


# Searching for a Polish model of the social economy



The Project is intended to work out a Polish model of the social economy and in particular, to determine the influence of the third sector on the development and performance of the social economy.

We wish to define the social economy sector, to observe it and identify those factors that are pre-requisites for its successful growth. We will look for examples of best practices, support them, and ensure that information about them is widely available. In an effort to achieve these objectives, we have invited strong partners to the Project, but we continue to look for others who wish to join us in developing the social economy in Poland.

The Project is supported by the European Social Fund under the EQUAL Initiative of the European Union and is implemented from July 2005 through March 2008.



## Background of the project

Despite significant economic growth over the last few years, resulting largely from increased productivity, employment indicators in Poland have remained virtually unchanged. The employment rate, which has not exceeded 50%, is among the lowest in Europe. Moreover, access to jobs is not equal and social groups especially vulnerable to discrimination, including the disabled, ethnic minorities, women (especially single mothers), the homeless, ex-prisoners, people with chronic illnesses and especially those with mental illness, remain markedly disadvantaged. From a purely economic point of view it is unprofitable to create jobs that address the needs of those who are disadvantaged, to train them and to offer them steady employment, because it involves high costs that enterprises operating on the open market do not want to (and cannot) incur. It is worth noticing that social policy decision makers have not treated work as a basic form of aid for high risk groups. Material aid as well as access to medical services, therapy and rehabilitation have taken precedence, while work has been seen as a lower priority. This approach, however, has been changing recently—the notion that work should be accessible to all and that exclusion from employment leads to social exclusion is increasingly gaining support. Furthermore, even meagre social benefits (per head) are increasingly considered as too great a burden on the national budget.

Such a mass scale of social exclusion in Poland requires innovative strategies for social and professional integration of disadvantaged groups. One of the most potentially efficient strategies could be the social economy (SE), whose social enterprises are characterised by 'their ability to find innovative and dynamic solutions for the problems of unemployment and social exclusion and to facilitate a type of economic growth that enhances social cohesion, which is one of the dimensions of sustainable growth' (Noya/Lecamp, 1999). The term 'social enterprises' encompasses non-governmental organisations, social companies from the business sector as well as the traditional cooperative sector.

It is important in our project to define the scope of and interrelationships between the terms 'non-governmental organisations' (the third sector) and 'the social economy'. In our opinion, social economy institutions and the third sector are distinct from each other, but the third sector is part of the social economy in a broad sense (this view is in line with the EU practice). Thus, we accept that the subjective scope of SE is broader than that of the third sector. Consequently, in our project we will focus (but not exclusively) on the current and potential role of non-governmental organisations in developing the area of the social economy (especially through the social enterprises that they create).

In Poland, through the efforts of the non-governmental sector (and in our project we are especially interested in this kind of grassroots approach), the legal foundation for building the social economy comprises three acts: the Social Employment Act of 2003, the Promotion of Employment and Labour Market Institutions Act of 2004, and the Public Benefit and Voluntary Service Act of 2003. Along with other governmental initiatives, such as the draft social housing development programme and the lifelong learning programme, the existing legislation is a symptom of an emerging, more comprehensive policy oriented toward decreasing social exclusion. Still, this does not guarantee a coordinated approach to developing the social economy in Poland, especially as the above-mentioned acts are only coming into force and their impact on the labour market remains unknown. The conditions necessary for efficient operation and preparation of participants for active involvement in the development of the social economy in Poland is also largely unknown.

By identifying the optimal model for the social economy in Polish conditions, it will be possible to develop tools (methods and approaches) for supporting the self-sufficiency and sustainability of SE projects (especially those run by non-governmental organisations), and to thus prevent social exclusion more efficiently. Such a model will also reinforce an innovative approach to growth in Poland's third sector, which will support the economic self-sufficiency of groups vulnerable to discrimination, enable individuals to take responsibility for their own lives, and in effect reduce the need for benefits that simply support their existence but do not substantially change their standard of living.





## Project details

We must add here that during activity 1—i.e. at the information-collecting stage as well as during discussions both within the Partnership and with a wider audience—we decided to broaden the scope of activities planned within the project. First, we took a wider approach to the SE infrastructure. Apart from the issues of legislation regarding the SE and financing the SE, we decided to tackle the issues of the social environment and SE relations with the business sector. Second, the project activities are no longer devoted exclusively to research but are oriented to developing a robust support system for SE projects. Finally, we have broadened the scope of the research, which is now not only quantitative but involves a very in depth qualitative component. The regional cooperation component and the resulting promotion system have been enhanced significantly as well. We believe that these changes are in line with the very essence of the Equal programme and will prove beneficial for the development of the non governmental sector and social economy.

The Project involves a number of activities aimed at defining the social economy sector in Poland, which include identifying its scope, and ongoing monitoring of its development as well as its existing and potential contribution to the resolution of economically-induced social problems.

It is our intention to define, throughout the implementation of the Project, the optimal conditions that foster the development of the social economy sector and its specific players. In addition, we will draft the optimum legislative framework for the SE and identify the ideal financial, institutional and social conditions, as well as the necessary corporate culture of social economy players. Related recommendations will be presented at the final stage of the Project.

We have already proceeded with building an integrated system for monitoring the status of the social economy sector (the Observatory), for evaluating and testing specific social economy initiatives (the Laboratory), and developed several tools (methods and approaches) designed to strengthening the social economy.

Based on a broad definition of the social economy sector, a number of initiatives will be selected in order to analyze the nature of the implementing organizations and the type of activities they have undertaken. Based on the selected group, we will define optimum activity models for promotion and replication of successful SE initiatives throughout Poland. Wherever possible, we will build the models into national systems solutions (this applies to both specific initiatives and to more complex local social economy systems).

During the project, particular elements of the social economy sector will be developed. We will promote the integration of the social economy community in Poland by facilitating meetings and information exchange (including a social economy portal, seminars, symposiums, publications, etc.). We will ensure expert support designed to improve the skills of those involved in the social economy (including non-government sector employees and staff members of key public administration institutions, such as social assistance and employment services) and establish a training and development system for employees in both the SE sector and its immediate environment (including training events, post-graduate studies, the Seasonal Social Economy School, etc.).

We are promoting the social economy as a pro-active social policy approach that stimulates the activity of local communities. In particular, it is our intention to provide adequate tools for drafting Local Social Problem-Solving Strategies that integrate aspects and methods from the social economy. We are cooperating with the private sector to work out a strategy for the involvement of the businesses in social economy initiatives.

The Project will benefit from the expertise of our Transnational Partners, who are to contribute to a number of activities (including joint research, mainstreaming and information sharing).



# W poszukiwaniu polskiego modelu ekonomii społecznej

The Project is supported by the European Social Fund  
under the EQUAL Initiative of the European Union



## Project partners



**Foundation for Social and Economic Initiatives (FISE)** – Project administrator, in charge of coordinating activities aimed at drafting recommendations for the social economy, organizing training workshops for the employment services about the application of social economy tools (approaches and methods); maintains the secretariat of the Permanent Social Economy Conference (SKES). [www.fise.org.pl](http://www.fise.org.pl)



**Bank for Socio-Economic Initiatives (BISE)** – is responsible for analyzing models for financing social economy initiatives, with particular focus on the role of the banking sector, and for identifying the best solutions to satisfying the financial needs of social economy initiatives. [www.bise.pl](http://www.bise.pl)



**Association for the Forum of Non-Governmental Initiatives (FIP)** – is responsible for monitoring the accessibility of EU funds to social economy organizations and the implementation process of structural funds in Poland, and is drafting related reports and recommendations. [www.eu.ngo.pl](http://www.eu.ngo.pl)



**Institute for the Development of Social Services (IRSS)** – is responsible for training social workers in ways of incorporating the social economy into their work, reviewing the Local Strategies for Resolving Social Problems in terms of their potential to apply social economy tools (methods and approaches), as well as for developing recommendations for reforming the social assistance system in order to incorporate the principles of social economy. [www.irss.and.pl](http://www.irss.and.pl)



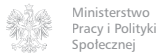
**Civil Society Development Foundation (FRSO)** – is responsible for setting up sessions of the Seasonal Social Economy School, facilitating the creation of social economy consulting teams, providing technical support to selected social economy organizations, and for facilitating cooperation with the business sector. [www.froso.pl](http://www.froso.pl)



**Klon/Jawor Association (KLON)** – maintains a database of social economy organizations, coordinates quantitative and qualitative studies of the social economy sector (including monitoring of and support to 50 social economy projects and 10 local communities selected as case studies in the project), drafts social economy manuals and is administering the portal [www.ekonomiaspoleczna.pl](http://www.ekonomiaspoleczna.pl). [www.klon.org.pl](http://www.klon.org.pl)



**The Małopolska School of Public Administration Cracow University of Economics (MSAP)** – is working on the inclusion of social economy principles into the government's strategic social policy documents and is compiling examples of good social economy practices for inclusion into the National Action Plan for Social Integration/National Social Security/Protection Strategy. [www.msap.ue.krakow.pl](http://www.msap.ue.krakow.pl)



**The Ministry of Labour and Social Policy (MPiPS)** – is working on the inclusion of social economy principles into the government's strategic social policy documents and is compiling examples of good social economy practices for inclusion into the National Action Plan for Social Integration/National Social Security/Protection Strategy. [www.mps.gov.pl](http://www.mps.gov.pl)



**Network of Information and Support for Non-governmental Organizations SPLIT (SPLIT)** – is responsible for running regional social economy information centres and is analysing the cooperation between social economy organizations and the local governments (the "Cooperation Barometer" Survey). [www.splot.ngo.pl](http://www.splot.ngo.pl)



**United Nations Development Program Representation in the Republic of Poland (UNDP)** – is involved in working out a system of social economy indicators, promotes the social economy under the Global Compact Initiative by establishing cooperation with the business sector. [www.undp.org.pl](http://www.undp.org.pl)

## Transnational Partnerships

The Project will benefit from the know-how and expertise of our Transnational Partners who will contribute to a number of activities, including joint research, analyses, support tools for social economy initiatives, and mainstreaming and information sharing.

The Partnership for Development – Searching for a Polish model of the social economy – includes two Transnational Cooperation Agreements, with two transnational partnerships: The Third Angle (TTA) and Social Economy Body of Knowledge (SEBOK).

**Under TTA Partnership**, we are looking for the best practices of providing support to existing and newly starting social enterprises as well as to facilitating access to financial services, business advice and consulting and management education. We want to change the approach of private sector businesses to not-for-profit services providers and the sector of social enterprises by presenting their contribution to the development of local communities and their potential to create new jobs that enable social reintegration

The Third Angle (TTA) Partnership is composed of:

- The Italian Partnership: INCLISO - INCUBATORI DI IMPRESE SOCIALI (social enterprises incubators), Managed by: Confcooperative Toscana ([www.confcooperative.it/default.aspx](http://www.confcooperative.it/default.aspx))
- The UK Partnership: Cultural Shift South East, Managed by: South East England Development Agency ([www.seeda.co.uk](http://www.seeda.co.uk))
- and The Polish Partnership: Searching for a Polish model of the social economy (eS).

**The Italian-Polish Partnership** is looking for approaches to develop and implement a common method of documenting, gathering and structuring the social economy body of knowledge. The focus is on legislative and regulatory structures of the social economy, its financial infrastructure, and the strategic relationships between the social economy sector and public administration, business entities and public opinion.

The Social Economy Body of Knowledge (SEBOK) Partnership is implemented jointly with the Italian FINANZA IN Partnership.

The Partnership is managed by: Consorzio Farsi Prossimo Soc. Coop. Sociale ([www.consorziofarsiprossimo.it](http://www.consorziofarsiprossimo.it))

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