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ComEnt
Fostering Innovation
in Community Led
Enterprise Development

RO1 National report on the state of the art on innovative models of community enterprise development - Bulgaria

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ComEnt RO1 – National report Bulgaria

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1. INTRODUCTION

The ComEnt project, a 24-month transnational project funded by ERASMUS+, seeks to develop an innovative accredited educational programme on community enterprise development and provide higher education educators and students with appropriate teaching and learning resources. The ComEnt project consortium consists of the following:

- Technological University of the Shannon: Mid-lands Mid-West (Ireland – lead partner)
- Communities Creating Jobs (Ireland)
- ACEEU GmbH (Germany)
- Archivio della Memoria (Italy)
- Burgas Free University (Bulgaria)
- Fundatia Alaturi de Voi Romania (Romania)
- FHV – Vorarlberg University of Applied Sciences (Austria)

The fostering of community-led and community owned enterprises promotes civic engagement. The knowledge, skillsets and competencies acquired through this initiative will enable university graduates and social innovators to empower marginalised groups and disadvantaged locations. This provides the capacity to create wealth and promote social inclusion, particularly for those who have been less successful in engaging with the dominant neo-liberal and capitalist market system. An enterprising community is not simply concerned with capitalism but seeks to build a viable and sustainable social, economic and cultural ecosystem. Enterprising communities involve an integrated mix of social, private and state enterprise, each adding value to the other. According to Cooke (2018), there are sufficient resources (live and dormant) owned by statutory agencies; community and voluntary sector; and private sector which could be utilised productively to create and sustain community-owned social enterprises.

The ComEnt project defines a community enterprise as an organisation owned and managed by the community, whose mission and vision are centred on serving individuals from a defined geographical area (predominantly disadvantaged locations) and / or communities of interest (predominantly marginalised groups in society). This makes community enterprises a distinct group within the wider social enterprise sector, not only trading for social purposes but reinvesting any profits in ways that provide benefits to a particular community.

Therefore, the specific promotion of community sponsored entrepreneurship within higher education courses is innovative. It is critically important for higher education institutions, in partnership with the community and voluntary sector, to undertake research on the topic of community enterprise. Furthermore, it is equally important to educate students and relevant stakeholders on the ways in which community owned enterprises can facilitate community-led local development.



2. CONTEXT

2.1. COMMUNITY ENTERPRISE VS SOCIAL ENTERPRISE

The definition¹ about the community enterprises explains it as the process and all the activities connected with the use of a company in order to improve the life of a **community**. They are different from private enterprise because their business activity is undertaken as a means of achieving community benefit, not private gain. **Key characteristics** of community enterprises are that they aim to be **community owned**--assets belong to the community and cannot be sold off for private financial gain; **community-led**--people who are local stakeholders in the area of benefit play a leading role in the enterprise; **community controlled**--the local community is represented on the Board of Directors and makes sure that the enterprise is accountable to the community; **able to generate profits or a surplus** that can be re-invested or distributed for community benefit ;**socially and environmentally responsible**--the tackle social and environmental problems in their area and **financially self-sustaining**--or on the way to being so. In this sense, community enterprise can be seen as a more specific form of social enterprise. By this point, social entrepreneurship everywhere in the world is an attractive activity of foundations, non-profit companies, various forms of social enterprises that provide a wide range of social services in the single world market and are the main driver of social innovation.

Social engagement organizations in Bulgaria (Marinova, Yoneva, 2021) have a rich history and traditions, especially when it comes to the type of powerful cooperative movement and *chitalishta* (*community centers*). These were the first beginnings of what we now call social enterprises. Well before that, cooperatives had undergone a huge change due to the fact that World War II had forced a broad economic reorganization that forced people with limited material resources to deal with economic and social problems precisely through cooperatives. Historically, cooperatives and community centers have centuries-old traditions in the country. Businesses that provide sheltered employment for people with disabilities, too contributes to the development of modern social enterprises. Such enterprises began to appear at the beginning of the 20th century. They experienced rapid growth and development in the period 1951-1989 due to the legally defined right of reserved niche markets for their products. After a period of difficulties in the first decade of transition, currently the enterprises facilitating the labor integration of people with disabilities are gradually recover their ability to perform their functions. The other forms such as associations

¹ <http://www.communitypartnering.info/what45.html>



and foundations, developed in the first half of the 20th century, although they suffered a hiatus during the socialist period, and after 1990 non-profit organizations (NPOs) again experienced rapid expansion.

Today, social enterprises arise mainly as evolution of the following forms: cooperatives, enterprises for labour integration disabled people, plus associations and foundations. However, the services provided according to a set of social enterprises operating in Bulgaria, do not meet the growing dissatisfaction needs arising in society, including integration of vulnerable people.

In Bulgaria (Jeliazkova, M., 2019) we are witnessing a vaguely delineated hybrid form between the current economy and the position and needs of civil society in the form of various associations, business entities operating by reinvesting their profits for the benefit of a social cause. **The lack of clear criteria** for identifying social enterprises in Bulgaria and the fragmented legal framework have confused the field of social enterprises. There is no such definition, or regulations about what the definitions of community based enterprise. The country has a bad legacy of the meaning of community from the period of soviet influence during the Socialism period for over fifty years. Nowadays could be seen

- ✚ **Cooperatives pursuing a social mission**, cooperatives for the disabled, credit cooperatives and microfinance organizations correspond to the social-cooperative model. Nowadays, the most developed form of social cooperative in Bulgaria is that of **cooperative for people with disabilities**.
- ✚ These organizations are allowed to perform economic activities, but the social aim must have primacy over the profitmaking purpose.
- ✚ The aim of social cooperatives in our country, providing opportunities for disadvantaged people for equal inclusion, integration and implementation in the labor market and creating an innovative model for a virtual Social Cooperative to help and work in the interests of **marginal groups** in remote and small settlements, etc.
- ✚ **The target group** are people working in the field of social and educational activities - experts and specialists in prevention, integration, managers of non-governmental organizations, educational institutions, labor offices and municipal structures

2.2. NATIONAL POLICY AND RESEARCH ON COMMUNITY ENTERPRISE / SOCIAL ENTERPRISE

The legal framework was outlined only in 2018 (Report for Social Enterprises in Bulgaria, 2014), but even then no specific definition of what a social enterprise was



given, which leads to the fact that enterprises that perform such social activities should be regulated by already existing laws and regulations governing any other economic activity. This, in turn, could thwart the effectiveness of social enterprises. On the other hand, it is not clear to what extent the state is involved in providing services in the field of social care, health and education. legal definition of a social enterprise, as well as norms governing the status, form and activity of a social enterprise. Moreover, the term "social enterprise" did not formally exist in the country's legislation until 2018. The only legislative type of enterprises are specialized enterprises and cooperatives of people and establishments.

If we have to trace the most significant legal acts that shape the legal regulation of enterprises with social goals, they are:

Normative base governing the activity of organizations with social goals (including associations and foundations carrying out economic activity, community centers, cooperatives of people with disabilities, specialized enterprises for the integration of people with disabilities

1. *Law on People's Cultural Societies* (SG, No. 89 of 1996, last amended in 2018); (communities) defines community centers as specific self-governing public associations developing and enriching local cultural, social and educational activities. These associations also take the legal form of NGOs and are registered both in the register of the Ministry of Culture and in the register of NGOs. It contains elements that provide a solid foundation for the three dimensions of the EU's operational definition: entrepreneurial, social and inclusive governance structure.
2. *Law on Non-Profit Legal Entities* (SG, No. 81 of 2000, last amended in 2018); determines the manner of creation of foundations and associations legally established in the country. There is a difference between public and private benefit associations and foundations. Public benefit includes: development and promotion of civil society, civic participation and good governance; development and promotion of spiritual values, health care, education, science, culture, technology, technology or physical culture; support for children, people with disabilities and people and communities at risk of social exclusion; protection of human rights or the environment; other purposes determined by law. It includes associations and foundations created for public benefit in a special register.
3. *Law on Cooperatives* (SG, No. 113 of 1999, last amended in 2018);
4. *Law on the Integration of People with Disabilities* (SG, No. 81 of 2004, last amended in 2017). According to the Law on the Integration of People with Disabilities, specialized enterprises and cooperatives of people with disabilities are those that meet the following conditions;
5. *Law on Small and Medium Enterprises*
6. *Accountancy Act*
7. *Commercial Law*



According to the Law on the Integration of People with Hospital Specialized Enterprises and cooperatives of people with hospitals with those who meet the following conditions:

- They are registered under the Commercial Law or the Law on Cooperatives;•
- Production of goods or services;
- have a relative share of accommodation persons as follows:- for specialized enterprises and cooperatives for blind and partially sighted persons –
- Is registered under the Commercial Law or the Law on Cooperatives;• There is a total staff of not less than 10 people;• Production of goods or services, and• Not less than 50 percentage of the total number of employees are faces with guests.

3. METHODOLOGY

The objective of RO1 for this project is

“National and summary reports on the state of the art on innovative models of community enterprise”, the project has set itself the following objective: To analyse innovative processes and patterns pertaining to models of community enterprise in the selected partner countries and at a European level. To identify and reflect on best practice examples of successful community enterprise and determine their critical success factors. (RO1),

The literature review informed the design of the research methodology and the research design strategy was agreed among the partners at the meeting in Thurles in April 2022.

It was determined that a Case study format was the most appropriate approach as it is ‘A case study is an empirical inquiry that investigates a contemporary phenomenon within its real life context, especially when the boundaries between phenomenon and context are not clearly evident’ (Woodside 2017) Yin (2003), in his influential book Case study research: Design and methods, suggested that case study research is an appropriate strategy for "how" and "why" questions.



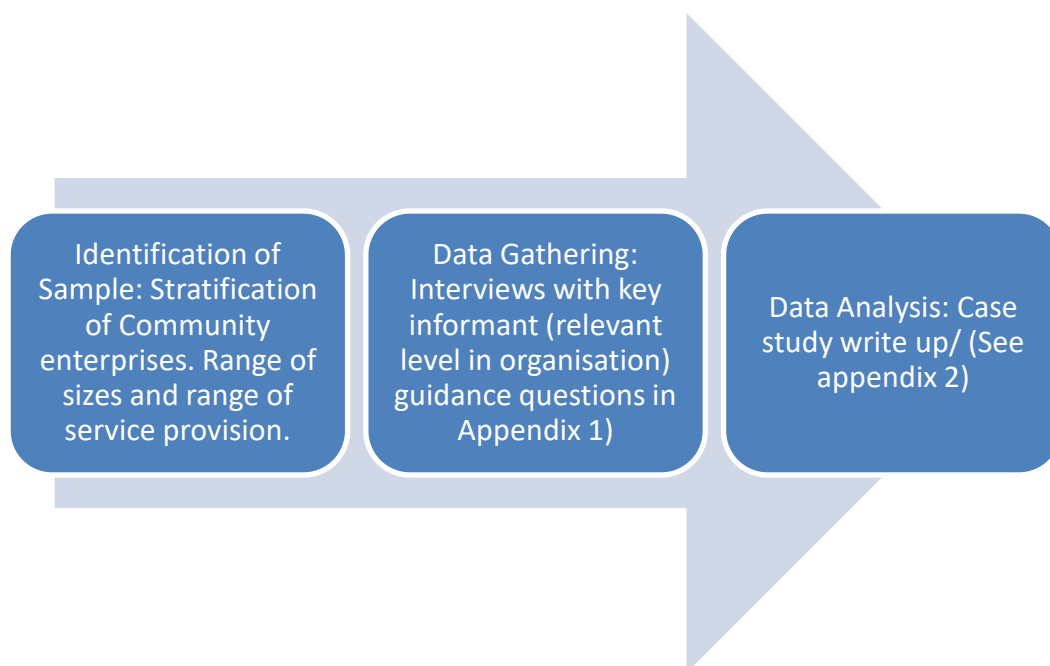


Figure 1: Research Design

3.1. Sampling Strategy:

To support the research it was agreed that a stratified sampling approach would be taken to identify a range of community enterprises using: scale, provision of services and duration in existences. The key informant identified to participate in the interviews in each organisation would be taken from the following stakeholder grouping in each organisation will include (a) the Chief Executive /Principal/ Managing Director (paper signer), (b) the financial manager, (c) a separate employee, (d) the chair of the governors/other member of the board, (e) a stakeholder/beneficiary.

3.2. Data Collection:

It was agreed that a semi-structured interview approach would be adopted and that these would be conducted face to face with each person and the areas of focus for the interviews would be:

- (i) **Information about the organisation**
- (ii) **The reasons for starting the community enterprise**
- (iii) **The way in which the community owned enterprise operates**
- (iv) **The way in which the organisation manages its finances**
- (v) **The leadership& management approaches in the organisation & its future directions**
- (vi) **And finally ..any other issues that need to be considered**

(See appendix 1 for a full list of support questions)

3.3. Research Ethics:

All participants in the process were issued with and invitation to participate, a letter of consent and the research questions in advance. Ethical approval was obtained from

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LIT (TUS) Research Ethics Committee ensuring best practice in the research process.

4. KEY FINDINGS

4.1. COMMUNITY ENTERPRISE IN PRACTICE

In a report entitled Social Entrepreneurship as a Form of Social Responsibility in Bulgaria (Daniela Ilieva-Koleva, 2 Julia Dobрева, 2020) it is pointed out once again that Bulgarian legislation still does not have a legal definition of a social enterprise, nor regulations for their activity, status and form.

In general, there are opportunities for social entrepreneurship in Bulgaria in the form of non-profit organizations that perform profit-making activities and use that profit to fund the organization's social mission.


A second model is non-profit organization that provides employment for people with disabilities or provides training services (e.g. training for the development of working abilities). The third popular model is non-profit organizations engaged in social assistance. The fourth form of social entrepreneurship in Bulgaria is the cooperative.


From the historic point of view that form has had the longest practice application, especially in the period after World War II until 1990, although it is rarely considered as social entrepreneurship. In the survey submitted by the Program for Transnational Cooperation in South-Eastern Europe, 80% of Bulgarians social enterprises note the lack of government policy as a major obstacle to social entrepreneurship. Social enterprises in Bulgaria function in different sectors. They are most often involved in:


- Supply of social services;
- Job opportunity/employment of people with disabilities;



- Mediation in finding a job for unemployed persons;
- Opportunity for proper health services;
- Activities concerning education and others.

-  Social enterprises in the country cover different legal forms, namely:
- a) associations and foundations;
 - b) cultural community centers;
 - c) specialized enterprises for work integration of people with disabilities; and
 - d) cooperatives of people with disabilities.

-  **The lack of clear criteria** for identifying social enterprises in Bulgaria and the fragmented legal framework have confused the field of social enterprises. In an effort to provide clarity, the government elaborated a draft Law on Enterprises of Social and Solidarity Economy, adopted by the National Parliament.

-  **The new Act came into force on 2 May 2019.** The available legal framework for the above-mentioned organisational forms as well as the new Act parallel parts of the EU operational definition. The requirement for economic activity, the defining role of the social aim and the independence of the entities all resonate with the EU definition.

-  The new legislation provides a few **fiscal preferences** relevant to the activities of social enterprises.

Typologies of social enterprises in Bulgaria	
Independent trading companies	that employ people from risk groups and /or offer services or products for people;
Specialized organizations for people with needs	provide employment to businesses these vulnerable groups;
Non-governmental organizations	organizations that have economic activity in the period of development the legally established possibility for this or registered commercial companies to develop such activities, providing employment for people from vulnerable groups;
Social enterprises to the municipalities	which ensure the safety of the people from risky (most often people with groups);
Social in the form of public-private enterprises with municipalities	



Day people for lute centres	business activity for the purpose of socialization and adaptation of its clients;
Social enterprise within a large industrial holding company	company established with the purpose of employment of workers who received a degree while working

Note: This diversity can be perceived and understood from different points of view help to understand the current situation in the country

From the point of view of the working definition, they can be organized into **two main groups**:

✚ **Enterprises created as a result of a business initiative** and operating on a market basis (hereinafter we will call them **"entrepreneurial" type**),

1. **Specialized enterprises for people with disabilities** - the most common type, sustainable enterprises established under the Law on Integration of People with disabilities.
2. **Independent companies** that have started with their own resources – several cases arising from an authentic business idea. They turn out to be viable precisely because they do not rely on outside help.
3. **Municipal specialized enterprises** for people with disabilities - that is intermediate type between independent specialized enterprises and municipal social enterprises.

✚ **Enterprises dominated by social cause and profit is in the background**

1. **Municipal social enterprises (or public-private partnerships with participation of the municipality)** - the difference with the above type (municipal specialized) enterprises is that the leading one is the social cause (for example, raising the living and social status of people from vulnerable groups - most often people with disabilities).
- 2. **Enterprises of non-profit organizations - several serious ones NGOs** have their own businesses that offer products on the market and from the profits finance their basic social activities. Legally, they can function as separately registered economic operators or within the scope of the possibility of self-employment NGO activity.
 - 3. **Social services for vulnerable groups** who are looking for additional or sustainable financing through entrepreneurship, together with the provision of employment and socialization - most often day care centers for people with disabilities who work for the social inclusion of their clients by involving them in



different activities - most often production of cards, martenitsas, souvenirs, plastic sand others.



Table 1. Correspondence of the legal forms in Bulgaria to the EU social enterprise operational definition

Legal form	Law and year of adoption	Main aim	Fulfilment of EU operational definition
<i>Chitalishta</i>	Law on Public <i>Chitalishta</i> , 1996 (last amended 2018)	Establishes specific form of traditional community associations aimed at development and enrichment of cultural, social and educational activities in the locality where they carry out their activities; The associations established by this Law are at the same time NPOs. The <i>chitalishta</i> is a legal entity.	Economic dimension: Additional business activity only if it relates to the subject of the main activity. Full constraints on profit distribution as <i>chitalishta</i> are NPOs as well. Social dimension: Broad definition. Inclusive governance: Collective management bodies: general assembly of the members and board of trustees (3 people). By law <i>chitalishta</i> are autonomous juridical bodies.
Cooperatives (excluding the ones for disabled people)	Law on Cooperatives, 1999 (last amended 2018)	Establishes cooperatives and cooperative enterprises that, through mutual assistance and cooperation, carry out commercial activities to satisfy economic, social and cultural interests of their members. The cooperative is a legal entity.	Economic dimension: Cooperatives are for business activities; no constraint on profit distribution to members. Social dimension: To satisfy economic, social and cultural interests of members. Inclusive governance: Collective governance bodies of members: one member-one vote (general assembly and board). By law cooperatives are autonomous juridical bodies.
Associations and foundations (excluding <i>chitalista</i>)	Law on Non-Profit Legal Entities, 2000 (last amended 2018)	Establishes associations and foundations; distinguishes between organisations for public benefit and for private benefit; allows business activities to both types. The NPO is a legal entity.	Economic dimension: Additional business activity only if it relates to the subject of the main activity. Full constraint on profit distribution is applied for the NPOs. Social dimension: Broad definition. Inclusive governance: For some of the types collective bodies of owners and members; not concerning workers and not linked with the business activity. By law NPOs are autonomous juridical bodies.
Specialised enterprises and cooperatives of people with disabilities	Law on Integration of People with Disabilities, 2004 (last amended 2017)	Establishes the functions of the state agency for people with disabilities and defines the basic criteria of specialised enterprises of people with disabilities: share of employed people with disabilities independent from the legal form (company or cooperative).	Economic dimension: Producing of goods or provision of services. No constraint on profit distribution. Social dimension: Employment of people with disabilities. Inclusive governance: No specific attention to governance, depends on the legal form. These specialised enterprises could be autonomous juridical bodies or municipal enterprises. Cooperatives of people with disabilities have inclusive governance as they follow the Cooperatives' Act.



4.2. FACTORS WHICH PROMOTE COMMUNITY OWNED ENTERPRISE

According to the Country report of Bulgaria for Social enterprises and their ecosystems in Europe (2019, p. 57-64) there are several support measures for enterprises with social purposes.

Benefit social enterprises measures addressed to all enterprises that cover specific criteria

A wide range of measures targeting small and medium-sized enterprises (SMEs) include:

- “The Small Business Support Program of the European Bank for Reconstruction and Development (consultancy, financial management, efficiency and marketing) and the support measures provided by the Agency for the Promotion of SMEs (information services; promotion of entrepreneurship and other skills through training and seminars, stimulating market-oriented applied research for industry and creating conditions for attracting private capital to finance innovation, stimulating market cooperation and the development of clusters).”
- “Labour market programs that provide remuneration and/or payment of insurance contributions for hiring unemployed persons (registered at the labor offices) for a certain period.”

Benefits for social economy/non-profit organisations (that may also benefit social enterprises)

- Working Group on Social Economy at MLSP), with the adoption of the Act, doing activities concerning the National Social Economy Concept. It also emphasised the elaboration and implementation of the bi-annual Social Economy Action Plans (2014-2015, 2016-2017, 2018-2019) focused on awareness raising and stimulating the statistical representation of the sector.
- Grant schemes for the establishment and development of social enterprises and social platforms;
- State subsidies admissible under the so-called Block Exemption Regulations for State Aid. (http://ec.europa.eu/competition/state_aid/legislation/block.html)
- Different programmes for NPOs, especially EU programmes usually linked to EU funds support NPOs and social economy development. “(Human Resources Development OP 2014-2020 the social and solidarity economy occupies a separate Investment Priority 4: “Promotion of social entrepreneurship and professional integration in social enterprises and promotion of the social and solidarity economy in order to facilitate the



access to employment" under Priority Axis 2: "Poverty Reduction and Promotion of Social Inclusion". A total of 7.7 million EUR gets allocated for the scheme "Development of social entrepreneurship)"

Benefits for social enterprises

- The newly adopted Act envisages development and promotion of the social enterprises as a specific economic sector: The Act creates prerequisites for common initiatives and different forms of cooperation between local governments and social enterprises. For this aim the Act also provides that local government bodies can assist the organisations of the social and solidarity economy in their activities by:
 - a. Encouraging the development of human resources in the social and solidarity economy;
 - b. Developing mechanisms to support social entrepreneurship;
 - c. Participating in the activities of the social and solidarity economy through various forms of cooperation with social enterprises.
- The International Fair in Plovdiv (in 2018 in Sofia) held annually hosts a European fair for social enterprises and cooperatives;
- An annual contest for "best business plan" of NGOs, in order to encourage them to undertake economic activities in support of their primary social, environmental or other aims and to promote the cause of social entrepreneurship. *(The initiative is funded by Foundation America for Bulgaria and UniCredit Bulbank;)*
- The Forum "Social Enterprise in Bulgaria" comprises an informal network of people and organisations working in the field of social entrepreneurship. The Forum helps exchange information and policy-making, names and helps to solve problems for social entrepreneurs at the national level. The work of the Forum is coordinated by the BeCause Foundation (until recently "Charity Aid in Bulgaria");
 - The Programme "Rinker's Challenge" organises annual entrepreneurship competitions from 2014 by supporting early-stage ideas with a training programme, in-house funding and mentoring support for existing or newly created teams. The teams themselves choose the legal form in which to implement their ideas; (18) Entered into force as of 15.04.2016, promulgated in State Gazette No. 13 of 16 February 2016, last Supplement SG 34 of 3 May 2016.

Networks and mutual support mechanisms

- Nationally representative organisations, such as the different Unions of the Disabled, the National Association of Employers of People with Disabilities, etc.;



- *Ad hoc* networking linked to different activities, projects, etc., like a network of parents' cooperatives, a network of mothers of children with disabilities and others.
- Different initiatives strive to stimulate the development of social enterprises as well.
- The Forum "Social Enterprise in Bulgaria" comprises an informal network of people and organisations working in the field of social entrepreneurship. (exchanging information and policy-making, names and helps to solve problems for social entrepreneurs at the national level.
- The Programme "Rinker's Challenge" - annual entrepreneurship competitions from 2014 by supporting early-stage ideas with a training programme, in-house funding and mentoring support for existing or newly created teams.

According to *The European Commission* report (2020) Bulgaria belongs to the paragraph CEE and SEE countries where main drivers boosting SE development are all the policies connected with public policies including grants for start-up, specially tailored to support WISE's and all the funding and financial support from donor's

Type of welfare system	Main drivers boosting SE development	Examples of countries
Poor supply of welfare services by public providers and, traditionally, gaps in welfare delivery and strong civic engagement	<ul style="list-style-type: none"> > Bottom-up experimentation by groups of citizens of new services > Consolidation of SEs thanks to public policies that have regularised social service delivery 	Greece, Ireland, Italy, Portugal, Spain
Extensive public supply of social services, increasingly contracted out to private providers	<ul style="list-style-type: none"> > Privatisation of social services > Bottom-up dynamics 	Denmark, Finland, Norway, Sweden, United Kingdom
Extensive public and non-profit welfare structures, covering the majority of the needs of the population	<ul style="list-style-type: none"> > Public support system designed to support work integration > Bottom-up emergence of SEs to address new needs 	Austria, Belgium, France, Germany, Netherlands
Welfare systems that have undergone drastic reforms, weak associative and cooperative tradition	<ul style="list-style-type: none"> > Public policies (start-up grants) specifically tailored to support WISEs > Initiatives with philanthropic background and donors' programmes 	CEE and SEE countries

Table - Drivers and trends of social enterprises

programmes and philanthropic activities.

Source: European Commission, 2020, p.46

4.3. BARRIERS



According to The European Commission report (2020), Bulgaria is facing problems with weak self-recognition which includes politically and legally accepted but narrow understanding.

Degree of acceptance	Country
Politically and legally accepted—large self-recognition	Ireland, Italy, United Kingdom
Challenged by social economy/social and solidarity economy	Belgium, France, Greece, Luxembourg, Portugal, Spain
Not commonly used—limited space due to traditional welfare institutions	Austria, Denmark, Finland, Germany, Iceland, Netherlands, Norway, Sweden
Politically and legally accepted but narrow understanding (work integration)—weak self-recognition	Bulgaria, Croatia, Czech Republic, Finland, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia, Serbia, Sweden
Challenged by other concepts, such as corporate social responsibility, social entrepreneurship and social innovation	Cyprus, Denmark, Estonia, Iceland, Montenegro, Netherlands, Norway, Sweden
Emerging acceptance	Albania, Malta, North Macedonia, Turkey

Table 1 - Degree of acceptance of the social enterprise concept

Source: European Commission, 2020, p.35

According to report called “Analysis of Social Entrepreneurship In Bulgaria” (2013, Kumanova M., Shabany, N.) and it is still valid:

- Bulgarian legislation lacks a legal definition of a social enterprise, as well as norms governing the status and form of activity of a social enterprise.
- Despite the lack of legislation, the practice in Bulgaria shows that there are organizations that develop social entrepreneurship and define themselves as social enterprises. However, to make this a sustainable policy that has a real result for people, it is necessary not only to pilot various models, but also to have a good institutionalization in the legal framework, which will stabilize any intervention and give a long-term perspective to the investments.
- To this must be added an appropriate stimulating financial policy, which guarantees through positive discrimination that "equal chance" with ordinary business will be ensured.
- The fragmented legal framework (according to sectors - social service providers, specialized enterprises, etc.) affects the development of a unified and consistent state policy for supporting the social economy and social enterprises, which ultimately reflects on their sustainability and efficiency
- Poor understanding of the specific nature, role and potential of social enterprise;
- Insufficient targeted assistance through dedicated financial instruments; lack of adequate support from the municipalities; and
- Insufficient scale of public procurement.

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4.4. POLICY CONSIDERATIONS

According to another research² for the social enterprises in Bulgaria:

- The possibilities of the integrated European market and the developed practices in Europe's leading economies are a resource that could be used much more efficiently.
- Optimizing legislation and creating a flexible legal environment is a necessary condition for the development of the sector.
- As European practice shows, a proven solution to support the social entrepreneurship is the creation of a civil organization that fulfills the role of a body that protects the interests of the "social entrepreneurship", generates and maintains a database of social enterprises, lobbies at the political level, promotes social entrepreneurship as an activity in public benefit, monitors and monitors public procurement and schemes for financing.

4.5. EDUCATION AND TRAINING REQUIREMENTS

Country report of Bulgaria from 2019, (Jeliazkova, M., 2019) declares that the beginning of research activities on social enterprises in Bulgaria started around the beginning of the 21st century and the main trigger was country's membership into the EU. Mainly were analysed donor interests, the transfer of knowledge about social economy and social enterprises, *"including: institutionalisation and financing of the social economy; describing social enterprises' characteristics, performance, regulations and effects in other EU member states; as well as social enterprise policy trends, documents and initiatives at the EU level"*

Main focus on:

- more advanced EU countries;
- development of social enterprises in the Bulgarian context.
- tendencies and the problems of emerging prototypes of social enterprises,
- the need of legal framework, sources of financing, etc.

In 2012 - the Ministry of Labour and Social Policy together with the NSI created a database platform for social enterprises in Bulgaria in order to development the

²

https://socialenterprise.bg/docs/conference_1/%D0%9F%D0%B0%D1%80%D1%82%D0%BD%D1%8C%D0%BE%D1%80%D1%81%D1%82%D0%B2%D0%BE%20%D0%B7%D0%B0%20%D1%81%D0%BE%D1%86%D0%B8%D0%B0%D0%BB%D0%BD%D0%B8%20%D0%BF%D1%80%D0%B5%D0%B4%D0%BF%D1%80%D0%B8%D1%8F%D1%82%D0%B8%D1%8F%20-%20%D0%B4%D0%BE%D0%BA%D0%BB%D0%B0%D0%B4%20%D0%BE%D1%82%20%D0%B8%D0%B7%D1%81%D0%BB%D0%B5%D0%B4%D0%B2%D0%B0%D0%BD%D0%B5.pdf



social economy and enterprises also influenced research development. (conditions for education, training and research to support social enterprises.)

In 2018 - measures to assess the social and economic impact of social enterprises on employment and social inclusion of disadvantaged people.

Research (General areas of research summary:

- Creating a clear and long-term vision for the social economy and social enterprises;
- Effectiveness of applied policies and the legal framework for the promotion of social enterprises;
- The roles of civil society, its initiatives to stimulate the social economy and local economies and the creation of social capital in the country;
- Seeking more active use of funding opportunities from European structural and investment funds and other EU programmes to launch new social initiatives.

Education:

- Several universities - include social economy in their coursework (social policy and social work lectures),
- Specialised university courses focused on social economy (the number of universities including such courses continues growing, together with the rising interests of researchers)
- A course on social entrepreneurship takes place at the Faculty of Economics of Sofia University "St. Clement Ochridski". The optional course for bachelors and masters opens its doors to all students interested in social entrepreneurship. During the school year, nearly 80 participants attended lectures on social entrepreneurship: students at the Faculty of Economics, free listeners from other faculties and universities, and PhD students.
- The Master's Programme "Social Entrepreneurship" at the Department of Philosophy and Sociology takes place at the New Bulgarian University (NBU - Sofia). The programme lasts for three semesters. The training includes lectures on new forms of solidarity, civil society, non-governmental organisations, social problems, social economy, social capital, status and functions of social entrepreneurship, social innovation, etc.
- The Economic Faculty of St. Cyril and St. Methodius University of Veliko Tarnovo offer an educational programme: "Social Entrepreneurship" for Masters.
- Thracian University in Stara Zagora conducts research and training on social economy.



- Institute for the Study of Societies and Knowledge, Sofia (the former Institute of Sociology) conducts research and teaches PhD students in the field.

NGOs trainings:

- A joint summer training programme on social entrepreneurship first launched with NGOs Reach for Change Bulgaria and Together in Time;
- The programme "Entrepreneurship for Non-Profit Organisations" transpired, whereby the best business plans received a prize of around 20,000 EUR. (2018, 2019)
- The BCNL offers training under the Entrepreneurship Programme for Non-Profit Organisations for 2018/2019. Anyone involved in the Programme will receive individualised expert support to develop their entrepreneurial activity. The programme receives support through the America for Bulgaria Foundation and in partnership with TELUS International Europe.
- The Erasmus for Young Entrepreneurs Programme provides consulting support to start-up young entrepreneurs who would like to exchange experience with colleagues in their field in European Union countries. From the beginning of 2017, BeCause acts as the Bulgarian partner in the SEED plus project, implemented by a consortium of nine organisations.
- Reach for Change Bulgaria organises an "Academy of Social Entrepreneurs", held in Sofia.

CONCLUSION AND RECOMMENDATIONS

Bulgaria needs significant improvements in the economy and the social sphere. Intensive emigration of young people, high levels of poverty, low quality of jobs, employment and life, insufficient volume and quality of social services, education, health, etc. give a clear signal that changes in economic and social policies are needed. The accelerated development of social enterprises is one of the important opportunities for making positive changes. The necessity to use this opportunity also determines the prospects for the development of social enterprises in Bulgaria. The new Act on Enterprises of the Social and Solidarity Economy is a step in this direction. However, many other steps are needed for the accelerated and effective development of social enterprises.

Based on the literature review³ and case study research (Terziev, Venelin & Georgiev, Marin, 2016)., several conclusions can be drawn:

³ http://bcnl.org/uploadfiles/documents/publikacii/plan_se.pdf



Specific actions are needed in all financial, legal and administrative areas and this should include:

- 1) The support for social entrepreneurship following the principles of sustainability, through which it is foreseen the allocation of public resources for the purposes of the activity of social enterprises to deal with social problems; the planning of the objectives, the order and the expected results when providing a public resource to support social enterprises should be based on a periodic assessment of the environment, taking into account the characteristics of established practices and models at a given time, and their potential to work to achieve social aims.
- 2) Equity and reduction of administrative burdens: including incentive tools suitable and accessible to the whole range of social enterprises; as well as building efficient, fast and financially affordable administrative procedures.
- 3) Decentralization and coordination in creating mechanisms for the inclusion of social enterprises in the planning and evaluation of social entrepreneurship policy at the national level; creating conditions for the development of social entrepreneurship at the local level, according to the specifics and needs of the respective territory by involving the municipalities in this process (through local and regional strategies).
- 4) Solidarity and partnership: creating conditions for interaction, consultation, open dialogue and responsibility sharing among all stakeholders.
- 5 Effectiveness and efficiency: implementation of programs and measures after analysis of needs, coherence and adequacy of goals; relevance of the invested resource to the obtained result - a clear assessment of the financial and social result.
- 6) It is proposed the social communication in Bulgaria to be improved in order to eliminate difficulties and negative impact on social enterprises especially on forms of cooperatives. The regulatory elements also need improvement as it creates difficulties and has a negative impact on social enterprises as such as cooperatives.



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2. Jeliazkova, M., 2019, Social enterprises and their ecosystems in Europe, Country report Bulgaria
3. Marinova, Tsvetelina & Yoneva, Elisabeth. (2021). Social Enterprises in Bulgaria Historical and Institutional Perspective. 10.4324/9780429324529.
4. Kumanova M., Shabany, N (2013), Analysis of Social Entrepreneurship In Bulgaria”
5. Terziev, Venelin & Georgiev, Marin. (2016). СОЦИАЛНИТЕ ПРЕДПРИЯТИЯ И ТЯХНОТО ВЛИЯНИЕ. INTERNATIONAL SCIENTIFIC CONFERENCE. 61-70.
7. Report for Social Enterprises in Bulgaria, 2014, available at http://www.socialenterprise.bg/docs/conference_1/%D0%9F%D0%B0%D1%80%D1%82%D0%BD%D1%8C%D0%BE%D1%80%D1%81%D1%82%D0%B2%D0%BE%20%D0%B7%D0%B0%20%D1%81%D0%BE%D1%86%D0%B8%D0%B0%D0%BB%D0%BD%D0%B8%20%D0%BF%D1%80%D0%B5%D0%B4%D0%BF%D1%80%D0%B8%D1%8F%D1%82%D0%B8%D1%8F%20%20%D0%B4%D0%BE%D0%BA%D0%BB%D0%B0%D0%B4%20%D0%BE%D1%82%20%D0%B8%D0%B7%D1%81%D0%BB%D0%B5%D0%B4%D0%B2%D0%B0%D0%BD%D0%B5.pdf
8. Country report of Bulgaria for Social enterprises and their ecosystems in Europe (2019)
9. http://ec.europa.eu/competition/state_aid/legislation/block.html
10. European Commission report (2020)
11. http://bcnl.org/uploadfiles/documents/publikacii/plan_se.pdf



Appendices Case Study

ComEnt Case Study „The Social Teahouse – Varna“

Section A: Organisational Details

Name: **The Social Teahouse - Varna**

Location: City of Varna (North-eastern Bulgaria)

Aims and purpose of Organisation: To support boys and girls who grew up without parents in social institutions to gain working habits, to finish their education and to start a normal life.

Number of Staff: 6

Number of Volunteers (if applicable) 10-15

Number of Clients (if applicable / available):

Economic Sector / Activity: Restaurant/Catering/Co-working space/Event hall

Principle goods / services provided by the Community Enterprise Tea, souvenirs, food, drinks

Website: <https://thesocialteahouse.bg/>

Facebook: <https://www.facebook.com/SocialTeaHouse/>

Twitter: ----

Instagram: <https://www.instagram.com/the.social.teahouse/>

Section B: Reasons for Establishing the Community Enterprise

6 years ago, the two (Stoyana and Maya – founders) met through their work in the "Varna - European Youth Capital" project. Stoyana is a philosopher, and Maya, whose childhood dream was to be a military correspondent like Elena Yoncheva, first graduated in journalism and then an MBA at the International University College in Varna. Both have a long volunteer experience, which provided the basis for their future partnership. Together they founded the "Pink Glasses" group, whose members organize different 2-hour workshops with children from social homes every week. However, experience has shown them that the positive behavioural effect of outdoor activities does not last long, especially for older children. This is how the idea was born to take teenagers out of institutions, show them the diversity of the world around them and prepare them for life. Isolation is the biggest problem of these children. They have no family to introduce them to society, to teach them what is acceptable and what is



not, to direct them to their future hobby or occupation in life. At the age of 18, they leave the welfare home and are legally treated as equals to others, but they do not know their rights or their responsibilities. That's why we created the tea room - here we meet teenagers with different people in a protected environment where they are respected and accepted as they are. The goal is that, with our help, boys and girls who grew up without parents in social institutions have the opportunity to make up for what they lost over the years in social institutions, work on their personal development and build important professional habits and competencies that will bring them closer to their dream for an honest and happy life. The mentors themselves come from a variety of fields of work (education, medicine, design, engineering, hospitality, and others) and each has their own unique approach and contribution to the team and the mentoring program. Here, in the Teahouse they offer them a protected job to start their work path and give them an opportunity to stand on their feet before they enter the thorny reality of adulthood.

Section C: Community Enterprise Operations

Refer to the following items:

- **Decision Making**

We are currently in a period of structural change, i.e. it becomes more horizontal and everyone can make decisions and be responsible for them. We can't say that this works, but we have separated the activities into features. Someone will only take care of the establishment, customer service, menu creation. There is also a person who will take care of work with institutions, media and a person who will take care of the financial and accounting part, because being a social business in Bulgaria requires solid documentary preparation. Also fundraising for organization with a non-profit purpose is even more difficult than for those with a commercial purpose. Of course, we also have a board that determines.

- **Operational Structures (200 words)**

We have an annual strategy and we report financially, we look to develop both as a business and as a cause.

- **Role of Stakeholders**

There is no clear and comprehensive answer here for the role of stakeholders. From the point of view of the cause - the municipality and the education system, society as a whole. That's because we want kids to go to school and finish their education, integrate, not become drug dealers or criminals. On the business side, we are behind the idea of corporate social responsibility, and we are an established enterprise and they can always turn to us for corporate packages. From the point of view of operational programs, in the long term we guarantee a visible effect, i.e. The European Commission has an interest in our existence somehow. We are the centre of everything, but the youth are most interested in having us. I would not say so. There is an interesting symbiosis between all participants. Not all of us have a relationship with our parents or our workplace, but our youth have a relationship with us as an employer



and as a family. Everything is always in the sphere of partnership. We also have a very good relationship with other social enterprises and rather look to operate in a way that helps each other and gives the best to the target group, rather than creating artificial competition that brings tension.

Section D: Financial Management

Outline how the community enterprise manages its finances

The teahouse is one of the first winners of the "Change" competition, where they won a fund to get started. It was grossly inadequate because the building they received needed serious repairs. Before that, the building was a bank and converting it from a bank to a restaurant is not that easy. There has been community support and self-funding from the creators. But we also never strive for sustainability at any cost. Rather, we should not be at a loss. This is happening in Bulgaria because the idea of social business is not particularly supported by the state, local institutions or society. If we look at the business model, we always employ more people than we need, and staff is an expensive treat in social entrepreneurship. That way we can never be profitable. Also seek to generate revenue and support for future operations and growth. through negotiations with local institutions, because it is already evident that in Europe this model of inclusion of vulnerable groups works beautifully and is supposed to be the way to integrate them. In Bulgaria, this thing is not yet visible. We have always been dependent on our participation in project activity to be able to fill the financial gaps. There is a division of the structure, there is a board of directors that leads. I and the CFO monitor the implementation of the strategy

Section E: Legal Framework and Organisational Structure

The Foundation is a non-profit legal entity acting in the public interest and organized under the rules of the Law on Non-profit Legal Entities. The bodies of the foundation are: 1) Board of Trustees; 2) Management Board; 3) Executive Director. With a decision of the Management Board, expert councils and other auxiliary bodies can be formed, regardless of whether their statutes are supplemented or changed. The governing bodies of the Foundation familiarize themselves with the founding act and undertake to comply with the provisions for achieving the Foundation's goals. The Board of Trustees is the supreme collective body of the foundation and consists of a minimum of three members. The founders are by law members of the Board of Trustees. A member of the Board of Trustees can be any natural or legal person who, with his activity and personal qualities, could contribute to the achievement of the



foundation's goals and is accepted to the Board of Trustees under the terms and conditions of the founding act. To replenish the Board of Trustees with new members, a unanimous decision of the Board of Trustees is required. The board of trustees has the right to accept and cancel, amend and supplement the founding act; makes decisions on the transformation of the foundation; makes decisions to terminate the foundation; adopts the main guidelines and activity program. Adopts the rules of the organization, adopts the budget, the report on the activities of the management board, internal acts. The board of trustees is called to a meeting by each of the members or at the initiative of the management board.

Section F: Leadership Structures

Democratic style of management, in order to rationally harmonize the activity. Anyone could seize the performance of another colleague's activity in order to facilitate. It is not commanded, the functions are delegated naturally. It is not realistic for one person to be able to think about the cause and the profit and all the other functions that the Tea House performs.

The Social Teahouse team

Management Board



Tihomir Donev

Chairman





Ilina Mutachieva

Member of the Managing Board



Maya Doneva

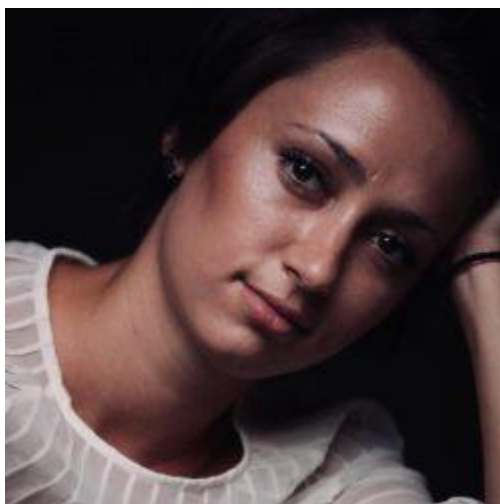
Co-founder of the Social Teahouse and member of the Managing Board





Aleksander Kumanov

Member of the Managing Board



Tsvetomira Ivanova

Office manager

Stelyana Tonchevska

Executive coordinator

Rado Atanasov

Volunteer coordinator

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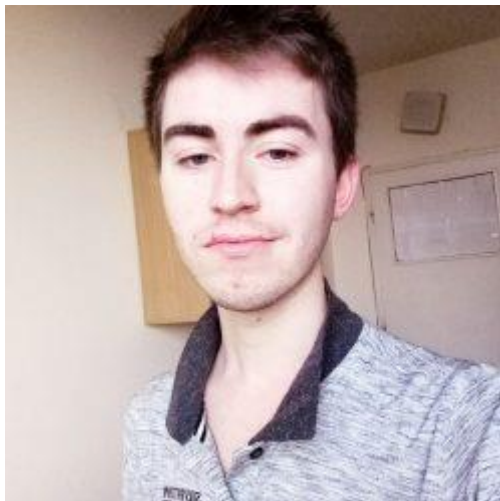


Elica Todorova

Volunteer

Lusa Polyakova

Youngster in the mentorship program



Seven Boshnakov

Youngster in the mentorship program



Viktoria Stoycheva

Youngster in the mentorship program

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Yoana Evtimova

Volunteer

Mariya Todorova

Volunteer

Veselina Mihaleva

Volunteer



Stoyana Stoeva

Co-founder of the Social Teahouse

Section G: Final Thoughts

- Are there any other factors that you think are important to a community enterprise remaining sustainable and looking to develop in the future that have not been considered so far in our conversation ?
- What lessons have been learned.

Our target group has always been very invisible due to the fact that individuals do not have any visible physical or any disabilities. They are not noticeably different from other people on the street. Rather, they have social and emotional problems. It cannot be assumed that they need anything. This is exactly where our activity comes into play. With our actions and approaches, we have made sure that the local community understands that there are such people and they have specific social problems that do not allow them to live and exist fully and they need to be helped. Every year we manage

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to organize a conference of all the participants who care for these young people. The young people themselves participate in this by telling whether we were able to help them.

On a personal level, we can help more, and here we need to pay attention to mental care, because many of them have experienced dramatic things. Some things are scary, some are dishonest. These situations must be handled in a very special way. At this moment, our support is mentoring and professional, but in no case psychological, so we dream of having a psychologist to help in such cases. When children are mentally healthy, it is much easier to cope with other tasks in life.

In the social teahouse, everyone grows spiritually and emotionally. The social teahouse is a wonderful school for parents, and here one can provoke this feeling in oneself by caring for the young. The activities themselves are satisfying and working with the children is enriching. Every human destiny gives individual lessons.

My advice to others starting a similar activity is to measure their strength.

Inspiring stories:

Mani

A young man courted by us for a long time, we have known him since his earliest childhood and we really wanted to work with him. In the end, we managed to attract him last year, but since he already had some work experience, we appointed him to a slightly more responsible position than the other young people. He is currently the informal leader of young people and helps them with various tasks, mainly related to computer literacy. The next step in which we try to help him is to provide professional qualifications in the IT sector and access to universities abroad, as this is his dream.

Todor

The first young man who, in addition to the work habits acquired with us, managed to complete and certify an educational course from the Ministry of Education and Science, which would give him a certificate of professional qualification as a chef. He still works for us.

Lucy

The most successful example of a girl in our mentoring program. Very well developing and learning very fast. Already promoted once with us and on the way to a more responsible position in our team. She recently announced that she wants to develop Tea-like projects and that this work inspires her a lot. In the meantime, she is attending professional qualification courses as a manicurist.

Ivo

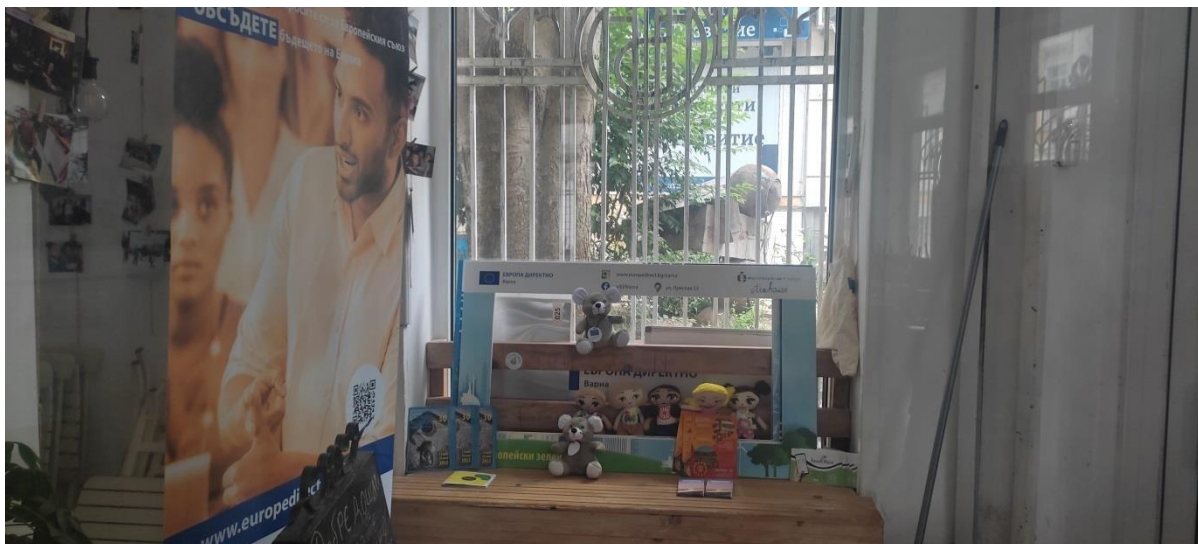
A relatively good example, it started very well with us. He worked a few months elsewhere and returned -currently working with us again.

Kadir



From the last generation of young people, still works for us. We are currently focused on transferring it to a regular form of education and to a specialty in which there is a desire to develop. Apart from that, we try to provide him with various educational courses.

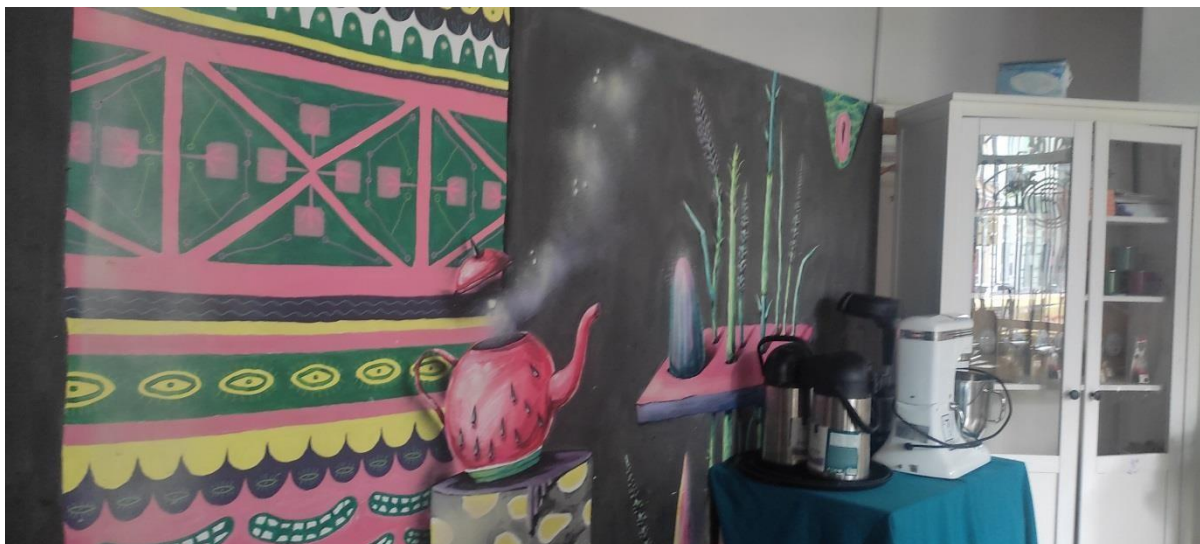




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ComEnt Case Study „Things with souls“

Section A: Organisational Details

Name: Things with souls

Location: Varna, Bulgaria

Aims and purpose of Organisation: To create a successful and sustainable social enterprise that will facilitate access to employment and provide support for the social inclusion of vulnerable groups - persons with disabilities, reduced working capacity and long-term unemployed persons.

Number of Staff: 8

Number of Volunteers (if applicable) 2

Number of Clients (if applicable / available): 400-500 per month (materials sold) users could be more

Economic Sector / Activity: Mainly trade with educational features

Principle goods / services provided by the Community Enterprise: First to support people with disabilities to continue to have sustainable jobs within the social enterprise and to exercise their right to work, and on the other hand, children of pre-school and primary school age, as well as those with special educational needs, to enjoy the educational games and materials,

Website: if available; <https://neshtasdusha.com/>

Facebook: if available ; <https://www.facebook.com/WithSoulSocialEnterprise/>

Twitter: if available

Instagram: if available: <https://www.instagram.com/neshta.s.dusha/>

Section B: Reasons for Establishing the Community Enterprise

- Social and professional integration and promotion of the social inclusion of unemployed persons with lower competitiveness on the labour market, by ensuring their inclusion in the workforce within the framework of project implementation.
- Provision and development of aids and educational games for children aimed primarily, but not exclusively, at children with special educational needs, taking into account the specifics of the very method of their education and their condition.
- Improving the quality of life of the representatives of the target groups working in the social enterprise, by investing the profit from the company's activities in: organizing various events and entertainment in order to increase their self-esteem and motivation for social inclusion, as well as team spirit; allocating a place and conditions for the stay of children with disabilities and providing specialists to work with them, for the parents working in the company. Our goal is to provide an opportunity for these parents to realize their work potential in a calm and safe environment for them and their children; distribution of additional



pay (in the form of bonuses) to employees; creation of new jobs for the specified target groups by expanding the activity.

Section C: Community Enterprise Operations

Refer to the following items:

- Decision Making

Purely management decisions are made by the three people who are on the board, the board of directors of the Orenda Foundation including issues with registration of a company for example, tax issues are decided by the board of directors. If you go with more ordinary issues, they are taken by me – the manager. We discuss it, keep in touch or ask each one individually, we collect the opinions and then I decide or if we have a general meeting just that we put on right as a voting question and it is up to who to be the solution itself. For the people who work for us yes basically, the people who will be in the very paths in the negotiation process expected there are quite a few ideas on how to improve the quality of what are there varieties of new products that we can launch that are interesting to them. Think about whether they are then subject to discussion about the new regions the new markets, then we will ask a marketing expert, right. Yes, research, participates often in meetings- trained meeting communities with others social enterprises.

- Operational Structures

Organization is very small to have made such a formal scheme. Now, they have eight people, one of whom is the manager, one of whom is in charge of marketing and other involved with production at different stages design and so we don't have a scheme already.

KUNKA VELIKOVA - Co-founder

Nikolinka Dimova - Co-founder

Velina Dobрева - Marketing specialist

Valentina - Activities Coordinator

Kalina - Machine operator

Nikolay - Things with a soul
Assembly of details



- Role of Stakeholders

From the local community these are the parents whose children for example have specific need and they contact us to create something specific to their problem. It happens that such people make a product that specifically picks up their child's need. We have had meetings for example that each pilot teacher in kindergartens should present what they do from us, our products. We targeted mainly to offer the products to end customers, kindergartens, schools teachers and that to engage business for being a form of corporate social responsibility, to support when they buy things from us, to order themselves corporative gifts, souvenirs some kind of advertising materials.

Section D: Financial Management

Outline how the community enterprise manages its finances (200 words)

From the management – the board and the manager, otherwise they have account company that takes care of this timekeeping and the documents to be ready. At the beginning it was a program that actually gave us 100 thousand BGN which covered people's salaries for 12 months, plus 40% of the other administrative costs based on salaries calculate. We manage to make equipment to buy some machines and to start the process.

It depends on what is the state of the market basically, since right, again it is the Covid and economic crisis, when people face difficulties, when paying the bills, more expensive products of social enterprises are sent back. Of course, this is also the case what will happen is directly proportional to their constant efforts in marketing the promotion of activity making more visible, what we also do for the cause. Even we ourselves know that there is more what to do make it so that people understand. In fact why they were created what they do that is socially representative entrepreneurship so that also how far they continue to make these efforts and promote the idea.

Section E: Legal Framework and Organisational Structure

The company is a legal organization that works for its own purpose and is deregistered in the Commercial/Trade register at the Bulgarian Registration Agency. The business activity carried out must have a pronounced social effect on the persons from vulnerable groups in order to improve their living standards, provide employment,



provide services or other forms of Support, the end result of which is their effective social inclusion in public life, the sole owner, the Orenda Foundation, will have a direct impact on the management of the company, things with a soul to achieve the social effect of the economic activity carried out by him, the founder can carry out activities on behalf of the company before the emergence by expressly noting that it is in the process of registration, the founder is responsible for the assumed obligations, the assumed rights and obligations pass to him after its creation, the company carries out commercial activities in the country and abroad, the company can legally acquire any and rights necessary for the implementation of the subject of activity as well as to perform any other work aimed at facilitating the progress or expansion of his Business Activity.

Section F: Leadership Structures

(300 words)

Well it depends on the issue. Really, in some cases they try to collect all the opinions, because the democratic style is preferred, but in some situations this is counterproductive sense, that in several times it really is better for one person to make a decision. This doesn't matter in which one, it may not always be the governing body. Sometimes many opinions at some point crush things. Maybe I messed up but you haven't thought of a way to work and we are eight people and it is a bit difficult for me to put it some such works.

Section G: Final Thoughts

Are there any other factors that you think are important to a community enterprise remaining sustainable and looking to develop in the future that have not been considered so far in our conversation ?

What lessons have been learned.

(300 words)

In the past few years I have released that you have to you have a plan A plan B plan C. Another important thing, in my opinion, that even though Bulgaria still doesn't have it formal association of social enterprises, it turns out very useful that we are all in touch, we know each other. The reason for this is that we constantly meet at markets But we don't only meet, we exchange nformation and about clients, funding for projects. So it is very important that we are in such community even not formally registered. There is always someone you call to ask for advice sometimes even with accumulating for participation in bazar, something useful and maybe in terms of people..... I don't know how much, but at least with us a lot it worked.

For example our organization I know you has worked she will bring in them to the day care center or our resident knows the respective person, we work together the other or they just know each other, right? understand because otherwise when will you start looking for people from the specialists it is difficult to find the right person from www.jobs.bg and you don't know anything about them is a lot more difficult, and there



the approach is much longer, aren't we calling it interviews a person, and let him see if he likes it, or try something like this here.
References helped us a lot to look for a person.

Insert 3 – 5 photographs





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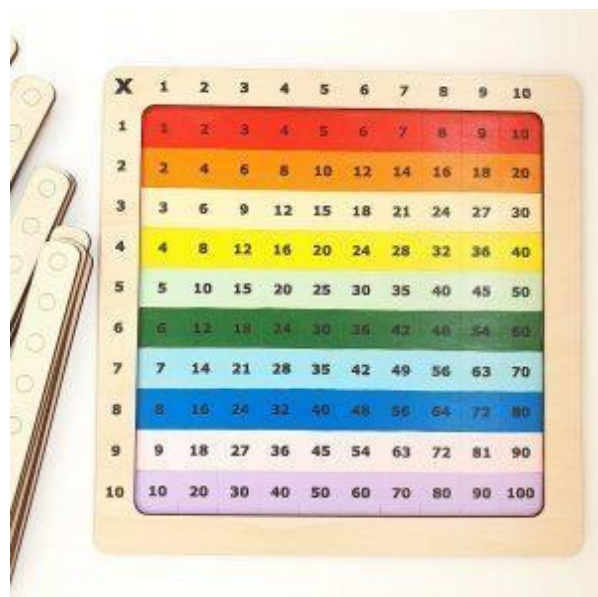




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ComEnt Case Study Template „Maria’s world (and Bon Appetit as part of Maria’s world)“

Section A: Organisational Details

Name: Maria’s world (and Bon Appetit as part of Maria’s world)

Location: Sofia, Bulgaria

Aims and purpose of Organisation: To improve the quality of life of people with intellectual disabilities and the life of their families and help them achieve their full potential as individuals by providing access to high-quality services, developmental training and possibilities for gainful employment that are suited to their needs.

Number of Staff: 16

Number of Volunteers (if applicable) - 34

Number of Clients (if applicable / available):

Economic Sector / Activity: The business activity is related to restaurant business, as we provide catering services. We also make souvenirs, which is more of a retail trade. We also have an online store, which connects us to the trade

Principle goods / services provided by the Community Enterprise: The foundation (Maria’s world) creates or finances centers for persons with intellectual disabilities, implements charitable initiatives, conferences, seminars, lectures and other forms of training, scientific research and development, etc. Bon Appetit is carrying out certain social activities aimed at achieving a positive social impact, including social catering and delivery of ready-made food and creation of a social restaurant for training and providing employment to permanently unemployed persons from vulnerable groups and/or other target groups and providing social services that will generate social returns

Website: if available

1. <https://www.mariasworld.org/en/>

2. <https://humanoftheyear.org/nominacii/fondatsiya-svett-na-mariya/>

3. <https://www.youtube.com/watch?v=mJX6cH1aJSQ>

Facebook: if available <https://www.facebook.com/MariasWorldFoundation>



Twitter: if available https://twitter.com/mariasworld_org

Instagram: if available

Section B: Reasons for Establishing the Community Enterprise

The foundation was created to support the development of the quality of life of people with intellectual disabilities and their families. There are several groups; the first group aims to develop the social services that these people use. They are mainly aimed at adults, mainly aimed at the development of their abilities and skills and the idea of them fully joining global life together with everyone else. Economic activity largely mediates the inclusion of these people and helps their efforts to be materialized and recognized by society as something valuable. They also have advocacy goals and support for the lifestyle of these people in Bulgaria. The foundation was created to support the development of the quality of life of people with intellectual disabilities and their families. There are several groups, the first group aims to develop the social services that these people use. They are mainly aimed at adults, mainly aimed at the development of their abilities and skills and the idea of them fully joining global life together with everyone else. Economic activity largely mediates the inclusion of these people and helps their efforts to be materialized and recognized by society as something valuable. They started because there was **no adequate support** for people with intellectual disabilities who are already adults. There is no quality support for these people in our country. Of course, the personal motivation of our founders, who have a family member with such difficulties, is leading. They know the problem at its core and this motivates them to create an adequate and quality service for these people Also to invest time, effort and money in this cause.

Section C: Community Enterprise Operations

Refer to the following items:

- Decision Making

It depends on the type of decisions. Some decisions are made by me, as I am the director. Other decisions are agreed with the management board. These are the strategic decisions. Also, before making a decision, it is discussed with the team that works here, we discuss details and how the process is presented, whether it is possible to be implemented. Sometimes even if the decision is made without the entire team in the aftermath during the actual implementation, a team from is included and supplemented with their opinion



- Operational Structures

Director (Maryana Siriiski) has a wealth of experience as an expert, consultant, trainer and manager. She is actively involved in the social integration of vulnerable groups, deinstitutionalisation, the rights of disabled individuals, and education and social policies. Miryana supports the implementation of policies in the culture domain in Sofia as an external expert to the standing committee on education, science and culture of the Metropolitan Municipal Council. She has been a partner of Maria's World Foundation and the Day Care Centre since the very beginning.

Fund Raising Manager (Daria Hadjidimitrova) has been supporting the cause of Maria's World as a volunteer since 2012, focusing on fundraising and the organisation of charity events.

Administrative Assistant (Eli Stoyanova) has been supporting the administrative team of the Foundation and is responsible for daily operations, the organisation and coordination of events and fundraising activities, and project administration. She is also involved in drawing up project and programme documents for the Foundation, the submission of grant applications, the development and preparation of strategic documents, and team coordination.

In the preparation of the catering, young people with intellectual disabilities are engaged as assistants to the chef, who prepares the menu and monitors the exact execution of the recipes and the quality of the food. Other young people from the Day Center who want to be useful and master new work skills also join the catering service. Some of them work hourly in various establishments and restaurants.

- Role of Stakeholders

These are the people with intellectual disabilities. Another stakeholder is the parents of these children because they have a hard time representing themselves. In this case, their parents are that stakeholder. Society is an interested party because to a large extent the provision of social service happens with a public resource and we are responsible for realizing the results, I give you an example here in the day center where the gardening is, the green area of this center should be used by all people and real the municipality allows it but we encourage this use to maintain often to paint the benches to create a regular space and maintain it which benefits from both the accuracy and the essence in this way these people are useful to society. Also an interested party are various non-governmental organizations, the others that provide social services, also the state institutions that regulate social activities, an interested party are companies, companies that are users of the services, for example, souvenirs, catering.

Section D: Financial Management

Outline how the community enterprise manages its finances



The foundation started with a huge donation made by the founders of Maria's world. They bought the premises where the Day Center is located today. It is our own premises. After that, the operational activity began to be financed by donations until the moment when we received state funding to provide the social service day care as This is one of the most expensive social services We periodically appear in this state competition To protect our right to provide this service and the amounts change every year At the same time we develop all other sources of funding through our Business Activity. These are donations, state funding, business activity and participation in projects. But Bon Appetit is not in a very good condition as the restaurant business fell into crisis due to the covid crisis but Bon Appetit will continue to exist va because Bon Appeti is the organization that is registered as an LTD and the employees have been appointed to it, while at the same time the main social activity will be realized through the Maria's world foundation. This ratio is different because pure donations are not our biggest segment, although last year we had one donation of 54 thousand BGN, respectively approximately 27,000 euros, which immediately changes the percentage ratio. We usually do not have such donations, but this was realized for the renovation of the building. it depends on the specific year and the type of projects we receive. But we always strive to have business financing as it is the purest financing

Section E: Legal Framework and Organisational Structure

Maria's world is a non-profit legal entity - a foundation established in accordance with the provisions of the Law on Non-profit Legal Entities based on the initial donations made under the statute. According to the founding act, the foundation creates or finances centres for persons with intellectual disabilities, carries out charitable initiatives, conferences, seminars and other forms of training. In order to achieve its goals, the foundation may also carry out additional economic activity related to the subject of the main activity and the income realized from the additional economic activity is used to achieve the goals of the Foundation specified in the foundation act, the foundation may establish commercial companies with its own property to invest the funds with you in view of their preservation and increase in immovable and movable property, limited real rights, shares in commercial companies, rights to objects of intellectual property, securities.

The Council of the Foundation consists of at least three members and the founders of the Foundation, accepted in accordance with the present founding act, are members of the Council by law and can be dismissed from its composition only on the basis of a written statement sent by them personally to the Foundation, the Council chooses from among its members Chairman of the Foundation Council, as the first chairman, is elected by the founders. The Chairman of the Foundation Council represents the organization to third parties. The Foundation Council has the following powers: to amend and supplement the Foundation's articles of incorporation after the express



written approval of the founder Tsetska Nikiforova Karadjova elects and dismisses the director of the Foundation and determines his remuneration decides on the transformation or termination of the Foundation after express written approval from the founder accepts the annual financial report and the director's report on the activities of the Foundation Decides to participate in other organizations to open and close a branch of the Foundation and appoints and dismisses managers of the Foundation's branches and authorizes them to represent the Foundation for the activities of the branch, accepts the Foundation's budget. Each member of the Council has the right to one vote. The chairman convenes and presides over the meetings of the Foundation's council. In the absence of the chairman, the meeting is chaired by a member appointed by the Council. The Council of the Foundation is convened by the court at the seat of the Foundation at the written request of the interested members of the council or a person appointed by them, the convening of a meeting of the Council of the Foundation is carried out with a written invitation containing the agenda, the date, time and place of the meeting and whose initiative It is convened, the invitation is sent to each member of the council at least 10 days before the date of the meeting by e-mail or delivered in person against a signature.

Section F: Leadership Structures

The director's mandate is up to five years, the director can be dismissed early by a decision of the Foundation's board, the Foundation's director carries out operational management, directs the administrative activities of the Organization based on a decision of the Foundation's board, represents the foundation to third parties, determines the address of the Foundation's management is in prepares the Foundation's budget and submits it for adoption by the Foundation's Council adopts other internal acts prepares and submits to the Foundation's Council an annual financial report and a report on the Foundation's activities makes a decision to dispose of the property makes a decision and fulfills other duties assigned to him by the Council of the Foundation or provided for in the law or the founding statutes of the Foundation.

Founders

Grozdan Karadjov Tsetska Karadjova

Founder of Maria's World F. Founder and Chairperson of the Board
of Maria's World F.

Miryana Malamin-Siriyski -Director

Daria Hadjidimitrova - Fund Raising Manager

Eli Stoyanova - Administrative Assistant

Sonya Dzhoneva - Day Care Centre Manager (on maternity leave)

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Mariana Miteva - Day Care Centre Manager (substitute)

Milko Manolov - Professional Chef, Occupational Therapist

Dafina Gineva - Kitchen Atelier Expert

Maria Dincheva - Social Worker

Petya Spassova - Art Atelier Expert

Zinaida Mircheva - Consultant to the Production atelier

Ivo Bordjiev - Social Worker

Diana Asenova -Clinical psychologist, Consultant

Section G: Final Thoughts

Are there any other factors that you think are important to a community enterprise remaining sustainable and looking to develop in the future that have not been considered so far in our conversation?

What lessons have been learned?

It is easy to give advice but it is not very constructive the basic principle we follow and to be sensitive to those we help. Our customers will never come and say exactly what they need so we have to observe them and realize what their needs are What can we be helpful with Also we try not to dress up from the business activity It would be great if we could we earn more money, but we must not take this into account, we must build working conditions and a climate in which we can do our work well. For example, with the kindergarten we maintain in the Nadezhda district, it is also used by the citizens, we maintain and renovate a space that is important for everyone, we are also very active in participating in various work practices in which our youth volunteer in activities where they have some social presence, in this way they contribute to the community benefiting from their presence. We continuously make visible the successes of the people from the centre, in this way people see that the service is of quality, in this sense what we do is very fruitful.

I will be very happy to exchange experiences with other people and remain human

source <https://www.mariasworld.org/en/>





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