



## Challenges and Strategies of SSE in Times of COVID-19 Crisis 9<sup>th</sup> June 2020

Speakers' responses to questions raised during the webinar

### Questions to Ms. Lynn Collins, Strategic Relations and Engagement Advisor, Liverpool City Region Combined Authority (LCRCA), United Kingdom

1. Is there any working on Business plans for youth below the age of 35 years? if yes, what are they?

*- We are seeking to include young people in our recovery panel as well as establishing the Metro Mayor's Youth Advisory group - and to make sure young people join all our working groups to voice out their opinion. We also have young people represented in our climate partnership and action groups under the Fairness Commission on tackling poverty. We try to integrate young people's voices in our structure to engage with how we recover.*

2. Do you think there is any room to co wider the shared economy or cooperative business model that can be incorporated in the mix for a better secure future for the Youth?

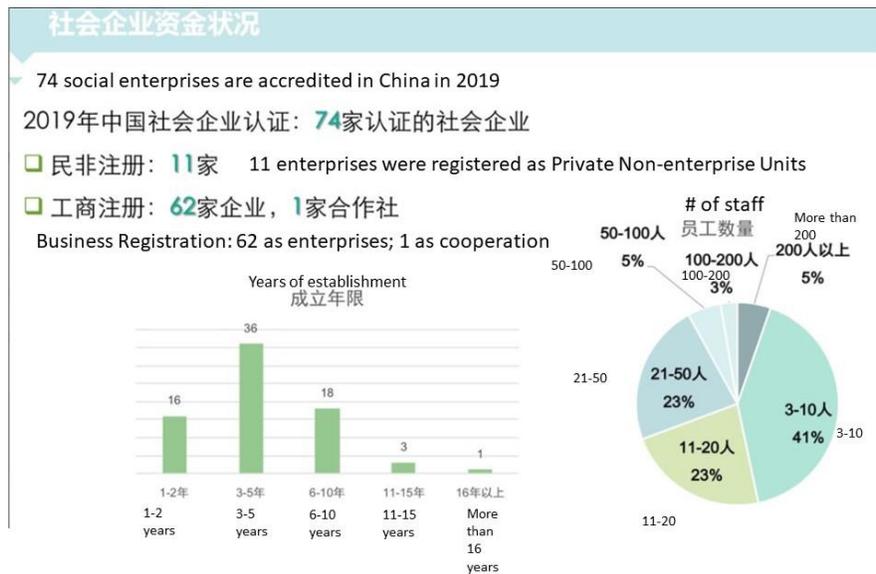
*- We are faced with a new generation of young people who do not have open to them the normal opportunities for employment. Encouraging innovation and entrepreneurship with the cohort of young people will be important so we are looking at developing specific innovation funds that they may be able to access. But overall, our approach is that we don't have all the answers. We would like to hear many voices as possible both within our own city region nationally and internationally. We are building a concept of a Liverpool city region living lab in the same way as there are many trials around the world to find COVID-19 virus. We would like to bring ideas together and to find a solution for the viruses of poverty and disadvantage about unemployment that are the result of the COVID-19.*

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### Questions to Mr. Xuan Xia, Founder, Star of Social Innovation, China

1. How are Chinese social enterprises financed and how large are they (numbers employed/income)?
2. Is there a specific law in China that enables the registration, recognition, regulation, and government support to 'social enterprises'?
3. Please explain how certified social enterprises have managed to get government attention. In many countries, especially in Africa, it is still unclear what the difference is between Informal Economy and Social Economy
4. For strengthening enterprises in China, what kind of financial mechanism have been set up to enable them to have access to financing?

- The speaker has provided the following slides in Chinese which are translated by the Secretariat to answer all the questions above.



## 社会企业资金状况

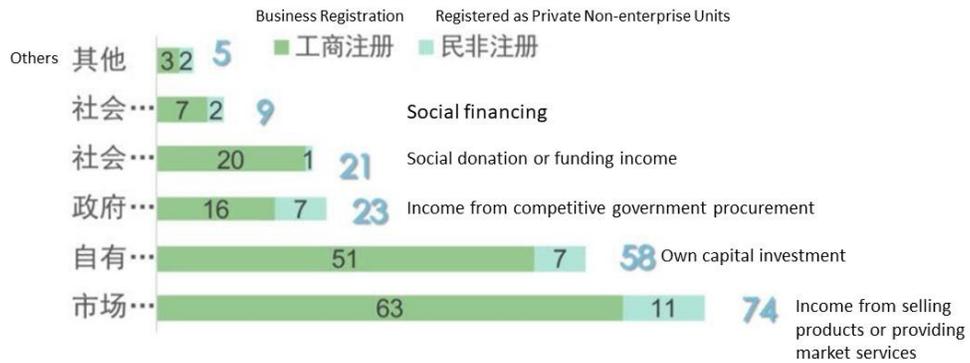
Report on Financial profit and loss in 2019 (Unit: 10,000 RMB)

### 2018年度财务盈亏状况 (单位: 万元)



Source of funding in 2018

### 2018年度资金来源



## 成都区级政府社会企业支持政策

### 社会企业支持政策（非财务类） Non-financial policies supporting Social enterprises

		成都		
		Chenghua District 成华	Wuhou District 武侯	Jinniu District 金牛
Registration Procedure	注册手续	绿色通道 Green Channel (Take less time)	绿色通道 Green Channel (Take less time)	绿色通道 Green Channel (Take less time)
Business Area	经营范围	1. 允许分离 1. Allowing separated address 2. 1 address with more than 2 registrations; 1 registration with more than 2 business addresses	1. 允许分离 1. Allowing separated address 2. 1 address with more than 2 registrations; 1 registration with more than 2 business addresses	放宽 Widen
Public Procurement	政府购买服务	加大力度 Strengthened	与社会组织同等 Same as social organization	优先参与 In priority
Founder	创始人	熊猫计划 1. 区级领导关心关爱社会企业创始人; 2. 表彰表扬	Panda Plan: 1. District-level leader and Caring SE founders 2. Recognition and Commendation Support through High Level Talent Scheme	
Talent Introduction	人才引进	适用“成华英才计划” Applicable to Chenghua Talent Scheme	高层次人才、优秀人才计划支持。	支持人才引进 Supporting Talent Scheme
Impact Investment	影响力投资		鼓励社区发展基金会进行公益创投	探索影响力投资，并设立影响力投资引导基金

Recommend community development fund committee to engage with impact investment      Explore impact investment and set up impact investment guidance fund

## 从政策看国内社会企业发展

### Related policies in Chengdu city/district 成都市/区相关政策

Opinion of General Office of Chengdu Municipal People's Government on incubating social enterprises and facilitating community development governance

· 《成都市人民政府办公厅关于培育社会企业促进社区发展治理的意见》

（成办函〔2018〕61号）

Proposing principles and objectives of governance of incubating social enterprises and facilitating community development governance; emphasizing the importance of building social enterprise incubation development scheme, curating good environment for supporting the development of social enterprises, building a comprehensive system to monitor the services of social enterprise; in terms of job protection, strengthening organizational leadership, promotion and implementation

· **Opinion of the Chengdu City Business Administration Bureau on the implementation of utilizing business administration to incubate the development of social enterprise**

Proposing supporting the development of incubating social enterprises; making use of its function in social life, public service, social affairs management; Better serving the society; Meeting social demands; Innovating social governance; Providing opinions on basic principles of incubating social enterprise development, related public policies & initiatives and tasks.



## 成都区级政府社会企业支持政策

### 社会企业支持政策含金量 (财务类, 万元)

Public financial policies supporting social enterprises (Unit: 10,000 RMB)

		Chengdu 成都		
		Chenghua District 成华	Wuhou District 武侯	Jinniu District 金牛
Support to launching a social enterprise	Accredited by local authority <sup>11</sup>	10	10	5-10
	Accredited by China Charity Fair	2-4-6	3-5-8	
	Accredited by B-Corp		8	
	SE originally established outside Chengdu	5	12, 10, 6, 10	
Support to operation	Office	20 RMB/m square/month, not more than 100K RMB per year with a duration of 2 years	20 RMB/m square/month with a duration of 2 years, rent of an office less than 100m <sup>2</sup> will be fully subsidized according to the actual rent	Full rental subsidies in the first 2 years, 50% in the 3 <sup>rd</sup> year, 40% in the 4 <sup>th</sup> year and 30% in the 5 <sup>th</sup> year. 50% subsidy support to renting, will a ceiling of 200K RMB
	Training support	0.5		
	Support to joining competition	1-2-3	5-10	20% with a ceiling of 500K RMB

### 社会企业支持政策含金量 (财务类, 万元)

Public financial policies supporting social enterprises (Unit: 10,000 RMB)

		Chengdu 成都		
		Chenghua District 成华	Wuhou District 武侯	Jinniu District 金牛
Support to operation	运营奖励 Reward for economic contribution 经济贡献奖励	100% matching bonus for contribution of more than 50K RMB to local economy, 30% of the bonus can be used as incentive prize to operators and managers	Taking only economic contribution to Wuhou District as reference. 100% matching bonus for the first 2 years	For those who contribute to more than 50K RMB, 100% matching bonus will be given in the 1 <sup>st</sup> year, 80% in the 2 <sup>nd</sup> year and 60% in the 3 <sup>rd</sup> year. For those who were accredited for more than 1 year with a contribution of more than 100K RMB, additional support will be provided.
	运营补贴 Support to important event and forum		A maximum of 500K RMB will be provided for organizing a provincial-level, or above, and important forum on the topic of social enterprise.	50% subsidy for organizing a city-level or above forum. The amount is less than 500K RMB. Each entity cannot apply more than twice each year.
	学术研究支持 Support to academic research		Project to support academic research is set up each year	Publish important journal to introduce experience in Jinniu District. One-off support of 10K RMB, 8K RMB, 6K RMB and 4K RMB

5. Very many young girls between the age of 13+ have gotten pregnant during this pandemic of COVID-19 in Uganda currently. if it were in China, how would you solve this problem hence PROTECTING GIRL CHILD, yet they were in school?

- *There is currently no such situation in China, where 99.99% of school-age children are in school. At the same time, the protection of minors in China is becoming more and more clear and prominent.*
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### **Questions to Ms. Nonhle Memela, Programme Manager, eThekweni Municipality, South Africa**

1. Do you think there should be any change in governmental policies to cater to the needs of the people? what in your opinion are they and which sector should be targeted?
  - *I agree the government policies should be amended, considered of the current situations we are facing. It is not the new normal so we cannot expect everything to be the same. New regulations and operating standards are needed. But when we amend those policies, we need to make sure that we review, monitor and evaluate them to see if they serve the good purpose.*
  - *We cannot single out some sectors. Focusing only on some sectors will cause problems and challenges since the other sectors may be neglected. So, I think that we should look into every sector because most people are operating different sectors. We cannot ignore one or two sectors. All sectors are important, and we should all find ways in terms of looking at what particular sector should be looked into and what changes can be made to fit into the current situation and move forward.*

2. Could you please elaborate more about "the oversupply of information"?

*- We are in the beginning phrase of the lockdown. SSE organizations have been receiving a lot of information from different sources. It causes confusion which makes them hard to judge if it is fake news and to decide which one to disperse. This information overload will also cause delays in making decision.*

3. I'd like to learn how SSE organisations in Hong Kong and South Africa are communicating with each other to discuss their problems and find some solutions. Thank you for your presentations!

*- We are still in the early stage of the lockdown. many interactions have been brought to a standstill. We are not able to have any networking, conference, or training. We must rely solely on online networking platforms for communication. At the municipality level, we have been working closely with the sector representatives of the social enterprise or where we disseminate and share information that need to be escalated to the social enterprises. However, challenges still exist. For example, a debt relief fund has been available for social enterprises. one of the criteria is to provide supporting documents including business plan, bank statement and ID copies, etc. However, many social enterprises meet challenges of putting extra resources for providing those documents. Although we are able to disseminate the information, there is still a challenge of receiving what is required. Therefore, we need to find the local economy practitioners to find ways to assist them where it heads to indicated representation. We open up a one-stop shop where we collect all the enquiries and assist them one by one through phone call later. However, communication and interaction are still a challenge. But still, on level 3 of COVID-19, we are going to work on strategies on how to move forward. We could limit ourselves to a certain number of people into meeting rooms or network sessions to try and bring back normal working form of interactions. As we open the economy, it will well open ways of communicating and interacting.*

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## Questions to Mr. Cho Ju Yeon, CEO, Seoul Social Economy Centre, South Korea

1. In Seoul what is/are the main sectors of small businesses that are looking to be transformed into SE enterprises?

- *Regarding this question, I would like to explain that there are small shops and business in the neighborhood providing services and products to the people who live in the community. These businesses are getting affected and pushed away by big corporates or franchise shops due to price competitiveness and not standardized services. I think these small business (like corner shops and cafeterias and repair shops etc.) can work together and build partnership as Social and Solidarity Economy actors to be able to have more competitiveness.*

2. The local govts are normally close to the people and can play important role in local economic development but very low percent of people seems to trust them as shown by you. why this is so?

- *Local governments surely play a very important role in the local economic development. During the COVID-19 crisis central governments are playing significant roles, so citizens trust the central government in their power and implementation of policies. Local governments are having relatively less presence in terms of COVID-19 response measures.*

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## Questions to Mr. Anthony Wong, Business Director, The Hong Kong Council of Social Service, Hong Kong, China

1. I'd like to learn how SSE organisations in Hong Kong and South Africa are communicating with each other to discuss their problems and find some solutions. Thank you for your presentations!

*- We make use of different platforms like this webinar for direct communication with counterparts in South Africa. We are also happy to launch direct communication with other stakeholders through different types of international platforms. Through the exchanges, we are pleased to share our initiatives in Hong Kong with others.*

*- Our council is a platform for NGOs and social enterprises. For the last few months, our council has received a lot of information, channeled up from the bottom. We have maintained an effective communication platform with the concerned parties. Problems are widely shared through social media platforms. If a solution is being identified by few actors, it will be quickly shared among the community. A lot of people pick up ideas and transform them into different kinds of solutions that facilitate the alleviation of problems at the community level. As a city having a diverse society, Hong Kong should be able to safeguard the needs of different groups of people. With a de-centered structure, individual organizations such as NGO and social enterprises will be able to lead diverse needs. At locality and neighborhood level, people are still identifying who can champion the drive for collaborative effort to create a bigger change for the community. At the central level in the social welfare sector like our council, we are campaigning for taking this role. However, there should be a lot of rooms for improvement in other sectors.*

2. In your presentation it has been mentioned that WISEs (Work integration social enterprises) suffer the most, would it be possible to share with us which sectors and which vulnerable/disadvantaged groups are affected the most, and how the government is supporting them? Thank you, Irma Botic from the European Network of Social Integration Enterprises

*- A lot of our WISEs under our organization are set up to support the Disability Community. These WISEs created a lot of jobs for them which they have been working for many years. However, due to the negative impact of the pandemic, a lot of WISEs are facing difficulties and having a big problem of survival. These types of jobs will be lost. It will be difficult for people with disabilities to find a decent job in the normal market.*