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Mapping social entrepreneurship for Roma communities National Report

Belgium

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Introduction

Social economy is a way of challenging societies. In general, it is an answer to the alienation and non-satisfaction of needs by the traditional private sector or the public sector in times of socioeconomic crisis (Frank Moulaert and Oana Ailenei, 2005). Simply, the high rates of unemployment in the past decades and the loss of protection of the welfare system explains clearly the growing interest in the social economy and the importance to search solutions for the creation of new job positions, of setting up worker-owned co-operatives, and the furtherance of entrepreneur answers (Mellor et al. 1988).

Under this perspective, SERCo approach has the willingness to prove the importance to develop social economy initiatives to foster the economic promotion of Roma communities. In fact, Roma's history has been featured by an adaptation to different countries and a survival attitude in different societies. For this reason, entrepreneurship seems a common behaviour of Roma culture.

However, usually entrepreneurship policies and social economy initiatives do not take into consideration targeting Roma communities in particular. Low-income classes usually face difficulties when creating new entrepreneurial initiatives and, unfortunately, entrepreneurial projects easily born in high-income classes or wealthy environments (Kantis, 2008). According to the Report on Social Entrepreneurship (GEM, 2011), most of those who start social entrepreneurship ventures have post-compulsory education or are graduates, so individuals with higher levels of education are more likely to engage in social entrepreneurial activity. At this point and having in consideration that people aged 25-34 and 34-44 have highest propensity of being involved in Social Entrepreneurship activities (GEM, 2011), entrepreneurship policies and political encouragement of social economy should be focused



on those young people with less social opportunities and, even more, on those who traditionally have their economy based on self-employment initiatives. Therefore, exploring how entrepreneurship and social economy can promote Roma community inclusion is basically a strategy that ought to be certainly considered.

Aim of the report

The aim of this report is to offer a first glance about the meaning of social economy phenomena, some benefits that social economy can offer to Roma society and, last but not least, a state of art of social entrepreneurship resources in each partner's country.

Basically, the main part of the report goes into the particular national situation. The idea is to map the public policies and public actions, which directly impact to social economy in each country; the relevant stakeholders within the social economy sector; which may help partners to realize about the strategies and the allies of entrepreneurial processes; the social entities that are working to foster Roma-led entrepreneurial initiatives; and the stakeholders' perception about the impact that social economy might suppose to Roma communities.

Proposed methodology

In order to achieve a completed report, not only do the consortium has decided to include data from other studies or institutions, but also it decided to include gathered opinions from policy makers, Roma leaders, Roma organizations and Social Economy actors at each national context. Consortium members actually did some interviews to analyse their content and to reflect on the potential impact of social economy within Roma communities.

Moreover, SERCo partners agreed to work on the same methodology to produce similar reports. To achieve such intention, consortium has developed a sort of questionnaires and interview guidelines to provide national reports with the same structure and shape. The process has been led by Amalipe (Bulgaria), Fundació Pere Closa (Spain) and TMAF (Bulgaria).

In general, the result has been six national reports (Greece, Bulgaria, Spain, Belgium, Italy and Romania) which have the same common part but differ in the national section. Each report is available in English and in its national language.

In furtherance on this, national reports appear as a first step to design a sort of guidelines for Roma social entrepreneurship in a second project stage. This guidelines will be transferred to Roma mediators with the idea to start different Roma-led start-ups with groups of 4/5 Roma people.

Framework of social economy

According to the report *Social Economy and Roma communities, challenges and opportunities* co-financed by European Social Fund (2012), “at European level there are no consensus over a definition of social economy”.

Basically, social Economy concept has had lots of meanings. For instance, the Euro-centered perspective, which is based on the Francophone approach (XIX century), generally understands social economy as *the study of all efforts made to improve the condition of the people* (Gide at Moulaert and Ailenei, 2005: 2040).

As Moulaert and Ailenei (2005) specifies in their article “Social Economy, Third Sector and Solidarity Relations: A Conceptual Synthesis from history to Present”, social economy represents an Hybrid Typology that refers to a wide forms of initiatives and organization which shows that the economy is not limited to the market but includes principles of redistribution and reciprocity.

Moreover, social economy can be divided by the third sector, which refers to a sector distinct from private sector and the state; the solidarity economy, which refers to voluntary and reciprocity basis that promotes cooperative initiatives; and finally, the social economy not as a whole but more restricted into the economy of co-operatives.

Over and above, social economy is a good tool to promote the common good and principally the self-worth of people who are involved in such initiatives. Broadly speaking, the social economy idiosyncrasy is far away from materialism but close to cooperation and solidarity positions. In fact, experience has shown that the intention of social entrepreneurs is most of times motivated by an attitude to promote more democratic societies by which women roles are basic for the social motor, and social equality and sustainable development are principle aims (Lévesque, 2001).

There are indeed lots of social initiatives about: production, commercialization, consumption and financing which income is re-invested in the community through a democratic logic as the promotion of equality and the human respect. Likewise, work co-operatives and collective services are based on new organizational forms that are focused on principles of redistribution and reciprocity to establish a collective well-being and recreate social bonds between the people within their communities (Lipietz, 2003).

For this reason, it is important to consider social economy and social entrepreneurship as a way of young Roma motivation that can contribute to contemplate new economically benefits for their communities and neighbourhoods. All in all, the impulse of social economy in Roma communities may put the Roma inclusion on the desk by offering new labour market opportunities, developing new skills and training capacities to those who are more vulnerable, promoting community improvements in the fields of health, education, labour and housing, and last but not the least, promoting capacity building and engaged citizenry.

Belgium: National context and the Roma community inclusion

Belgium has a relatively low employment rate, of 62% (men 68.9%, women 55.3) compared to EU average of 66.0% (men 73.2%, women 58.8%). It has a long and well-established history of the social economy in the traditional sectors of agriculture, finance and sports and culture. From the beginning of the 1990s the social economy began to be gradually recognized as a third sector, made up of co-operatives, mutuals and associations and its development corresponds to the major changes in our economic systems.

Compared to other countries, the social economy has a relatively high level of official recognition, especially in the region of Wallonia, accounting for 7% of employment (more than 362.000 jobs). It is proportionally the fifth largest social economy sector in Europe. Church-run hospitals and schools are considered borderline social economy bodies but are not included in the 7% figure.



Public policies and political actions which directly impact to social economy

In Belgium, we can point out several initiatives at European, national and local level which directly impact to social economy.

At European level, there is the **European Social Fund** which is the main instrument for supporting jobs, helping people get better jobs and ensuring fairer job opportunities for all EU citizens. It works by investing in Europe's human capital – its workers, its young people and all those seeking a job.

Moreover, there is the **Small Business Act**. It is an overarching framework for the EU policy on Small and Medium Enterprises (SMEs). It aims to improve the approach to entrepreneurship in Europe, simplify the regulatory and policy environment for SMEs, and remove the remaining barriers to their development.

At national level, there is the **National Roma Integration Strategy** that promotes actions to improve the socio-economic integration of the Roma communities living on Belgian territory.

At local level, there is the **Flemish Action Plan on Central and Eastern European Roma**. Under the terms of the Flemish Integration Act [Vlaamse integratiedecreet], the plan includes actions to facilitate the integration of the Roma, for example concerning the access to social housing, etc.

Main stakeholders that promote social economy

In relation to the main stakeholders that may provide social entrepreneurs with services to development social economy initiatives, it is possible to identify several public bodies and a civil society organization.

As public bodies there are: **the Federal State (Cellule économie sociale)**, which is a government policy for social economy; **the Flemish Platform for Social Economy**, which is the representative body for the social economy in the region of Flanders; the **Social Economy Working Group (German-speaking Community (GSC))**, which is the representative body for the social economy in the German-speaking community; **The Social Economy Platform (Brussels Capital)**, which is the representative body for the social economy in the region of Walloina.

Finally, there is the civil society **Pour la Solidarité (PLS)**. It is a service provider for socio-economic and political stakeholders wishing to operate in a professional manner in the European solidarity sector.

Social economy entities which are working to develop Social entrepreneurship in Roma communities

Moreover, there are some social entities which offer support to create entrepreneurial initiatives within Roma communities.

The **King Baudouin Foundation** has supported seven pilot projects in Walloina and five in the Brussels Region regarding the authorisation and subsidisation of integration enterprises.

The **SOWECSOM** provides credit, guarantees other loans and makes capital investments in integration enterprises in the region of Walloina.

The **Crédal** is a financial cooperative for alternative credit to small enterprises in social economy and management consulting services.

Finally, the **Cera** is a cooperative group that supports the Centre for Social Economy through the financing of the Cera Chair for training in the management of social enterprises, research on social entrepreneurship and the management of social enterprises and actions that reinforce entrepreneurs' potential for social innovation.

Opportunities and challenges in the development of Roma communities through Social Economy

An estimated 80% of the Brussels Roma live in poverty and they tend to be concentrated in disadvantaged neighbourhoods, living in low quality rental homes with few amenities. Moreover, the majority of them do not have a permanent residence and they tend to move frequently. The unlawful conduct of a minority of Roma has found its way into the media and influenced public opinion, which has reinforced certain stereotypes and prejudices.

According to the National Roma Integration Strategy of the Belgian federal government, in Belgium, only a very limited number of Roma are employed on the basis of a standard employment contract while such contract provided the basis for access to social benefits. The unemployment rate is high because of language barriers, low educational achievement, and high levels of illiteracy or lack of practical experience. Many Roma also live through unofficial work, including selling flowers or playing music often accompanied by their children.

Belgium has developed a National Roma Integration Strategy, which consists of an integrated set of policy measures within Belgium's social inclusion policies focusing on the elimination of poverty and social exclusion among marginalised Roma communities, in particular in the areas of education, employment, health and housing. The activities that are organized include among others language courses, training, help with administrative procedures and job search, counselling and the use of Roma mediators to communicate better with the communities.

More effective measures are necessary to ensure the integration of disadvantaged groups, including Roma, in the open labour market. Social economy entities have commercial characteristics whilst also having social goals. Firstly, work inclusion initiatives combine training with work experience to combat social exclusion and integrate people furthest from the labour market. Proximity services, carried out by community organisations with non-profit, co-operative, and mutual characteristics help to address the needs of disadvantaged communities, complementing the work of state social services, and can also play an important role in bringing jobs out of the black economy. Associational activities act as an important complement to labour market integration namely by helping people gain a political voice, strengthening their sense of identity and providing mutual support and self-help.

Roma mediators could be appointed to inform the Roma community about the available social economy policies and programs to ensure that they will be accurately informed about their rights and about what these entities can offer to them in order to improve their social and economic status.

Problems and solutions regarding the implementation of social economy projects within Roma communities

In order to collect relevant material based on experiences implemented at a local level, interviews have been conducted in order to collect contributions and recommendations from relevant members of the local network, working on social inclusion and intercultural dialogue.

The information included in this section derives from the 3 interviews carried out in Belgium between 13 May and 9 June 2016. The interviewees included a representative from a Roma NGO (Angel Ekov, Centre for Roma Support in Flanders - CROV), a think tank (Denis Stokkink, Pour la Solidarité - PLS) and a Roma representative (Ivan Ivanov, ERIO). The interviews have provided keys to identify the issues, potential solutions and good practices regarding the implementation of social economy projects within Roma communities in Belgium.

Profiles of the interviewees:

Angel Ekov is a Roma activist and director of the Centre for Roma Support in Flanders (Belgium). We chose to interview Angel because he is a Roma entrepreneur and has been committed to Roma issues for a long time. Therefore, he has an outlook from the inside and is aware of many of the Roma's concerns, especially in Bulgaria and Belgium.

Denis Stokkink is a Belgian economist and president of the European think-tank "Pour la Solidarité". We chose to interview Denis because he is the founder and president of a non-profit organization working on social economy and supporting social entrepreneurship initiatives. His knowledge of economic issues concerning the social field was a good way for us to obtain information on concrete social economy projects in Belgium.

Ivan Ivanov is a Roma activist and executive director of ERIO, a non-governmental organization promoting Roma inclusion. Ivan is a key stakeholder in our participation to this project. We believe that his advocacy activities in favour of a better social and economic integration of Roma in Europe helped us spotlight the current state of social economy among these communities.

Challenges and solutions:

1) Difficulties concerning the promotion and realisation of social entrepreneurship among Roma

Roma leader:

According to Angel Ekov, the biggest problem concerning the promotion of entrepreneurship among Roma is linked to the lack of education and qualification among the Roma communities. Moreover, they do not have access to the labour market or to public services, and mainly work in the black market. They have a low rate of creation of economic activity, and thus do not feel particularly concerned by, or prepared for, entrepreneurship.

According to Angel, *“Roma don’t have the tools to start their business, because they don’t have the specific knowledge needed, particularly about management or marketing.”* Hence, the lack of integration to the labour market is a huge obstacle to social entrepreneurship. Roma lack the knowledge and the tools to grasp the different job opportunities. But the responsibility lies also in the local and national authorities where the Roma live. Indeed, Angel believes that there is a lack of political will to enable Roma to realise social entrepreneurship. As he says: *“Some countries in which you find Roma communities don’t have the intention to invest or to teach them how to do it”*. Thus, many Roma do not have the trust of funding agencies or banks to obtain loans and do not have the capital to invest in their projects.

Roma NGO:

Ivan Ivanov believes that, for the Roma, discrimination is the main obstacle to promoting entrepreneurship. Being socially disadvantaged, Roma do not have the confidence they can start a business related to social economy. Plus, the recent global economy crisis has also weakened the position of the Roma in the labour market and increased the already high unemployment rates among these communities. Early school dropout and early marriage in some specific communities are also a problem, even though there are not widespread among all the Roma communities. Moreover, *“because of discrimination they don’t have access to education, they don’t have access to training, they don’t have the knowledge to run small or middle-sized businesses”*, he noted.

Finally, the travelling lifestyle of certain communities can be a barrier to social entrepreneurship because these communities tend to stick to their traditional activities,

professions or crafts, and according to Ivan *“Nowadays, nobody is interested in these professions. If you can produce five things through these old professions, today you have factories with technologies that can produce daily, five million things. So you cannot really progress with your traditional profession”*.

Non-profit organisation acting in the field of social economy:

According to Denis Stokkink, the difficulties of promoting entrepreneurship among Roma are mainly due to the lack of information and visibility of social economy in the communities, as well as the lack of projects targeting specifically Roma. Hence, Denis believes that there is a lack of contact between Roma communities and social economy networks. He also stated that the unemployment rate within the Roma being very high, there is a *“low rate of creation of economic activity among them”*. Therefore, this low qualification rate is not helping the creation of economic activity, and does not allow good economic integration in the societies the Roma live in.

2) Solutions and recommendations

Roma leader:

Angel Ekov believes that the institutions working on social economy should give the Roma knowledge about this specific sector, but also show them good practices on how to be self-employed. Indeed, he thinks that: *“They should be included to different programs where they could get the capital or the governmental support necessary to people who want to start their own business”*. In the case where Roma future entrepreneurs have a good business plan for their project but no capital to invest, they should get information and access to small banking loans. Thus, Angel believes that governments should discuss with banks and convince them to support initiatives of social entrepreneurship among Roma, so that *“for people who want to be self-employed and who don’t have enough money to invest, the banks are ready to support such initiatives”*.

Roma NGO:

Ivan Ivanov strongly advocated for a better use of the available funds, especially the EU funds, to tackle this problem. In addition to funds, programs and strategies have been created, such as the EU 2020 strategy, which is an important program with ambitious goals to fight poverty, but they are not well implemented yet. According to Ivan, *“Funding is there, a strategy is there, the lacking element is political will. This is what I would recommend to the governments: to use the strategy and to use properly the funds in order to take Roma out of their current situation”*. Thus, apart from fighting discrimination and exclusion, Ivan believes that strengthening and deepening the political will is a solution to a better integration of Roma in the field of social economy, and in society in general.

Moreover, Ivan believes that the Roma have to be more encouraged, and that awareness-raising campaigns among Roma communities should be implemented to convince people to send their children to school. Role models should also be spotlighted, to show how some Roma succeeded. People who have succeeded should be talking to Roma and encouraging them. For him, meeting people who already have their own business can help Roma who want to be self-employed.

Non-profit organisation acting in the field of social economy:

Denis Stokkink recommended that the cooperation sector, with organizations such as Ashoka or the CECOP, should be convinced to implement a program designed specifically for Roma, and to support target groups within the Roma. These organizations should find “relay persons” in the Roma population, train them so that they are able themselves to train others afterwards. For the Roma people, Denis believes that awareness and information should be raised on European social economy networks, so that they become acquainted with the social economy sector. For the latter, the organizations should identify Roma networks or associations working with Roma and interested in entrepreneurship.

Final considerations

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The overall lack of integration of Roma communities in the countries they reside in impedes them to access labour market and thus to enter legal economy circuits. This lack of integration is both related to the discrimination and exclusion they face and, to some extent, to the way some communities are organized. Hence, the level of education and qualification being very low within the Roma, they are partly invisible to organizations promoting social economy. This situation precludes any effective collaboration between the social economy sector and the different Roma communities, and as a direct consequence many opportunities of leaving poverty and marginalization are wasted. Improving communication and cooperation between these two parties could be a first step in the fight against Roma exclusion and the multiple problems our interviewees mentioned before. Roma empowerment through social entrepreneurship and the access to a better living, both socially and economically, should be considered as a “win-win” situation in the sense that both Roma and non-Roma have many things to gain. For the societies where Roma reside, it could be a great way to energize and invigorate the local economy and to create economic activity even for the non-Roma, and for the Roma it could mean better access to public services and eventually gaining the confidence of institutions and corporations.

We believe that everything starts with improving collaboration, information, training and knowledge. Knowledge about the Roma community from social economy organizations and knowledge of the benefits of social economy, from the Roma community.

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