



## Work integration of disadvantaged workers through social enterprises - a sustainable labor market inclusion. An introduction

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## WISE (Work Integration Social Enterprises) for Digital Upskilling



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## Key audiences

- Local employment services, local governments and local social services - NGO social service providers, other WISEs working in the same territory
- Social partners that refer their beneficiaries
- Institutions implementing innovative educational approaches, e-learning, long life learning, distance learning, different thematic training courses and professional internships according to the needs of the business sector
- Small and Medium Enterprises and representatives from different industries
- Ministries of Labour, Ministries of Science and Education, and other public bodies and government institutions
- External public and broad audience

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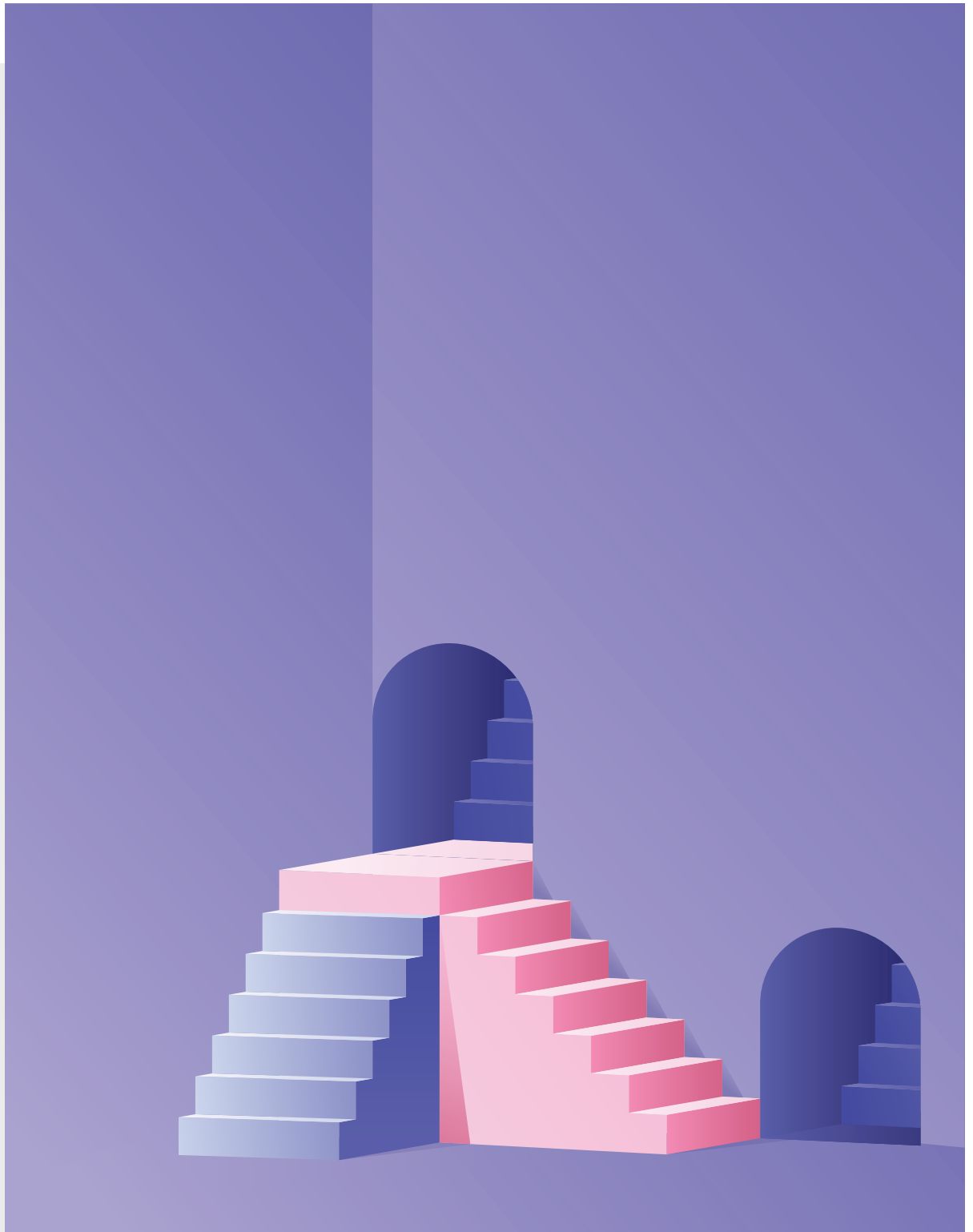
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**Chapter 1. Context and relevance of the organizations (WISE) focus on work integration of disadvantaged workers**

## 1.1 Vulnerability and vulnerable groups on the labor market

The International Labor Organization (ILO) defines *vulnerable populations in relation to access to, and need of, social protection and social service provision*, in order to be able to grow and have equal chances of well-being and happiness.

Throughout history, vulnerable people struggled to acquire a decent life on their own without being marginalized, ignored, abused or generally mistreated by other members of the society.

There are a set of common obstacles facing the inactive population and the long term unemployed on the labor market. <sup>1</sup>These barriers include low educational attainment and/or lack of work experience; - health problems or disability; high level of social exclusion. These barriers often interact. People with health problems and disabilities are among the main groups that face multiple barriers in finding employment. Illness or disability is the second most important reason for the inactivity of older workers aged 55-64. Among inactive people with low educational attainment, it is particularly common to have no work experience or to have childcare responsibilities.

Many inactive people who provide elderly care are also frequently limited by chronic health problems or disability. Hence, disadvantaged or vulnerable groups (individuals with disabilities and poor health, with immigrant background, ethnic minorities and individuals with low formal education) are overrepresented among the inactive population.

Most inactive groups are not registered with the public employment services PES and thus not known to them, the outreach to inactive and difficult-to-reach groups depends on close partnerships with a variety of public and private stakeholders. Given that many economically inactive people are not yet able or ready to (re-)enter the labor market, support from other institutions is clearly required. Therefore, communication and cooperation is a crucial feature of the actions undertaken by the PES vis-a-vis different target groups, including NGOs.

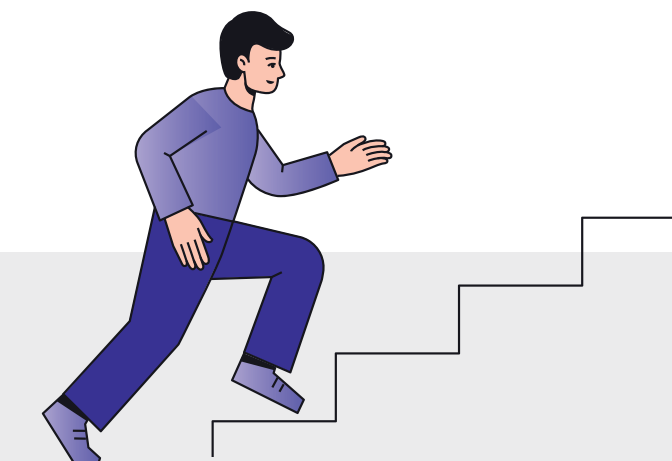
<sup>1</sup>Activation of the Inactive: PES initiative to support the activation of inactive groups Thematic Paper - Directorate-General for Employment Social Affairs and Inclusion, European Network of Public Employment Services, 2020

Other than the above-mentioned groups, people who were physically able to work but did not do so, are labeled and **stigmatized**, even though their access to basic human rights and decent work conditions was often **denied because of their social status**.

Certain members of the society have faced and are still facing difficulties to access educational and employment opportunities due to the region they were born in, due to their family's economic status or due to their appearance or beliefs. These very often lead to one of the main factors that defines a vulnerable group: long-term unemployment. Typically defined as being unemployed for twelve months or more, long-term unemployment can be indicative of a lack of access to opportunities for some. This lack of opportunities can discourage job seekers, who may choose to leave the labor force altogether thereby not being further recorded in the unemployment numbers.

With the development of national states and advancement of social services structures, people started to identify vulnerability differently, acknowledging the multiple barriers to employment and overall well-being certain groups were facing.

The acknowledgement of the various vulnerabilities and vulnerable groups eventually led to social services aimed not only at supporting the ones in need, but at **preventing the causes** that stop them from having a decent and happy life. Both public and private organizations started to take into account the structural social environments that lead people into poverty, looking for ways to repair or avoid these wrongs.



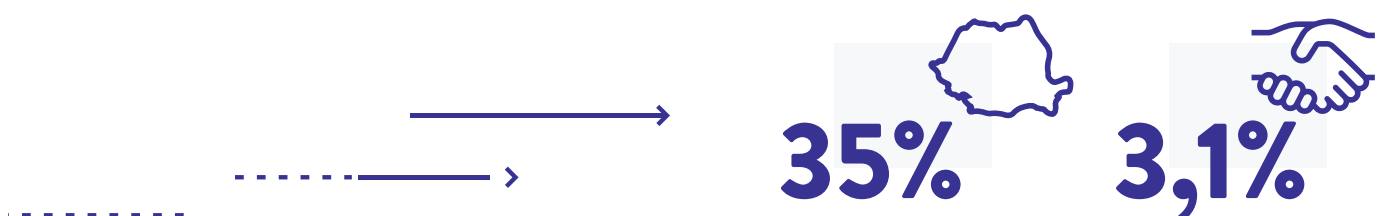
Some vulnerable groups are specific for a certain region or society. For example, women often represent the most vulnerable group in countries that do not acknowledge their right to work in the labor market because they become dependent on other working family members.

However, the most common vulnerabilities can be easily identified in different forms of societies all over the globe, being generally characterized by physical or mental impairment and the social stigmatization that comes with them. These attributes often represent both the cause and effect of their lack of socio-economic opportunities that ultimately lead to a **vicious circle** from which vulnerable groups cannot escape without support. Some of these vulnerable groups include:

- elderly
- people at risk of poverty
- long term unemployed individuals
- youth leaving the protection system / care leavers
- ethnic and racial minorities
- refugees
- convicts and ex-convicts
- victims of domestic abuse
- homeless people
- early school drop-outs
- single mothers
- drug addicts

Some categories are still overlooked or not helped enough to overcome their difficulties.

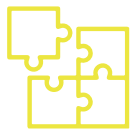
For example, according to an examination made by the Romanian Labour Ministry in 2019, the biggest vulnerable group in Romania is represented by the people who are at risk of poverty, summing up to **35%** of the overall vulnerable population. However, only **3,1%** of the public social services are directed to them and their well-being (see page 15 and 37).



## 1.2 Labor market types of interventions for disadvantaged workers - social economy and WISEs

After the horrible events of two world wars, societies worldwide and European ones especially started to be more aware and demand more from their governments in terms of basic human needs. In central and western European countries, most of the national states started to develop policies regarding free or **affordable public services** for the population, such as transportation, education, health etc.

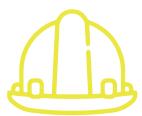
More specific social needs started to be covered by local initiatives that with time developed into the **social economy sector** of today. As this learning material focuses primarily on social economy and its work integration services, we need to define a few specific terms that will be frequently used in the following chapters:



- **social economy** = social economy is generally taken to be a third sector of mixed capitalist economies distinct from the private and public sectors. The social economy is based on cooperative, not-for-profit, and voluntary rather than paid activities carried out within communities, across national economies, and internationally.



- **social enterprise** = a social enterprise is 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.



- **Work Integration Social Enterprises (WISEs)** = WISEs are autonomous economic entities whose main objective is the professional integration – within the WISE itself or in mainstream enterprises – of people experiencing serious difficulties in the labor market. This integration is achieved through productive activity and tailored follow-up, or through training to qualify the workers.

Early public intervention models represent a form of **passive social benefits** where the local or national authorities intervene with economic grants or subsidies to cover and help people in need who have difficulties to access jobs.

In recent years, most of the European countries run **active employment measures (ALMPs)** to enhance the employability of job seekers, connect workers and jobs, and promote job creation. ALMPs typically fall into the four broad categories as shown in the table below:

**Typology of ALMPs** Source: How active labor markets policies can help address, unemployment in the MENA region, IMF blog, 2016

PROGRAM TYPE	GOAL
Training and retraining programs	Improve the employability of worker through enhancing their skill
Intermediation services	Reduce information asymmetries in the labor market by facilitating matches between workers and firms and helping workers in their job searches
Wage or employment subsidies	Foster the employment of individuals with lower productivity
Public works programs	Provide temporary employment with a training element

In addition, illiterate vulnerable worker literacy programs may be necessary. For example, the Romanian Ministry of Education currently carries out the „Second Chance” program: weekend classes of primary and middle school, open for every adult that did not manage to graduate a minimum level of education. These are free and offer basic knowledge in grammar, algebra and other areas necessary for almost every job.



## Work insertion of vulnerable groups

The most vulnerable groups are in general also marginally attached to the labor market because of significant employment obstacles. Nevertheless, they could find employment if given appropriate active labor market policy (ALMP) support coordinated with other services. Many of these people face multiple employment obstacles, such as a combination of

- low skills,
- care obligations,
- health limitations,
- addictions
- geographic mobility challenges

Other services (such as health and social services to combat addictions or health limitations) need to be provided at times even before effective provision of ALMPs becomes possible, and need to continue going hand-in-hand throughout the labor market integration process.

## National policies | Romania

1) The Romanian authorities offer training courses for different occupations, provided by the local offices of The National Agency for Employment (ANOFM). All of them are open to both unemployed males and females, but most of them require a minimum educational level previously achieved. Most courses accept only unemployed people who graduated primary or middle school (or even high school). At the end of the training, the beneficiaries receive a certificate in different professions: plumber, barman, waitressing, electrician, chef etc.

2) With the same goal in mind, many states are also trying to provide a legal infrastructure that can facilitate the employment and hiring process of vulnerable people in the private sector.

For example, by implementing Law 448 from 2006, updated in 2020, the Romanian authorities are encouraging the collaboration between private companies and people with disabilities that still can work if they have a minimal infrastructure designed for them.

According to the legislation, any public or private entity with more than 50 employees needs to hire people with disabilities so that they add up to at least 4% of the total workforce otherwise will pay a monthly tax to the state.

However, there are a number of infrastructures, legislative and social factors that still prevent many vulnerable groups from having an equal chance to a good education or job:

- Most private companies are reserved to hire people who have what they believe to be a negative social background. This usually applies for ex-convicts, ex-drug addicts or any other categories that are usually evaluated based upon their appearance and past rather than their skill and desire to work.
- Most disadvantaged people need customized support that addresses all the vulnerabilities that vary from one individual to another: physical disabilities, mental health issues, family issues, economic needs etc.
- People who are barely living from day to day cannot afford to participate in training or study courses for long periods of time without financial assistance.

Private initiatives aiming to offer better access to the labor market for the above-mentioned categories have developed in recent years into an infrastructure of economic entities that benefit from the public support of most European governments.

The most common form of support from national or local authorities is to offer subsidies to the companies that offer either 1) a temporary or 2) a permanent job integration program for disadvantaged or disabled people, as stated in art.107 and 108 of the EU Treaty of Lisbon (2009).

The European Commission itself defined in the Regulation (EU) No. 651/2014 the socially vulnerable categories that are compatible with these types of subsidies:

- unemployed who did not have a stable paid job in the last 6 months
- young adults between 15 and 24 years old
- people older than 50 years old
- single workers who have one or more people depending on their income
- males or females who are part of a group that is underrepresented in the labor market with 25% compared to the national average of representation
- member of a minority group who needs linguistic and/or working assistance and experience to have a better chance of accessing the labor market

**Work Integration Social Enterprises (WISE)** choose to work with these categories that are still ignored or not given enough help to overcome the social conditions that made them a vulnerable group from the beginning. Most WISEs work with beneficiaries that have at least 2 or 3 vulnerabilities that prevent them to enter the labor market, but **these vulnerabilities can go up to 7 or 8 vulnerabilities:** long term poverty, exclusion, marginalization, discrimination, long term unemployment, homelessness, delinquency, addictions, disability, health problems, illiteracy or school dropout, debts, domestic violence or human trafficking.

These vulnerabilities either make them dependent on passive social benefits or leave them at the margins of society, with a very low self-esteem, a lack of confidence in themselves and in society in general. **Employment is the most effective way** for them to regain the faith in themselves and secure social and financial stability for themselves or their families.

Work Integration Social Enterprises are social economy organizations that create a special environment with personalized professional training, specialized counseling and social structures that try to supply or totally cover for (the lack of) the public social services the above-mentioned beneficiaries need in order to (re)join the labor market.

All work integration social enterprises **have a social mission to directly support vulnerable community members who are facing exclusion from the labor market.** They have both a social and economic status given by 5 common characteristics:

1. private legal personality and initiative,
2. decision-making autonomy,
3. freedom of association,
4. distribution of profits or surpluses among user members
5. economic activity to meet the needs of individuals, households or families.

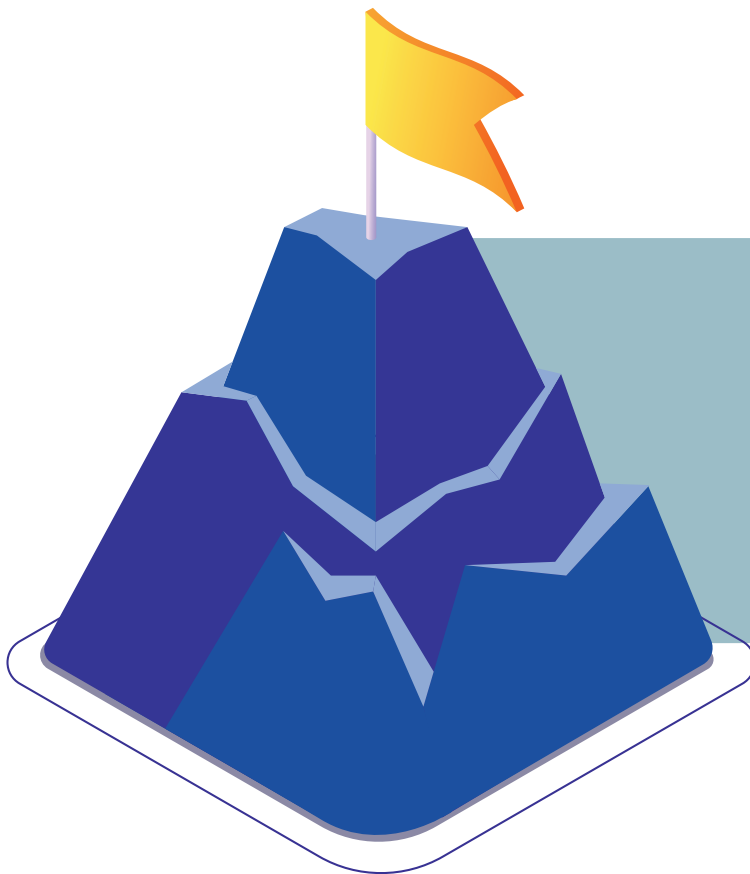
WISEs have economic activity as any other private company, but the ultimate goal of their economic activity is 1) to give the beneficiaries the **chance to be independent and responsible regarding their life** 2) **provide them with the necessary social and work skills** to enter the free labor market and 3) support them to become **financially and socially independent.**

Due to their global modern business model and constantly changing social mission, WISEs should be more dynamic and open to adapt their activity according to their beneficiaries' needs than other public or private organizations.

Starting as cooperatives in the Anglo-Saxon space at the end of 18th and beginning of 19th centuries, social economy entities eventually spread to most European countries and became a means of support and financial assistance for local communities.

With time, these early social economy institutions started to focus on wider community issues, outgrowing the organization's initial goals and members' exclusiveness. And by the mid-20th century, this began to be the norm for most social economy institutions.

This brought the creation of WISEs we know today: social economy entities based upon the same main principles as the traditional cooperatives of social economy, but focused on larger community issues such as social services and basic human needs.



### 1.3 Romania – situation of WISEs

In 2015, Romania adopted the Law on Social Economy (Law 219/2015), where social economy organizations are defined as private voluntary and solidarity initiatives, with a high degree of autonomy, responsibility and limited profit distribution.

In order to be certified as a social enterprise, one needs to be prove that

- a) the organization is working for a social cause and/ or for the benefit of the community,
- b) at least 90% of the profit made is reinvested in the organization,
- c) in case of liquidation, any property of the organization is transferred to one or more social enterprises
- d) it applies an equity level of salaries, where the difference between the lowest and highest paid salary cannot exceed a ratio of 1:8.

Additionally, for a work integration social enterprise WISE label, social enterprises need to:

- a) permanently have 30% of the employees from vulnerable groups whose working hours represent 30% of the total number of working hours of all employees
- b) have as their main goal the fight against social exclusion, discrimination of any kind and unemployment by socio-professional insertion for marginalized people.

However, many organizations that work and identify as social enterprises or WISE do not apply for the certification of recognition, mainly because the law of 2015 and its framework from the HG 285/2016 stipulate more obligations than benefits. According to the National Statistics Institute, from the 1,642 social enterprises certified as of 2021, only 0,31% of them received a form of support from the public authorities, local or governmental.

The economical requirements and predefined number of vulnerable employees for WISE are very often hard to control as most social enterprises from Romania do not have sustainable sources of income, but depend from year to year on private funding.

That is why **only 45 WISEs are officially recognized in Romania**, a lot less than the actual number of organizations who fulfill the government's requirements for a work integration entity.

## Access to public markets

The support and collaboration offered by official authorities is minimal for WISEs in Romania, only the enterprises who have beneficiaries with disabilities being recognized as social enterprises that might need an easier path to access economic development.

Many public social services institutions rely on the WISE providers for work integration, education and professionalization of the vulnerable groups that have a hard time to integrate in the open labor market. According to each candidate's profile, public institutions (local social assistance departments, correctional facilities, foster homes etc.) introduce the potential employee to a work integration enterprise, taking into account the vulnerabilities, capabilities and potential development of each candidate.

Even if they are the only constant public partner of WISEs in the work education programs, these local social services are more often than not totally missing from the communities.

Acknowledging the need of local and central authorities to cooperate with social enterprises, social insertion enterprises and authorized protected units, the European Union adopted Directive 2014/24 / EU - a program to promote social inclusion through socially responsible public procurement contracts.

With this directive, the European Union encourages public purchasers of the member states to give priority or reserve markets / contracts to economic operators like WISEs, whose main goal is to develop working skills for people with vulnerable backgrounds (art. 20 Directive 2014/24 / EU).

In Romania, these types of acquisitions were explicitly introduced in art. 56, para. (1) of Law 98/2016, respectively art. 69, para. (1) of Law 99/2016, respectively:

- „The contracting authority / entity may reserve the right to participate in the award procedure only to the protected units authorized according to Law no. 448/2006 on the protection and promotion of the rights of persons with disabilities, republished, with subsequent amendments and completions and social insertion enterprises provided by Law no. 219/2015 on the social economy.”

- „The contracting authority / entity may establish social award criteria in relation to the object of the contract. Also, for each evaluation factor the contracting authority establishes the weight in which a characteristic can represent an advantage including social that can be scored.”

Even though there is a national legislation for this type of collaboration between public authorities and WISEs, social public procurement remains a rarity in Romania. With socially responsible public procurement contracts, public purchasers could play a big part in changing the general view of vulnerable people by promoting employment opportunities, decent work, social inclusion, accessibility and respect for social rights.

### Access to private markets

In such instances, WISEs work with other NGOs that support local communities in identifying the potential beneficiaries that can enter a work integration program. These NGOs represent one of the biggest allies in finding educational and job opportunities for people that have a hard time entering the labor market.

Another important partner for most WISEs in Romania are the companies from the private sector. Private companies very often offer financial support and sponsorships for WISEs that cannot have financial stability without fiscal exemptions from the authorities.

Other than that, the only access to private markets is limited to Authorized Protected Units (UAT), enterprises working with disabled employees that sum up to at least 30% of their total workforce. Private companies are encouraged to buy goods and services from these UATs as they provide corporate tax exemption and other fiscal benefits.



## 1.4 France – situation of WISEs

France has a rich history of supporting the work integration of people in difficulty. The work integration sector has many types of either legally recognized or de facto actors in France:

- Workshops and Integration Workshops (ACI)
- The district or territory boards (RQ and RdT)
- Group of Employers for Integration and Qualification (GEIQ)
- Intermediate Associations (AI)
- Integration Companies (EI)
- Temporary Integration Work Companies (ETTI)
- Integration Companies through Self-Employed Work
- Work Integration Social Enterprise (or SIAE)



The activity sectors of work integration enterprises from France, Structures d'Insertion par l'Activité Économique = organizations for integration through economic activity (SIAEs), are created according to the needs of the national market, each employee has his own professional project, and the employee is not automatically supported in a sector that corresponds to this project. The integration structure and its sector are not there to achieve the employee's professional project but rather to give them the professional skills necessary for the performance of a profession: punctuality, behavior, respect, trust etc. Therefore, most WISEs from France are created as transitional occupations that provide work experience and on-the-job training with a view to supporting the integration of the target group in the open labor market.

Here are the sectors of activity in which the SIAEs are located:

- |   |                               |  |
|---|-------------------------------|--|
| • agro food - agricultural work   | • training                    | • resource center - recycling center - dismantling |
| • building public works   | • IT - administrative work    | • catering - caterer                               |
| • laundry - ironing   | • interim: provision of staff | • personal services                                |
| • trade - distribution  | • leisure                     | • industrial subcontracting                        |
| • waste: collection - treatment - recycling                             | • mobility                    | • textiles - furnishings - crafts                  |
| • environment - maintenance and development of green and natural spaces | • cleaning and/or cleanliness | • logistic transport                               |



## Access to public markets

To ensure integration in France, there are social and market clauses reserved for SIAEs and / or people with disabilities in *Provisions of the Public Order Code, Ordinance No. 2018-1074 of November 26, 2018 on the legislative part of the public procurement code, Decree No. 2018-1075 of December 3, 2018 on the regulatory part of the public procurement code.*

They stipulate both the privileges and obligations of organizations that work with disabled and disadvantaged workers in the economic market when working with other actors. According to the type of beneficiaries, certain contracts or lots of a contract may be reserved for WISEs “when they employ a minimum proportion, fixed by regulation, of disabled workers who, due to the nature or the seriousness of their disabilities, cannot exercise a professional activity under normal conditions”

## Access to private markets

The WISEs and the conventional companies collaborate in particular in the professional environment of the supported employees: the **PMSMP** (Period of situation in a professional environment). This period aims to develop the skills and experience of the employee.

The integration divisions of a WISEs are also working with companies to find a job for the employee at the end of the integration process.



## 1.5 Spain – situation of WISEs

WISEs from Spain are divided into two main categories:

- CENTRO ESPECIAL DE EMPLEO (SPECIAL WORK CENTER): for disabled people
- EMPRESA DE INSERCIÓN (WISE): for people at risk of exclusion

According to the current legislation, it is considered to be an insertion company any legally constituted trading company or co-operative society which, properly qualified by the competent regional authorities, carries out any economic activity involving the production of assets and services, whose corporate purpose is the integration and socio-occupational formation of people in a situation of social exclusion as a transition to ordinary employment.

Insertion companies must comply, as a minimum, with the following requirements:

- They must be promoted and owned by one or more promoting entities that are nonprofit. This participation shall be at least 51% of the share capital in the case of commercial companies. In the case of Co-operatives and Worker Owned Companies, this shareholding must be within the maximum limits set out in the different legislations applicable to the collaborating or associated partners.
- Be registered in the Register corresponding to their legal form, as well as in the Administrative Register of Insertion Companies of the Autonomous Community.
- Maintain an annual percentage of workers in the process of insertion, regardless of the type of contract, of at least 30% during the first three years of activity and of at least 50% of the total workforce from the fourth year onwards, and the number of such workers may not be less than two.
- Not to carry out economic activities other than those of its corporate purpose.
- To apply at least 80% of the available results or surpluses obtained in each financial year to the improvement or expansion of its productive and insertion structures.
- To present an annual Social Balance Sheet of the company's activity that includes the



economic and social report, the degree of insertion in the ordinary labor market and the composition of the workforce, information on the insertion tasks carried out and the forecasts for the next financial year.

- To have the necessary means to comply with the commitments derived from the social and labor insertion itineraries.

The WISEs of Spain can hire unemployed people in a situation of social exclusion who are registered at the Public Employment Services with special difficulties for their integration into the labor market. These vulnerable groups can be either recipients of Minimum Insertion Income or groups who cannot access the Minimum Insertion Income receipt, for any of the following reasons:

- Lack of the required period of residence or census registration, or for the constitution of the Receiving Unit.
- Having exhausted the maximum period of receipt legally established.
- Young people over the age of eighteen and under the age of thirty, from Institutions for the Protection of Minors.
- People with drug addiction problems or other addictive disorders who are in the process of rehabilitation or social reintegration.
- Prison inmates, as well as conditionally released and former inmates, whose prison situation allows them access to employment
- Inmate minors included, as well as those on probation and former inmates, whose situation allows them access to employment
- Persons from alternative accommodation centers authorized by the Autonomous Communities and the cities of Ceuta and Melilla.
- People from prevention and social insertion services authorized by the Autonomous Communities and the cities of Ceuta and Melilla.

For the above mentioned groups, the situation of exclusion must be accredited by the competent Public Social Services. The main activity in the insertion companies is recycling, waste pickers and paper collection with 30% of the total, followed by personal services. The work of Marcuello et al (2008) (on a total of 212 WISEs) also shows the predominance of the recycling sector with 22%, personal services and home help activities with 17%, and the construction sector and its branches with 13%.

## Access to public markets

It is a recommendation for public authorities to reserve public contracts to WISEs or to have social clauses, but there is no available data on how much of public contracts have social clauses.

## Access to private markets

Therefore, the WISEs from Spain rely more on partnerships with the private sector. In 2019, the WISE's income from private companies was 46.063.455 euros; while the income from public administration was 11.596.276 euros. The grants received were 14.056.919 euros.

### 1.6 Belgium - Walloon Region: RES (Réseau d'Entreprises Sociales)

In Wallonia, a work integration enterprise must fulfil certain criteria to be officially recognized, according to the decree of 20 October 2016 concerning the 1) agreement of social economy initiatives and 2) agreement and subsidization of WISEs. First of all, it must be a commercial enterprise with a social purpose that explicitly aims to integrate low-skilled people through an activity that produces goods and services through employment. Even before being recognized as a WISE, the enterprise must be recognized as a "social initiative" by the Walloon Region. In order to do so, it must respect the four principles of the social economy:

- Purpose of service to the community or members, rather than a profit-making purpose
- Management autonomy
- Democratic decision-making process
- People and labor's primacy over capital in income distribution



It must also provide appropriate technical, formative and social guidance to their low-skilled workers.

Then, to be recognized as a WISE, the enterprise must, according to the same decree, meet several cumulative conditions, including having 50% severely disadvantaged workers / disadvantaged workers within 4 years of accreditation. Accreditation is granted by a specific accreditation committee composed of public authority and social economy actors, for a period of 2 years, then renewed for 4 years. After this 6-year period, it can be granted for an indeterminate period (Belgium Wallonia 2016a).

The IDESS (employment development initiatives in the proximity social services sector) recognition process is governed by the decree of 2006 relating to the accreditation and grant of IDESS, defining the conditions and procedures to be followed.

Among the 17 conditions to be met are those to develop community services for social purposes and to demonstrate the relevance of the project as well as its economic viability. The enterprise must also propose, in collaboration with the public employment service, a project of social and professional integration to the workers (Belgium Wallonia 2006).

In order to be recognized and subsidized, ETAs (companies organizing work customized to persons with disabilities) must meet the conditions from the section 47 of the law of 6 July 1963 concerning social insertion of people with disabilities. They must primarily hire people with disabilities who are registered in the National Fund (and therefore have a mental disability of more than 20% or a physical disability of more than 30%) and who, because of the nature or degree of their disability, cannot temporarily or permanently work in professional activity in a "normal" work environment. They must ensure that people with disabilities can do meaningful and gainful work, but also provide them possibilities of professional accommodation and promotion and, if possible, access to "normal" employment. In order to provide this training, the ETA must propose the services of a coaching staff. Persons with disabilities must be employed through an employment contract in adequate hygiene and safety conditions.

The predominant model of integration is creation of permanent jobs that are sustainable alternatives for workers disadvantaged in the open labor market.

## Access to public markets

Public authorities at federal and regional levels have become particularly interested in social enterprise as a tool to fulfil their goals. Overall, thanks to the federal regulation and the supporting measures developed by the regions, the use of social and environmental clauses in public procurement is well developed in Belgium and leads to public authorities being an important client for social enterprises. In many cases, public contracts have gradually replaced public subsidies (Huybrechts & Nyssens 2020).

The Belgian legislation allows for the inclusion of social, environmental and ethical clauses in public procurement. A federal decision (circulaire) dating of 2014 specifies the different schemes and avenues through which this can be achieved in practice.

Thanks to this evolution, local, regional and federal public authorities have been authorized to require compliance with a number of social and environmental criteria. In most cases, social enterprises are indirectly encouraged but the contract remains open to any type of provider including conventional enterprises. In some cases, however, contracts can be reserved for certain types of organizations, thereby directly favoring social enterprises (typically WISEs) (Huybrechts & Nyssens 2020).

In Wallonia, local authorities are encouraged to orient public procurement in a more sustainable way. Social, environmental and ethical clauses can be integrated in the definition of the public call for tenders, in the technical requirements, in the selection and attribution criteria, and so on. Several documents and facilitation tools have been proposed to both local authorities and social enterprises to facilitate this process. "Social clause facilitators" have also helped local authorities to introduce social clauses (training, sub-contracting to social enterprises, etc.) within construction contracts (Huybrechts & Nyssens 2020).

According to the most recent data (Belgium 2018):

- In 2017 the Belgian Public Building Authority introduced social clauses in contracts exceeding 1.5 million EUR. In 2017, 8 contracts with these clauses were tested for buildings in Wallonia.
- In Wallonia, local authorities tendered 124 public contracts containing a social clause (2017).

## Access to private markets

All WISEs in Wallonia are operating mainly in private markets. The majority of insertion enterprises propose home cleaning services for individuals, as a lot of conventional enterprises do. These companies also propose services in the recycling, building and renovation sectors. The types of activities developed by ETA are multiple, with more than 20 major sectors of activity: food, crafts, animals, building, wood, electricity, electronics, packaging, horticulture, printing, leasing, mechanics, metals, cleaning, paper, plastic, catering, textiles, glass, etc. All of them take part in the private market. Finally, IDESS offers to poor individuals a set of local services such as gardening and small refurbishing which are too small to be relevant for conventional enterprises.

The COVID-19 pandemic has highlighted the importance of cooperation between WISEs and conventional enterprises. Both parties are increasingly recognizing the importance of (local) partnerships and are proudly presenting the benefits of cooperation to the authorities and the general public. Not only does it reduce their ecological impact and save them time and money, it also, and above all, ensures commitment, short communication lines and the creation of sustainable and meaningful employment for people with a distance to the labor market.



## Annex

### Legal recognition of disadvantaged persons

TYPOLOGY OF DISADVANTAGED PERSONS	LEGAL RECOGNITION OF THE STATUS OF DISADVANTAGE			
	FRANCE	ROMANIA	BELGIUM - WALLONIA	SPAIN
People with physical and/or sensory disabilities	Yes	Yes	Yes	Yes, a disability equal to or greater than 33%.
People with intellectual and/or learning disabilities	No	No	Yes	Yes, a disability equal to or greater than 33%.
People with psycho-social disabilities and/or mental illnesses	Yes	Yes	Yes	Yes
People with substance use disorders	No	No	No	Yes <sup>2</sup>
Convicts and ex-convicts	Yes	No	No	Yes*
People in long-term unemployment	Yes	Yes	Yes	Yes*
Homeless people	Yes	No	No	Yes*
Asylum seekers/refugees/migrants	Yes	Yes	No	Yes*
NEETs	Yes	No	Yes	Yes*
Women survivors of violence	Yes	No	No	Yes*
Members of ethnic minorities (e.g., Roma, Sinti)	Yes	Yes	Yes	Yes*
Other categories	Beneficiaries of guaranteed minimum income such as the RSA*  *RSA : The active solidarity income (RSA) provides people without resources a minimum level of income that varies according to the composition of the household.	N/A	Single parents, low-skilled workers, over 50 years, underrepresented sex, entitled to a salary from CPAS (Public Centre for Social Action) all legally recognized	Recipients of the minimum insertion income; Young people over the age of sixteen and under the age of thirty from institutions of child protection.

<sup>2</sup> With a certificate from Public Social Services



## Labor policies to increase employment opportunities for disabled workers

	FRANCE	ROMANIA	BELGIUM - WALLONIA	SPAIN
<b>Quota regulatory system for disabled workers</b>	Any employer with at least 20 employees must employ people with disabilities in a proportion of 6% of the total workforce. The employer must declare each year the number of jobs occupied by disabled workers to justify that they respect their employment obligation.	All public and private companies with more than 50 employees are required to hire disabled people that represent at least 4% of the total workforce.	In <b>Wallonia</b> there is only a quota for public companies. The law requires one part-time employee with a disability for every 20 full time employees (Belgium. Wallonia 2007). Employers must comply with an employment rate of 6% of disabled persons.	The General Disability Law establishes that all Spanish public and private companies whose workforce (regardless of the type of hiring) is 50 or more workers must have a quota of reserve in favor of people with a disability equal to or greater than 33% corresponding to 2% of the workforce.
<b>Sanction and replacements with other equivalent fulfilments</b>	Employers must pay the Agefiph tax if they do not meet the 6% quota for disabled workers in their workforce: <ul style="list-style-type: none"> <li>• Between 20 and 199 employees - 400 times the hourly minimum wage: € 4,100 in 2021, € 4,060 for 2020.</li> <li>• Between 200 and 749 employees - 500 times the hourly minimum wage: € 5,125 in 2021, € 5,075 for 2020.</li> <li>• From 750 employees - 600 times the hourly minimum wage: € 6,150 in 2021, € 6,090 for 2020.</li> <li>• Zero quota company -1,500 times the hourly minimum wage: € 15,375 in 2021, € 15,225 for 2020.</li> </ul>	Companies or institutions that do not employ people with disabilities can opt for one of the following alternatives: <ol style="list-style-type: none"> <li>1. the monthly payment to the state budget of an amount equivalent to 50% of the minimum gross salary at country level multiplied by the number of jobs not occupied by people with disabilities;</li> <li>2. the purchase of products or services made by authorized protected units in an amount equivalent to the amount due to the state budget.</li> </ol>	Whether this is not respected, thanks to a law dated on 11 February 2005, employers must pay a contribution to the Association Managing funding for Integration of Disabled Persons ("Association de Gestion du Fonds pour l'Insertion des Personnes Handicapées, AGEFIPH) for the private sector or to the Fund for Integration of Disabled Persons in the Public Sector (Fonds pour l'Insertion des Personnes Handicapées dans la Fonction Publique, FIPHFP) for the public sector.	The law allows replacing the quota with aids to Special Work Centers or with contracting of services or buying commodities.

## Compensation policies\*<sup>3</sup>

FRANCE	ROMANIA	BELGIUM - WALLONIA	SPAIN
3000 € help with reception, integration and development for people with disabilities	400 € received monthly for a period of 18 months by employers for each graduate with disabilities employed	Financial support for 2 years of 125-500 €/month for persons unemployed for more than 12 months	Up to 12,000 €/contract to alleviate the expenses of companies and the self-employed when hiring people over 40 y.o in long-term unemployment, people at risk of social exclusion etc.
5000 € for travel assistance to compensate for people with disability	400 €/ month for 12 month for employers who employ, for an indefinite period of time:	Financial support for 3 years of 125-500 €/month for NETTs	375 €/month or 425€/month (or a monthly reduction of the employer's social security contribution) during the contract period for companies that hire people with disabilities in an indefinite-term contracts. The same rebate will be enjoyed in the event that temporary contracts for the promotion of employment for people with disabilities are converted into indefinite-term contracts. The sum is allocated to the event that a job is held by a person with a disability, it could be adapted as quickly and efficiently as possible by the hiring company
Funding to help with the creation of a business by people with disabilities	<ul style="list-style-type: none"> <li>• graduates of an upper form of education</li> <li>• NEETs</li> <li>• young adults from vulnerable families</li> <li>• persons in long-time unemployment</li> <li>• unemployed single-parents</li> <li>• unemployed persons of 45+age</li> </ul>	Social security employer contributions reduction of 400-1500 €/trimester for every employee aged over 55 with low income	
Fully or partial cost cover for training assistance for people with disabilities as part of job retention		25% of the salary yearly cost for an employee with disabilities that returns after absence due to sickness or if he/she was inactive in the previous 9 months	
Max. 500 € for help on the path to employment disabled people		1,500 € for employers for hiring a tutor to accompany and guide the recently hired disabled worker	A 50% reduction in the employer's social security contribution for common contingencies, for the entire duration of the contract, whether full or part-time internships of people with disabilities  The transformation of training contracts into permanent contracts will give rise to new subsidies.  Note: the trainee salary cannot be in the first year less than 60% of the salary of an equivalent non-trainee worker (or less than 75% in the second year)
Fully or partial cost cover for training assistance of people with disabilities as part of the path to employment	930 € for internships where employees who hire the interns and keep them for 24 months	45% of the costs covered for adjusting the workplace to the needs of employees with disabilities	
Fully or partial cost cover for help adapting the working situations of people with disabilities	400 €/ month for the employer who concludes an internship with graduates of upper educational institution	33% of the monthly minimum income during 1 year for independent workers with a disability to support or help retain their professional activity	

<sup>3</sup> yellow: incentives for recruitment of disadvantaged persons

red: funding for training & guidance before recruitment

orange: funding for the adjustment of the workplace to better suit the needs of disadvantaged workers

blue: financial coverage of paid internships for disadvantaged workers

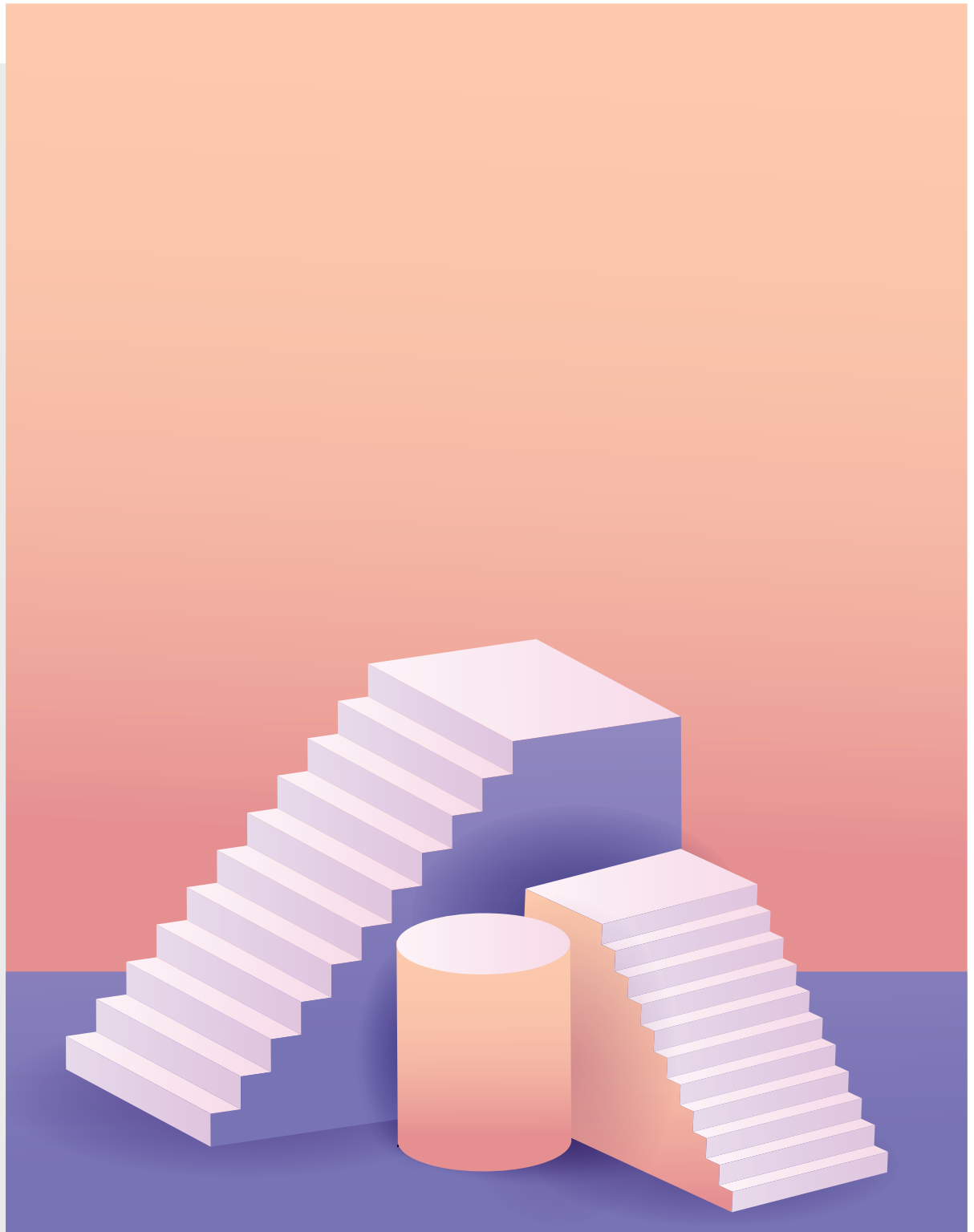
green: other measures

## Fiscal breaks granted to WISEs at national and/or regional level

	FRANCE	ROMANIA	BELGIUM - WALLONIA	SPAIN
<b>Corporate tax exemption (on profits)</b>	N/A	Yes, Authorized Protected Units (UAT) do not pay the profit tax, but they have to reinvest 75% of the potential tax in the enterprise	Yes (national level)	Yes
<b>VAT exemption or reduced rate</b>	Yes, the exemption is specific to WISE	N/A	Yes (national level)	Yes, the exemption is recognized for the services social assistance services listed in the VAT Law 37/1992
<b>Subsidy for the recruitment of disadvantaged workers</b>	Yes: It includes a base amount (in 2021: € 20,642 for full-time work, including € 1,044 for socio-professional support and technical supervision missions) and a modulated amount which can go up to 10% of the base amount (fixed at 5% for in 2021).	Yes, both public and private companies that hire people with disabilities are spared receive in return the equivalent of the minimum wage for every vulnerable person hired with a permanent contract	Yes (national and regional level)	Yes
<b>Social insurance costs for the disadvantaged workers employed reduced or covered by subsidies</b>	WISE are exempt from certain social charges	N/A	Yes (national and regional level)	Yes, for contracts formalized by insertion companies for people registered as job seekers.  1,650€ or 850€ for 3 years for an indefinite contract or during the term of the contract for temporary contracts
<b>Public contributions aimed at reducing the cost of labor of workers that are not disadvantaged</b>	Grants represent a share of WISE income, they can come from private as well as public funds	N/A	Yes (national and regional level)	N/A
<b>Tax reductions granted to private and/or institutional donors</b>	WISE station assistance	Yes, for private companies that hire disabled people or buy goods and services Authorized Protected Units	Yes (national level)	Yes, there are fiscal benefits for the donors to nonprofit organizations.
<b>Other fiscal breaks</b>	Sponsorship	N/A	Nu	N/A

## Initiatives of supported employment

FRANCE	ROMANIA	BELGIUM - WALLONIA	SPAIN
<p>The single integration contract - employment initiative contract provided by articles L 5134-65 et seq. Of the Labor Code, and concerns the commercial sector.</p> <p>The employer received an aid for professional integration, the amount of which (set by the region) cannot be greater than 47% (95% for the non-profit sector) of the gross hourly minimum wage. It is paid for a maximum of 24 months.</p> <p>Beneficiary: Unemployed people who encounter particular social and professional difficulties in accessing employment: long-term unemployed, seniors, disabled workers, beneficiaries of certain social minima. The free jobs result from decree n ° 23018-230 of March 30, 2018</p> <p>Assistance granted to the employer: Financial assistance of € 5,000 per year, for a maximum of 3 years (€ 15,000 maximum) for a full-time CDI (in the case of part-time work, proportional reduction), € 2,500 per year, for 2 years maximum (5,000 € maximum), for a fixed-term contract.</p> <p>Beneficiary: Job seekers registered with Pôle emploi or members of the professional security contract, or young people monitored by a local mission, and residing in one of the priority districts of the city policy, the list of which is fixed by decree of 30 March 2018 amended. The employee in free employment must not have belonged to the workforce of the company during the last 6 months.</p>	<p>The National Agency for Employment implements policies and strategies on employment and vocational training for jobseekers according to the principles mentioned in Law nr. 76 from 2002, developed by the Ministry of Labor and Social Justice. The Agency, with its local offices, has multiple objectives and actions:</p> <ul style="list-style-type: none"> <li>• stimulating employment and increasing employment;</li> <li>• stimulating the employment of young graduates of educational institutions in a of transition from the education system to the labor market;</li> <li>• unemployment prevention;</li> <li>• stimulating the participation of jobseekers in vocational training and skills assessment</li> <li>• increasing the employment opportunities and social inclusion of some categories of people who face difficulties in employment;</li> </ul>	<p>SUEM is the association that promotes and supports the vision on Supported Employment. Supported employment is a process in 5 phases:</p> <ul style="list-style-type: none"> <li>• Customer engagement</li> <li>• Vocational profiling</li> <li>• Job finding</li> <li>• Employer involvement</li> <li>• Support on and off the job</li> </ul> <p>This trajectory has to support the job seeker and the employer before, during and after the job search.</p>	<p>In Spain, supported employment is the group of actions of guidance and individualized accompaniment in the workplace, provided by specialized job coaches, which aim to facilitate the social and labor adaptation of workers with disabilities or with special difficulties of labor integration, in companies of the ordinary labor market in a similar conditions to the rest of the workers who perform equivalent jobs.</p> <p>Workers must be hired by a company in the ordinary labor market under an indefinite or temporary contract of at least 6 months.</p> <p>The following entities may promote supported employment projects and be beneficiaries of the corresponding subsidies:</p> <ol style="list-style-type: none"> <li>1. Associations, foundations and other non-profit entities that sign the corresponding collaboration agreement with the company that is going to hire the workers with disabilities to which the employment with support is going to be provided</li> <li>2. Special Employment Centers, which sign a collaboration agreement with the company that is going to hire disabled workers from the staff of the same center or from other special employment centers.</li> <li>3. Companies in the ordinary labor market, including self-employed workers, who hire workers with disabilities who are beneficiaries of these actions, provided that they have specialized job coaches on their staff.</li> </ol> <p>The subsidies established will be used to finance labor and social security costs generated during the period of development of the supported employment project, derived from the hiring of job coaches.</p> <p>There are no such grants for people at risk of exclusion or WISEs.</p>



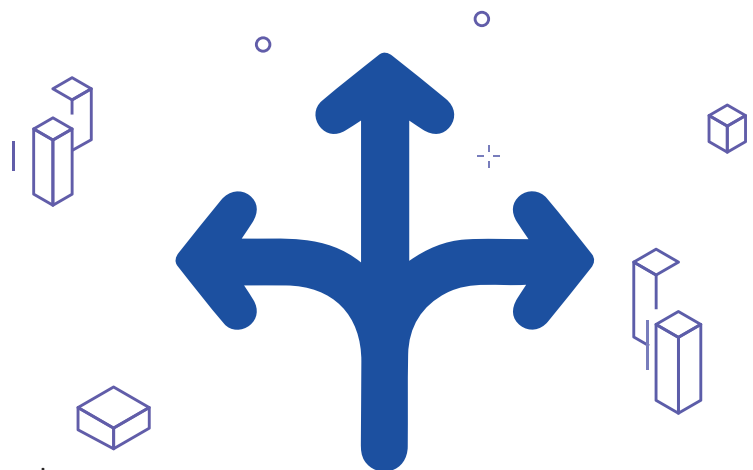
## **Chapter 2. Work integration of disadvantaged workers in social enterprises**

## 2.1 Types of organizations

### WISE types of integration programs – examples and case studies (Romania, France, Spain and other member states ENSIE)

- i. transitional occupation
- ii. creation of permanent self-financed jobs
- iii. professional integration with permanent subsidies
- iiii. socialization through a productive activity

According to each one's mission and targeted beneficiaries, WISEs provide **four types of work integration programs**. They are different in scope and methodology, but have the **same ultimate goal of developing job skills and opportunities for vulnerable people**.



#### i. Transitional occupation

Many vulnerable groups have difficulties in finding or keeping a long-term job even though they are physically fit and have the desire to work.

People who come from disadvantaged backgrounds usually lack the social and educational context that develops basic work skills: communication, mutual respect, time-management, task prioritization, long time commitments etc. Without these concepts, vulnerable people have a hard time keeping up with the open labor market standards that require them to adapt and be productive in a short period of time.

WISEs offer work integration programs which support the beneficiaries to catch up with the working contexts they have missed in the past. This type of program is defined as transitional

occupation program because it:

- has a pre-defined time period
- does not offer a permanent job
- focuses on a multitude of work skills rather than a single profession
- has the ultimate goal of introducing the beneficiaries in the open labor market

This type of activity is often suited for beneficiaries who do not have any personal constraints or dependencies, are both physically and mentally fit to work and able adapt on the long term to the job market: ex-convicts, young adults from disorganized families, former drug consumers, persons with long term unemployment etc.

**Ateliere Fara Frontiere (Workshops Without Borders)** is an example of WISE that has a time-definitive program that aims to develop flexible professional skills that can be used by the beneficiaries on the labor market after 2 years of transitional occupation.

The program has a limited timeframe because beneficiaries should not become dependent on a specific job or company, they should become **independent and free to pursue any career** that best suits their ambitions and passions.

The 2 year transitional program has three main stages:

- 1) adjusting
- 2) stabilization
- 3) professionalization

The first and most often difficult part is to adjust beneficiaries that have never been hired for long periods of time to the social context and standards of a workplace. The first 6 months of the program are dedicated to acknowledging the skills, rights and obligation each employee should have:

- right to be respected and to respect
- the obligation to respect the work schedule and not be late
- awareness and respect for personal belongings
- have a decent posture and outfit at the place of work

- respect for colleagues
- right for decent work conditions
- need for intermediary breaks

During this first phase, most employees will undergo basic training that moves them through a multitude of responsibilities and activities in order to find the one best suited for them. After beneficiaries pass the adjustment phase, they move to the stabilization phase where they are assigned a special job for a longer period of time in order to get used to repetitive tasks, self-imposed goals and medium term commitments. In this step, employees usually get more comfortable with the rest of the team and make stronger connections with them, improving their social skills and work behavior.

After they form a secure environment that brings a healthy increase in confidence and social skills, the last year of the program is dedicated to the professionalization of the beneficiaries. The team leaders support them to specialize in domains and tasks that are more attractive to them, while the insertion counsellor collaborates with the beneficiaries to find together the job opportunities that best suit their desires. Another 6 months are dedicated to monitoring the beneficiaries after they have left the program in order to assure they have been fully integrated into the labor market and society as independent citizens.

**CONCORDIA Bakery** is a social economy project initiated in 2011 by CONCORDIA Development that aims to support the socio-professional integration of young people from disadvantaged backgrounds, and young baker graduates who fail to integrate into the labor market have the chance to work in a competitive bakery where they will have experience and be a launching pad for the free market. By 2021, the Bakery had hired over 40 of the graduates of the bakery course organized at the CONCORDIA Craft School. CONCORDIA has two objectives:

- The social objective is the socio-professional integration of young people from disadvantaged backgrounds. The establishment of the Bakery aimed to create a long-term social impact on young people who, after graduating from the bakery course and obtaining the qualification diploma, were hired for a temporary period in the company.
- The business objective is to generate a profit that will be used to support the training of other young people from disadvantaged backgrounds who need support.



## ii. Creation of permanent self-financed jobs

Another category of vulnerable people who are supported by work integration enterprises is the one physically able to work, but emotionally or financially unstable, with personal issues that need special attention and care.

Even though they might find a place in the labor market, vulnerable people still need a work environment that understands and supports their personal issues, provides flexibility and reassurance. As people who come from disadvantaged backgrounds try to adapt to the labor market, the labor market should adapt to their needs as well.

Public and private companies often lack the flexibility and training to work with people in vulnerable situations. Therefore, WISEs offer a work alternative for vulnerable groups that:

- provides them with the necessary skills to become self-financed employees
- offers stability for a longer period of time
- offers support, understanding and work flexibility in overcoming personal difficulties.

A model for creating self-funded jobs is the Caritas Câmpulung Association, which, through the Together Project, supports young women from foster care or single mothers - victims of domestic violence or human trafficking - who come from disadvantaged backgrounds to find a new path full of confidence. They provide housing and employment in the following areas: tailoring, fast food, terrace and Internet Cafe.

The Together project was created in 1997 and, year after year, it has grown through the integration of other young people, being the largest project still in progress of the Association, which has 4 main directions:

- Ensuring a home and a minimum necessary for life;
- Professionalization and preparation of young women for future jobs;
- Professional and socio-professional employment;
- Preparing to form future sustainable families.

According to the official statistics, **41,6% of the single-parent families face the risk of poverty, the number increasing for single mothers that have at least one child that depends on them.** With single parent families, the vulnerability rises directly with the number of children, and in the case of mothers, the statistics is even worse.

This comes from a larger issue in Romania, where the vulnerability to poverty is high for most families<sup>4</sup>. A family formed from two parents and one child faces a 15,4% risk of poverty while the same family with two children has a vulnerability of 26,6%, 73% higher. When the family has three or more children, the poverty risk rises to more than 53%, doubling the danger of impoverishment.

**A number of factors related to the vulnerability of women in general increases the challenges faced by single mothers,** as the difference in poverty or risk of poverty alone is not significant between men and women. These include, but are not limited to:

- employment rate for women in Romania is lower than both men from Romania and average EU level for women
- physical or sexual abuse -30% of women in Romania directly affected by it
- domestic violence - three quarters of the victims are females
- the vulnerability of NEET is higher amongst females in general

Moreover, many single-mothers at risk of poverty still face discrimination as they are viewed by some employers as unreliable because they might prioritize the family other social needs more in the detriment of their job.

For single-mothers and other vulnerable groups, a permanent job where they can prove their value by being productive and have the support and understanding of the employer on personal matters is a much needed alternative to sustain or stabilize their families.

This is why WISEs like Caritas Câmpulung Association reinvest the profits to constantly develop the economic activities and therefore create more permanent jobs for people who come from disadvantaged backgrounds.

<sup>4</sup> In this context, family is defined as in the official national statistics, as a group of at least one parent and one depending child

### iii. Professional integration with permanent subsidies

Other vulnerable groups have certain physical requirements that need special attention, infrastructure and patience from the employers.

Most often, this is the case of people with disabilities that might need 1) a special infrastructure to perform the needed tasks and 2) coworkers who are trained and open to adapt to work with vulnerable people.

In Romania, only 17% of the disabled people in Romania who are able to work have a job, even though the authorities offer 1) tax reduction, 2) subsidies for the recruitment of disadvantaged workers and 3) cover for the hiring costs for companies that have employees with disabilities.

As the process of hiring people with disabilities takes time, patience and workflow adjustments with vulnerable people, both public and private organizations choose to pay taxes equivalent to the number of disabled people they should hire rather than just hire them.

A real support for people with disabilities is, in fact, the organizations that offer them the proper work context through which they can access their right to an economically independent life. A good example of this is the Atelierul de Panza established in 2009 and which is a project of the non-profit organization Sustainable Development Association ViitorPlus. Since 2014, Atelierul de Panza has had the status of a protected unit, which means that a large part of its staff is made up of people with disabilities. In 2021, out of a total of 15 employees, 11 are people with disabilities who have a stable and decent job. The insertion process implemented by Atelierul de Panza focuses on the principle of equal opportunities for all employees, creating a stable and inclusive working environment, promoting the fact that both people with disabilities and those without disabilities can work in cohesion, they can be just as productive and are important members of the team.

Moreover, as a promoter of the circular economy, the workshop makes reusable products with a long life: bags or accessories made of 100% cotton fabric, as well as accessories made from reusable textile waste.

Many WISEs and social enterprises in general choose to work with beneficiaries that have physical disabilities because:

- is the only type work integration with real fiscal gains offered by the government
- they often have the soft and work skills required, but need only the infrastructure
- they are a group of vulnerable people that can adapt fast to a workplace environment.

WISEs try to cover the lack of job opportunities for vulnerable people and, enjoying the fiscal benefits as employers of disabled people, they offer a work environment adapted to each individual and a staff that acknowledges that vulnerable people can bring value to a workplace as well as anybody else.

### iiii. Socialization through a productive activity

As previously mentioned, many vulnerable groups have a hard time adapting to new social contexts due to the background and past experience. In general, people who come from a disadvantaged background are more likely to suffer from social deprivation, meaning they face difficulties to culturally interact with member of the society outside of their own close community.

Therefore, the beneficiaries need more time to adjust to a new social environment, to trust and get closer to new people.

That is why some WISEs choose to rely mostly on developing social skills by creating safe environments where the vulnerable groups can adapt to norms that prepare them for the open job market. Socialization through productive activity offers `soft` skills required in any human interaction, including at the workplace:

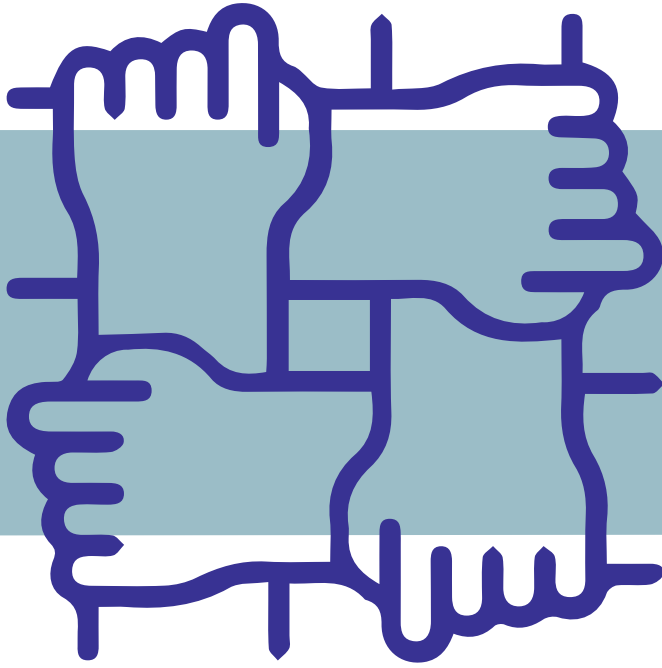
- develop the ability to adapt to multiple social situations and groups
- enlarge the capacity to constantly grow your own social network
- develop self-confidence and self-consciousness in any social situation
- readiness to change social context and interact with different individuals

Many young adults who come from foster homes, from unstable families (neglecting parents, parent(s) who work in another country etc.) often have a hard time adapting to new social situations because of the trauma they experienced as children.

Vistara, a project of AMURTEL Romania, is supporting such young adults who come from a vulnerable background by providing the social experience that develops the needed social skills to make the transition from the teen years to adulthood.

Another example of a provider of social skills is Close to You Foundation, an organization that also created one of the largest work integration enterprises - UtilDeco. An Authorized Protected Unit, UtilDeco has 8 domains of economic activities where people with disabilities have access to a better quality of life and a chance to prove themselves in a working environment.

UtilDeco is a model of good practice for all the WISEs in Romania as it's economic activity produces revenue that is directed, among other social projects, to a Youth Club that works under the Fundația Alături de Voi. Here, young people have the support and participation of trained professionals in developing basic life abilities and social skills that every independent citizen should have.



## 2.2 Examples of organizations

### About the authors

The multidisciplinary and various economic activities of WISEs underline the importance of social work integration enterprises in today's society. The current project is the result of a globalization era where enterprises from all over the world can share experiences and good practices in order to increase their economic and social activities along with their pool of beneficiaries.

In recent years, most enterprises are defined by the diversity of their social pursuits that often transcend the categories of work integration activities mentioned above. Directly or not, WISEs today bring social contribution for a multitude of vulnerable groups in different shapes and forms: professional integration through jobs, on job training and specialization, early young development, housing, medical care etc.

The infrastructure of the 21st century allows WISEs not only to find the most vulnerable communities, but to help them in a matter of minutes if not with resources, but with expertise, assets and knowledge that can be easily transmitted to local authorities, private actors or other social enterprises.

## Romania

**The Romanian Network of Social Insertion Enterprises (RISE)** was established in 2013 and groups: social enterprises, accredited social enterprises or not, authorized protected units, organizations providing resources or assistance for social economy entities, social enterprises, socio-professional integration of disadvantaged groups, grant administrators for the establishment of social economy enterprises, experts in the field of employment, socio-professional integration of disadvantaged groups, social economy (individuals and legal entities).

**The purpose of RISE** is to promote the social, professional and economic integration of people in difficulty in Romania on the labor market, through the development of social enterprises. **RISE advocates for** social and cohesion, economic and environmental policies that ensure the full exercise, with full respect for human dignity, of access to essential rights for **employment, education, housing, maintenance, culture and welfare**, including the excluded and marginalized .

In carrying out its activities, **RISE intends to comply with the purpose, principles and operating criteria specific to the social economy**, namely: to serve the general interest, the interests of a community and / or the non-patrimonial personal interests, by increasing the employment of persons belonging to the vulnerable group and / or the production and supply of goods, the provision of services and / or the execution of works.

### PRINCIPLES

1. priority given to the individual and social goals over increasing profit;
2. solidarity and collective responsibility;
3. convergence between the interests of associate members and the general interest and / or interests of a community;
4. democratic control of the members, exercised over the activities carried out;
5. the voluntary and free character of the association in the forms of organization specific to the field of social economy;
6. distinct legal personality, management autonomy and independence from public authorities;
7. allocating the largest share of profit / financial surplus to the objectives of sustainable development and the provision of services to members in accordance with the general interest.

### CRITERIA

1. acts for social purposes and / or in the general interest of the community
2. allocates at least 90% of the profit made to the corporate purpose and the statutory reserve
3. undertakes to transfer the assets remaining after the liquidation to one or more social enterprises;
4. apply the principle of social equity to employees, ensuring fair pay levels, between which there can be no differences exceeding the ratio of 1 to 8.

**Ateliere Fără Frontiere (AFF)** is a Romanian non-profit association established in 2008, which offers personalized services of socio-professional support to disadvantaged people in order to be employed on the conventional labor market, and which has assumed the mission to:

- fight social exclusion and poverty
- reduce waste and pollution, proposing responsible waste management and environmental protection
- support in fact solidarity and sustainable development

In the 3 circular economy workshops of the association, activities are ways in which employees (re) learn to work, acquire skills and become actors in society.

**I. Educlick** is the first workshop created by Ateliere Fără Frontiere in 2008 with the establishment of the association. It's economic activities revolve around collecting DEEE equipment from Bucharest and suburbs areas around it, then sorting them to fractions in order to be recycled. The workshop is also the only recognized and authorized organization with the reconditioning and donation of computers through a platform that donated more than 20,000 in 13 years to schools from vulnerable areas.

**II. Remesh** is the second workshop of the association where old banners and meshes are transformed into fashion and home&deco products. This social business offers the only option in the Romanian market for the recycling and reuse of the advertising signs that otherwise would be very damaging to the environment due to their hard plastic raw materials.

**III. Bio&co** is the newest workshop of the AFF organization. Created in 2015, it is a farm situated 30km from Bucharest that is cultivating and selling only bio certified products. Around 20 employees work at the farm, most of them vulnerable people from the local community that otherwise would have limited access to the labor market due to lack of job opportunities in the area.

Ateliere Fără Frontiere beneficiaries come from social groups 1) whose vulnerabilities at hiring



are not adequately addressed by the public authorities or 2) are largely avoided by private companies. Their access to the conventional labor market is practically impossible without a support program for insertion because they accumulate on average 7-8 difficulties in employment. At AFF they are offered a professional project, a job and all the rights that arise from it, social reintegration and the assistance they need to regain control over their own destiny. The work integration program of AFF has a two year timeframe period in which employees should develop both social and professional skills that should enable them an easier transition to the free labor market.

## France

The Brigades Nature Rhône association is a Workplace Integration Workshop (ACI). Its role is to support people removed from employment towards their professional project through their training in green jobs in the maintenance and development of green and natural spaces, site cleaning, and manufacture of composters.

The “Les Brigades Vertes” system was created by the Rhône General Council in 1992, in order to respond to two issues:

- The integration of people excluded from employment,
- The maintenance and development of natural spaces.

In 1997, this first system was supplemented by the creation of the "River Brigades" allowing the maintenance and development of rivers in the Rhône department.

In 2000, the Brigades Vertes-Brigades Rivières became an Integration Workshop and Worksite (ACI) managed by the Rhône Insertion Environnement (RIE) association until December 31, 2018.

On January 1, 2019, the activities were taken over by the SOS Group and thus joined the Group's Ecological Transition sector. Basic mission of association is to support each employee individually on the principle that they have, in themselves, the resources and potentials specific to their social integration while being aware that it is association's responsibility to offer them the keys to their success, or at least of its progress. Through association's integration support, the green professions, Brigades Nature do everything possible to ensure that the employee becomes an actor of his own change.

## Spain

Formació i Treball Foundation was constituted in 1992 with the objectives of training and employing people at risk of social exclusion and managing the delivery of clothing, furniture and other household equipment to vulnerable families derived from Càritas Diocesana de Barcelona and of the different Social Services of Barcelona.

The WISE status was registered in 2005, under Law 27/2002, which defined that the services provided by the Formació i Treball supported labor insertion of people at risk of exclusion. Currently, these services include the laundry collection service, cleaning, laundry, construction sites and a recycling point.

Today, Formació i Treball is a group of entities that base their pillars on self-improvement and anticipation of changes, on the high degree of self-financing and on permanent networking between them.

In 2012 the agreement between the Formació i Treball Foundation, the Coordinator against Marginalization of Cornellà and the Roba Amiga Cooperative formed the Roba Amiga insertion company with the aim of promoting the creation of jobs through the efficient treatment of recovery of the used clothes.

Previously, other two insertion companies were formed under the Formació i Treball Foundation:

- Training Institute for labor insertion, a one-person business entity aimed at developing professional training programs for the occupation and offering a catalog of professional training compatible with the current needs of the labor market.
- Recibaix, a labor and social resource to amend the need for work in the city of Cornellà de Llobregat and other municipalities in the Baix Llobregat. Its activities are related to the environment, recycling and material recovery.

Due to its large number of entities, the economic activity of the foundation is quite diverse, with multiple divisions: textiles division, food division, natural environment, renovation, cleaning and other ad hoc services to address the new needs of the market.

At the beginning of the Foundation, in 2011, 113 people were hired in 73 job positions. In 2020, we hired 441 people, in 223 job positions, 47% of these positions have been held by women. The main characteristics of these people are:

- People without income and who have exhausted their financial resources. Many have debts with banks and / or public institutions.
- People who have lost their homes, are in the process of being evicted or have precarious housing conditions.
- People without social support or in a situation of isolation and uprooting (especially people of immigrant origin).
- People with problems accessing basic resources (health, social, educational.)
- People in a situation of marginalization and / or invisibility.

Most of them come from Municipal Social Services or prisons, because they must have a Certificate of belonging to a risk group of exclusion. If they come from Caritas or other entities, they must also go through Social Services.

## Belgium

RES (Réseau d'Entreprises Sociales) is a network organization aiming at promoting and supporting the creation of social enterprises by representing companies having social goals for integration in the social economy sector. The role of the network is to create links between member organizations to develop synergies and boost dialogue for exchange on know-how.

Thus, RES is not a WISE, but a network of WISEs in Wallonia (the French speaker region in Belgium) having 4 main missions:

1. Regional, national and European networking of members. This happens through the organization of thematic meetings, conferences, study visits, etc. to exchange good practices information between actors of WISEs and/or members of RES.
2. Promotion of social economy. RES aims at enhancing the visibility of its members and of social economy as well as the link with the classic economy. This mission is transversal and is implemented through:
  - Involvement of team members in several networks in the Walloon region;



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