

Finance4SocialChange project: Towards sustainable social investing

International project financed through Interreg Danube Transnational Programme which supports social entrepreneurship will include education, exchange of experience, competition and presentation of the best business ideas to investors.

Social entrepreneurship in the EU employs 13.6 million people. However, the main challenge social enterprises face is limited access to funding sources due to uncertainty and risk in business activities. To encourage the development of social entrepreneurship, the Union of Slovak Clusters in partnership with 14 partner institutions from several Danube countries from Germany to Romania is implementing the EU project Finance4SocialChange, which should contribute to the improvement of financial instruments and the strategy of strengthening social enterprises in the region.

Mike Nagorkin, project manager from IFKA agency, says that the project will develop joint, as well as, national strategies and action plans for the development of social entrepreneurship that can then be later on used by decision-makers.

Gorgi Krlev, an expert on social impact investment from the University of Heidelberg says that within the project, educational training will be held online, but also offline - in direct contact with social entrepreneurs, who are also expected to provide ideas for social innovation. As he stated, the goal of the training is to assist more precise and accurate measuring of social impact on society of social entrepreneurs so that the impact can be better and more clearly presented to investors when seeking investment. Also, an additional benefit will be a further mapping of social enterprises in the Danube region, developing the business skills and creating a network for them as well as for potential investors. The online training will start from May 2020, while the offline training will be done during summer/autumn.

Adrian Fuchs from Financing Agency for Social Entrepreneurship (FASE) points out that the final phase of the project will provide competition that will bring together 300 entrepreneurs from the Danube region. After the training of 300 entrepreneurs, four companies with the best ideas will be selected and mentored in order to present their ideas in the best way to potential investors and other actors interested in investing. In this way, the chances of getting funding for investments in their social entrepreneurship projects will be increased. The final competition is expected to be held at the beginning of next year. The details of the educational platform and contest will be published on Project webpage <http://www.interreg-danube.eu/approved-projects/finance4socialchange> and projects Facebook page <https://www.facebook.com/projectFinance4SocialChange/>.

Finance4SocialChange answers a key gap in Danube region's policymaking sphere, namely the joint understanding of social impact as well as the creation of more sustainable start-up and scale-up social enterprises in the Danube region through improved regulatory frameworks.

Finance4SocialChange's main result is to intensify the cooperation of project partners, policymakers, financial intermediaries, social enterprise catalysts, research institutes and start-up and scale-up social enterprises.

Finance4SocialChange is a project co-financed by European funds (ERDF, IPA, ENI).
Project website: www.interreg-danube.eu/finance4socialchange