Unlocking the potential of youth-led social enterprises

OECD Global Action Promoting Social & Solidarity Economy Ecosystems



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Unlocking the potential of youth-led social enterprises

Young people increasingly prioritise pursuing careers with positive social and environmental impacts. Social enterprises can help them fulfil this ambition. Youth-led social enterprises can address pressing social and environmental issues while providing young people with opportunities in the labour market. Despite these benefits, these entities often struggle due to the age of their founders and the specificities of their businesses. This paper analyses the drivers and potential benefits of youth led social enterprises (Section 1), assesses the challenges they face (Section 2) and provides policy guidance to address them through tailored support programmes based on best practice examples and experiences from OECD countries and beyond (Section 3).

JEL codes: L31, L38, J62, O35
Keywords: Social Enterprise, Youth, Social and Solidarity Economy, Employment, Skills



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Acknowledgments

This report was produced by the OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) led by Lamia Kamal-Chaoui, Director, as part of the Programme of Work of the Local Employment and Economic Development Programme. It was produced with the financial support of the European Union Foreign Partnership Instrument in the framework of the OECD Global Action "Promoting Social and Solidarity Economy Ecosystems".

This report was prepared by Amal Chevreau, Natalie Laechelt and James Hermanson, Policy Analysts at the OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE). The report was developed under the supervision of Antonella Noya, Head of the Social Economy and Innovation Unit, with guidance and inputs from Karen Maguire, Head of the Local Employment, Skills and Social Innovation Division (CFE). Valuable comments were also provided by Nadim Ahmad, Deputy Director (CFE), Andrew Paterson, Senior Advisor (CFE), and David Halabisky, Project Coordinator (CFE). The work received inputs from Viktoria Chernetska (CFE). Lukasz Lech (CFE) provided editorial advice.

This report benefited from comments and inputs by members of the Global Action's Scientific Board, in particular Cathy Clark (Duke University), Johanna Mair (Hertie School of Governance), and Aikaterini Argyrou (Nyenrode Business Universiteit). The authors would further like to thank all respondents to the OECD Youth and Social Enterprise survey as well as the organisations and social entrepreneurs consulted. Graphic support was provided by Erica Weathers. Finally, the authors thank Kristin Sazama (CFE) for her support in dissemination and outreach for the survey and acknowledge Katrina Baker (CFE) and Pilar Philip (CFE) for preparing the layout and cover for this document.

This document was approved and declassified for publication by the Local Employment and Economic Development Programme Directing Committee on 9 September 2022.

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Executive summary

Youth-led social enterprises are helping to address pressing social and environmental issues around the world. Today's young people (i.e. those aged between 15 and 29) are passionate about making a difference. Many are agile and innovative digital natives, building and growing innovative social enterprises that harness new technologies and business practices to drive change.

Young people increasingly prioritise pursuing careers with positive social and environmental impacts. Globally, two in five young people see social impact as one of the deciding factors for their career choices. At the same time, almost half of young people in OECD countries would prefer to be self-employed rather than work as employees. Social enterprises can help young people to turn these aspirations into a dual opportunity: to engage in entrepreneurship and generate positive social impact.

Young people are seizing opportunities, and leading many social enterprises across the world. Up to 20% of leadership positions in social enterprises in the Province of Québec (Canada), France and Spain are filled by young people, and more than one in four social entrepreneurs and almost two in five aspiring social entrepreneurs in Australia, the United States and Western Europe are below the age of 34. In some OECD countries, older cohorts of social enterprise leaders and workers are likely to retire in the coming decade. For example, in France more than 750 000 social enterprise employees are expected to retire by 2028. Such demographic shifts could create opportunities for young people to take leading roles within social enterprises.

There are already many examples of successful youth-led social enterprises. For example, in France, Enercoop is a cooperative energy provider founded by young social entrepreneurs, focusing on providing 100% renewable energy to private households and businesses. In Italy, Quid**,** a social enterprise founded in 2013 by young social entrepreneurs in Verona produces ethical clothing from recovered surplus fabrics, employing 140 staff from disadvantaged backgrounds. In 2012, two young social entrepreneurs founded SINGA to connect refugees with their new communities, find employment and engage in social activities. Today, SINGA has over 50 000 members and 90 full-time employees located across seven countries (Belgium, Canada, France, Germany, Luxembourg, Spain and Switzerland).

These social enterprises are having a powerful social impact, enabling sustainable development, and strengthening economic resilience. In the European Union, there are roughly 397 000 social enterprises. They account for more than 6% of employment in European countries, albeit with variation among Member States. They have also thrived during times of crisis, supporting economic and social resilience. For example, in Spain and Portugal, employment in social enterprises grew after the 2007/08 financial crisis, while it stagnated in other types of firms.

However, youth-led social enterprises face a double bind associated with the age of their founders or leaders and the characteristics of social enterprises. Social enterprise objectives and business models have specific features which might further amplify the challenges generally faced by young entrepreneurs, and vice versa.

This double bind exacerbates four main challenges often faced by young entrepreneurs or social entrepreneurs: access to finance, a lack of specialised skills, difficulty navigating legal frameworks

and a lack of visibility of youth-led social enterprises. Youth-led social enterprises face difficulties accessing loans or grants as many lack collateral, personal savings or demonstrated experience, and investors or donors may be less familiar with social enterprise legal forms and hybrid business models (i.e. relying both on market income and grants). Young people, in particular those from disadvantaged socio-economic backgrounds, have difficulty obtaining the necessary skills (e.g. social and emotional skills, hybrid resource mobilisation and measuring social impacts) to successfully run and scale a social enterprise. Young people have difficulty navigating the diversity of legal forms and statuses available for social enterprises (e.g. associations with market income, cooperatives, traditional business forms or specific legal forms such as solidarity enterprises of social utility in France). The recognition and visibility of youth-led social enterprises and their social impact is still lacking, including among policy makers, which may be attributed in part to a lack of meaningful opportunities for exchange among them and young people.

Governments in many OECD countries are taking measures to address these challenges by investing in outreach, capacity building and facilitating access to finance for youth-led social enterprises. For example, in France, the State Secretariat for the Social and Solidarity Economy supports the five institutional partners organising the annual social economy month in November to increase the visibility of the social economy among the general public, as well as an annual social economy week in primary and secondary schools all across the country. In 2021, the European Commission adopted the Social Economy Action Plan to "make the social economy more visible and improve the recognition of its work and potential". The Province of Ontario (Canada) has contributed to a capital fund issuing specialised loans to young social entrepreneurs. In the United Kingdom, the Scottish Social Enterprise Strategy has introduced learning opportunities about social enterprises across all levels of education. Between 2011 and 2018, Korea increased its annual spending on young social enterprise start-up grants by a factor of five and is improving its social entrepreneurship education and training programmes.

Nevertheless, there remains a gap between what youth-led social enterprises consider to be the most important challenges and the support provided to them. In 2021, the OECD conducted a survey among stakeholders (i.e. young people, social entrepreneurs, social economy networks and associations, academic experts) and policy makers to collect their views and better understand the challenges, opportunities and existing support structures for youth-led social enterprises. Based on the data collected, 76% of stakeholders of the youth-led social enterprise eco-system consider access to finance the biggest challenge for youth-led social enterprises, however, only 44% of policy makers and 43% of stakeholders report measures in place to facilitate access to finance for youth-led social enterprises (e.g. direct financial support, and financial education and training, among others). A very similar pattern applies to the challenge of young people lacking the knowledge and skills to operate a social enterprise (67% of stakeholders). 48% of policy makers report the availability of tailored support (e.g. technical assistance, training, and specialised intermediaries, among others) as challenges and 43% the provision of tailored guidance (e.g. open-access manuals or adapted tools).

Apart from improving the framework conditions of social enterprises more generally, policy makers can support youth-led social enterprises through tailored policy support. A range of measures can be implemented to address the specific challenges faced by youth-led social enterprises, such as:

- **Helping young people develop the knowledge and skills to launch, run and scale social enterprises**. Integrating social entrepreneurship into primary and secondary school curricula (e.g. Korea and Scotland (United Kingdom)) can help young people develop the necessary interest, social and emotional skills to engage in social entrepreneurship. It can also help further reduce barriers to access for disadvantaged groups to social entrepreneurship. Specialised training opportunities in secondary and higher education can develop business competencies to engage in social entrepreneurship as well. The co-creation of learning opportunities can allow young people to take ownership of the process and develop solutions for the future they want together with teachers and trainers (e.g. Enactus in 35 countries). This can complement higher education curricula, such as that of the Marshall Institute in the London School of Economics, and specialised

training opportunities that are already accessible for aspiring social entrepreneurs in many countries.

- **Encouraging private investment and developing tailored funding and financing opportunities for youth-led social enterprises, accompanied by clear guidance**. Policy makers can improve access to funding (i.e. funds provided by government agencies) and financing (i.e. capital provided by lenders such as banks and private investors) for youth-led social enterprises in different ways. Social enterprises are generally looking to achieve long-term social impact at the local level. These objectives and local scope of operation can constrain their growth prospects and require (often scarce) access to patient capital. Nonetheless, youth-led social enterprises can represent an attractive investment opportunity for the growing impact investment market and other funders looking to promote environmental and social goals. Starter grants for youth-led social enterprises covering the initial seed funding needs are becoming more common. To support their survival, policy makers can complement them with a mix of other tools such as dedicated financial intermediaries (i.e. specialised organisations or banks acting as a go-between for funders and youth-led social enterprises looking for a loan, such as the Youth Social Innovation Capital Fund in Canada), scale-up grants (e.g. Young Social Entrepreneurs Global in Singapore), and publicly funded loans and loan guarantees. Together with the awareness and knowledge to navigate these measures, youth-led social enterprises can increase their access to finance.
- **Raising the profile of social enterprises more generally, including through legal frameworks, can boost the recognition of youth-led social enterprises.** Developing strong framework conditions for social enterprises through clear legal frameworks that are co-created with social enterprises. Awareness raising campaigns (e.g. Social Enterprise UK's "Buy Social" campaign), awards and events (e.g. Forbes "30 under 30" or the Youth Social Enterprise World Forum), can help educate both the public and policy makers about the positive social and environmental impacts generated by youth-led social enterprises. Awards that recognise youth-led social enterprises also help to raise their profile and inspire others to use social entrepreneurship to address challenges in their own communities.
- **Improving the evidence base on youth-led social enterprises**. Collecting data disaggregated by age (and gender) as well as evidence on the nature of skills needed, the success and performance of youth-led social enterprises and support programmes, is an important step towards informing policies that effectively support them. Together with clear definitions of social enterprises (e.g. in terms of legal definitions or statuses) that are recorded, existing business registries, labour force surveys and programme data can serve as an initial step in understanding the size and characteristics of the social enterprise labour market, its growth prospects and the effectiveness of programmes. In the United Kingdom, the Department for Digital, Culture, Media and Sport and the Department for Business, Energy and Industrial Strategy are conducting periodical assessments of social enterprise market trends based on existing SME survey data. The Province of Québec (Canada) is regularly collecting detailed data on youth-led social enterprises. This requires a clear definition and common criteria for social enterprises across government institutions.
- **Giving young people a seat at the table so that their perspectives and needs are considered and addressed in policy frameworks**. Countries, regions and local authorities can extend existing public engagement practices to specifically incorporate young social entrepreneurs into stakeholder consultation processes. This can include ad hoc consultations of youth organisations as part of financial support schemes or infrastructure investments (e.g. for urban infrastructures, youth centres, or business support services), targeted outreach to young people on social economy employment, as is done in Brazil, or through the creation of youth advisory bodies, as is done in France where one fifth of the members appointed to the National Council of the Social Economy (policy shaping body) in 2015 were youth.



Young people aspire to entrepreneurial jobs with social impact.

45% of young people plan to become entrepreneurs after graduating.
(OECD/European Commission, 2021)

5% of young people are actively working on a start-up.
(OECD/European Commission, 2021)

40% of young people prioritise social impact in career choices
(World Economic Forum, 2017)

Social enterprises offer employment opportunities to young people.

10% of businesses in Europe are social enterprises
(Monzón and Chaves, 2016)

28% of social entrepreneurs in Western Europe are age 18-34.
(Bosma et al., 2016)

18% of French social enterprise employees are expected to retire by 2028.
(ESS France, 2020)

Youth-led social enterprises present a double opportunity for young people: to run businesses that drive social impact



Youth-led social enterprises face a double bind due to their nature and age...

This intensifies four main challenges: Policy makers can address them by:



Giving young people a seat at the table

- Access to knowledge and skills → Promoting skills development to run and scale social enterprises
- Access to funding and finance → Encouraging private investment and developing tailored finance and funding
- Navigating legal frameworks → Raising the profile of social enterprises
- Low visibility → Improving the evidence base on social enterprises

1 Introduction

Young people are increasingly turning to entrepreneurial careers where they can make a difference. The 2021 Eurobarometer Youth Survey finds that young people (16 to 30 years old) prioritise pursuing careers where they can achieve goals such as tackling poverty and inequality, combatting climate change, or reducing unemployment (European Parliament, 2021[1]). Nearly half of 17 to 26 year olds surveyed in 45 countries across Africa, the Americas, Asia Pacific, Europe and the Middle East are making choices on the types of work and organisations they will work for based on their ethics (Deloitte, 2021[2]), and 40.6% of 18-35 years olds worldwide see a sense of purpose or an impact on society as one of the most important criteria when considering job opportunities (World Economic Forum, 2017[3]). In Europe and North America, young people now rank impact on society above salary and financial compensation when considering job opportunities (Gardiner and Goedhuys, 2020[4]). In a recent "changemaker" survey, 80% of young people reported the COVID-19 pandemic had increased their wish to make a change in the world (Ioan, 2021[5]). Many of these young people also have strong entrepreneurial ambitions: more than 40% of university graduates in OECD countries aspire to become entrepreneurs and across countries at least two in five aspiring social entrepreneurs are below the age of 34 (OECD/European Commission, 2021[6]; Bosma et al., 2016[7]).

Social enterprises[1] are well positioned to meet these ambitions for young people while strengthening resilience of jobs and enhancing social impact. Social enterprises promote economic resilience and have helped to achieve faster labour market recovery after crises in many countries such as Italy, Portugal and Spain (Jiménez and Strano, 2018[8]; Cooperatives Europe, 2020[9]). These entities belong to the social economy. In Europe, based on estimates, there are 2.8 million social economy entities (associations, cooperatives, mutual organisations, foundations, including social enterprises), representing 10% of all businesses. They employ almost 13.6 million people, about 6.2% of European employees (Monzón and Chaves, 2016[10]). Yet the true scale may be higher (Dupain et al., 2021[11]) given the different legal forms and definitions used for social economy entities.

However, youth-led social enterprises face a double bind resulting from the age of their founders and the challenges arising from the characteristics of social enterprises. The challenges resulting from this double bind – in particular access to funds, access to skills, orientation in legal frameworks and a lack of visibility and recognition of what social enterprises are – present obstacles to realise the full potential of youth-led social enterprises. This paper analyses the drivers and potential benefits of youth-led social enterprises (section 1) and the challenges they face (section 2), before proposing policy guidance to address them (section 3). Using information gathered from desk research, interviews and survey data, it identifies policy measures that can provide targeted assistance to youth-led social enterprises. Finally, the paper provides a selection of specialised support programmes for youth-led social enterprises at the national and international level in Annex B.

[1] For further details on definitions used in this brief, see Box 1.

Box 1. Definitions

In line with the OECD Recommendation of the Council on the Social and Solidarity Economy and Social Innovation [OECD/LEGAL/0472], the **social economy** refers to a set of organisations such as associations, cooperatives, foundations, mutual organisations and social enterprises whose activity is driven by the values of solidarity, people over capital and democratic and participatory governance (OECD, 2018[12]). Organisations within the social economy use business models based on collaboration and mutual support as they seek to resolve social and environmental problems.

Social enterprises include any private entrepreneurial activity that strives to benefit the general interest by pursuing specific social, environmental and economic goals rather than the maximisation of profit for personal gain (OECD, 1999[13]). Social enterprises often leverage innovative business solutions to address social problems such as unemployment and social exclusion. More recent OECD analysis suggests that social enterprises are characterised by an entrepreneurial approach, with their income primarily generated through commercial activities, rather than grants and donations. Social enterprises may emerge from within the social economy or as spinouts from broader private sector activity (OECD, 2022[14]).

The European Commission defines social enterprises as organisations in the social economy "whose main objective is to have a social impact rather than make a profit for their owners or shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities" (European Commission, 2011[15]).

The term social enterprise does not necessarily imply a single legal form, and social enterprises adopt a diversity of legal forms depending on the countries or regions in which they operate as well as the entrepreneurial approaches that they employ. For example, Italy utilises a broad definition of social enterprises that includes any not-for-profit legal entity that meets specific criteria (Decree 112/2017, 2017[16]). Other countries have created specific legal forms that qualify as social enterprises but utilise a different name, such as social impact companies in Luxembourg.

Many countries have no legal form or legal status for social enterprises. Even without specific legal recognition, *de facto* social enterprises that fulfil the operational definition of a social enterprise may be present. For example, although both the Netherlands and the United States have yet to adopt a specific legal form for social enterprises, *de facto* social enterprises are prevalent in both countries.

Social impact, in a narrow sense, refers to the transformative (potential, assumed, and/or achieved) effects of an intervention on individuals and communities, and the interaction between them (OECD, 2019[17]; European Commission, 2014[18]). In practice, social impact can be conceived as broader and encompasses the environmental, economic or governance dimensions of interventions and entities, since they ultimately bear societal consequences (OECD, 2021[19]).

Young people are defined as 15-29 years of age for the purposes of this paper. This definition is in line with the definition of young-people included in the Updated OECD Youth Action Plan [C/MIN(2021)3] and the OECD Recommendation of the Council on Creating Better Opportunities for Young People [OECD/LEGAL/0474].

Youth-led social enterprises are defined as social enterprises that were founded or are led by young people, i.e. at least one young person holds an executive position in the organisation.

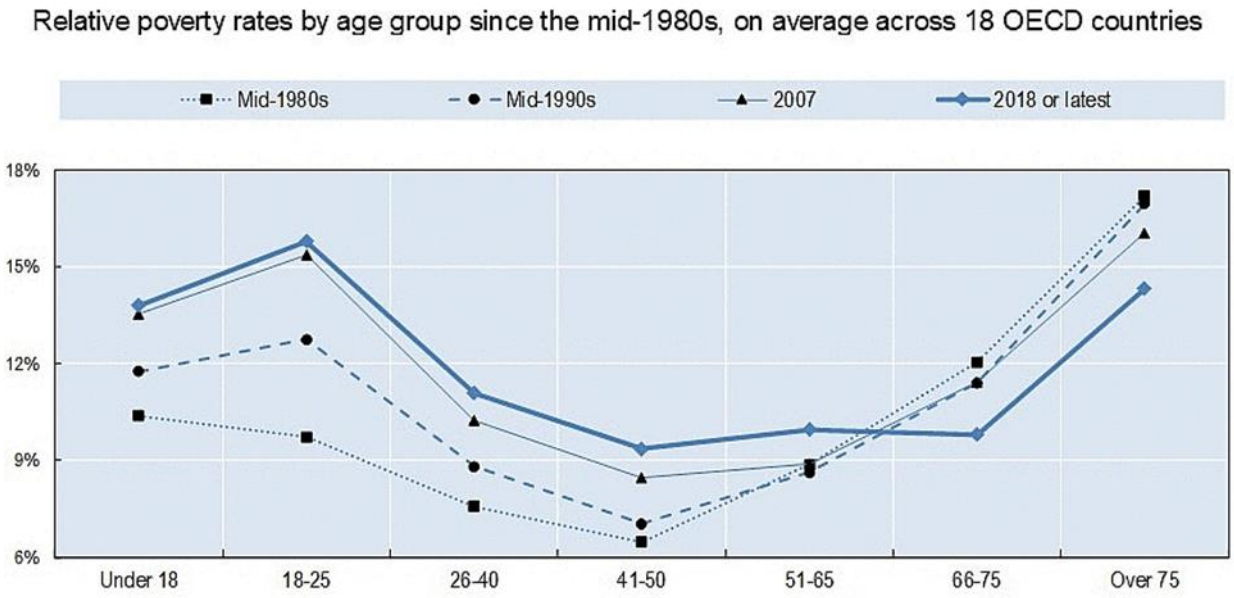
2 Why support youth-led social enterprises?

Young people increasingly prioritise entrepreneurial careers that achieve social and environmental impact. Social enterprises can provide young people with a way to achieve these twin objectives. In times of rising income inequality, including between age groups in many countries, as well as increased youth mobilisation around climate change and social justice, opportunities offered by social enterprises can contribute to much needed resilient and green jobs for the future. More and more youth-led social enterprises are proposing entrepreneurial solutions to issues faced by young people and their communities and are interested, and engaging in social entrepreneurship and social enterprises.

Young people are facing more volatile labour markets and slower income growth

Today's young people face a different set of challenges to live independently and get started in the workforce compared to older age groups. They are the first generation to earn less income than previous generations at their age and face rising cost of living and housing prices (OECD, 2020[20]). Relative to prior generations, they also accumulate wealth more slowly and are much less likely to own a home due to factors such as labour market volatility, rising age of labour market entrances, higher living and education costs, and slower earnings' growth amongst others (Cribb, Hood and Hoyle, 2018[21]; Bonnet, Garbinti and Grobon, 2019[22]; OECD, 2020[23]; Balestra and Tonkin, 2018[24]). Since the mid-1980's, the poverty rate of young people increased from 10% to 16% while poverty rates for the elderly fell during the same period (OECD, 2021[25]) (Figure 1). Prior to the COVID-19 crisis, 68 million young people globally were looking for a job, more than 123 million young people were working, yet living in poverty, and around 270 million young people were not in employment, education or training (NEET) (ILO, 2021[26]). Worldwide, the share of NEET youth rose to 23.3% in 2020, the highest level in over 15 years (ILO, 2022[27]). Across OECD countries, on average, 14.5% of 15- to 29-year-olds were classified as NEET in 2021 (OECD, 2022[28]).

Figure 1. Shifting of poverty risks from the elderly to the young



Source: OECD Income Distribution Database (http://oe.cd.idd)

The COVID-19 crisis disproportionately increased unemployment and job precarity among young people compared to other age groups (ILO, 2020[29]; OECD, 2022[30]). The OECD estimates that this impact was nearly twice as strong as on other age groups (OECD, 2021[31]) because they disproportionately hold temporary contract work in the gig economy or in the industries most affected by the crisis (e.g. the service and cultural sectors), among other factors (Chacaltana and Dasgupta, 2021[32]; OECD, 2020[33]). Youth unemployment across OECD countries reached 14% on average for 15–29-year-olds in April and May 2021 (OECD, 2021[34]). While these figures have since decreased in the aftermath of the pandemic (10.7% in June 2022) (OECD, 2022[30]), together with other factors, this has increased young people's anxiety for the future and amplified concerns around scarring effects on employment paths, well-being and mental health (OECD, 2022[35]).

Social enterprises are helping alleviate some of these burdens while offering opportunities for young people to build capacity to act for themselves. For example, in Australia, work integration social enterprises have been found to improve young people's physical health, spur healthier behaviours and support their mental health (Barraket et al., 2022[36]). Many social enterprises work are active in the field of social work or education, where they help advance young people's educational outcomes, support labour market entry or provide additional training and support (OECD/European Commission, 2013[37]). Social enterprises and training programmes for young social entrepreneurs have also been found to foster young people's self-confidence, agency, entrepreneurship skills and social problem solving skills (De Simone and Tora, 2016[38]; Bisanz, Hueber and Lindner, 2019[39]).

Social enterprises provide resilient employment opportunities

Employment in social enterprises has proven to be more resilient throughout crises. Following the 2007/08 financial crisis, social economy organisations experienced lower levels of job losses than traditional enterprises (Monzón and Chaves, 2016[10]). During the COVID-19 pandemic, two-thirds of social enterprises have significantly altered their business practices to continue their activities. However, only 1% of social enterprises surveyed by the British Council were forced to close due to the ongoing pandemic

(British Council, 2020[40]). In past crises, social enterprises and cooperatives helped to spur faster labour market recoveries compared to other types of companies (Cooperatives Europe, 2020[9]; Jiménez and Strano, 2018[8]). In Italy, for example, employment in cooperatives increased by 8% between 2007 and 2011 while overall employment decreased by 1.2% (ISTAT, 2017[41]). While in some cases resilience may be linked to contracts with the public sector, it is also likely due to a more worker-focused approach to management.

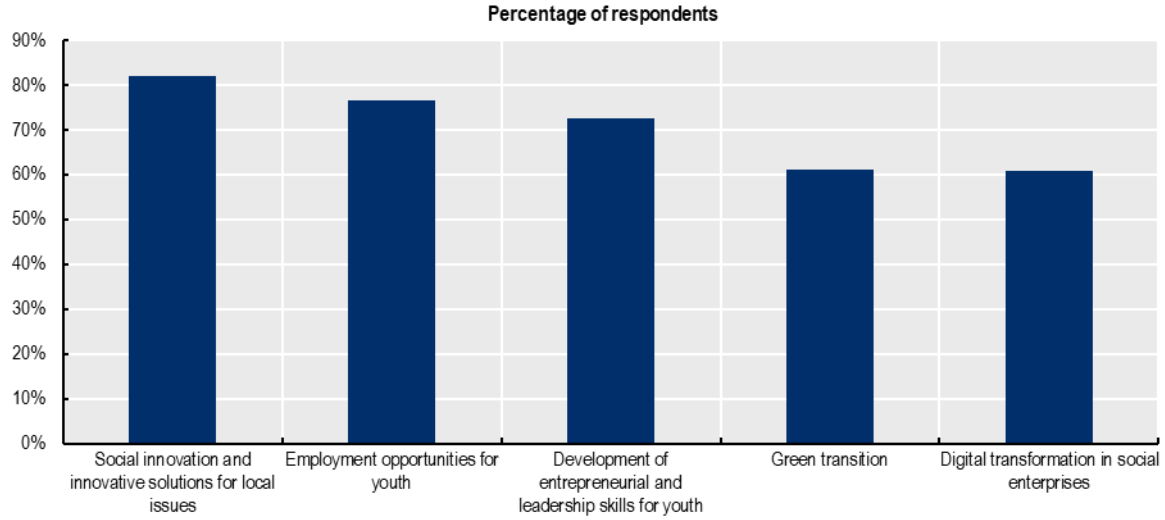
Job creation through social enterprises seems to be steady despite economic crises. In some countries, social enterprises help to combat unemployment, including for young people, and they have the potential to do more. The Siemens foundation found that social enterprises have the potential to create an extra 1 million jobs in 12 African countries by 2030, resulting in an increase in employment by 23% from 2020 (Siemens Stiftung, 2020[42]). Between 2007 and 2011, Italy has seen an increase in employment through social cooperatives by 17.3% percent (ISTAT, 2017[41]). In Portugal, for the period 2010-2016, employment and pay evolution in the social economy performed better than in the wider economy. Between 2013 and 2016, employment in the social economy in Portugal increased by 8.5% compared to a 5.8% increase in total employment in the wider economy (CASES/Statistics Portugal, 2019[43]). These evolutions are further boosted by the increases in global impact investing. Between 2018 and 2020 impact investing has grown from USD 715 billion in 2018 to USD 1.845 trillion in 2020 according to the Global Impact Investing Network (GIIN, 2020[44]).

Youth-led social enterprises hold a double opportunity: start businesses that spur social, environmental and economic change

In a period characterised by severe environmental and social challenges, the call from young people for change cannot be overlooked. Youth-led social enterprises hold a double opportunity for doing business with a social impact, pursuing change through entrepreneurial solutions. This potential has been recognised by public figures and organisations like Bill Drayton (with the Ashoka network of changemakers connecting and financially supporting social entrepreneurs and community organisers) and Mohammed Yunus (with the Grameen Bank providing pro-bono financial services and microcredit for local solutions to combat poverty) have been supporting the creation of social enterprises since the 1980s.

Social enterprises do business in a way that upholds the principles and values of the social and solidarity economy, namely the primacy of people and the environment over capital as well as the values of mutuality, solidarity, and inclusion. Through the OECD Youth and Social Enterprise (YSE) survey and discussions with stakeholders, respondents shared their views on the biggest potential for youth-led social enterprises (Annex Box 1.). They most frequently cited social innovation and innovative solutions for local issues (82%), employment opportunities for youth (76%) and the development of essential entrepreneurial and leadership skills for youth (73%) as the main potential benefits of youth-led social enterprises (Figure 2).

Figure 2. Perceived potential of youth-led social enterprises



Note: Selection of multiple answers possible. Results for all respondents based on all viable responses to this question (n=392). Unweighted average of all responses.
Source: OECD YSE Survey

Youth-led social enterprises operate in a wide-variety of impact areas and sectors. Many tackle issues linked to environmental protection or climate change, such as the German-founded internet search engine Ecosia, that uses a large share of its profits to combat deforestation (Box 2) or the French energy cooperative pushing at the same time for the uptake of renewable sources of energy and democratising the provision and purchasing of energy (Box 3). Other organisations such as Quid in Italy work to help the most vulnerable (in this case vulnerable women, many having undergone incarceration) while making conscious efforts to protect the environment in the clothing industry, that can be detrimental to people and the planet. To achieve this, they use recovered surplus fabrics and short-distance supply chains to produce clothing (Box 4). SINGA helps refugees and local communities connect to help form professional networks and work opportunities but also foster social contacts of otherwise isolated refugees (Box 5). Meanwhile, Eva and similar platform cooperatives combat issues arising from the gig and platform economy where those looking for work may be more vulnerable to exploitation (Box 6).

Box 2. Combatting deforestation one internet search at a time: Ecosia (Germany & International)

Ecosia is the world's largest not-for-profit search engine. It aims to combat deforestation by planting trees from the profits generated through the search engine activity. It is based in Berlin, Germany and was founded in 2009 by Christian Kroll at age 26. The organisation describes their business model as being hybrid and focusses on a profitable business activity to finance their social impact through the planting of trees. The business promotes transparency by publishing its financial reports as well as regular updates on the number of trees it has planted. The engine is available in 47 languages.

The organisation is climate negative, generating solar energy to power twice as much energy needed for Ecosia searches and advocates for a change of business models towards more socially and environmentally friendly ones. In 2020, the organisation's revenue was EUR 21.9 million and 100% of profits went towards both financing projects directly working in reforestation and climate action. In May

2022, Ecosia reported 20 million active users, over EUR 36 million invested and over 150 million trees planted in over 13 000 planting sites across the world.

The organisation is very active in discussions around social business and the social economy. They are a member of the German Social Enterprise Network (SEND). In 2014, they were certified as a B Corporation in the sector of service with minor environmental footprint. In 2018, the founder handed stewardship of Ecosia to the Purpose Foundation in a legally binding agreement that ensured that company shares could not be sold at a profit or owned by people outside of the company and no profits could be taken out of the company.

Source: https://info.ecosia.org/; https://www.bcorporation.net/en-us/find-a-b-corp/company/ecosia-gmbh

Box 3. Supporting the green transition through renewable energy: Enercoop SCIC-SA (France)

Enercoop is a French cooperative energy provider that focusses on providing 100% renewable energy to private households and businesses as well as local authorities. It was founded in 2005 by Julien Noé at age 27 together with Patrick Behm (45) and around twenty institutional partners, including the French cooperative supermarket chain Biocoop, Greenpeace France and La Nef, a French cooperative bank. Enercoop is the only French electricity provider that belongs to its members, works with 11 local cooperatives and with 400 producers everywhere in France. It is democratically governed and has 100 000 consumers, 61 000 members and 231 employees. In 2019, Enercoop provided 642 GWh of electricity.

The organisation is actively working on the green transition through initiatives such as, for example, a citizen investment fund in green energy (*Energie Partagée*) and a financial tool to fight against energy poverty (*Energie Solidaire*).

Enercoop was one of the first social enterprises to choose the form of *société coopérative d'intérêt collectif anonyme*, a specific legal form that allows social economy organisations to associate all those that would like to act together on behalf of a project.

Source: https://www.enercoop.fr; http://www.les-scic.coop/foire-aux-questions

Box 4. Combining work integration of vulnerable women with the use of recovered surplus fabrics: Quid (Italy)

Quid is an Italian social enterprise that employs 140 staff from diverse backgrounds and paths of life, over 60% with a past of social exclusion and marginalisation It was founded in 2013 by Anna Fiscale (age 25 at the time of founding) and Ludovico Mantoan (31 at founding) in Verona, Italy. They recover high-quality deadstock fabrics and then transform them into limited-edition fashion items for the ethical fashion brand Progetto Quid. 90% of the fabric comes from the Italian territory within a 260 kilometre radius of the production sites. Global fashion brands like Calzedonia, Ferragamo and Elena Mirò work with Quid, as well as companies operating in cosmetics and design with a commitment to sustainability like Ikea, L'Oreal, Unilever and NaturaSì. They donate or sell their fabric waste at reduced prices, and

some also make financial donations. The brand is sold on its own website and in 9 stores, as well as major online stores such as Zalando.

Quid is very committed to its social and environmental mission, as well as gender equality. Between 2013 and May 2022, 1450 kilometres of fabric waste have been recovered. Around 83% of staff are women and 78% of management are women. Their training activities include tailoring workshops in nearby Montorio prison. During the COVID-19 crisis, Quid rapidly shifted production to contribute essential services by fabricating face masks certified by the Italian health service.

Source: https://www.quidorg.it/; https://www.progettoquid.com/2021/05/02/quid-il-nostro-impegno-sociale-e-ambientale/; https://www.progettoquid.com/en/; https://www.progettoquid.com/upcycling/; https://oecd-events.org/social-and-solidarity-economy/session/e689a208-3504-ec11-b563-a085fc3e7f45

Social enterprises offer an alternative that supports young people's entrepreneurial drive and desire for impact

Young people are more inclined to become entrepreneurs than older generations. Today, almost half of young people in OECD countries say they would prefer entrepreneurship compared to working as an employee (OECD, 2021[45]). However, there is a gap between this ambition and engagement in entrepreneurship. Nearly half of university students intend to start a business within 5 years of graduating, yet only 5% of young people aged 18-30 are actively working on a start-up (OECD/European Commission, 2021[6]; OECD/European Commission, 2020[46]). This can be partially attributed to gaps in skills and confidence (OECD/European Commission, 2021[6]). However, traditional entrepreneurship may also offer less attractive incentives in terms of social purpose, an area of increasing importance to young people.

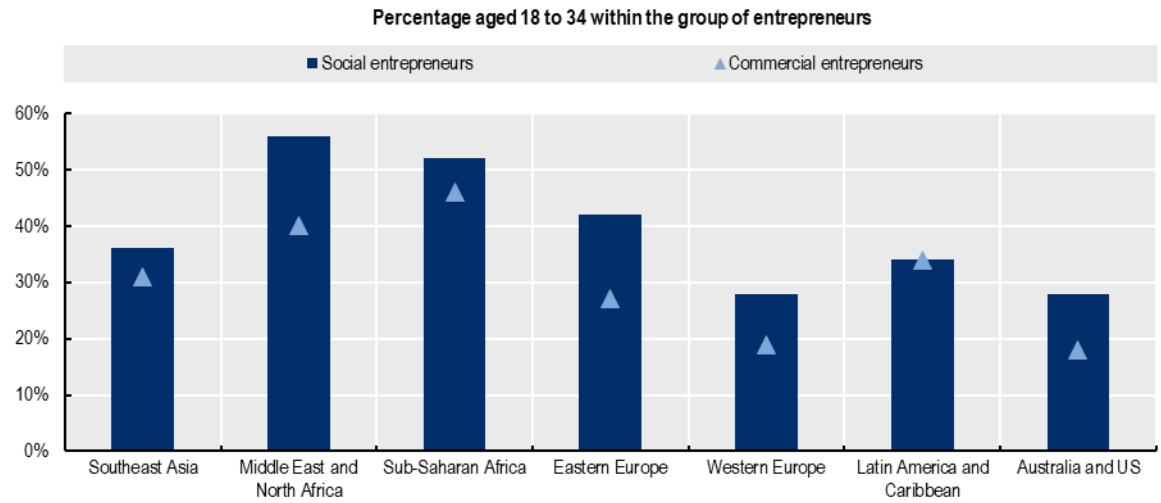
Social enterprises can provide opportunities to young people to fulfil their twin drive for entrepreneurship and social impact. Social enterprises prioritise people's needs and well-being over profit maximisation, which often can result in higher job satisfaction and better working conditions (Puđak and Šimleša, 2020[47]; Donegani, McKay and Moro, 2012[48]; Depedri, Tortia and Carpita, 2010[49]). Social enterprises provide more inclusive ways of operating, better, more stable working-conditions as well as higher job satisfaction and perceived value of the work (ILO, 2022[50]; European Commission, 2021[51]). Creating a social enterprise or working for one is increasingly attractive for young people who may face limited job prospects (Soler-i-Martí et al., 2021[52]; Borzaga, Salvatori and Bodini, 2017[53]).

Young people are increasingly engaging with social enterprises

The share of young people among employees in social enterprises is significant in many countries. It is reported to be around 17.7% (compared to 22.7% in the private sector and 14.3% in the public sector) in France (ESS France, 2020[54]) and 12.8% (compared to 16.4% in other businesses) in Italy (ISTAT/EURICSE, 2021[55]). In Spain, 14.9% of the social enterprise workforce are below the age of 30 (12.6% in the wider economy) (Martínez Martín et al., 2020[56]). In Brazil, 26% of the social enterprise workforce is below 25 years old and 46% are between ages 25 and 39 (Möller et al., 2020[57]). The share of young people in the leadership of social enterprises also varies across countries; from 2% of trustees/board members and 3% of CEOs of social enterprises below the age of 30 in Scotland (United Kingdom) (CEIS, 2019[58]) to 18% of social enterprise board members at 35 or younger in Québec (Canada) (Institut de la Statistique du Québec, 2016[59]). Around 27% of social enterprise in India are led by young people between the ages of 18 and 34 (British Council/Social Enterprise UK, 2016[60]). In MENA countries, the social enterprise movement seems to be mainly led by young people (Schwab Foundation/World Economic Forum, 2022[61]).

The share of young people among social entrepreneurs is higher than among commercial entrepreneurs across countries. According to the Global Entrepreneurship Monitor's (GEM) 2015 special data collection on social entrepreneurship, in Western Europe the share of young people among social entrepreneurs is 28% compared to 19% among commercial entrepreneurs (Bosma et al., 2016[7]) (Figure 3). In the Middle East and North Africa, young people make up 56% of social entrepreneurs compared to 40% of traditional entrepreneurs (Bosma et al., 2016[7]). For the United States, GEM data reveals that 41% of social entrepreneurs are between 18 and 34 (Terjesen, 2017[62]). UNESCAP and the British Council estimate between 51% and 88% of social enterprises in Southeast Asian countries to be led by people up to the age of 44 (British Council/UNESCAP, 2021[63]). Young people also constitute large shares of aspiring social entrepreneurs: between 38% of aspiring social entrepreneurs in Western Europe and 61% in Sub-Saharan Africa are below the age of 34. Young people have been reported to have better knowledge of the needs of their communities that they can use to drive innovations, in particular through their mastery of digital skills (United Nations, 2020[64]). This includes the provision of employment opportunities to refugees (e.g. SINGA, Box 5) and addressing issues of working conditions in the platform and gig-economy through new platform solutions (e.g. EVA, Box 6) (International Cooperative Alliance, 2021[65]).

Figure 3. Youth-led social entrepreneurship compared to traditional entrepreneurship



Note: In 2015, the Global Entrepreneurship Monitor surveyed 167 793 adults in 58 economies on their entrepreneurship activity. Social entrepreneurs are defined as individuals who are currently leading any kind of activity, organisation or initiative that has a particularly social, environmental or community objective. For more details on the methodology, see source.
Source: (Bosma et al., 2016[7])

Box 5. Supporting social inclusion for refugees and migrants: SINGA (Western Europe & Canada)

SINGA was established in 2012 by Nathanaël Molle and Guillaume Capelle, aged 24 and 25, to connect refugees with their new communities, find employment and engage in social activities. Today, SINGA has over 50 000 members and 90 full-time employees located across seven countries (Belgium, Canada, France, Germany, Luxembourg, Spain and Switzerland).

A core part of SINGA's operations is providing business incubation services to refugees and migrants as well as individuals seeking to launch migration-related initiatives. SINGA operates nine incubators and one accelerator in France, Germany, Italy and Switzerland, each of which can support up to ten companies each year. Building on the success of its incubator programme, SINGA expanded its services to support entrepreneurs from the pre-incubation to the acceleration phase. To date, SINGA has helped to launch 337 companies, 62% of which created new jobs within six months of their creation. Businesses launched through SINGA's incubator programme currently operate in various sectors including the hospitality, education, healthcare and technology sectors.

SINGA also launched CALM (*Comme à la maison* – like at home) in 2015, which is an online platform that connects refugees seeking housing with hosts. Active in Belgium and France, this programme offers refugees housing with local residents for a period of three to twelve months. In addition to providing housing solutions, CALM helps refugees integrate into communities by improving their language skills and helping them find employment or start a business. In its first three years of operation, CALM found housing for over 619 people and developed a network of more than 1 222 hosts.

Originally founded as an association, SINGA has utilised many legal forms to facilitate its international expansion and access a more diverse range of revenue streams. It now operates 17 distinct organisations across seven countries, which largely function as NGOs in addition to two social enterprises established in Germany and a planned consultancy in France.

Source: https://singafrance.com; https://business.lesechos.fr/entrepreneurs/communaute/0603358754486-singa-entreprendre-avec-les-migrants-et-sur-les-migrations-338350.php

Box 6. Cooperative rideshare platform: Eva (Canada)

Eva is a co-operatively owned ridesharing and delivery application that operates in five cities across Canada. Launched in 2019 by Dardan Isufi and Raphaël Gaudreault, aged 21 and 22, this platform cooperative quickly established itself as the second most used ridesharing app in Québec. Motivated to address economic disparity and problems with mainstream ridesharing platforms, Eva uses a block chain-based platform connecting riders to drivers (who are worker-owners of the cooperative) at fixed prices.

In response to the disruptions to its business model caused by the COVID-19 pandemic, Eva expanded its services to include instant deliveries of food, groceries, healthcare equipment and other goods. It now offers goods from hundreds of retailers and its network of over 3 000 drivers completed over 165 000 deliveries in 2021 alone, marking a 700% increase in business in one year. This rapid expansion enabled Eva to raise CAN 1.2 million in December 2021, which the cooperative plans to use to develop new products and expand into new markets.

Eva's business model enables consumers, drivers and restaurants to become members in a democratically run cooperative. Members of the cooperative vote in general assemblies on a range of business decisions such as the price of rides or the commission paid to drivers and riders. This helps prices remain competitive while ensuring drivers and participating restaurants can sell their goods and services at fair prices.

This cooperative highlights the potential for young people to design innovative, high-tech social enterprise models capable of competing in, and disrupting, extremely competitive sectors.

Source: https://apnews.com/press-release/pr-newswire/technology-business-canada-software-montreal-a9070b0977435553310abdb3c26348fb; https://beststartup.ca/dardan-isufi-ride-share-app-entirely-based-on-blockchain-connecting-riders-to-drivers-with-pre-determined-and-fixed-pricing/; https://www.villedemont-tremblant.qc.ca/en/news/la-cooperative-deconomie-sociale-eva-offre-maintenant-ses-services-de-livraison-a-mont-tremblant; https://betakit.com/armed-with-1-2-million-eva-plans-to-bring-ride-sharing-and-delivery-software-to-new-markets/

In some countries, social economy networks flag an increasing need to recruit young people to replenish the workforce, often providing essential services to the most vulnerable, including young people. In many countries (e.g. Belgium, France, Spain, Portugal), a wide variety of social services are provided by social enterprises and other social economy actors.[2] Young people need to be recruited to help ensure the continuity of these services. In France, for example, over 750 000 social enterprise employees are projected to retire by 2028 (ESS France, 2020[54]). French-speaking Belgium, is also experiencing an accelerating demographic change among social economy workers, with 8% of the workforce above 60 (compared to 6.3% in the classic economy) and the share of young people below the age of 20 decreasing to 0.1% (compared to 0.8% in the broader economy) in 2019/20 (Observatoire de l'Economie Sociale, 2022[66]). This concerns in particular the education, health care and social services sectors.

Social enterprises can help young people acquire work experience as well as essential leadership and transformative skills for better job prospects. Young people who have acquired people-centred and sustainability focussed mind-sets and skills as leaders in social enterprises carry these into the wider economy and support its transformation towards more sustainable practices as intrapreneurs (i.e. employees within an organisation that apply entrepreneurial approaches to advance innovation and organisational development) (Grayson, McLaren and Spitzeck, 2011[67]; Huang, Yang Lin and Hsieh, 2021[68]).In this context, the familiarity with social enterprises prior to entering labour markets can be an important factor. A large number of higher education institutions in different regions of the world already engage with social enterprises for this purpose. For example, 89% of higher education institutions in the United Kingdom surveyed by the British Council, 88% in Mexico and 62% in the United States were working with social enterprises in 2016 (British Council/SERIO, 2016[69]).

[2] Definitions of which entities are considered social enterprises vary by country. Generally, these entities comply with three criteria : i) the primacy of people over profit; ii) the need to generate income at least partially from a market activity and iii) the need to reinvest their surplus/profit mainly into said activity (European Commission, 2015[154]; OECD, 2022[14]). The paper aligns with the definitions provided in individual country mappings conducted by the European Commission for France, Italy, Spain and the United Kingdom (Petrella and Richez-Battesti, 2020[125]; Borzaga, 2020[152]; Díaz, Marcuello and Nogales, 2020[153]; Lyon, Stumbitz and Vickers, 2019[151]). Figures for Québec (Canada), extend to the social economy at large and may include organisations without market activity.

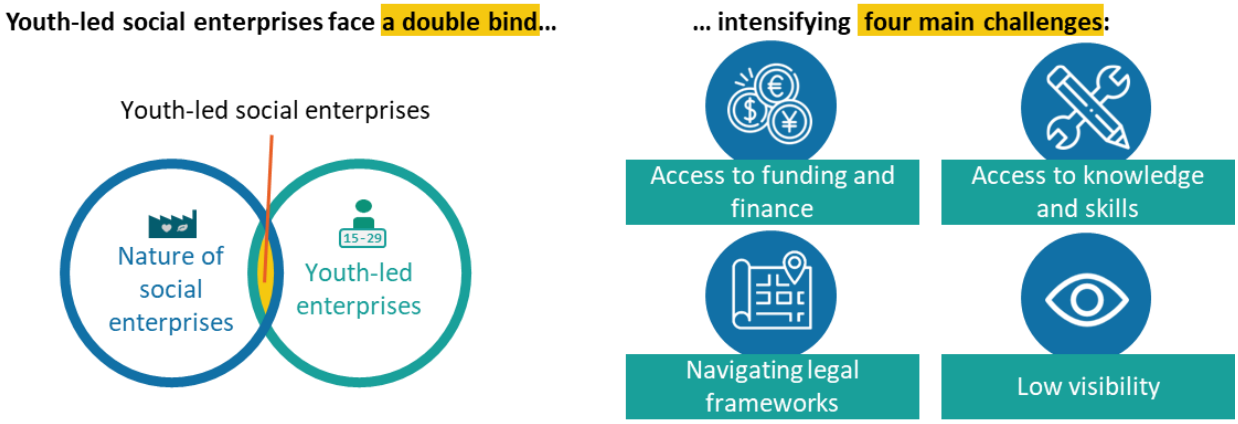
3 Which challenges do youth-led social enterprises face?

The combination of the challenges faced by social enterprises and young people in particular in founding, operating and scaling a viable enterprise compound each other. This results in a double bind that amplifies the obstacles youth-led social enterprises face; in particular, those related to access to finance, access to skills, the use of legal frameworks and visibility.

Youth-led social enterprises face a double bind resulting from the age of their founders and the specific features of social enterprises

Young people face a double bind when entering into social entrepreneurship, which creates notable challenges to starting and scaling social enterprises. While many of the hurdles linked to the social entrepreneurship ecosystem likely affect social enterprise leaders of all ages, some areas affect young people more strongly (Figure 4). These effects can be described as a double bind: young people are affected by many of the same issues as social entrepreneurs more generally, such as a lack of visibility and understanding of what social entrepreneurship and social enterprise are. At the same time their age reinforces these effects and others linked to entrepreneurship and enterprises, such as the lack of credit history which provides a further obstacle to raising finance.

Figure 4. The double bind faced by youth-led social enterprises

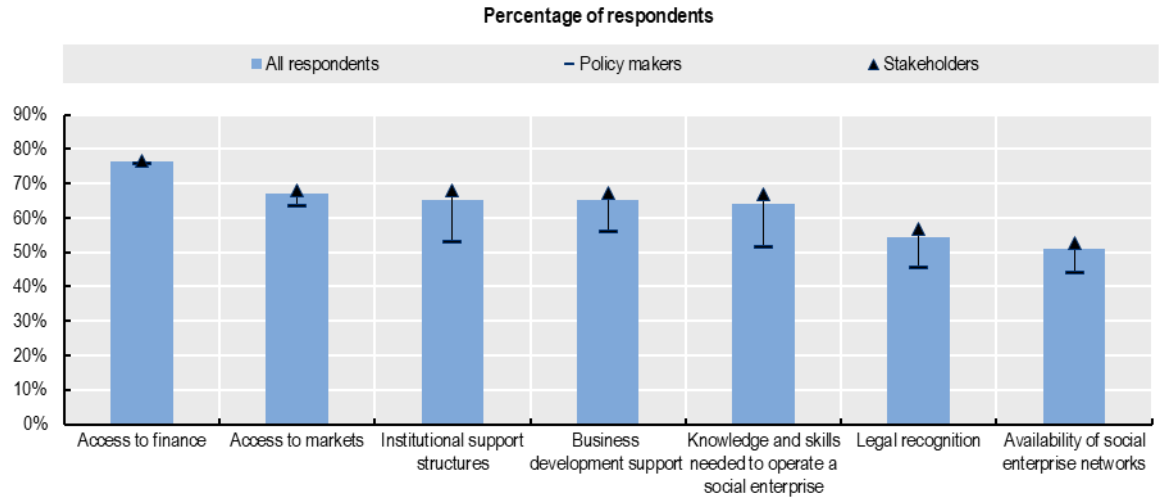


Source: Authors' elaboration, based on literature review, survey and interviews.

They face particular challenges in accessing finance, business development support, and knowledge and skills. Other areas such as access to markets, institutional support structures and legal recognition also hold important challenges for young people. In the OECD YSE survey, more than three

quarters of respondents agreed that youth-led social enterprises are particularly concerned by at least one of these challenges (Figure 5). The most frequently reported challenges were access to finance (76%), access to markets (67%) and institutional support structures (65%). However, in terms of knowledge and skills needed to operate a social enterprise, lack of institutional support structures and business development support, stakeholders and policy makers seem to diverge in their assessment of the gravity of these challenges. Across all three areas, a higher share of stakeholders considers these to be a challenge than of policy makers. This may be due to a lack of awareness of youth-led social enterprises by policy makers and of opportunities to engage with them directly.

Figure 5. Challenges faced by youth-led social enterprises



Note: Selection of multiple answers possible. Results for all respondents based on all viable responses to this question (n=353). Unweighted average of all responses.
Source: OECD YSE Survey

Access to finance is a major obstacle for youth-led social enterprises

Social enterprises face specific challenges to access capital

Social enterprises face specific obstacles compared to traditional firms to launch and operate their businesses. Most early-stage social enterprises are unable to cover more than 75% of the business operating costs with revenue (OECD/European Commission, 2016[70]). As a result, access to outside capital can make the difference between survival and failure. Operating a social enterprise requires developing a financially sustainable business model, which is commonly cited as one of the primary barriers to establishing and scaling social enterprises (OECD/European Commission, 2016[70]). Social enterprises have difficulty accessing credit in most OECD countries (OECD/European Commission, 2013[37]). Data indicates that most social entrepreneurs rely on their own funds to establish a social enterprise (Bosma et al., 2016[7]). For social entrepreneurs who cannot establish or scale their business using their own savings, they must seek outside sources of capital, such as grants or loans.

The combination of hybrid sources of income and non-traditional legal forms presents a further challenge to access loan or grant seed funding. Social enterprises that adopt less common legal forms such as cooperatives or associations may struggle to attract capital simply because banks and other private sources of finance are unfamiliar with these forms and associated business models. Many social enterprises utilise innovative unconventional hybrid business models that make it challenging to follow

established for-profit or non-profit funding paths (Shaffer, 2015[71]). For example, in Ireland, most social enterprises are registered as companies limited by guarantee that also adopt a charitable status to enable them to access public grants and benefit from preferential tax status (OECD, forthcoming[72]). Social enterprises that adopt this hybrid status may struggle to access investors and loans as they do not recognise their entrepreneurial nature since most registered charities do not generate traded income (OECD, forthcoming[72]). This can make it challenging and sometimes impossible for social enterprises to access traditional sources of finance, such as bank loans (OECD/European Commission, 2013[37]). On the other hand, social enterprises that adopt more mainstream commercial business models may be excluded from obtaining funding from many charities and philanthropic foundations as they frown upon the market activities that are typically part of the hybrid business models of social enterprises (Lyons and Kickul, 2013[73]).

Challenges associated with measuring non-market impacts of investments add another layer of complexity to investors' decision making processes. This is partly due to a lack of standardised social impact measurement for social enterprises (McKinsey, 2016[74]; OECD, 2021[19]). Despite efforts to harmonise social impact measurement practices at the international level and disseminate existing good practices and increasing uptake, measuring their social impact remains a complex endeavour for social enterprises (GECES, 2014[75]; OECD/European Commission, 2015[76]). This is linked to multiple challenges for social enterprises to measure their social impact including the complexity of measuring intangible effects, the lack of skills and resources and the need to reconcile external accountability requirements with internal needs to generate impact, steer activities, learn and improve (OECD, 2021[19]). Consequently, it may still be challenging for investors to assess the social impact generated by social enterprises and propose appropriate financial support.

Social enterprises would benefit from specialised financial instruments that reduce their reliance on grant-based funding. Grant funding from governments and philanthropy organisations, which prioritise social returns, have typically played a central role in providing seed funding to social enterprises. In the Netherlands, for example, early-stage social enterprises disproportionately rely on subsidies, donations and grants to fund their operations, with 41% relying on general subsidies, 31% on donations and 29% of labour market participation systems (European Commission, 2020[77]; McKinsey, 2016[74]). Many countries have acted to provide social enterprises with public funding instruments, particularly grants and subsidies (OECD, 2022[14]). In countries where the concept of social enterprises lacks a formal definition, different understandings of it may contribute to fragmented and even contradictory policy across ministries and other government institutions (OECD, 2022[14]).

Traditional firms and social enterprises advance along distinct capital curves, requiring different types of funding at different growth stages. Traditional firms typically progress along a well-established path from start-up finance via venture capital and public debt to equity markets (Bishop and Green, 2010[78]; Trelstad and Katz, 2011[79]). Capital markets have evolved over centuries to develop a multitude of financial instruments that help firms find the right funders at the right time. In contrast, the hybrid business models developed by social enterprises present unique challenges to funders and donors alike. Due to their social and/or environmental objectives, social enterprises pursue a double or triple bottom line (i.e. people, planet and profit) which makes their business models more complex, and can entail longer paths to financial viability, if it is reached at all (Martin, 2015[80]). These conditions contribute to uncertainty for social entrepreneurs, as available options may differ, based on a number of variables such as the legal form, the adoption of a profit lock, or the size of their business.

Due to limited profitability, long-term orientation and hybrid business models, social enterprises have greater difficulty crossing the "valley of death" compared to other start-ups. Start-ups commonly face a financing gap known as the "valley of death" as they shift from seed money – often obtained through donations or public grants – to growth capital involving investors or traditional lending institutions (OECD/European Commission, 2017[81]). While all start-ups face this funding gap, it is especially challenging for social enterprises pursuing social objectives that are often long term and locally

rooted. This entails slower growth prospects requiring patient capital which in turn can be less attractive to mainstream lenders. Social enterprises seeking to traverse the valley of death typically struggle to access finance as their funding needs have grown too large to be met by donations, but their prospects remain too risky to attract conventional investment or qualify for regular loans (OECD, 2022[82]). In this growth stage, social enterprises struggle to attract venture capital due to the limited potential returns. For example, McKinsey & Company (2016[74]) found that social enterprises in the Netherlands struggled to obtain funding between EUR 50 000 and EUR 500 000, as investments in this range are typically too large for grant-based funding and too small for the risk and costs of professional support to be offset by expected returns. Additionally, many foundations are reluctant to provide grants to business entities regardless of their social objectives (Davies, Haugh and Chambers, 2019[83]; Martin, 2015[80]).

Specialised systems of social finance have emerged in part to address the funding gaps that social enterprises face within the traditional financial system. Social finance helps provide long-term, patient capital that enables social enterprises to pursue their social mission while also engaging in experimentation and social innovation (Andrikopoulos, 2020[84]). Crowdfunding represents an important and growing source of financing for social enterprises that enables them to access donors or investors whose primary concern is their potential social impact of the initiative rather than their business plan or potential profitability (Lehner and Nicholls, 2014[85]). In Europe, crowdfunding increased rapidly from EUR 1.1 billion in 2013 to EUR 7.7 billion in 2016, far outpacing growth in bank lending (OECD/European Commission, 2022[86]).

The emergence of these alternative financing instruments underscores the need for traditional sources of funding to engage more with social enterprises throughout their business lifecycle. This is particularly true when they are able to demonstrate the viability of their social business models (OECD/European Commission, 2013[37]). At the European Union level, the European Social Fund (ESF) published a call for proposals in early 2022 for financial intermediaries to provide investments of less than EUR 500 000 for social enterprises (European Social Fund, 2022[87]). The initiative will provide grants to selected financial intermediaries that incentivise investments into social enterprises by supporting activities such as due diligence and support for business restructuring or investment/scaling readiness activities.

Young people struggle more than older entrepreneurs to access sources of finance, particularly young social entrepreneurs

Young people struggle to access finance, often due to a lack of collateral, personal savings and demonstrated experience (OECD, 2020[33]). Young people are typically viewed to be risky clients by banks and other traditional sources of finance (World Bank, 2020[88]). Young people may also struggle to utilise personal and professional networks to raise funds compared to older entrepreneurs as they have had less time to develop them than their older counterparts. This can inhibit access to finance, as personal connections provide an important mechanism that entrepreneurs can leverage to raise capital and demonstrate the strength of their business proposal to potential investors (Shane and Cable, 2002[89]).

Young social entrepreneurs face a compounded set of challenges to establish and operate a social enterprise. Unlike social enterprises, traditional businesses can design their business plan and balance sheet to attract different types of investors with varied preferences regarding risks and returns on investment (Bugg-Levine, Kogut and Kulatilaka, 2012[90]). Young people leading a company that has demonstrated its potential profitability during its seed and start-up phases will likely prove attractive to investors and traditional sources of finance. In contrast, social enterprises – whose business plans prioritise social objectives over profit – continue to face challenges (Martin, 2015[80]; Bishop and Green, 2010[78]). Even the performance of innovative fundraising techniques such as crowdfunding can still be affected by the size and quality of a social entrepreneur's personal and professional networks, as a significant portion of donations often originate through existing connections (Mitra, Kickul and Robb, 2021[91]).

Even in places with supportive policies already in place, young social entrepreneurs may face gaps in financial and support systems. For example, programmes that support social enterprises may not be tailored to the needs of young social entrepreneurs due to the age-specific challenges such as limited savings and credit history, among others. Young social entrepreneurs thus require targeted funding instruments to help them overcome the specific combination of challenges inhibiting them from accessing many sources of funding, even in countries with otherwise strong entrepreneurial ecosystems.

The lack of specialised skills, education and training impedes uptake and growth of social entrepreneurship among young people

Young people show uneven proficiency in social entrepreneurship skills

Young people may have larger gaps in entrepreneurship skills than the wider population, despite increasing opportunities to learn them in higher education. Access to entrepreneurship training is improving: 46.7% of university students in 58 countries have now attended at least an elective entrepreneurship course during their studies (Sieger et al., 2021[92]). However, only 44% of young people in OECD countries report they have the skills and knowledge to start a business, compared to 49% among the entire adult population (OECD/European Commission, 2021[6]). Young people appear to show lower financial literacy skills and knowledge as well as less prudent financial behaviours than older age groups (OECD, 2020[93]). This particularly affects more disadvantaged young people. Financial literacy higher in populations that have at least a three month financial reserve they can tap into in times of financial duress (OECD, 2020[93]).

Social enterprises demand a unique set of skills to maintain an economically viable business while upholding a social mission. Social entrepreneurship differs from conventional entrepreneurship primarily in the pursuit of a social mission (Åstebro and Hoos, 2021[94]; Dees, 1998[95]). While conceptualisations of necessary skills vary, they commonly include more conventional entrepreneurship competencies such as opportunity recognition, innovation, and business and management (Brock and Steiner, 2009[96]; Orhei, Nandram and Vinke, 2015[97]; Bilbao Sáenz and López Vélez, 2015[98]). They also extend to competencies to address social problems, hybrid resource mobilisation, developing, maintaining and scaling a sustainable business model, and measuring social outcomes and impacts (Kraemer, 2016[99]; Dickel and Eckardt, 2020[100]; Vázquez-Parra, García-González and Ramírez-Montoya, 2021[101]). In terms of management, based on the European Social Entrepreneurship Monitor (ESEM), 75% of social enterprises report high or very high involvement of staff in decision making (Dupain et al., 2021[11]). Social enterprises also include stakeholders and beneficiaries. Appropriately addressing their needs can be particularly challenging in typical democratic governance models. Work on measures of students' social entrepreneurship skills is advancing but has yet to produce internationally comparable results (Capella-Peris et al., 2019[102]; Åstebro and Hoos, 2021[94]). Programmes that address these gaps can help young people to develop transferable skills that will be valuable in their careers and more broadly. For example, social entrepreneurship training has been proven to enhance disadvantaged young people's sense of self-worth and career competence (Tam, Asamoah and Chan, 2021[103]).

The conceptualisation and teaching of "social problem solving" skills is still advancing. While not all of the skills needed to be(come) a successful social entrepreneur can be learned in primary and secondary education, some relevant skills such as social problem solving, collaboration, critical thinking, creativity and innovation are increasingly included in school programmes. OECD Programme for International Student Assessment (PISA) results from 2018 have found that around four in five students in OECD countries and beyond are in schools that teach global issues, such as climate change, equality between men and women and global health (OECD, 2020[104]). In many OECD countries and beyond, the key issues around the above skills and other so-called "21st century competencies" are a lack of common understanding and proven ways to teach these competencies successfully (Vincent-Lancrin et al.,

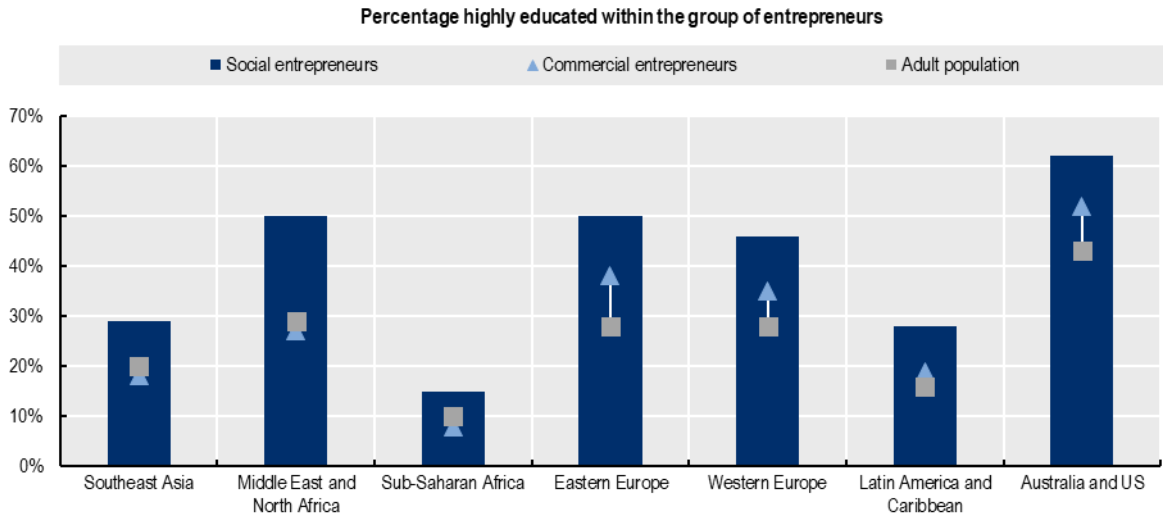
2019[105]; OECD, 2020[106]). Assessments of creative thinking, collaborative problem solving and social and emotional skills more broadly such as those developed by the OECD are beginning to fill these gaps in understanding (Vincent-Lancrin et al., 2019[105]; OECD, 2019[107]; OECD, 2017[108]; OECD, 2021[109]).

Rapidly progressing digitalisation increases the need for social entrepreneurs, in particular young people active in this area, to develop digital skills. For almost half of European Social Enterprise Monitor respondents, digital technology is relevant for their business or impact model, 32% cite mobile apps, 15% AI and machine learning and 14% the Internet of Things as relevant technologies (Dupain et al., 2021[11]). The development of Italian cooperatives, for example, is hindered by a shortage of digital skills (OECD, 2021[110]).This trend has further accelerated with the COVID-19 pandemic, where social enterprises reported an increasing reliance on digitisation to take their activities online and a need for digital skills (British Council, 2020[40]; Social Economy Europe, 2020[111]; Cooperatives Europe, 2020[9]). Young people are leading the digitalisation of social enterprises. Many young social entrepreneurs seem to be specialised in sectors that are particularly digitalisation heavy, namely tech-focussed solutions and personalisation of services via platforms (UNDP/Niti Ayog, 2021[112]). Nonetheless, not all young people are technologically savvy and a significant share of young people are affected by digital skills gaps. The OECD Survey of Adult Skills finds low levels of proficiency in using digital technologies among 25-34 year olds in a number of countries (OECD, 2019[113]). These figures seem to be improving for 16-24 year olds over time but the share of respondents scoring high still remains below 1 in 5 in some countries (OECD, 2019[113]).

Access to social entrepreneurship education and training opportunities is limited

Most social entrepreneurs are highly educated and have prior business experience, which also seems to apply to young people (Bosma et al., 2016[7]; UNDP/Niti Ayog, 2021[112]; Guelich and Bosma, 2018[114]). Among social entrepreneurs, the share of highly educated individuals is higher than among the general adult population and traditional entrepreneurs (Figure 6). Higher education institutions, therefore, hold an important role in social entrepreneurship education in many countries (Brock and Steiner, 2009[96]; OECD, 1999[13]) and almost half of students in EU and OECD countries have received some form of general entrepreneurship education during their studies in 2018 (OECD/European Commission, 2021[6]).

Figure 6. Share of highly educated among entrepreneurs and adult population



Note: In 2015, the Global Entrepreneurship Monitor surveyed 167 793 adults in 58 economies on their social entrepreneurship activity. Social entrepreneurs are defined as individuals who are currently leading any kind of activity, organisation or initiative that has a particularly social, environmental or community objective. For more details on the methodology, see source.
Source: (Bosma et al., 2016[7])

Young people are increasingly exposed to entrepreneurship and social entrepreneurship in higher education. The number of specialised higher education programmes in social entrepreneurship are increasing (European Commission, 2020[77]; European Commission, 2021[115]; Brock and Steiner, 2009[96]). The Open University in the United Kingdom and the *Universidad Nacional de Educación a Distancia* in Spain, for example, offer dedicated social enterprise curricula (European Commission, 2021[115]). Other offers range from full graduate programmes (e.g. the MSc Social Business and Entrepreneurship at the London School of Economics' Marshall Institute, United Kingdom), via concentrations in graduate or undergraduate programmes (e.g. at University of Pennsylvania's Wharton School or Duke University's Centre for the Advancement of Social Entrepreneurship, United States), to electives (e.g. Social Innovation and Social Entrepreneurship at the Hertie School of Governance's master programmes, Germany). Over the past two decades, business and law schools have added a focus on social aspects and social entrepreneurship to their curricula (Brock and Steiner, 2009[96]; Solbreux, Hermans and Pondeville, forthcoming[116]) and social science and social work programmes are increasingly looking to equip their graduates with the skills to tackle social problems with entrepreneurial solutions (Boysen, 2021[117]). Higher education institutions are also increasingly engaging with social enterprises directly (SERIO, 2016[118]).

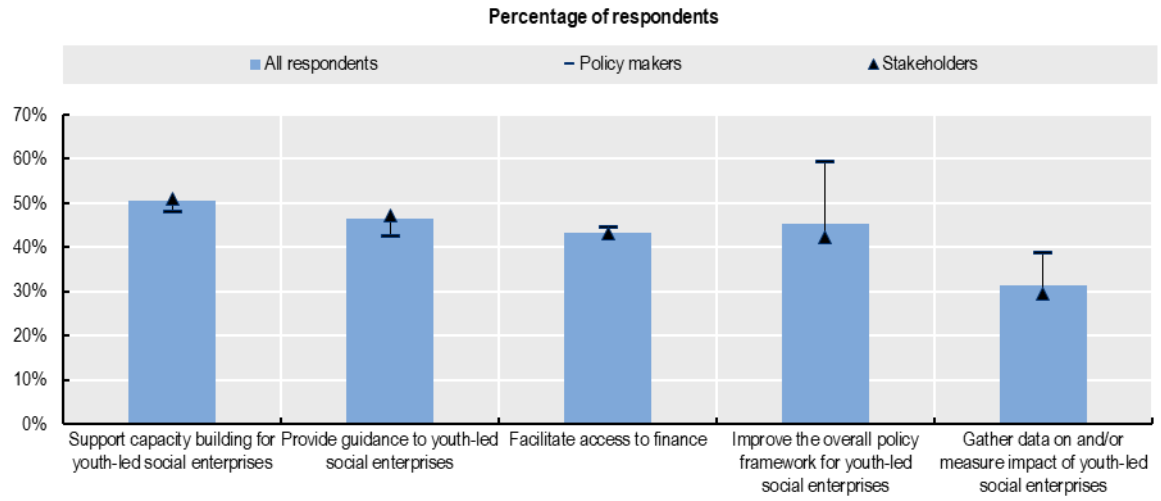
Available courses and training do not typically cover the full spectrum of social entrepreneurship knowledge and skills and often do not reach disadvantaged young people. Access to higher education programmes generally and social entrepreneurship specifically is often limited to groups with higher socio-economic status (OECD, 2021[119]). This is principally linked to three factors: the ability to pay for higher education, the awareness of social entrepreneurship as a career option, and the desirability of pursuing social entrepreneurship considering the opportunity costs of forgoing more stable and lucrative career paths. Often the content, methods and pedagogies used to teach social entrepreneurship are adapted from existing practices of entrepreneurship education and do not match students' expectations and desired and achieved educational outcomes (Solbreux, Hermans and Pondeville, forthcoming[116]; OECD/European Commission, forthcoming[120]). This can be particularly detrimental for students or trainees with less prior knowledge or weaker professional networks.

Primary and secondary education play a key role in establishing social enterprises as a career option. In Europe, social enterprise programmes are emerging in primary and secondary schools, e.g. in Belgium, Germany, Spain and the United Kingdom (European Commission, 2021[115]). Brandenburg's programme *Schule mit Unternehmergeist* (School with Entrepreneurial Spirit) co-funded by the Ministry of Economy and Energy, the Ministry of Education, Youth and Sport and ESF (2018-2021) builds the entrepreneurial knowledge and skills of secondary school students (OECD, 2021[121]). Another example is the Scottish Social Enterprise Strategy, that includes specific provisions to ensure primary and secondary school students are exposed to social enterprises at least once during their compulsory schooling (Box 8). Exposure to these programmes helps build social entrepreneurship skills, while raising awareness about the opportunities available through social entrepreneurship (OECD/European Commission, 2017[81]). The 2015 and 2018 Erasmus+ Youth Start programme, a collaboration between the ministries of education of Austria, Luxembourg, Portugal and Slovenia, was found to have fostered student's personal initiative and entrepreneurship, their social and civic competence and their cultural awareness and expression in primary and secondary schools in Austria (Bisanz, Hueber and Lindner, 2019[39]). The exposure to social entrepreneurship knowledge and skills in primary and secondary education is still lacking in many settings and dedicated social entrepreneurship education programmes are still relatively rare.

Tailored training opportunities are needed to help young people become successful social entrepreneurs. Social entrepreneurship training is the most common measure to build entrepreneurship skills (OECD/European Commission, forthcoming[120]). When carefully designed, social entrepreneurship training can help develop entrepreneurial activities, including starting a social business (Åstebro and Hoos, 2021[94]). Enactus, for example, proposes programmes where young aspiring social entrepreneurs co-create the content (Box 11) (N'Dongo, 2017[122]). Other initiatives, such as La Social Cup in France (Box 15), use competition-based approaches to provide young people with opportunities to develop their skills while competing for seed money or other forms of support such as incubation services. This means that the content and the agenda of these programmes need to be co-designed and periodically updated with young people. This can help retain their relevance over time and brings the added benefit of higher engagement and a sense of ownership among young people.

Institutional support structures, business development and other capacity building measures tailored for young social entrepreneurs are not widely available. Institutional support structures (e.g. action plans or programmes, dedicated statutory bodies, registries, umbrella organisations) and business development support mechanisms (e.g. accessible incubator or accelerator programmes, dedicated hubs, support through chambers of commerce and umbrella organisations) play a central role in developing social entrepreneurship competencies. These support structures are cited as important by almost two thirds of respondents to the OECD YSE survey. At the same time, almost half of respondents are not aware of capacity building support measures for youth-led social enterprises (Figure 7).

Figure 7. Perceived availability of policy support measures for youth-led social enterprises



Note: Selection of multiple answers possible. Results for all respondents based on all viable responses to this question (n=291). Unweighted average of all responses.
Source: OECD YSE Survey

Social enterprise legal frameworks can be difficult to navigate, especially for young people

Although many OECD and non-OECD countries have adopted at least one law regulating social economy entities, fewer have adopted laws related to social enterprises (OECD, 2022[123]). In the absence of a specific legal framework, social entrepreneurs often have to establish social enterprises using alternative legal options that may not completely reflect their hybrid business model. Legal conditions for social enterprises may also vary across regions within the same country. For example, Canada uses different legal forms for social enterprises depending on the province, such as Community Contribution Companies in British Columbia and Community Interest Companies in Nova Scotia (OECD/European Commission, 2022[124]). Additionally, in countries such as Canada, Korea, and the United States, authorities at the regional and local level have independently pursued initiatives to support social enterprises or even established specific legal forms and statuses (OECD, 2022[14]) This creates situations where social enterprises sometimes are not able to access support systems equally across government institutions due to their legal status or business model (e.g. for-profit vs. non-profit).

Broadly speaking, countries have used three approaches to regulate social enterprises (European Commission, 2020[77]):

- specific legal frameworks based on existing cooperative or company legislation (e.g. Canada, Czech Republic, Italy, Latvia, the United Kingdom and the United States);
- new legal statuses that can be adopted by multiple types of organisations (e.g. Belgium, Denmark, France, Italy, Korea, Slovenia); and,
- the recognition of new legal statuses related to the broader social economy or third sector (e.g. France) (OECD, 2022[123]).

Others, such as the Netherlands and Poland, have not adopted any legal framework for social enterprises but have actively pursued alternative approaches to support social enterprise expansion (European Commission, 2020[77]).

Legal frameworks usually help to raise the visibility and awareness of social enterprises, which could be very helpful for youth-led social enterprises. They do so in part by signalling the commitment by public institutions to the importance of social enterprises (OECD, 2022[123]). They can also help to facilitate access to finance for social enterprises. For example, the adoption of a legal framework on social enterprises enabled Slovak social enterprises to access specific funds such as the European Social Fund (ESF) (OECD, 2022[123]).

The diversity of legal forms and statuses available to social enterprises in different countries, or the lack of specialised legal forms in others, can make it particularly difficult for social entrepreneurs to choose the appropriate legal option. Young people may not have the skills and knowledge to navigate these frameworks without specialised legal advice. Moreover, the additional cost of benefiting or securing legal advice may pose a barrier to young people who typically have less access to funding for such service than older age groups. Business development support that directly caters to young people can help address these issues.

Youth-led social enterprises can support reforms to legal frameworks. For example, the German youth-led social enterprise Ecosia (Box 2), a search engine that uses its proceeds to fund global reforestation efforts, was instrumental in mobilising support for the creation of a specific legal form that subjects owners of social enterprises to an asset lock on profits while enabling them to retain control of business decisions, known as a *Gesellschaft mit gebundenem Vermögen* (Ecosia, 2021[125]). In France, Impact France (formerly *Mouvement des Entrepreneurs Sociaux* – MOUVES) which includes many youth-led social enterprises, significantly influenced the definition of what then became the legal status of the solidarity enterprise of social utility (***entreprise solidaire d'utilité sociale*** or ESUS) introduced as part of the French Social Economy law in 2014 (Petrella and Richez-Battesti, 2020[126]) (Box 16).

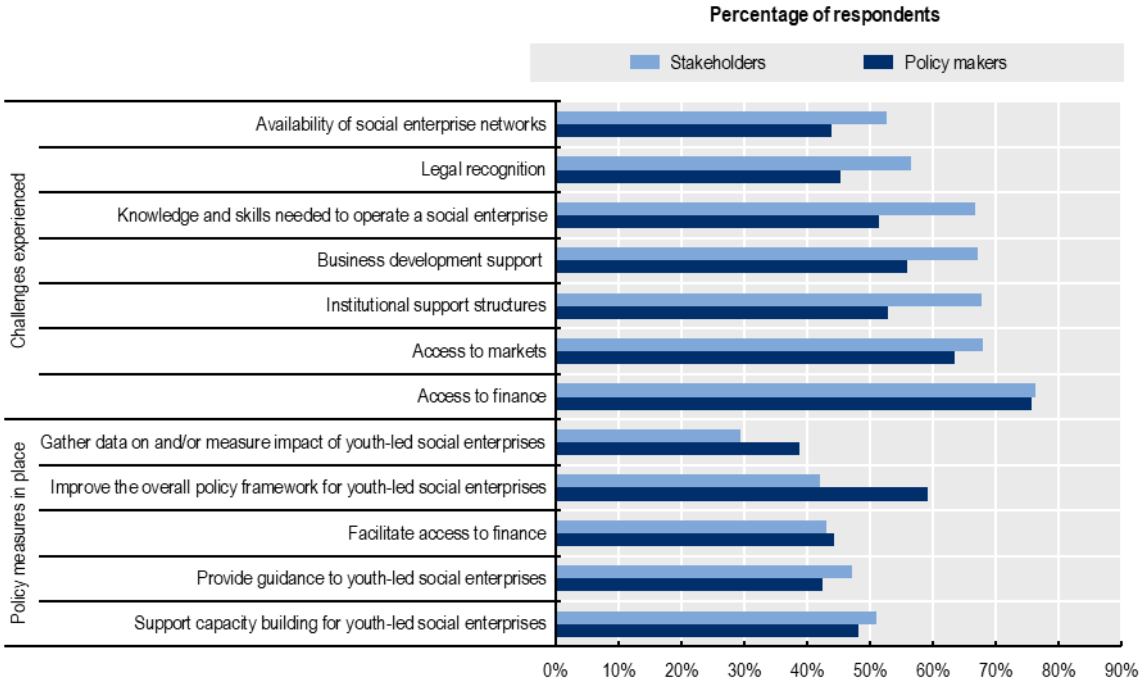
Youth-led social enterprises still lack visibility despite their positive impacts

While social enterprises have been gaining prominence in recent decades, there is still room to raise awareness about their nature, activities and opportunities. Social enterprises are a relatively recent phenomenon, and members of the public and even policy makers may hold competing notions of them. Overall, increasing visibility and growing policy maker engagement has contributed to the development of more robust social enterprise ecosystems that benefit from increased access to finance, access to markets, business support structures, and training and research opportunities (OECD/European Commission, 2016[70]). However, only one third of the adult population surveyed in the GEM reports that social enterprises are common in their countries (Bosma et al., 2016[7]). This coincides with findings from a more recent Thompson Reuters Foundation poll that only around a fourth (26%) of social enterprise experts agree that the public understands what social entrepreneurs do (Thompson Reuters Foundation, 2019[127]).

Awareness about the potential of youth-led social enterprises is even more limited, which are in turn restraining their number and size. Data from different sources suggest that awareness building measures are not sufficiently developed. In a survey among members of 16 young changemaker networks, more than two thirds of respondents highlighted that the gaining visibility, recognition and legitimacy for their work was essential to achieve the desired impact for their initiatives (Ioan, 2021[5]). Incomplete data collection on youth-led social enterprises is a barrier for both policy makers and the public to fully assess their scale and impact, as well as the challenges that they face. Only 37% of respondents to the OECD YSE Survey agree that policy makers in their country are recognising the potential of youth-led social enterprises, and only 24% agree that they are measuring said potential. This lack of awareness undermines the legitimacy of such enterprises to potential partners, which may also inhibit their ability to develop and reach customers (OECD/European Commission, 2016[70]).

More opportunities for meaningful exchange and dialogue between young people and policy makers are needed. The results of the OECD YSE Survey also suggest a divergence between the views and perceptions of stakeholders and policy makers on the challenges faced by youth-led social enterprises and the support provided to them (Figure 8). These results may reflect a lack of opportunity for direct dialogue between policy makers and youth, and create a risk that social enterprise policy measures do not meet the needs of young people. At the same time, young social entrepreneurs deem these opportunities as essential: 94% of youth surveyed by The Possibilists emphasised the importance of increasing collaborations including with institutions and governments to advance the impact of social enterprises (Ioan, 2021[5]). It may also imply that outreach on existing policy measures is not reaching and engaging youth through the right forms of communication and channels. Clear communication on existing initiatives and their benefits for young people is needed and young social entrepreneurship networks, as co-creators and multipliers, can take on that role. The numerous initiatives identified by respondents of the OECD YSE Survey (including 28 international (Annex Table 1) and 27 (Annex Table 2) national and sub-national programmes specifically targeting young people engaging in social entrepreneurship) likely only represent a small share of existing measures.

Figure 8. Differences in views on challenges and policy measures in place



Note: Results for all respondents based on all viable responses, unweighted average of all responses.
Source: OECD YSE Survey

4 How can policy makers support youth-led social enterprises?

Targeted policies can help tackle the barriers faced by young social entrepreneurs (Box 7).

Box 7. Policy recommendations to support youth-led social enterprises

Helping young people develop knowledge and skills to launch, run and scale social enterprises:

- Integrating social entrepreneurship into primary and secondary school curricula. Korea and Scotland (United Kingdom) are already implementing programmes to achieve this.
- Providing higher education programmes and specialised training opportunities in social business skills for aspiring social entrepreneurs in from different backgrounds. Korea is increasing government funding for its Young Social Entrepreneurship support programme by a factor of five.
- Co-creating relevant learning content with young people to solve their communities' problems. Enactus provides young people with opportunities to develop business plans to resolve local social challenges.

Encouraging private investment and developing tailored funding and financing opportunities, accompanied by financial guidance:

- Offering non-repayable grants awarded through application processes or competitions. La Social Cup, France, or Young Social Entrepreneurs Global, Singapore, allow young people to compete to win non-repayable grants and access to dedicated support services.
- Establishing a mix of specialised financial intermediaries, non-repayable grants, publicly funded loans and loan guarantees tailored to meet the needs of young people. The Youth Social Innovation Fund in Ontario (Canada) was designed to provide young people with specialised access to finance.
- Equipping young people to develop the financial knowledge to understand and navigate existing sources of funding by raising awareness and boosting education and business support services. The ADV Foundation in Romania provides coaching and mentoring services to access funding.

Raising the profile of social enterprises, including those led by young people:

- Develop strong framework conditions for social enterprises, such as explicit legal frameworks and accessible and clear guidance on how to choose and set up the appropriate legal framework or status for a social enterprise, disseminated in language and channels accessible to youth. Impact France is engaging in awareness-raising efforts around French legal forms and statuses for social enterprises.

- Annual campaigns and theme weeks that increase interest and awareness of social enterprises among young people. Social Enterprise UK launched “Buy Social” and “Social Saturday” campaigns to draw attention to the field.
- Awards and events that raise the profile of youth-led social enterprises. Forbes “30 under 30” and the Youth Social Enterprise World Forum are examples that inspire young people to engage in social entrepreneurship.

Improving the evidence base on youth-led social enterprises, through existing administrative data or dedicated surveys:

- Collect data on the age of social enterprise founders in business registers and national and international surveys to address information gaps. Québec (Canada) and Italy are examples that collect age-disaggregated data on social enterprises.
- Gather evidence from administrative data and other sources on the performance of youth-led social enterprises, the skills needed to successfully run and scale a social enterprise, or the outcomes of education and training programmes.

Giving young people a seat at the table to address their perspectives and needs in policy frameworks:

- Using engagement practices and targeting young people in consultations. The Brazilian Programme for Promoting Access to Job Opportunities (*Programa Acessuas Trabalho*) directly advertises social economy employment opportunities to young people.
- Including young people in decision making bodies. One-fifth of members appointed to the French National Council of the Social Economy are young people.

Helping young people develop knowledge and skills to launch, run and scale social enterprises

Learning about social enterprises and the teaching of social entrepreneurship skills need to be included in formal education early on. Across the EU and beyond, countries are integrating more and more content on social problems, social innovation and social entrepreneurship across school curricula (OECD, 2020[128]; OECD, 2020[104]). Many are also providing opportunities in early stage education to be exposed to social enterprises and the social economy. For example, Scotland (United Kingdom) has an educational programme since 2017 that works with over 850 primary and secondary schools (Box 8). This programme has helped to provide children and young adults with knowledge about social enterprises as well as opportunities to gain hands-on experience developing and supporting social enterprise initiatives. Regional hubs play a central role in rolling out these programmes in schools nationwide. Both approaches could be replicated elsewhere at the national, subnational or even local level to promote the development of knowledge and skills related to social enterprises.

Box 8. Scotland’s Social Enterprise Strategy 2016-2026 (United Kingdom)

The Scottish government and the social enterprise community jointly developed Scotland’s Social Enterprise Strategy 2016-2016 that sets out long-term ambitions for social enterprises in Scotland. By acknowledging the potential of young people, the Scottish government committed to redoubling efforts to introduce and normalise learning about social enterprises across all levels (early learning to universities), in formal and informal education settings. The National Strategy contains a dedicated work stream on creating more opportunities for young people to experience and learn about social

enterprises, facilitating the development of social entrepreneurship skills, and encouraging supportive environments for social enterprises.

Within the overarching Strategy and under Scotland's first Social Enterprise Action Plan 2017-2020, the Scottish government has supported The Social Enterprise Academy to develop an education programme that has driven engagement with over 850 primary and secondary schools. In the 2021-2023 Action Plan, the Scottish government pledges to invest GBP 2 million to ensure that every school child will have the opportunity to engage with a social enterprise project in their school career at least once.

Sources: https://www.gov.scot/publications/scotlands-social-enterprise-strategy-2016-2026/; https://www.gov.scot/publications/social-enterprise-action-plan/

Social entrepreneurship education and training can help young people acquire the skills they are currently lacking to become social entrepreneurs. As a first step, co-constructing a competence framework based on the definition of social enterprises in close consultation with social enterprises can support this. Developing, disseminating and measuring social entrepreneurship skills along a common framework can support social entrepreneurship education and training on the national or international level (Spear et al., 2013[129]; OECD/European Commission, 2017[81]; OECD/European Commission, 2020[130]). For example, the European Union's Entrepreneurship Competency (EntreComp) framework has been extended to social entrepreneurship, highlighting the additional competences that are often associated with successful social entrepreneurs (e.g. social impact, alliance building) (McCallum et al., 2018[131]; European Commission, 2021[115]; Cortés and Ferrer, 2018[132]). Building on this work, projects like EnsoED and DOIT have developed programmes for teachers of primary and secondary education. In parallel, specialised efforts on entrepreneurship education on cooperatives and curricula are gaining momentum (Box 9), an area that is not yet fully integrated into higher education programmes on social business, non-profit management or social entrepreneurship but can be found in some business and law schools, as well as more recently in social work curricula.

Box 9. Fostering education and training on cooperatives: COOPilot and ECOOP and YOUCOOPE (Europe)

In 2017, the European Commission funded two parallel projects to encourage cooperatives to employ young people and encourage cooperative entrepreneurship among young people: the COOPilot project and Entrepreneurial Cooperative Experience (ECOOPE). The COOPilot consortium led by Solidarité (Belgium) brought together representatives from academia, training institutes, social economy stakeholders and public authorities. With the aim to transfer competencies from countries with a strong cooperative sector (e.g. Belgium and France) to those with a less developed cooperative sector (e.g. Bulgaria and Greece), the consortium developed training modules and an online course. The ECOOPE consortium, led by the Santander International Entrepreneurship Centre (CISE) and the University of Cantabria (Spain) aimed to promote the cooperative business model among young future entrepreneurs in Finland, Italy, Portugal, Spain and the United Kingdom. ECOOPE developed an entrepreneurship education program evaluation tool and researched best practices across Europe, then designed and tested two cooperative entrepreneurship programmes: one for secondary schools and one for higher education institutions. Using different methodologies both projects identified and promoted best practices, developed training tools and methodologies, and implemented pilot testing involving stakeholders from schools, universities, cooperative enterprises and research institutes. Both projects

entailed sharing and transferring of knowledge between those already engaging with the cooperative model and those new to the social economy.

These pilot projects were then translated into YOUCOOPE: Education in Cooperative Entrepreneurship project set out to deliver pilot training courses for students in secondary and higher education level, promote cross-European workshops to share knowledge and learn from practitioners ("train the trainers"), and foster the entrepreneurial mind-sets of young people to create cooperatives outside of formal and non-formal education. YOUCOOPE will share the successful models from the pilot projects to further encourage teaching the cooperative model in entrepreneurship training at the secondary and higher education levels. The project also incorporates a strong focus on EntreComp: The Entrepreneurship Competence Framework developed through the European Commission Science Hub.

Source: http://www.coopilot-project.eu/, https://youth.ecoope.eu/, http://youcoope.eu/

Governments can also provide tailored social entrepreneurship training programmes for young people outside of formal education. Social entrepreneurship training that is tailored to the different stages of development (i.e. pre start-up, start-up, scaling) and the demographic characteristics of their recipients (i.e. age, gender, migration and disability status, among others) has been proven effective in addressing gaps in social entrepreneurship skills (OECD/European Commission, forthcoming[120]). Following a detailed evaluation of its social entrepreneurship training and education programmes, the Korean government updated and expanded its programmes between 2017 and 2018 (Box 10). When coupled with dedicated outreach that include engaging formats allowing young people to take part with other like-minded young people on projects, it can increase programme outreach.

Box 10. Increasing and better integrating tailored social entrepreneurship education and training (Korea)

In 2017, the Korean government surveyed government agencies regarding the training and education provided on the social economy. It found that 9 144 primary and secondary school students and 17 136 aspiring entrepreneurs had been trained by non-governmental, public actors, intermediary agencies, governmental actors and others. However, it deemed the levels of training provided in the 321 programmes were not sufficient. Most programmes contained general and basic education in lecture style format and only 13% included hands-on practice. The government identified a clear need for more programmes to incorporate real world experiences to develop the skills needed to start and manage social economy organisations. The fragmentation of the support system was also found to have failed to ensure continuity between education and training in schools and universities, professional development and (re)training programmes. Finally, the existing measures to assess the state of education and training was deemed insufficient, highlighting the need to develop more accessible online forms of education and training.

By April 2018, 60 school cooperatives have been established across Korea that allow students to participate in the management of cooperatives and learn about the social economy in the process. Plans to integrate content on the social economy and its practices of co-operation into primary and secondary school curricula, including as an essential subject, as well as the development of textbooks and teaching materials are planned.

In 2018, as part of the "Master plan of human resource development for the social economy" the Korean government committed to increase the number of teams benefitting from its Young Social Entrepreneurship support programme. Originally, the programme had been put in place in 2011 by the Ministry of Employment and Labour. It recruits young social entrepreneurial teams with innovative and

creative business ideas and provides each with a start-up grant (from KRW 10 million to KRW 50 million), a working space, training and mentoring. After successful start-up, the programme continues to support their growth into full-blown social enterprises. Between 2011 and 2018, 12 620 people participated in the programme founding 3 114 social enterprises. Since 2019, the programme aims to reach 1 000 new teams a year.

This was further complemented by increased support for training and education programmes at colleges and universities. One of these programmes was the Social Economy Leadership Programme (SELP), a non-degree programme that uses the existing educational infrastructure at universities to support students and social economy workers to become future leaders for the social economy. Between 2013 and 2017, the programme was hosted at three universities a year resulting in 613 graduates. It is planned to increase the number of host universities to 20 by 2022 and reward leading universities through collaborations with higher education institutions worldwide, providing students with the opportunity to participate in overseas exchanges and training.

Source: (Yoon and Lee, 2020[133])

More and more education and training programmes are co-creating content and methods with students. An instrumental part of social entrepreneurship is the notion of empowerment among young people to solve social problems and to become agents of their own future. This goes hand in hand with shifts towards more co-construction of educational content and formats directly involving students (OECD, 2020[106]; OECD, 2020[134]; OECD, 2021[135]). This is particularly the case in programmes such as those run by Youth Social Innovation in Ireland (Annex Table 2) or Enactus as a more global network (Box 11).

Box 11. Co-creating training and peer-learning: Enactus (International)

Founded in the United States in 1975, Enactus is an experiential network that prepares young leaders to advance the United Nations Sustainable Development Goals through social entrepreneurship and innovation. Through its international network of business, academic and student leaders, the organisation provides a platform for students to develop leadership and career readiness skills while working with prestigious organisations worldwide.

Guided by educators and supported by business leaders, student teams conduct community needs assessments, identify potential solutions to complex issues, and implement projects for sustainable change. There are over 37 000 students on more than 2 000 university campuses across 35 countries in the Enactus network who use business innovation for positive social and environmental impact. In 2021, Enactus student-led projects benefitted approximately 11.6 million people, including lifting 530 000 out of poverty, increasing access to healthier food for 1.3 million, and improving health services for 1.6 million.

While at university, Enactus students gain leadership and entrepreneurial experience. Moreover, an annual series of regional and national Enactus competitions facilitate career-building connections between students and Enactus business supporters (individuals, corporations, and foundations).

In addition to university level programmes, country operations such as Enactus UK and Enactus France, organise similar programmes for students in secondary schools. These programmes are co-developed by students, teachers, businesses and alumni, which ensures that the workshops and activities delivered are relevant and meet the direct needs of participants.

Sources: https://enactus.org/; Enactus United States; https://enactus.fr/; https://www.nextgenleaders.co.uk/

Encouraging private investment and developing tailored funding and financing opportunities, accompanied by financial guidance

For many youth-led social enterprises, access to capital is a primary barrier, and access to existing funding programmes or sources of finance may be more challenging than it is for traditional enterprises or older social entrepreneurs. This is often due to the combination of challenges linked to their age and those linked to social enterprises. These include a perception of young people as less risk averse, a lack of collateral and credit history on the side of young social entrepreneurs or social business ideas and plans that promise lower return on investment than commercial businesses. Policy makers have developed different ways in addressing these challenges through direct funding by government agencies or private donors (e.g. non-repayable grants), as well as by supporting financing instruments (i.e. capital provided by lenders such as banks and private investors) through measures such as loan guarantees (OECD, 2007[136]).

Policymakers should consider taking steps to promote and facilitate private investment into youth-led social enterprises. Loan guarantees help to ensure that young social entrepreneurs can overcome obstacles such as a lack of collateral or credit history to access credit from the private sector (OECD, 2017[137]). A loan guarantee is an agreement by which the guarantor, in this case a designated government institution, agrees to repay a portion or all of the amount of a loan in the event that the borrower is unable to repay it (OECD, 2007[136]). This approach would help young social entrepreneurs obtain loans from the private sector by protecting lenders from the risks of non-payment. Many countries provide tax incentives to individuals and/or firms who invest in or donate to social enterprises. Social enterprises that are eligible to benefit from such funding are generally required to meet specific criteria and are often subject to regular reporting requirements as well as monitoring (e.g. financial audits) by authorities to prevent potential abuse. In Italy, for example, individuals and firms that invest in social enterprises can obtain a deduction equal to 30% of the sum invested valued up to EUR 1 million and EUR 1.8 million respectively (OECD, 2022[123]). Some of these include the combination of access to finance and skills development, as is for example the case for Young Social Entrepreneurs Global (Box 12).

Box 12. Facilitating access to funding and skills development: Young Social Entrepreneurs Global (Singapore)

Young Social Entrepreneurs (YSE) Global was established in 2010 by the Singapore International Foundation to provide young social entrepreneurs aged 18 to 35 with comprehensive education, training, mentoring, and networking opportunities. Available to all nationalities, selected applicants participate in a six to eight month programme that consists of an online workshop, four-month remote mentoring programme, overseas study visits and monthly capacity building sessions. Participants then gain access to an international ecosystem of investors, industry experts, experienced mentors, and a growing network of over 1 300 young social entrepreneurs from 42 nationalities. While social enterprises operating in all sectors are eligible to participate, the programme prioritises supporting social enterprises with an environmental or digital orientation.

YSE Global helps young social entrepreneurs to launch new social enterprises and provides support to established, early-stage social enterprises looking to scale up their activities. The programme culminates in the Pitch for Change competition in which participant compete to win up to SGD 20 000 (USD 15 000) in non-repayable grants.

As of 2021, YSE Global has awarded over SGD 790 000 (USD 586 735) to 47 youth-led social enterprises. YSE Global estimates that 86% of social enterprises that won grants remain in operation and generate an estimated SGD 2 million.

The Singapore International Foundation is a non-profit organisation that has been active since 1991. In addition to its work on YSE Global, the Foundation promotes connections between Singapore and the world through initiatives for young entrepreneurs, international art collaboration and promoting cross-border connections between young people across Southeast Asia.

Source: https://www.sif.org.sg/Our-Work/Good-Business/YSE-Global; https://www.sif.org.sg/-/media/Files/SIF-Publications/SIF-Young-Social-Entrepreneurs-Impact-Study-2020.pdf

In some cases, special intermediaries specifically designed to meet the financing needs of social enterprises are necessary. The impact investment market estimated at USD 1.845 trillion in 2020 according to the Global Impact Investing Network is growing (GIIN, 2020[44]). It could be leveraged to invest in youth-led social enterprises. Another option could be a specialised intermediary for social enterprises or youth-led social enterprises. For example, the Financing Agency for Social Entrepreneurship (FASE) is a German financial intermediary (i.e. an organisation that works as a go-between for funders and social enterprises seeking loans) that helps construct hybrid financing solutions for social enterprises (OECD/European Commission, 2017[81]). Another more active approach is establishing a capital fund for social enterprises. Private investors and foundations can invest into the fund, for which the operation can be funded or overseen by public authorities. The capital fund uses these investments to provide loans to social enterprises with lower interest rates and longer repayment periods than typical bank loans (Carpenter and Lauritzen, 2016[138]). The United Kingdom founded the Big Society Capital Fund in 2012 using funds from dormant bank accounts as well as additional funds from four large banks. Schemes like the Youth Social Innovation Capital Fund can provide specialised funding options for young people (Box 13).

Box 13. Facilitating access to finance: Youth Social Innovation Capital Fund (Canada)

Based in Toronto Canada, the Youth Social Innovation (YSI) Capital Fund was initiated in 2012 to provide specialised financing options that help young social entrepreneurs aged 34 years or younger to overcome obstacles such as limited credit history, savings and business experience. While the initiative has stopped awarding loans to new youth-led social enterprises, all of the youth-led social enterprises that it selected were able to successfully repay their loans.

The YSI Capital Fund provided seed financing to young social entrepreneurs using normal loans valued up to CAD 10 000. It also developed a “revenue reach” investment model designed to address funding gaps created by the rigid repayment schedule required by traditional loans as well as the expectation for high returns of most forms of equity. Using this approach, the initiative provided up to CAD 50 000 patient capital that requires no payments during the first year and is subsequently repaid based on the financial health of the venture.

The YSI Capital Fund was initially established using a combination of public and private grants provided by the Government of Ontario, the Ontario Trillium Foundation and TD Bank Group. The YSI Capital Fund has invested in six social enterprises operating in the education, food delivery and social impact measurement sectors.

Source: https://www.youthsocialinnovation.org; https://static1.squarespace.com/static/5b92b50e297114aace73e2f7/t/5fb82b7d0b4259424ea3f7a0/1605905278633/Revenue+Reach.pdf

A common measure are grants provided by foundations or public authorities. These allow the flexibility to invest without risking future credit-worthiness. These grants are often awarded through a competitive application process that identifies the applicants with the strongest chances of success. For

example, ADV Foundation in Romania runs a competition as part of their Social Enterprise Accelerator programme. La Social Cup in France is a 6-month programme for young social entrepreneurs competing for a prize (Box 14, Box 15). These competitions can be a useful tool to target specific groups such as university students, while providing young social entrepreneurs with important networking and skills development opportunities, even if they do not ultimately win the main prize. Specialised grants whose selection criteria focuses on social impact alongside the viability of their business model help ensure that selected applicants are both financially sustainable but also socially beneficial. Issuers of non-repayable grants cannot recoup their funds like lenders or investors, making them a relatively costly form of support.

Box 14. Business development support: ADV Foundation (Romania)

The Alaturi de Voi (ADV) Foundation is a social enterprise founded in 2002 with the initial objective to provide work-integration services to marginalised or vulnerable individuals. Its activities have benefitted over 150 000 individuals and contributed to over EUR 18 million in investments in Romania (European Commission, 2019[139]). It has since expanded its activities to include the ADV Academy and the Social Enterprise Accelerator, among several other initiatives. The Foundation has helped to map social enterprises in the region and helps social entrepreneurs find sources of knowledge and funding.

As part of its Social Entrepreneurs Course, the ADV Foundation hosted free training, peer learning, mentoring and coaching for roughly 2 500 young people from Moldova, Romania and Ukraine. It hosted a competition among participants to access the Social Enterprise Accelerator and win up to EUR 75 000. The competition resulted in 50 social enterprise ideas obtaining support and 13 youth-led social enterprises ultimately launched by the end of the programme, two of which were established by young people with disabilities. The initiative was partially funded by a roughly EUR 400 000 grant from the EU as part of the EU4Youth programme.

The ADV Foundation also enables young people to gain leadership experience through its Youth Council, which acts in an advisory role for the Executive Council and Management Team to provide feedback on programme performance and areas for improvement. Looking forward, the ADV Foundation plans to launch a non-bank financing instrument for social enterprises in Romania in 2022 to facilitate access to finance.

Source: https://accelerator.alaturidevoi.ro/formare; https://academiaadv.ro

Box 15. Tailored access to funding and networking: La Social Cup (France)

Founded in 2014, La Social Cup is a six-month programme for young social entrepreneurs aged 18-30 that provides participants training and networking opportunities that culminate in a competition. Proposals that qualify as finalists are eligible for grants valued up to EUR 4 000 and the overall winner is awarded one year of incubation services from *makesense*, a Paris-based social enterprise incubator with offices in seven countries and over 130 full-time staff, as well as additional grants valued up to EUR 5 000.

In addition to the competition, the programme hosts events providing young social entrepreneurs with guidance on how to finance their ideas through lessons on obtaining bank loans, grants and crowdfunding. La Social Cup also hosts create-a-thons that enable young people to develop their ideas

for social enterprises and pairs them with other young people who share similar interests and motivations.

Since its founding, La Social Cup has held over 370 events attended by nearly 11 000 young people. Over 770 social enterprise proposals have participated in its competition, of which 68 have been awarded cash grants and seven have won the top prize.

Source: https://www.lasocialcup.com/

Public loans provided to youth-led social enterprises can also facilitate access to finance for young social entrepreneurs. Governments can either directly make dedicated funding opportunities available to young social entrepreneurs or ensure that broader programmes are designed with enough flexibility to meet the needs of young social entrepreneurs (e.g. in terms of requirements such as personal financial history and the business model). Direct financing can enable public authorities to strategically direct funds towards specific types of organisations.

Finally, in many instances programmes to improve financial skills and literacy may be more cost-effective than implementing public grant and lending programmes. Providing young social entrepreneurs with the necessary training and knowledge needed to develop their understanding of business finance is a straightforward and less expensive way of improving their ability to independently navigate existing fundraising opportunities, raise awareness and boost uptake of private funding and existing support programmes.

Raising the profile of social enterprises, including those led by young people

Clarifying social enterprise regulation within countries, regions and municipalities can help raise the profile of social enterprises among policy makers and the greater public, including potential funders and investors. OECD research demonstrates general uncertainty surrounding what exactly social enterprises are, as well as persistent questions on how to define them in many countries (OECD, 2022[123]). This often extends to the specific legal form or legal statuses already available to social enterprises or used in other similar contexts elsewhere. Appropriate choices in legal forms depend on local contexts and should be carefully designed, including mechanisms ensuring the co-creation with social enterprise stakeholders, including young people. In France, for example, social enterprises were among the drivers of legal reform that enabled the creation of a new cooperative legal form, a law on the social and solidarity economy to the creation of a larger legal status for social and solidarity economy organisations (Box 16). Similar developments took place in other countries, such as Belgium, Luxembourg and Spain (OECD, 2022[14]). Outreach on legal frameworks that uses channels and language accessible to young people can further boost the visibility of social enterprises as a career opportunity. In the French case, the social enterprise network, Impact France (formerly MOUVES), helped to raise awareness about the different legal forms, support services and other available measures (Impact France, 2022[140]). The organisation is also working towards the goal to increase the share of French enterprises belonging to the social economy from 10% to 30% by the mid-2020s (Carenews, 2020[141]).

Box 16. The emergence of new legal forms and legal statuses in France

In France in the 2000s, social economy organisations, mainly work integration social enterprises (WISEs), started to speak about social entrepreneurs and/or social enterprises to capture the evolution of organisations that try to achieve more sustainable economic models with a social mission. Over the same period, the debate on social enterprise was enriched by the discussion on the introduction of a

new cooperative form that allows for expanding the cooperative purpose beyond the sole mutual interest: the cooperative society of collective interest (*société coopérative d'intérêt collectif* – SCIC). Introduced in 2001, this cooperative legal form also helped to spur the expansion of social cooperatives in France.

The 2014 Law on the Social and Solidarity Economy and the Labour Code then defined the cumulative conditions that an entity must follow to be recognised with the "solidarity enterprise of social utility" legal status (*entreprise solidaire d'utilité sociale* – ESUS). By establishing this specific legal status as a label renewable every five years (or two years for enterprise that have been created for less than three years at the point of requesting the status) and accessible to structures that are not automatically considered as part of the social and solidarity economy, the law creates favourable conditions for social enterprise development. It allows entrepreneurs to belong to the social and solidarity ecosystem at large and demonstrates that business can be done differently (i.e. share of profit and power) while making a difference (i.e. social and green impact). The ESUS legal status also gives access to the solidarity component of French tax support schemes dedicated to the financing of specific types of SMEs (e.g. reduction of income tax).

The conditions to be eligible for ESUS include that:

- the enterprise primarily pursues a social utility, as defined in the Law on the Social and Solidarity Economy;
- the charge entailed by the social utility purpose has a significant impact on the profit and loss account or on the financial profitability of the enterprise;
- the remuneration policy implies a moderate wage tension (which is explicitly defined in the Law);
- the capital shares, when existing, may not be negotiated on the French or a foreign financial market.

The 2014 law called for an assessment of companies that adopt the label every two years. In 2016, a parliamentary report was prepared to assess the implementation of the Law. According to the report, the ESUS label does not encompass the full spectrum of social enterprises in France and was not supported by specific tax incentives. The report concludes that simplifying procedures as well as clarifying sources of funding and fiscal incentives could promote stronger uptake of the label.

Source: (OECD, 2022[123]); https://www.economie.gouv.fr/entreprises/agrement-entreprise-solidaire-utilite-sociale-ess; https://www.tresor.economie.gouv.fr/banque-assurance-finance/finance-sociale-et-solidaire/agrement-esus-formulaires-2016

Awareness raising campaigns and awards can help to raise the profile of youth-led social enterprises and boost public support (OECD/European Commission, 2016[70]). Many people, including young people, are only superficially familiar with social enterprises. Engaging both policy makers and the public to share knowledge about the important role social enterprises play in resolving social and environmental challenges can help galvanise support, increase participation, and encourage the development of a vibrant social enterprise ecosystem. These approaches have been successfully used for social enterprises and other types of social economy actors. For example, the United Nations sought to raise public awareness of cooperatives by designating 2012 as the International Year of Cooperatives (United Nations, 2012[142]; United Nations, 2020[64]). Social Enterprise UK initiated the "Buy Social" and "Social Saturday" campaigns to raise awareness of social enterprises and increase demand for their goods and services in the United Kingdom (Social Enterprise UK, 2016[143]). Similarly, annual competitions such as La Social Cup (France), ADV Foundation (Romania), Young Social Entrepreneurs Global (Singapore), and Think Big (Spain) help to showcase the potential of youth-led social enterprises by providing them with guidance, access to finance and networking opportunities. At the international level, the annual Forbes "30 under 30" list for social entrepreneurs spotlights exemplary social entrepreneurs under the age of 30,

helping to raise their profile and communicate how young people can leverage social business models to achieve positive social impact (Forbes, 2022[144]).

Access to dedicated young social entrepreneur networks and events can complement training efforts, raise awareness, share good practices and build professional networks. Networks such as the Social Enterprise World Youth Forum or the International Cooperative Alliance Youth Group help to provide youth-led social entrepreneurs with a powerful platform to share best practices, network and demonstrate how they are driving positive social and environmental changes in their communities. National, regional and local initiatives are also present. The JOVEN-ESS programme, aiming to supply decent jobs for rural young people in the autonomous region of Extremadura in Spain, runs a network of young people that organises regular cycles of webinars (Joven-ESS, 2021[145]). In France, the Social and Solidarity Economy Week offers 3 300 primary and secondary school students the opportunity to learn more about the principles and structures of the social economy or to create their own social enterprise (Box 17). Collectively, these programmes help to amplify the voices of young social entrepreneurs and facilitate engagement with policy makers and the public.

Box 17. Raising awareness through the "Social and Solidarity Economy Week" (France)

Since 2017, the French Ministry of Education, Youth and Sports, the State Secretariat for the Social Economy, the High Council of the Social and Solidarity Economy together *with L'Economie sociale partenaire de l'Ecole de la Republique* (ESPER), *Office central de la coopération à l'école* (OCCE) and Coop France are conducting an annual social economy week in primary and secondary schools throughout France. In 2021, the programme counted 300 education groups and 3 300 students in 110 projects.

The nationwide event aims to sensitise the students to the social economy, its values and principles. Schools, teachers and students can sign up and organise a wide variety of activities with the support of regional coordinators. These can include meetings with social economy professionals, cooperative games in class, food collections for charities, visits to social economy companies and other actions. One of the possible offers is the "My Social and Solidarity Economy at School" organised by ESPER which allows school classes to develop a collective social entrepreneurship project. In preparation for the social economy week, the programme includes a free professional development opportunity for teachers to be immersed in a social economy organisation.

According to their 2019 impact report, this not only positively affects student desire to participate in such collective projects in the future, but also has positive effects on class cohesion and social well-being. It is reported that 97% of participating teachers then also go on to integrate the principles of the social economy into their classes. In 2021, 65% of participating students reported wanting to do an internship or work in the social economy later on and 60% reported wanting to create their own social enterprise.

Source: https://www.education.gouv.fr/semaine-de-l-economie-sociale-et-solidaire-l-ecole-7082; https://eduscol.education.fr/1887/la-semaine-de-l-economie-sociale-et-solidaire-l-ecole; https://semaineessecole.coop/#qu-est-ce-que-semaine-ess; https://lesper.fr/mon-ess-a-lecole/; https://lesper.fr/professionnels-de-leducation-decouvrez-less-a-loccasion-dun-stage-cefpep-en-mars-2021/; https://lesper.fr/wp-content/uploads/2021/11/brochure-etude-impact-2020-2021.pdf

Improving the evidence base on youth-led social enterprises, through existing administrative data or dedicated surveys

Improving the evidence base on youth-led social enterprises can increase their visibility, as well as help tailor and steer support measures. Through a more comprehensive evidence based on youth-

led social enterprises, policy makers can have a better understanding of how many youth-led social enterprises there are, what their key characteristics are, which sectors they operate in, what legal forms they adopt, as well as their survival, failure and growth rates following the first years of their creation. These efforts can also help to assess the effects of general SME support programmes as well as more targeted funding and financing measures and tailored education and training. In a first step, policy makers can consolidate existing evidence across different levels of government. As a second step, applying an "age lens" to the analysis of existing administrative data or the creation of dedicated surveys and data collections can help fill information gaps.

Where the legal situation is less clear, current efforts are often focussed on better understanding the creation, activity and survival of social enterprises more widely than on the age of founders. The German KfW development bank, for example, ran an initial study on social entrepreneurs in Germany in 2017 finding that 154 000 social entrepreneurs had created 108 000 "young" social enterprises (i.e. created in the last five years), 9% of all enterprises created within that timeframe (Metzger, 2019[146]).[3] One of the key findings was that "young" social enterprises compared to conventional "young" enterprises were more likely to provide true social innovation (30% compared to 12%) through products and services that did not yet exist on target markets and that they were also more likely to take their products and services from the idea to the market (24% compared to 11%) (Metzger, 2019[146]). Similar studies were commissioned by the United Kingdom's Department for Digital, Culture, Media and Sport (DCMS) and the Department for Business, Energy and Industrial Strategy (BEIS) in 2012, 2014, 2017 and 2019 based on the annual BEIS Small Business Survey estimating about 9.5% of SMEs in the United Kingdom to be social enterprises (CEEDR, 2021[147]). The survey also found a higher innovation activity among social enterprises than conventional enterprises (31% introduced a new or significantly improved service compared to 24.5%).

In order to collect data, a definition and/or common criteria for social enterprises across government institutions can therefore be helpful. This can help to improve visibility for social enterprises, including youth-led social enterprises (OECD, 2022[14]). Data collection can be facilitated by establishing a specific legal status or legally define specific criteria that entities need to comply with to qualify as social enterprises. In cases such as Spain, for example, these criteria can then be applied to labour force survey data allowing for a more detailed estimate of young people in the social economy. This has been successfully demonstrated in a study commissioned by FUNDAE Foundation (Box 18).

Box 18. Detailed study of young people in social economy enterprises (Spain)

The FUNDAE (Spanish Foundation for On-the-job Training) commissioned an in-depth study of young people in the social economy in 2020. Dissemination was supported by the Spanish Confederation of Social Economy Enterprises (CEPES). The study set out to describe the situation of young people in the Spanish labour market generally, and in the social economy specifically. This included their job characteristics, as well as differences between social economy enterprises and the wider economy in terms of the employment of young people, sectors and working conditions.

The study used anonymised microdata from social security records, namely the *Muestra Continua de Vidas Laborales* (Continuous Sample of Working Lives) to identify workers in social economy entities in line with law 5/2011 (cooperatives, worker-owned companies, social welfare mutual organisations,

[3] The data analysed was taken from the 2017 *KfW-Gründungsmonitor*, an annual demographically representative survey of 50 000 randomly selected German residents who have founded or taken over an enterprise in the past five years. In the absence of a clear legal definition of social enterprises, it applied a mission-based criterion to identify social entrepreneurs and enterprises (i.e. they either prioritised social mission above all or if they prioritised income and social mission still clarified that social mission was more important).

work integration social enterprises and special employment centres, fishermen guilds, agricultural processing companies, associations and foundations). Direct identification methods were used for cooperatives, labour companies and associations through tax identification codes and account codes, as well as indirect identifications through the characteristics of the workforce or the organisations for the remaining types of entities. Overall, it identified 4 606 young people between the ages of 16 and 30 years in the social economy for 2018.

The study found that 54% of the young people employed in the social economy are women, 32.2% have a university degree, 95.2% do not have any disability, 87.8% are born in Spain and 60.7% live in the most densely populated regions. Self-employment amongst young people in the social economy (4%) is relatively lower than that of older age groups (12% of over-30-year-olds). Young people are relatively overrepresented in smaller organisations with up to 10 employees (21% of young people) compared to older age groups (14% of over-30-year-olds). In terms of regional representation, the study finds young people most concentrated in autonomous regions of Catalonia and the Basque Country and underrepresented in Madrid, Valencia, Castilla y León and Andalusia. In terms of sectors, they are overrepresented in the education, social services and artistic, recreational and entertainment sectors. They are underrepresented in some other sectors with high value added such as information and communication, professional, scientific and technical activities or financial and insurance activities. Most young people are employees in medium-qualified positions working on temporary, full-time contracts with a duration of less than one year.

This kind of evaluation was in particular possible as the Spanish law clearly delineates the types of organisations that are part of the social economy. The available micro-data allows for the analysis of working histories and central elements in the analysis of working conditions such as the resilience of employment generated. Furthermore, the available micro-data allows for their identification by organisational characteristics. The granularity of the study also shows interesting insights on the patterns of young people concentration in specific sectors and regions, their qualification, and type and duration of contracts, which can help tailor policy interventions.

Source: (Martínez Martín et al., 2020[56])

Collecting accurate and up-to-date data specifically on youth-led social enterprises can provide evidence for effective and better policies in this area. Few reliable and internationally comparable data collections on social enterprises exist, and only a handful of them have included a "youth lens", often applying different definitions for both social enterprises and for young people (Box 19). It is therefore difficult to compare across countries and studies. Amending existing survey data collection practices to include the age of social entrepreneurs can help better understand the dynamics of youth-led social enterprises and adopt policies that help address their specific challenges.

Box 19. Progress in national and international data collection on youth-led social enterprises

Internationally comparable data is still scarce and differs in reliability. The Global Entrepreneurship Monitor (GEM) has run two rounds of representative data collection that focussed on social entrepreneurship and was disaggregated by age in 2009 and 2015. The European Social Enterprise Monitor (ESEM) is going into its second round but does not yet include a disaggregation by age. Other past EU-level projects such as Social Enterprise as Force for More Inclusive and Innovative Societies (SEFORÏS), International Comparative Social Enterprise Models (ICSEM) or Enabling The Flourishing and Evolution of Social Entrepreneurship for Innovative and Inclusive Societies (EFESEIIS) have collected age-disaggregated data but at a much smaller scale. Supplementing this, a few small-scale surveys by UNDP India (UNDP/Niti Ayog, 2021[112]), UnLtd Foundation (De Simone and Tora,

2016[38]), Diesis Network (Latifi and Bruschi, 2021[148]) and the International Cooperative Alliance (International Cooperative Alliance, 2021[65]) have looked into young people's experiences and attitudes towards social or cooperative entrepreneurship in a handful of countries.

On the national level, data collection on social enterprises is slowly advancing but has for the most part ignored demographic factors such as age or gender. Slovenia, for example, runs an official register of social enterprises since 2012 and Lithuania has developed a platform for social enterprises to self-register and present their activity (OECD, 2022[82]). Germany and the United Kingdom, are using existing data collections on SME founding to estimate the number of social enterprises and their distinctive characteristics. Belgium, Brazil, Québec (Canada), France, Italy, Portugal and Spain are collecting data on different types of social economy organisations that is often disaggregated by age.

These data collections may also need to be supplemented with other "lenses", including a gender lens. Research suggests that the intersection of youth and gender produces what can be called a triple bind (Box 20).

Box 20. Young women and the triple bind in social entrepreneurship

Women are found to be more active in social entrepreneurship than in commercial entrepreneurship and advancing their social mission has actually been found to increase their chances for funding (Lee and Huang, 2018[149]). According to the 2015 GEM study, women make up more than two in five social entrepreneurs, while they make up around one in three commercial entrepreneurs (Bosma et al., 2016[7]). Nonetheless, the gender of young women social entrepreneurs is further exacerbating the double bind and challenges already faced by young social entrepreneurs in access to finance, visibility and skills. They experience a triple bind.

While in-depth data on women social entrepreneurs is less available, women entrepreneurs have been proven to face greater barriers in accessing debt and equity financing for business creation than men (OECD/European Commission, 2021[6]). Only about 2% of total venture capital investments go to women-only founded companies and those that do receive these investments received 30% less than their male counterparts (Lassébie et al., 2019[150]). Gender lens impact investing and female venture capital is increasingly stepping into this field (Lee and Huang, 2018[149]; Snellman and Solal, 2022[151]). However, this does not come without a risk, women that have funding from female venture capitalists have been found to face difficulties obtaining funds in the next rounds due to gender stereotypes associated with their funders (Snellman and Solal, 2022[151])

Women's contributions to societies and economies are often less visible, e.g. in the form of unpaid or informal labour for household work, children and elderly care or volunteering (OECD, 2017[152]; Criado-Perez, 2019[153]). Gender gaps in STEM and business education, together with stereotypical gender roles and a lack of self-confidence (i.e. "imposter syndrome") can also impede young women social entrepreneurs from founding and successfully leading social enterprises (Gerlach, 2021[154]; Stamatiou Nichols et al., 2021[155]). Mentors and role models are often lacking (Empow'Her, 2019[156]; Usher Shrair, 2015[157]).

Learn more about this and how social entrepreneurship and the social economy can empower women in our forthcoming OECD report (OECD, forthcoming[158]).

Supplementing data collection with discussions with representatives from youth-led social enterprises can help to better interpret and disseminate the data. Hosting information gathering sessions directly with young social entrepreneurs would help to provide a platform where young people could express their views and aspirations to policy makers. Including young people in the development of survey questions and the data collection directly from their peers can further reduce possible blind spots and increase reach. One way to promote sustained data collection is to include a requirement to regularly undertake consultations with youth-led social enterprises within relevant laws or strategies on social enterprises or the social economy more broadly.

Giving young people a seat at the table to address their perspectives and needs in policy frameworks

Young people need to be at the table when larger decisions on social enterprise policy are being taken. Following the COVID-19 crisis, youth organisations were often consulted in the creation of response and recovery plans, which also often include specific policies targeted towards young people (OECD, 2022[35]). However, measures concerning financial support schemes and infrastructure investments are often perceived not to have incorporated young people's views (OECD, 2022[35]; OECD, 2020[20]). This also extends to social enterprise policies. Initial steps have for example been taken in the past, in France, where 15 young people were included among the 71 members of the National Council of the Social Economy (Cabinet de Martine Pinville, 2015[159]) to help develop the French social economy and make it more attractive for young people. Other examples can include the creation of young social entrepreneur networks (see Annex Table 1 and Annex Table 2 for some international and national examples).

Opportunities for inter-generational exchange can help young people see social enterprises as viable employment opportunities. In Brazil, the Programme for Promoting Access to Job Opportunities (*Programa Acessuas Trabalho*) provides workshops and services directly to vulnerable and at-risk populations (Cidadania, 2015[160]). This initiative brings people from different age groups between the ages of 14 and 64 together in in their respective municipalities and enables the exchange of experiences among different generations. From 2019 to 2024, the EU and ILO are running a programme to provide decent jobs for young people and favour their labour market integration through the social economy in Tunisia called JEUN'ESS, which also supports these kinds of outreach efforts (EU Delegation to Tunisia, 2019[161]).

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Annex A. Methodology

Annex Box 1. Data collection through the OECD Youth and Social Enterprise (YSE) Survey

Following an initial literature review, the OECD conducted the Youth and Social Enterprises (YSE) Survey from September to December 2021 to fill gaps in existing data sources and collect up-to-date information on the challenges faced by and policy support options available to young people. The survey was disseminated via social economy networks and expert contacts that work in the fields of social economy and social entrepreneurship globally, as well as via the OECD's websites and social media channels. It was available in English, French, German, Portuguese, and Spanish and was distributed among policy makers and stakeholders.

392 valid responses were received. 76 of these were from policy makers in 42 countries and 316 from stakeholders in 69 countries. Policy makers refer to civil servants at the local, regional or national level. Stakeholders were defined as students, social entrepreneurs, academic experts and other stakeholders. 81% of respondents stated they had prior experience working with social enterprises. 43% of policy makers worked at the national level, followed by 22% at the local or municipal level. The remaining listed other occupancies. No further demographic data was collected on policy makers. 32% of stakeholders primarily identified themselves as current social entrepreneurs, 24% as students, 19% as members of associations or cooperatives, 15% as members of social economy networks and 11% as academic experts. Stakeholder respondents were almost equally distributed among women (50%) and men (49%). 41% of respondents were 29 years old or younger. 29% of respondents were between the ages of 30 and 40 and 30% above the age of 40.

Following the survey, the OECD also conducted interviews with representatives from 25 social economy and social entrepreneurship networks, youth-led social enterprises and academic institutions. This was complemented by additional exploration of the literature.

Annex B. Examples of support initiatives for youth social entrepreneurs

Annex Table 1. International support initiatives

Organisation	Description
180 Degrees Consulting	Volunteer-run, non-profit consultancy that provides consulting services for non-profits, social enterprises, and socially minded companies, notably by offering support on measuring social impact, improving business plans, branding and marketing, expansion and much more. By getting engaged in one of the 176 branches across the globe, volunteering university students get real work experience, professional training, and first-hand exposure to non-profits and social enterprises. This encourages and empowers young consultants to stay committed to social causes.
ASEAN Social Enterprise Development Programme (SEDP)	This programme is organised by ASEAN with support from GIZ, the German Federal Ministry for Economic Co-operation and Development (BMZ) and SAP. Selected young social entrepreneurs gain access to capacity building, mentorship, networking, funding grants and visibility across the wider ASEAN market. The top three participants win seed grants valued up to USD 21 000.
Ashoka	Ashoka is an international network of young "changemakers" selected through a competitive application process. Selected young "changemakers" gain access to workshops, mentorship programmes, fundraising support and media partnerships.
COOP PILOT	COOPilot is a one-year project led by Pour la Solidarité (Belgium), and involving 10 other European partners. Its main aim is to provide new responses, and especially through cooperative entrepreneurship, for youth employment in the European Union. COOPilot aims to transfer competencies from the more advanced countries in the field of cooperatives (e.g. Belgium and France) towards the less advanced ones (e.g. Bulgaria). The originality of the project is to gather academic partners, training institutes, stakeholders of social economy and public authorities.
DA-Space	Funded by Interreg, DA-SPACE offers an open innovation lab in which companies, public authorities, universities and the civil society can create fundaments for innovation together with young talents in the DANUBE region. The DA-SPACE labs promote a cross-disciplinary and transnational co-operation among the different stakeholders able to generate new solutions and nurture the entrepreneurial skills of all the actors involved. The project will pilot 7 open innovation labs in 7 regions. Through co-creation methods, young talents will develop new solutions and business ideas within the lab and they will furthermore benefit from an entrepreneurship training.
ECOOPE	The Entrepreneurial Cooperative Experience (ECOOPE) is one of two EU pilot projects focused on "Reduction of youth unemployment and the setup of cooperatives" with the goal of encouraging cooperatives to employ young people and encourage young people to set up cooperatives. It was funded by the European Parliament. The 12-month project began in April 2017. The ECOOPE consortium, led by the Santander International Entrepreneurship Centre (CISE) and the University of Cantabria (Spain), included eight partners from five EU Member States, namely Finland, Italy, Portugal, Spain and the United Kingdom. The primary goal of the project is to improve the employability of European youth, especially in countries with high rates of unemployment, by promoting the cooperative business model among young future entrepreneurs.
Enactus	Enactus operates across 35 countries providing young people with educational and training opportunities to establish successful social enterprises and engage in social entrepreneurship. Participating students conduct needs assessments in their own communities in order to identify potential ways to generate social impact.
EnSoEd	EnSoEd is aimed at supporting the initial and continuous professional development of teachers' profiles in accordance with the European lifelong learning approach through the application of practical and innovative tools in order to promote social entrepreneurship education in secondary schools. The project will take into account identified needs and gaps related to social entrepreneurship education, and in particular: the need for a practice-based approach that provides innovative resources and collaborative practices; the lack of an open, inclusive and community-based approach that considers social entrepreneurship education to be effective only if taught into; and for the community-necessity of promoting and developing digital learning environment

Organisation	Description
Entrepreneurs for Social Change	One-year programme funded by UNIDO and Fondazione CRT for young social entrepreneurs from the Euro-Mediterranean region. Participants benefit from training, one year of mentoring, impact measurement support, investor matching, and legal support.
ERASMUS for Young Entrepreneurs (EYE) - Social Entrepreneur Exchange and Development (SEEDplus)	Led by Euclid Network, SEEDplus (Social Entrepreneur Exchange and Development) is the longest running consortium of the Erasmus for Young Entrepreneurs (EYE) programme. With partners in Bulgaria, Croatia, Cyprus, France, Germany, Greece, Spain and Portugal, SEEDplus brings together aspiring and experienced social entrepreneurs to learn from each other, exchange best practices, business ideas and expand their networks. Such cross-border exchanges have a duration of 1-4 months, during which the aspiring entrepreneurs receive funding to help cover their travel, accommodation and other costs.
ERASMUS+ EU's programme to support education, training, youth and sport in Europe 2014-2020	Some of the calls for project proposals under the ERASMUS+ programme are linked to topics of social economy, social entrepreneurship or enterprise education and social innovation. For example, there was a call on "Social Inclusion and Common Values: the Contribution in the Field of Education, Training and Youth". Most projects have a link with young people or education and training. Between 2.5% and 5% of all ERASMUS+ projects are linked to the relevant topics. In the database on projects, there are 1 952 projects on social entrepreneurs, 2 678 projects on social enterprises, 3 367 projects on social economy and 7 617 projects on social innovation. It is important to mention that not all projects have a clear and direct link to the topic of social enterprises/ entrepreneurship, but sometimes only mention the topic in their description. (double counting included). Examples of relevant projects are: • Social Keys for social entrepreneurship (Applies EntreComp to VET) • Youth Social Entrepreneurship Impact Lab • Social Innovation Academy • Using Social Entrepreneurship in Erasmus+ - USEE+ Training Course (SALTOYOUTH) • ViSEnet - Village Social Enterprise. Learning material, guidance and networking: project to promote social entrepreneurship in rural areas. Social Entrepreneurship as A Tool For Innovation!
Horizon 2020 projects (e.g. DOIT and NEMESIS)	DOIT – Entrepreneurial skills for young social innovators in an open digital world is a Horizon2020-funded project to deliver and spread a new approach for early entrepreneurship education within Europe. It was running from 2017-2020 and has contributed to youth employment and new jobs in the social economy by nurturing entrepreneurial mind-sets, know-how and skills among young students. The project empowered primary and secondary school pupils (6-16 years) alongside educators to apply open innovation methods, digital maker tools and collaboration skills to tackle societal problems. It has developed toolboxes for children as well as facilitators to provide complementary know-how and support. They were designed so that children can experience being a social innovator in mobile and fixed child-friendly makerspaces and are easily accessible at the interactive DOIT web platform. NEMESIS stands for "Novel Educational Model Enabling Social Innovation Skills" and is a European project bringing together education and social innovation. NEMESIS represents a new approach towards the attainment of social innovation skills by combining innovative learning models, open technologies, and participatory relations and processes. The objective is to foster entrepreneurial mind-sets and creative thinking among primary and secondary students, allowing them to become the social innovators of tomorrow.
International Cooperative Alliance Youth Network	Founded in 2003, the ICA Youth Network helps young people aged 18-35 to participate in the cooperative movement and take leadership roles to achieve social change. The network connects young people around the world and provides them advice. The network provides educational and business support opportunities and helps raise the profile of specific youth issues in other ICA fora.
Junior Achievement (JA) Worldwide	JA Worldwide is a global youth-serving NGO that has six regional operating centres in sub-Saharan Africa, the Americas, Asia Pacific, Europe, the Middle East and North Africa, and the United States, with more than 500 000 JA volunteers and teachers that mentor and inspire over 10 million students in over 100 countries. JA Worldwide is the global governing body for JA, Young Enterprise, INJAZ, and dozens of other JA translations in individual member countries. JA's programmes provide young people aged 5-25 years with experiences that promote their skills, understanding, and perspective in order to succeed in a global economy.
SESAME	The activities of the SESAME project make a unique combination between the ambitions and potentials of young adults, and the method of social enterprise, by means of improving curricula, developing training materials and an academic minors. The project kicked off in September 2014 and ran until August 2017. Subsequently, SESAME evolved into a permanent and sustainable EU network on Social Entrepreneurship and Mentoring. Today, SESAME offers a variety of products, ranging from online toolkits, mentoring to one-stop shops and much more.
Social Enterprise Academy	Social Enterprise Schools operate in Australia, Malawi, London and Scotland. Initiated in 2007, the programme has supported over 50 000 young people by providing education and skills training needed to establish and grow social enterprises. Young people are given leadership roles within the programme and learn everything from the concept of social entrepreneurship to developing a prototype, building a

Organisation	Description
	business case, and opening a social enterprise.
Social Enterprise World Youth Forum	Run as part of the Social Enterprise World Forum, the Youth Forum is open to participants aged under 30 and represents a large gathering of young social entrepreneurs from around the world. Participants can access a series of masterclasses, networking opportunities and compete for cash prizes.
Social Impact Award	Founded in 2009, Social Impact Award (SIA) empowers young social entrepreneurs in over 15 countries across Europe, Central Asia, and Africa. SIA hosts events, organises workshops to raise awareness for social entrepreneurship, delivers entrepreneurship training, runs incubation programs, provides access to networks and promotes the best teams with the Social Impact Award. In doing so, SIA engages annually with more than 8 000 young social innovators.
Up to Youth	The EU funded initiative brings together a consortium of seven partner organisations (AEVA, Bahcesehir University, Bridging to the Future, Gelecegin Egitimi Dernegi, Governorship of Istanbul, Institute of Entrepreneurship Development, Step Institute) from five countries (Greece, Portugal, Slovenia, Türkiye, and the United Kingdom). Its goal is to help young people establish their own social enterprise by providing training on entrepreneurial, financial, digital marketing and new media skills and developing informational materials for young social entrepreneurs. Training material is available in multiple languages and participants can obtain a free online certificate of completion.
World Economic Forum - COVID Response Alliance for Social Entrepreneurs	The COVID Response Alliance for Social Entrepreneurs was launched in April 2020 by 60 leading social sector organisations aiming to help mobilise support and raise awareness of the vital role these entrepreneurs play in tackling the crisis and beyond. The members of the Alliance support over 50 000 social entrepreneurs across the world, including through technical assistance, capital raising support and emergency financing. To build upon the intergenerational approach of the Alliance, an open call to interested parties for launching a "Youth Cluster", co-led by Global Citizen Capital, has been announced. This cluster will focus on further empowering aspiring social entrepreneurs with improved capacity-building, resources allocation, team management, go-to market strategies and impact scaling methodologies.
Youth Business International (YBI)	YBI is a global network of entrepreneurship support organisations that support young people (aged 18-35) around the world to start, grow and sustain businesses. YBI facilitates the design of programmes and resources specifically for delivery to young people, including entrepreneurship training, mentoring and access to finance. In April 2022, YBI launched several publications and initiatives focusing specifically on green and social entrepreneurs. This includes a Social and Green Entrepreneurship Toolkit, which is a collection of resources and tools for entrepreneurship support organisations.
Yunus and Youth (Y&Y)	Yunus & Youth (Y&Y) provides social entrepreneurship training and connects social business entrepreneurs with corporate professionals. Since 2014, Y&Y has trained over 4 500 people and accelerated over 260 social businesses. The Y&Y Fellowship Programme is an annually running six-month online programme designed to empower young social entrepreneurs by strengthening their business models, helping them measure their social impact, and defining a scaling strategy. Y&Y fellows gain access to mentorship, business plan development, participation in an online pitch competition and the alumni community.

Annex Table 2. National and subnational support initiatives[4]

Country	Organisation	Description
Australia	Social Enterprise Academy	Social Enterprise Schools offered by the Social Enterprise Academy have provided an environment for thousands of youth-led social enterprises to be created and operated by young social entrepreneurs. The programme has supported nearly 4 000 students and supported the launch of 313 student-led social enterprises.
Australia	Foundation for Young Australians, Young Social Pioneers	The Foundation for Young Australians (FYA) is a national organisation dedicated to all young people in Australia. Launched in 2019, the Young Social Pioneers (YSP) has been FYA's cornerstone initiative supporting young Australians with social enterprise mentoring, skills development, in-kind business support, co-working spaces, funding and access to networks. The YSP was running for ten years until 2019 and has built an alumni network of over 300 young people aged 18-29.
Australia	Victoria – NEW GEN Youth Social Enterprise Programme	In 2013, Social Traders received AUD 600 000 from the Victorian government for its New Gen Youth Social Enterprise programmes that were aimed at supporting young people looking to start their own social enterprise or to gain entrepreneurial and leadership skills to sustain their existing social enterprises.
Australia	Young Change Agents (YCA)	Established in 2016, Young Change Agents (YCA) is a not-for-profit social enterprise teaching young people the importance of social entrepreneurship. The organisation does this through a series of programmes delivered either directly in schools or through personal development training given to teachers. A variety of programmes providing entrepreneurial learning to young people aged 10-21 is offered, e.g. design challenges, 1-5 day workshops, and yearly programs. In 2021, YCA worked with almost 45 000 young people and their goal is to work with 1.5 million young people by 2025.
Belgium	Belgium Impact (BEI)	National platform launched in 2018 in order to bring together social entrepreneurs, supporting organisations and other stakeholders with the aim to increase the visibility of social entrepreneurship in Belgium. BEI is contributing to build a support ecosystem for social entrepreneurs, including through coaching, funding, networking and other services.
Bulgaria	Junior Achievement Bulgaria (JA)	Established in 1997, Junior Achievement Bulgaria (JA) focuses on the entire education system by providing entrepreneurial programmes in high schools and universities, supporting student and pupil-led start-ups. Since 1997, JA has trained over 350 000 young people aged 6-25 years in Bulgaria. Among many initiatives, JA delivers training on entrepreneurship skills, financial literacy and work skills and organises competitions on a regular basis.
Bulgaria	National Youth Strategy	The Bulgarian National Youth Strategy 2010-2020 was oriented towards young people aged 15-29 years and sets out the long-term goals and priorities of the governmental youth policy. The promotion of economic activity and career development of young people, including through the promotion of social entrepreneurship, was featured among the strategic objectives. Consultations for the new National Youth Strategy 2021-2030 have begun in late 2018 and the Ministry of Youth and Sports is committed to engage young people in a dialogue in order to identify together the most relevant priorities and objectives for the new strategy.
Canada (Saskatoon)	Askîy Project	Since 2015, CHEPGoodFood, a local non-profit organisation in Saskatoon, Saskatchewan, is running an urban agriculture initiative called the Askîy project. Each summer both Indigenous and non-Indigenous youth interns are hired to learn together about growing, harvesting, and selling food through an innovative model. The project's five key focus areas are: growing food and food skills, enhancing cultural connections, promoting environmental sustainability, creating social enterprise, and engaging young people.
Canada (Québec)	Québec Council of Co-operation and Mutuality (CQCM)	CQCM (Conseil québécois de la coopération et de la mutualité) operates a Youth Entrepreneurship Service that helps young people start cooperative projects through a variety of educational schemes, business support services and awards. CQCM provides free educational opportunities as well as digital Jeune COOP educational guides and tools. CQCM also operates the EduCOOP programme, which provides young people enrolled in primary through university programmes with scholarships valued up to CAD 1 000 to gain the necessary skills and experience within the cooperative sector to launch their own cooperative initiative. Since 2016, CQCM has awarded the annual Majella St Pierre Prize to young people

[4] Collected through the OECD YSE Survey & literature review.

Country	Organisation	Description
		aged 18-35 who have shown leadership within the cooperative and mutualist networks in Québec.
Canada	Youth Social Innovation Capital Fund	Youth Social Innovation Capital Fund is an impact investing fund that supports young social entrepreneurs by providing them with financing and resources to facilitate successful venture growth, as well as by offering investment opportunities that generate financial returns and positive impact. Investments are financed through an instrument called the Revenue Reach, an alternative to traditional debt and equity that better aligns the interests of investors and entrepreneurs.
France	Eurasia Net - Eurasia For Youth & Social Entrepreneurship (EYES)	The Eurasia For Youth & Social Entrepreneurship (EYES) programme is funded by Erasmus+ to promote social entrepreneurship and international co-operation between young people from China, France, Greece, India, Romania and Vietnam. The initiative has developed digital informational materials and has hosted training events at the Eurasia Net headquarters in Marseille.
France	La Social Cup	A six month programme for young social entrepreneurs aged 18-30 that provides training and networking opportunities to participants and culminates in a competition. Finalists qualify for grants of up to EUR 4 000 and the overall victor wins one year of incubation services and additional grants valued up to EUR 5 000.
Germany	Social Entrepreneurship Akademie	With the aim to boost social entrepreneurship in Germany, Social Entrepreneurship Akademie offers trainings, start-up consulting as well as networking opportunities. Several of their programmes are targeting particularly young professionals and students, such as the Global Entrepreneurship Summer School (GESS) or the two-days beginner workshop called SEA:start.
Ireland	Young Social Innovators	Young Social Innovators (YSI) is a non-profit organisation that promotes social innovation learning among young people aged between 10-18 years in primary schools, secondary schools and further education settings throughout Ireland. Through fun and engaging programmes, students are supported to create team-based action-projects on issues they care about. Every year, between 6 000-8 000 young people take part in YSI's Social Innovation Action programmes. Moreover, the YSI Den, a Social Innovation Fund is made available to YSI teams who successfully pitch for assistance to develop an idea, product or enterprise. To date, the YSI Den has provided over EUR 150 000 in grant funding to support youth-led ideas for social change throughout Ireland.
Ireland	Network for Teaching Entrepreneurship	Provides young people in Ireland with opportunities to learn about and engage with social enterprises. The Department of Rural and Community Development has allocated EUR 30 000 to fund the project, which is overseen by the youth organisation Foróige and expected to involve 120 teachers across the country.
Italy	Coop Up!	Incubator for cooperatives established by Confcooperative to specifically help women and individuals under the age of 35 to establish new cooperatives. The incubator programme provides mentoring and training as well as access to up to EUR 30 000 in funds.
Italy	Coopstartup	Launched by Coopfond in 2013, the initiative promotes youth engagement with cooperatives specifically oriented around technological and social innovation.
Romania	Alaturi de Voi (ADV) Romania Foundation - EU4Youth – Social Innovation Impact – a strategic partnership!	Through the project "EU4Youth – Social Innovation Impact – a strategic partnership!" ADV and its four partners are supporting the creation of favourable ecosystems for social entrepreneurship in Moldova, Ukraine and Romania. The project runs from February 2020 to November 2022 and its objectives include the establishment of four social innovation labs for professional capacity building as well as incubating eight young social enterprises from the Republic of Moldova and Ukraine by means of conducting a cross-border "Social Enterprise Accelerator" competition. The eight winning businesses will benefit from mentoring, training courses and other support to set up and successfully develop their businesses as well as receive a non-reimbursable financing of EUR 7 500.
Slovenia	Slovenian Youth Agency – Slovenian Social Impact Award	Initiated in 2021, the award provides support to early-stage young social entrepreneurs who demonstrate innovative social enterprise business models. Participants are vetted according to the quality and innovative nature of their business plans. They have access to educational opportunities that guide them through the ideation and implementation stages of launching a social enterprise.
Spain	Emprende.coop	Established as part of the Ministry of Employment and Social Security's Strategy for Entrepreneurship and Youth Employment, Emprende.coop provides an online portal for individuals interested in establishing a cooperative in Spain.
Spain	Orienta.coop	Initiated as part of the Youth Entrepreneurship and Employment Strategy, this platform provides information to young people interested in starting a cooperative. It provides information on cooperative business models and acts as a portal to obtain further guidance on how to establish and operate a cooperative.

Country	Organisation	Description
Spain	Think Big	Annual competition for social entrepreneurs aged 15-26 in Spain that is funded by the Telefonica Foundation. Winners can receive up to EUR 3000 and mentoring from Telefonica professionals to develop and execute social enterprise business plans. In 2018 Think Big was transformed into a larger Digital Training and Entrepreneurship Program called Conecta Empleo.
Singapore	Singapore International Foundation - The Young Social Entrepreneurs (YSE)	The Young Social Entrepreneurs (YSE) Global is an annual six-month programme to which young social entrepreneurs of all nationalities can apply, although priority is given to applicants from Asian countries. The programme includes online workshops, remote mentorship, monthly capacity building sessions, and "Pitching for Change" where teams can pitch for grants of up to SDG 20 000 to scale up their social enterprise. Furthermore, participants gain access to an international ecosystem of investors, industry experts, experienced mentors, and a growing network of over 1 300 young social entrepreneurs from 42 nationalities. The Young Social Entrepreneurs Regional is an intensive two-day workshop in selected Asian cities. Selected teams from the workshop will be invited to join the annual six-month YSE Global that takes place in Singapore.
United Kingdom	Scotland – Social Enterprise Schools	Launched in 2007, Social Enterprise Schools are pupil-driven programmes delivered by local social entrepreneurs to support young people in identifying the environmental or social issue they want to solve and creating a business to make that change happen. By giving young people a real-life experience of running their own social enterprise, this programme delivers transformational learning.
United Kingdom	Scotland – 2021 Social Enterprise Action Plan	The 2021 Action Plan allocates GBP 2 million to provide each school-aged child with the chance to engage with a social enterprise project as part of their education. This initiative also embeds learning opportunities about social entrepreneurship into existing programmes on youth entrepreneurship, citizenship and employability programmes for young people.
United States	Young Women Social Entrepreneurs	US-based network for young women social entrepreneurs with chapters in New York City, San Francisco, and Washington DC, in addition to a chapter in Nairobi Kenya. The organisation provides training and networking opportunities through each of its chapters.

Unlocking the potential of youth-led social enterprises

OECD Global Action – Promoting Social & Solidarity Economy Ecosystems

Young people increasingly prioritise pursuing careers with positive social and environmental impacts. Social enterprises can help them fulfil this ambition. Youth-led social enterprises can address pressing social and environmental issues while providing young people with opportunities in the labour market. Despite these benefits, these entities often struggle due to the age of their founders and the specificities of their businesses. This paper analyses the drivers and potential benefits of youth led social enterprises (Section 1), assesses the challenges they face (Section 2) and provides policy guidance to address them through tailored support programmes based on best practice examples and experiences from OECD countries and beyond (Section 3).

OECD

Funded by the European Union