

Advancing Social Entrepreneurship in Slovenia: A Case Study of Institute Knof

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Social entrepreneurship addresses societal challenges through innovative products and services, contributing to social, economic, and environmental solutions often overlooked. Unlike traditional companies, these enterprises prioritize sustainability over profit, reinvesting surplus income for growth and equitable governance. In Slovenia, there are 264 registered social enterprises governed by the Social Entrepreneurship Act (ZSocP), operating with diverse models, financing, and market access. Benefits such as free public space use and reserved procurement are rarely realized in practice.

However, despite challenges like limited grants and stigmas, recent EU initiatives and the new CSR directive are fostering a more supportive environment for social entrepreneurship.



Institute Knof, a social enterprise established over 15 years ago in Posavje, focuses on creative development and social inclusion. Today, Knof is situated in Krško in a premises spanning 3000 square meters, housing a complex including a Circular Labs facility, Stara šola second-hand boutique, reuse furniture salon, carpentry and sewing workshop, testing lab, development projects office, and administration.

The journey began in 2011 when they recognized environmental challenges and initiated their first second-hand store. Over the years, they expanded, now comprising four reuse boutiques and two concept stores under the Stara šola and Collection Knof brands, respectively.

The idea of the first boutique was to collect unnecessary clothes, providing an opportunity for reuse instead of disposal. Today, they accept around one tonne of clothing and other wardrobe items per month in at least one boutique in Krško.



At Knof, donated clothes are accepted directly in the Stara šola stores, sorted manually, washed if needed, repaired, and resold. They pride themselves on locally sourcing and processing donations, minimizing their transport footprint.

However, it's evident that it's impossible to sell everything people donate, as often clothing arrives in a condition unsuitable for reuse.

This presents a major challenge - figuring out what to do with damaged clothing. Less than 1% of clothing is recycled worldwide (Ellen MacArthur Foundation, 2017), complicated by blended materials and garment accessories.

Currently, they repurpose cotton clothing in poor condition into rags, although they see this as a temporary solution. Efforts are underway to explore alternative recycling methods, such as producing bricks from old textiles.

Another issue arises with clothing in good condition that remains unsold. With overflowing storage rooms, they struggle to resell donations in a timely manner. This is where the Buy Social project comes in handy.

The project facilitates partnerships with fashion retailers and shopping malls, providing opportunities to expand market reach and raise awareness about sustainable fashion through events like pop-up shops. One of the first results of building collaborations with shopping malls will be a sustainable fashion show and pop-up store in the shopping mall CityPark in the capital of Slovenia – Ljubljana that will happen already this May.

The event is organized in collaboration with their marketing team and will encompass an exclusive fashion show where we will present 4 types of sustainable fashion: Vintage collection, Redesign Collection Knof, biomaterials collection from a young Slovenian fashion designer Petra Jerič and upcycled collection from young designers from Design Faculty Ljubljana.

Through such initiatives and potential collaborations, Knof aims to broaden its market presence, demonstrating that second-hand fashion can be stylish, beautiful, and durable, while also addressing the existing problem of clothing waste.

Reaching a critical mass of people is crucial for making a larger positive environmental and social impact. Collaboration with various stakeholders, including classic enterprises, is essential for achieving this goal. By integrating strengths and influencing each other's work, both types of enterprises can benefit.

Understanding the needs of one another and learning how to approach each other and collaborate in an effective way are key to delivering quality and measurable results.



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