



Women's Social Entrepreneurship in



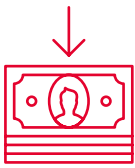
BULGARIA

Laying the foundation for a new model of sustainable social change

As the leaders of the country's small but up-and-coming sector, women in Bulgaria are pushing for more awareness, visibility and market opportunities for social enterprises

SNAPSHOT*

*Out of 12 women surveyed



20,000€
Average yearly revenue
(with large variances).



Average length
of operation of a woman's
social enterprise is
4 YEARS



HALF of women
social entrepreneurs have
care responsibilities



30%
of income is market-based
revenue (for 3/4 of women-
led social enterprises)

80%

of income is market-based
revenue (for 1/4 of women-led
social enterprises)



4 full-time jobs are generated by
women-led social enterprises on
average (with large variances)

"People should
be educated to
specifically look for
Social Enterprise
products"

Spaska Mihailova

FOUNDER OF PCHELA/BEE

(an enterprise that trains Roma
communities in honey-production)

KEY FINDINGS

ECOSYSTEM

- No special legal format for social enterprise in Bulgaria; most SEs are registered as NGOs
- Higher percentage of women than men in the social entrepreneurship field

SECTORS

- Arts and Recreation, Food Production, Food Retail, Sewing/Clothing, Home Appliance/Furniture Repair & Laundry Services, Health & Social Services

MISSIONS

- Personal development and employment of disadvantaged groups: people with disabilities, abandoned children and youth, long-term unemployed, Roma minority, low-income elderly women

MOTIVATIONS

- Personal experience with a social issue
- Desire to obtain sustainable funding for an existing NGO

BARRIERS

- Limited funding, no legal category of a "social enterprise" which impedes sales and accounting
- Unreasonably high EU and national licensing ("red tape") requirements for products and services
- Lack of social and market recognition of the social added value of SE products

GENDER

- Women social entrepreneurs face prejudice and discrimination by institutions and businesses on account of their gender (and, if they are younger, their age)
- Women social entrepreneurs see their example as important for the empowerment of other women

IMPACT

- Creation of innovative products and services
- Raising national awareness about the need for labour social inclusion

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BACKGROUND

SOCIAL ENTERPRISE IN BULGARIA

History

Bulgaria has a long history of social cooperatives before socialism - the National Union of Cooperatives in Bulgaria is one of the oldest cooperative movements in Europe, existing since 1890. During the socialist period cooperatives were created by the State and further developed, but not all survived in the market economy. Currently, out of the 250 cooperatives, about 30 employ people with physical and mental disabilities (estimated at about 1,000 employees in total), but they are not civic initiatives and often lack personal care for their employees' quality of life. New social enterprises, understood as self-sustainable civic initiatives, have only been evolving in the past 3-5 years.

Legal Format

Despite the National Social Economy Concept (NSEC) developed in 2011, there is no specific legal form for SEs in Bulgaria. The three most common forms are:

- **Non-for-profit organisations (NGOs)**; very few register also as regular trading companies
- **Social Cooperatives**
- **Specialised Enterprises**, legal forms only for enterprises of people with disabilities (this status has existed since socialist times; however, this specialised status is limiting, since it does not apply to enterprises working with other vulnerable groups).

New, grassroots social enterprises are usually set up as NGOs and start off with grant funding, but have a hard time securing sustainability after the grant ends.

Size of Sector

According to the European Commission report on Social Enterprises (SE) from August 2014, there are 200 to 430 social enterprises on paper in Bulgaria. However, this estimate comprises both old-time state cooperatives as well as organisations that are not active. Thus, the current Westart research shows that, excluding the socialist-time cooperatives, only about 70 independent organisations work in the SE field, and most of them provide awareness-raising and trainings. There are only about 20 grassroots social enterprises currently operating, with very few being fully sustainable.

Future of the Sector

About a dozen new enterprises are expected to evolve in the next few years, because their business plans were awarded grants from a few recent competitions for SE business plans: Reach for Change; Rinkers Center for Entrepreneurship (Bulgarian Charity Aid Foundation/BCAF); Bulgarian Center for Non-profit Law (BCNL). The new projects are characterised by innovative products and services, including technological innovations (applications, educational games, etc.). A few recent websites for social enterprises were developed (www.socialenterprise.bg; www.madeforcause.org - site for sales of products made by SEs, but the brand is not popular yet). However, there is still no critical mass or active network of social enterprises.

National Policy

The policy framework for SEs in Bulgaria is set out in the National Social Economy Concept (NSEC) and the Action Plan for the Social Economy 2014-2015. The sum allocated to the SE field is 360,200 BGN (184170 Euros) in 2014 and BGN 259,700 (132784 Euros) in 2015. However, there are no concrete measures for how the money will be made available and spent, and most enterprises complain about a lack of transparency of the public/EU funding.



PCHELA/BEE honey-producing enterprise



Spaska Mihailova is running the PCHELA/BEE enterprise for honey production, managed as part of the New Way Association (NGO) in the village of Hairedin, region of Vratza (North-

West Bulgaria). The Association was founded in 2004 with the mission to provide social services to the vulnerable Roma community. In 2008, the Association won a grant by the Ministry of Labor and Social Policy to start a social enterprise.

Spaska shares: "In our very poor village region, the best way we imagined to try to help the long-term unemployed people from the Roma community is to train them to become beekeepers and gain more positive social image. Through the job training, we also teach them how to prevent tuberculosis and other diseases, build responsibility and other values".

At first, PCHELA bought 50 beehives and 50 bee families and the needed equipment. After the end of the project funding, there were serious difficulties, due to the lack of markets and the particularity of the bee-keeping craft, including the alarming rise of bee deaths because of mass GMO plantations. But Spaska never gave up, even when at times she had to put her own money into buying new bee families. More Roma women and men were trained as beekeepers in 2014 and the organisation developed a marketing strategy with a grant from the Open Society Institute. In 2015 PCHELA had 138 Beehives and won a grant from the Trust for Social Achievement to construct a honey-producing building and packaging centre for the honey. The main difficulty Spaska has to combat is to get all the needed licenses for the honey to be sold by the big food chains, which requires high costs and bureaucratic paperwork. But she remains optimistic and confident that her enterprise will succeed.



SOCIAL IMPACT OF WOMEN-LED ENTERPRISE

The most significant impact of women social entrepreneurs is that the general public and policy-makers in Bulgaria have started recognising the SE field as beneficial to all members of society. By giving good examples of working models improving people's lives in a tangible way, and by organising national conferences, communication campaigns, and business trainings, they have laid the foundation for a field that is becoming a "hot topic" in Bulgaria and is expected to grow in the coming years.

Women social entrepreneurs also often come up with innovative ways of combining social services and products, usually in the culinary and artistic fields, which is further setting a higher standard for regular businesses.



Motivations

Personal Experience with a Social Issue

Up until about 3-5 years ago, hardly anyone in Bulgaria knew the social enterprise concept, and this is why most social causes were undertaken as NGOs, later seeking sustainability. The personal motivation (seeing a need in society; feeling empathy for a particular group; having family history with special needs; having family support) is usually the main force inspiring women to take on the SE path.

Tzetzka Radeva is the founder of Maria's World Foundation which is a social enterprise for people with mental disabilities in Sofia. Radeva shares: *"Maria is the sister of my husband and she has a light degree of intellectual disability. Searching for a place that would help Maria acquire skills towards her independence, inspired the idea for Maria's World - for me this is a personal cause! Ultimately, even if we help just one person with a disability and improve his or her life, then it's all worth it!"*

Creating Jobs for Marginalised People

In other cases, social enterprises are created by women to help secure the independence of people whom they were previously supporting in other ways. Darina Gadzhurova, from the FSCI Foundation running the HOPESOAP social enterprise where young people leaving orphanages produce soap, notes that *"The social enterprise idea came after we secured 'protected housing' for youth coming out of the orphanages upon turning 18, but the main problem remained that they could not find jobs, because they lack presentational and social skills."*



Barriers

The main barriers to starting a social enterprise, for both women and men, are the lack of start-up funding, no "supported employment" and a lack of market recognition. In general, very few women report that they have faced sexism or particular barriers because of being a woman. However, some women do report facing prejudices by businesses or institutions, which do not treat them as serious partners. Maya Doneva, co-founder of the Social Tea House with the mission to employ abandoned youth in Varna, shares

"We fought so long to not be called 'the girls', and we are in our 30s! Also, seeing me at work with my kids makes people distrust that I can manage a successful business."

Sustainability

A problem for the sustainability of SEs remains lack of awareness among customers and insufficient market networks and strategies of the SEs themselves. Rositza Nikolova, from the Bulgarian branch of CONCORDIA Foundation (Austria), who runs a hairdressing salon and candles workshop for street youth, points out that *"No matter the quality of our products, to sell well we need a wide network of partners to recognise, promote and sell the products."* Spaska Mihailova, from the PCHELA/BEE honey-producing SE, notes an important fact:

"I still have not seen a store with a special stand dedicated to SE products, and this is needed, people should be educated to specifically look for SE products!"



Gender and Social Entrepreneurship

Gender Roles

Most women-led SEs develop products and services that we could perceive as traditionally characteristic of the type of work women stereotypically do, as a result of their aesthetic and

cultural value – arts and crafts; clothing and textile; food; laundry; home care services. While stereotypes are still strong in some aspects of Bulgarian society and can limit women, overall the choice of products and services of the social enterprises is determined by what is fairly easy to produce by people with disabilities and low levels of education.

The most important common gender-related factor connecting women social entrepreneurs is the deep motivation women have, often sharing that they feel like mothers to the vulnerable groups. Diana Remesal, from the Bulgarian branch of the Spanish organisation Betel which operates rehab centers and develops employment for men and women recovering from addiction, points out that *"The young men and women usually perceive me as a mother or a bigger sister, and in many ways I do feel as a mother to them. What inspires me is to see how they dream to create families."*

A Sector Led by Women

More women than men are engaged in the social economy sector in Bulgaria and this also explains why the number of women starting SEs is larger, due to their proximity to various social needs. Vessela Cankova, founder of the "Civic Initiatives-City of Lovech" Association and social enterprise art atelier, waffle kitchen, and copying center, which is part of a Day Center for social rehabilitation and integration of people with mental disabilities, notes,

"We are mainly women in this sector in Bulgaria, somehow men do not see it as a socially-respectable job to be in the social services."

I am a lawyer by profession, and when I dedicated my life to people with disabilities everyone thought I was crazy, to work for so little money and such a hard job. But I feel so fulfilled! Men, however, usually do not want to work in this field for these reasons."

Gender Equality

In most cases, addressing gender equality is not a primary concern for women's initial involvement with social entrepreneurship. However, later on, women (perhaps due to a particular sensitivity towards sexism) tend to notice hidden discrimination against girls and women. Maya Doneva, from

the Social Tea House in Varna, notes *"When we started volunteering with the abandoned children, with time we started noticing that girls were taking it as a normal thing that boys would grab you, even rape you! We want to give them alternative job, but also we plan girls' mentoring program for emotional intelligence."*

Women's Empowerment

Other social enterprises do start with the particular mission to empower women. Maria Shishkova, from the National Alliance for Volunteer Action (NAVA) and Manager of the Social sewing workshop employing Roma women in Plovdiv, says *"We aim to give young Roma women, with low-level of education and no professional experience, both a professional training and emotional support by a social worker."*

Success for me is when I see the women's great joy when they get a sewing order and complete it!"

CASE STUDY



The Bread Houses Network

The Bread Houses Network (BHN), www.breadhousesnetwork.org, offers an example of a simple but innovative idea that started in a small Bulgarian town, grew quickly as a model, and then expanded into a network in more than 18 countries on 5 continents. Since 2009, currently there are 7 Bread Houses in Bulgaria, two of which operate as bakeries-social enterprises that sustain themselves, thus forming a "social franchise" model. The Bread Houses are a mixture of socio-cultural community centers and bakeries, and their key characteristic is that they offer people with various disabilities regular free sessions of an innovative therapy method called "Bread therapy" (www.breadtherapy.net). The co-creative activities around bread-making are not only therapeutic, but also have the goal to unite and mix people of all walks of life who come for the regular weekly community-baking events.

How it All Started

The method was invented by Dr. Nadezhda Savova-Grigorova, founder of the Bread Houses Network, during her PhD in Cultural Anthropology at Princeton University (USA). Nadezhda shares how it began: *"While I was doing my doctorate research on the topic 'community building through the arts' I found that food was a big part of community building; people loved cooking together in improvised spaces. I imagined that bread-making could be the best, easiest and most creative way of sharing food together – also, a great universal symbol of peace! I had never seen such a space for collective bread-*

making, and decided to try to create it in Bulgaria, where I had an old unused house from my great-grandmother."

The Birth of an Idea

In 2009, Nadezhda started to test her idea for her organisation together with volunteers to undertake community workshops and bread therapy with local disadvantaged children and people with disabilities. A few years later, three now working-age youth from the local orphanage (who had been coming to the Bread House since children) expressed to Nadezhda their desire to work professionally as bakers. Realising that the social enterprise model could create jobs for the youth while sustaining the Bread House activities, in 2013 Nadezhda opened the first Bread House bakery-social enterprise in Gabrovo, Bulgaria.

An Impactful Social Enterprise

While the purchase of the machines, initial rent, and salaries were covered by a grant from the Trust for Social Achievement, the bakery is now on its own, making enough to keep the youth at work. The second bakery opened in 2014 in Sofia, and works with the same shared mission and model. As such, the two bakeries already proved the first for Bulgaria model of a «social franchise», and in 2015 the Network had its first foreign social franchisee visit from the UK to get train in the BHN methods with the plan of opening Bread Houses in the UK and South Africa.



Recommendations for Policy Makers

- * Develop long-term well-structured public funding schemes for SE projects and their sustainability
- * Provide State and municipal support for the preferential purchase of SE products and services
- * Develop public programs for “supported employment” for vulnerable groups (not limited to people with disabilities)
- * Undertake awareness-raising campaigns and a national branding campaign for SE products (ex : the Made for Cause brand)
- * Ensure lower, easier, and cheaper requirements for obtaining permits and licenses, particularly for food production and sales
- * Help develop a national network of specialised shops for all SE products; support the creation of stands for SE products in big food chains
- * Implement easier and clearer municipal and state regulations and procedures for SEs to use for free or for low rent public land, buildings and machines

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Interviews with the following social entrepreneurs:

Darina Gadzhurova (FSCI Foundation and HOPESOAP social enterprise) / Diana Remesal (Betel Bulgaria) / Maria Shishkova (NAVA and sewing atelier social enterprise) / Maya Doneva (Social Tea House, Varna) / Milena Neyova (Pregarni me) / Nadezhda Savova-Grigorova (Bread Houses Network) – interview conducted by Emily Usher / Rositza Nikolova (CONCORDIA Foundation – Bulgaria) / Spaska Mihailova (New Way Association and PCHELA/BEE social enterprise) / Tzetzka Radeva (Maria’s World Foundation and Day Center “Worlds” with Protected Coffee Shop and art ateliers social enterprises) / Vessela Cankova (“Civic Initiatives-city of Lovech” and Day center with social enterprises)

ABOUT THE PROJECT

This mini-report is based on primary empirical data gathered by Dr. Nadezhda Savova-Grigorova from February to May 2015 in Bulgaria, on behalf of the European Women’s Lobby. Data was gathered via desk research, in-depth semi-structured interviews with 10 informants using feminist interview methods, and an internet survey available in Bulgarian and English which was taken by 12 respondents.

These findings are part of a 1-year pilot study initiated by the European Women’s Lobby entitled WEstart: Mapping Women’s Social Entrepreneurship in Europe. Focusing on 10 European countries, WEstart seeks to gain a better understanding of the situation and state of play of women’s social entrepreneurship in Europe.

For more details about WEstart visit:

www.womenlobby.org
or www.WEstartEurope.org

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