



CALL FOR PROPOSALS

VP/2019/015

Actions to boost the demand and supply side of the finance market for social enterprises

Objectives and key results of successful projects



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Introductory note

This document presents a short summary of successful projects which received an EU grant following a call for proposals launched in 2019 aimed at developing social finance markets in Europe.

The call for proposals covered two strands which focused on the supply and demand sides of the social finance markets. Namely, the strands focused on:

- Strand A: Establishment of social finance partnerships
- Strand B: Establishment of social finance instruments and mechanisms

The projects were mostly carried out between 2020 and 2022.

Strand A

Country: France

Main applicant: Groupe SOS Pulse

Title: Action towards the launch of a pre-seed fund and a matching platform where social enterprises and individual investors meet

Summary: This project aimed to address the nascent seed impact investment markets in France by developing a service platform / matching tool, where Business Angels (BA), Family Office and social enterprises meet. However, the project realised this would not have a large added value. The project explained that the market is already saturated with matching tools, which were developed over around 10-15 years. The project therefore adapted their plans and created a BA network exclusively dedicated to the support of impact projects that will be part of France Angels, with an aim to cooperate with the other BAs and BA networks member of the federation and beyond to facilitate investments in social enterprises and impact projects. The main results of the action are the publication of a white book which provides the ecosystem with a detailed assessment of the nascent impact seed investment market, the launch of Impact Business Angels, and the preparation of the launch of a seed fund in 2023. The drafting of the MoU was carried out as planned and a signature event was held on the 23/11/2022 organised with a partner incubator. Besides the funding, support provided by the EU (e.g. access to social finance experts, networking opportunities with ecosystem actors and previous beneficiaries of EU funding and access to detailed content on the European social finance ecosystem) allowed the teams to exceed the planned objectives by having implemented a fully functional and operational network at the end of the action.

Website/web links: <https://www.impact-businessangels.org/> / General Groupe SOS Pulse: <https://www.pulse-group.org/>

Country: Lithuania

Main applicant: 70 Ventures UAB

Title: Social Finance Lithuania: a whole system approach to developing social enterprise in Lithuania

Summary: The original goals for the Social Finance Lithuania project in Lithuania are set out within 4 Objectives. These were focused on understanding the marketing place through mapping and analysis; working to develop the provider market through information, training, and workshops; developing a strategy and plan for a social finance instrument; and to decimate knowledge and information.

The project's deliverables were for the 1st objective: the mapping and analysis of the ecosystem, which was completed with relevant reports produced and helping to inform provider development, strategy and action planning. For the 2nd objective: the results involved bringing together various funders and investors at key points to help shape the research methodology and eventually discuss their recommendations. In addition to this, the analysis and discussion led to identifying a potential 'social finance product manager' or platform and deliver a MoU. For the 3rd objective: based on the results of the mapping and analysis, the strategy and action and action planning enabled the development an investment strategy and investment readiness plan and to develop a social finance platform (website) for engagement and communication of the strategy and action plan. For the 4th objective: the key actions including online workshops and seminars and two Social Finance conferences to share learning and network.

Website/web links: [Social Finance Lithuania - a knowledge hub supporting social enterprises in Lithuania](#)

Country: Romania

Main applicant: Alaturi de Voi" Romania Foundation

Title: AFIN - Romanian Alternative FINancing Institution Dedicated to Social Enterprises

Summary: This project addresses the topic of social financing for the social enterprise sector in Romania. This project managed to meet all their main objectives and to create something concrete by submitting a request for AFIN be registered as a non-banking financial institution at the National Bank of Romania. After the end of the project, the project received the news that the registration at the National Bank of Romania was successful.

During the project implementation, they developed market research for identifying the funding needs of social enterprises, as well as for identifying and assessing the activities of main funders, intermediaries, and investors. Three online workshops were also organised, aiming at gathering important data from the sector.

Website/web links: [Ai căutat după AFIN - Fundatia "Alaturi de Voi" Romania](#)

Country: Romania
Dezvoltare DCG

Main applicant: Grupul de Consultanta pentru

Title: SOFIA – Social Finance Alliance for Romania

Summary: This project aims at developing the capacity of at least 60 stakeholders of the Romanian social finance market and designing and creating the conditions for launching at least one financial instrument for Romanian social enterprises. SOFIA was designed by an international partnership with complementary experience and competences.

In its implementation period, the project managed, for its first objective, to source and deliver an online investment readiness program for 20 Romanian SEs through the Bridge for Billions platform, delivered a capacity building program attended by 14 support organisations, delivered a social investment program attended by 13 potential public and private investors, and organized an exchange of good practices attended by 13 representatives of Romanian authorities. 13 organisations that participated in the co-creation process signed a memorandum of understanding that sets the terms between the partners for establishing financial instruments for Social Entrepreneurs in Romania.

For its second objective, it managed to make comprehensive research on the social finance market in Romania and launch a two-part study focusing on their findings. This research served as the basis for the co-creation workshop for financial instruments for the social economy market in Romania.

Website/web links: [Fonduri Structurale \(fonduri-structurale.ro\)](#)

Country: Netherlands

Main applicant: Stichting Social Enterprise NL

Title: Social finance for community based social enterprises

Summary: The main objective of this project is to develop the social finance market for community based social enterprises (cbse's) in the Netherlands by building capacity on the demand side and developing new social finance instruments that are accessible to cbse's and that allow different types of social finance providers to enter this market. The project aims to draw the strong elements from the broader social enterprise sector into the field of cbse's and tailor these to their needs.

This objective is completely met by the following key activities and deliverables: - Creating deep insight into what is needed for the further development of the social finance market for cbse's by conducting research. - Designing new social finance instruments that match the needs of cbse's and build upon existing finance instruments and knowledge. - Building capacity with a partly new designed investment readiness program. - Creating deep support and commitment by relevant stakeholders by organizing round tables, signing the

MoU and creating a new project team for the further development of a new social finance instrument.

Website/web links: [Social Finance for Community Based Social Enterprises :: Social Enterprise NL \(social-enterprise.nl\)](http://social-finance.nl)

Country: Bulgaria

Main applicant: Fondatsiyata Za Promyana (TCF)

Title: Overcoming the "Valley of Death": An outline of a new financial instrument for early-growth social entrepreneurs in Bulgaria

Summary: This project's main objectives were to 1. Address the needs of a relatively small but very important segment of the Bulgarian social entrepreneurship ecosystem - the early-growth social enterprises who are ready to expand their business but need additional finances and investment readiness support. 2. Mobilize a strong coalition of dedicated stakeholders - financial institutions, public authorities, support organizations, experts, business media - who could create a more enabling an environment for the early-growth social enterprises by working together. 3. Raise the demand-and-supply-side awareness targeting all major actors in the market with very clear messages and information about the specifics of the social enterprises and the benefits of the social impact investments.

The activities were organized in a set of working packages aiming at identifying gaps in social finance market, social impact, and social entrepreneurship ecosystems. The environment has been researched and analysed in details and the results have been published in different formats - online publications, animated videos, newsletters, etc. and have been widely disseminated through public events - workshops, webinars, high level international social impact conference, mutual learning events - in the country and abroad. Eight events have been organized with a total number of participants above 1500 participants, with 2/3 of them being women. A memorandum of understanding has been signed between the partnering organizations showing their commitment to continue elaborating the financial instrument and the Investment readiness program beyond the closure of this project.

Website/web links: ["Foundation for Social Change and Inclusion" \(dvetelepti.bg\)](http://dvetelepti.bg)

Country: Sweden

Main applicant: Karolinska Institutet Innovations AB

Title: Actions to boost the development of financial markets for social enterprises

Summary: The main objective of the project was to identify an effective process to initiate, test and fund social innovation in collaboration between the public sector and social entrepreneurs. The project scope was based on experiences on various test-beds, and other structures to drive social innovation together with the growing interest of using social finance as a tool to drive change. Deliverables within the project were capacity building in the three local settings where the project was initiated, as well as dissemination of knowledge on public procurement, impact investment and social outcomes contracting. One of the main deliverables from the project was a visualisation of the pre-commercial procurement process which is also freely available on the website: <https://karolinskainnovations.ki.se/boosting-future-outcomes/>. One of the main achievements of the project was also to support the transition of service design in Tomelilla municipality towards increased collaboration with social entrepreneurs with the potential to prevent social exclusion of a vulnerable group of children and youth.

Website/web links: [Hem - KI Innovations](http://hem.ki.se)

Country: Estonia

Main applicant: Baltic Innovation Agency OU

Title: Kick-starting the nascent social finance market in Estonia

Summary: The "Kick-starting the nascent social finance market in Estonia" (SoFiMa) project has been an important catalyst for social entrepreneurship and social finance development in Estonia. The project reached an MoU for the future creation of a new social finance instrument - Buildit Green Fund.

The project contributed significantly to the development and signing of a broader agreement of cooperation in social entrepreneurship and innovation in Estonia. Altogether 23 organisations, including three ministries, Tallinn and Tartu City governments, four universities and other bodies governed by public law, non-profit associations and private enterprises signed the agreement. The Feasibility Study and the research on SEs investment readiness and private investor readiness gave an understanding of the best form and design of future social finance instruments in Estonia. The social incubation program format was piloted successfully, and the partners are keen on replicating the format in the future.

Website/web links: [SoFiMa | Tallinn University \(tlu.ee\)](#)

Strand B

Country: Ireland
Ireland Limited

Main applicant: Social Innovation Growth Fund

Title: Financing Social Enterprise in Ireland - Models of Impact

Summary: The project "Financing Social Enterprise in Ireland - Models of Impact Investing & Readiness" aimed to contribute to the development of the social finance sector in Ireland. It aimed to do so by developing financial instruments for social enterprises and supporting the wide range of social enterprise organisations. Furthermore, it aimed to inform interested parties of the social enterprise landscape through marketing and networking actions. One of the key outputs of this project was the identification and development of suitable innovative social financial instruments to support social enterprises, including their investment readiness, at different stages of growth in Ireland. EU funding was key to the completion of the project. Most notably, EU funding supported the research mapping exercise to identify the financial needs and gaps, the development of the innovative financial tool and the dissemination of the outputs and outcomes in the project. The project has led to strengthening the social finance eco-system in Ireland and to the establishment of an innovative financial tool to support social enterprises. The learnings and innovative financial tools developed by this project are a new and valuable source of information that can be shared to enhance Europe's growing social economy.

Website/web links: [Social Finance Ireland | Financing Social Enterprise in Ireland – Models of Impact Investing & Readiness](#)

Country: Spain

Main applicant: La Bolsa Social SL

Title: A toolkit of innovative and tailor-made participative financial instruments for early-stage social enterprises in Spain

Summary: The purpose of the proposal was to create a collaborative framework of key social finance actors in Spain that facilitates early-stage social enterprises access to personalized financing, in a simple, participatory and transparent way. The project also aimed in parallel, (i) to empower social impact retail investors to support social enterprises in Spain and (ii) to share knowledge, experiences and best practices with European peers. In particular, the project aimed to (1) create a crowd-lending platform, (2) develop a match-funding mechanism, (3) attract new retail investors, (4) develop a business development and investment readiness program, (5) contribute to creating a social finance secondary market, (6) share knowledge, experiences and best practices. Thanks to the EU funding supporting the project, the amount of total funds channelled to social companies in equity and lending campaigns during the action period reached almost €5.4 million, i.e. for each euro received from the EaSI grant, an amount of €21 was channelled to Spanish social companies.

Website/web links: <http://www.bolsasocial.com/>

Country: Austria

Main applicant: Impact Hub Vienna GMBH

Title: Catalytic quasi-equity for boosting social enterprises in CEE

Summary: Impact investment markets in Europe and in Central and Eastern Europe (CEE) are still at an early stage of development. Social enterprises need support to scale and increase their social impact. This project started from an analysis of the CEE markets and developed a relevant new financial instrument (quasi-equity), offered together with non-financial support to social enterprises in Austria, Czech Republic, Slovakia, Croatia, Serbia and Romania. During the duration of the project the first pilot financial transactions were successfully carried out. Additional tailor-made non-financial support (capacity building and investment readiness services) pre and post-funding were provided to promising social

enterprises in CEE. Providing equity type financing supported social enterprises in their way to growth by increasing their capital and thus, offering them the possibility to access additional debt financing. The combination with non-financial support improved the investment readiness of the social enterprises, reduced the risk post funding, created a more transparent relationship between the financial institutions and the social enterprise and addressed potential risks at an early stage.

Website/web links: [Social Finance | Erste Group Bank AG](#)

Country: Italy

Main applicant: PHITRUST SA

Title: Empowering small social enterprises in Italy

Summary: The ESSEI project, implemented by Phitrust, Microfinanza, MicroLab, and ImpactHub Siracusa, aimed to address the unsatisfied needs of the developing social impact investing market in Italy, specifically by providing financial and non-financial support to social enterprises with a focus on social inclusion. The main goal was to help social projects develop and become investment-ready while also designing a new investment instrument that provides patient capital and quasi-equity. The project has led to the structuration of a social investment fund that is expected to support 15 social enterprises in Italy over the next 5 years. In addition, the project carried out various activities such as a market analysis of the social finance market in Italy, the design of a due diligence process adapted to the local context, the definition of a social impact evaluation methodology, and the provision of capacity-building support to 10 social projects. Due to the support of the EU, the ESSEI project has contributed to bridging the gap between the supply and demand sides of the social impact investing market in Italy and promoting cooperation between different types of private and public investors and actors of the market. The fund came onto the market in January 2023.

Website/web links: [ESSEI - Empowering Small Social Enterprises in Italy - Microfinanza](#)

Country: Croatia

Main applicant: Krapinsko-Zagorska Zupanija

Title: Business Angels Impact Fund – BAIF

Summary: The main objective of the project was to create a new financial instrument for social impact investing in Croatia in the form of co-investments, by bringing together financial resources from Business Angels, from the European Angel Fund (EAF - an initiative from EIF that provides equity to Business Angels) and from other non-institutional investors.

Due to the support of the EU, the project designed an investment strategy for the business angels-co investment fund supported by EIF / EAF, with a detailed business and operations plan for the next 5 years. In particular: 1. the investment strategy and business plan of the Business Angels Impact Fund for Croatia and Slovenia was developed and the role of all different partners was clarified; 2. the project team started the negotiations with the EIF on the technicalities of the establishment of the fund; 3. the project created a sustainable pipeline of 101 eligible for investment social impact start-ups; 4. 33 business angels were listed in the BAIF Think Tank and are interested for co-investments, once the Fund is established.

Website/web links: [BUSINESS ANGELS IMPACT FUND – BUDUĆNOST UZ INVESTICIJE I DRUŠTVENIM UČINKOM \(baif.hr\)](#)