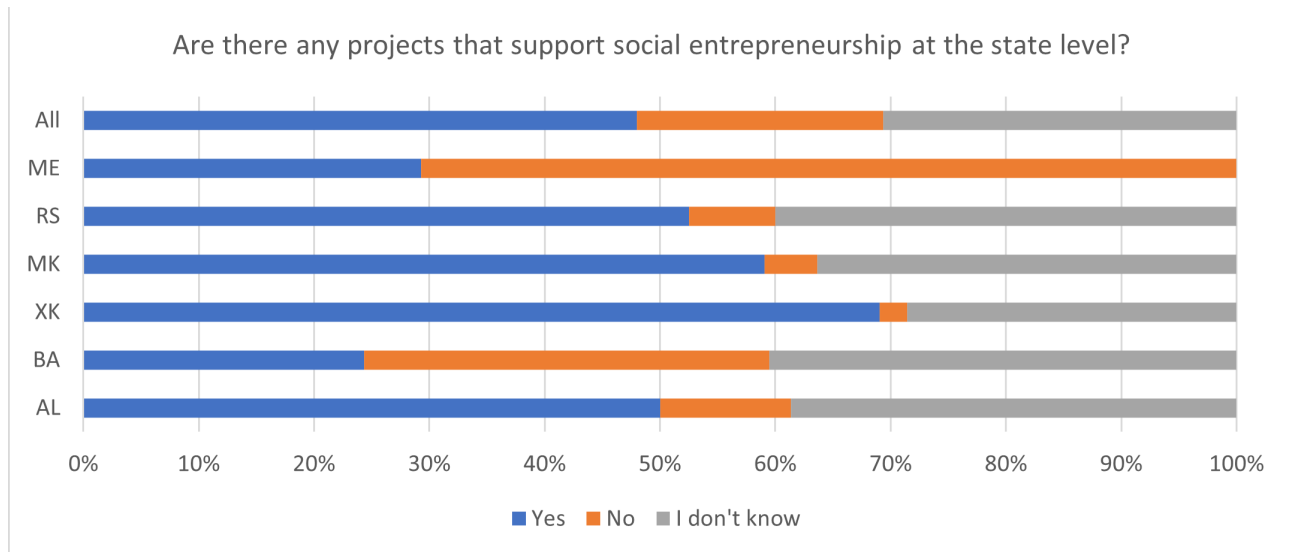


Figure 11. Responses if there are any projects supporting social entrepreneurship at state level

### Legal and regulatory framework

It might be challenging to discern between social enterprises and other businesses without official recognition. The survey respondents were asked to evaluate if the current legislative system in the respective countries distinguishes social enterprises and whether the administrative processes required to launch a social enterprise are simple to use and understand (Figure 12).

On the statement whether social enterprises are legally recognized in the country, large majority agreed. However, social enterprises are still not explicitly regulated in most legislative frameworks, with some more advanced examples such as the Law on Social Enterprises in Albania, followed by by-laws on determining specific categories of disadvantaged groups and on the Approval of the list of activities exercised by social enterprises; the Law on social entrepreneurship was recently adopted in Serbia; proposed Law on social entrepreneurship in North Macedonia that is planned to be soon introduced and adopted in parliament.

The inclusion of various groups of relevant stakeholders in the process of drafting the legislation was perceived as particularly lacking in the case of Montenegro. The administrative procedures specific to social enterprises were in most cases assessed as not easily accessible and clear, which should be an indication for the policy makers and administrative structures to ensure well informative, accessible and understandable procedure for the potential users.

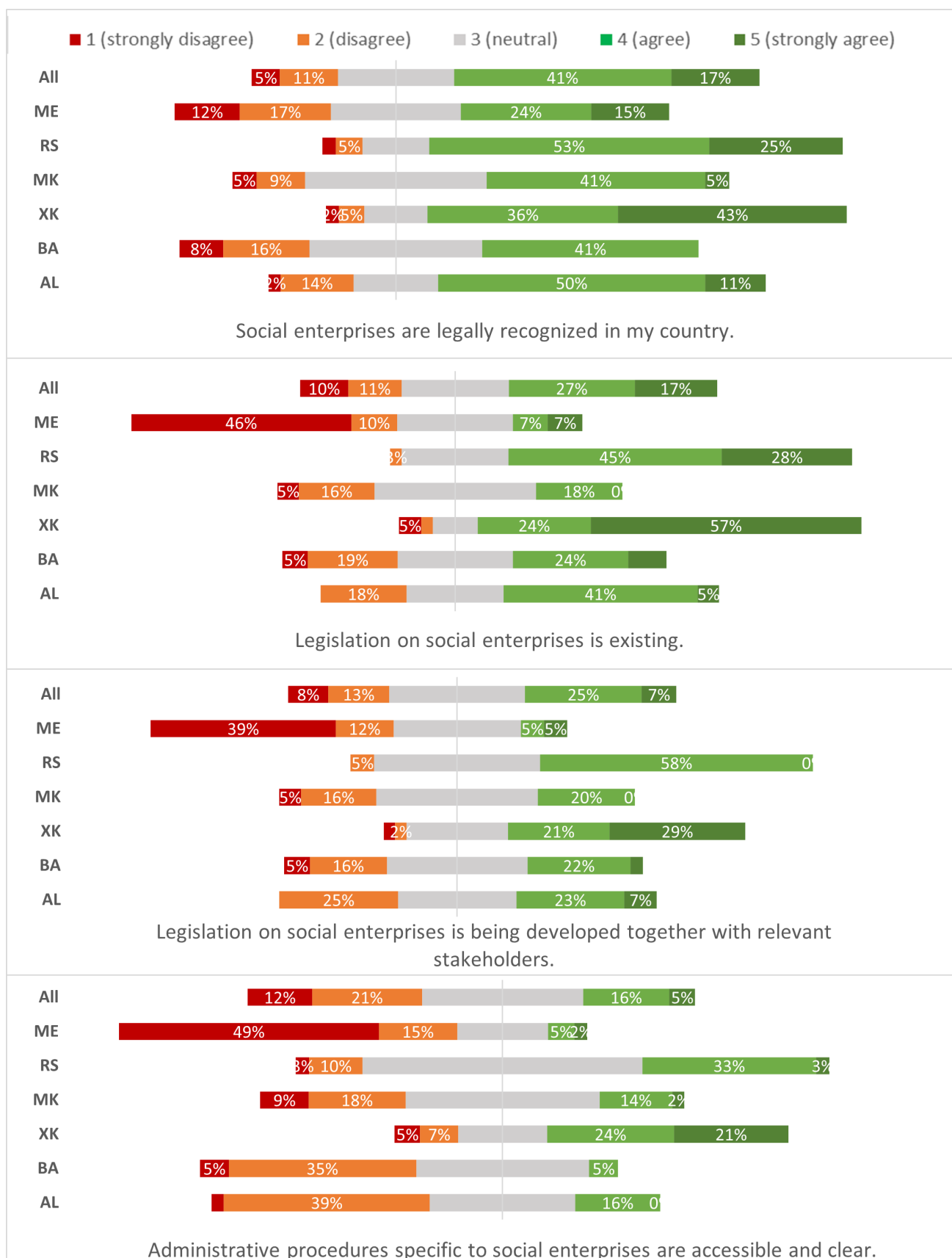


Figure 12. Respondents' assessment of legal and regulatory frameworks



## Access to finance

Access to finance is crucial for the development of social enterprises. The most significant supporters of social entrepreneurship on aggregate level are the foreign donor programs funds, as stated by the respondents. Next are public funds available to fund social enterprises (in Montenegro and in Kosovo being stated as even more important source than international donors). The financing by banks (which rarely offer specialised products, with few exceptions), other financial institutions and specialised service providers in general are considered as less important contribution to the development of social enterprises (again, the proportion of responses recognising these sources is higher in Montenegro and in Kosovo) (Figure 13).

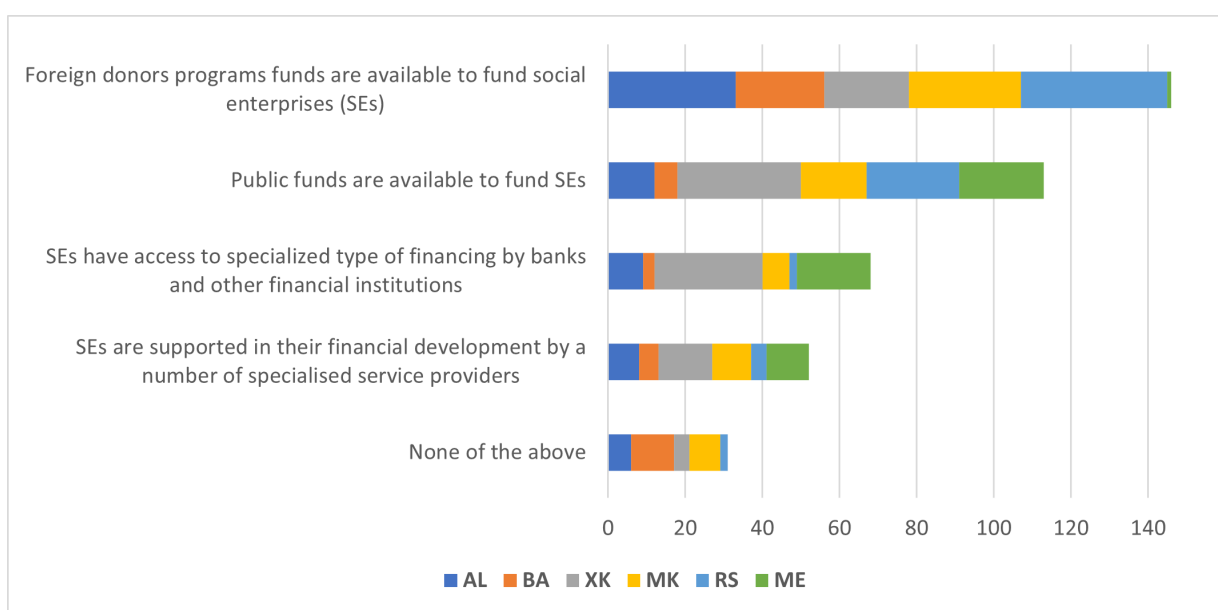


Figure 13. Respondents' assessment of social enterprises access to finance

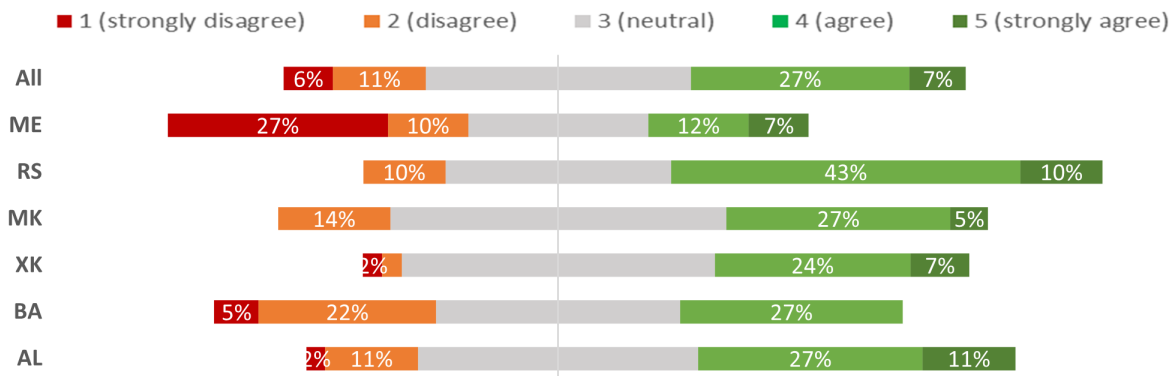
## Access to markets

Social enterprises need to have suitable access to public, and to private markets. In the survey, the respondents were asked to assess the functioning of the public procurement in terms of using access to public markets by social enterprises, and also if social enterprises use new technologies to increase their own commercial opportunities and market access.

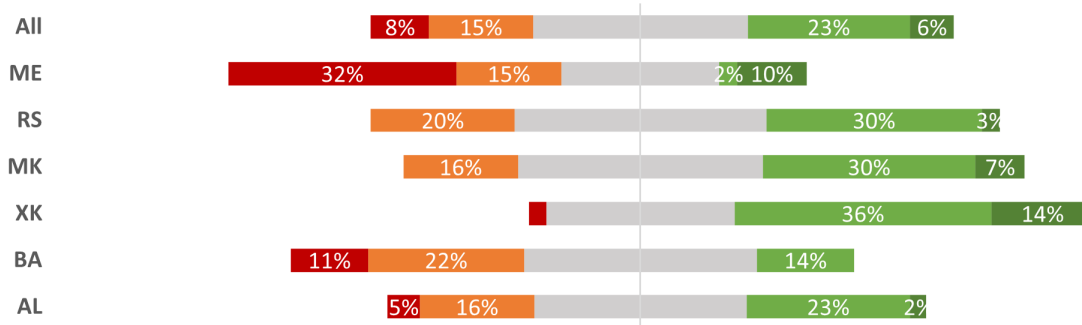
The use of the opportunities offered by modern technology is generally perceived neutrally or towards the positive side, especially in Serbia, and most reserved are the respondents from Montenegro (Figure 14). The pandemic crisis starting in 2020 influenced the market channels and pushed faster development of e-commerce and digital services, which opened new opportunities for all kind of enterprises, including social businesses.

Public procurement opportunities are assessed as most favourable in Kosovo, and least satisfactory in Montenegro and Bosnia and Herzegovina. There are certain incentives in some of the countries (for example, in the recently introduced National strategy for SE development,

with possibilities of ‘reserved procurements’ connected with the Law on public procurement in North Macedonia; increasing e-procurement practices in the countries) but nevertheless social aspects are yet to be included in the public procurement practices.



Social enterprises use the opportunities of new technologies to access markets.



Social enterprises have access to public markets (public procurement).

Figure 14. Respondents' assessment of access to markets

### Skills and business development support

The survey results show that around half of the respondents assessed they have access to trainings, coaching and/or mentoring programs on social entrepreneurship (Figure 15). Training opportunities were most frequently positively assessed in Kosovo, Albania, and Serbia, while recognized as lacking to a greater extent in Montenegro and Bosnia and Herzegovina. Nevertheless, social entrepreneurship is still a relatively novel concept in the countries and regardless of the assessment, capacity building initiatives can only increase the awareness, spark interest and promote the subject, and ultimately better prepare the users for sound business development. In that regard, the large proportion of the respondents assessed there is a need for adequate business development structures (for example, incubators or hubs) that would initiate social enterprises start-ups and foster scaling-up and multiplying of the operations.

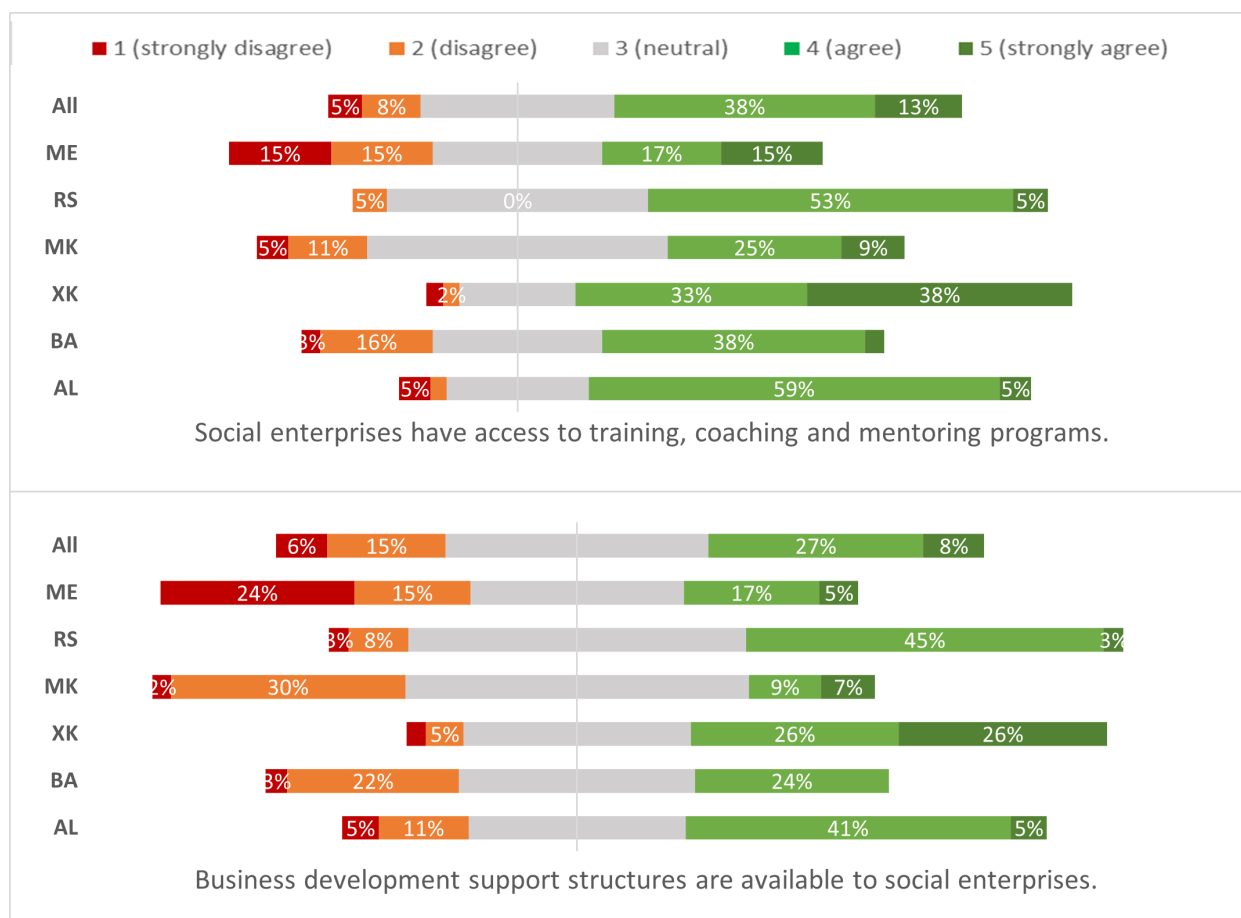


Figure 15. Respondents' assessment of skills and business development support

### Social entrepreneurship in rural areas

Taking into consideration the study focus on rural areas, several questions were asked regarding the role and understanding of social entrepreneurship in the rural development context (Figure 16).

Almost all respondents in all countries agree that social enterprises are important for the rural areas and rural community development (almost 80% of respondents agreeing or strongly agreeing, with relatively similar results across the countries).

The role of rural development networks in promoting and supporting social entrepreneurship is generally recognised, in particular among the respondents in Serbia, Kosovo and Albania. The awareness of rural communities of the potential that social enterprises bears for its development is yet to be further developed, as large proportion of responses indicate room and need for guidance and support in this regard.

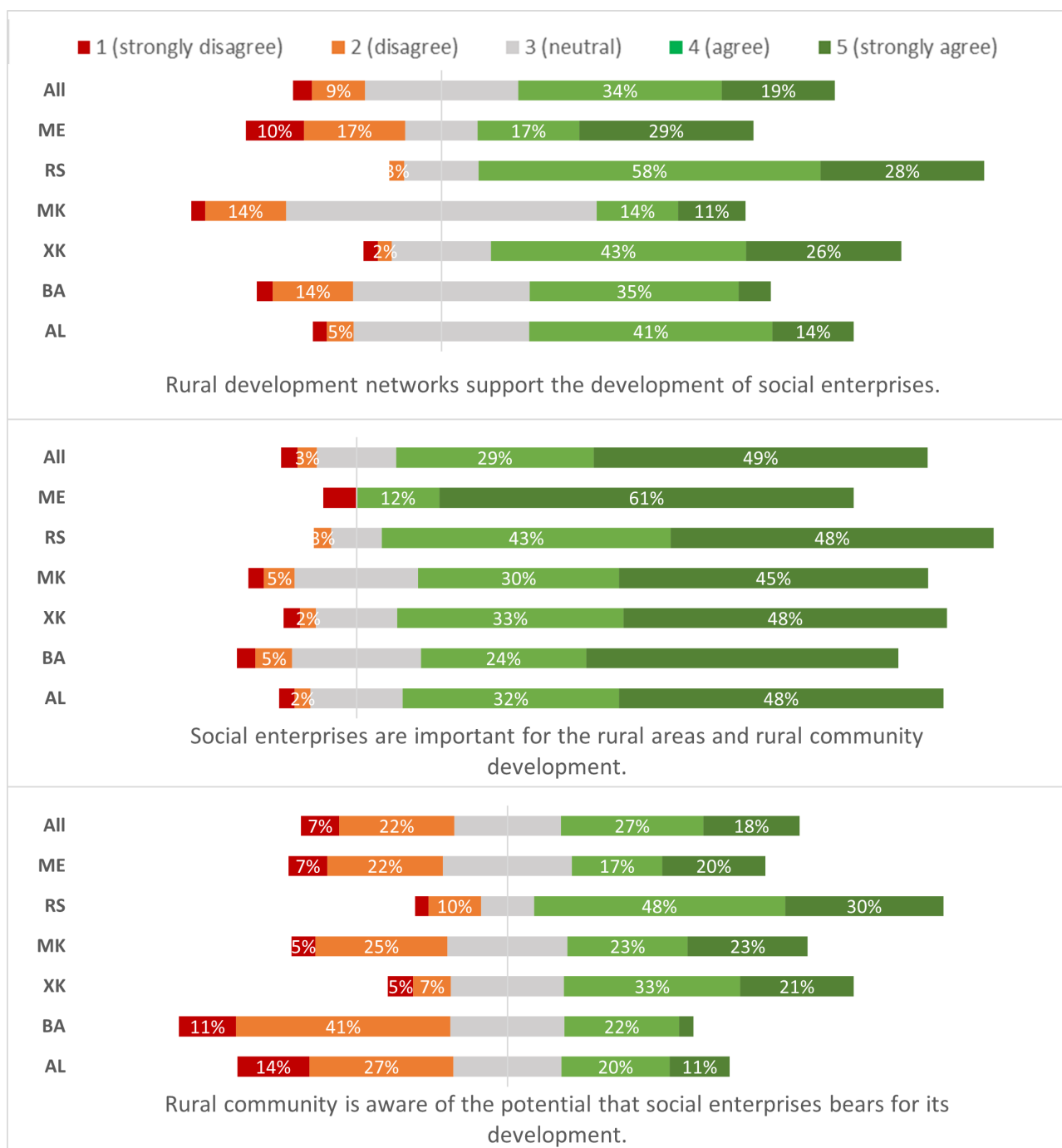


Figure 16. Respondents' assessment of social entrepreneurship in rural areas

On the question who should be the founder of a social enterprise, the most frequent answer is that this initiative should be instigated by the civil society sector (Figure 17), which is to some extent expected given the target group and structure of respondents. Private sector and local government are pointed out as other potential founders of social enterprises.

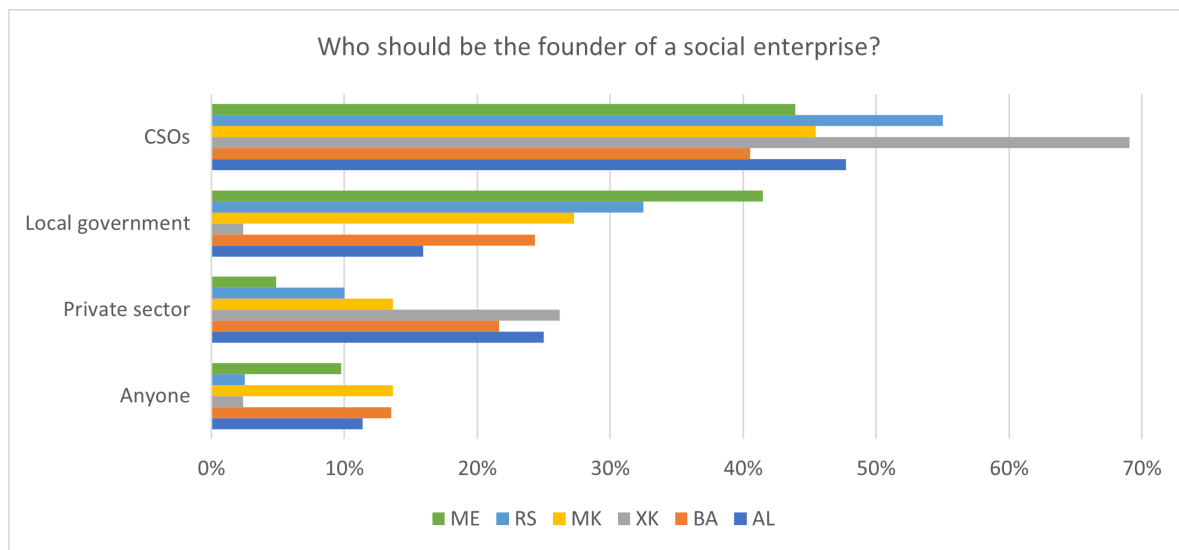


Figure 17. Respondents opinion who should be the founder of a social enterprise

There are different ways in which the public sector can facilitate social entrepreneurship. Aggregated for the whole sample, with equal distribution, is the message that access to finance is the key prerequisite (Figure 18). Other ways to support social entrepreneurship include providing of training and capacity building for social entrepreneurs, along with education of both public sector stakeholders (local authorities, etc) and consumers / users about social entrepreneurship. Increasing the awareness in the business community about social enterprises, their role and functioning, is also recognized as very important, to be supplemented with business advisory activities, connecting various platforms and networks, within an enabling business environment (legislation, institutional framework, administrative support, etc)

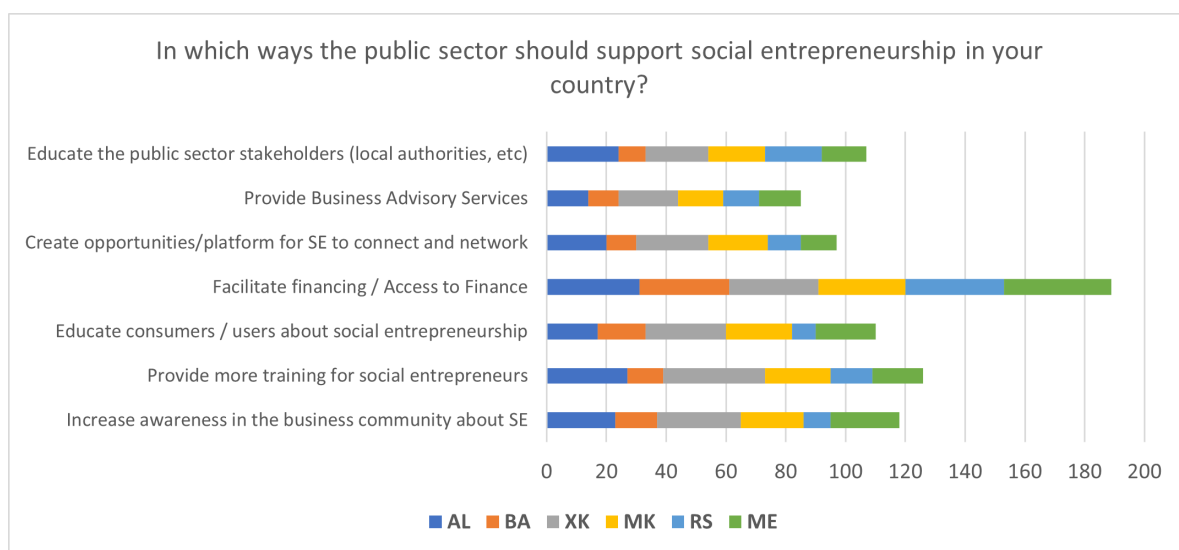


Figure 18. Respondents opinion in which ways the public sector should support SE

## CSO/personal aspects and involvement

Most of the survey respondents are neutral or slightly certain in their knowledge and skills related to social entrepreneurship, most notably confident in Serbia (Figure 19). However, significant portion expressed reserves with regard to their knowledge (especially in Montenegro, Bosnia and Hercegovina, and North Macedonia) which alerts to deeper investigation of this issue and need for continuous awareness raising and support. In any case, in order to get involved in social entrepreneurship, it is necessary to have a sound understanding of the features, mission and needs of social enterprises.

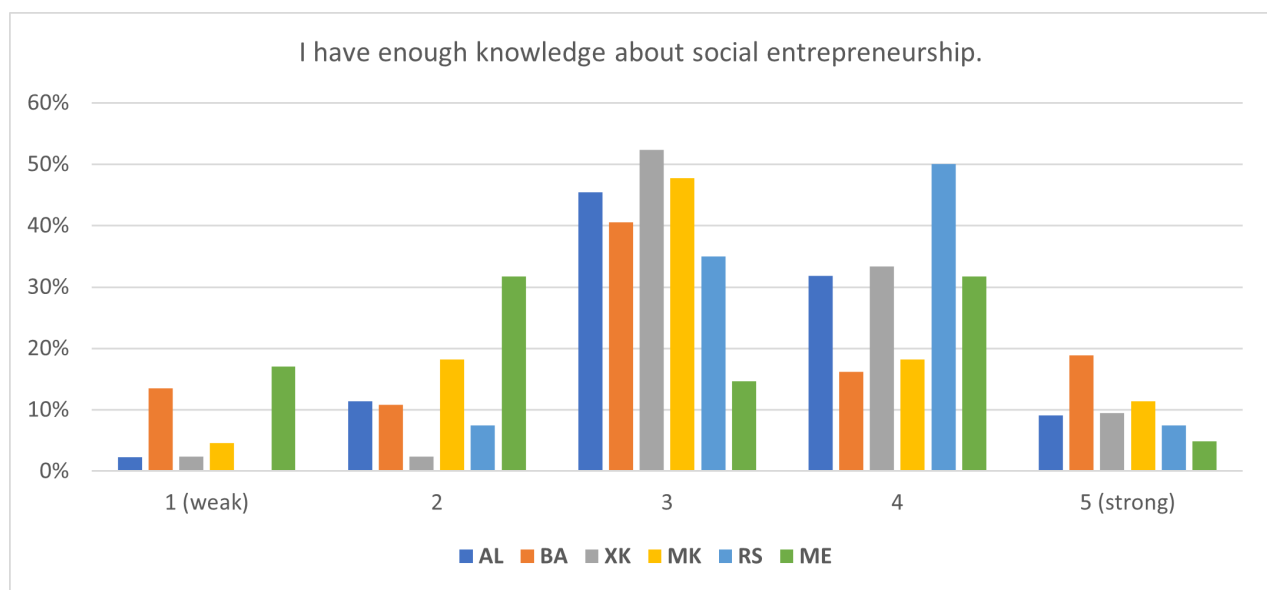
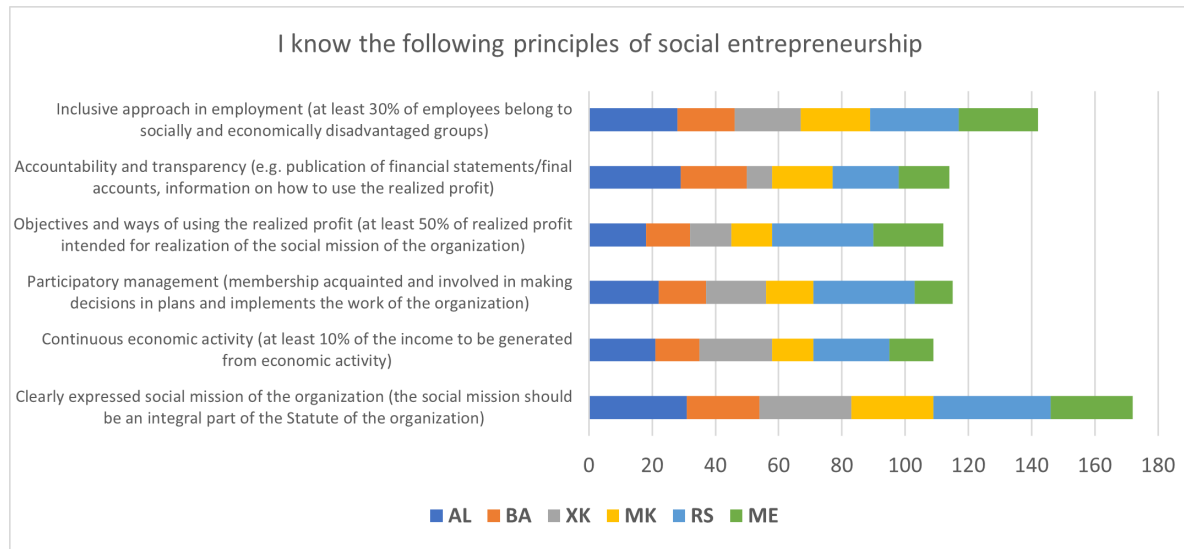


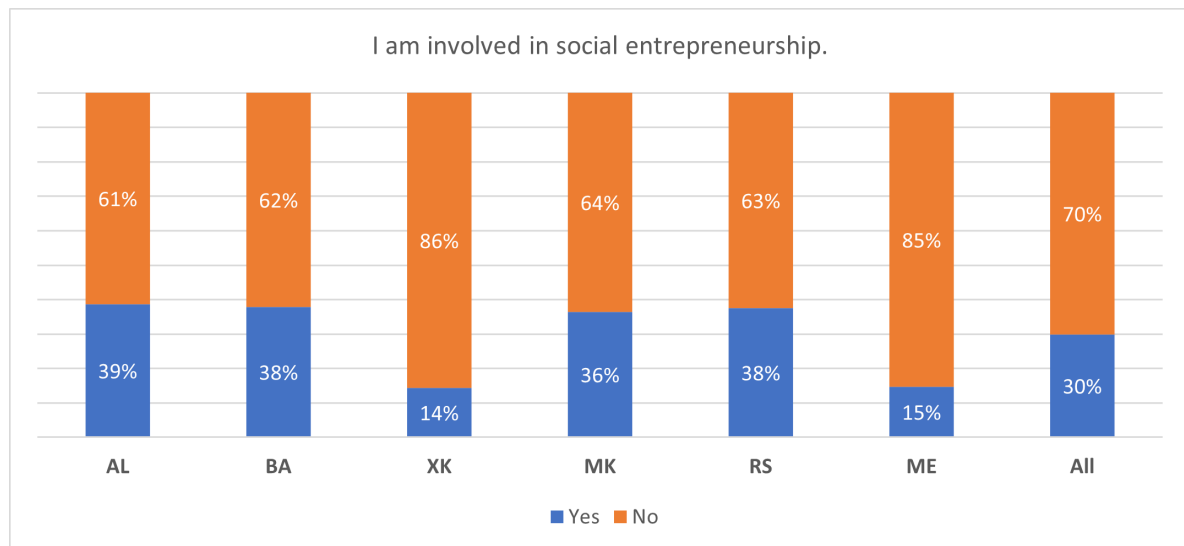
Figure 19. Personal assessment on SE knowledge

The most obvious social entrepreneurship principle for the respondents in terms of awareness and recognition was the organization's clearly stated social mission (that the social mission should be an integral element of the organization's statute), which was noted by almost 60% of the respondents (Figure 20). Over half of the respondents recognise the inclusive approach in employment within social enterprises (for at least 30% of employees to belong to socially and economically disadvantaged groups). The other principles were selected by approximately 40% of the respondents: maintaining a continuous economic activity (at least 10% of the income to be generated from economic activity); participatory management (membership acquainted and involved in making decisions in plans and implements the work of the organization); social objectives and ways of using the realized profit (at least 50% of realized profit intended for realization of the social mission of the organization); accountability and transparency (e.g. publication of financial statements/final accounts, information on how to use the realized profit).



**Figure 20. Personal assessment of the knowledge of social entrepreneurship principles**

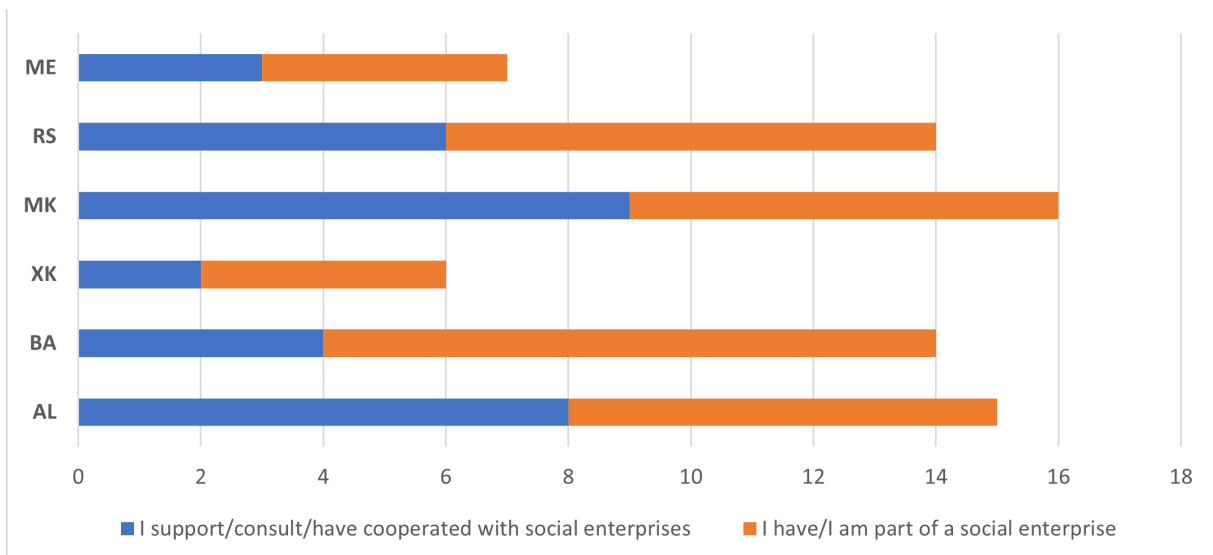
The level of people and organisations that are officially or unofficially involved in some form of social entrepreneurship is in average about one-third of the respondents, from all country aggregate (Figure 21). Highest levels are noted in Albania, Serbia, Bosnia and Hercegovina and North Macedonia (36 to 39%), whereas the involvement is markedly lower in Kosovo and Montenegro (14 to 15%).



**Figure 21. Respondents' declaration of involved in social entrepreneurship**

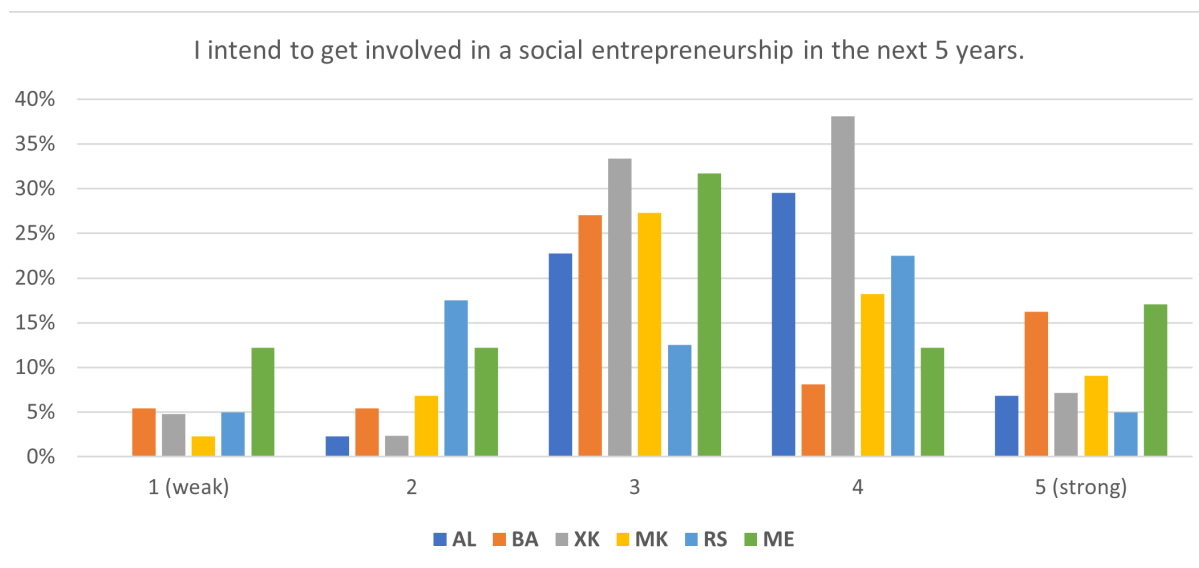
Less than one-third or 72 respondents out of 248 stated some kind of involvement in social entrepreneurship. The modes of involvement in social entrepreneurship are either through supporting, consulting or having cooperated with a social enterprise (most frequent in North

Macedonia and Albania), or by being part of a social enterprise (most present in Bosnia and Hercegovina) (Figure 22).



**Figure 22. Modes of involvement in social entrepreneurship (72 responses)**

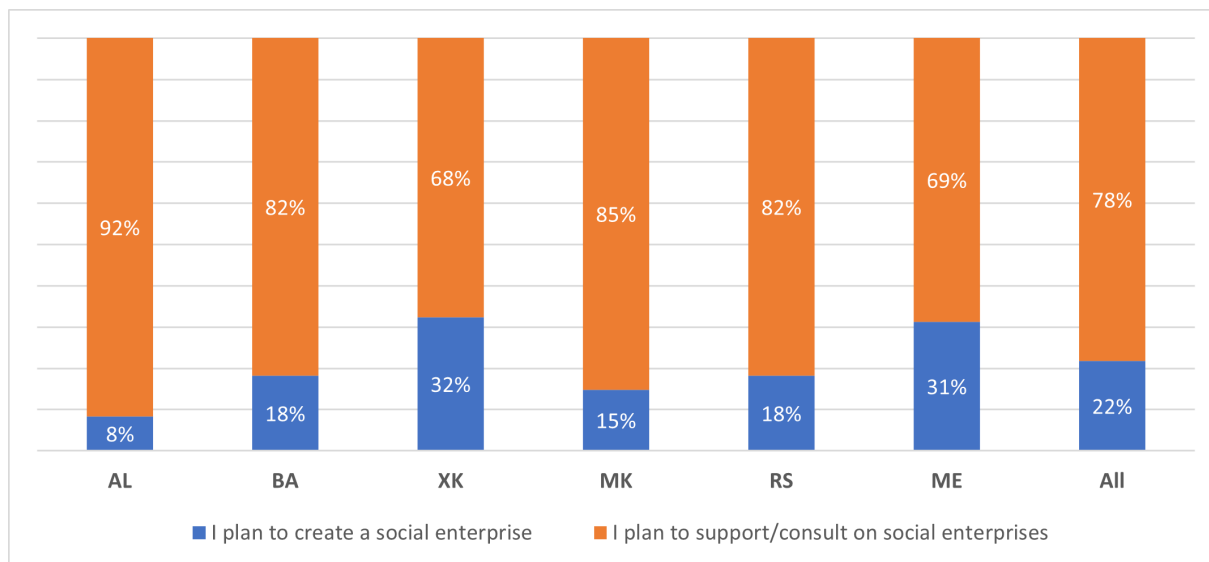
Around 45% of the respondents stated their intention to get involved in social entrepreneurship in the next five years (out of which one-third expressed strong intention). Many of the respondents are neutral in this regard, while around 18% do not intend to deal in social entrepreneurship in near future (Figure 23).



**Figure 23. Responses to the question of the extent of the intention to get involved in social entrepreneurship in the next five years (174 responses)**

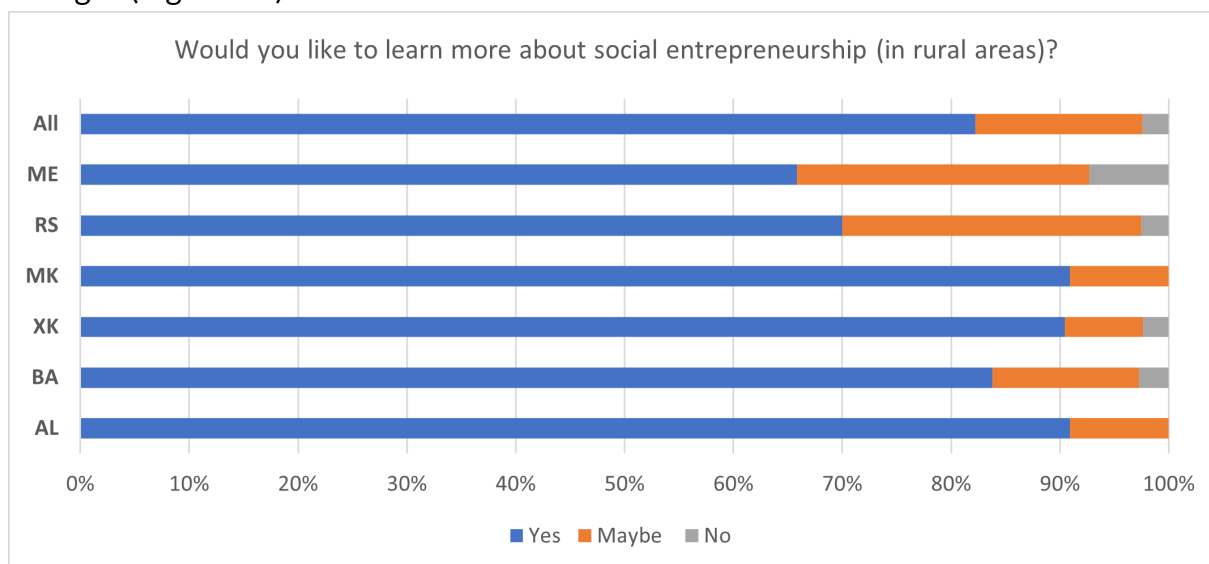


The majority of respondents plan to act through consulting or other form of supporting social entrepreneurship (Figure 24). The proportion of those that plan to create a social enterprise ranges from 8% in Albania to over 30% in Kosovo and Montenegro.



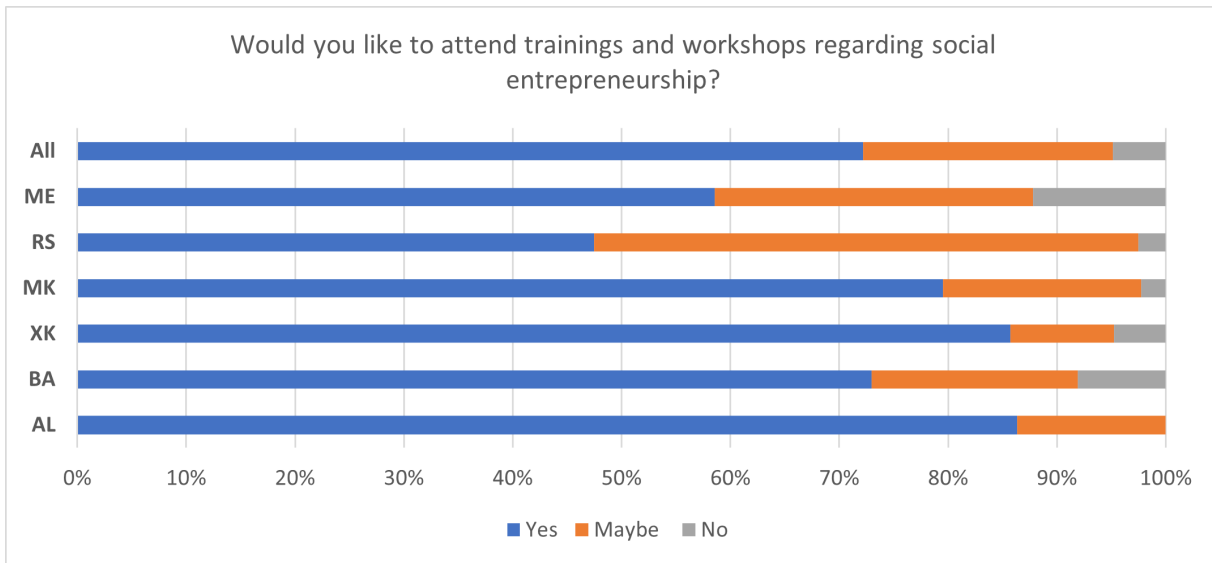
**Figure 24. Responses to the way in of inclusion in social entrepreneurship**

The willingness to learn more about social entrepreneurship is above 80% on aggregate level, most notable in North Macedonia, Kosovo and Albania, while being lowest (around 66%) in Montenegro (Figure 25).



**Figure 25. Willingness to learn more about social entrepreneurship (in rural areas)**

Most of the respondents (72%) demonstrated willingness to attend trainings and workshops related to social entrepreneurship, with additional 23% that also might join such events (Figure 26). Higher interest is shown from the respondents from Kosovo, Albania and North Macedonia.



**Figure 26. Willingness to attend trainings and workshops regarding social entrepreneurship**

## Concluding remarks and recommendations

Making conditions favorable for the well-being of rural population is the primary goal of sustainable development in rural areas. The rural areas in the Western Balkan countries are dealing with many problems: rural poverty, high unemployment rate, diminishing quality of life and depopulation of rural areas with ongoing rural-urban and external migration. These phenomena further aggravate the already existing physical, social and cultural infrastructural challenges in rural livelihoods and intensify the age, gender, and socioeconomic disbalance by reducing the number of young, educated, and economically active people. At the same time, there is an increasing drive for more effective use of the limited public resources.

Production potentials, land and natural resources, as well as the human capital, form the basis for growth of the rural economy. These elements are vital for both agriculture as the core activity in rural areas, but also for other employment opportunities in order to create a self-reliant rural social and economic system. The effective development of the rural economy is accelerated by the possible combinations of the economic, social and environmental components, with the aim of improved rural livelihoods. In that respect, it is key to enhance the social infrastructure and offer rural population suitable job opportunities with respectable wages and benefits.

Sound social infrastructure development is directly tied to the increase in business activity and income of the rural population. Social enterprises in particular, as participants in the social economy, need to function innovatively and entrepreneurially to fulfil their social objectives, while also supplying the market with goods and services.

Social entrepreneurship is gaining increasing importance and growth in the European rural business landscape. Different organizational and legal structures are used by rural social enterprises throughout Europe, and they generally work to develop and deliver goods and services that address the needs of people living in rural areas. (van Twuijver et al., 2020). A key element in the development and continuation of rural social businesses is the participation of the local community and of internal and external networks. This underlines the strong community coherence and collaborative social entrepreneurial nature of rural social entrepreneurship. Rural social entrepreneurship holds the potential to empower many stakeholders through participatory decision-making processes. Also, sustainable and inclusive development can be assured through integrating economic, social, and/or environmental objectives in the rural social business models.

There is growing awareness of social entrepreneurship concept in the countries of the Western Balkans. The survey conducted within this research revealed several aspects that need to be taken into account to improve the social entrepreneurship ecosystem. The social entrepreneurship culture needs to be further fostered by initiatives for the creation of social economy organizations, and promotion of social enterprises (for instance, best practices showcases, simulative contests, enhanced communication through different channels, etc.), inclusion in the formal and informal educational system, increased interest from the academic community and involvement in regional and international network to exchange experience and build the knowledge base. Creating accessible registers of social enterprises, as well as

increased availability of quality statistical data about social enterprises should support this process, as well as provide evidence for creating, monitoring and evaluating relevant policies.

The **institutional support** to social enterprise development should be enhanced through cooperation and coordination among different institutions, and enabling inclusive policy creation with balanced involvement of key stakeholder groups. Strategic documents need to be followed with action plans, with multiannual planning and sufficient funding to support the achievement of the set policy objectives.

The **legal and regulatory framework** should differentiate social enterprises and enable their functioning through a wide variety of legal forms. Noteworthy are the strategic planning and policy orientations that move in this directions, as well as the growing number of countries in the Western Balkans where new legislation to regulate social enterprise is being adopted or in the process to be adopted (for instance, Serbia, Albania, North Macedonia). To the practical end, the procedure for establishing a social enterprise, especially in rural areas, needs to be easily understandable and operable.

The **access to finance** has been recognized as one of the key factors in the study, required to further the development of social entrepreneurship. Different types of financing models are needed, both from public sources through grants and subsidies, and as through financial institutions.

Both **public and private markets** must be properly accessible to social enterprises. Using new technologies in market penetration needs to be explored. Public procurement especially need to take into account social objectives and support this segment through reserved contracts or some forms of prioritization. Social enterprises need support in their recognition in the supply chains, all the way to the final consumers.

The critical starting point for starting and scaling-up of social enterprises is motivation and adequate capacities, build through **increased awareness and skills** to develop sustainable business models. To this end, also the survey pointed to the need for tailored training programs, toolkits, matching with suitable coaches and mentors, functioning networks and further enabling environment for successful ventures. Last but not least, social enterprise networks must assist social entrepreneurship through advocating, lobbying and developing mutual support systems.

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