1 Unity in Diversity

Exploring the Multiple Facets of the Belgian Social Enterprise Landscape

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Introduction

Over the last two decades, the notion of social enterprise (SE) has increasingly gained visibility in the Belgian landscape. Nevertheless, unlike more established notions such as the social economy and the non-profit sector, social enterprise is still a fuzzy and debated notion in Belgium. Some use this term as a synonym for social-economy organisations. Others refer to any business focusing on generating social impact, regardless of its legal structure and governance practices. Still others use social enterprise to describe the entrepreneurial approach adopted by an increasing number of non-profit organisations. In this chapter, we build on the EMES Network's ideal type of social enterprise, which defines the economic and entrepreneurial dimension in a broad way, emphasising dynamics of production and risk-taking rather than strict criteria in terms of market-based incomes, as is the case in other SE approaches (Defourny and Nyssens 2006; 2010). Such a view of social enterprise has affinities with the notion of "social economy" (Defourny 2001).

In Belgium, since 1990, the social economy has become increasingly recognised both in Flanders (the Northern, Dutch-speaking part) and in Wallonia (the Southern, French-speaking part). All regional governments now have a minister in charge of this domain (often with other spheres of competencies). As a result of this recognition, various tools have been set up in the last ten years to provide social enterprises with credit facilities, securities and seed capital as well as technical support through dedicated consultancy agencies. However, in some cases, the concept tends to be understood in a quite narrow sense, due to its association with specific missions. In Flanders and in Brussels, as a competence of the Ministry of Labour, the social economy has often been associated only with the integration of low-skilled workers on the labour market. In Wallonia, as a competence of the Ministry of Economy, it has frequently been considered only in its more market-oriented version.

This chapter is structured as follows: The first section reviews the main historical roots that have led to the emergence of a diversity of models

related to social enterprise and the social economy in Belgium. The second section reviews the legal recognition of the concept and its evolution over time. The third section sketches how the main SE models, as observed internationally, find resonance in the Belgian context, and what these models imply in terms of building statistics. Finally, the conclusion sketches some of the main challenges lying ahead for social enterprises and their supporters in the Belgian context.

1.1 Historical Roots

The SE phenomenon in Belgium has been fed by various traditions: the associative, cooperative and mutual traditions, often highlighted as the backbone of the “social economy”; the support by public authorities in the context of specific public policies; the support of philanthropic actors through donations and “social investment”; and the inputs of a more business-oriented approach. These different roots have led to specific SE models, but they have also enriched each other; the notion of social enterprise is thus best understood as the combined outcome of a plurality of roots.

1.1.1 *The Associative Tradition*

A first historical tradition that has contributed to feeding the practices and conceptualisations of social enterprise is the associative tradition. The law of 27 June 1921 regulates the associative form in the civil code, stating that it is a private grouping of people that does not aim to provide personal gains to its members. This law was substantially amended in 2019. The law of associations is now incorporated into the Belgian Commercial Code. This new law defines an association as “constituted by an agreement between two or more persons, called members. It pursues a disinterested goal in the exercise of one or more specific activities that constitute its purpose. It may not distribute or procure, directly or indirectly, any patrimonial benefit to its founders, members, directors or any other person except for the disinterested purpose determined by the bylaws of the association”.

Contrary to what was the case before the 2019 amendment, associations can—like commercial companies—develop economic activities of an industrial or commercial nature, even as their main activity, but the income generated by these economic activities has to be allocated to the achievement of the association’s disinterested purpose. With this new law, the only criterion that distinguishes a company from an association is the fact that, in an association, there are no formal owners and the distribution of profits or the granting of benefits to the organisation’s members, partners, or managers is prohibited. As a result, market-oriented activities that, in other countries, would typically be undertaken

by cooperatives (such as work integration or fair trade) can be conducted under the associative form in Belgium.

From 2004 onward, specific statistics on associations have been constructed under the supervision of the Belgian National Bank (through a satellite account). In 2017, there were 109,000 active associations in Belgium, of which, however, only 17,000 had salaried workers. Employment in Belgian associations exceeded 350,000 full-time equivalents (FTEs), representing nearly 12% of all employment in the country (Fondation Roi Baudouin 2018). There are, however, boundary cases of organisations and fields that are located close to the public sector, such as associative hospitals and schools that are highly regulated by the state in their practices. Competition and entrepreneurial practices and discourses are, nowadays, part of the everyday life of associations, especially those with paid workers. The entrepreneurial behaviour is also a matter of legitimating one's activities as worthy of attention, including in economic terms (Dart 2004). Illustrative of this trend is the “re-branding” of the major employers' associations in the non-profit sector, from “non-profit” or “non-market” (*non-marchand*) into “social-profit” organisations.

1.1.2 The Cooperative Tradition

As in many other countries, cooperatives emerged in Belgium around the middle of the 19th century. The cooperative legal form was officially recognised in 1873 but, unlike in other countries, compliance with the rules and practices prescribed by the International Cooperative Alliance (ICA) was not embedded in the law until the recent reform of 2019; the resulting ambiguity around the cooperative legal form was an obstacle to building a strong identity and recognition for cooperatives in Belgium (Defourny *et al.* 2002; Van Opstal *et al.* 2008). The new law adopted in 2019 brings more clarity, to the extent that the “transactional relationship” between a cooperative and its members is now part of the identity of this legal form: meeting the needs of members is the ultimate goal of a cooperative. Organisations that hitherto operated as co-operatives but do not want to adopt such identity can choose to transform into limited-liability companies. However, in this new cooperative law, there is still no reference to the other principles of the International Cooperative Alliance (regarding, e.g., the distribution of profit or voting rights). As a consequence, the cooperative legal form still remains very flexible. For cooperatives willing to comply with the seven ICA principles, an accreditation process through the “National Council for Cooperation”, created in 1955, remains possible. Moreover, a “social-enterprise” label has been created by the law of 2019. Surprisingly, the access to this SE label is now restricted to cooperatives; by contrast, the “social-purpose” qualification, that had been created in 1995 but has

now been abolished, was accessible to all types of companies willing to express their strong social orientation. In other words, although the Belgian legislation about cooperatives was in need of clarification regarding the very identity of the latter, the recent law tends to add confusion in terms of identification of social enterprises in the Belgian landscape.

The bulk of “true” cooperatives appeared at the end of the 19th and the beginning of the 20th centuries in a few key sectors: agriculture, retail pharmacy industry, retail shops, banking and insurance. Cooperatives organised themselves in networks that were not really structured on an industry basis (except for agriculture), but rather on an ideological basis, corresponding to the major “pillars” in Belgian society: socialist, Christian and, to a lesser extent, liberal. In spite of major developments and economic successes until the 1960s, traditional cooperatives then began to suffer from economic crises and from competition with conventional enterprises in most of their fields of activity. As a consequence, a large number of important cooperatives disappeared (typically in the retail sector) or were bought by large businesses (e.g., in the banking and insurance sector). Cooperatives were more resilient in certain sectors, though—such as, typically, agriculture and pharmacy, where cooperatives still play an important role today (Dujardin and Mertens 2008; Van Opstal *et al.* 2008).

In parallel, new cooperatives also appeared in—and existing cooperatives diversified their activities towards—new (sub-)fields of activity, focused on ethics and social or environmental innovation and often more clearly oriented towards the general interest. The new cooperatives created in the last decades or the existing cooperatives that have evolved towards explicitly tackling societal challenges (Gijssels *et al.* 2011) experiment with new ways of pursuing a general-interest orientation (Huybrechts and Mertens 2014). They also have a more flexible approach in terms of joining or forming cooperative networks outside of the traditional “pillars”. New cooperatives do not only explicitly tackle societal challenges; they are also characterised by novel governance arrangements, involving multiple stakeholders and experimenting with new ways of implementing democracy and participation (Mertens *et al.* 2008; Huybrechts *et al.* 2014).

1.1.3 *The Tradition of Mutuals*

A third tradition, which shares some similarities with both the associative and the cooperative traditions, is that of mutualism. Mutual-aid societies (mutuals) in Belgium have become institutionalised and play a central role in the health-care system, to such an extent that people may tend to consider them as parastatal organisations that do not have much in common with the current discussions on social innovation and social

enterprise. However, when we look more closely at the emergence and specific features of mutuals in Belgium, they appear as private, entrepreneurial solutions to pressing societal needs.

Mutuals emerged in the 19th century: workers mutualised their financial means to support each other in the event of illness or work incapacity. A law of 1851 recognises these “mutual-insurance societies”, which were initially organised at the local level (company or sector in a given region). To increase their insurance coverage and mutual-support possibilities, the local mutuals then started joining forces in federations, which were organised by sectors of activity as well as, increasingly, by ideological branches (socialist, Christian, liberal and “neutral”). Between the two world wars, and especially after World War II, mutuals became increasingly supported by the government, in the context of the new social security system. A law of 1944 made illness and invalidity insurance compulsory and delegated the organisation of this insurance scheme to mutuals. Membership in a mutual became compulsory for all Belgians (in a few cases, they could join the public scheme offering insurance under the same conditions). The law was revised in 1963 to regulate the tariffs applied by health-care providers and to ensure that basic health insurance could be provided to all. Later on, mutuals started providing additional insurance schemes, typically to cover hospitalisation costs.

Nowadays, due to the pressure on social security and to European regulations putting mutuals in competition with private insurance companies, mutuals have revitalised their entrepreneurial spirit to develop innovative solutions to social needs with regard to health in the broad sense—including prevention and education. Although mutuals are highly regulated by the state, their economic activities, which aim to pursue the interests of their members and, more broadly, the general interest, as well as their democratic governance justify their being considered as belonging to the “SE map”—albeit only within the health sector and in a very institutionalised setting.

1.1.4 The Inputs of Public Policies

Moreover, public authorities at the federal and regional levels have become increasingly interested in social enterprise as a tool to fulfil their goals. The actors and networks promoting social enterprise have also been instrumental in advocating for public policies in their areas of action. The most striking illustration of this interest is obviously to be found in the field of work integration of different types of low-skilled workers (long-term unemployed, disabled people and other target groups). Providing social enterprises targeting disadvantaged people with financial support through training, coaching and jobs was an interesting and relatively low-cost way for governments to include these “hard-to-place” jobseekers in their programmes against unemployment.

Most public policies targeted—and still target—specific sectors of activity (such as recycling or health) or social missions (work integration, “proximity services”, etc.). Even though the regions and communities have currently inherited most of the central government’s competences with regard to social enterprise, much work to structure and support the sector was achieved in the 1980s and 1990s at the federal level. In particular, measures to recognise and support work-integration social enterprises (WISEs), such as “SINE” and the “service-voucher system” (see section 1.2, on public policies), were developed at the federal level, through collaborations between the government, practitioners’ networks and supporting stakeholders. Over time, public action has also sought to enrich the organisational landscape beyond work integration and precise social missions, and to accommodate new organisational forms or support existing ones in relation to social enterprise. For example, in Flanders, the “Work and Social Economy” department of the administration continues to support traditional WISEs, but it has also favoured the emergence of new social enterprises and cooperatives as a way of enhancing sustainable and ethical business. In Wallonia, in recent years, the Ministry of Economy has put a special emphasis on cooperatives, whatever their sector of activity.

1.1.5 Philanthropy and Social Investment

More recently, the development and visibility of social enterprise have also been boosted by the support provided by foundations and philanthropic actors. Philanthropic funds and foundations, both private and public (such as the King Baudouin Foundation, Inbev-Baillet Latour Fund, Cera, BNP Paribas Foundation, Philipson Foundation, Fondation pour les Générations Futures, etc.), have been instrumental in further developing the sector, for example, through grants for early-stage social entrepreneurs, support for established social enterprises, funding of research and master theses on the topic, actions to increase public visibility, etc.

The support provided by foundations to social enterprises can be situated within a broader trend to move away from “traditional” philanthropy, relying on grants, towards “social-investment” schemes, within which payback and interests are expected. This type of “new philanthropy” is less altruistic and tends to favour social enterprises that are more commercially robust. Although this evolution has been criticised for favouring returns on investment at the expense of social commitment and societal-change orientation, it is an important trend in Belgium, as evidenced, for example, by the success of social-investment schemes, such as Kois Invest and the SI2 fund, supported by the Oksigen Ecosystem. Public authorities have also started to display an interest in supporting social-investment schemes, notably through the experimentation of “social-impact bonds”.

1.1.6 A More Business-Oriented Approach

In line with the emergence of social investment, a more market-oriented trend has developed that echoes international trends and translates into the notions of social entrepreneurship and social entrepreneurs rather than social enterprise. These notions have been introduced by international networks and organisations, such as Ashoka and the Schwab Foundation for Social Entrepreneurship. Specific Belgian support structures, such as Oksigen, Poseco and the Sociale InnovatieFabriek, have also been created to promote the concepts of social innovation and social entrepreneurship in the public debate, and more particularly among various actors, such as universities and business schools, think tanks, foundations, leaders from the business and social sectors and the media. However, these approaches have not led to new certification schemes or legal evolutions. The focus has mainly been on supporting new social entrepreneurs and innovative social-entrepreneurship initiatives dealing with unmet social needs. Although connections exist with the broader corporate social responsibility (CSR) approach, supporters of social entrepreneurship have emphasised the distinctiveness of social entrepreneurship in terms of prioritising social impact over financial returns.

1.2 Legal Evolution and Public Policies

There is no consensus in Belgium as to what a social enterprise is and, more precisely, where the boundaries of this concept should be placed. The approaches are obviously distinct depending on the different actors concerned. Politicians and public authorities view social enterprise according to their specific public policies and competence categorisations (e.g., economy or social affairs); practitioners may tend to focus on self-identified social enterprises; and university scholars seek to build conceptually consistent definitions that do not necessarily echo the views of practitioners and politicians. There is no specific legislation fully embracing the SE scope either. There is, rather, a set of laws, decrees (at the regional level) and public provisions related to specific legal forms, sectors of activity and types of social mission. A large array of policies and legal provisions potentially apply to social enterprises in various sectors and it is impossible to provide an exhaustive list of all these measures. There are also regional differences that should be recalled, although they should not be overestimated.

At the federal level, there used to be ministers (1999–2004) and secretaries of state (2004–2007) for the social economy, supported by a specific administrative unit. Over the years, however, as the competences for economy-related matters were gradually transferred to the regions, the regulation of and support to social enterprises increasingly became a

regional matter. For example, after the broad institutional reform of 2008, several federal measures, such as SINE and the service-voucher system, were transferred to the regions. Until 2014, the federal administration for social integration retained responsibility for a few support and coordination tools, more specifically through the department in charge of social integration, fight against poverty, social economy and large cities. Since 2014, all the policies around social enterprise and the social economy have been defined and managed autonomously by each region. Nevertheless, the federal department still promotes the exchange of information and practices and represents Belgium, as a federal state, in the European Commission's Expert group on social economy and social enterprises (GECES).

In French-speaking Belgium (Wallonia and partly Brussels), social enterprise is typically presented as the most entrepreneurial subset of the social economy, or as a synonym for the latter, which had been defined as follows in 1990:

[The] social economy is made up of economic activities carried out by cooperatives and related enterprises, by mutual societies and by associations whose ethical stance is represented by the following principles: a purpose of serving members or the community rather than seeking profit, an independent management, a democratic decision-making process, and the primacy of people and labour over capital in the distribution of income.

Conseil Wallon de l'Économie Sociale (1990)

In Wallonia, social enterprise has historically been at the intersection of the competences of the Ministry of Economy and those of the Ministry of Social Affairs and Employment. In Brussels, a decree was voted in 2018 which defines a social enterprise in a way that closely matches the EMES approach (economic project, social purpose and democratic governance).

In Flanders, “social enterprise/social entrepreneurship” and “social economy” are not used as synonyms, but over the past decades, the notion of social entrepreneurship has been increasingly embraced by actors traditionally rooted in the social economy. Indeed, while historically, the social economy in Flanders tended to be restricted to the integration of low-skilled workers in the labour market (WISEs), this has evolved over time, and the social economy is now legally defined as a set of “social entrepreneurial values” developed within various organisational forms and sectors of activity. Still, the social economy appears as a sub-field of social enterprise and social entrepreneurship in Flanders, while in Wallonia, it is the other way round.

In terms of public policy, in Flanders, social enterprise lies at the crossroads of the competences of the Ministries of “Work and the Social Economy” and “Economy, Science and Innovation”, although the topic

is most explicitly related to the former and dealt with by the Minister for Local and Provincial Government, Civic Integration, Housing, Equal Opportunities and Poverty Reduction. In Flanders, historically, as already mentioned, social enterprise tended to be restricted mainly to the integration of specific target populations (such as unemployed or disabled people) through a working activity as well as to the area of local services. From 2009 to 2019, an important restructuration of the support provided to the SE field was prepared and gradually implemented; different decrees were adopted by the Flemish government to its support.

Overall, various broad public policies have an important impact on social enterprises, although they are not specifically targeted at them. These policies cannot be presented extensively here, but a few examples can be provided for illustrative purposes.

One example of a scheme not restricted to—but commonly used by—social enterprises is the *service-voucher system*. This system has been particularly instrumental in the development of WISEs. The service-voucher scheme, developed by the federal government in 2001, is mainly designed to foster the development of regular jobs for low-qualified people in the housework field, where services were hitherto mostly provided on the black market. Any person willing to get housework services can buy vouchers and benefit from tax reductions. The user chooses an accredited provider, which sends a worker to the client's house. Workers are hired by the providers and not directly by the households, which are clients of the providers (Defourny *et al.* 2010). The combination between the WISE model and the service-voucher system has been widely applied in the Walloon and Brussels Regions (not in Flanders), which contributed to the development of the work-integration field. Again, it is likely that the regions, which are now in charge of managing the service-voucher system, will adapt it according to their public policies and budgetary possibilities.

Another area where public support is available to social enterprises is that of *public procurement*. The Belgian legislation allows for the inclusion of social, environmental and ethical clauses in public procurement. A federal decision (*circulaire*) of 2014 specifies the different schemes and avenues through which this can be achieved in practice. Thanks to this decision, local, regional and federal public authorities are authorised to demand compliance with a number of social and environmental criteria. In most cases, social enterprises are indirectly encouraged, but the contract remains open to any type of provider, including conventional enterprises. In some cases, however, contracts can be reserved for certain types of organisations, thereby making it possible to directly favour social enterprises (typically WISEs).

Support measures specific to social enterprises often address WISEs in particular. Competences linked to work-integration were previously managed at the federal level, but they have gradually been regionalised,

thus resulting in different accreditation schemes in the three Regions of the country. Although similarities remain, there have been increasing differences, depending on how WISEs have been used as tools for social integration through employment. In the three regions, the recognition of WISEs has led to an increase in the number of initiatives that applied for and obtained the specific accreditations, which contributed in turn to the integration of those WISEs in public policies (Lemaître and Nyssens 2012).

1.3 Statistics and Characteristics of Social Enterprise in Belgium

The regional and policy-related differences in terms of conceptual interpretation tend to fade away in a context of internationalisation of the discourses and practices in this domain, and also when examining the concrete SE realities and ecosystems.

1.3.1 Four Main SE Models

In order to map the SE landscape in Belgium, it is useful to draw on the four main SE models emphasised in the context of the “International Comparative Social Enterprise Models” (ICSEM) Project, which was carried out in cooperation with the EMES Network (Defourny and Nyssens 2017). Each of these models can be associated with one or several of the traditions described in the previous section, but is not exclusively restricted to one specific legal form or public policy: the general interest pursued in an entrepreneurial way is typical of either associations and foundations (“entrepreneurial non-profits”), or “public-sector social enterprises”; the combination of the mutual and general interests is typical of the “social cooperative” model embraced by cooperatives and mutuals; and the combination of the private interest with the general interest is increasingly observed in “social businesses”, that is, companies with a legally or otherwise defined social purpose. Table 1.1 provides an overview of the four SE models and their corresponding underlying dynamics as well as their main features in Belgium.

1.3.2 Number of Social Enterprises

The different definitions and models of social enterprise taken into account have, of course, important implications when attempting to estimate the weight and number of social enterprises. The difficulties in providing precise figures are related to the blurry nature of the boundary lines of the SE concept and of its different models. Several attempts to provide figures have been made; however, they all face limitations and there is neither general agreement on where exactly to put the boundaries nor on precise figures. Two types of calculations exist: “bottom-up”

Table 1.1 Overview of the four ideal-typical SE models in Belgium

SE models	Entrepreneurial non-profit (ENP) model	Public-sector social enterprise (PSE) model	Social cooperative (SC) model	Social business (SB) model
Underlying dynamics	Associative entrepreneurial approach to general interest	Public entrepreneurial approach to general interest	Approach combining mutual and general interest	Approach combining private for-profit and general interest
Social aim	Inherent in the statutes	Inherent in the statutes	Either present from the start or added to mutual interest	Variable; challenge of social aim demonstration and Prioritisation
Economic dimension	Under certain conditions (e.g., >25 % market resources)	Under certain conditions (e.g., >25 % market resources)	OK	OK
Participatory governance	In principle but not for foundations	Foreseen but challenging (public bureaucracy)	Encouraged by accreditations	Not inherent in this model
Privileged organisational form	Non-profit organisations, foundations or cooperatives accredited as social enterprises	Non-profit organisations or cooperatives accredited as social enterprises	Cooperatives, mutuals or cooperatives accredited as social enterprises	Various (including businesses and independent workers)
Main resources	Public subsidies with growing public and private contracts	Public subsidies with growing public and private contracts	Mixed income	Market income

approaches, summing up the available figures for some of the most easily defined types of social enterprise, and “inclusive” approaches, aggregating figures about populations of organisational forms of which a certain share could be considered as social enterprises. Among the bottom-up approaches, a report on social enterprises in Belgium was produced by I-Propeller (now part of Oksigen ecosystem) for the King Baudouin Foundation in 2013 (Huysentruyt *et al.* 2013). The mapping counted between 2,210 and 3,170 social enterprises. Inclusive approaches extend the “radar coverage” to be sure to include all social enterprises, but by doing so, they probably also include organisations that are located farther from the SE ideal type. According to the data collected by the ConcertES platform (*Concertation des organisations représentatives de l'économie sociale*) in the context of the “Observatory for the social economy” (*Observatoire de l'économie sociale*), there were more than 18,000 social enterprises in Belgium in 2018.

1.3.3 *Fields of Activity*

Providing an exhaustive list of social enterprises’ (SEs’) fields of activity is not possible. The most commonly cited fields include social services, integration of low-skilled workers and recycling, among others. However, social enterprises are active in a much broader set of fields, which may be related to the production of goods (food, garments, furniture, energy, etc.) or services (retail, transport, home care, education, health, culture, insurance, finance, IT, construction and refurbishing, etc.). In certain sectors, the set of social enterprises is quite homogeneous, especially when public regulation is important; in other sectors, different SE types, more or less closely related to the different models mentioned above, can be found.

1.3.4 *Employment in Social Enterprises*

Most studies agree on the fact that employment in social enterprises has been growing over the last two decades. While employment in the public and private for-profit sectors decreased between 2008 and 2014, it strongly increased in the same period in social enterprises (+11.5% at the country level); the growth was particularly dramatic in Brussels (+25%), but it was also considerable in the other two regions (+9.1% in Flanders and +7.2% in Wallonia). Between 2014 and 2017, employment in social enterprises increased (+6%) much more than in the public sector (+1%), but less than in the whole private sector (+9%). According to the inclusive approach, with 393,000 full-time equivalents (FTEs), social enterprises represented 12% of employment in Belgium in 2017. Table 1.2 provides more detailed information not only by region but also by legal form, thereby confirming the overwhelming prevalence of the “non-profit association” legal form,

Table 1.2 Size of the SE sector in Belgium by region and legal form (2017)

	<i>German-speaking region</i>	<i>Brussels</i>	<i>Flanders</i>	<i>Wallonia</i>	<i>Total</i>
Number of enterprises					
NPOs (ASBL)	153	4,532	6,313	6,109	17,107
Accredited cooperatives	1	29	95	95	220
Foundations	3	103	48	42	196
Mutuals	1	33	42	27	103
Social-purpose companies		39	119	220	378
Total	158	4,736	6,617	6,493	18,004
Number of workers					
NPOs (ASBL)	2,452	76,621	303,305	130,874	513,252
Accredited cooperatives	8	2,215	4,359	2,273	8,855
Foundations	704	5,256	5,899	1,156	13,015
Mutuals	57	5,572	7,599	4,338	17,566
Social-purpose companies		879	9,773	9,574	20,226
Total	3,221	90,543	330,935	148,215	572,914
Employment in FTEs					
NPOs (ASBL)	1,419	57,780	204,466	86,419	350,084
Accredited cooperatives	4	1,684	3,631	1,721	7,040
Foundations	476	4,820	4,532	894	10,722
Mutuals	46	4,636	6,074	3,405	14,161
Social-purpose companies		620	5,238	5,141	10,999
Total	1,945	69,540	223,941	97,580	393,006

Source: Observatoire de l'Économie Sociale (2019).

chosen by 95% of employing social enterprises and representing 90% of workers in the whole picture of social enterprise (and the social economy) in Belgium.

Conclusion

Several trends can currently be observed in the SE field in Belgium, and social enterprises face various challenges. Instead of trying to provide an exhaustive overview, we focus here on three major issues: recognition, social impact and communication.

Public authorities and other stakeholders increasingly recognise that the concept of social enterprise should not be restricted to a specific organisational form, nor should it be considered to concern only some specific sectors of activity; it should rather appear as an umbrella notion, covering a broad scope of initiatives. The evolution of public policies in the three regions of the country is indicative of this trend. In this context, the focus of the SE notion on organisational models that are not tied to given sectors or legal forms and underlying logics reflects the vision of a diversified landscape. Nevertheless, despite this recognition, when it comes to concrete matters of support, regulation or funding, social enterprises are still likely to find themselves working at the crossroads of several policy areas and thus “falling between two chairs”. Moreover, as they aim for social impact and often rely partly on non-market resources, such as subsidies and donations, social enterprises are not always considered as “true businesses”, in spite of their economic importance. Social entrepreneurs often report that the challenge of being both economically sustainable and socially relevant requires even more innovation and professionalism than in conventional enterprises.

A second challenge facing social enterprises is the demonstration of their social impact. Funders and other stakeholders increasingly require that social enterprises demonstrate precisely what added value they can bring in developing solutions to social needs. This may be a complex and costly process for social enterprises taken individually, which is why networks and federations, together with support structures and universities, have started exploring the most relevant ways to measure and communicate about their social impact. Instead of a common cross-sector measure, such as the social return on investment (SROI), more tailor-made and multi-indicator measures have been favoured, for example, in the context of the Interreg project “VISES”.¹

Finally, a third challenge—and an obstacle in terms of visibility and communication—is the fact that several terms still co-exist to refer to SE-like initiatives, and they are each supported by specific actors, which leads to a set of scattered communication actions that fail to successfully diffuse any of these notions. This variety of terms is a challenge when communicating with the media and the general public. Several SE

networks and support structures have started working together to assess how this challenge could best be overcome. Much energy is certainly required in order to educate and sensitise Belgian society about the importance and relevance of social enterprise.

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Note

1 See <http://www.projetvisesproject.eu/>.

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