

Great Challenges, Greater Solidarity
Power of Community and SSE as a Path for Transformation

GSEF Global Virtual Forum
19 – 23 October 2020

Report

Prepared by: (name and e-mail)

Title of the session:	Social Impact Measurement and the Impact of COVID-19 on WISEs: Testimonies from around Europe
Type of session	Members and Partners session
Language:	English
Date:	22 nd of October
Time:	90 minutes
Participants	<i>Zoom participation: 25-30</i>

Name of moderator

Yussupova Aziza (ENSIE)

Speakers

Speaker 1: Aziza Yussupova, Policy Officer, ENSIE, Belgium
Speaker 2: Aicha Belassir, Director, FAEDEI, Spain
Speaker 3: Teodor Petricevic, Director, ACT GRUPA, Croatia
Speaker 4: Julien Baron, COORACE, France

Screenshot of the zoom session

Take a screenshot as photo-memory of the session. Insert the image here.



WISE challenges in COVID-19 pandemic 2020

PLANNING / GOVERNANCE / HR & PEOPLE MANAGEMENT / SERVICE DELIVERY / COMMUNICATIONS / FUNDING & CASH FLOW

***key challenges:** restricted market (WISEs lost cca 90% of the existing market), difficulties sustaining the supply chain (dropdown for 50%), WISEs providing social services - dropdown of the services and market due the lockdown, no real cashflow problems (loans, extension of payment deadlines to suppliers...), etc.

***WISE managers** struggling with uncertain, turbulent, challenging situation - urgent need for coaching and daily mentorship

*if WISEs fail in significant numbers, the potential (economic and social) short-term impact wouldn't be significant

Summary of presentations:

1. Yussupova Aziza, [ENSIE](#):

Social impact measurement is important for WISEs to face investors pressure. It can be used as an advocacy tool to increase funding opportunities but also to fight bad stereotypes about WISEs.

Presentation of the latest [Impact-WISEs study](#) results and the results of the [COVID 19 pandemic impact on WISEs across Europe](#). Usually, and on average, about 65% of disadvantaged workers find job solutions, become self-employed or find professional training after the integrational path in a WISE. Only, 35,43% have no job solution.

In what concerns the COVID 19 impact on WISEs, the activity of WISEs decreased but WISEs are confident to find a solution for their needs. The majority will reduce their planned investments and accentuate their commercial canvassing efforts to face the consequences of the crisis.

WISEs faced difficulties as the supply of masks, gels and other personal protective equipment, the difficulty to organise their activity and to respect social distancing and the limited availability of their employees.

The crisis brought also opportunities, encouraged more cooperation and attracted the interest of various stakeholders. Organisations realised the importance of business models and the importance of a variety of sources of funding, some have opened up new opportunities and jobs as a result of the crisis. The crisis also contributed to the improvement of digital skills and to the adaptation of production.

2. Aicha Belassir, [FAEDEI](#):

Presentation of FAEDEI and of Spanish WISEs and the impact of the crisis on them.

Spanish WISEs faced the difficulty to maintain commercial activities, financial losses etc.

Main measures adopted by WISEs to face the crisis were the reduction of costs, reconversion, reorganization of the employment etc.

Among financial implications for WISEs we can find the loss of billing, loss of jobs etc.

Political and economic measures that can help: extraordinary direct state aid to WISEs and increased reserved public contracts.

3. Teodor Petricevic, [ACT GRUPA](#):

Among the challenges faced by the Croatian WISEs during the COVID-19 pandemic we can find the restriction of the market (WISEs lost cca 90% of the existing market), difficulties in sustaining the supply chain (dropdown for 50%), WISEs managers struggle with uncertain, turbulent and challenging situation which is the urgent need for coaching and daily mentorship.

WISEs managed to adapt to the new circumstances through pivoting, reversing business model, shifting parts of their business model online, shifting to new markets, diverting to provide voluntary services, recruiting staff and volunteers to run existing services.

In next months and next year, doing business will be even harder. There is a need to create ad-hoc business support (financial and non-financial) to WISEs, support them in transition to agile, robust, innovation-led businesses (new support methodologies, tools - online clinics, helplines, tailored coaching). Since WISE sector in Croatia is young and very fragile, it is hard to forecast the impact of COVID-19 pandemic on the development.

4. Julien Baron, [COORACE](#):

The crisis created a pressure on French WISEs' cash flows. The adaptation to hygiene measures has generated significant additional costs (+23%). Employers are facing the dilemma between protecting employees and maintaining remote social support and ensuring the economic viability of their business. Among the French State aid we can find that 80% of wages are paid by the State if employees are obliged to stop work. A differed payment of social contributions and taxes was allowed. Bpifrance provided bank loans. Finally, there was a re-allocation of specific inclusion funds (unused due to the crisis and reduced activity levels) in order to avoid major revenue losses for members, and insist in the creation and development of new activities.

COORACE also supported WISEs through actions as the provision of information on legal developments, general and specific state aid measures, and employers' health protection obligations. The network lobbies to ensure that members benefit from the Partial Activity Scheme and that it is adapted to the specific requirements of the different firms. They also lobby for the re-allocation of public funds, passed in the 2020 funding law and unused by the WISEs, for the purpose of financing members' specific requirements.

Finally, COORACE also provides support for WISEs in their response to State request for proposals.

Answers to the GUIDING QUESTION:

How to transform the present and build a better future from the SSE?

It is crucial to give SSE, in particular work integration social enterprises, the space and possibility to exploit their full potential. New and more public procurement opportunities in each country should be provided to this sector. Legal support should go hand in hand with financial support to allow the development of WISEs in a specific Member State. Such enterprises are key actors in the digital and green transitions the EU is facing currently. Civil dialogues with WISE representatives included are essential for the inclusiveness of national policies and should be organised on a regular basis.

Finally, it is important to provide WISEs with visibility through the impact-measurement tools which will demonstrate their positive impacts on the society, the environment and on the disadvantaged people's professional integration. In addition, the impact measurement tools will help to fight negative stereotypes, encourage governments and investors to invest money in the sector and to provide a strong advocacy tool that will serve for the development of favourable national legal frameworks for WISEs.

Relevant Questions and Answers from Audience:

Name, Canada

WISEs have in their DNA the adaptability to crisis situations.

In fact, due to their innovative approaches, they have the ability to adapt to the circumstances. In addition, they focus and aim to preserve jobs.

Add summary or conclusion of the moderator at the end of the session in case there was no closing remarks per presenter/speaker

Fruitful session on different European WISEs practices to face the COVID-19 pandemic but also presenting what was undertaken by the EU Member States in order to support the sector. Quantitative data and surveys on the impact of the covid-19 on WISEs were presented for Spain, Croatia and France. ENSIE also presented the results of its annual “Impact-WISEs” study showcasing the positive social and economic impact of WISEs as well as its study on the COVID 19 impact on these enterprises (from 7 European countries).

Finally, some recommendations from ENSIE and its members were provided:

- Member States should give special attention to WISEs and their workers by supporting them and monitor this attention.
- Member States should ensure that the most vulnerable are directly concerned by the European Commission proposal for the Coronavirus Response Investment Initiative to facilitate the deployment of “the European Social Fund to temporarily support national short time working schemes which help cushion the impact of the shock”.
- Member States should ensure an inclusive civil dialogue at national levels where WISEs representatives can input the Recovery and Resilience Facility Plans but also REACT EU/ESF+ programs.
- Extraordinary direct state aid to WISEs should be provided as well as increased reserved public contracts.
- There is a need to create ad-hoc business support to WISEs, support them in transition to innovation-led businesses.