

### *Declaration*

We who participated in the 2<sup>nd</sup> Social Entrepreneurship Forum on 9-10 November 2015; social economy enterprises, stakeholders as well as support organization for social economy and social enterprises - representing the rich diversity of the social economy, worked together, exchanged views and experiences and discussed the need and better opportunities for collaboration, networking and self-organisation of our community based on values, principles and a framework of common positions – through democratic, effective and open procedures, utilizing our own experiences but also those at European level.

The event provided a platform for the development of the necessary openness and trust, to stimulate dialogue on shared values and practices, opportunities and concerns, dissemination of good practices, learning from one another, both in Greece and elsewhere in Europe.

We are at a historic juncture where the necessity appears to move from diffuse smaller or larger efforts to efficient networking and cooperation among social enterprises and support organizations committed to Social Enterprise (SE) economic and business development; to discuss common structures and practices that will help the development of the SE community; to invest on stakeholders' education using suitable tools and training models; to support efforts in their infancy; to develop appropriate dedicated financial-economic tools; and to protect social enterprises from isolated phenomena that can compromise the whole community.

### *The contribution of social enterprise to the social and economic reconstruction of Greece*

Participants affirmed the view that social enterprises have the potential to **become one of the main driving forces for social and economic reconstruction in Greece, promoting innovative solutions for the major challenges facing Greece today**. They could share ideas and actions to unleash the potential of social enterprise towards a more pluralistic, sustainable, circular/green, responsible and more resilient Greek economy on a more equitable and inclusive Greek society, and a more citizen centered and community based socio-economic development of Greece.

Acting in the general interest based on the values of solidarity and emancipation, social economy enterprises regardless of legal form provide a **model for doing business in the 21st century in Greece: creating opportunities for employment, economic participation, democracy in economy, placing the needs of people over speculation in order to meet the challenges of the ever growing inequality and poverty, aging, youth unemployment, local sustainability, environmental degradation, waste and degradation of natural resources, migration and refugees**. There is no part of Greece that cannot benefit from social entrepreneurship.

### *Common features, values and principles*

Social enterprises come in many shapes and sizes and take different legal forms, also in Greece. They share common values, most importantly working for the common good and generation of a social and/or environmental impact, and strive to follow a set of principles in their operations.

### *Organised networking and collaboration of social enterprises are essential for their development*

The social and solidarity economy of Greece is still in an early stage development, fragmentation and low levels of mutual trust and transparency as well as low levels of support of social enterprises by philanthropy foundations, responsible business, the financial sector and public bodies at national, regional and local levels hamper the growth of the small social enterprise community.

It is now up to the social enterprises themselves and the organisations that support them

- to start a process of creating a common identity, based on openness and trust, around common values and principles, practices and behavior, visions and concerns,
- to learn more on day to day practices from one another, from other social enterprises both in Greece and elsewhere in Europe, and
- to promote networking and collaboration between social enterprises and dedicated financial and business development support organisations.

A common identity, based on common values, principles, aims, interests, and ways of working will allow

- to better use of synergies in the operation of a social enterprise,

- to create transparency on the social values created,
- to build credibility in the economic, social and political sphere,
- to gain recognition by trusted organisations, the general public, and public authorities
- to generate visibility and encourage support
- to use existed good practices and expertise in order to sustain the social enterprise

### *The way forward*

Participants in the Social Entrepreneurship Forum expressed their willingness to intensify collaboration and networking efforts on thematic as well as on regional level and to open dialogue on how to network at national level and then to participate in relevant European networks.

It is a common desire for the Social Entrepreneurship Forum not only to develop in an annual institution for dialogue, information and networking but also to become in the future the capstone of coordinated and well organized thematic or regional meetings that will bring experience, recommendations, and joint initiatives to the Forum.

In the direction of empowerment, peer learning, information and mutual assistance participants committed to seek solutions for the creation of a **common online platform** based on open software that will provide accurate and timely information on social enterprises and social economy and innovative tools for the communication of community members according to their needs. In addition, it will promote more concerted organisation of meetings of people and bodies with the aim of networking and exchange of knowledge at local, national and European level, as well as coordinated presence in social media.

Cooperation is open and will be based on shared values, on basic features and principles. The commitment to such a framework will create an identity that differentiates social economy enterprises by state social structures, private companies investing in corporate social responsibility, but especially from failed examples (particularly cooperative ventures of the past) often due to ignorance or non-application of the principles and values of the cooperative economy or opportunistic behaviors. This framework will clarify the additional features that collective social enterprises have over others - parallel - procedures that may be part of the social economy (NGOs and social initiatives, individual social entrepreneurs), or by family businesses and ordinary mainstream companies. It will also help the establishment and effectiveness of social entrepreneurship.

Key elements of this Principles and Values Framework Agreement (which in the future will be further developed) are:

- Vision for a sustainable, solidary and social Greece, with a strong civil society
- A commitment to a common mission: to rebuild Greece with the implementation of **feasible solutions towards social, economic and environmental challenges in Greece**, particularly by developing ways out of poverty and social exclusion and by building a sustainable economy, enhance quality life for all, and by empowering people to fully benefit from social rights, democracy, gender equality and digital media
- Commitment to build the business model on the **basic elements** that characterize the social enterprise
- Commitment to cooperation and basing the work on the **common values and principles** (Code of Conduct), which protect social enterprises and their community from corruption, failures and misuse of the term "social enterprise".

This Principles and Values Framework Agreement is open for comments and improvements by social and solidarity economy actors, through an appropriate Web-Forum and it will lead through a systematic dialogue on a binding Code of Conduct.

- The final version of the Code of Conduct will be decided in a democratic and efficient manner by entities that will commit to apply this initial framework agreement. Representatives of social economy enterprises that will commit to shared values and principles will meet by March 2016 at the latest to finalize the Code of Conduct and

sign it.

- Signatories will assume the role of capacity builders and networkers for the social enterprise community by,
  - Organising mutual learning and providing support in managing social economy enterprises in line with the values and principles laid down in the Code of Conduct (such as needs assessment, goal setting, reporting, budgeting, quality standards etc.),
  - Assisting teams that intend to start a social enterprise (coaching, mentoring, business and impact planning, etc.),
  - Liaising with social enterprises outside Greece working in the same field to share good practices, tools and methods,
  - Articulating the needs and demands of social enterprise vis-a vis civil society organisations, social finance providers, stakeholders and the government, through a establishing a web portal, organizing an annual conference and advocacy.

## ANNEX

For the formation of the Code of Conduct that captures the common characteristics of social enterprises and clearly distinguish them from conventional enterprises and traditional non-profit organizations: or informal structures, we take into account the existing European experience.

### Common views

Across Europe, as recognized by the European Commission, common characteristics by which social enterprises recognize each other are:

- Explicit commitment to pursuing a primary objective to achieve social and/or environmental benefits which is the reason for the economic activity;
- Earning income mainly through engaging in a continuous activity of production and/or exchange of goods and/or services;
- Commitment to reinvest profits exclusively or mainly in the business or in the beneficiary community - and not distributed to owners/shareholders/investors: the purpose of such limits is to prioritise the societal aim over profit making;
- Independence and organisational autonomy from the State and other traditional for profit organisations; and
- Inclusive governance through participation of employees, consumers and stakeholders affected by its commercial activities in transparent and democratic decision-making processes.

### Common values

Social enterprise is part of the social and solidary community, and shares **core values**:

- Working for the common good – rather than the unlimited private gain of a few
- Solidarity with the disadvantaged, excluded and future generations
- Trust and cooperation within and between social enterprises,
- Transparency of business operations and their impact on society
- Gender equality and inter-generational responsibility
- Empowerment, democratic and inclusive decision-making.

### Common principles

Business practices of social enterprises therefore strive to follow a set of principles, specific to the social and solidary community, in particular:

- All economic activity is based on the core values
- Social enterprises are organised as sustainable businesses, and aspire to become financially independent - from both the state and philanthropy through operating in private or public markets.
- Regardless of its legal form, the constitution of a social enterprise includes defined procedures and rules governing the distribution of profits to shareholders and owners as well as an asset lock to ensure that assets remain dedicated to social purposes even when the organisation ceases to exist.
- Social enterprises offer a dignified workplace; aim to pay a 'living wage'; have flatter pay structures than the private sector and not pay inequitable salaries to senior management.
- The statutes and practices of a social enterprise ensure democratic and/or participative government and close linkages with stakeholders sharing the same objectives.
- Social enterprises help and support one another - by learning from one another, both in Greece and elsewhere in Europe, and sharing business practices in the spirit of an open source community and take all the necessary measures to avoid clientelism and corruption.
- Social enterprises promote networking and collaborating with one another, and encourage procuring local goods and services from within the other social economy actors.
- Based on their vision, social enterprises carefully plan, design, implement, monitor, and attempt to measure their social impact, and commit themselves to demonstrate to the public the added social value generated through producing annual social and financial impact reports, and to publish these reports on the web.