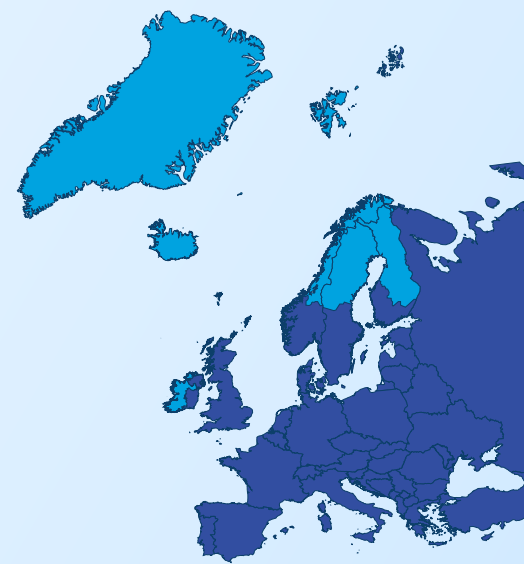




RESULTS

Mapping of the conditions for Rural Social Enterprises in Finland, Iceland, Ireland, Norway, Sweden



Interreg



Co-funded by
the European Union

Northern Periphery and Arctic

MERSE

REGION
JÄMTLAND
HÄRJEDALEN



Region
Västernorrland

Social Enterprises are those: (European commission, 2024)

- who the **social or societal objective of the common good is the reason for the commercial activity**, often in the form of a high level of social innovation.
- whose **profits are mainly reinvested** to achieve this social objective.
- where the **method of organisation or the ownership system reflects the enterprise's mission**, using democratic or participatory principles or focusing on social justice.

Interreg



Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



Method used for the mapping

Ecosystem review (EU 2020)

Literature review (119 articles)

Survey – 395 Social Enterprises (24%)

Survey – 403 Support organisations (15%)

Interviews – 13 Municipalities/decision makers

Interreg



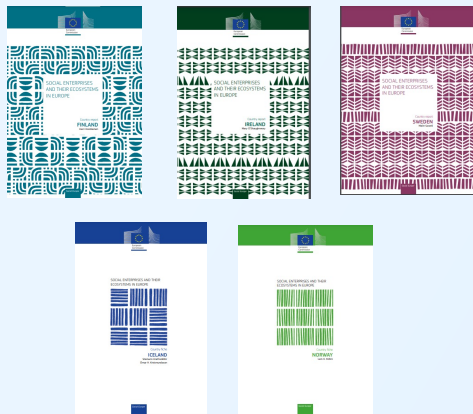
Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



Social Enterprise Ecosystem



(Source: EU 2020)

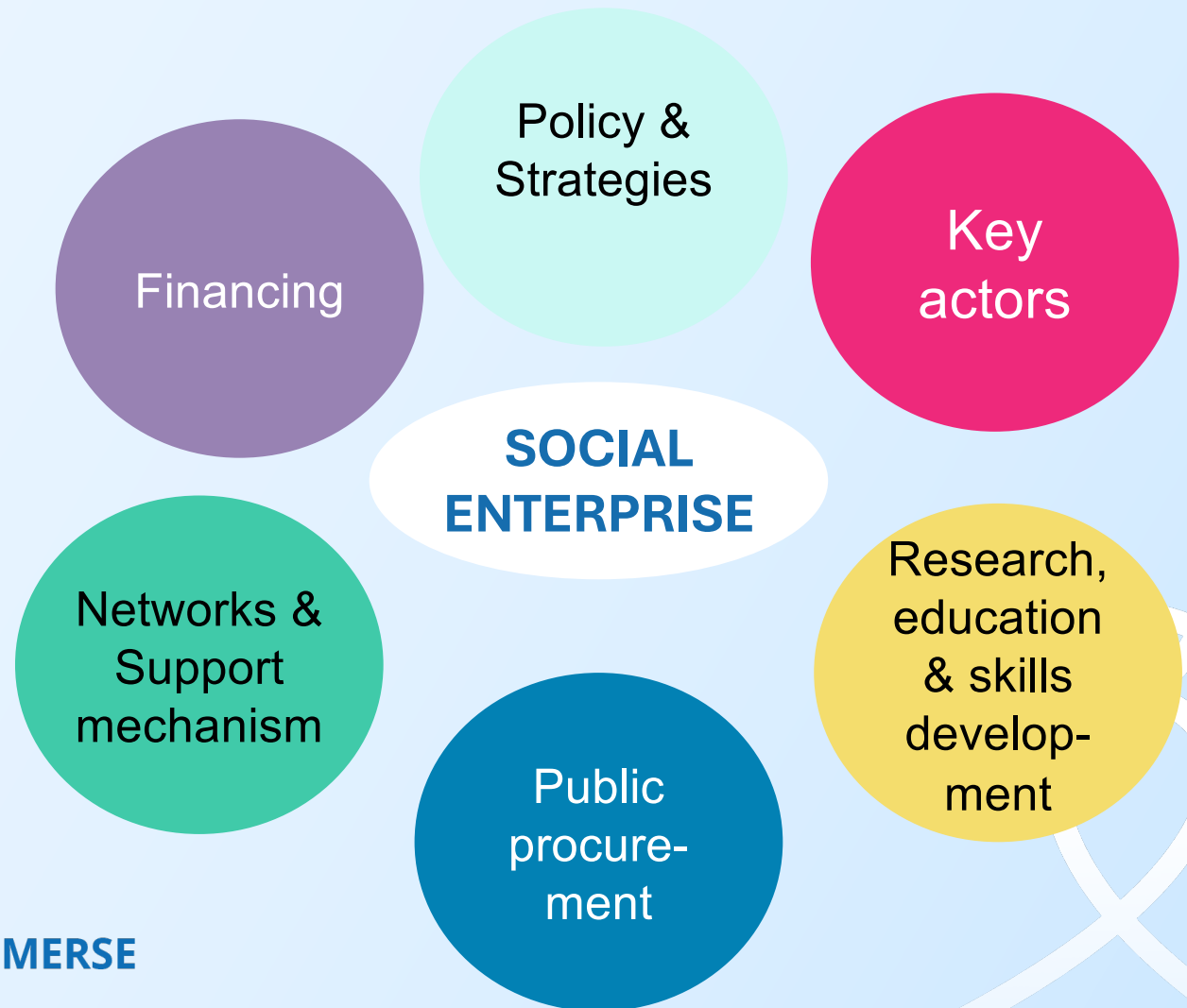
Interreg



Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



SIMILARITIES AND DIFFERENCES

1. Unreliable data on the number of SE
2. SE are a heterogeneous group of businesses
3. Networks exist for SE
4. Lack of financial support structure for SE

However, the five countries in the Northern Peripheral and Arctic areas that we study have progressed differently.



Interreg

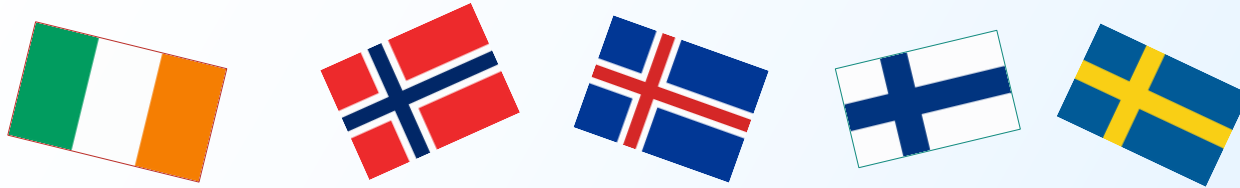


Co-funded by
the European Union

Northern Periphery and Arctic

MERSE

Literature review: What knowledge exists in the area?



Social: Enterprise, Business,
Entrepreneurship and Entrepreneur

Community based

Rural areas

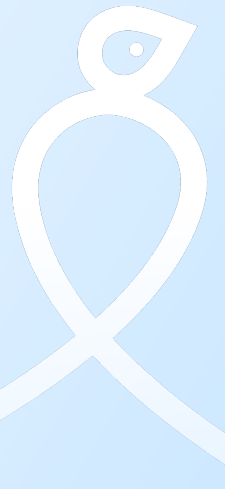
Interreg



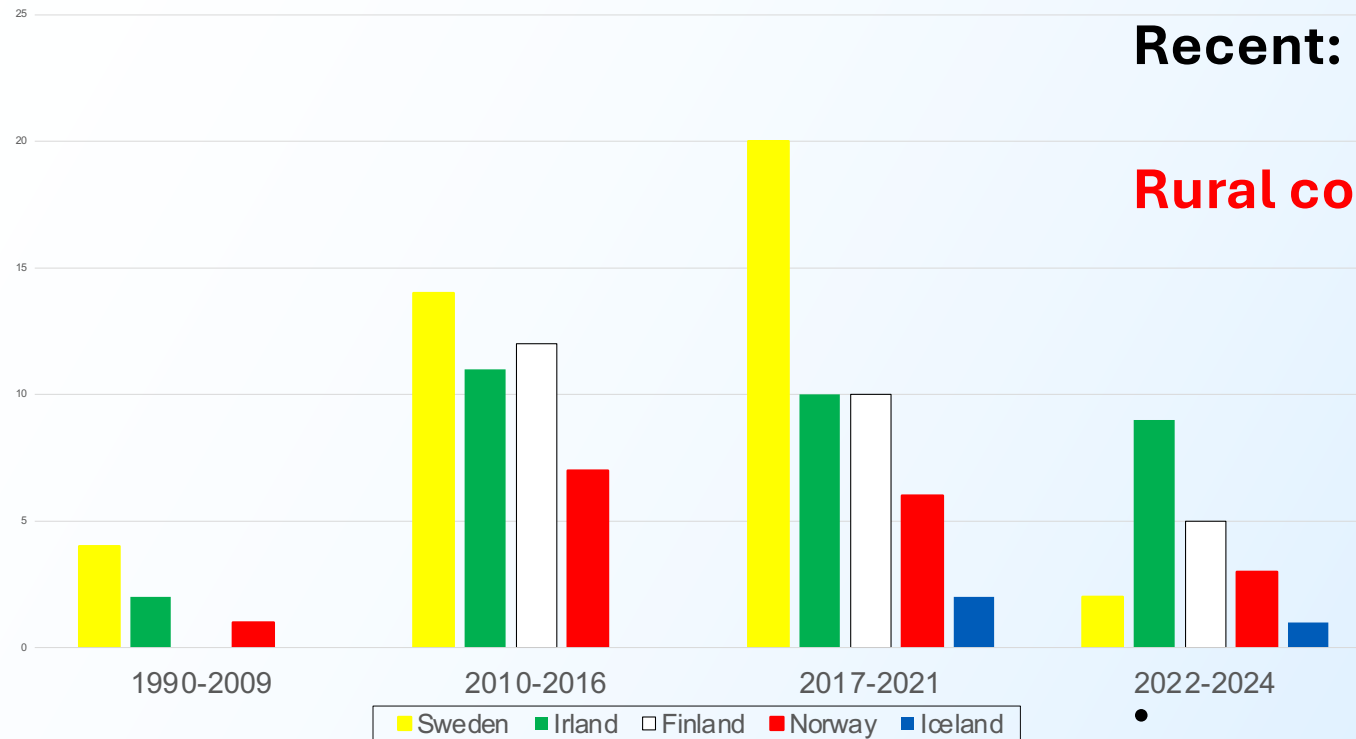
Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



In total 119 articles



Most studies: Sweden

Recent: Ireland

Rural context < 30%

Ireland

Norway

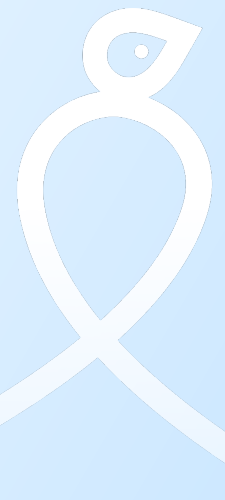
Interreg



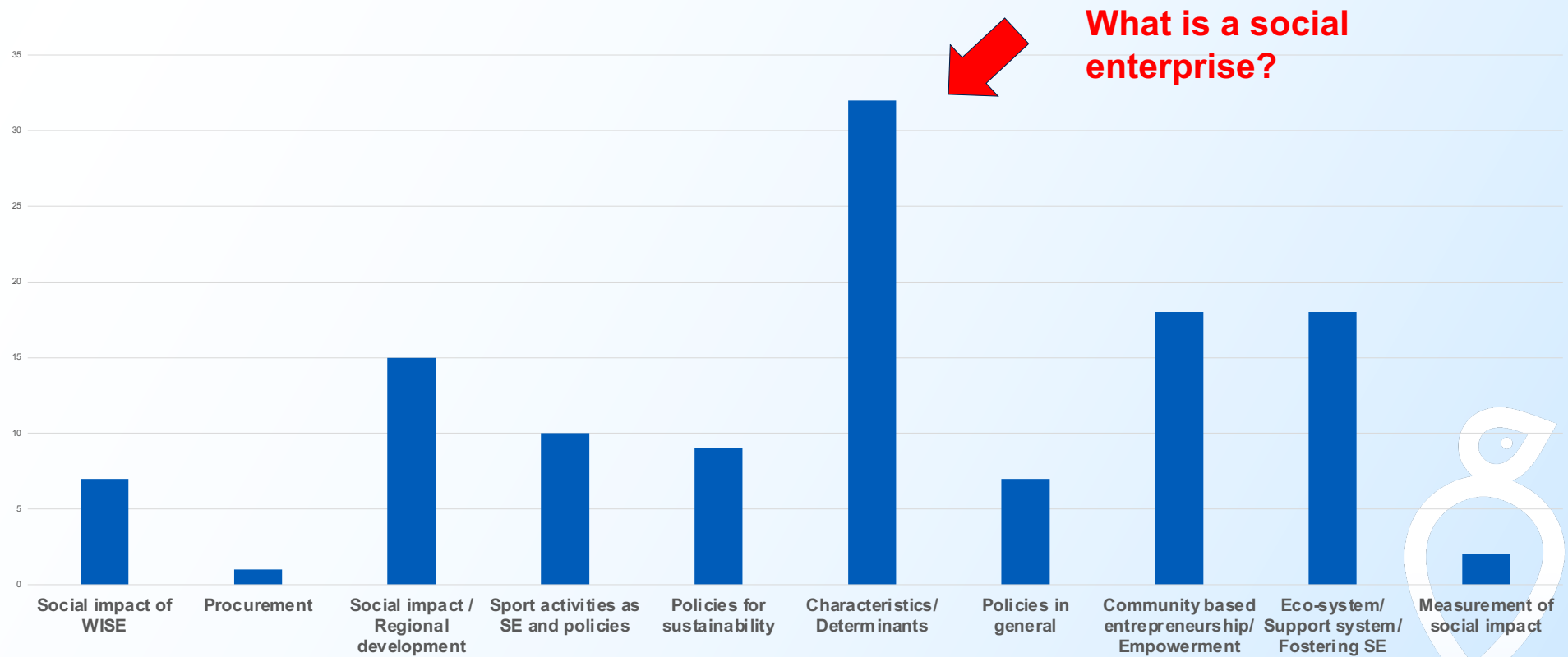
Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



Previous research – What is the research about?



Interreg



Co-funded by
the European Union

Northern Periphery and Arctic

MERSE

What are they not about?

Social enterprises in rural areas:

- Prerequisites
- Best practice
- Business models
- Impact measurement

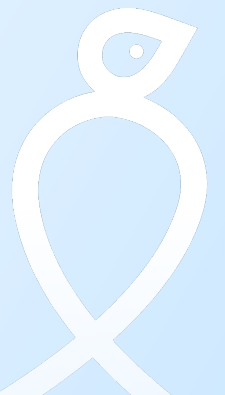
Interreg



Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



Survey to Social Enterprises



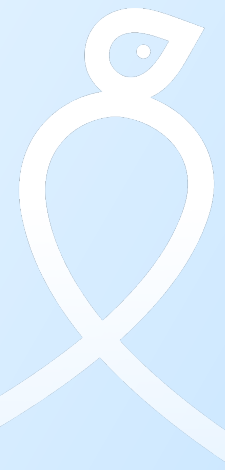
Interreg



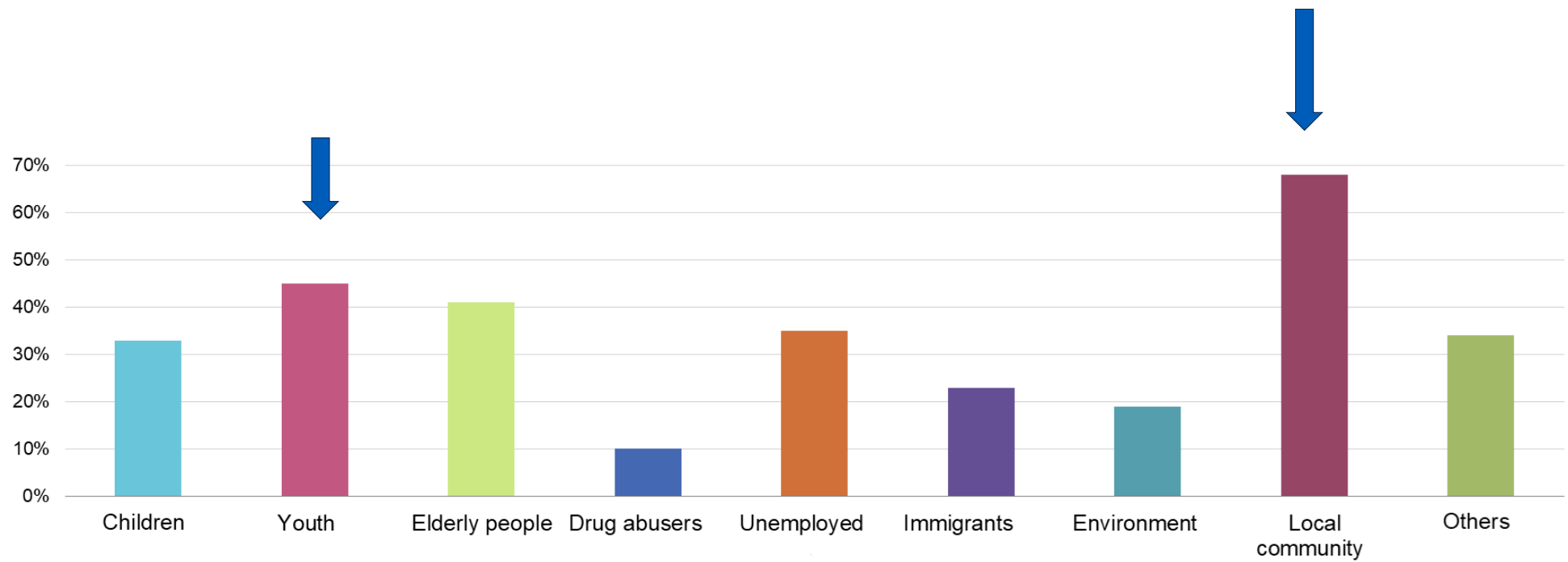
Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



Beneficiaries



Characteristics

- The majority of the businesses are more than 10 years old.
- Median age of business owners (respondents) are 52
- 72% of the respondent are women
- SE have employees, median = 5 employees
- The majority have a turnover less than 100 000 – 500 000 Euro
- Struggle with profitability
- Re-invest money in the company

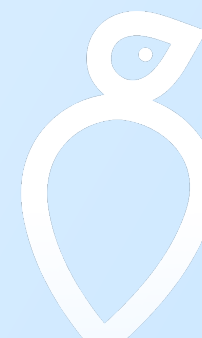
Interreg



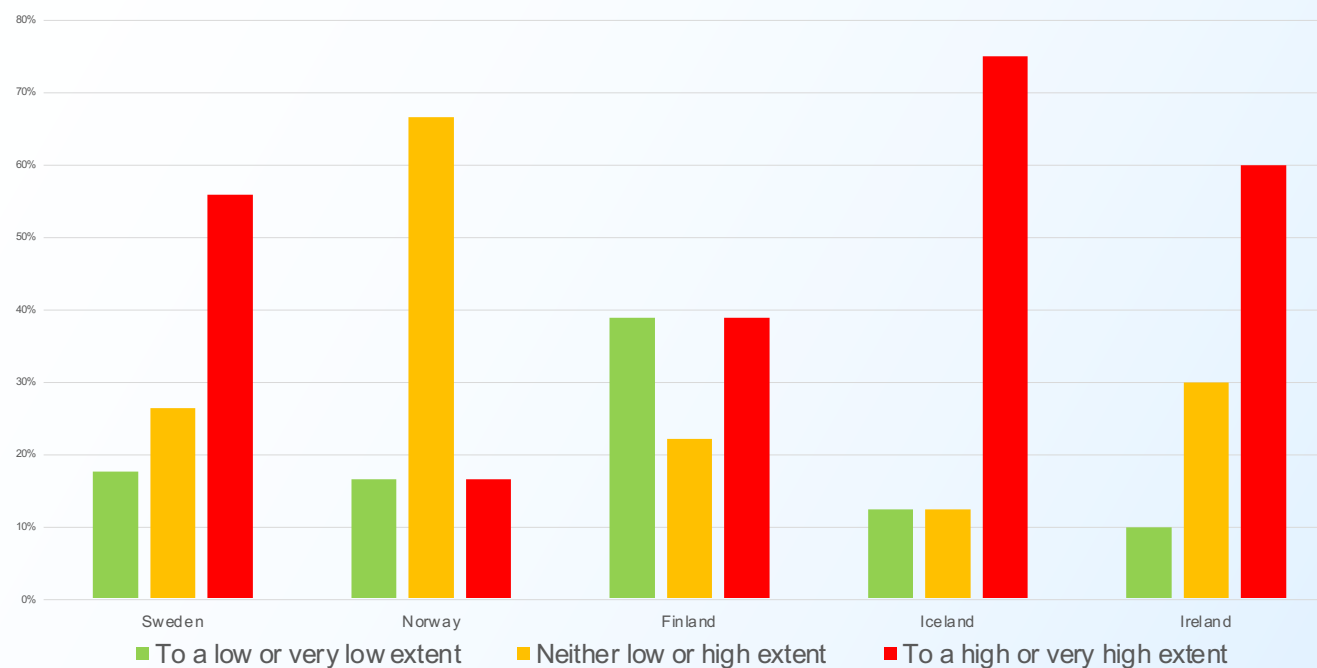
Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



How does the rural context affect the mission of the SE?



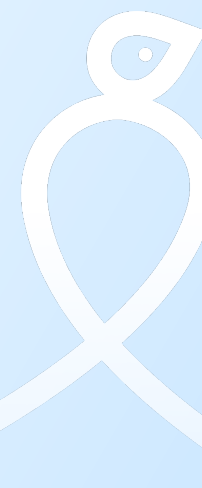
Interreg



Co-funded by
the European Union

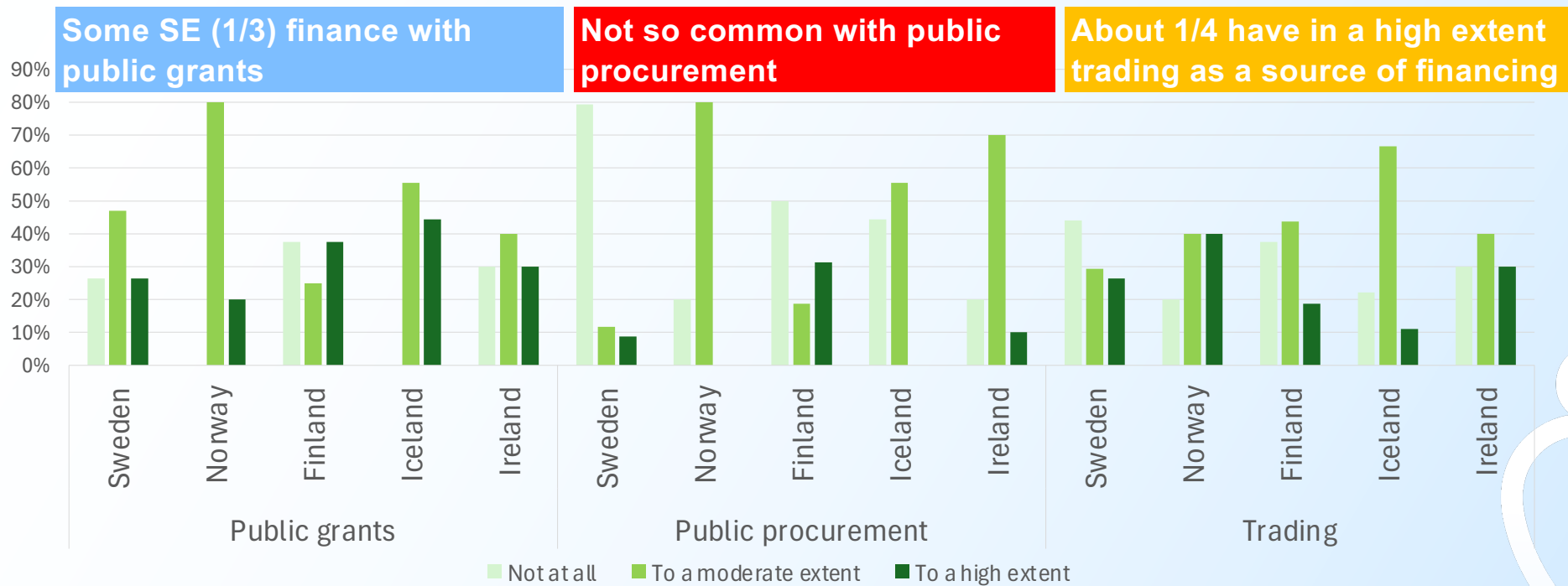
Northern Periphery and Arctic

MERSE



Country differences – Primary sources of financing

Public grants/ Public procurement or Trading



Interreg

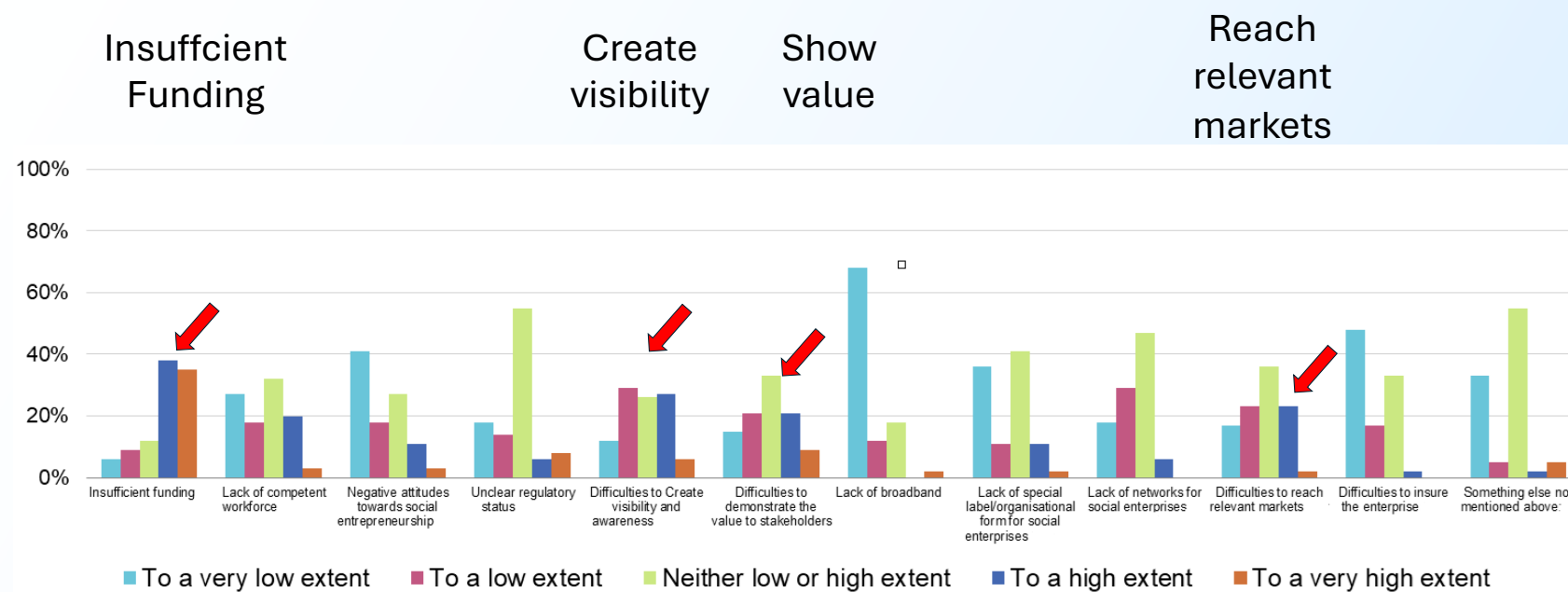


Co-funded by
the European Union

Northern Periphery and Arctic

MERSE

Findings – Obstacles



Interreg



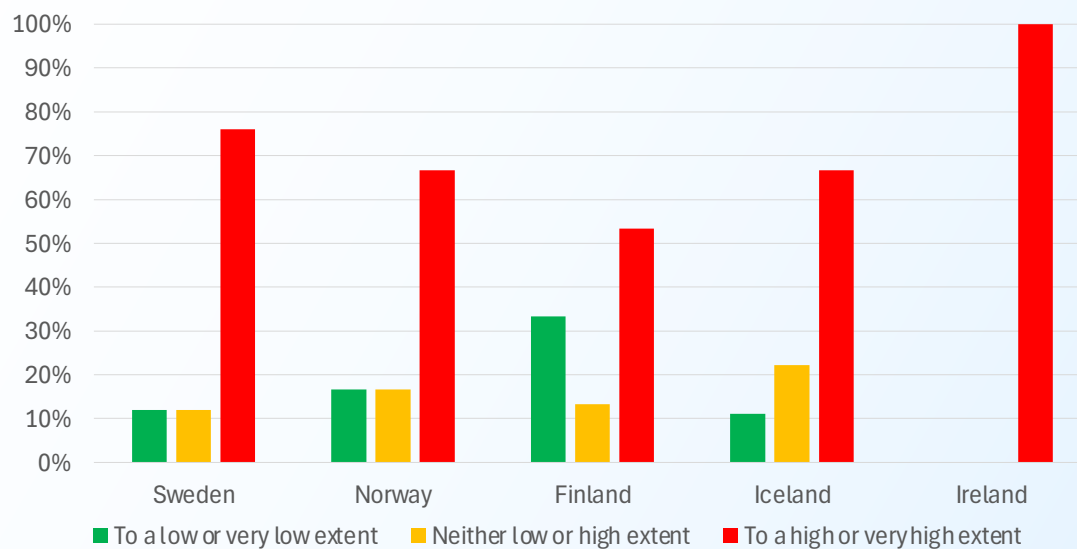
Co-funded by
the European Union

Northern Periphery and Arctic

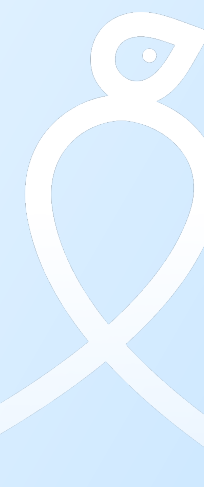
MERSE

Country differences

- Obstacles – Insufficient public funding



Yes



Interreg



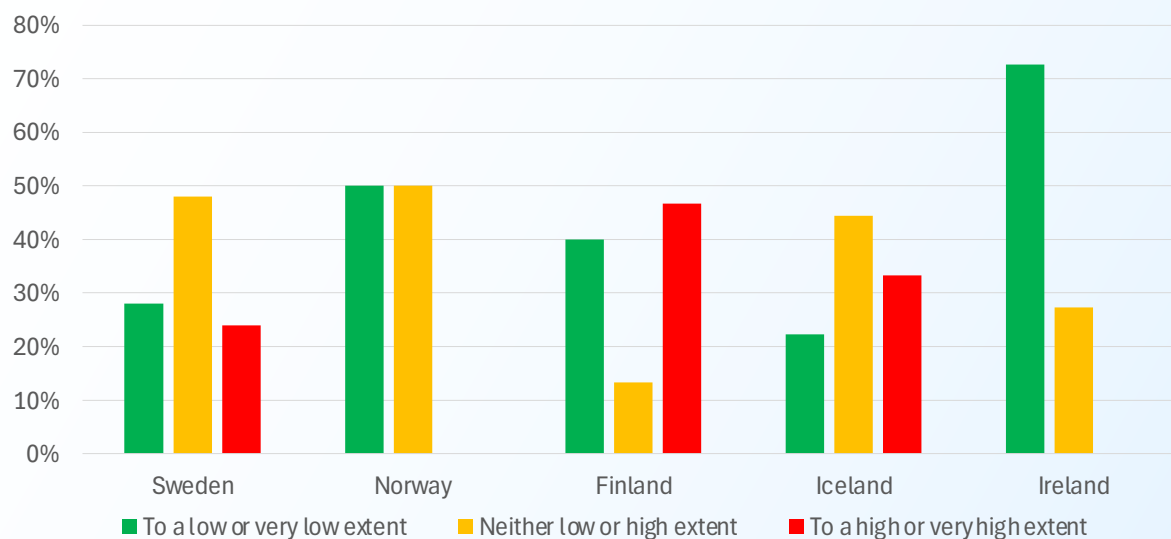
Co-funded by
the European Union

Northern Periphery and Arctic

MERSE

Country differences

- Obstacles – Reach relevant markets?



No = Ireland

Yes = Finland



Interreg



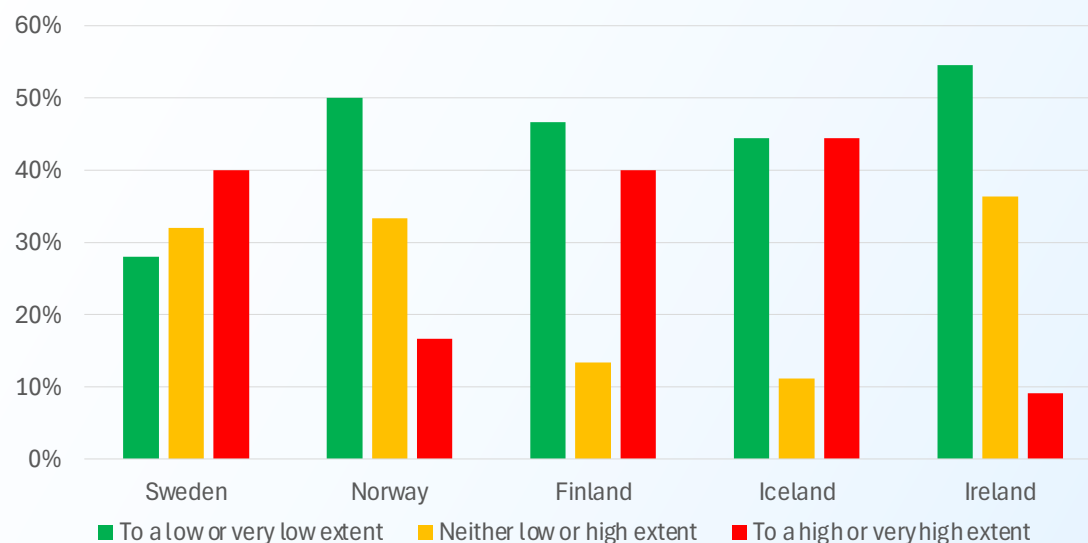
Co-funded by
the European Union

Northern Periphery and Arctic

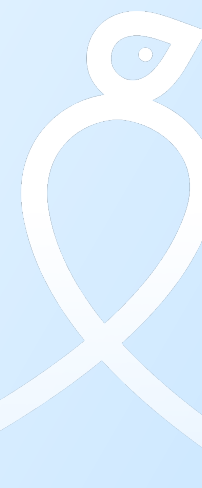
MERSE

Country differences

- Obstacles - Create visibility and awareness



Yes
and
No



Interreg

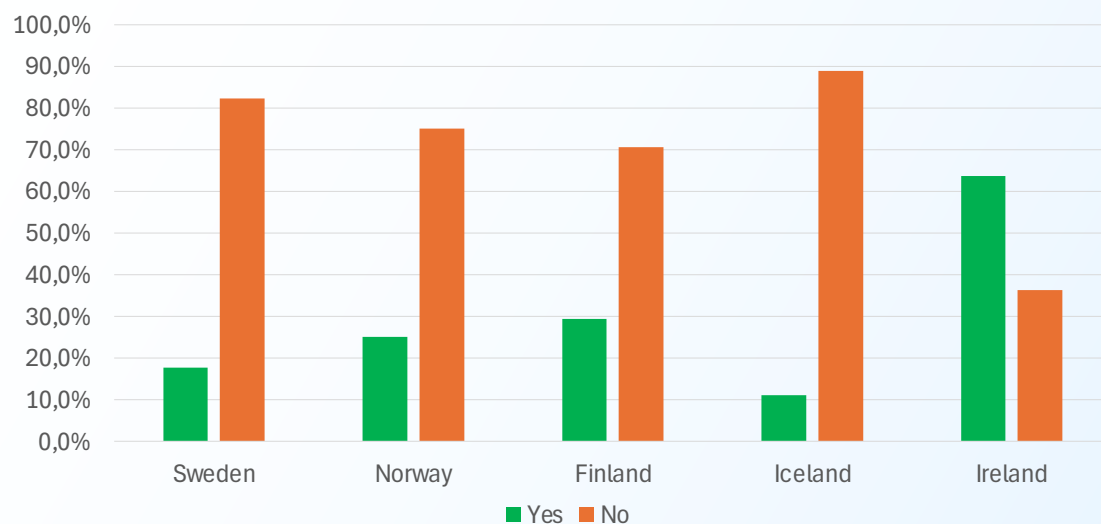


Co-funded by
the European Union

Northern Periphery and Arctic

MERSE

Country differences – Measuring social value



Yes = Ireland

No = Sweden, Norway,
Finland, Iceland



Interreg

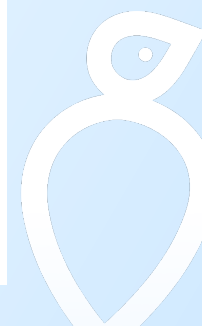
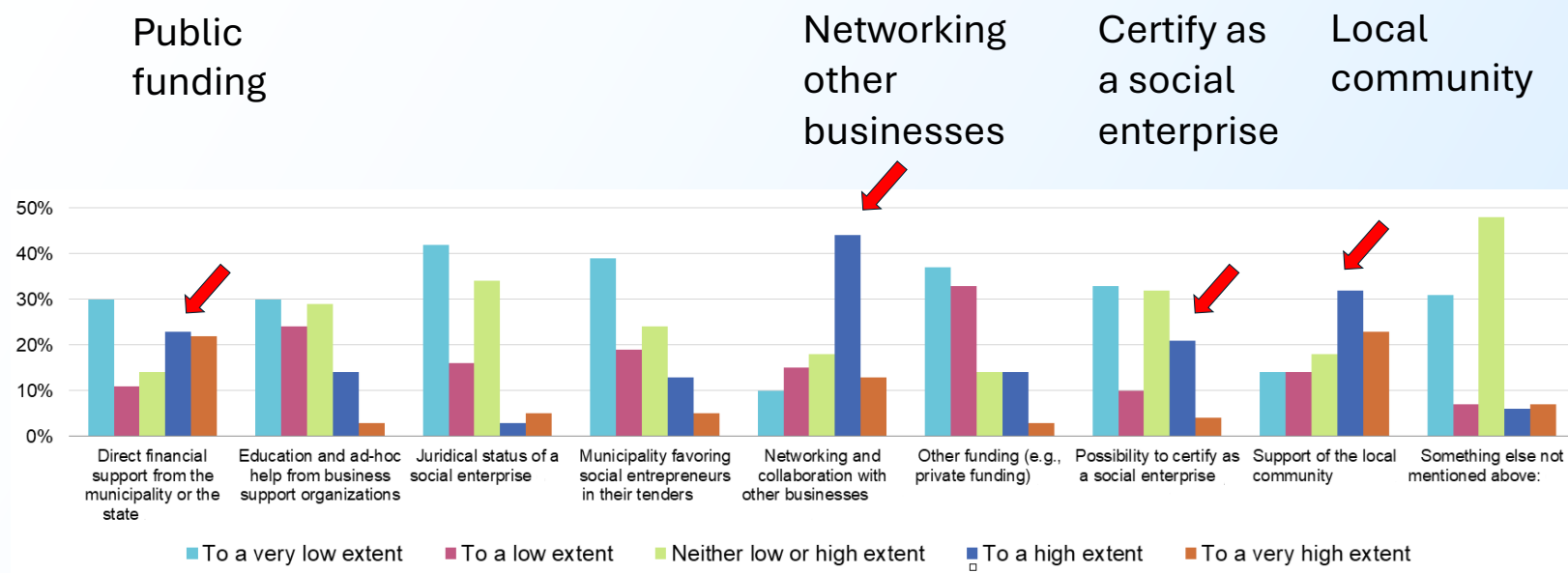


Co-funded by
the European Union

Northern Periphery and Arctic

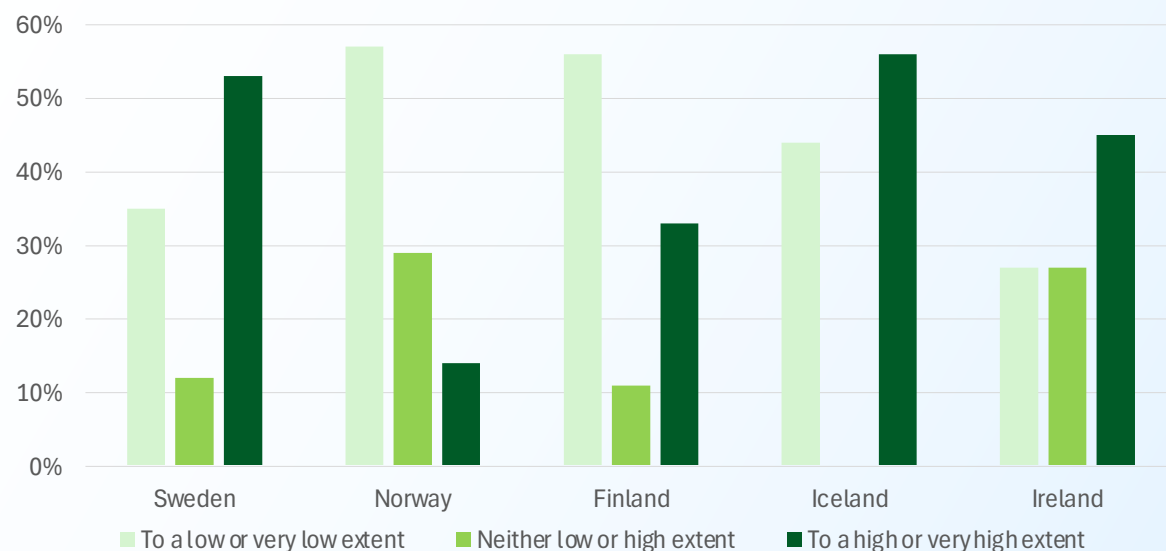
MERSE

Significant received support



Country differences

- Significant **received support** - Public financial support?



Yes= Iceland, Sweden and Ireland

No= Norway and Finland

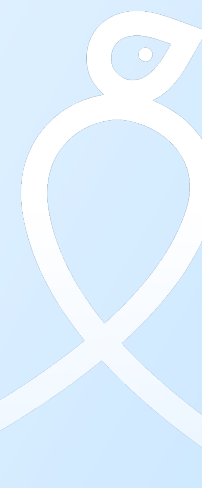
Interreg



Co-funded by
the European Union

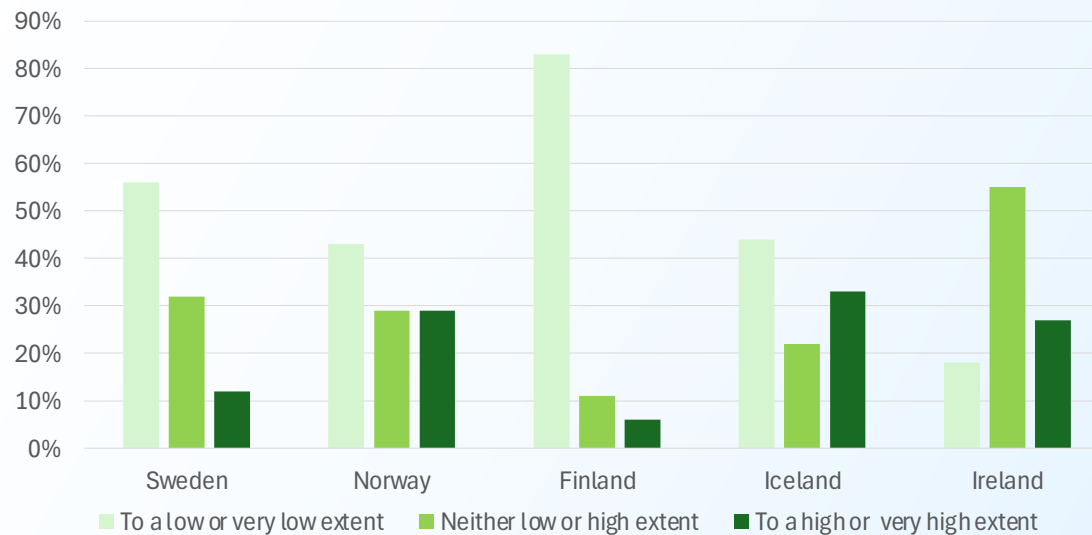
Northern Periphery and Arctic

MERSE



Country differences

- Significant received support - Business support organisations?



(Yes≈ Norway and Iceland)

No= Finland and Sweden

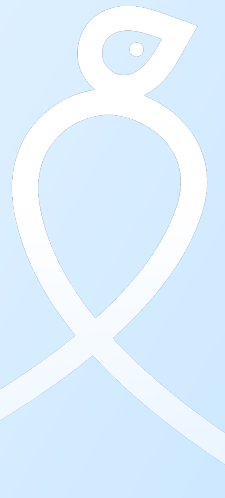
Interreg



Co-funded by
the European Union

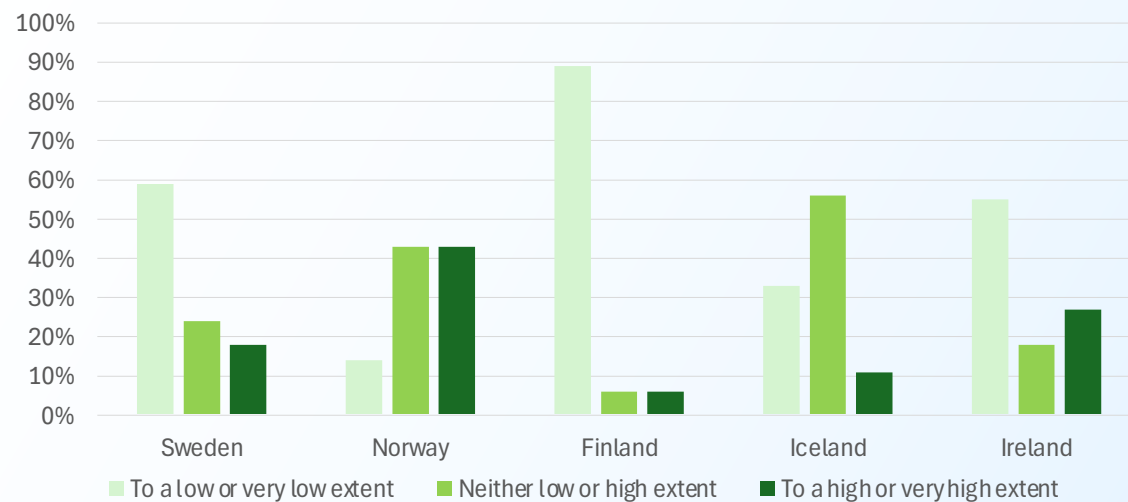
Northern Periphery and Arctic

MERSE



Country differences

- Municipality favoring social entrepreneurs in their tenders? *



(Yes≈ Norway)

No= Sweden, Finland,
Ireland

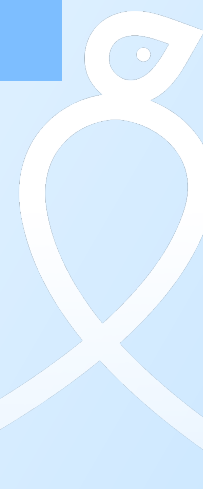
Interreg



Co-funded by
the European Union

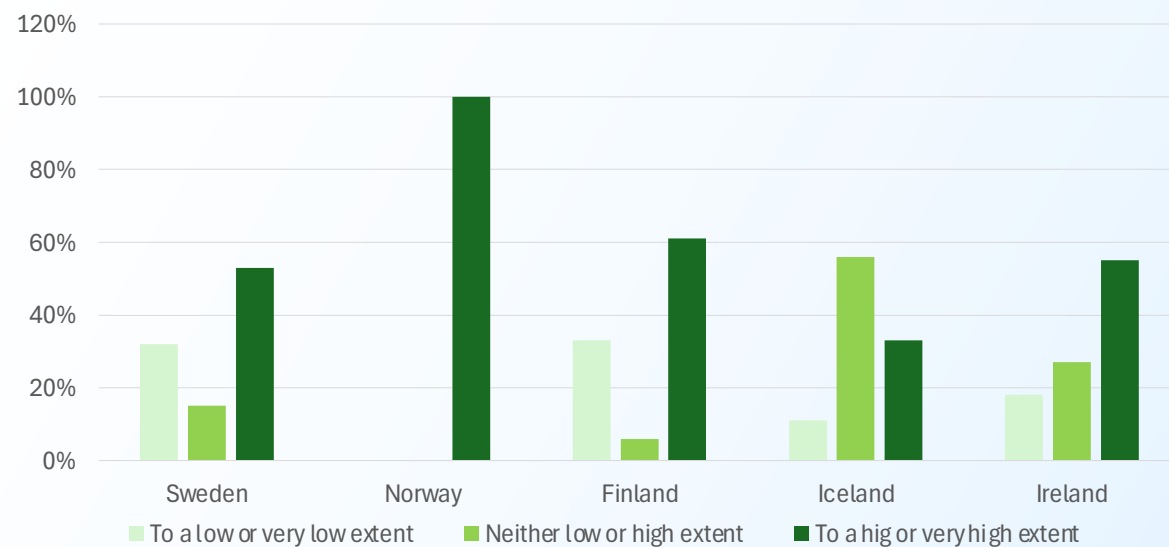
Northern Periphery and Arctic

MERSE



Country differences

- Networking and collaboration with other businesses*



Yes= Sweden, Norway,
Finland, Ireland

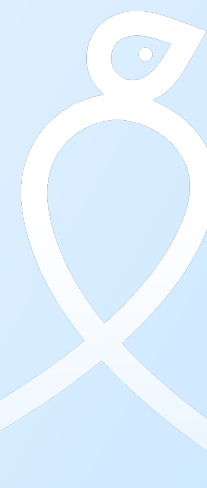
Interreg



Co-funded by
the European Union

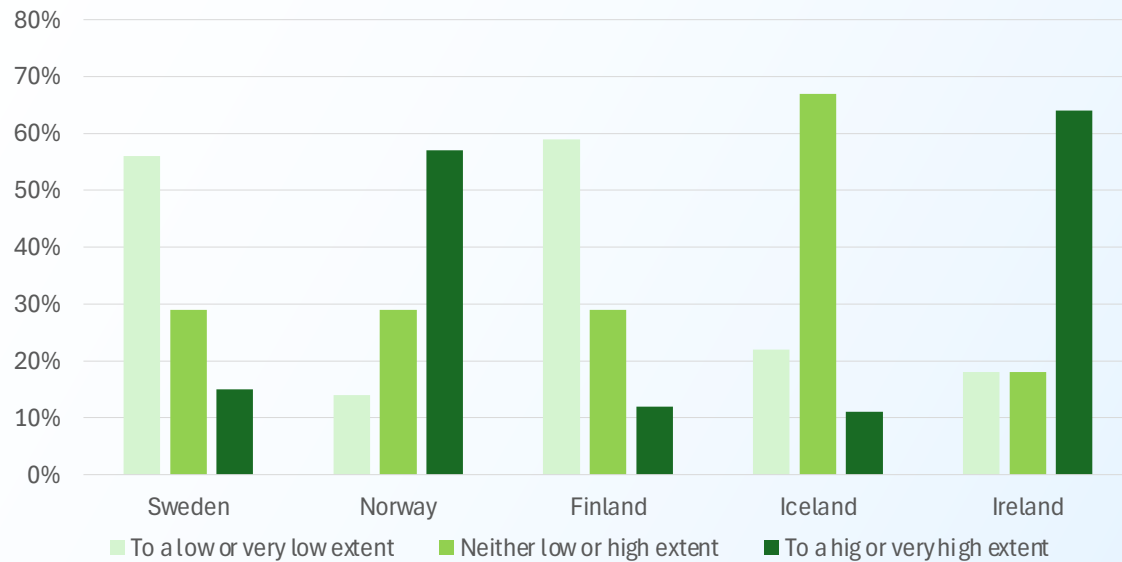
Northern Periphery and Arctic

MERSE



Country differences

- Possibility to certify as a social enterprise*



Yes= Ireland and Norway

No= Finland and Sweden

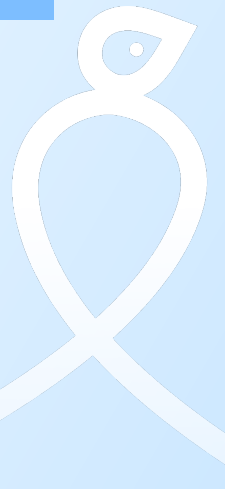
Interreg



Co-funded by
the European Union

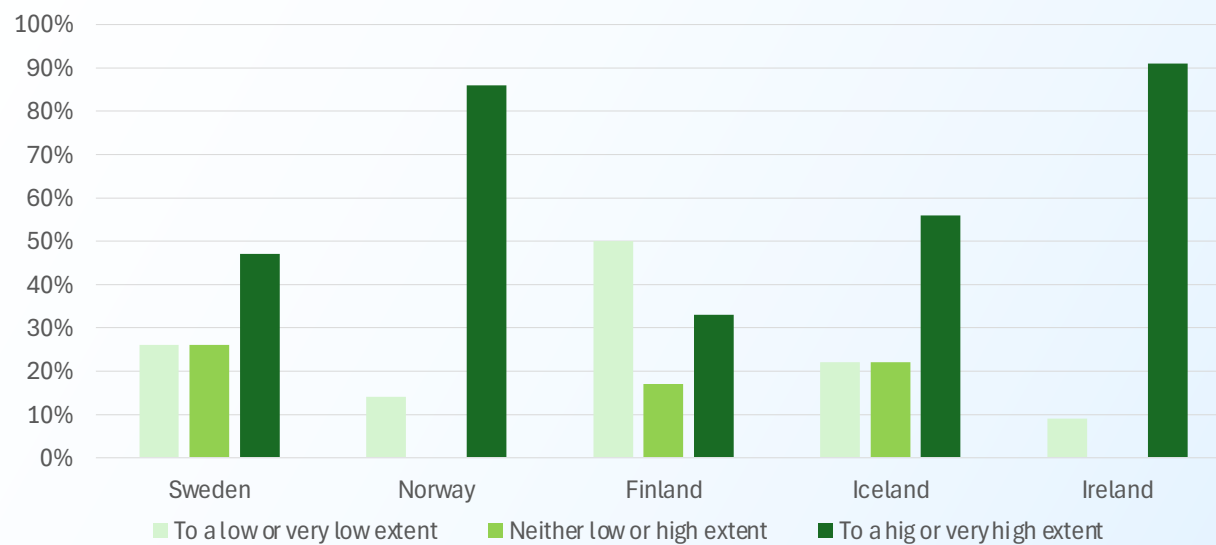
Northern Periphery and Arctic

MERSE



Country differences

- Support from the local community*



Yes= Sweden, Norway,
Ireland and Iceland
(No≈ Finland)

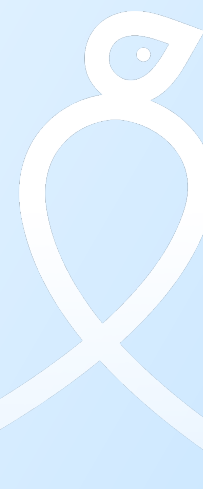
Interreg



Co-funded by
the European Union

MERSE

Northern Periphery and Arctic



External support mechanisms that the enterprises hoped for but were not there?

1) Public financial support

2) Municipality favoring SE in their tenders

No
significant
country
differences

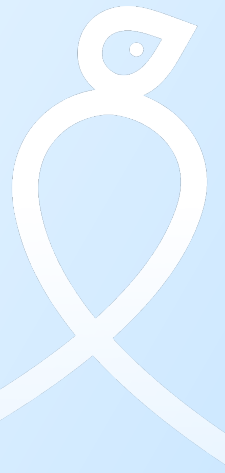
Interreg



Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



Survey to Support Organisations



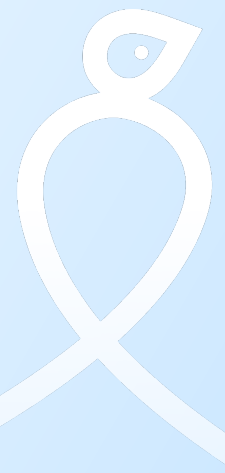
Interreg



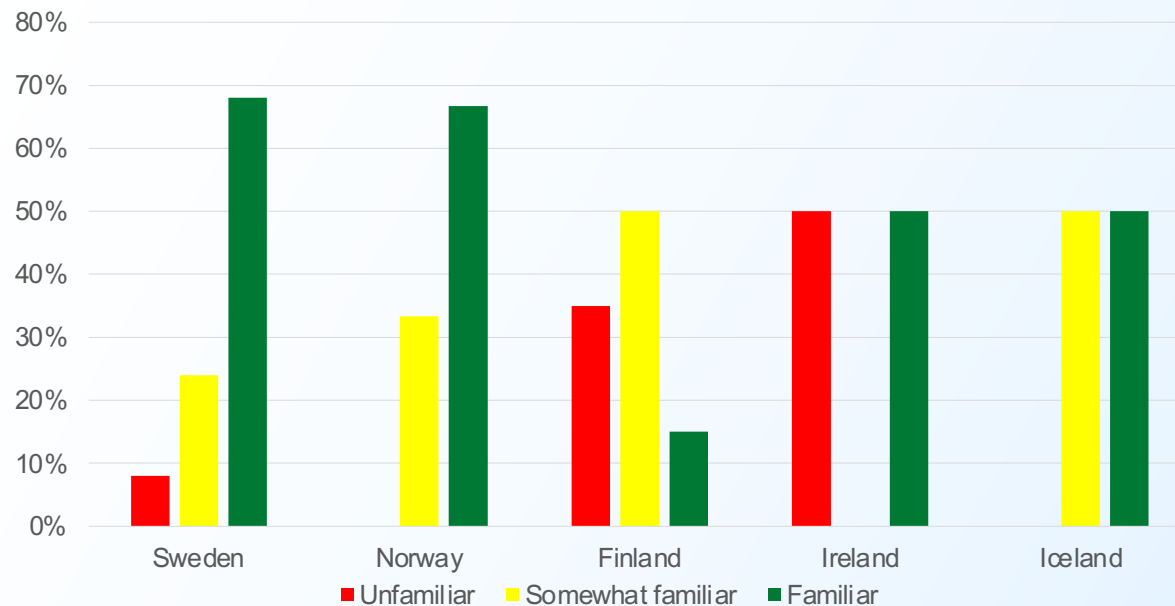
Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



How familiar are you with social enterprises in your organisation?



Familiar=
Sweden, Norway
And Iceland, Ireland

Not so familiar=
Finland

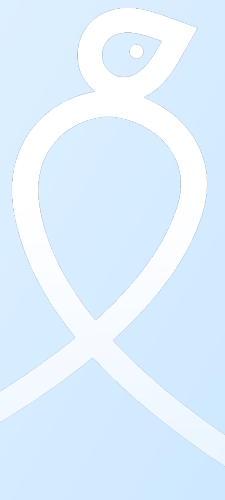
Interreg



Co-funded by
the European Union

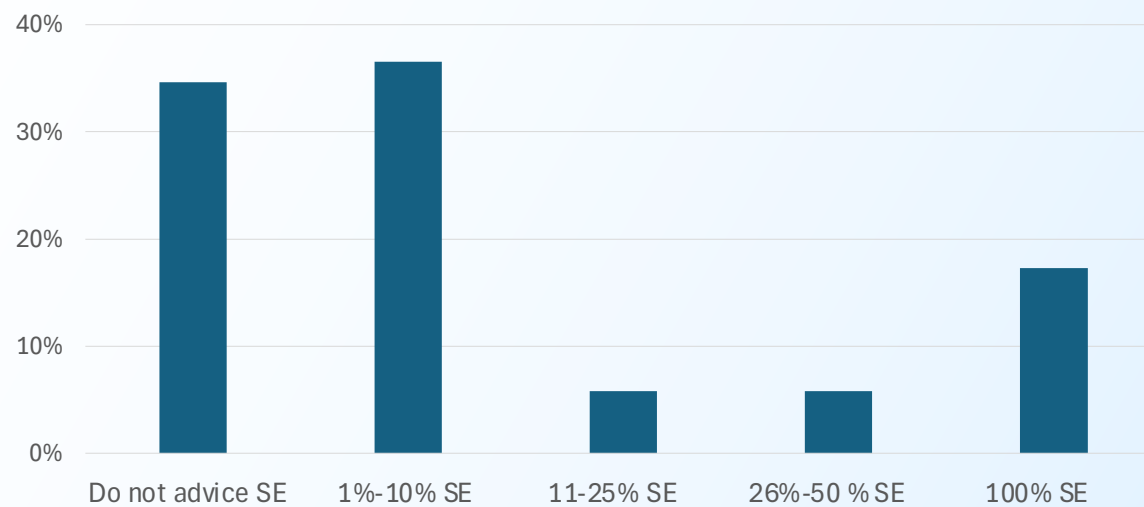
Northern Periphery and Arctic

MERSE



Share of social enterprises of total advising?

61% of the support organisations do not advise SE at all, or just in a low degree



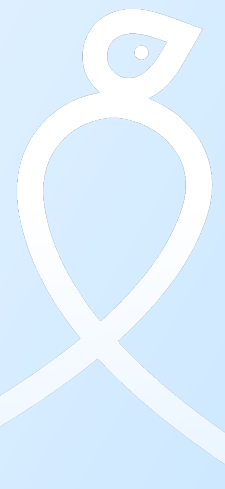
Interreg



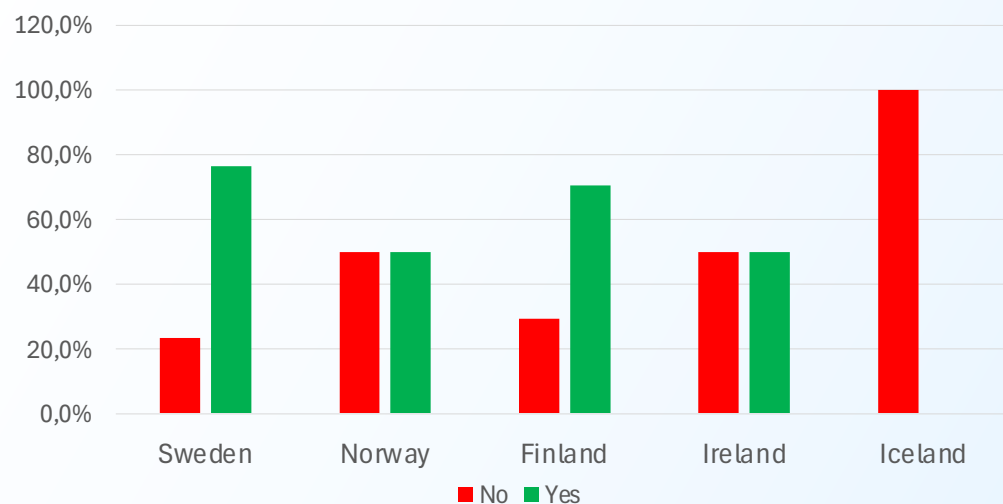
Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



Do you have the same possibilities to offer the same support to rural and urban (social) enterprises?



Yes= Sweden and Finland

No= Iceland

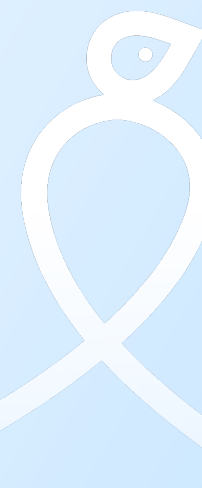
Interreg



Co-funded by
the European Union

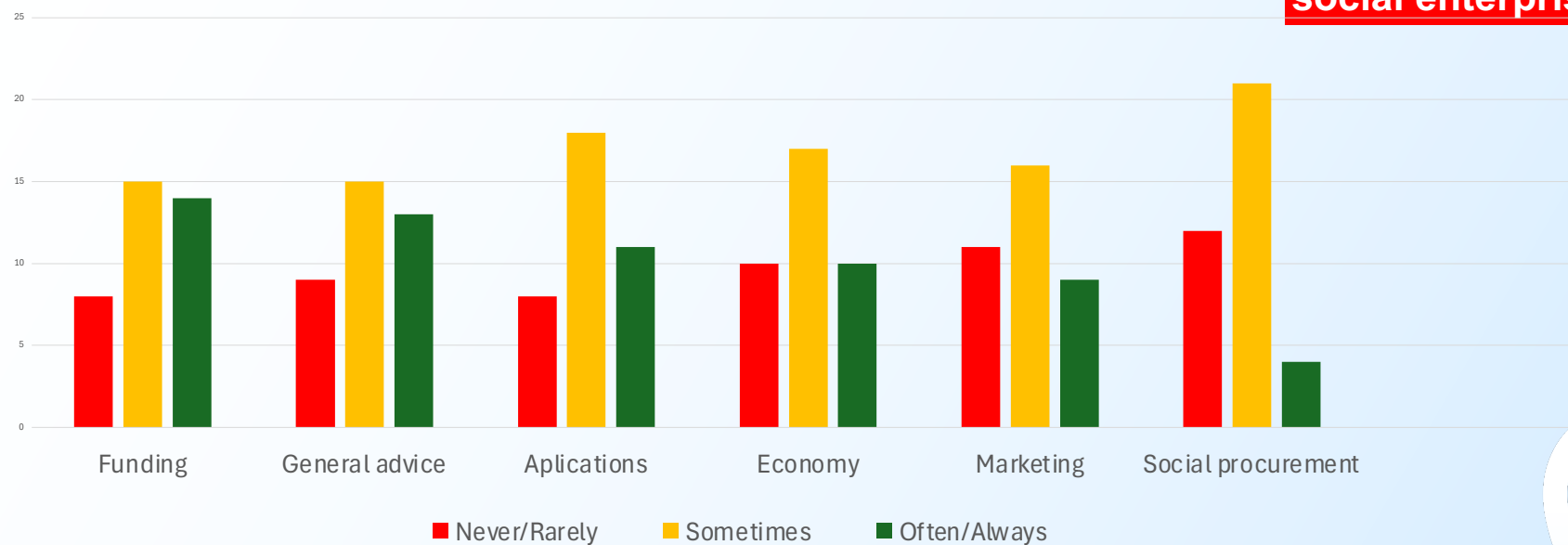
Northern Periphery and Arctic

MERSE



What kind of support do (social) enterprises demand in rural areas?

We have very little experience with social enterprises



Interreg



Co-funded by
the European Union

Northern Periphery and Arctic

MERSE

Interviews-13 Municipalities in Five Countries

- The SEs operates in many different industries and areas
- Most municipalities in have good knowledge of SE
- Only municipalities in Ireland, and one in Sweden, has developed strategies for SE
- Irish municipalities support SEs to the greatest extent
- Public procurement is used in Ireland, Finland and Sweden
- It is difficult to measure the value, it is done in Ireland and Finland
- Irish and Finnish municipalities are the ones who measure value
- The municipalities believe that SEs play an important and central role in the development of municipalities and counties, particularly in rural areas.



Interreg



Co-funded by
the European Union

Northern Periphery and Arctic

MERSE

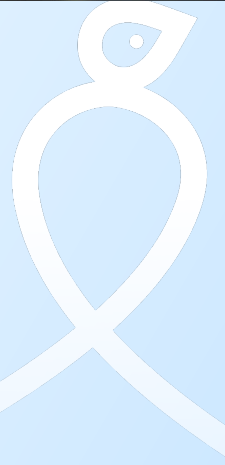


SUMMARY

- The rural environment affects to a large extent
- Difficult to get profitability in social enterprises
- The vast majority re-invests in the business
- Few stated that they had trading as part of their business activities

Lots of similarities but also differences

- Ireland is far ahead in terms of research
- Iceland, a young but emerging field
- Still a lack of knowledge about social enterprises and the benefits they create
- Support organisations have knowledge about SE, but do not support them
- Municipalities, knowledge exist but lack of policies and strategies





CONCLUSION

SEs are important enablers in rural areas, but they struggle with the economy and need to be more recognized

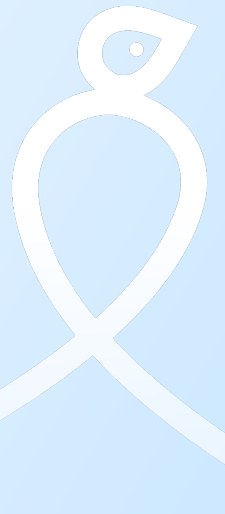
Interreg



Co-funded by
the European Union

Northern Periphery and Arctic

MERSE



Thank you!

<https://www.interreg-npa.eu/projects/merse/home/>



Interreg

Northern Periphery and Arctic



Co-funded by
the European Union

MERSE

REGION
JÄMTLAND
HÄRJEDALEN



Region
Västernorrland

