



## EMPOWER - Social Enterprises' Sustainability Tools

### Project Result 1

### Training Package for Sustainability in Social Enterprises

### COMPENDIUM

Country Bulgaria

Developed by Bulgarian-Romanian Chamber of Commerce and Industry



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## Project Information

Commented [KS2]: MINDSHIFT Talent Advisory as suggested by Isabel

**Key Action 2:** KA220-YOU - Cooperation partnerships in youth

**Project number:** 2021-1-BG01-KA220-YOU-000029024

**Period of the project implementation:** 02/01/2022 - 02/01/2024 (2 Years)

**Consortium:** BRCCI (BG); SERN (IT); KMOP(GR); Future in Perspective Ltd (IE); CARDET (CY); Innovade LI (CY); MINDSHIFT Talent (PT).

## COUNTRY Bulgaria

## Legal Framework

Law on Enterprises of the Social and Solidarity economy, **into force since** May, 2019

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The law regulates the public interrelations related to the social and solidarity economy, the types of subjects and the measures for their support, as well as the conditions and the order for the activity of the social enterprises.

The law aims to promote the development of the social and solidarity economy as an economic sector with special rules for:

- improvement of the access to employment and trainings for acquisition or improvement of the professional qualification – in order to raise the living standard of the underprivileged persons (defined in the law);
- rendering support to underprivileged persons for their social inclusion and independent lifestyle;
- reduction of social inequality and ~~fer~~-sustainable territorial development.

The Law also defines the categories of social enterprises and their characteristics; establishes a special registration regime for social enterprises operating by the Ministry of Labour and Social Policy; lists the specific benefits/programs to which registered social enterprises have access.

According to the definitions given by the Bulgarian Law a social enterprise:

- has as its object of economic activity the production of goods or the provision of services;
- employs persons from vulnerable groups under an employment contract and/or mostly spends its profit on social purpose;

- combines economic performance with social goals by achieving measurable, positive social added value
- is managed transparently with the participation of members or employees in making management decisions.

Which entity can operate as a social enterprise? It can be:

- Non-profit legal entity (association or foundation) for public benefit, which carries out additional and mission-related business (Law on non-profit legal entities);
- Company - owned by a non-profit legal entity (Commercial Law);
- Company - registered as a specialized enterprise for people with disabilities (The Law on People with Disabilities);
- Company – traditional business entity (Commercial Law);
- Cooperative - registered by people with disabilities (The Law on People with Disabilities).

The Bulgarian Law on Enterprises of the Social and Solidarity economy defines two type of social enterprises – Class A and Class A+.

A **Class A** social enterprise carries out a social activity that produces social added value and is managed transparently. It has to meet the following additional requirements: more than 50% percent and not less than BGN 7500 (3750 €) of the positive accounting financial result after taxation for the last reporting period is spent for social activities or purposes **or** not less than 30% and not less than three staff members are from the vulnerable groups listed in the law. A **Class A+** social enterprise meets the same criteria plus some additional requirements: social added value is realized entirely within municipalities with an unemployment rate equal to or higher than the average for the country.

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## Strategic Framework

The list below embraces the most important Bulgarian strategic and planning documents related to the topic of the social economy, social entrepreneurship, social activities, etc. It includes only current documents. However, it is far from being exhaustive since there are many documents of strategic character developed or under development by citizens organizations, coalitions of NGOs or other civil society entities; as well as other strategic paper operating on the local/regional level.

- National Strategy for Poverty Reduction and Promotion of Social Inclusion 2020
- Strategy to support the development of civil society organizations in the Republic of Bulgaria for the period 2012-2015 and Vision for funding
- National Concept for Promoting the Active Life of the Elderly People 2012-2030
- National program for providing opportunities for active ageing, full participation of pensioners in social life and prevention of their social exclusion
- National Action Plan for the Promotion of Equality between Women and Men for 2013
- National Plan for Prevention of Violence against Children 2012-2014
- National Strategy for Roma Integration 2012-2020
- National Strategic Vision for deinstitutionalization of children in the Republic of Bulgaria
- Strategy for the development of social services for the elderly in Sofia 2010-2013
- Strategy for prevention of social exclusion on the territory of Sofia 2011-2015
- Updated employment strategy of the Republic of Bulgaria 2008-2015

You can read the full texts of the documents stated above (in Bulgarian only) as well as some additional documents on the web page of the Social Entrepreneurship Institute <https://sites.google.com/a/piamater.org/theinstitute/strategii>

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## Good practices

BRCCI has conducted desk research on the function and impact of social enterprises in Bulgaria. The listed below good practices are a great examples of social enterprises that serve the objectives and the values of social entrepreneurship.

### Name of the social enterprise

"Hope" bookstore

### Short description of activities

The bookstore "Hope", situated in Plovdiv, is owned by the association "Parallel World". It gives work to young people with intellectual disabilities. It launched a workshop where children and young people with intellectual disabilities and autism make various cards, offered by the bookstore. Anyone who is interested can visit the workshop on the spot, choose a specific design of cards for a particular occasion, and meet young people. The association ~~plans also plans~~ to open a sewing studio for making bags.

### Contacts

Bulgaria, Plovdiv

Hope Bookstore - Trakiya residential area, building 15, [misia.nadejda@gmail.com](mailto:misia.nadejda@gmail.com)

Association Parallel World – 70, Rodopi str., [paralelen\\_sviat@abv.bg](mailto:paralelen_sviat@abv.bg)

### Name of the social enterprise

Botanica Life Foundation

### Short description of activities

Botanica Life Foundation is a non-profit organization, which supports entrepreneurship, creativity and innovations among young people. The foundation implements activities in the fields of ecology, agriculture, gardening and permaculture. It consists of: Training Center, Organic Garden, Arts&Crafts and Social Enterprise. With the SE the Foundation supports young people not in education, nor in employment who have the chances to acquire labour skills and experience in the Foundation's production field by growing fruits and vegetables, maintaining garden, cultivating land, organizing training activities, etc. The social enterprise encourages the labour occupancy among youngsters and the same time financially supports the training center.

### Contacts

Bulgaria, Nadarevo vilage,

15, Malyovitsa street

email: [info@botanicallife.org](mailto:info@botanicallife.org)

## Name of the social enterprise

The Social Teahouse

## Short description of activities

The Teahouse is a place for tea and herbal drinks, events, workshops and most of all, it is the first sheltered workplace for youngsters from social institutions. The goal of the social enterprise is to support young people from a problematic social environment, and it achieves it by giving them opportunities and tools to live an independent life and build themselves up both personally and professionally. The people leading the Social Teahouse believe that the lack of parental care and supportive surroundings must not prevent anyone from living a full, honest and dignifying life, achieving goals and dreaming of a bright future. The Social Teahouse Project was created in 2014 by Maya Doneva and Stoyana Stoeva in Varna. In 2015, with the help of many volunteers and partners, the Social Teahouse officially opened its doors as an alternative social space where young people with limited access to the labour market get their first job.

## Contacts

Bulgaria, Varna

53, Preslav str.

email: [info@thesocialteahouse.bg](mailto:info@thesocialteahouse.bg)

## References

NATLEX Database of national labour, social security and related human rights legislation. Retrieved 2022 from <https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/112803/141077/F385589937/BGR-112803.pdf>

South-West University "Neofit Rilski". Retrieved June 2022 from <http://el.swu.bg/ikonomika/volume-1-issue-2-2019/488-2/>

