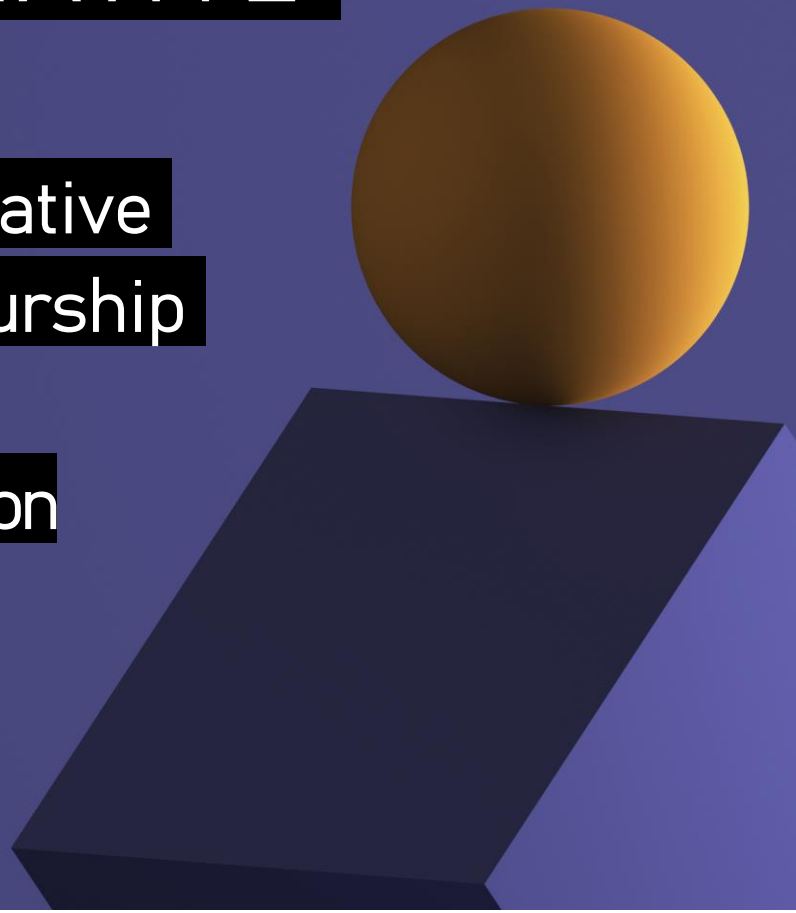
TRANSFORMATIVE VENTURE:

Exploring Collaborative Social Entrepreneurship Models;

A Lense from Lebanon



COSV

coprofit

Arab Foundation Forum Workshop
June 11, 2024

Human Intelligence for Cooperation

COSV is an Italian NGO working in development cooperation for more than 40 years worldwide.

We adopt a human-centered collaborative approach that prioritises the understanding of local contexts and local needs, to ensure that development strategies are tailored to the unique socio-economic, cultural, and environmental aspects of each community.

We focus our intervention in MENA, BALKANS and Africa.

In 2018 we decided to invest in an internal Social Economy Unit in order to generate continuous learning and innovation across the social entrepreneurship and the development cooperation field as a major driver for sustainable change.

In 2021 COSV and its partners funded Coprofit SRL – Benefit Company registered in Italy under *Società Benefit law 208/15.* Co-profit is the business unit of COSV, investing in the impact economy in developing countries thought consulting services, while utilizing a human centred design and cross-cultural know-how approaches.

COSV STRATEGIC TOOLS

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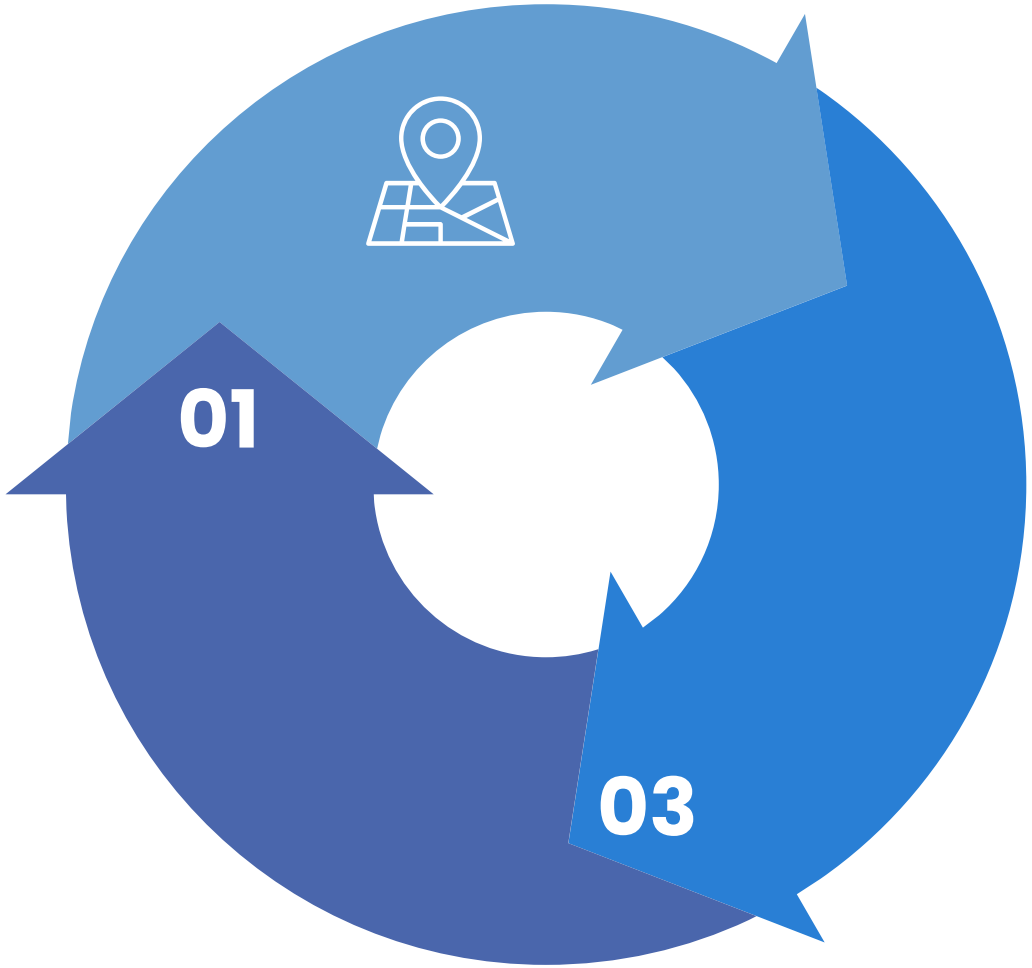
As International development cooperation is pursuing the “do not harm” principle.



SE UNIT

has the goal to support COSV in building a cross-cultural (per regions) and cross-sector (socio-economic) know-how in applying do not harm principles when it comes to intervention related economic growth.

CO-PROFIT

has the goal to support COSV in spin-off from projects, staff”s iniative and develop hybrid resource model (grants and services.

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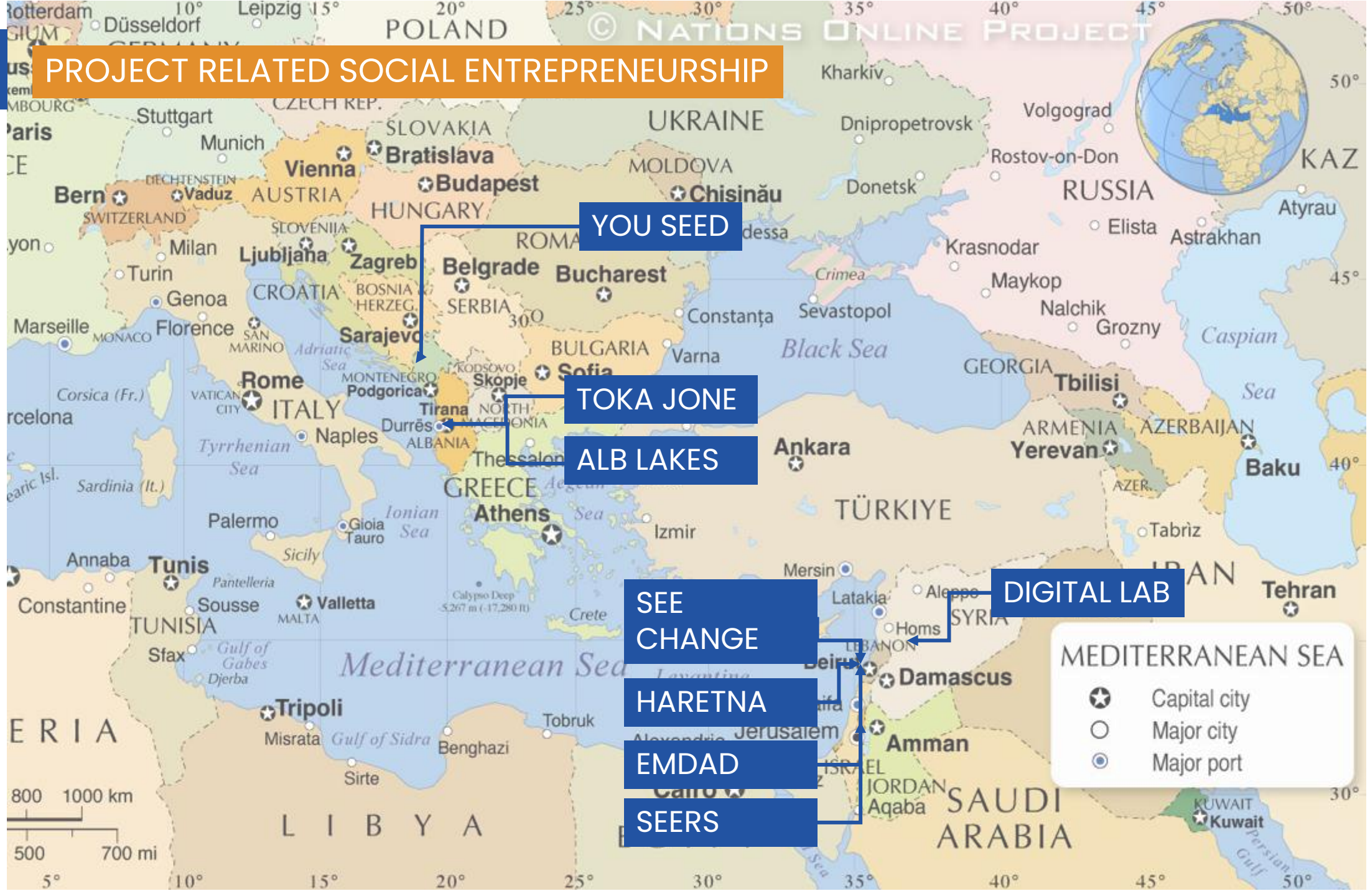
PROJECT RELATED SOCIAL ENTREPRENEURSHIP



SE CHALLANGES IN MENA AND BALKANS

Growing fast !

In emerging regions like MENA and the Balkans, the recognition and scale o of social enterprises is often driven by international agencies and external policies. This can lead to a mismatch between the imposed models and local realities.

The Challenges of social enterprise in young ecosystems and/or fragile context is to grow fast, solve all the country problem, and be self sustainable in a one size fitting for all

Growing well…

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SOCIAL JUSTICE INCUBATION PROGRAM

COSV - in partnership with OXFAM and Beyond Group - is implementing an EU Funded project called “Social Entrepreneurship Ecosystem Change” (SEE Change). The project aims to increasing the impact of social entrepreneurial actives in Lebanon, while creating employment opportunities, enhancing social stability, and supporting the local economy.

Under SEE Change, COSV is leading the **Social Justice Incubation Program (SJIP)**, to pilot and scale up different models of social entrepreneurship and social and solidarity economy.

SEE Change

OXFAM

COSV

beyond GROUP

Funded by the European Union
بتمويل من الاتحاد الأوروبي

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SOCIAL JUSTICE INCUBATION PROGRAM

21 **SSE INIATIVES**

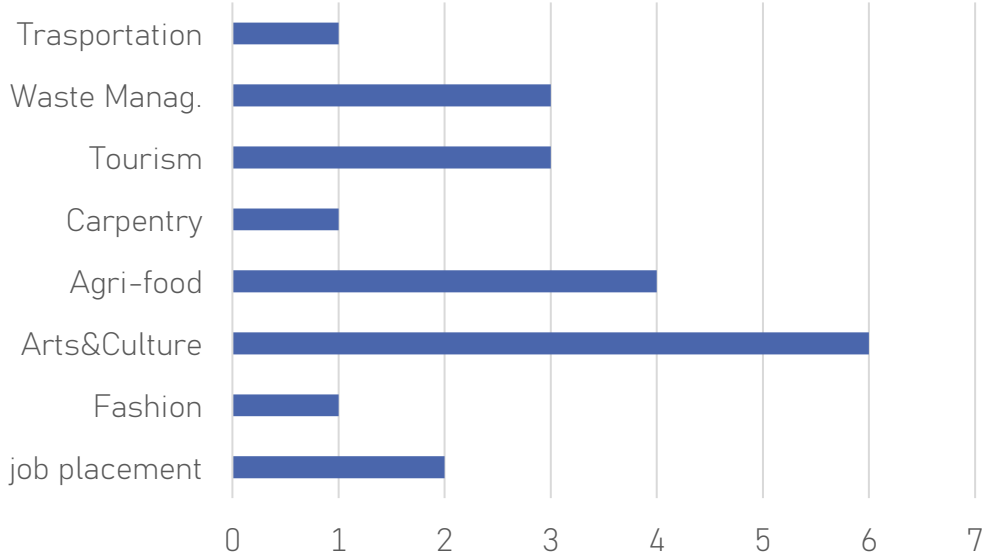
48 Organizations directly involved in the collaborative economy models

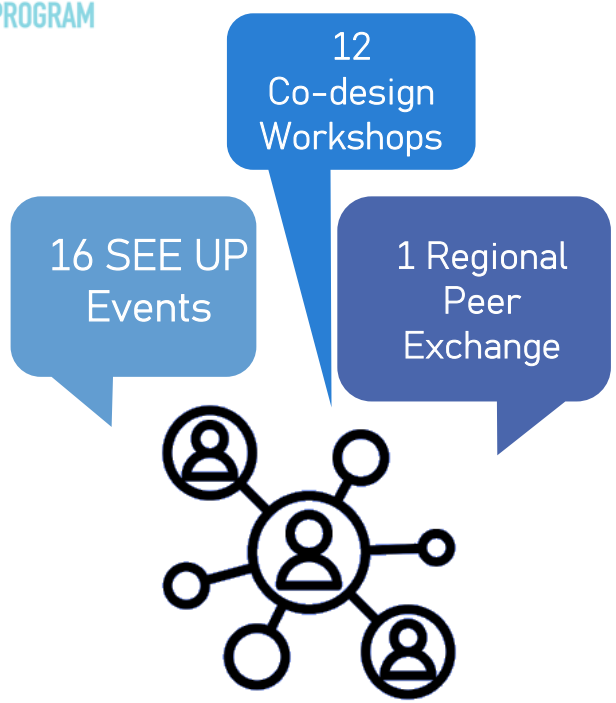
30%
Direct support for
Institutional Building

45%
Primarily focusing on
Market Transformation

55%
Primarily focusing on services and programs to enhance
Human Rights

Economic Sectors



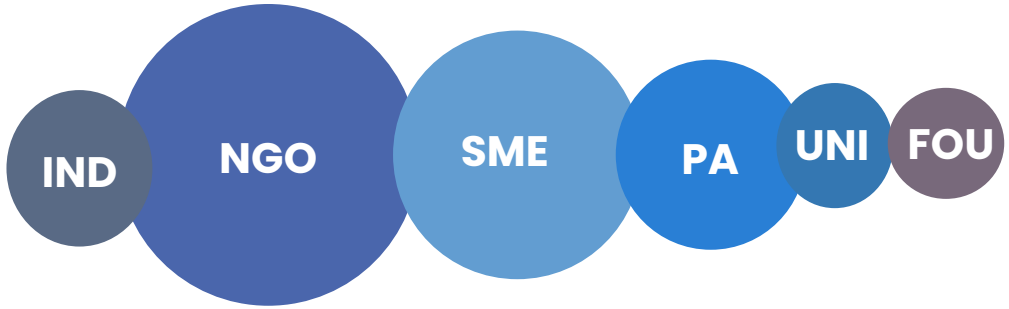


700.000 $
SEED FUND directly invested in the 21 initiatives

20k-50k $
Grant size

STAGES

14 Start-up
5 Growth
2 Maturity



Type of Organizations Involved in the collaborative economy model under SJIP program are *individuals, NGOs, SMEs, Public authorities, Universities, and Foundations.*

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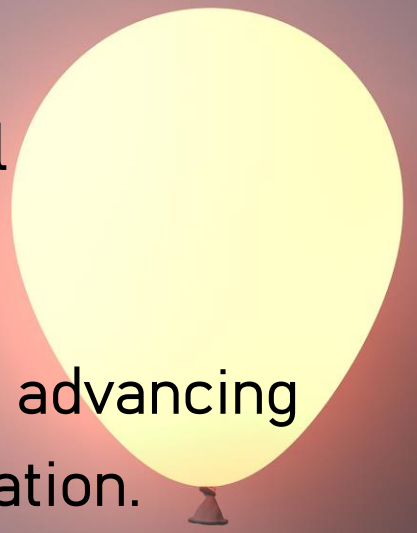
THE SCOPE OF THE SESSION



Understand the new emerging models of social enterprises (SEs) in Lebanon.

Understand the significance of these models in advancing human rights and catalyzing market transformation.

Equip donors and investors with a clearer understanding of how to effectively target their SSE programs for maximum efficacy.

The Social Justice Incubation Program

NGOs in Transition sub-program/ENP

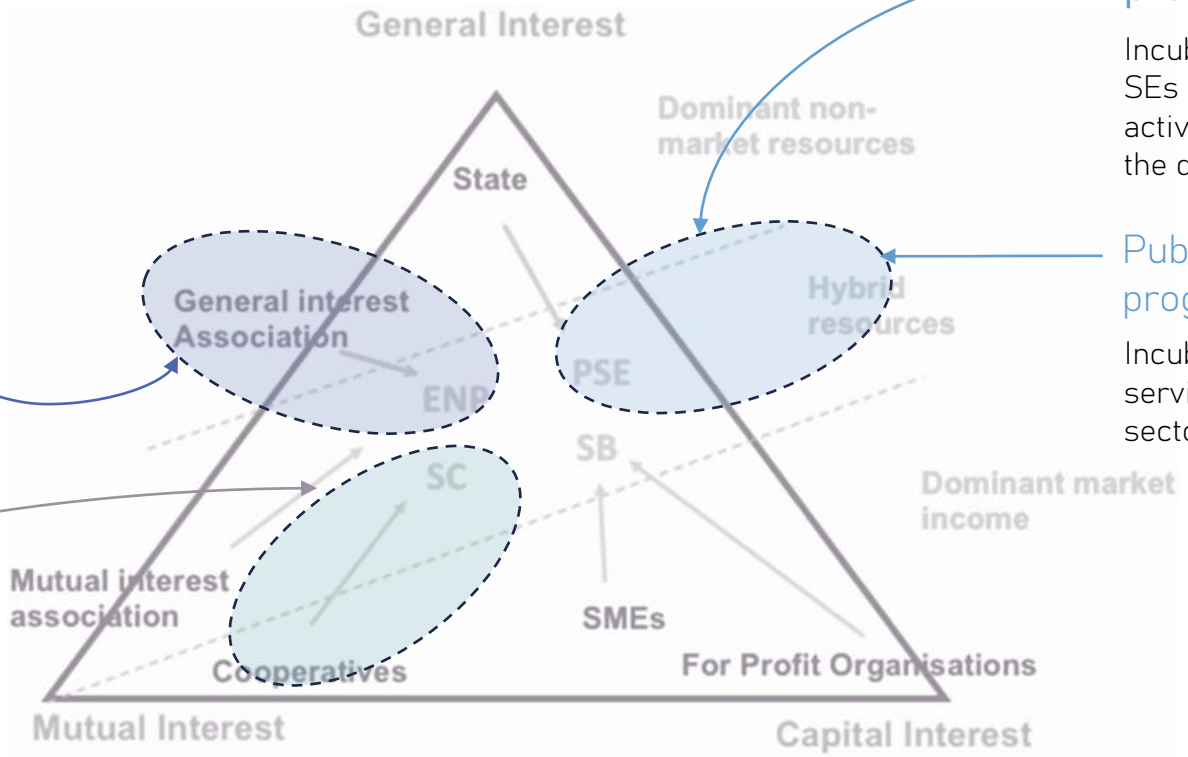
Incubation/acceleration for NGOs that want to have more solid income generation activities, without having a shareholder scheme

School-Enterprise sub-program/PSE

Incubation/acceleration for Public TVIs , SEs and SMEs to co-manage economic activities and improve the governance and the quality of TVET education.

Public Private Partnership Sub-program/PSE

Incubation/acceleration to pilot public services that are co-managed with private sector and CSOs.



Community Enterprise sub-program

Incubation/acceleration for entities with strong participatory governance to support urban and rural regeneration.

Collaborative Economy Driver

The Collaboration driver from the cooperative economy around the world was embedded in the SJIP, where single participants couldn't apply alone in the incubation/acceleration program

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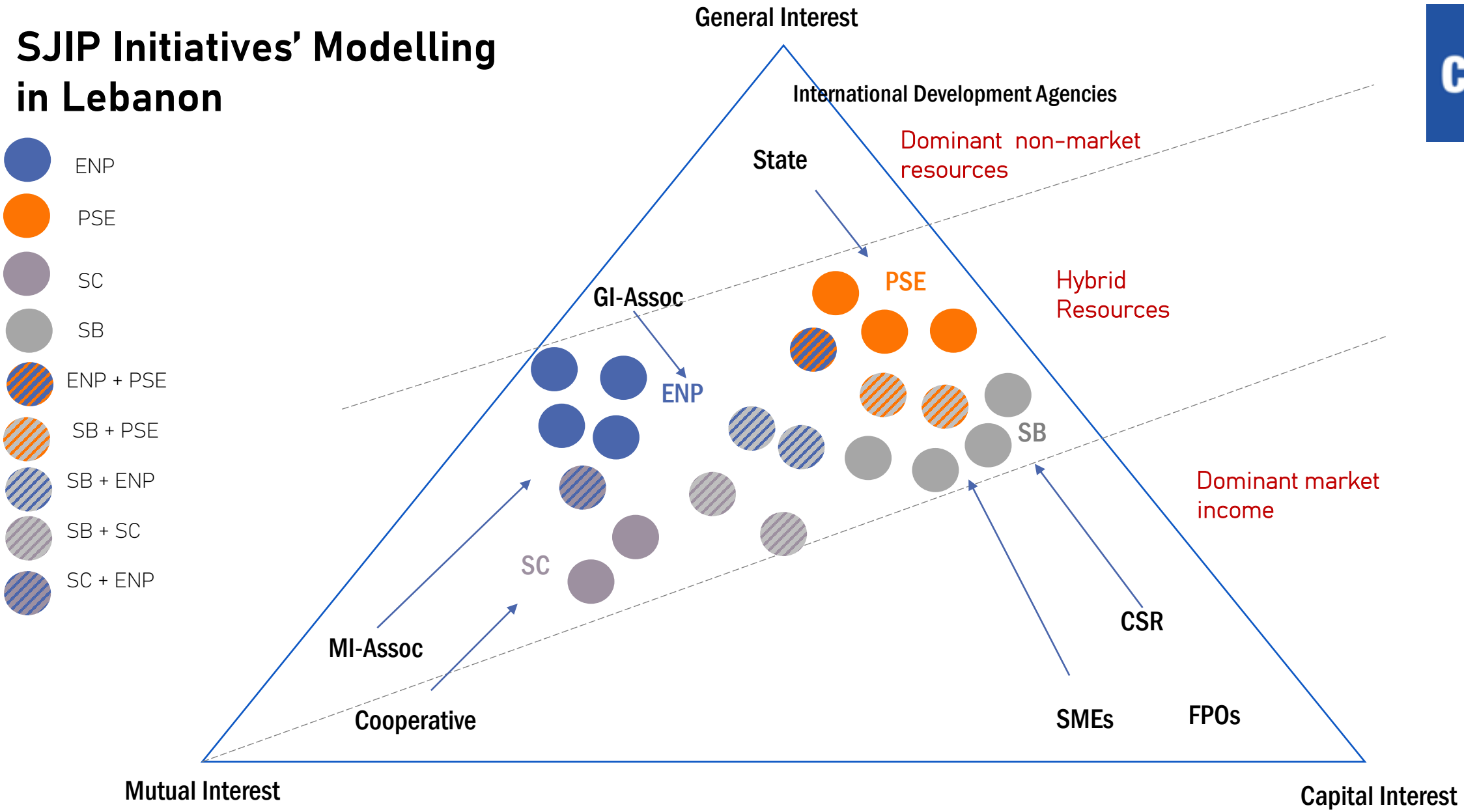
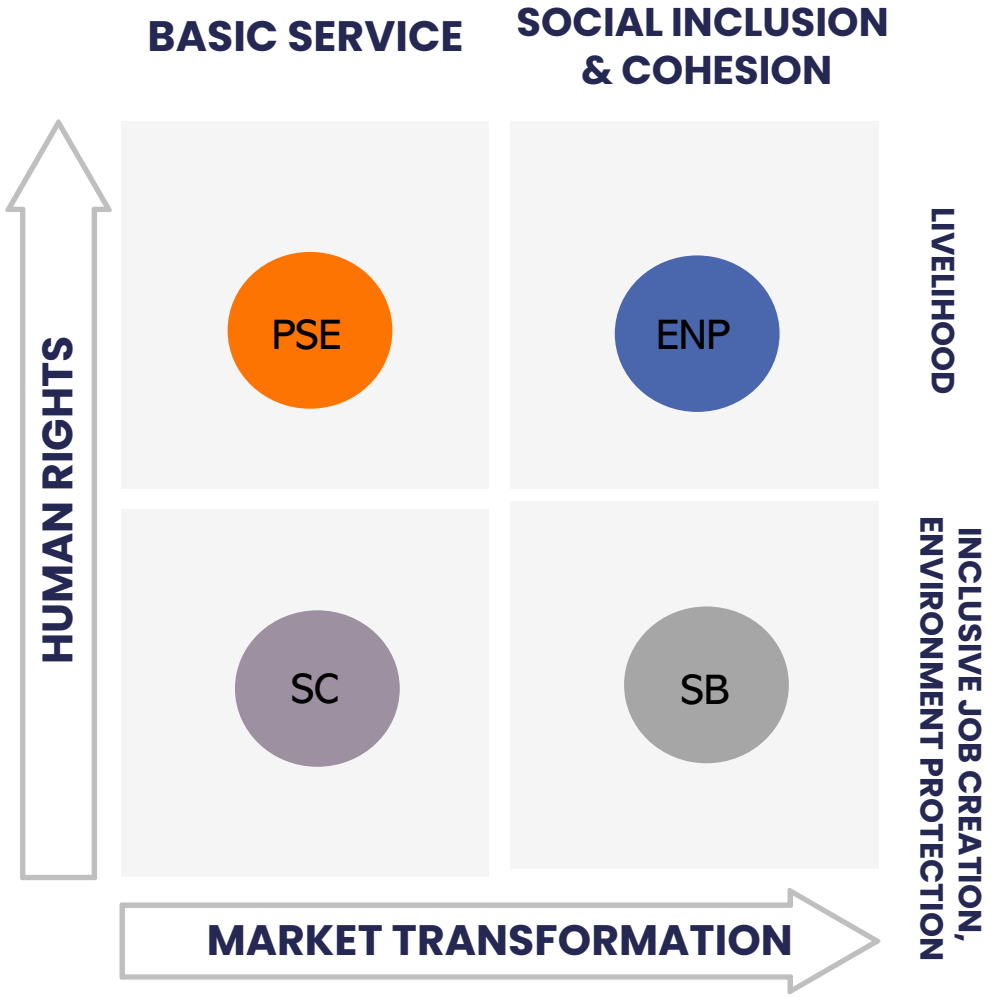
SOCIAL JUSTICE
INCUBATION PROGRAM

SJIP Initiatives' Modelling in Lebanon



PLURAL TYPOLOGY OF SSE, DIFFERENT ROLES IN THE ADVANCEMENT OF SOCIAL JUSTICE

Different models of SEs contribute to the common goal of social justice, this requires several considerations in terms of legal framework, impact investments, international donors' strategies, as well as SESOs program offers.



PSE and ENP model contribute more in in term of provision of basic services , social inclusion and cohesion and Livelihood.

SC and SB have more impact on inclusive job creation , and sustainable market transformation

School-Enterprise model

5.a 100-80 % of the net profit

The net profit is reinvested in education and school maintenance.

2 Curricula Innovation

Curricula are upgraded with market production standards

1 Production Unit

Unused School Facility is upgraded with commercial standards.

5 Cost Coverage

SME

Distribution

4

MARKET

Products are sold via SME distribution channels.

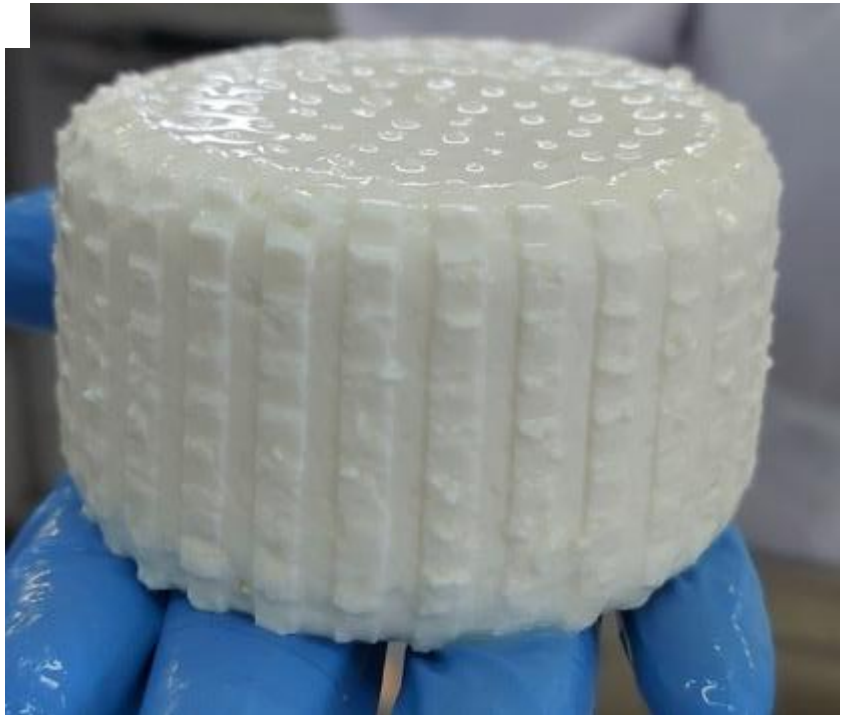
3 Co-production School+ company

The production involves students, and the SME leads the process.

Community is engaged in supporting the production.

Ajlatoun Technical School & Raatrac Company

School – Enterprise model



Batloun Technical Institute & La Belle Blanche Company – School-Enterprise Model -

Dekweneh Technical School & MDCN Company

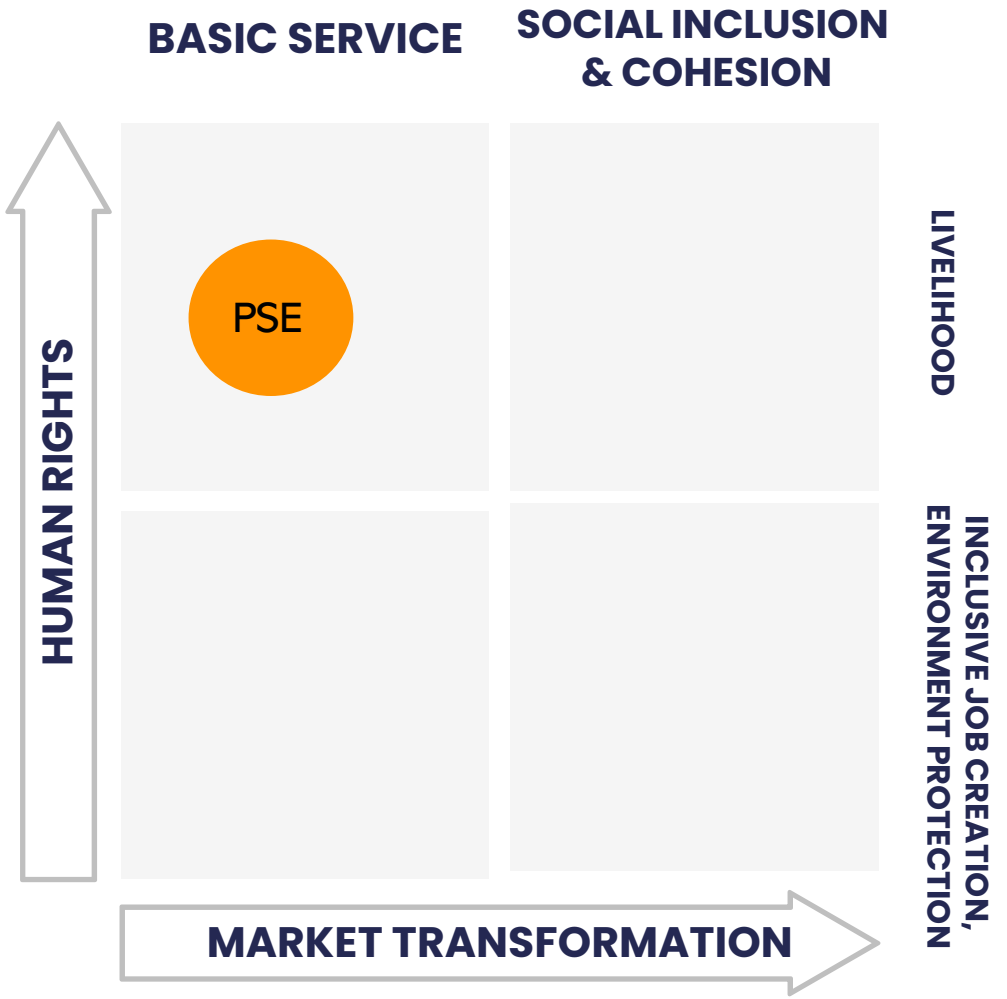
School – Enterprise model

PLURAL TYPOLOGY OF SSE, DIFFERENT ROLE IN ADVANCEMENT OF SOCIAL JUSTICE:

The Public Sectorial Social Enterprise (PSE)

School-Enterprise model

All the initiatives focus on human rights and market transformation, yet they differ in the way they do it. This also might change with time depending on the scope of their activities and their evolution.



School enterprise, a public VTI that is transforming the capacity of the youth and advancing the TVET education quality. They are also improving the governance of the public VTI

Green Circle Partnership

Cezar's Project, Chouf, Lebanon

1 Private Warehouse

Zero-waste community owns a sorting warehouse in a rural area

2 Public Warehouse

Another warehouse is created on unused land owned by the municipality of Bchatfin

3 Community Waste Management

Using the Zero-waste community approach, an extended number of citizens are invited to sort and via WhatsApp they are informed on the collection dates

4 Community Shop Card

Participating citizens are rewarded with a shop card at the Dekenet El Nes, a community social enterprise shop led by local youth

5 Generation of Resources

Waste is recycled with the supervision of Garbalizer and recyclables are sold; the net profit is reinvested in the waste management facility

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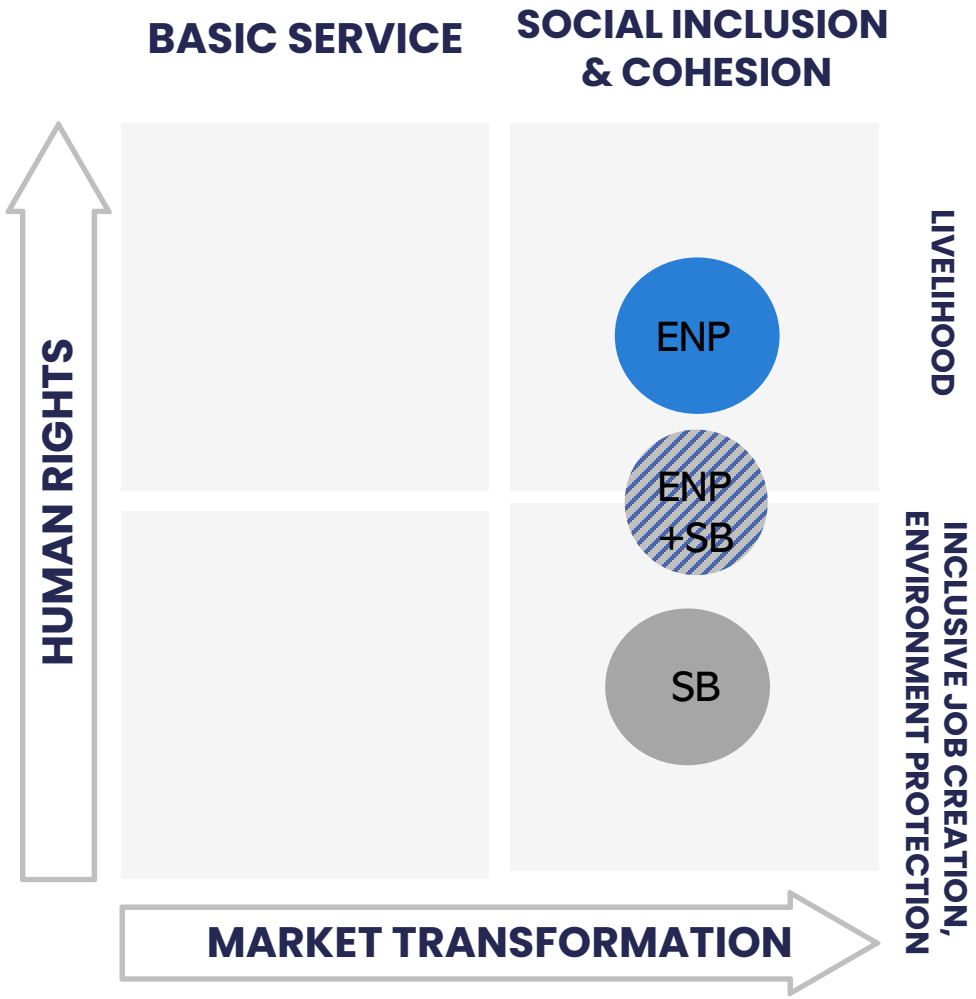
PLURAL TYPOLOGY OF SSE, DIFFERENT ROLES IN THE ADVANCEMENT OF SOCIAL JUSTICE

Green Circle Partnership Project Chouf, Lebanon

All the initiatives focus on human rights and market transformation, yet they differ on the way they do it. This also might change with time depending on the scope of their activities and their evolution



The partners collaborated on a waste management project that is creating clean environment and prompting social responsibility. The partnership between Dekenet Al NES, Zero waste community and Garbalizer plays a crucial role in market transformation with participatory governance approach that moved them between ENP and SB.

Agricultural Revival Program (ARP) by NDC

Agricultural Revival Program

1 Social Contract with Farmers

Farmers are contracted with a win-win strategy to be part of the program

2 Integrated Agricultural Program

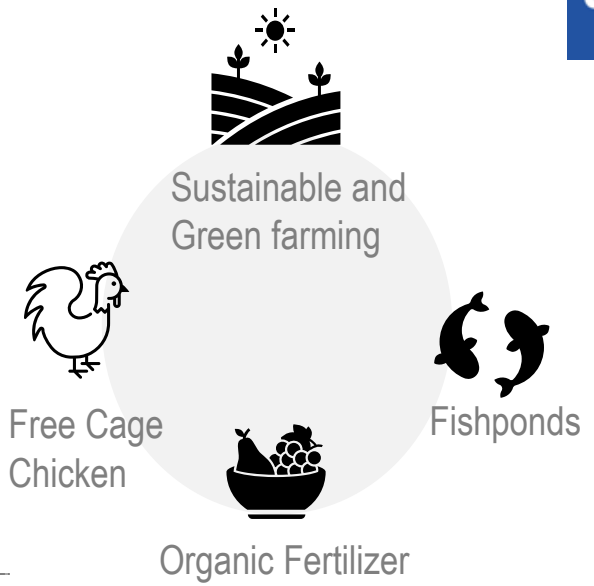
- Pulse & Grains
- Poultry
- Animal natural Feed
- Seasonal Vegetable Fruit
- Dairy Product and Veterinary Services
- Fish: Marine and Pond

3 Value Chain Hot Spots

Organizing a value chain, in each area, from the farmers to producers via a strong and inclusive partnership.

4 The "Model Farm" and The Quality Provision of the Integrated Agriculture Model

Farmer are trained on site; quality control is conducted on daily basis. A model farm has been created to scale and support the whole program.



5 Food Security and Sustainable Development

Domestic production of high yield and quality variety is expanded, to secure home-grown strategic reserves.

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PLURAL TYPOLOGY OF SSE, DIFFERENT ROLE IN ADVANCEMENT OF SOCIAL JUSTICE:

The Social Cooperative/Consortia

Agricultural Revival Program

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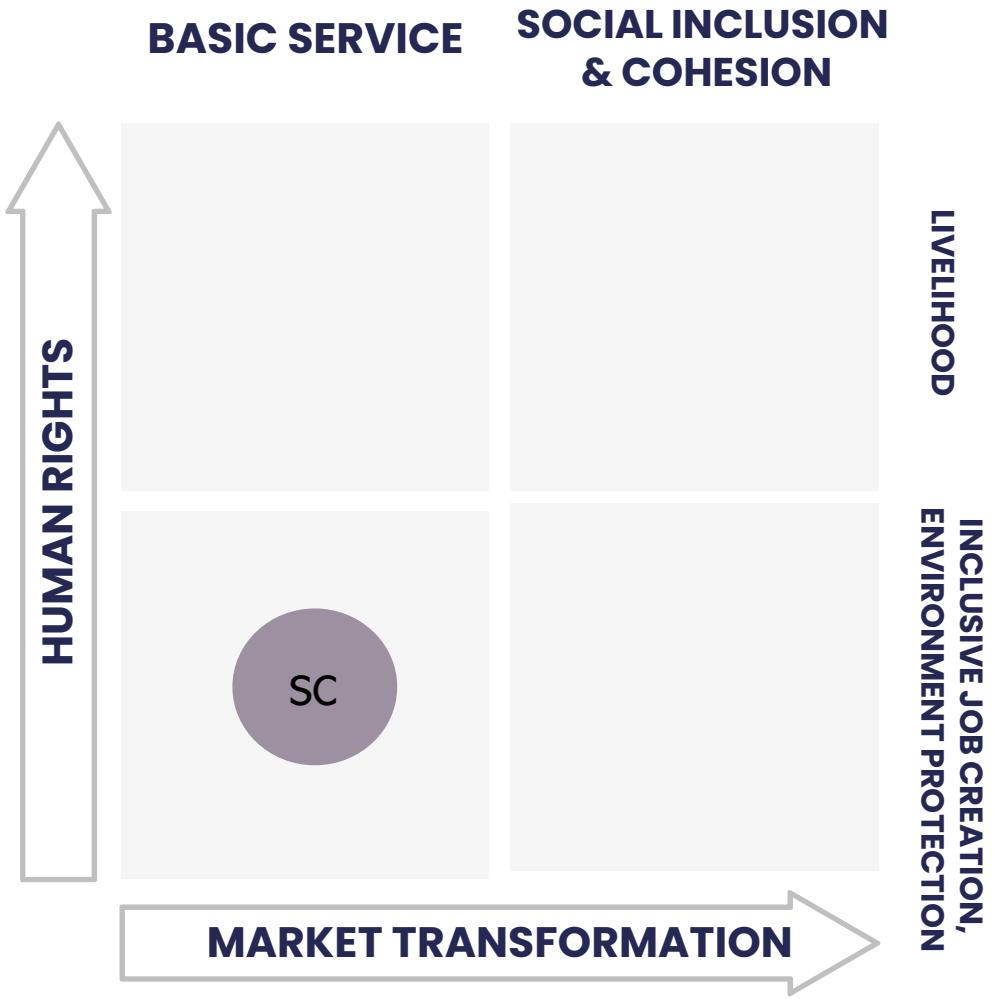


ARP; Although it is not a cooperative, the mutual interest of the farmers and the community development advances this model towards a social cooperative. They organize the villages as hubs and activate value chains while enhancing a collaboration, by impacting agri-food transformation and inclusive job creation

Jesuite Garden Neighbourhood

Jesuite Garden Neighbourhood

1.a Community Talks

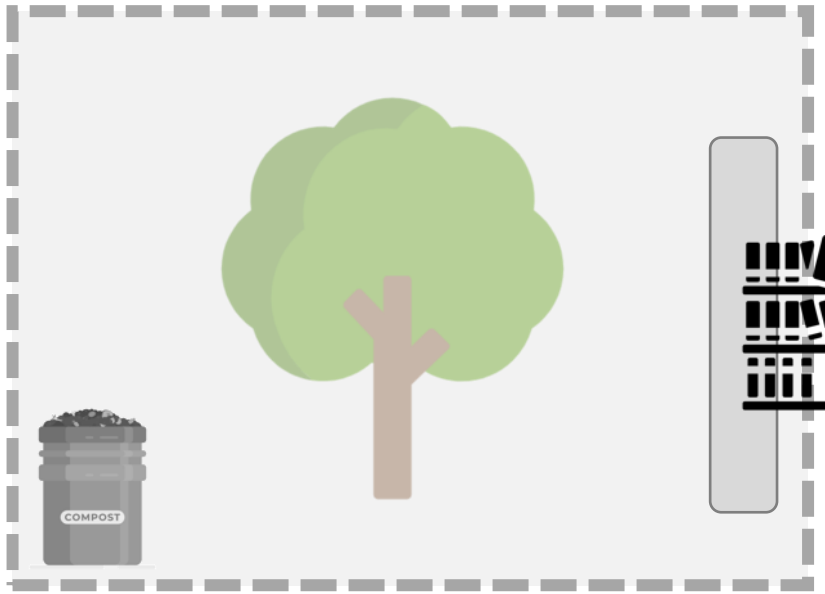
Community talks on various topics are organized inside the garden.

1 Citizens' Activation

Improves livelihood, social cohesion and public garden's maintenance.

1.b Garden Market

A garden market supports the revitalisation of local shops and artisan.



4 Good Governance of Public Spaces

The action directly reduces the cost of the public expenditure for the garden and the library in a more efficient and impactful manner

3 Public Library Improvement

The public library inside the garden is revitalised

1.c Eco-Cultural Activities

A compost unit is installed inside the garden, and eco-friendly education is promoted

2 Generation of Wellbeing.

Social Cohesion and Protection is improved.

2.a Generation of Income

The market generates income for the people and for the Iniative

The compost is sold to SEs

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PLURAL TYPOLOGY OF SSE, DIFFERENT ROLE IN ADVANCEMENT OF SOCIAL JUSTICE:

Entrepreneurial no-profit

Jesuite Garden Neighbourhood

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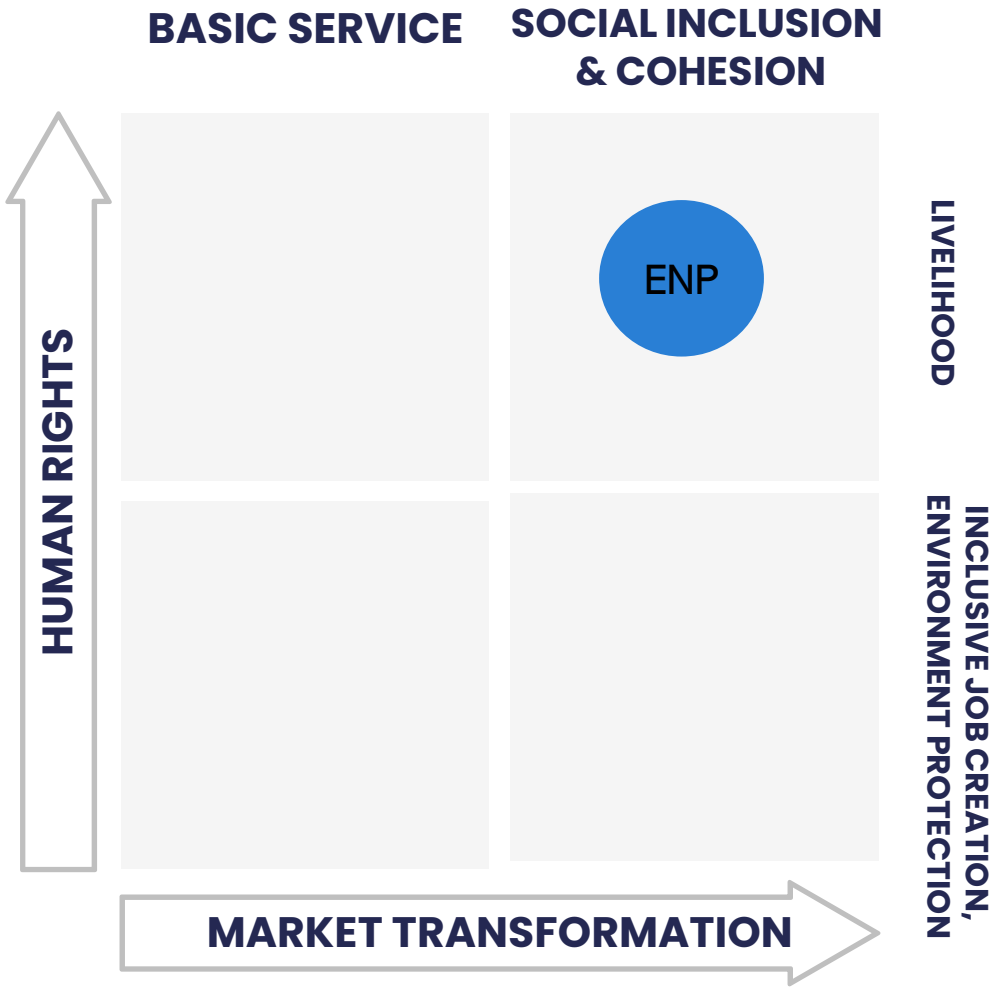
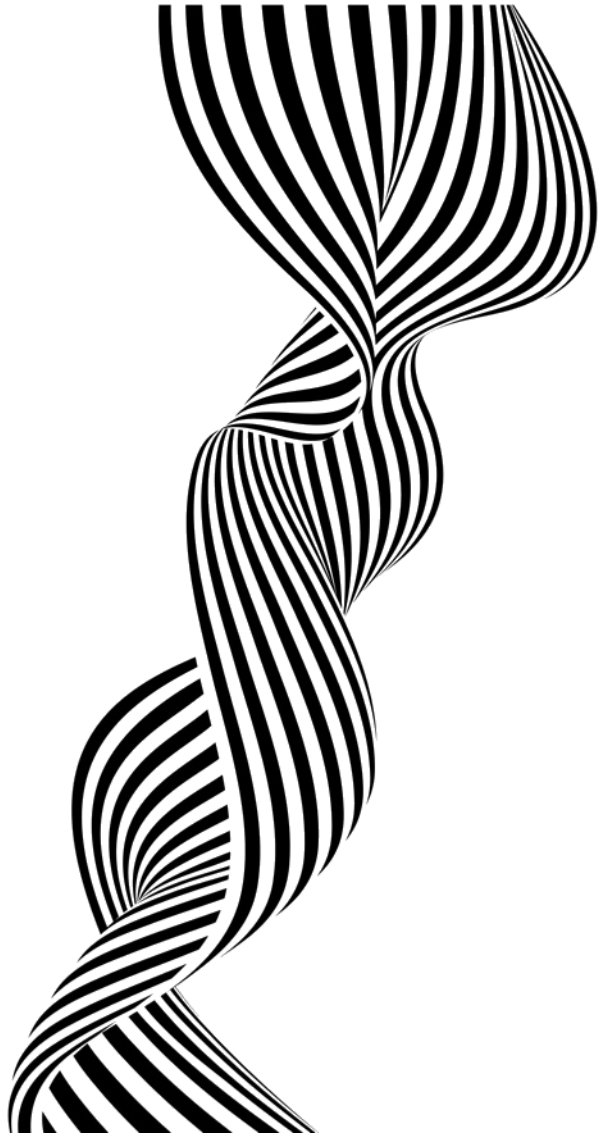


JGN; They focus on participatory governance of public common goods, while ensuring social cohesion, inclusion and livelihood

Recognizing Diverse Types and Cultures of Social Enterprises in Lebanon is Essential to Unlock the Sustainable Growth of the Sector.

The research underscores the need to recognize diverse types and cultures of social enterprises operating in Lebanon. Whether engaged in mechanisms associated with social and solidarity economy, social business, or entrepreneurial non-profit endeavors, these entities collectively aspire toward the common good.

The papers highlight that the current indistinct vision within the Lebanese ecosystem calls for a comprehensive understanding, new research approaches, flexible legal framework and strategic planning to foster social entrepreneurship.



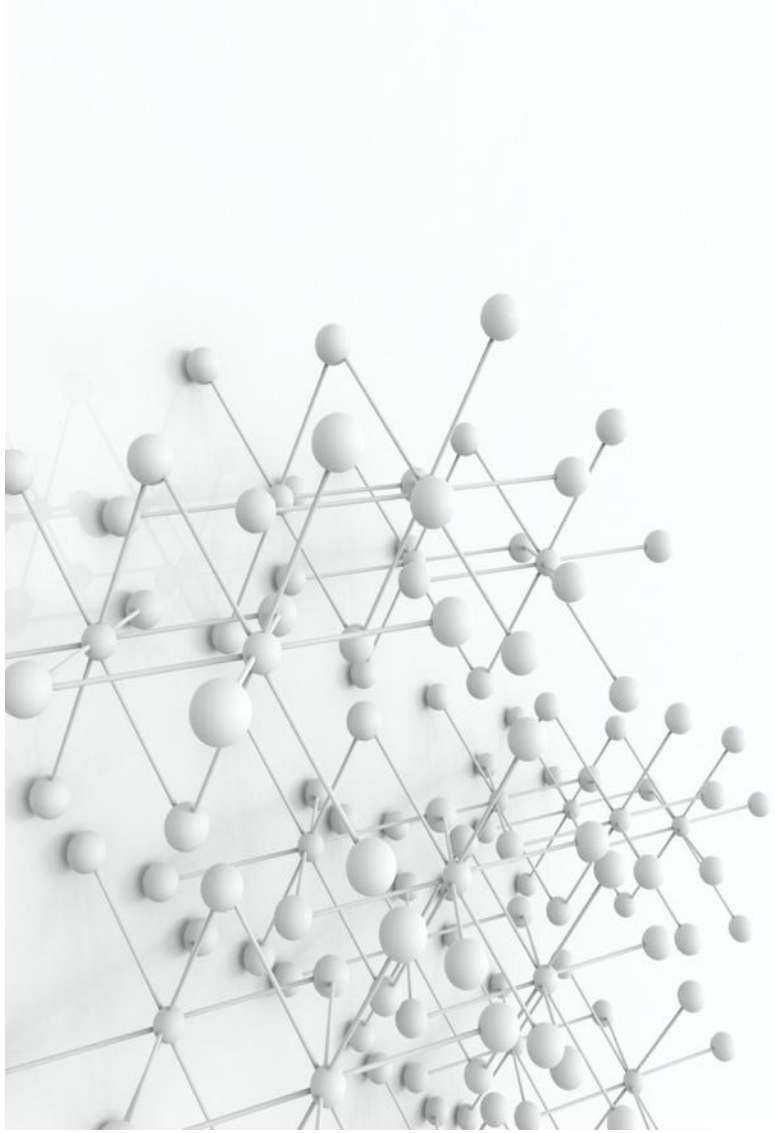
The Resilience of Lebanon's Social Entrepreneurs Call for a Paradigm Shift Towards a Second Welfare.

The policy papers underscore the resilience of individuals, both young and adult, committed to generate positive change. Many are actively revitalizing underutilized public assets, investing personal resources and human capital to drive change in the absence of state support. This pivotal observation calls for the "second welfare" or "welfare community," an innovative paradigm departing from traditional welfare states, combining non-publicly funded protection and social investments. Marked by collaborations between public and private entities, the second welfare empowers beneficiaries through co-financing services and participation in co-design or co-management processes and fostering social innovation.

This strongly advocates for government recognition and active support for the transformative role played by social entrepreneurs in local communities, while providing incentives and facilitating the use of public resources on community-level projects.

Social Entrepreneurs Play a Pivotal Role in Sustainable Market Transformation

The papers delve into the transformative role of social economy initiatives within Lebanon's diverse socio-economic landscape. Operating across pivotal sectors such as agriculture, tourism, and culture—these initiatives bridge urban and rural domains, acting as intermediary organizations and catalysts for change. This prompts a crucial call for mainstreaming support schemes, necessitating policy recalibration to integrate financial, regulatory, and infrastructural support for social entrepreneurship. Furthermore, the implication of the research advocates for a strategic cluster approach within Lebanon's social economy landscape.



Potential for Scaling through Collaboration Rather than Competition in Lebanon

Despite political and religious fragmentation, as well as a prevailing profit maximization culture, the policy papers highlight the inspiring potentials of collaboration in Lebanon. They suggest the feasibility of scaling social enterprises through strategic partnerships and multi-stakeholder engagements. However, they acknowledge that support for collaboration in entrepreneurship and social impact programs is not uniformly sustained within the current Lebanese context. This implies considering collaboration as a tool for success only if governance and the vision are clear.

Encourage and recognize the practice of treating the community as a partner rather than a client. Support initiatives that promote community engagement, participation, and co-creation of solutions, fostering a more inclusive and collaborative approach.

Hybrid use of Resources is Key for Sustainability

It was clear that the incubated projects had pooled their resources and were utilizing a combination of human capital, grants, in-kind support, and market income to accomplish their goals. A decrease in productivity or an end to the enterprise's viability could result from relying on a single source of funding. Therefore, the paper suggests that enterprises should update their financial models and that the coaching and technical assistance they receive, should focus on creating a hybrid financial structure that can withstand the test of time.

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International Community's Role and Future Opportunities

The papers also address the involvement of the international community and agencies in promoting social entrepreneurship and solidarity economy in Lebanon. They underscore the importance of seizing the opportunity to support pivotal organizations in various sectors like education, social protection, agriculture, tourism, green economy, culture, and arts by integrating their potentials into economic and entrepreneurship policy programs, while also ensuring financial sustainability by considering blended finance and impact investment..

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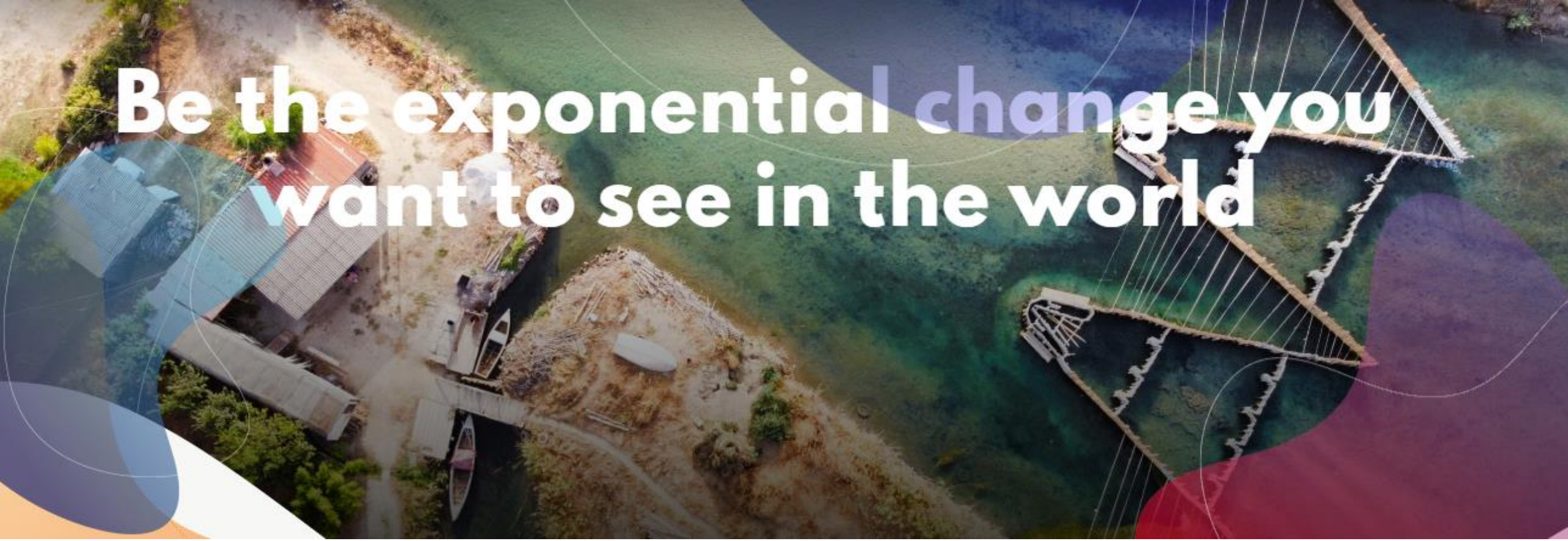

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