

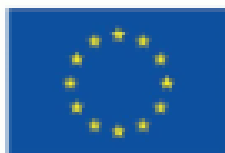


# COOP4INI

## Policy Recommendations

---

Promote social inclusion in rural areas  
through cooperatives



Co-funded by  
the European Union



Cooperative business for  
social inclusion in rural areas



Co-funded by  
the European Union

*Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Education and Culture Executive Agency (EACEA). Neither the European Union nor EACEA can be held responsible for them.*

*Project: Coop4in - Cooperative business for social inclusion in rural areas*

*Nr. 2021-1-IT02-KA210-ADU-000034969*



# TABLE OF CONTENT

<b>01</b>	<b>Summary</b>	<b>3</b>
<b>02</b>	<b>Introduction</b>	<b>4</b>
	About the project	4
	About the consortium	5
<b>03</b>	<b>Creating the Policy Recommendations</b>	<b>8</b>
	Introduction	8
<b>04</b>	<b>Relevant Definitions</b>	<b>13</b>
	Social enterprise inside COOP4IN	13
	Person with disabilities inside COOP4IN	17
<b>05</b>	<b>Policy Recommendations</b>	<b>19</b>
	Objectives	20
	Policy Recommendations	21
<b>06</b>	<b>Conclusions</b>	<b>37</b>
<b>07</b>	<b>Bibliography</b>	<b>38</b>

# SUMMARY

## ABOUT THE PROJECT

This document is the final result of the COOP4IN project and is based on the work carried out by the Consortium.

This document provides a set of policy recommendations addressed to policymakers, local stakeholders, and communities with the intention of achieving the following specific goals:

- To elaborate policy suggestions to support people with disabilities participation in rural communities and their employability by promoting social cooperatives as competitive business models.
- To make rural entrepreneurs aware of the advantages and impact of social and labour inclusion of people with disabilities.



# 1. INTRODUCTION

## 1.1 ABOUT THE PROJECT

COOP4IN is a project which aims to develop a cooperative business model where people with disabilities (PWDs) play a key role. At the same time, the project formulates policy recommendations with the intention of promoting the importance of creating and supporting social enterprises and cooperatives in rural areas as a means of fostering local sustainable development and, thereby, raising the standard of services offered to people with disabilities. In addition to improving the quality of life for people with disabilities, the creation of job opportunities and the improvement of services for disadvantaged groups are expected to have a positive impact on remote and rural areas that are struggling due to migration, the loss of local communities, and the local economy.

As a consortium, we strongly believe that disadvantaged groups must have a prominent role in the design of the model and actively participate in its development. The main results of the projects are:

- The creation of a business model that gives people with disabilities (PWDs) a voice in the creation of social enterprises and cooperatives in rural areas;
- The elaboration of policy recommendations to encourage PWDs to participate in social entrepreneurship as a source of employment and rural development.

# 1. INTRODUCTION

## 1.2 ABOUT THE CONSORTIUM

### Base3 Società Cooperativa

Base3 Società Cooperativa was founded to contribute to the spread of business culture and social innovation processes. The organization operates within a large and established network of public and private entities active in various sectors, with a particular focus on social inclusion, entrepreneurship and sustainability.



### AREAS OF ACTION

Base3 designs and implements research activities aimed at encouraging a greater entrepreneurial spirit, promoting a culture of sustainability, adopting of innovative and inclusive business models and testing new approaches.

Moreover, Base3 has developed experience in the field of social inclusion and empowerment of People with Intellectual Disabilities.

**Contact** [www.basetre.com](http://www.basetre.com)



# 1. INTRODUCTION

## 1.2 ABOUT THE CONSORTIUM



### PREDIF

PREDIF, the Spanish Representative Platform for People with Physical Disabilities, is a national, state-approved non-profit organization founded in 2005.

PREDIF runs programs and promotes initiatives on behalf of 100,000 people with severe physical disabilities. It represents 5088 professionals, 56770 members, and 4960 volunteers.

PREDIF implements national and EU-funded projects aimed to promote the full inclusion of people with disabilities.

### AIMS OF PREDIF

- To be the reference network that represents and claims the rights of all people with disabilities, with an innovative proposal that is recognized by all people, the organized disability movement, the public administration and the business sector.
- To support people with disabilities, through our entity, to know the services, benefits, communication channels, and in short, any action that implies guaranteeing, in all senses and in all areas of life, equal opportunities and non-discrimination.

Contact [www.predif.org](http://www.predif.org)



# 1. INTRODUCTION

## 1.2 ABOUT THE CONSORTIUM



### DIESIS

Founded in 1997, the Diesis Network is now one of the largest networks specialized in supporting the development of the social economy, social entrepreneurship, and social innovation. In view of the high social, economic, and ecological stakes, Diesis is deeply convinced that a global commitment from all stakeholders and a collaborative approach is the only response to a global crisis.

### AIMS OF DIESIS

Contributing to the growth of social economy.

- Functioning as a unique ecosystem, it creates and multiplies its impact through a close collaboration with its members, who represent over 90,000 organisations and 1.2 million workers through major national federations and support networks.
- Sharing knowledge through peer learning, capacity building, cross-sectorial and cross-country exchanges of good practices and research.
- Through its initiatives, Diesis influences national, European and International policies.
- Sustainability and innovation are at the core of Diesis Network human centred approach.

Contact [www.diesis.coop](http://www.diesis.coop)







# **2. CREATING THE POLICY RECOMMENDATIONS**

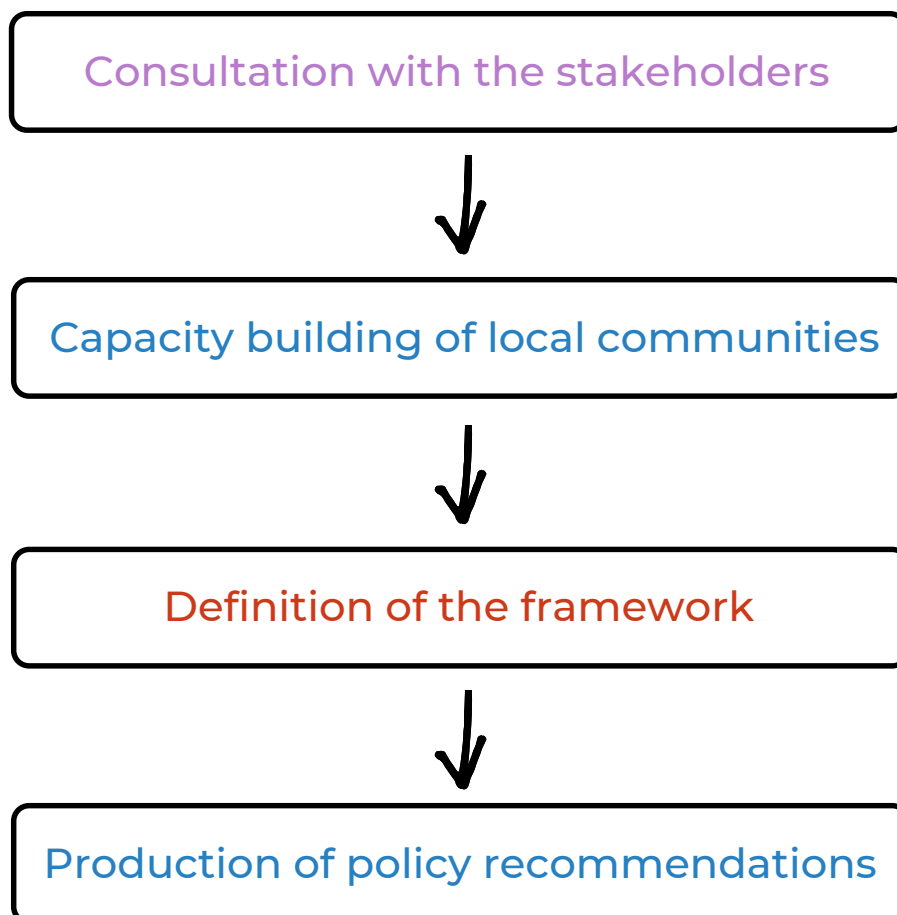
## **2.1 INTRODUCTION**

This document consists of the COOP4IN Policy recommendations and represents the key document for supporting the exploitation and sustainability of the project and, together with the Business Model developed within, can be considered as a first step towards bottom-up approaches striving to build and restore efficient and inclusive rural local communities able to produce economic value while fully including people with disabilities in the local development.

**Let's discover the different steps taken for the creation of the policy recommendations!**

## 2. CREATING THE POLICY RECOMMENDATIONS

The development of policy recommendations were based on regional, national, and international consultation with regional stakeholders and policy players, as well as on an analysis of the current policy frameworks in partner countries and at the EU level. In order to elaborate the policy recommendations, the consortium came after the following activities:





## 2. CREATING THE POLICY RECOMMENDATIONS

### Target Groups

Members from local stakeholders and communities, as well as policymakers were asked to participate in the consultation and capacity-building activities in the different countries involved and, through different focus groups and workshops, the project partners collected feedback and promoted findings which were used as tools to develop, in a collaboratively way, the necessary policy recommendations.

In other words, the capacity-building activities aimed to promote a bottom-up approach to policy-making. The contributions of the local communities were fundamental in the drafting of the recommendations. Once produced, the Coop4In Policy Recommendations will be shared with all relevant policymakers and with stakeholders and representatives of local rural learning communities both at the national and European levels. For the capacity-building activities, two tasks were carried out: a focus group and a workshop.



## 2. CREATING THE POLICY RECOMMENDATIONS

### Focus Groups

During the month of December 2022, policymakers, as well as participants from local stakeholders and communities from Belgium, Spain and Italy, were called to participate in three different focus groups in their respective countries. During this capacity-building activity, the participants were asked to discuss how policymakers, social inclusion advocates, and adult training organizations may create effective, inclusive rural local communities to be able to produce economic value while fully integrating individuals with disabilities into their community's development.

The questions covered topics such as the main challenges and inclusion of people with disabilities in the different areas involved; paths that could facilitate the engagement of people with disabilities and their employability, in which way social entrepreneurship could tackle social challenges and promote local development; innovative approaches that local policymakers could introduce to address rural and social challenges.

The conclusions reached during the focus groups constitute the basis for the subsequent workshop and, therefore, the starting point for the elaboration of the final policy recommendations.



## 2. CREATING THE POLICY RECOMMENDATIONS

### Workshops

Based on the conclusions reached during the focus groups, each project partner convened the second capacity-building activity: the workshop. During the month of January 2023, members from local stakeholders and communities, as well as policymakers, were invited to participate. The intention of the workshop was to understand which are the main challenges people with disabilities may encounter in rural communities and their employability.

Based on the results reached during the focus groups and workshops, each partner entity elaborated its own report stressing the main conclusions reached in terms of final recommendations and main challenges found. During the month of February 2023, the consortium came up with the final ideas and conclusions for the subsequent policy recommendations drafting.

# 3. POLICY RECOMMENDATIONS AND RELEVANT DEFINITIONS

The COOP4IN project addresses two main subjects: the importance of social enterprises and cooperatives in rural areas and the participation of people with disabilities. In this context, we need to clarify two key concepts: social enterprise and people with disabilities.

## 3.1. SOCIAL ENTERPRISE WITHIN THE COOP4IN PROJECT

A social enterprise, which can also be referred to as a cooperative within the COOP4IN project, is, according to the European Commission “an autonomous association of persons united to meet common economic, social, and cultural goals. Their objectives are achieved through a jointly-owned and democratically-controlled enterprise”. Thus, a cooperative is characterized by democratic control and the economic participation of the different partners.

According to the European Commission’s report “A map of social enterprises and their ecosystems in Europe,” carried out in 15 out of 29 countries, “cooperatives are among the three most commonly used legal forms for social enterprises.” Indeed, as the European Commission states, 250,000 cooperatives, owned by more than 160 million citizens, are implemented on European territory. This represents around one-third of the European population, which employs 5.4 million people. Its relevance in the European economy is extremely remarkable, as it represents, in terms of market shares, 55% of the agricultural business in Italy, 21% in Spain- and 18% in Belgium.

# 3. POLICY RECOMMENDATIONS AND RELEVANT DEFINITIONS

It is worth highlighting that, among other activities, cooperatives' purpose is to meet the needs of disadvantaged people, including people with disabilities, advocating for their inclusion in the labor market.

Consequently, a social enterprise has similarities to any other type of business, but it is its peculiar internal functioning that characterizes it from other organizational structures. Nevertheless, it is crucial not to confuse "cooperative" with a "non-profit organization" (NPO). In fact, these models do not seek the same targets. While a cooperative serves its members, a NPO's main target is its community. Therefore, while a cooperative does both business and trade, shares equally and reinvest its profits, which implies an elaborated business structure, a NPO can be considered as more flexible and less formal in its structure.

The COOP4IN research revealed that a (social) cooperative or WISE (Work Integration Social Enterprise) business model would be the most effective way to address the needs of people with disabilities in rural regions while utilizing the potential provided by social entrepreneurship. Indeed, a (social) cooperative business model is based on the principle that the members of a company should also be the ones who own and govern. Therefore, every relevant decision is taken through the rule of "one member, one vote". Moreover, among the principles of a (social) cooperative business model, it can be emphasized that membership is both voluntary and open, as well as non-discriminatory.

# 3. POLICY RECOMMENDATIONS AND RELEVANT DEFINITIONS

On the other hand, a WISE, or Work Integration Social Enterprises, business model can be defined, according to the European Network of Social Integration Enterprises (ENSIE), by three identifying pillars: “they are enterprises whose main objective is the social and professional integration of disadvantaged people, that are at the core of the economic system, and which presents a strong pedagogical dimension”. The model’s basic characteristics include ensuring the rights of disadvantaged workers and the labour integration of disadvantaged workers as a core mission, among others. Indeed, WISE model ensures that at least 30% of the workforce is represented by disadvantaged individuals or persons with disabilities. Therefore, it is a form of hybrid organization whose main aim is to help people at risk of social exclusion to join the labour force.

From the consortium, these particular social companies were selected because, in addition to promoting the social and professional integration of disadvantaged people, they are also frequently characterized by participatory-governed systems of decision-making processes.



# 3. POLICY RECOMMENDATIONS AND RELEVANT DEFINITIONS

According to the European Commission's Social Business Initiative (SBI), these businesses can benefit weak or disadvantaged people through two forms of action:

01

The provision of social services and/or goods and services by social enterprises to vulnerable people (access to housing, health care, assistance to the elderly or disabled, inclusion of vulnerable groups, childcare, management of addiction, etc.)

02

Businesses that use a methodology for producing goods or services with a social objective (social and professional integration through access to employment for disadvantaged people, particularly due to insufficient qualifications or social or professional problems that lead to exclusion and marginalization).

# 3. POLICY RECOMMENDATIONS AND RELEVANT DEFINITIONS

## 3.2. PEOPLE WITH DISABILITIES WITHIN THE COOP4IN PROJECT

According to the European Commission (n.d.), 87 million European citizens have some form of disability, and do not have the same chances in life as other people, as many essential aspects of their life may not be accessible to them. Indeed, only half of persons with disabilities have access to the labour market, and 28,4% are at risk of poverty and social exclusion.

People with disabilities face considerable barriers in terms of access to education, healthcare, employment, recreational activities, or participation in political life. Compared to people without disabilities, they present a higher risk of suffering from social exclusion or poverty. The Covid-19 pandemic, unfortunately, amplified the obstacles of this vulnerable group. Persons with disabilities suffer more isolation (as a consequence of the social distancing rules) and have limited access to ICT tools (fundamental for distance learning, telework activities, teleconferencing, etc.) (European Commission, 2021). Through this project, the consortium aims to promote the inclusiveness of people with disabilities by providing them with an active role in the creation of social cooperatives in rural areas.

# 3. POLICY RECOMMENDATIONS AND RELEVANT DEFINITIONS

The definition of people with disabilities varies broadly among the different EU member states due to different cultural, historical, social and economic circumstances. Some member states, when a definition must be given, adopt different models. Some will focus on a medical approach, in which the central point is the direct cause of the disability that person has (illness or injury); others will focus entirely or partially on the social approach, where the center of attention is the barriers a person with disabilities may encounter in society. Moreover, EU countries do also differ when it comes to codifying this concept. Some Member States have a legal framework as a reference for all policies related to disabilities (ex. Germany provides its definition in book 9 of the German Social Code) while others do not have any general legal framework (e.g. countries such as Belgium, Denmark, Poland or Greece). Some of the reasons given by some Member States, particularly Nordic countries, for not specifying a definition of a person with disabilities, is avoiding any stigmatization of the definition (European Parliament, 2021).

Taking into consideration the differences found between Member States, when it comes to providing a definition of PWD, the project focuses on the UN's definition of people with disabilities provided by the UN Convention of the Rights of Persons with Disabilities (CRDP) convention, which is the definition recognized by the European Union. In this convention, it is described a person with disabilities as:

**"those who have long-term physical, mental, intellectual or sensory impairments which, in interaction with various barriers, may hinder their full and effective participation in society on an equal basis with others".**



# 4. POLICY RECOMMENDATIONS

According to the previous research made by the COOP4IN project, people with disabilities present not only a lack of inclusion in rural areas, but also a lack of competencies and abilities to start building their own businesses. This, precisely, was the reason why the consortium developed a business model, a training tool on how to develop an open and inclusive social enterprise. This business model aims to promote the inclusion of PWD with an active role in shaping social enterprises/cooperatives in rural areas.

Once this activity ended, the consortium stepped forward and started to develop policy recommendations for the participation of PWD in social entrepreneurship as a means of employment and rural development. Both activities aim to promote the creation of job opportunities, as well as the enhancement of services provided to disadvantaged groups. This will bring a positive impact not only to remote/rural areas that suffer from migration and depletion of communities and local economy, but to improve the quality of life of PWD. The role of disadvantaged groups is central to this project where we will produce a mutual benefit: the active participation of PWD and the design of a business model based on real needs.



# 4. POLICY RECOMMENDATIONS

## 4.1. OBJECTIVES

01

Establishing policy recommendations to promote the employability of people with disabilities through their participation in rural communities through the promotion of social cooperatives as competitive business models.

02

Making aware rural entrepreneurs of the benefits and impact of social and labour inclusion of people with disabilities.

03

Ensuring full participation of persons with disabilities in rural environments.



# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

Based on the information gathered during the focus groups and workshops, the consortium came after the following policy recommendations:

- 01 Improve the accessibility of public transport in rural areas, of training, hiring and entrepreneurial opportunities for people with disabilities.
- 02 Promote the development and sustainability of social cooperatives.
- 03 Create tailored opportunities for people with disabilities, through public administration - social cooperatives partnership.
- 04 Promote Awareness Campaigns and Methodological Support.
- 05 Promoting Public/Private partnerships between local public authorities and social enterprises through co-design processes
- 06 Financial support

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

01

Improve the accessibility of public transport in rural areas, of training, hiring and entrepreneurial opportunities for people with disabilities.

### CONTEXT AND CHALLENGES

When creating effective and inclusive rural local communities, accessibility constitutes to people with and without disabilities a prominent challenge. Indeed, the overall lack of accessibility in rural areas, especially due to public transport, constitutes a major problem as it prevents people from being part of a local and rural community. Moreover, people with disabilities lack accessible training, which leads them to few or no skill development opportunities. On the other hand, the 2% hiring rate of people with disabilities is currently not respected (General Law on the Rights of People with Disabilities and their social inclusion, 2013).

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

01

Improve the accessibility of public transport in rural areas, of training, hiring and entrepreneurial opportunities for people with disabilities.

### POLICY RECOMMENDATION

Taking this background into account, the consortium suggests making public transportation accessible to everyone, specially, in rural areas in the outskirts of the cities; sees essential to provide accessible training to people with disabilities and considers necessary to create accessible workplaces, both equipped and inclusive in order later on to hire and include PWDs. This includes upgrading existing facilities, as well as upgrading machineries and technologies.



# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

02

Promote the development and sustainability of social cooperatives.

### CONTEXT AND CHALLENGES

The consortium found that, especially in rural areas, social enterprises and social cooperatives still have an unleashed potential to tackle the socioeconomic inclusion of people with disabilities. In fact, social enterprises, among which social cooperatives, represent an alternative model that prioritises social impact over profit, and operates at the local level, providing answers to the needs and challenges of their identified communities. The characteristic participative governance ensures that all the relevant stakeholders are involved in the design, implementation and evaluation of their activities, and often provide themselves a venue for vulnerable groups to become socially and economically empowered, through inclusive employment opportunities, tailored tasks and responsibilities, training and social mentoring.

Social enterprises and social cooperatives are especially relevant in rural areas, where there are increased social and economic challenges for people with disabilities, such as high levels of poverty, unemployment, inequality, and exclusion. However, there is lacking support from public authorities in terms of enabling legislation, supporting programs and tailored funding opportunities for social enterprises. Therefore, the consortium identifies the policy priorities along three main areas: enabling legal frameworks, public procurement and access to market.

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

02

Promote the development and sustainability of social cooperatives.

### POLICY RECOMMENDATION

Enabling legal frameworks that can help unleash the potential of social entrepreneurship in tackling social challenges and promoting sustainable development in local and rural areas. Some of the countries might have national or regional legislations that are not including social enterprises in their local development strategy for people with disabilities, or that are constraining rather than supporting the development of social entrepreneurship. In this framework, specific eligibility criteria could be proposed for the assisted social enterprises, which would include the strengthening of the social and labour participation of people with disabilities.

The promotion of social entrepreneurship can also be achieved if the state or private initiative bodies in cooperation with civil society support the creation of incubators related to social enterprises, co-operatives and the social economy. Incubators could appropriately support social enterprises and propose technologies, solutions and people to assist social cooperatives involving people with disabilities or created entirely by people with disabilities for their socio-economic security.

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

02

Promote the development and sustainability of social cooperatives.

### POLICY RECOMMENDATION

Moreover, another way to support the development and sustainability of social cooperatives is for the state and local government to create incentives for recruitment and technical assistance to existing social cooperative enterprises in order to recruit, employ and train people with disabilities. These incentives could include covering part of the salary or insurance obligations, subsidising cooperatives, providing technological equipment and know-how to better adapt people with disabilities to the workplace.

Finally, the consortium also envisions promoting the creation of services for PWDs through social enterprises is to fully implement the social clauses in public procurement, and when these are not yet present, design policies that can help support social entrepreneurship in the bid for public procurement.

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

03

Create tailored opportunities for people with disabilities, through public administration - social cooperatives partnership.

### CONTEXT AND CHALLENGES

People with disabilities face multiple challenges when it comes to finding employment, especially in rural areas. They often encounter prejudice and a lack of accessibility, making it difficult for them to access job opportunities. There is also a lack of tailored start-ups and empowerment programs to support their work and social integration. This results in a significant unemployment rate for people with disabilities, which negatively affects their well-being and economic independence. Therefore, there is a need to address these challenges and create tailored opportunities for people with disabilities.

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

03

Create tailored opportunities for people with disabilities, through public administration - social cooperatives partnership.

### POLICY RECOMMENDATION

The partnership between public administration and social cooperatives can create tailored opportunities for people with disabilities in rural areas, promoting their work and social integration. Collaboration between social enterprises, schools, and job placement services can be established to achieve this goal. To increase the employment of people with disabilities, the state and private foundations should work together, providing support from the outset or throughout the process. Incentives can be offered to existing social cooperative enterprises to recruit, employ, and train people with disabilities, including subsidising cooperatives, covering part of the salary or insurance obligations, providing technological equipment, and know-how to better adapt PWDs to the workplace.

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

03

Create tailored opportunities for people with disabilities, through public administration - social cooperatives partnership.

### **POLICY RECOMMENDATION**

To support skill development, apprenticeship and training programs can be established around the social economy and specific specializations can be requested by social cooperatives from public and private vocational training institutions and employment agencies. Furthermore, experimental VET centres can be created to address disciplines related to the social economy and social cooperatives, or they can collaborate with social cooperatives to offer internships and apprenticeships to people with disabilities to better absorb them into cooperative social enterprises.

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

04

Promote Awareness Campaigns and Methodological Support.

### CONTEXT AND CHALLENGES

In current circumstances, there is a crucial need to raise awareness of rural areas in order to improve their economic profitability. Moreover, it is also essential to disseminate success stories of micro cooperatives, such as the “Unió de Cooperatives de Treball Associat de les Illes Balears”, or UCTAIB, in order to promote their implementation. Therefore, the consortium has concluded that there is vital importance to promote job carving and job crafting methodologies, as well as to promote, at the local level, both role models and best practices of social cooperatives and social enterprises where PWDs play a central role, being themselves social entrepreneurs or effectively integrated among the workforce.



# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

04

Promote Awareness Campaigns and Methodological Support.

### POLICY RECOMMENDATION

Therefore, there is a need to raise awareness through campaigns in order to promote the shift in culture in the environment that is supposed to integrate PWDs. Moreover, training and support initiatives for a narrative shift within the public institutions is needed to ensure that, once the policies have been created and the funding opportunities have been designed, everyone can be aware of it. Finally, promoting training opportunities of human resources, know-how and services to social cooperatives constitutes an important aspect of this policy recommendation, especially when considering PWDs.



# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

05

Promoting Public/Private partnerships between local public authorities and social enterprises through co-design processes

### CONTEXT AND CHALLENGES

There is the necessity to promote a bottom-up approach in the identification of the needs of people with disabilities in rural areas, that can be promoted only thanks to the involvement of social enterprises working at direct contact with the target group and public administration providing funding, involving different actors in participatory design processes.

Partners and stakeholders' experience shows that unfortunately most of the time public approach is a "top-down" model, based to vertical interventions to social problems that risk to be less effective in terms of responding to the needs of vulnerable groups.

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

05

Promoting Public/Private partnerships between local public authorities and social enterprises through co-design processes

### POLICY RECOMMENDATION

It is fundamental to improve the collaboration with the public sector, since social enterprises represent emblematic actors at the local (rural) level, and are fundamental elements in public welfare models.

Their involvement in co-design processes with public actors is necessary since social enterprises are closer to the needs of citizens, are able to provide information and elaborate ideas and projects to address social problems.

This process is fundamental in rural contexts, since the common identification of the needs can direct the definition of public administration budgets, funding schemes, calls for proposals and strategic projects, coherent with the needs identified by the public body and social enterprises together. This leads to strategic projects, and therefore partnerships, co-designed, and if possible co-managed and co-evaluated, thus promoting concrete changes and improvements at the local level.

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

05

Promoting Public/Private partnerships between local public authorities and social enterprises through co-design processes

### POLICY RECOMMENDATION

These processes can lead to new responses to needs, new alliances, and above all the realization of shared public function and social responsibility among different actors. In particular, the latter element constitutes the seed for maturing the transformation of governance and local policymaking.

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

06

Financial support

### CONTEXT AND CHALLENGES

Social enterprises can be defined as economic entities that, besides operating in the market, primarily pursue a social mission. Lack of access to finance is one of the main obstacles social enterprises are facing. A significant unmet demand for microfinance exists for vulnerable groups, which face difficulties in accessing conventional credit markets, for start-ups, as well as existing micro-enterprises (European Commission). To start-up, operate and scale-up social enterprises may seek financing from diverse providers, including public sector, philanthropic foundations, impact investors, as well as mainstream financial institutions (OECD). However, social enterprises often face barriers in this process. According to the results of COOP4IN target groups, there is a substantial lack of financial support coming from public entities and a lack of public and private support services such as the chambers of commerce to help social start-ups or business incubators.

# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

06

Financial support

### POLICY RECOMMENDATION

Increased access to finance can help social enterprises in their development and in the realization of their full potential. Because social enterprises are either a traditional charity or a for-profit business, they should have access to specific funding from grants, investments or a combination of both.

At policy level it is fundamental to understand the importance of supporting social enterprises in access to funding. In order to do so, it is of utmost importance to raise awareness on the concept of impact investing. The Global Impact Investing Network defines impact investment as “investments made into companies, organisations, and funds with the intention to generate social and environmental impact alongside a financial return.” This concept implies that investing into a social project or start-up can lead to the production of goods and services with a social value that can generate profits for investors or reduce public expenditure. This is why it is extremely important to provide access to public or private funding for social enterprises, also in the form of indirect funding e.g. tax benefits, tax relief.



# 4. POLICY RECOMMENDATIONS

## 4.2. POLICY RECOMMENDATIONS

06

Financial support



### POLICY RECOMMENDATION

At the same time, to access finance, social enterprises often need strengthened capacity to become more financially self-sustainable and less reliant on public and private funding. This implies the need to develop appropriate skills to build sustainable (and scalable) business models and attract investment (OECD).

## 5. CONCLUSIONS

This document provides policy recommendations for promoting the participation of people with disabilities (PWD) in social entrepreneurship in rural areas. The recommendations were developed by the COOP4IN project, conformed by PREDIF, DIESIS and BASE3, which focused on the lack of inclusion of PWD in rural areas and the lack of skills and abilities to start their own businesses. The policy recommendations aim to promote job opportunities, enhance services for disadvantaged groups, and improve the quality of life of PWD. The recommendations include improving the accessibility of public transport and training, creating accessible workplaces, and providing financial subsidies and incentives for recruitment and training.

The document also highlights the importance of social cooperatives in promoting social impact over profits and providing essential services to marginalized and vulnerable populations, while creating sustainable job opportunities and promoting economic growth. The recommendations suggest promoting the development and sustainability of social cooperatives by establishing a government funding program that provides continuity of funding for long-term projects, prioritizing funding for social cooperatives that have the potential to create significant impact, encouraging social cooperatives to develop business models that address social challenges in rural areas, and implementing participatory-governed systems of decision-making processes. Overall, the policy recommendations aim to ensure the full participation of PWD in rural environments and make rural entrepreneurship more inclusive and accessible.

## 6. BIBLIOGRAPHY

European Commission. (2021). Union of Equality Strategy for the Rights of Persons with Disabilities 2021-2030. European Commission. Retrieved from: <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8376&furtherPubs=yes>

European Commission. (n.d.). Persons with disabilities. Employment, Social Affairs & Inclusion - European Commission. Retrieved [here](#).

European Parliament. (2021). Understanding EU policies for persons with disabilities. European Parliament. Retrieved [here](#).

Schneider, N. (2022). How to adopt a cooperative business model. Network for Business Sustainability (NBS). Retrieved [here](#).