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**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX IV**

of the Commission Implementing Decision on the Annual Action Plan in favour of Türkiye for 2022

**Action Document for**  
**Supporting Civil Society through Social Entrepreneurship in Türkiye**

**ANNUAL ACTION PLAN**

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and annual and multiannual action plans and measures in the sense of Article 9 of IPA III Regulation and Article 23 of NDICI - Global Europe Regulation.

**1. SYNOPSIS**

**1.1. Action Summary Table**

<b>Title</b>	Supporting Civil Society through Social Entrepreneurship in Türkiye Annual action plan in favour of Türkiye for 2022
<b>OPSYS</b>	ACT-60828 JAD.981.448
<b>Basic Act</b>	Financed under the Instrument for Pre-accession Assistance (IPA III)
<b>Team Europe Initiative</b>	No
<b>Zone benefiting from the action</b>	The action shall be carried out in the Republic of Türkiye
<b>Programming document</b>	IPA III Programming Framework <sup>1</sup>
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>Window and thematic priority</b>	Window 1- Rule of law, fundamental rights and democracy Thematic Priority 7: Civil Society
<b>Sustainable Development Goals (SDGs)</b>	Main SDG: SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment Other significant SDGs: SDG 5: Achieve gender equality and empower all women and girls SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

<sup>1</sup> Commission Implementing Decision of 10.12.2021 adopting the Instrument for Pre-Accession Assistance (IPA III) Programming Framework for the period 2021-2027 C(2021) 8914 final

	SDG 10: Reduce inequality within and among countries SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable SDG 12: Ensure sustainable consumption and production patterns SDG 13: Take urgent action to combat climate change and its impacts			
<b>DAC code(s)</b>	15150 Democratic participation and civil society			
<b>Main Delivery Channel</b>	Central Government 12001			
<b>Markers (from DAC form)</b>	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>Internal markers</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>
Connectivity		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Digitalisation		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Migration		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Covid-19		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>Amounts concerned</b>	Budget line: 15.020101.01 Total estimated cost: EUR 6 040 000 Total amount of EU budget contribution EUR 6 000 000 of which EUR 6 000 000 for indirect management with IPA III beneficiary			

	This action is co-financed by the final beneficiaries: for an amount of EUR 40 000
<b>MANAGEMENT AND IMPLEMENTATION</b>	
<b>Implementation modalities (type of financing and management mode)</b>	Project Modality Indirect Management with the Republic of Türkiye
<b>Final Date for conclusion of Financing Agreement</b>	At the latest by 31 December 2023
<b>Final date for concluding contribution / delegation agreements, procurement and grant contracts</b>	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation
<b>Indicative operational implementation period</b>	72 months following the conclusion of the Financing Agreement
<b>Final date for implementing the Financing Agreement</b>	12 years following the conclusion of the Financing Agreement

## 1.2. Summary of the Action

Social entrepreneurship emerges as an alternative and viable way of complementing financial sustainability of civil society organisations (CSOs), diversifying funding and addressing social problems in general. The project is designed according to the needs, suggestions and inputs of the civil society organisations, social entrepreneurs and other relevant actors with a special focus to exploit the potential of social entrepreneurship for financial sustainability of civil society organisations as well as for increasing their social impact.

This project is composed of three main pillars: the first pillar will aim to strengthen skills and knowledge of civil society organisations and social enterprises on social entrepreneurship, foster partnerships between civil society organisations and social entrepreneurs and raise public awareness. The second pillar will address the strengthening of institutional, policy and regulatory framework related to social entrepreneurship in Türkiye. The third pillar concerns the provision of financial support to civil society organisations and social entrepreneurs to enhance their organisational capacities. The grant support will be provided through selected Turkish Development Agencies. CSOs and other social-need driven non-state actors are the main target groups of this action. The final beneficiaries are the right holders at large but especially the vulnerable groups such as children, elderly, disabled, women who are facing higher risk of poverty and social exclusion compared to the general population.

The action will support entrepreneurial civil society organisations and social enterprises that operate in a variety of fields, for example: rights for women and girls, access to education, recycling and waste, inclusion, equality, etc. This action is mainly related to SGD 8 since the outcomes will contribute to enabling people to enjoy the benefits of entrepreneurship and innovation, creating decent and fulfilling jobs while not harming the environment and boosting economic growth.

## 2. RATIONALE

### 2.1. Context

A social enterprise is a new type of socio-economic model of business in approximately all industrialised countries. The aim of helping to meet the inadequacy in social needs provision and increased unemployment was the motivation behind the emergence of the social enterprises in late 20th century. The European Commission has defined a social enterprise as being *‘an operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners or shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities’*<sup>2</sup>.

Even though there is no binding legislation in the EU *acquis*, the EU recognises the contribution of social economy and social entrepreneurship in addressing key social challenges as well as their potential for innovation and their positive impacts on the economy. The social entrepreneurship concept is newly gaining attention in Türkiye. As per the ‘Social Enterprises and Their Ecosystems in Europe, Comparative Synthesis Report’<sup>3</sup>, there is only an emerging acceptance of the ‘social entrepreneurship’ concept in Türkiye, yet Türkiye is on the track to align with the EU policies.

Social entrepreneurship is seen as a viable way to serve the communities with their professional approach and unique business models. They contribute to social policy objectives such as inclusive job creation, social cohesion, fight against poverty and promote rights e.g. right to equal opportunities, right to education, rights of the elderly, non-discrimination. They are also considered to be a part of the civil society, being bottom-up initiatives but also operating under legal personalities such as associations, foundations or social cooperatives. CSOs, on the other hand, are engaged in diverse spheres of activity, including human rights, education, culture, health, social protection, environmental protection, etc. and pursue social policy goals similar to those of social enterprises. CSOs are also the leading advocates for rights. For fulfilling their core functions, CSOs need innovative approaches, as well as reliable financial resources. At this juncture, the social economy emerging from the links between social enterprises and CSOs’ comes up as an innovative tool for addressing this need.

Under IPA II, civil society has become a specific sub-sector of support within the democracy and governance sector of funding, which contributed significantly to the recognition of civil society as a national development objective, notably included in the 11<sup>th</sup> National Development Plan (NDP)<sup>4</sup>.

This action will support progress towards the following EU policies:

IPA III Programming Framework<sup>5</sup> Window 1, Thematic Priority 7, still attaches significant importance to having an empowered pluralistic, critical and active civil society. It is underlined in the IPA III Programming Framework that *‘strengthening the legal, institutional and financial environment under which CSOs operate is central for this purpose as a necessary condition for their participation, ownership and sustainability of the reform process.’*

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<sup>2</sup> Communication from the Commission, 2011/682 final

<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52011DC0682&from=EN>

<sup>3</sup> <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8274>

<sup>4</sup> [https://www.sbb.gov.tr/wp-content/uploads/2021/12/Eleventh\\_Development\\_Plan\\_2019-2023.pdf](https://www.sbb.gov.tr/wp-content/uploads/2021/12/Eleventh_Development_Plan_2019-2023.pdf)

<sup>5</sup> [https://ec.europa.eu/neighbourhood-enlargement/system/files/2022-01/C\\_2021\\_8914\\_COMMISSION\\_IMPLEMENTING\\_DECISION\\_EN.pdf](https://ec.europa.eu/neighbourhood-enlargement/system/files/2022-01/C_2021_8914_COMMISSION_IMPLEMENTING_DECISION_EN.pdf)

DG NEAR Guidelines and Strategic Directions for EU Support to Civil Society in the Enlargement Region 2021-2027<sup>6</sup> recognises CSOs as essential partners in achieving longer-term transformative societal change. Civil society actors can make a substantial contribution to addressing societal challenges through advocacy, monitoring and oversight activities at national, regional and local level. For fulfilling these roles, however, CSOs need innovative approaches as well as ability to sustain their core functions. Social entrepreneurship emerges as an innovative tool for addressing this need.

The EU Türkiye Country Report 2021<sup>7</sup> report reads *‘The Law on Collection of Aid continues to impose burdensome requirements for permits that discourage fundraising activities by civil society organisations. These include prior notification for each fundraising activity and lengthy authorisation processes. [...] Overall, the legal, financial and administrative environment needs to be more conducive to developing civil society in Türkiye.’* Social entrepreneurship emerges a viable way of complementing financial sustainability of CSOs and diversifying funding in general.

The EU Gender Action Plan III<sup>8</sup> (GAP III) recognises CSOs engagement to reach local actors by including a broad range of women’s groups and gender advocates. GAP III also addresses social entrepreneurship issue under the broader entrepreneurship context and states that *‘EU action should contribute to: Supporting women entrepreneurship and women-led businesses, including social entrepreneurship, and their access to finance by providing innovative investments schemes through the EU’s External Investment Plan (EIP), addressing the market’s failure to reach women and promoting the creation of SMEs.’*

Unlike traditional businesses, social enterprises create revenues and profits that are directly re-invested into up-skilling, innovative jobs and training opportunities. By working towards an inclusive and circular economy with a vision for a more cohesive society, they create social and environmental value. The EU Circular Economy Action Plan in line with the European Green Deal<sup>9</sup> emphasises the need for a green growth both on a global and a regional level, which can guide Türkiye for a successful green transformation. This action will address as well challenges related to environment and climate change through supporting CSOs and social enterprises in the green, blue and circular economy.

‘The rise of social economy’ is determined as one of the important trends in the future evolution of civil society. It is stated in the report entitled ‘The future evolution of civil society in the European Union by 2030’<sup>10</sup> (European Economic and Social Committee, 2017) that the social economy plays an increasingly important role in the EU economy. Thus, social economy organisations are hybrid organisations, merging civil society’s principles of working for the good cause (general, public interest) and principles of business behaviour.

The action is also relevant to the 2030 Agenda. It contributes primarily to the progressive achievement of SDG(s) 5, 8, 9, 10 and 11 but also 12, 13. The project will encourage entrepreneurial CSOs and social enterprises that operate in a variety of fields such as rights for women and girls, access to education, recycling and waste, inclusion, equality, etc. All of these will be directly contributing to the afore-mentioned SDGs. Through this action, CSOs and other non-state social needs-driven actors will enhance their role in the achievement of SDGs directly - through realising these targets themselves - and also indirectly, by removing obstacles to implementation or driving implementation by others.

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<sup>6</sup> <http://tacso.eu/wp-content/uploads/2021/02/Draft-EU-CS-Guidelines-and-Strategic-Directions-2021-27-19-02-21-for-publication.pdf>

<sup>7</sup> [https://ec.europa.eu/neighbourhood-enlargement/Turkiye-report-2021\\_en](https://ec.europa.eu/neighbourhood-enlargement/Turkiye-report-2021_en)

<sup>8</sup> [https://ec.europa.eu/international-partnerships/system/files/join-2020-17-final\\_en.pdf](https://ec.europa.eu/international-partnerships/system/files/join-2020-17-final_en.pdf)

<sup>9</sup> [https://ec.europa.eu/environment/pdf/circular-economy/new\\_circular\\_economy\\_action\\_plan.pdf](https://ec.europa.eu/environment/pdf/circular-economy/new_circular_economy_action_plan.pdf)

<sup>10</sup> [https://www.eesc.europa.eu/sites/default/files/files/the\\_future\\_evolution\\_of\\_civil\\_society\\_in\\_the\\_eu\\_by\\_2030.pdf](https://www.eesc.europa.eu/sites/default/files/files/the_future_evolution_of_civil_society_in_the_eu_by_2030.pdf)

## 2.2. Problem Analysis

According to the Commission's 2021 Türkiye Country Report, a powerful and diverse civil society is a crucial component of any democratic system and despite all difficulties, civil society in Türkiye remained vocal, involved in civic life and reported on developments as much as possible. Nevertheless, Turkish CSOs often spend a great deal of time and energy struggling to survive as organisations rather than working towards their mission to support bottom-up initiatives in their constituencies.

The survey on 'Capacity and Limitations of Civil Society Organisations'<sup>11</sup> by the Civil Society Development Centre (STGM) (2021) captures the following chronic problems of civil society: (i) 86% of the organisations do not have full-time paid employees; almost all organisations that employ full-time wage earners have 1-5 employees; (ii) the most widely available resources to CSOs are individual donations (59%) and membership fees (42%); followed by economic enterprise revenues and corporate donations (10% and 8%, respectively) and 10.5% of the organisations stated that they do not have any income; (iii) 11% of the foundations and associations have economic enterprises; foundations with economic enterprises are considerably higher than associations (23% and 6% respectively); (iv) most of the CSOs do not have an operating income; in order to start a business, CSOs need a resource and most of them lack such a resource; operating income is essential as it enables the institution to survive independently. Considering these challenges, it transpires that there is a strong need to increase the financial sustainability of CSOs and to reduce their reliance on donor funding. This action will respond to this need through enhancing the skills and knowledge of CSOs on social entrepreneurship and providing financial support for CSOs to put these skills into practice, thus contributing to their being financially more self-sufficient.

In addition to the limited fundraising capacity of CSOs, endeavours to explore new and more enterprising models of practice are also hampered by the legal and fiscal environment. There are neither special legal or financial regulations nor tax exemption arrangements related to economic enterprises and companies of foundations/associations, social cooperatives and CSOs which are acknowledged as an important constituent of the social entrepreneurship ecosystem in Türkiye. Removing bureaucratic obstacles, introducing tax incentives and employment support schemes are commonly reported needs of these entities. Regulations related to immigration, volunteerism, civil society, cooperatives, digital technologies, investment and innovative funding schemes all affect CSOs (and social enterprises at large) since they operate within many different fields and sectors. Recent credible studies<sup>12</sup> point out to the need for a horizontal and holistic review of the existing regulations and identification of potential arrangements with effective coordination, collaboration and ownership by government entities whose actions affect the sector so that all legal forms of social enterprises including primarily those that fall within the civil society domain can operate in a more conducive environment. This action will address this need through a comprehensive review on existing legislation, which will then be followed by formulation of policy recommendations most suitable to Türkiye.

Another important problem pertains to the lack of awareness and access to the right kinds of skills and capacity building support by the CSOs. There is low awareness of what new models such as social entrepreneurship could offer as potential solutions to financial sustainability problem and a shortage of those people and organisations with the knowledge and skills to support them (and CSOs could be the right advocate). There are established mind-sets that are preventing innovation and collaboration and the testing of new ways of working and business models that could benefit local communities through innovation based on social values. This includes a mind-set amongst some civil society actors that the sector should not generate surplus or profit, because of its founding ethos. The sector lacks skills in understanding how to measure social impact and linking that to sustainable and operational models but it is keen to contribute to the social economy drive.

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<sup>11</sup> STGM (2021), Capacity and Limitations of Civil Society Organizations, Unpublished Research Report

<sup>12</sup> The Status of Social Enterprises in Türkiye, British Council, 2019.

[https://www.britishcouncil.org.tr/sites/default/files/20190702\\_se\\_research\\_report\\_the\\_state\\_of\\_social\\_enterprise\\_in\\_Turkiye\\_eng\\_single\\_page.pdf](https://www.britishcouncil.org.tr/sites/default/files/20190702_se_research_report_the_state_of_social_enterprise_in_Turkiye_eng_single_page.pdf)

These findings indicate the need for awareness raising and networking among civil society and social economy actors as well as proper capacity building support so that CSOs can learn what social entrepreneurship is, in what respects it can contribute to their financial viability for sustaining their core activities. This action will address this need through activities targeting awareness raising, capacity building and inter-institutional learning between CSOs and social enterprises.

Despite the above-mentioned weaknesses, there are also strengths of and opportunities for Turkish civil society in the social entrepreneurship field. There are good examples of strong and well-capacitated CSOs that are classified as social entrepreneurs. For example, KAMER Foundation, Buğday Association for Supporting Ecological Living and Foundation for the Support of Women's Work (KEDV) are considered as successful actors of social entrepreneurship in Türkiye. Secondly, it is observed that in recent years, CSOs show an increasing interest in the social entrepreneurship field. This is evidenced by a number of grant projects implemented in the IPA II period (2014-2020), which either deal with the development of social enterprises as their main substance or are directly implemented by organisations that might themselves be classified as social enterprises. Finally yet importantly, the discussions held and recommendations received in the various civil society consultation meetings held throughout 2015-2021 further confirm this interest.

While relatively consistent and well established in some parts of the world, the definition of social enterprise can still be controversial. In Türkiye, the concept is in 'emerging acceptance' stage and there is ongoing debate about the definition due to country-specific legal personalities under which social entrepreneurs can operate. From the perspective of this action, the spectrum of social enterprises includes economic enterprises of foundations/associations, social cooperatives and social impact focused companies (including legal and natural persons). In this respect, the CSOs are already a part of the existing social entrepreneurship ecosystem and this action will enhance sustainability, financial viability and social impact of CSOs through promotion of social entrepreneurial skills and networking with other ecosystem actors. The outcomes of this action will ultimately benefit the right holders. The enhanced financial viability of CSOs will enable them to better focus on their advocacy functions. The innovative approaches followed by social enterprises can also inspire CSOs on new ways and methods of advocacy. Further to these, their enhanced social impact will contribute to increasing the quality of services provided to and by right holders.

As per 'the Status of Social Enterprises in Türkiye'<sup>13</sup> study, most social enterprises in Türkiye are led by women, with 55 % of the leaders or managers of social enterprises participating to the study being women. This is noticeably higher than the percentage of women managers in commercial businesses which is 19.3 % according to 2021 TURKSTAT data<sup>14</sup>. Women's participation in civil society also remains low - only 10.4 % of members and 14 % of leaders in CSOs are women<sup>15</sup>. These figures show that there is room for increasing women's share on civil society domain and there are lessons to learn from social enterprises where women's participation exceeds that of men.

The CSOs, social enterprises, development agencies, public institutions will benefit from this project. Other actors relevant for this action are central public institutions, local administrations, funding institutions, relevant umbrella organisations of private sector, universities and research institutes, etc. CSOs including the right based ones and other social-need driven non-state actors are the main target groups of this action. The final beneficiaries are the right holders at large but especially the vulnerable groups such as children, elderly, disabled, women who are facing higher risk of poverty and social exclusion compared to the general population.

The beneficiary institutions are relevant to this action due to following reasons:

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<sup>13</sup>[https://www.britishcouncil.org.tr/sites/default/files/20190702\\_se\\_research\\_report\\_the\\_state\\_of\\_social\\_enterprise\\_in\\_Turkiye\\_eng\\_single\\_page.pdf](https://www.britishcouncil.org.tr/sites/default/files/20190702_se_research_report_the_state_of_social_enterprise_in_Turkiye_eng_single_page.pdf)

<sup>14</sup> <https://data.tuik.gov.tr/Bulten/Index?p=Istatistiklerle-Kadin-2021-45635>

<sup>15</sup> [https://www.tusev.org.tr/usrfiles/files/step\\_eng\\_web.pdf](https://www.tusev.org.tr/usrfiles/files/step_eng_web.pdf)

- The Directorate for EU Affairs (DEUA) of the Ministry of Foreign Affairs was the Lead Institution of the Civil Society sub-sector under IPA II and is continuing its efforts in coordination of civil society actions in IPA III. DEUA is promoting the social entrepreneurship agenda, co-ordinating the Employment and Social Innovation (EaSI) programme and representing Türkiye at the Expert Group on Social Economy and Social Enterprises. Additionally, within the framework of the Civil Society Support Programme, programmed under the IPA II 2014 Annual Action Programme<sup>16</sup>, the Türkiye Social Entrepreneurship Network was established.<sup>17</sup>
- General Directorate of Domestic Trade in Ministry of Trade, is closely following the social entrepreneurship ecosystem and contributing to the meetings and activities organised in this field. The DG acts as the regulatory body for the commercial enterprises and commercial companies operated by natural and legal persons in Türkiye, in terms of their establishment, operation of their bodies, supervision of them, regulation of the relations among partners, their termination and dissolution.
- General Directorate of Tradesmen, Artisans and Cooperatives in Ministry of Trade is currently the responsible body for overseeing and monitoring the state of cooperatives in Türkiye. Cooperatives, which fulfil the functions of a social enterprise, have an important share in the overall number of social enterprises (28%<sup>18</sup>). The Directorate is carrying out awareness raising activities for social cooperatives (which are also considered as part of the civil society), pursuing a policy focus described in terms of the social and solidarity economy and social entrepreneurship.
- Directorate General of Development Agencies in the Ministry of Industry and Technology ensures the national coordination of Turkish Development Agencies. The mandates of the Development Agencies include encouraging entrepreneurship and improving regional competitiveness, promoting regional investment opportunities, conducting analyses and producing strategy documents. Development Agencies also have significant experience in providing financial support to a range of state and non-state institutions (private sector entities including SMEs, CSOs, public entities, universities, professional organizations). DG of Development Agencies is also the member of Impact Investing Advisory Board, which will facilitate the development of impact investing and a well-functioning ecosystem in Türkiye.

### 3. DESCRIPTION OF THE ACTION

#### 3.1. Intervention Logic

Given that: a) all relevant government and civil society institutions are committed to this project; and b) the stakeholders are willing to actively participate to the project activities and to share data; the environment for civil society and non-state actors will become more conducive and sustainable in Türkiye (Impact) by enhancing sustainability, financial viability and social impact of CSOs and non-state actors supporting social needs-driven development (Outcome). This outcome will be directly influenced by pursuing the delivery of the following outputs:

- 1) Skills and knowledge on social entrepreneurship of CSOs and social enterprises are strengthened, partnerships/networking between CSOs and social enterprises working in the same social domain are promoted and public awareness raised on social entrepreneurship (Output 1);
- 2) Institutional, policy and regulatory framework related to social entrepreneurship in Türkiye is strengthened (Output 2);
- 3) Organisational capacities of CSOs and non-state actors supporting social needs-driven development on social entrepreneurship are strengthened (Output 3).

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<sup>16</sup> <https://ec.europa.eu/neighbourhood-enlargement/system/files/2016-12/ipa2014-031-874.4-tr-civil-society.pdf>

<sup>17</sup> <https://www.sosyalgirisimcilikagi.org/home>

<sup>18</sup>The Status of Social Enterprises in Türkiye, British Council, 2019.

[https://www.britishcouncil.org.tr/sites/default/files/20190702\\_se\\_research\\_report\\_the\\_state\\_of\\_social\\_enterprise\\_in\\_Turkiye\\_eng\\_single\\_page.pdf](https://www.britishcouncil.org.tr/sites/default/files/20190702_se_research_report_the_state_of_social_enterprise_in_Turkiye_eng_single_page.pdf)



### 3.2. Indicative Activities

The following indicative activities are foreseen under the three outputs.

#### **Activities related to Output 1: Skills and knowledge on social entrepreneurship of CSOs and social enterprises are strengthened, partnerships/networking between CSOs and social enterprises working in the same social domain are promoted and public awareness raised on social entrepreneurship**

- Organisation of trainings and workshops on social entrepreneurship for CSOs and non-state actors supporting social needs-driven development, including social enterprises/entrepreneurs. This may include topics such as preparation of business models, financial management, marketing and communication, embedding rights-based approach in businesses. These activities may include the CSOs and social enterprises who receive a sub-grant under output 3.
- Facilitating partnerships between social enterprises and CSOs, in particular if working in the same social domain (education, disability, care work, women's employment, green and circular economy, climate change adaptation, etc.) through networking events, ideation workshops, etc. and establishing a consultation/coordination platform amongst relevant actors including those working on the inclusion of vulnerable groups
- Organisation of awareness raising activities on the concept of social entrepreneurship

#### **Activities related to Output 2: Institutional, policy and regulatory framework related to social entrepreneurship in Türkiye is strengthened**

- Organisation of trainings on social entrepreneurship from a rights-based perspective and in line with EU best practices for the relevant public authorities, selected Development Agencies and other key stakeholders
- Providing consultancy to selected development agencies for the preparation of the Description of Action in line with right based approach
- Preparation of Pilot Social Impact Analysis Reports and development of an Overall Framework on Impact Analysis/Measurement with Implementation Tools<sup>19</sup>
- Conducting technical studies on social entrepreneurship in Türkiye, including:
  - Conducting survey and assessment of ecosystem actors
  - Conducting needs analysis of economic enterprises of associations/foundations and social cooperatives
  - Organisation of technical study visits and preparation of EU country benchmark reports
  - Screening of relevant legislation affecting the social entrepreneurship ecosystem in Türkiye (such as law on trade, cooperatives, taxation, obligations) and identifying main bureaucratic bottlenecks
  - Development of synthesis report for policy development on social entrepreneurship
- Preparation of policy paper on social entrepreneurship, including:
  - Preparation of draft policy paper(s) on social entrepreneurship
  - Organisation of consultation meetings with representatives of the CSOs, social entrepreneurs, government officials, academia, businesses and social enterprise owners/managers
  - Preparation of regulatory impact assessment (RIA) study
  - Preparation of final policy paper(s) on social entrepreneurship

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<sup>19</sup> A distinction should be made between Social Impact Analysis/Measurement and Regulatory Impact Assessment (envisaged as one of the activities under Output 1.2). Social Impact Analysis concerns measuring the social impact created by the activities or operations of social enterprises (i.e. how an enterprise benefits the society in fields like enhancement of employment, women empowerment, environmental aspects, etc.) whereas Regulatory Impact Assessment (RIA) study concerns measuring the effects of a potential regulation on social entrepreneurship.

### **Activities related to Output 3: Organisational capacities of CSOs and non-state actors supporting social needs-driven development on social entrepreneurship are strengthened**

- Financial support to third parties (sub-grants via indicatively three regional development agencies) will be provided to the following entities:
  - CSOs already acting as social entrepreneurs (e.g. foundations/associations having economic enterprises, social cooperatives)
  - CSOs aspiring to expand their horizon into social entrepreneurship
  - Social enterprises
- Different combinations of the above entities can be supported under the sub-granting scheme, CSOs being an indispensable partner of the consortia to be established.
- Partnerships between rights-based CSOs and social enterprises will be encouraged to facilitate inter-institutional learning and transposition of good practices.
- The grants can fund inter alia the following activities:
  - provision of services for the benefit of people belonging to vulnerable groups,
  - provision of consultancy for business model development or improvement,
  - provision of finance for establishment procedures, market research, development of fundraising strategies, research for product development, manufacturing of product prototype, procurement of goods and services including digital ones, support in the development and implementation of new business models and practical organisational tools related to social needs, especially of vulnerable groups (women, persons with disabilities, elderly, children). Use of a rights based approach will be required.
- The scope of the sub-grants to CSOs and social enterprises must be in line with the purpose of enhancing the role of civil society in promoting social needs-driven development in line with a rights based approach and with special focus to disadvantaged people, including women and girls as well as environmental issues.
- The priorities and scope of the sub-grants will be tailored according to the needs and potential of the region covered by the selected Development Agencies.
- The direct grants to be awarded to Development Agencies may also cover activities aiming at efficient and effective management of the sub-grant scheme. These activities may include, inter alia, consultancy services for the development of sub-grant guidelines, dissemination of information related to call for proposals, advisory and coaching services for potential sub-grant beneficiaries, capacity building for sub-grant beneficiaries, monitoring, and promotion and visibility of results.

At least sixty-five percent (65%) of the budget allocated to grants will be utilised as financial support to third parties.

Output 1 and 2 will be implemented via a service contract. Output 3 will be implemented indicatively via three grant contracts with Turkish Development Agencies. Selection should be based on criteria such as (a) percentage of the total Turkish population living in the regions covered by the grants; (b) number and density of CSOs and social enterprises/entrepreneurs in the region; and avoiding –to the extent possible– duplication of Development Agencies by other ongoing EU funded interventions. The list of selection criteria will be finalised and Development Agencies will be selected in close consultation with DEUA, Ministry of Industry and Technology, Ministry of Trade and the EU Delegation (EUD) in Türkiye. The final list of Development Agencies will have to be endorsed by the EUD. The service contract and grant contracts need to be implemented in parallel to ensure coherence and effectiveness of the whole action.

### **3.3. Mainstreaming**

The assistance is required to address number of cross-cutting issues that pervade the project, such as needs of disadvantaged people, including women and girls, since they form an important target group for social enterprises. The project will also address environmental issues as environmental sustainability is one of the core activities of CSOs and social enterprises. Throughout the cycle, CSOs and other social economy actors

will be encouraged to generate innovative solutions tackling the SDGs with a focus on gender, disadvantaged persons and environment and climate related goals to mobilise local bottom-up effort to create employment and more sustainable environment.

### **Environmental Protection, Climate Change and Biodiversity**

The EU Circular Economy Action Plan (CEAP)<sup>20</sup> in line with the European Green Deal emphasises the need for a green growth both on a global and a regional level, which can guide Türkiye for a successful green transformation. The CEAP stresses the importance of working together to realise the European Green Deal. It also provides a future-oriented agenda for achieving a cleaner and more competitive Europe in co-creation with economic actors, consumers, citizens and CSOs. Circular economy would have a positive net effect on the social economy, which is a pioneer in decent job creation linked to the circular economy.

Climate change is not just an environmental issue but also a development, humanitarian, and above all an equality issue. This action will address challenges related to environment and climate change through supporting CSOs and social enterprises in the green, blue and circular economy.

### **Gender equality and empowerment of women and girls**

The EU Gender Action Plan III (GAP III) addresses social entrepreneurship issue under the broader entrepreneurship context and states that ‘EU action should contribute to: ‘Supporting women entrepreneurship and women-led businesses, including social entrepreneurship, and their access to finance by providing innovative investments schemes through the EIP, addressing the market’s failure to reach women and promoting the creation of SMEs.’ For addressing recommendations of GAP III, 30% of the CSOs and social enterprises/entrepreneurs supported through grants will be entities established/managed/led by women.

The project will also mainstream the above policies through various activities, notably all studies, needs analyses, impact assessments will be carried out in a way to identify the contribution to equality of women and men, equal opportunities and environmental sustainability.

The action ensures that both women and men can provide inputs, access, and participate in action activities. It will be ensured that sex-disaggregated data is collected regarding project activities and outputs, where applicable, and be presented in the inception/progress/interim/final reports and at Steering Committees and during monitoring missions.

The project will promote the inclusion and access of disadvantaged and vulnerable groups to project activities. Throughout the project, the participation of disadvantaged and vulnerable groups will be encouraged. Their representation will be sought along with other groups of social entrepreneurs/civil society in project activities. Whenever required, measures will be taken to increase their participation in project activities.

### **3.4. Risks and Lessons Learned**

<b>Category</b>	<b>Risks</b>	<b>Likelihood (High/ Medium/ Low)</b>	<b>Impact (High/ Medium/ Low)</b>	<b>Mitigating measures</b>
2 – planning process and systems	Risk 1 - Lack of effective cooperation among the	<b>M</b>	<b>H</b>	The roles and responsibilities for the implementation of the project will in minimum define requirements to ensure stakeholders accountability for

<sup>20</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1583933814386&uri=COM:2020:98:FIN>

	institutions and different actors in the field			project activities and use of resources and will be embedded in project management structure and procedures
2 - planning process and systems	Risk 2 - Reluctance of the public institutions to share data for the evaluation and impact monitoring activities	<b>M</b>	<b>H</b>	Engage in a constructive and timely manner to address any concerns and advocate for provision of data
3 – people and organisation	Risk 3 - Lack of interest from ecosystem actors for project activities	<b>L</b>	<b>H</b>	Seek to ensure that ecosystem actors and other project stakeholders are informed in a timely manner
3 – people and organisation	Risk 4 - Inability of grant beneficiaries to do an effective financial management	<b>L</b>	<b>H</b>	Contracting authority will exercise continuous monitoring and provide guidance/support.
3 – people and organisation	Risk 5 – Lack of quality applications for sub-grants	<b>M</b>	<b>H</b>	Development agencies will provide informed guidance and/or trainings to potential applicants. Ideation workshops will target high quality project ideas to be developed.

### Lessons Learned:

Social entrepreneurship is a rather new concept in Türkiye attracting increased interest from academics, civil society actors, policymakers and practitioners. The CSOs are also keen on the subject as social entrepreneurship offers a new way for financial sustainability and increased social impact of CSOs. The CSOs' growing interest is evidenced by the fact that in recent years there has been a number of grant projects that address the issue, the most notable example being the **“Türkiye Social Entrepreneurship Network Project”** funded under IPA II. The project aimed to create support mechanisms for the social entrepreneur candidates, to strengthen existing enterprises and to facilitate the access of social enterprises to financial and non-financial resources by increasing the interest within the private sector, financial institutions and public institutions.

There are currently two large-scale interventions funded under the EU Facility for Refugees in Türkiye related to social entrepreneurship: the ‘Social Entrepreneurship, Empowerment and Cohesion in Refugee and Host Communities in Türkiye (SEECO)’ project addresses the key constraints to livelihoods of women in targeted areas of Türkiye, with a particular focus on improving the livelihoods opportunities available to female refugees living in households that receive the Emergency Social Safety Net. Secondly, the ‘Strengthening Economic Opportunities for Syrians under Temporary Protection and Turkish Citizens in Selected Localities’ project aims to strengthen the capacity of the public institutions to assess demand for skills, support job creation and entrepreneurship in selected localities with high incidence of Syrians under Temporary Protection and evaluate results. Although the objectives, scope and target groups of this action are significantly different from those of the aforementioned interventions, potential areas of cooperation and complementarity will be sought. For instance, best practices developed by the Turkish Development Agencies involved in the SEECO project will be made use of whenever applicable. Additionally, the outcomes of the four pilot cooperatives established under the ‘Strengthening Economic Opportunities for Syrians under Temporary Protection and Turkish Citizens in Selected Localities’ project will be taken into account. All studies/researches carried out on the subject of social entrepreneurship will be exploited especially in the course of developing new policy

recommendations for regulatory framework under Output 2 of this action. Finally, this action will build on existing coordination mechanisms put in place between relevant stakeholders to the extent possible and applicable.

The priorities set out in the IPA III Programming Framework for civil society thematic priority do not directly cover the issue of social entrepreneurship. Nevertheless, it is underlined that *‘strengthening the legal, institutional and financial environment under which CSOs operate is central for this purpose as a necessary condition for their participation, ownership and sustainability of the reform process.’* Social entrepreneurship emerges as a viable way of complementing financial sustainability of CSOs and reducing donor dependency, thus contributes to the strengthening of especially the financial environment. The need for addressing social entrepreneurship among civil society priorities was also voiced by the CSOs in the consultation meetings held by the DEUA. Similarly, a recent evaluation study entitled *‘Ex-post Evaluation of EU Support to Civil Society delivered under IPA 2007 to 2014 in Türkiye’* included the following recommendations related to future interventions to be implemented in the civil society sector in Türkiye:

*‘More specifically, addressing the structural problems and challenges in upcoming IPA III programming would require a different but integrated-comprehensive and adaptive/flexible modality (including innovative models) as well as a special attention on building blocks created under IPA I and IPA II to have promising impacts for the upcoming phase including*

- *“Social Entrepreneurship” with access to training, mentoring and funding opportunities as well as fostering a more sustainable, inclusive and prosperous future for the Civil Society and building collaboration, opportunities and trust among key stakeholders*
- *“Social Cooperatives” as “models of solidarity and collaboration” making tangible impact both economically and socially for the CSOs’*

For these reasons, *‘flourishing social entrepreneurship ecosystem in Türkiye’* is included to the IPA III Strategic Response of Türkiye as one of the priorities of civil society thematic field. It is intended that projects aiming at promoting cooperation between civil society-public-private sectors, including those addressing social innovation and social entrepreneurship, will be covered.

### 3.5. Indicative Logical Framework Matrix

Results	Results chain: Main expected results	Indicators	Baselines [2022]	Target [by the end of the Action]	Sources of data	Assumptions
<b>Impact</b>	The environment for civil society and non-state actors becomes more conducive and sustainable in Türkiye	Number of government policy proposals developed with civil society organisations' (CSO) participation through EU support	0	1	Reports of TA and DEUA	<i>Not applicable</i>
<b>Outcome 1</b>	Sustainability, financial viability and social impact of CSOs and non-state actors supporting social needs-driven development are enhanced.	Number of CSOs and social enterprises supported through grants and capacity building, networking and awareness raising activities	0	500	Reports of TA and grant beneficiaries	Türkiye is committed to fully respect democratic principles as per Copenhagen political criteria Economic, political, social and institutional stability is maintained
<b>Output 1</b>	1.1 Skills and knowledge on social entrepreneurship of CSOs and social enterprises are strengthened, partnerships/networking between CSOs and social enterprises working in the same social domain are promoted and public awareness raised on social entrepreneurship	1.1.1 Number of employees of CSOs and social enterprises benefiting from trainings, disaggregated by sex and geographical location 1.1.2 Number of participants to the partnership/networking and awareness raising events on social entrepreneurship disaggregated by sex and geographical location	1.1.1 0 1.1.2 0	1.1.1 200 1.1.2 400		All relevant Government and civil society institutions are committed The stakeholders are willing to actively participate to the project activities and to share data. The IT and institutional infrastructure of the relevant institutions is mature enough for data integration and coordination
<b>Output 2</b>	1.2 Institutional, policy and regulatory framework related to social entrepreneurship in Türkiye is strengthened	1.2.1 Number of employees of public institutions, development agencies and other key stakeholders benefiting from trainings, disaggregated by sex and geographical location 1.2.2 Number of Description of Action documents supported for drafting in line with right based approach 1.2.3 Number of pilot social impact analysis reports 1.2.4 Existence of synthesis reports for policy development on social entrepreneurship in Türkiye 1.2.5 Number of participants in consultation exercises held with public, private and civil society actors 1.2.6 Existence of Regulatory Impact Assessment (RIA)	1.2.1 0 1.2.2 0 1.2.3 0 1.2.4 No 1.2.5 0 1.2.6 No	1.2.1 1000 1.2.2 3 1.2.3 10 1.2.4 Yes 1.2.5 220 1.2.6 Yes	Reports of TA	Implementation of the contract and of the associated grant scheme are synchronised
<b>Output 3</b>	1.3 Organisational capacities of CSOs and non-state actors supporting social needs-driven development on social entrepreneurship are strengthened	1.3.1 Number of CSOs and social enterprises supported through financial support to third parties disaggregated by sex and geographical location 1.3.2 Number of CSOs and social enterprises/entrepreneurs supported through grants that are established/managed/led by women 1.3.3 Number of participants to the info-days, advisory and coaching sessions, trainings, etc. for potential and actual sub-grant beneficiaries	1.3.1 0 1.3.2 0 1.3.3 0	1.3.1 8080 (by the end of the Action) 1.3.2 25 1.3.3 2000	Reports of TA and grant beneficiaries	

## **4. IMPLEMENTATION ARRANGEMENTS**

### **4.1. Financing Agreement**

In order to implement this action, it is envisaged to conclude a financing agreement with the Republic of Türkiye.

### **4.2. Indicative Implementation Period**

The indicative operational implementation period of this action, during which the activities described in section 3.1 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

### **4.3. Methods of implementation**

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>21</sup>.

#### **4.3.1. Indirect Management with an IPA III beneficiary**

This action will be implemented under indirect management by the Republic of Türkiye.

The Managing Authority responsible for the execution of the action is the General Directorate of Financial Co-operation and Project Implementation of the Ministry for Foreign Affairs (MFA). The Managing Authority shall be responsible for legality and regularity of expenditure, sound financial management, programming, implementation, monitoring, evaluation, information, visibility and reporting of IPA III activities.

Budget implementation tasks such as calls for tenders, calls for proposals, contracting, contract management, payments and revenue operations, shall be entrusted to the following intermediate body for financial management: CFCU at the Ministry of Treasury and Finance. It shall ensure legality and regularity of expenditure.

### **4.4. Scope of geographical eligibility for procurement and grants**

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

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<sup>21</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu) Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

#### 4.5. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Indicative third-party contribution (amount in EUR)
<b>Methods of implementation</b> – cf. section 4.3		
<b>Output 1:</b> 'Skills and knowledge on social entrepreneurship of CSOs and social enterprises are strengthened, partnerships/networking between CSOs and social enterprises working in the same social domain are promoted and public awareness raised on social entrepreneurship' and <b>Output 2:</b> 'Institutional, policy and regulatory framework related to social enterprises in Türkiye is strengthened' composed of	<b>2 000 000</b>	<b>N/A</b>
Indirect management with the Republic of Türkiye – cf. section 4.3.1	2 000 000	N/A
<b>Output 3:</b> 'Organisational capacities of CSOs and non-state actors supporting social needs-driven development on social entrepreneurship are strengthened" composed of	<b>4 000 000</b>	<b>40 000</b>
Indirect management with the Republic of Türkiye – cf. section 4.3.1	4 000 000	40 000
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	will be covered by another decision	N/A
<b>Communication and visibility</b> – cf. section 6	will be covered under the technical assistance and grant contracts	N/A
<b>Contingencies</b>	N/A	
<b>Totals</b>	<b>6 000 000</b>	<b>40 000</b>

#### 4.6. Organisational Set-up and Responsibilities

The Managing Authority and beneficiary of the project is the General Directorate of Financial Co-operation and Project Implementation of the Ministry for Foreign Affairs (MFA). The Managing Authority shall be responsible for legality and regularity of expenditure, sound financial management, programming, implementation, monitoring, evaluation, information, visibility and reporting of IPA III activities. The Intermediate Body for financial management is the Central Finance and Contracts Unit (CFCU). The co-beneficiaries of the action are the Ministry of Trade and Ministry of Industry and Technology.

A Steering Committee (SC) will be set up at the activity level. SC will be mainly composed of the representatives of the DEUA, Ministry of Trade, Ministry of Industry and Technology, NIPAC, Presidency of Strategy and Budget, CFCU and EUD. Additional stakeholders may also be invited to the SC on ad-hoc basis (e.g. grant beneficiaries). The SC will act as the advisory body that will provide high-level strategic guidance and oversight on project implementation. SC will gather at regular intervals and on ad-hoc basis whenever deemed necessary.



## **5. PERFORMANCE MEASUREMENT**

### **5.1. Monitoring and Reporting**

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support). The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

- Monitoring tasks undertaken by the implementing partners/ beneficiary country, under the coordination of NIPAC Office, and NAO Office for financial monitoring, will consist of collecting and analysing data aiming at informing on the use of resources and progress towards planned results, feeding the management of the action's decision-making processes.
- Monitoring tasks undertaken by the EU Delegation shall complement the implementing partners'/ beneficiary country's monitoring system, especially in key moments of the action cycle. It will also support follow-up of recommendations stemming out of external monitoring and will be used for informing EU management. This monitoring could take different forms and methodologies (meetings with implementing partners, action steering committees, on the spot checks ...), to be decided based on specific needs and resources at hand. Reporting will be done according to methodologies and tools included in DG NEAR guidelines on linking planning/programming, monitoring and evaluation, including the use of standard checklists..

Both types of internal monitoring are meant to inform and provide support to external monitoring:

- External monitoring / Results Oriented Monitoring (ROM)

The Commission and/or NIPAC may undertake additional project monitoring in line with the European Commission rules and procedures set in the Financing Agreement through independent consultants recruited directly by the Commission/NIPAC for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission/NIPAC for implementing such reviews). These reviews might be composed of monitoring of the action, results data collection or any other task that is identified in the most recent EC guidelines.

The Steering Committees will be established at activity level in order to steer the implementation of activities, achievement of results against indicators in the action document, to discuss monitoring findings (including ROM findings) and agree on corrective actions as appropriate. The Steering Committees will be composed of the representatives of end beneficiaries, Lead Institution, NIPAC Office, Contracting Authority and the EU Delegation.

### **5.2. Evaluation**

Having regard to the nature of the action, evaluation(s) may be carried out for this action or its components by the beneficiary via independent consultants. The evaluations will be carried out as prescribed by the DG NEAR guidelines on linking planning/programming, monitoring and evaluation.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

### **5.3. Audit and Verifications**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

## **6. COMMUNICATION AND VISIBILITY**

Visibility of EU funding and communication about objectives and impact of Actions are a legal obligation for all Actions funded by the EU, as set out in the EU communication and visibility requirements in force.

In particular, the recipients of EU funding shall acknowledge the origin of the EU funding and ensure its proper visibility by:

- providing a statement highlighting the support received from the EU in a visible manner on all documents and communication material relating to the implementation of the funds, including on an official website and social media accounts, where these exist; and
- promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media.

Visibility and communication measures shall be implemented, as relevant, by the national administrations (for instance, concerning the reforms linked to EU budget support), entrusted entities, contractors and grant beneficiaries. Appropriate contractual obligations shall be included, respectively, in financing agreements, delegation agreements, and procurement and grant contracts.

The measures shall be based on a specific Communication and Visibility Plan, established and implemented in line with the EU communication and visibility requirements in force. The plan shall include, inter alia, a communication narrative and master messages for the Action, customised for the various target audiences (stakeholders, civil society, general public, etc.)

Visibility and communication measures specific to this Action shall be complementary to the broader communication activities implemented directly by the European Commission services and/or the EU Delegations and Offices. The European Commission and the EU Delegations and Offices should be fully informed of the planning and implementation of the specific visibility and communication activities, notably with respect to the communication narrative and master messages

## **7. SUSTAINABILITY**

This project is supposed to breed sustainability of the results in three dimensions:

1. Providing a clear policy framework for paving the way for those who want to be social entrepreneurs either as civil society actors or social initiatives: A certain level of understanding and ownership of social entrepreneurship will come into existence by the public authorities. Currently there is an ambiguity regarding the substance of social entrepreneurship, its position within civil society and private sector. The legislative environment - encompassing social entrepreneurship, possible legal forms social enterprises may assume, its pros and cons related to bureaucratic obstacles, taxation exemptions/concessions and accessibility to funds, etc. - will be scanned and a clearer framework will be presented to the interested actors. This will lead to removing the barriers against the development of this concept.
2. Capacity Building for CSOs and other non-state actors supporting social needs-driven development:
  - Enhancing the already built capacity within the CSOs and social enterprises and providing them an opportunity to expand their work scope and size: their performance in finding appropriate ways to

continue to conduct their activities will be increased. CSOs in need of a new model or perspective to maintain their operations will be acquainted with new strategies, approaches, tools and guidance to adopt themselves and learn from the experiences of other social enterprises.

- Providing the CSOs new perspectives, business models and financing alternatives: Both social entrepreneurship and CSOs strive to change the world for the better by using tools and knowledge to create long-term solutions to complex problems. However most CSOs have a smaller scope of work and they focus on vulnerable groups in societies and ways of improving their lives. Social entrepreneurs on the other hand find creative and self-sustainable solutions, which deal with the wider group of modern day challenges. Although they often directly target vulnerable groups in societies or on the global scale, they also tackle wider issues relevant to quality of life concerning all humans – environment protection, access to healthy food and clean water, employment, immigration, energy, education and learning, democracy and corruption, etc. Besides CSOs are non-profit organisations facing financial sustainability problems, however the social entrepreneurs rely on their own work through creating different business models, which makes their work sustainable. In this sense, social entrepreneurship may inspire CSOs for better sustaining their operations and tackling with problems they face.
3. Creating awareness and better understanding of social entrepreneurship concept and its positioning compared to connected concepts and its relation and forming partnerships with CSOs: The essence and added value of social entrepreneurship will be better perceived by the public authorities, the media and the general public as more trustworthy.