

In Europe



for Impact Entrepreneurship in Service of the Common Good



European position paper

Current European **Context**

2.8 million organisations operate within the social economy across Europe. The European Commission has committed to creating favourable conditions for their growth, opening opportunities for them to launch and expand their activities, and ensuring the potential of the social economy is fully recognised. What is more, in June 2023, it issued a series of recommendations aimed at improving access to the labour market and social inclusion by helping Member States integrate the social economy into their policies and establish supportive measures and an enabling environment for the sector1.

Amidst the pressing climate, environmental, and social crises, the efforts of all European entrepreneurs to accelerate the transition towards a more sustainable, digital, resilient, and competitive economy must be strongly supported. The momentum generated by the European Commission is commendable, yet more work is needed to structure and scale impact entrepreneurship across the EU, which must become a key lever in addressing the challenges of the economic, social, and environmental transitions.

The Social and Solidarity Economy (SSE) Worldwide

On 18 April 2023, the United Nations adopted a resolution titled «Promoting the Social and Solidarity Economy for Sustainable Development», a milestone in defining and recognising SSE at the international level. By acknowledging this entrepreneurial model, the resolution calls on states to implement policies supporting its expansion.



3 key figures:

2,8 MILLION

social economy organisations in Europe

The sector employs

13.6 MILLION **PEOPLE**

and provides solutions to major societal challenges².

The latest Startup Heatmap (2020) study on women entrepreneurs in Europe found that

ONLY 15.5% OF FOUNDERS OR CO-FOUNDERS ARE WOMEN³

LStudy on benchmarking the socio-economic performance of the EU social economy is now published! - European Commission Plan d'action de la Commission européenne pour l'économie sociale, 2021

TStartup Heatmap, Etude sur les femmes entrepreneuses en Europe, 2020

We are at a pivotal moment, where the myth of infinite growth clashes with the urgent need to address accelerating social and environmental challenges. Everywhere, warning signs - overshooting of planetary boundaries and rising inequalities – urge us to rethink development in more inclusive and sustainable ways. At Groupe SOS, through our nonprofit PULSE, we champion impact entrepreneurship as a powerful driver of social transformation and human development, helping to reconcile citizens with a shared **European vision.**

Since its founding in 2006, PULSE has enabled thousands of entrepreneurs, especially from underrepresented groups such as NEET youth (Not in Education, Employment, or Training), women entrepreneurs, people over 45, and those in emerging regions, to develop impactful projects. Driven by the belief that entrepreneurship empowers everyone to contribute to systemic change, we support European entrepreneurs in creating locally rooted initiatives with a potential for global system change.

Social Economy Action Plan

- « Policy and legal frameworks are key in creating the right environment for the social economy to thrive. This includes taxation, public procurement and State aid frameworks that have to be adapted to the needs of the social economy. »
- « Social economy organisations hold significant potential to increase residential attractiveness and empower citizens and communities. The European Action Plan on Social Economy and the European Cluster Collaboration Platform will address challenges and opportunities by promoting social economy and social enterprises innovations and helping to pool business resources in rural areas, as well as to support social economy stakeholders in innovation, quality job creation and social inclusion. »





STRENGTHENING THE EUROPEAN IMPACT ENTREPRENEURSHIP ECOSYSTEM

Let us enhance cooperation among actors supporting the growth of impact entrepreneurship. Europe is teeming with impactful ventures that are addressing local challenges shared by all Member States. Everywhere these businesses demonstrate their ability to adapt and innovate, delivering solutions to unmet needs. Regardless of their national context, these actors require support to implement their projects under the best possible conditions. While the impact entrepreneurship ecosystem is becoming clearer and more understandable, we must continue helping professionals exchange best practices, network, and share their knowledge.

Efforts are also needed to strengthen collaboration with neighbouring countries and align regional strategies, such as the Western Balkans Strategy (2018) and the Social Economy Action Plan.

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PULSE actively contributes to pooling best practices and sharing knowledge between Member States. With EU support, PULSE launched E4NEETs, an Erasmus+-funded project that promotes impact entrepreneurship among young people distanced from employment. Implemented in partnership with Belgrade Open School (Serbia), the Terrassa Chamber of Commerce (Spain), Mission Locale Marseille (France), the National Youth Council of North Macedonia, AVITEM (France), and Plateforme i (France), the project aims at enhancing the skills of professionals working with NEETs (Not in Employment, Education or Training). 121 career advisors across four European countries have been trained in entrepreneurship fundamentals, support for young entrepreneurs and encouraged to share available resources for young entrepreneurs.

Launched in late 2021 with EU funding, the FoWoSE (Fostering Women's Social Entrepreneurship) project improves gender integration in entrepreneurial support structures and programmes. Partners include Women on Top (Greece), Empow'Her (France), Reach for Change (Bulgaria), and Synthesis (Cyprus). Shared tools have been developed to address barriers faced by women entrepreneurs and empower them through impact ventures. These projects should inspire change on a bigger scale: to create a strong European momentum favoring the enrichment of practices across all actors involved in impact entrepreneurship.

PULSE also promotes French and European expertise in social entrepreneurship in the Western Balkans through its RISE initiative (2019–2025). In collaboration with the Regional Youth Cooperation Office (RYCO), the Franco-German Youth Office (OFAJ), and six local incubators, with financial backing from RYCO, AFD, and the EU, the project aims at strengthening the local social entrepreneurship ecosystem while nurturing a new generation of entrepreneurs who develop innovative solutions responding to the challenges faced by their communities.

FOCUS

Enhancing Funding for Impact-Driven Enterprises

Launched in 2021 by PULSE, Impact Business Angels (IBA), France's first angel investment network dedicated exclusively to supporting impact entrepreneurship, aims to raise awareness and deepen engagement among business angels within the impact sector. This initiative addresses the critical funding gap faced by early-stage impact ventures. With support from the European Union under the "FUNDS 2" project, PULSE and IBA seeks to finance approximately 30 seed-stage projects, representing a total investment of €4.5 million, as well as replicate this proven French model across European partners.

RECOMMENDATIONS:

Facilitate connections and exchanges of best practices among organisations representing impact entrepreneurship in Europe.

Encourage peer learning among European actors on support mechanisms for impact entrepreneurship, particularly by expanding cross-border mentoring programmes.

Empower national and local impact entrepreneurship actors to play a leading role at the European level by fostering networking and the development of platforms that bring together key stakeholders.





MAKING IMPACT ENTREPRENEURSHIP ACCESSIBLE TO ALL, INCLUDING THOSE FURTHEST FROM EMPLOYMENT

Let us open the world of impact entrepreneurship to those who are currently excluded from it Despite its potential to be a powerful career springboard, many individuals turn away from impact entrepreneurship due to lack of awareness, fear of failure, feeling ill-equipped or irrelevant. We believe everyone carrying that wish should have the opportunity to conceive an impact-driven venture and access the tools to develop it. Wherever initiatives emerge to drive ecological and social transition, tailored support programmes must follow to meet entrepreneurs' specific needs. Support providers and funders must strengthen their collaboration to achieve this goal.

We will accomplish this through widespread awareness-raising, beginning with training for the traditional support services naturally approached by marginalised groups. When all stakeholders in work integration (charities, social services, local authorities) understand impact entrepreneurship, they can better communicate its potential to their communities. These intermediaries are crucial for reaching new audiences and making entrepreneurship an accessible aspiration.

OUR reactions

For Groupe SOS, raising awareness about impact entrepreneurship is fundamental to our success. We work directly with diverse groups while also engaging the entire employment support ecosystem. This is why PULSE launched the Google.org-supported ACT! project, to democratise impact entrepreneurship by creating new support and action partnerships between business support providers and social inclusion organisations.

By training and raising awareness among employment support professionals, PULSE has developed concrete approaches to reach new audiences and introduce them to impact entrepreneurship. All our support programmes are designed for maximum inclusivity: everyone should be able to fulfil their potential and their projects regardless of gender, location, education level or age. Through various ambitious initiatives, we're making entrepreneurship more accessible to groups typically excluded from the labour market, including women, economically inactive individuals, jobseekers, professionals over 45, and young people under 29. Every individual's journey contains unique value and potential that can fuel an impact business project; our role is to help aspiring entrepreneurs unlock theirs.

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Promoting Entrepreneurship for All Across Communities

Germinal, part of Groupe SOS, strongly believes that self-employment is a powerful inclusion tool. Their teams engage daily with entrepreneurs, whether in city centres, disadvantaged neighbourhoods, or rural areas, offering tailored programmes to develop their projects and skills. Germinal also helps women access entrepreneurship and tackles gender disparities: while women make up 30-40% of French entrepreneurs, they earn 31% less than men (INSEE).



RECOMMENDATIONS:

Bringing together the spheres of impact entrepreneurship and work integration to conduct joint awareness-raising initiatives for people distant from this ecosystem: creating more bridges between the actors involved in impact entrepreneurship and those involved in work integration.

Encourage the development of all programmes supporting entrepreneurship among people furthest from it, especially in rural areas.



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HARMONISING DEFINITIONS AND LEGAL FRAMEWORKS TO MAXIMISE THE EFFECTIVENESS OF IMPACT ENTREPRENEURSHIP

Let us establish a common definition for impact-driven businesses. In France, businesses within the Social and Solidarity Economy can access specific funding and support through the «Entreprise Solidaire d'Utilité Sociale» (ESUS) certification. At the European level, despite existing regulatory measures and growing momentum around these issues, there is still no clearly defined, unified status for impact-driven businesses. Yet, with European recognition, they would all benefit from greater visibility and support to scale their activities. This potential has already been demonstrated by the European Commission's work on creating a cross-border non-profit association status. The Commission highlights that this status would «reduce the legal and administrative burden for the recognition and establishment of non-profit associations operating in another Member State.» Out of the 3.8 million associations registered in the EU, around 310,000 could benefit, potentially saving them "up to €770 million per year", while encouraging 185,000 additional associations to expand across borders.

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The implementation of a certification or labelling system, a tool both inclusive and adaptable to national specificities and diverse legal structures seems like the best path to enable better mutual recognition of impact-driven businesses across Europe. Such a certification could be based on common criteria while accommodating national variations. It would also allow businesses to access dedicated funding to launch or grow their initiatives. **The harmonised European framework would strengthen the growth of all impact-driven businesses.**

RECOMMENDATIONS:

Clarify the concept of impact entrepreneurship by creating a European certification scheme and definition criteria shared by all EU Member States.

Prioritise the targeting of European funds towards companies that have obtained impact-driven business accreditation.



³Ministère de la Jeunesse, des sports et de la vie associative, 2023, «Vers un statut d'association transfrontalière européenne»

About Groupe SOS

Groupe SOS is a non-profit organisation committed to fostering social cohesion. It develops associations and social enterprises, united by their social and environmental commitments.

Its initiatives are structured around two main priorities:

- Managing non-profit facilities dedicated to youth, healthcare, vulnerable individuals, and the elderly
- Preparing for a sustainable and inclusive future through initiatives for ecological transition, regional revitalisation, responsible businesses, and access to culture.

Secular and non-partisan, it promotes a genuine social vision focused on the common good.

With 26,000 employees, 2 million beneficiaries each year, and a presence in 50 countries, Groupe SOS demonstrates that large-scale impact is both desirable and achievable in building a fairer and more inclusive future.

In Europe

Groupe SOS is committed daily to initiatives and projects that contribute to the development of the Social and Solidarity Economy in the European Union.

With over a hundred projects carried out with more than 85 European organisations from 19 countries, Groupe SOS demonstrates its ability to build strong connections across Europe. Its projects are supported by over 15 European funding programmes, including Erasmus+, Creative Europe, the New European Bauhaus, and the FAMI, ESF+, and ERDF funding programmes. Thanks to EU support, Groupe SOS and its partners lead diverse, impactful, and innovative initiatives, such as vocational training and professional integration projects, activities aimed at improving support for people with disabilities and promoting the social integration of migrants through sports.

Through its partnership network and innovative projects, Groupe SOS is resolutely committed to making the Social and Solidarity Economy a catalyst for social progress in Europe.



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