

## **Social economy - laying the groundwork for innovative solutions to today's challenges (Paris, 10-11 December 2012)**

### **Social innovation and social entrepreneurship in Germany<sup>1</sup>**

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#### **1. What are the current situation and the recent trends in your country in relation to social economy?**

The German government and specifically the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth (BMFSFJ) has committed itself to the promotion of social innovation and social entrepreneurship within the scope of the "Civic Participation Strategy", which was adopted by the German Government in October 2010. The German government is convinced that social innovation has long been and continues to be central to the development and sustainability of society. Together with all relevant stakeholders – e.g. non-statutory welfare associations, foundations, companies, the academia, regional and local governments – the German government wants to make a contribution towards drawing more attention and bringing more recognition to social innovation in the political debate about the social challenges society is facing. The Ministry hopes to improve framework conditions with concrete measures focusing on the following areas:

- Visibility and recognition;
- Results-oriented reporting;
- The development of an infrastructure for launching social enterprises by social start-up and innovation centres;
- Cooperation with non-statutory welfare associations;
- Development of innovative funding instruments such as the KfW programme for funding social enterprises in place since January 1, 2012:  
([http://www.kfw.de/kfw/de/I/II/Download\\_Center/Foerderprogramme/barrierefreie\\_Dokumente/Programm\\_zur\\_Finanzierung\\_von\\_Sozialunternehmen\\_091.jsp](http://www.kfw.de/kfw/de/I/II/Download_Center/Foerderprogramme/barrierefreie_Dokumente/Programm_zur_Finanzierung_von_Sozialunternehmen_091.jsp)).

#### **2. What framework measures and models to encourage social enterprises are applied in your country?**

In October 2011, the German government organised for the first time a stakeholder dialogue with all relevant actors. The stakeholders identified urgent issues that need to be tackled in order to promote social innovation and social

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entrepreneurship on a broader scope. As a result of the stakeholder dialogue, the above mentioned measures were put in place (see bullet points question 1).

The German government will host another Stakeholder Dialogue in February 2013 to further develop urgent issues with stakeholders and to commit to further steps in promoting social innovation.

### **3. What are the main challenges for the future development of the social economy and social enterprises?**

- Visibility and recognition for social innovation and social entrepreneurs;
- Cooperation between the non-statutory welfare associations and social entrepreneurs;
- Results-oriented public funding;
- Innovative financial instruments;
- Human resources;
- Cross-departmental cooperation within the German government.

### **4. A brief assessment of the learning value of the French good practice to your country**

The French example is most interesting and has a lot of learning value for the German government. Germany would like to learn about the level of use of new legal forms in France (and comparing against experiences across Europe), before considering creating new legal forms in Germany. Also, Germany is interested in the feasibility of large-scale loan schemes for social entrepreneurs.

