

IMPACT 4 POLICY SERIES

The Role of Social Entrepreneurship

in the Advancement of Sustainable Development Goals in Lebanon and in the Mediterranean region

AUTHORS:

Rayan Haykal
Mohammad Makki
Annalisa Contini

In collaboration with
Catalyst 2030 Lebanon



The role of Social Entrepreneurship

in the Advancement of Sustainable Development Goals in Lebanon and in the Mediterranean region

IMPACT 4 POLICY SERIES

Rayan Haykal
Mohammad Makki
Annalisa Contini

SEE change is a project funded by the EU and implemented by Oxfam, COSV and Beyond Group. The Policy Papers and Peer Exchange Program are undertaken by COSV Development Cooperation under the "Social Entrepreneurship Ecosystem Change" (SEE Change) project.

This paper contents are the sole responsibility of SEE Change partners and do not necessarily reflect the views of the European Union



The Programme

THE PROGRAMME

This paper is one of four policy papers developed as part of the Impact for Policies Methodology (I4P) by the COSV Social Economy Unit. It is an integral component of the Social Justice Incubation Programme (SJIP), which is part of the SEE Change (Social Enterprise Ecosystem Change) project, co-funded by the European Union and implemented in Lebanon by Oxfam, COSV, and the Beyond group.

The Social Justice Incubation Program SJIP represents a pioneering incubation and acceleration initiative specifically crafted for Social Enterprise (SE) organizations. Grounded in the principles of codesign and a collaborative economy, SJIP is uniquely tailored to bolster SE ecosystems within emerging economies. Its mission extends to uncovering and amplifying the diversity of these ecosystems, going beyond the insights provided by official reports and research. Through its comprehensive support, SJIP seeks to empower SE organizations to realize their full potential and make a significant impact in their communities.

Within the framework of SEE Change, the Social Justice Incubation Program has provided support to 20 initiatives, split into four sub-programs:

- (i) School enterprises, focused on co-production between public vocational technical institutes (VTI) and Small and Medium Enterprises (SMEs).
- (ii) Community enterprises, targeting multi-actor co-production involving citizens, social enterprises, SMEs, and municipalities to revitalise rural and urban areas.
- (iii) NGOs in transition, designed to assist not-forprofit organisations in their transition to a more entrepreneurial model.
- (iv) Public-private partnership programs, aimed at fostering partnerships between social enterprises and public authorities in the management of community-based services and the utilisation of underutilised public assets.

THE SJIP FOUR PHASES

The Social Justice Incubation Program (SJIP) is structured into four distinct phases designed to foster growth, collaboration, and systemic change within the social and solidarity economy (SSE):

01

Understanding the context:

This phase involves conducting a feasibility study on social and solidarity economy (SSE), aligned with the incubation objectives and international SSE standards.

02

Nurturing the Collaboration mindset

In this phase, co-design sessions aim to facilitate collaboration among potential beneficiaries and define the details for implementing seed funds through a sub-grant scheme.

03

Growing Fast

During this phase, selected initiatives receive grants ranging from \$20,000 to \$50,000 USD, along with technical assistance for implementing their social and solidarity actions. The incubation programme also envisions the establishment of a peer-support community through informal monthly meetings with stakeholders across Lebanon (SEE UP events).

04

Growing Well

In this phase, grant beneficiaries actively contribute to the identification of policy recommendations (Impact4policy). Supported SE initiatives engage in various ways to co-produce policy recommendations for sector-related system change, including exposure to regional peer exchange.

Executive Summary

EXECUTIVE SUMMARY

Many countries in the Arab world and the Mediterranean region have undergone significant socioeconomic transformations during the past few decades. They have dealt with economic, political, and social changes in different ways, depending on their level of development. Unemployment, gender discrimination, youth vulnerability and environmental issues are among the major difficulties that countries face. Nearly 12% of the Arab labour force was unemployed in 2022 (with levels as high as 29.2% in Lebanon, according to ESCWA data), and the poverty rate is projected to reach 36% in 2024 (apart from the Gulf Cooperation Council (GCC) nations). Despite the innovative businesses and active civil societies that are hallmarks of the Arab world's private sector, the state sector in these nations has not yet been mobilised to support sustainable development strategies.

As a reaction to the gaps in official policies, more and more people are interested in engaging in SE for the sake of making a positive impact on the world while still achieving the economic goals of their businesses. Whether or not intentional, this dual purpose of their activities contributes to the achievement of one or more social development goals (SDG). Employment opportunities, innovative approaches to development, and the empowerment of traditionally marginalised groups including youth, women, the disabled, and refugees are all possible outcomes of the growth of social enterprises. Yet those enterprises should not and cannot take the place of government services; their mission is to assist, advise, negotiate, spread awareness, and ideally supplement governmental initiatives.

Likewise, governments must encourage and support these social activities. Defining themselves as social enterprises and ensuring financial sustainability is challenging because they cannot attract investments, especially foreign ones, due to a lack of clarity in the legal framework of action for SEs or, at the very least, the inadequacy of the existing ones. When states don't make SEs a top priority in their plans for sustainable development, it has the compound effect of a volatile political and social environment.

This policy paper delves into the role of SE in advancing the SDGs in the Middle East and North Africa (MENA) region. Notably, it sheds the light on the rise of the SE mindset, the challenges of self-identification, the underutilised SDGs, the importance of creativity, community engagement, organisational struggles, the controversial nature of existing guidance, the lack of long-term vision, and the transformative role of SE in local municipalities. The paper recommends a flexible legal framework, the integration of profit and social values, leveraging the SDGs, fostering creativity, having community-centred approaches, addressing organisational challenges, advocating for a long-term vision, promoting collaboration, supporting welfare society transformation, enhancing education, and training, and encouraging international collaboration in the MENA region's SE SEE.

Table of Contents

TABLE OF CONTENTS

I.	Introduction	6
II.	Perceptions of Social Entrepreneurs: Self-perception and Perceptions of Beneficiaries	8
	• 2.1. Self-perception as Social Entrepreneur	8
	• 2.2. Self-Perception of Social Entrepreneur Status	11
	• 2.3. SE as a Continuity of Personal Experience	14
	• 2.4. Specific Social Entrepreneurship Mindset	15
	• 2.5. Perceptions of Beneficiaries	17
	◦ 2.5.1. Positive feedback from targeted populations	18
	◦ 2.5.2. Insufficient Media Coverage	21
	• 2.6. Raising Awareness on SDGs	22
	• 2.7. A Non-Systematic Assessment of SDG Attainment	23
	• 2.8. Recognition by local Communities	26
III.	A Proactive Transparency Concern	28
IV.	Social Enterprises' Economic Model	29
	• 4.1. Unconventional Organisational Models	29
	• 4.2. Diversified Economic Value Creation	34
	• 4.3. A Rich Social Value Production	36
	• 4.4. Significant Social Innovation	37
V.	Unstable Network Dynamics	40
	• 5.1. Deceiving Collaboration with Government	40
	• 5.2. Administrative Complexity	42
	• 5.3. Strong Collaboration with Municipalities	43
VI.	Challenges to Sustainability	45
	• 6.1. The Hardship of Financial Sustainability	45
	◦ 6.1.1. Diversified Sources of Revenue	45
	◦ 6.1.2. Inefficient Risk Management Tools	48
	◦ 6.1.3. Insufficient Financial Planning	49
	• 6.2. Crucial Investments in Human Capital	50
	• 6.3. Challenges of Expansion	52
	• 6.4. Possibilities for Collaboration	53
	• 6.5. The Case of Lebanon	54
VII.	Policy Recommendations	57
VIII.	Conclusion	60
IX.	Appendix: Participants' profiles	62
X.	References	65

I. INTRODUCTION

SE (SE) has evolved into a dynamic and innovative force pushing towards positive social and environmental change around the world, in recent years. Featuring an extensive number of successful business models that combine traditional entrepreneurship principles with a strong dedication to tackling critical social problems, social enterprises have succeeded in acquiring a strong potential in the advancement of sustainable development. As the world considers the United Nations' Sustainable Development Goals (SDGs) to achieve a more equitable, prosperous, and sustainable future by 2030, the Middle East and North Africa (MENA) region relies on the opportunity to capitalise on the transformative power of SE.

The Arab world, particularly the MENA region, with its rich cultural and economic diversity has been remarkable in fostering SE without having a clearly defined legal framework. The region faces several complex social problems, including poverty, youth unemployment, gender discrimination, environmental degradation, and unequal access to quality education and healthcare which the United Nations' (UN) SDGs advocate to improve in its long-term strategy. While governments have been struggling in addressing these issues with or without the help of international organisations, the magnitude and complexity of the issues require an innovative, multidimensional and integrative approach that distinguishes itself from traditional development models which have been somewhat inefficient and unable to respond to the urgent needs of the population.

Achieving the SDGs' transformative aim is difficult and complex, as it requires both holistic strategies and adjustments to the systems that perpetuate inequality, exclusion, and environmental degradation. Such changes are related to investment and accumulation patterns connected to environment protection, gender quality, equal distribution of wealth and easy access to employment and services (Utting, 2018)

As part of the SEE Change programme led by COSV and Catalyst 2030, an open call was made in early 2023 to social enterprises operating in the MENA and the Arab world to participate in a peer exchange programme. This is a pioneer attempt to study the role of social entrepreneurs in the region. This policy paper mainly investigates the role played by social enterprises in the region in the advancement of SDGs.

Twenty-two organisations¹ (Appendix 1) were selected to participate in three thematic sessions led by five facilitators as part of the peer exchange programme to address this subject. Discussions centred on the organisational structure and dynamics, as well as obstacles and suggestions.

Representatives from seven to eight different organisations participated in semi-structured discussions based on an interview guide that covered topics such as sustainability, role perception, human resource management, production value, and barriers to action. During each meeting, participants filled out a short questionnaire to help gather insights from the group.

In the third meeting, SEs performed a role-playing exercise that simulated a cooperative situation.

Peer exchange programme participants were invited to a two-day event on September 20 and 21 to discuss the policy paper, participate in workshops, and gain insight on topics like the sustainability SE ecosystems, advocacy, and value-creation. After discussing the most pressing issues facing Lebanon, the research team met with representatives from the Lebanese Social Enterprise Association (LSE) and benefited from a deeper analysis of the challenges that social enterprises face in the country.

To provide a well-rounded answer to the research question, the paper combines quantitative data (obtained from questionnaires) with qualitative data (obtained from focus groups, workshops, and an interview with LSE) and a desk evaluation using data published on the participants' websites.

The main objectives of the online discussions of the Peer Exchange Programme participants are:

Exploring the perceptions of SEs in the MENA Region

The paper takes a subjective approach to the current situation of social entrepreneurship, rather than looking at it from the perspective of its legal standing or the criteria by which its success is measured. It expands on how members of these groups perceive their own impact on the population.

Analysing the importance of the economic model in ensuring the sustainability of SEs

The paper explores the role of social entrepreneurs in the MENA region in advancing selected SDGs despite limited official backing and inconsistent funding. Sustainability is emphasised through a human-centred, outcome-focused perspective.

Identifying barriers and suggestions for Social Entrepreneurs

The paper analyses the networks established with state and local authorities and discusses the obstacles encountered along the way. Despite governments' role in impeding entrapment, local governments appear to promote and encourage the achievement of social development by giving such initiatives access to resources such as technical expertise and financial backing.

To propose policy recommendations

The paper provides specific policy recommendations to key stakeholders of social enterprises in the MENA region based on the findings of the discussions.

II. PERCEPTIONS OF SOCIAL ENTREPRENEURS: SELF-PERCEPTION AND PERCEPTIONS OF BENEFICIARIES

Social enterprises are viewed as factors of change in society, regardless of a strict scholarly definition. The definition of SE continues to be plagued with terminological overabundance and conceptual ambiguity; terms like "social enterprise," "philanthropy," "non-governmental organisations," "non-profits," "charities," and "third sector" or "fourth sector" are frequently used. This section explains that the attainment of social development goals does not depend on a predefined status of an organisation but on the personal drivers of the flexibility of the social entrepreneur to respond to the targeted population's needs considering the troubled context of operation.

2.1. Self-perception as Social Entrepreneur

Self-perception as social entrepreneur is crucial to guide organisation's activities in line with the SDG that it chose to tackle. Some of the participants in the interviews did not define themselves as social entrepreneurs but in conversation, it becomes evident that they are really unaware of it. Rahim & Mohtar (2015) takes a shortcut to the definition of social entrepreneur by stating that 'as long as the entrepreneur has the entrepreneurial characteristics and leading an organisation with a social mission, regardless of whether it is a non-profit organisation or hybrid organization, the entrepreneur should be considered a social entrepreneur'.

Some definitions of SE focus on the goal of the organisation's activity, while others emphasise the process that leads to value creation. Given the large amount of literature attempting to define the concept (Peredo & McLean, 2006), an attempt to map the definition through the identification of clusters with activities focused on finance, sustainability or innovation (Alegre et al., 2017) yields a rigid framework for delimitating social value creation disregarding the impact on SDG attainment.

When asked about the most appropriate definition for social entrepreneurship, ten out of twenty-two respondents of the peer-exchange program preferred the definition of Dees (2001) which highlights the role of social enterprises as agents of change and enumerates the different roles they play. Only four chose the definition by OECD (1999) which focuses on the "public interest" role played by social enterprises.

	SDG2	SDG4	SDG8	SDG11	SDG12	TOTAL
Plays the role of agents of change in the social sector, by 1) Adopting a mission to create and sustain social value (not just private value). 2) Recognising and relentlessly pursuing new opportunities to serve that mission, 3) Engaging in a process of continuous innovation, adaptation, and learning, 4) Acting boldly without being limited by currently available resources, and 5) Exhibiting heightened accountability towards the constituencies and for the created outcomes. (Dees, 2001)	2	1	2	3	2	10
Encompasses the activities and processes undertaken to discover, define, and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organisations in an Innovative manner. (Zahra et al., 2009)	0	0	2	2	1	5
Any private activity conducted in the public interest, organised with an entrepreneurial strategy, but whose main purpose is not the maximisation of profit but the attainment of certain economic and social goals, which has the capacity to bring innovative solutions to the problems of social exclusion and unemployment (OECD, 1999).	0	1	0	2	1	4
Is the creation of valuable (socio) economic structures, relations, institutions, organisations, and practices that yield and sustain social benefits? (Fowler, 2000)	0	1	0	0	1	2
Total	2	3	4	7	5	21

TABLE 1 : DEFINITIONS OF SOCIAL ENTREPRENEURSHIP

Participants mostly perceive themselves as innovators trying to “think out of the box” by finding “long-term solutions” to local communities’ problems. By serving the community, they are serving the public interest. They consider that they are problem-solving team-working entrepreneurs, who can “change reality” around them and “make an impact.” They “never prioritise profit” by keeping their “social mission” as a compass to their actions through the implementation projects in the field of social development.

Participants mostly perceive themselves as innovators trying to “think out of the box” by finding “long-term solutions” to local communities’ problems. By serving the community, they are serving the public interest. They consider that they are problem-solving team-working entrepreneurs, who can “change reality” around them and “make an impact.” They “never prioritise profit” by keeping their “social mission” as a compass to their actions through the implementation projects in the field of social development.

One participant considers that a social entrepreneur is a “pioneer” in his field, driven by passion, energetic and full of hope. According to Shane, Locke, and Collins (2003), passion is a motivational construct with an affective dimension that is a motivator for entrepreneurs. Entrepreneurial enthusiasm pushes entrepreneurs to convey that motivation to employees (Cardon et al. 2009), which is a key element in the success of social enterprises built on the synergy between service-providers and beneficiaries.



The idea behind knowing that you are a social entrepreneur is also that you have a vision, and you know what you want. When you have a vision, you take a risk

MOHAMED YAMAN ALSABEK – SANAD



Haskell et al. (2009) identifies four elements related to social entrepreneurs inducing positive social change: the right people (indigenous servant leaders), the right values, and the right vision in a hard place. They specifically point out the importance of values such as passion, humility, faith, and wisdom in the success of development intentions.

Some participants state that their organisation follows a clearly defined theory of change which guides their action plan and others declare that they have general guidelines for change which do not fit the typical approach for a theory of change like “a strategic development plan which has some components of theory of change.” Some of the organisations which follow a theory of change have trouble choosing which definition to follow and for others this definition changes with time and with the challenges they face in their action, in what can be considered as an elastic definition of theory of change. This is what DiDomenico et al. (2010) refers to as “social bricolage”: The bricoleur is ready to deploy whatever strategies are required under various circumstances, in response to unpredicted activity and disasters. He is defined by “making do, refusal to be constrained by limitations and improvisation” and is characterised by social value creation, stakeholders’ participation, and persuasion.”

For participants whose organisations integrate theory of change in its action, some insist on the importance of working from the ground up to design their strategy to understand the local community’s needs. Stemming from that first level of action, the organisation moves up to collaborate with CSOs and then with local authorities through hearings and discussions.

The objective is to create an entrepreneurship ecosystem in the local community according to a yearly plan, addressing the SDGs that are not covered yet. This ecosystem raises the community awareness of its rights, through “cultural exchanges where people start recognizing the differences and respecting them.”

Some other participants follow a flexible definition of the theory of change depending on the context (before and after the economic crisis in Lebanon, for instance) changing their targeted population moving, for instance, from empowering the marginalised to supporting SMEs), on the political situation (war in certain countries or areas) or on certain events such the pandemic or the waste problem in 2015 in Lebanon.

Throughout their activities and whatever the SGD they are targeting, participants explain that social inequality is a challenge for them because it is embedded in the social background of beneficiaries. A possible way to address it is through their work and processes. For some, the “mission is to open up opportunities” for the more vulnerable groups like illiterate people, youth, and women in order to come to “a stage where people can live together and accept each other despite differences” and attempt to achieve “equal access to employment wherever they are in the world irrespective of what they look like, what their nationality is”. One participant evokes a learning by example experience where he shows “that this project is unequal for males because the management team is all females, and we have a big number of females working in the field.”

2.2. Self-Perception of Social Entrepreneur Status

Social entrepreneurs share a similarity with commercial entrepreneurs in their desire to explore novel conditions and freedom and are distinguished by strong pro-social principles or responsibility motives. Their personality traits combined with their empathy for their local environment are key drivers in their social production endeavour (Prabhu, 1999).

Participants are aware that their personal passion and good intentions are not enough to make an impact on social development. Passion can be viewed as a dynamic motivational construct that is subjectively determined by entrepreneurs (Yitshaki & Kropp, 2019). Entrepreneurs start by assessing their target population’s needs and take immediate action to “create jobs”, train them to “increase their skills, their experience, their competences in order to be able to compete, not only in the local market, but in the international market”.

Moreover, they “organise workshops and activities to transmit the importance of education to children and women” in different fields such as “IT, agriculture, water production, science, nature, farming, brand management, social enterprise branding” in order to change labour market trends from limited-skill jobs to high value-added employment.

This job creation enables to tackle different SDGs at the same time. Some other participants realise that their scope of action is limited to some vulnerable social categories (refugees, women, young women, disabled women) and try to fit their activities to small-scale projects and skill-building (car maintenance factories, internet services, web design). The outcome is to “build capacities” of young, graduated adults to start new businesses in order to make them social entrepreneurs, in turn.

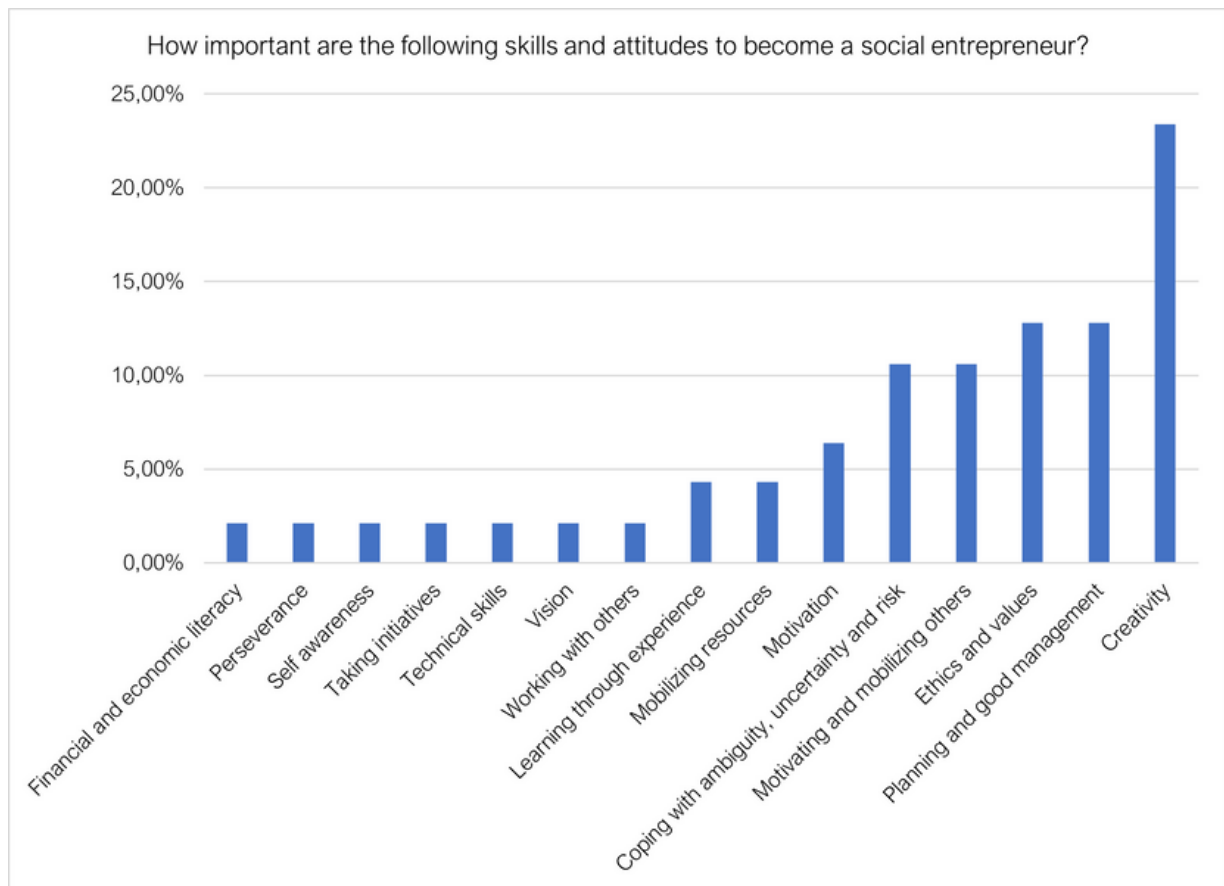


FIGURE 1 : SKILLS AND ATTITUDES

Mapping a wide range of literature on social entrepreneurs’ characteristics, Stephan & Drencheva (2017) classifies the characteristics of social entrepreneur personality into five categories related to motivation, traits, identity, and skills. They share many personality traits with commercial entrepreneurs (self-efficacy, risk-taking, internal locus of control, proactivity, leadership). Yet they are also characterised by distinct ‘social traits’, such as empathy and moral obligation, and develop distinct identities.

Most participants find that creativity is the most important skill for becoming a social entrepreneur, as their responses to the survey show (figure 1). One participant emphasises the need to harbour creativity to avoid mimicry: “There are a lot of social enterprises that are copies of other social enterprises”. However, creativity is to be considered with caution since it is not always a key to success.

Renko (2013) shows that nascent social entrepreneurs who are looking to introduce highly novel products or services with limited competition and strongly supported by stakeholders fail to sustain their production because of the lack in the required skilled people, funding, and delivery to the marketplace.

It is remarkable that financial and economic literacy has merely no importance at all in their choices, (which contradicts what Noruzi et al. (2010) predicts for young social entrepreneurs) marking the fact that participants believe that SE is intrinsically linked to personal traits. “Ethics and values” in the broader sense of the expression are highly ranked by respondents which is amplified when ethics are when public sector policies are driven by ethics (Pathak & Muralidharan, 2020) as well as personal motivation and the ability to motivate others. The two skills closely related to entrepreneurship in general are “Planning & good management” and “coping with uncertainty and risk” which shows that there are common traits between social and traditional entrepreneurship in the perceptions of respondents.

With the help of more developed organisations, some participants explain that their aim is to make social change by redefining social policies in the local communities when it comes to specific projects such as water and sanitation, or trying to “bridge the gap between talent in the middle east and clients in Europe especially since Europeans are sceptical about working with people in the middle east and particularly refugees and marginalised communities.”

Some target the psychological needs of local population by providing mental health services by “community-based sharing experience, building a common narrative, recreational exercises and psycho-educational programs”, “creating a violence-free” community and “lowering gender-based violence” by developing a cross-cultural environment in their organisation and local community. The problem of gender discrimination overlaps with economic crises to eliminate all hope of finding job opportunities for vulnerable groups (ex-detainees, violence victims) who become victims of their psychological issues and suffer from exclusion from their community which it harder for them to understand that they should rely on themselves and for the organisation to “identify weak points to help them and equip them with tools to continue”.



My organisation runs on cross-cultural theory. We've developed the cross-cultural theory and implementation of it which looks at the differences between cultures in an inclusive approach respecting individualism from a collectivistic point of view

SAMAR ALZEER – NSPCC



In the field of environmental protection, some participants insist on the importance of circular economy in the success of their initiatives. Their action ranges from raising awareness about environmental challenges, fostering spaces, to collecting and recycling waste.



My organisation runs on cross-cultural theory. We've developed the cross-cultural theory and implementation of it which looks at the differences between cultures in an inclusive approach respecting individualism from a collectivistic point of view

SAMAR ALZEER – NSPCC



In the field of environmental protection, some participants insist on the importance of circular economy in the success of their initiatives. Their action ranges from raising awareness about environmental challenges, fostering spaces, to collecting and recycling waste.

2.3. SE as a Continuity of Personal Experience

Although social entrepreneurs who are members of a disadvantaged community can be best placed to understand the needs of their community, they may not always be able to find resources needed to respond to those needs (Peredo & Chrisman, 2006). Participants have different career and educational backgrounds (business, engineering, architecture, environmental engineering...), they have always worked in fields close to SE and have benefitted from their experience in the corporate world to create value in their organisations. They evolved step by step in their organisational structure to become aware of the importance of the part they play as entrepreneurs. They are part of their local community, and this is why they sense the needs around them. Some of them have chosen to leave their “very successful careers” which can provide them with high income in the name of the ambition of achieving “building or making peace, transitional justice” or “equality.”

Most participants consider that their work in SE is an extension of their personal life. This is especially true for women entrepreneurs, as their work in SDG advancement is a response to the injustice they feel in their lives, a way to “achieve equality with men, not only at home but in society, too”, “make a stand for their rights”, “gain confidence in themselves”, “fight discrimination and exclusion” and even “abuse”.

Some of the participants were not encouraged by their entourage to engage in SE or even in civil society. The personal driver to overcome this opposition stems from the major events happening in participants' society like the 2019 revolution in Lebanon, the surge in unemployment rate, the failure of governments to provide for people and answer their needs, and the abandonment of the local community to its fate. On the other hand, some other participants pursued their parents' career to develop “it in a scientific way”. Finally, some have understood that they must pass by the public sector in order to succeed in their entrepreneurial ambition by becoming, for instance a member of parliament.

Although situational variables like social, economic, and political factors are important to explain the drive venturing into social entrepreneurship, individual-based traits seem to overshadow them (Bird, 1988). Most participants related their personal drivers to intrinsic motivation like their ability to “mix expertise in their field and years of experience with the passion” they have for their enterprise. The ambition of some to “look for a wider scope” and implement their projects on the national level” shows their commitment to their cause from which they derive a personal sense of accomplishment. Some of them work “with several organisations at the local and international levels. Some of them go back to personal childhood experiences of deprivation or social work (boy scouts for instance) to explain why, as adults, they engage in social entrepreneurship.



I am a person who doesn't take a no for an answer. My motto is: Life is perpetual change and something you cannot stop, so you either invest in this change and make the best out of it, or you end up on the side-lines

LAMYA KARKOUR – TRI-PULLEY



STATEMENT (%)	STRONGLY DISAGREE	DISAGREE	NEUTRAL	AGREE	STRONGLY AGREE
My personal reputation is important in playing the role of a social entrepreneur	4	4	16	44	32
I integrate SDGs as personal motivation drivers		12	20	44	24

TABLE 2 : IMPORTANCE OF PERSONAL EXPERIENCE

Although the number of respondents remains obviously low in the different sessions, the number of statements on which they seem to agree remains high. For instance, when asked about their self-perception as social entrepreneurs, they seem to agree that their reputation is on the line, in that role (76% of responses) and that SDGs are integrated and serve as personal motivation driver (68%), which shows that the SE and SDG attainment are closely linked in respondents' perception of the role they play (Table 2).

2.4. Specific Social Entrepreneurship Mindset

Given that some of the participants have had careers in the corporate world or in civil society organisations, some of them were able to distinguish between the mindset of a social entrepreneur and the mindset of a traditional entrepreneur. Traditional and SE entrepreneurs have different goals: for SE it is the identification of unique strategies for bringing about beneficial social change, while traditional enterprises aim to maximise profit with or without a social responsibility dimension (Austin et al., 2006).

While both social and traditional companies depend on cash flow and revenue streams, social initiatives do not aim to maximise financial value for stakeholders, highlighting the importance of societal contributions, instead. The two objectives may not be as contradictory if they are driven by a specific social goal like poverty reduction for instance; what Zaefairan et al. (2015) call corporate social entrepreneurship.

For participants, being a social entrepreneur “obliges you to be creative and find a solution,” to point the finger at mistakes and things that are not working well in the organisation,” integrating their work into the “concept of community change”. They insist on the importance of the visibility of their social entrepreneur’s action in their community which stems from building trust with their local community and not treating them like clients. Some mention that the beneficiaries are partners to their organisation who understand their narrative and are willing to respond positively to the initiatives because “they talk the same language.” Beneficiaries do not feel as if they are being used or exploited by the SE. This trust that goes both ways encourages participants to keep on going in their action because they become a part of the beneficiaries’ lives and success. Some participants believe that beneficiaries should be given freedom in their actions in order to collect positive results by having “positive thinking’, and being “optimistic”. In addition to the sense of responsibility, one participant declares that the social entrepreneur is “researching chances, opportunities, and resources in order to invest them for the benefit of the community, not just waiting for solutions and funding”.

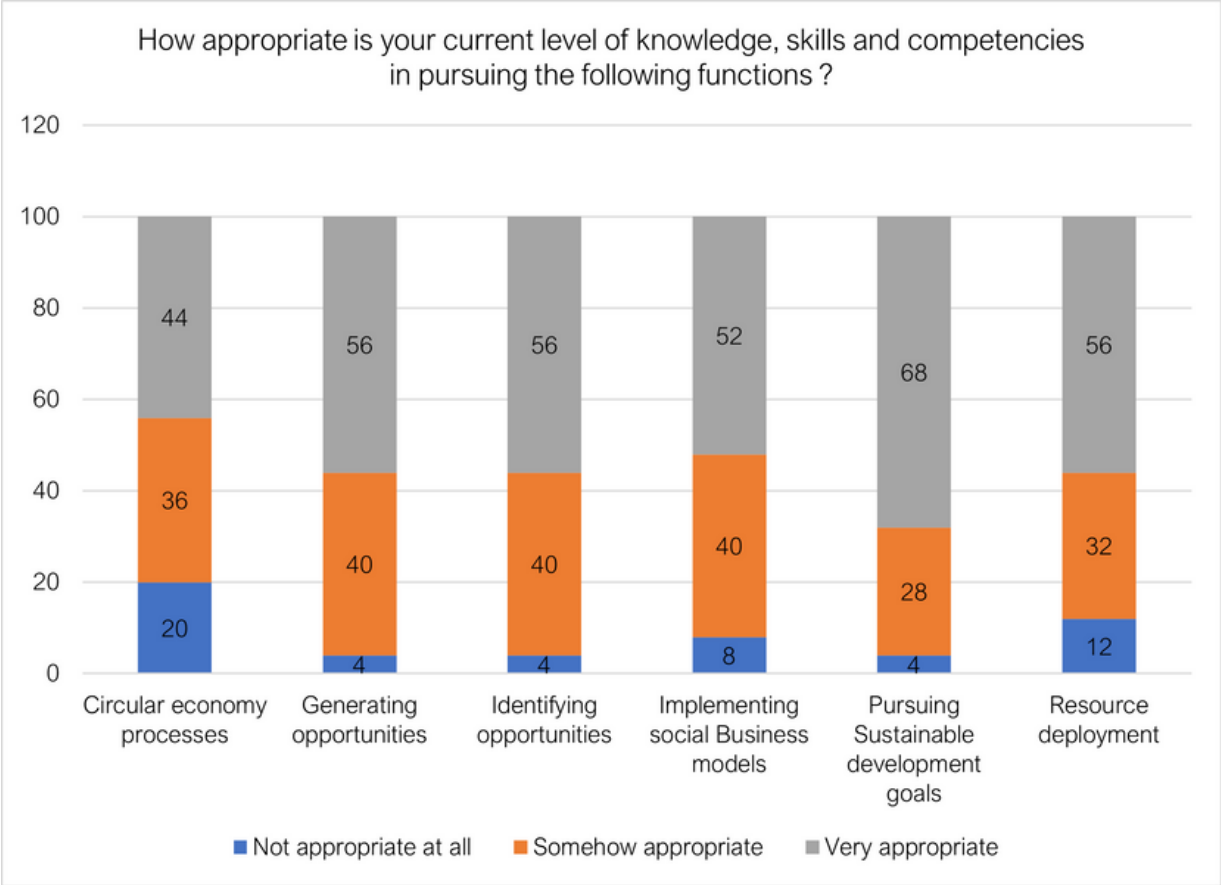


FIGURE 2 : LEVEL OF KNOWLEDGE, SKILLS, AND COMPETENCIES

Most participants find that their level of knowledge enables them to fully play their part as social entrepreneurs (Figure 2). They evaluate it as very appropriate and somehow appropriate in more than 90% of their answers. However, less than 80% to find that their level of knowledge is appropriate in understanding or implementing circular economy processes. Most probably because they are not fully engaged in environment-protecting initiatives.



I feel the problems occurring in the community, I see them, and I can take the risk to provide solutions for the community within my capacities

ALGHAITH AL-SHIKH YASSEN – NABTA PROJECT



Some have waited to earn results from their social enterprise in order to fully engage in it. As one participant states “I encouraged girls to continue their studies and rejected the notion that marriage should prevent them from pursuing their dreams. This mindset motivated me to enter this field where I could make a difference and challenge the idea that women should be limited in their opportunities”. The goal being the “common good, not a personal goal or interest,” it is important “not to support the people and belittle them, but being respectful of the people that you are helping.”

The two mindsets meet as they need leadership skills and innovation. By “creating pioneering projects that are unique in society.” The two mindsets share the same features of “perseverance,” “strategic planning,” “translating thoughts into actionable steps”.



The main idea is to grow from innovation to innovation with purpose

MOHAMMAD ISSA – CREATIVITY LAB



Some participants have decided to quit their previous job or enlarge their scope of knowledge and to “dedicate fully to solving a problem that they believe they can contribute to fixing even on “the expense of time with their kids and family. One participant state that he “got tired of purely understanding the engineering behind environmental problems and wanted to know how these problems could relate with humans” by “studying a mix between engineering and sociology, denoting a completely different way of engaging in engineering projects.

2.5. Perceptions of Beneficiaries

Most participants insist on a positive relationship which ties them to their local community. If any disagreement arises, they are able to deal with it by way of their organisation’s bylaws and by resorting to local authorities.

2.5.1 Positive feedback from targeted populations

Participants consider that beneficiaries are their partners in the advancement of SDGs and play a major part in the success of their social production endeavours. Although some beneficiaries lack the necessary knowledge or skills, they are invited to take part in activities and projects that the organisations provide. In the case of activities addressed to fresh graduates, the organisations are aware of the lack of skills and aim, through the proposed training to develop these skills. Through this approach, value production is ensured, skill development is driven, and so is the “psychological wellbeing of beneficiaries” especially for youth, as a continuation of the formal education provided by educational institutions, and in some cases, like the Gaza strip, these non-curricular tools are included in their programmes. “Community, businesses, and the environment are the bodies that benefit from the participants’ work.”



It's a one-to-one approach with our beneficiary

LAMYA KARKOUR – TRI-PULLEY

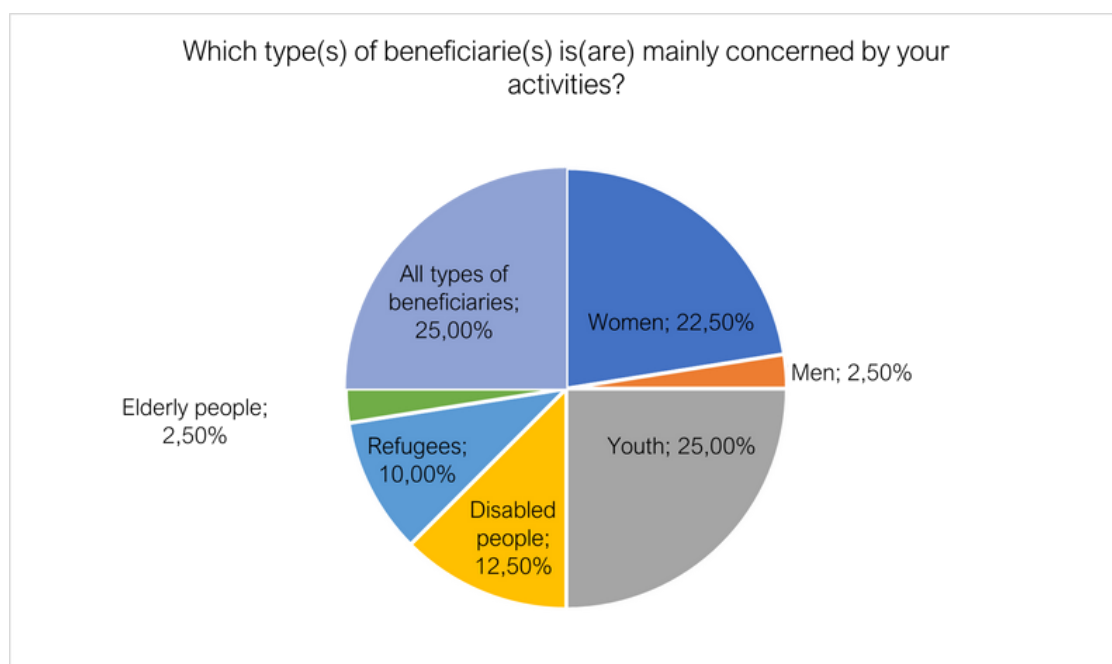


FIGURE 3 : TYPES OF BENEFICIARIES

Respondents declare that they mainly target Youth (25%), Women (22.5%) and all types of beneficiaries (25%) regardless of the SDG their organisation is targeting (Figure 3). The overlap in the targeted populations comes from the fact that organisations are attempting to target one or more SDGs rather than focusing on marginalised categories of the population. However, very few (2.5) % cover the needs of men specifically, or elderly people.

Regardless of the targeted SDGs and of activities aiming to achieve peace-building, empowerment of women or youth, conflict resolution, transitional peace, protecting the environment or fighting hunger, beneficiaries are invited to “look for opportunities in places where they are the least expected.” For one participant, there is a need to “redefine the criteria” of beneficiaries’ selection based on the needs and affluence of beneficiaries. If the number of interested beneficiaries is higher than expected, organisations tend to filter them by making the selection criteria more selective to focus on making the projects’ impact more efficient. Getting to know beneficiaries through interviews helps organisations offer the proper service to the expressed need in terms of psychological, social support, and legal counselling. This fine tuning of services ensures more cooperation from beneficiaries and allows for a more sustainable relationship. The follow-up is ensured by the beneficiaries themselves. In some cases, like water projects or agricultural production, beneficiaries are trained to use the tools that will allow them to fix any issue that may occur in the future or organise fairs and exhibitions to sell their products in the coming years.

It is important for participants to identify who their beneficiaries are by checking “the pattern of their lifestyle and what are their problems” and other members of their families and are referred to the proper unit to solve their issues since the beneficiaries cannot be fully cooperative if their close circle is not taken care of. “In some communities,” people want “to impose a certain enterprise, they would bring in siblings and friends, it becomes a family business.”

“

We don't target them as an individual, but rather as a family member

ALI ASSAF – LOST

”

Different beneficiaries’ reactions are reported by participants. For some, the reactions are positive since they consider the “organisation is successful in this dire economic situation.”

Beneficiaries cooperate “with a firm social commitment and are willing to improve the neighbourhood they live in,” “the need to improve the livability of their neighbourhood.” They are convinced of the value-added of the organisation. “Sometimes they are delighted with our working process.” “If they are not interested, there is no chance of success.” These positive reactions come from the fact that the provided services “are needed in the areas and outside the areas where there is a high cost on beneficiaries.”



They believe that we are safety boats for them

ZEYAD DARADKEH - JORDAN SE AND INNOVATION ASSOCIATION



For other participants, the important issue is the exposure that their social value production provided. It is important to them that people see the work done by beneficiaries which will increase their engagement. “On media pages, they will look good, by employing refugees or whatever it makes them look like they care about the world.” One participant reports mixed reactions in their environmental protection initiative. Some harsh reactions come when services are not provided to people in a timely manner, so they call and complain. To participants, this signals “a positive aspect about their behaviour and their feeling of responsibility.” These engaged people are called “proud members” because they were not believed to be interested in the initiative at first but were gradually involved in “a snowball effect.” These mixed reactions may be more mitigated when people are convinced the activities are “reliable and that we can do the job as well as somebody in Europe”

STATEMENT (%)	STRONGLY DISAGREE	DISAGREE	NEUTRAL	AGREE	STRONGLY AGREE
Beneficiaries are able to distinguish my organisation from traditional businesses		9.1	22.7	27.3	36.4
Communication and advertising strategy focuses on price competitiveness and quality of products		9.1	40.9	31.8	18.2
There is generally good knowledge about my organisation's products and activities			18.2	36.4	45.5
Beneficiaries can distinguish between my organisation and a charity		9.1	18.2	36.4	31.8

TABLE 3 : BENEFICIARIES PERCEPTION

According to the respondents' answers regarding the perceptions of others about their work, it can be concluded that the participating organisation have managed to distinguish themselves from charity and traditional business in their beneficiary's mind (Table 3). Beneficiaries have apparently a fair knowledge of the organization's production, but there is still more effort to be done in terms of communication and outreach to highlight the added value of the production and not to just focus on price and quality competitiveness.

2.5.2 Insufficient Media Coverage

Most participants report diversified coverage by different media outlets and an important reliance on social media to increase exposure for their work. The information conveyed through the media helps to raise awareness about the organisation's activity, the SDG it's targeting, the periodical events it holds and helps in recruiting employees and attract potential beneficiaries and donors. This exposure helps "to show donors the work being done in order for them to see what they funded has been achieved on the ground" and "preserve their continuity when seeing successful models, capacities and funding." This ensures trust and sustainability.



Decision makers do not know what a social enterprise is. They think it's business entrepreneurship. We try to raise awareness for policy makers and government parties responsible

ZEYAD DARADKEH - JORDAN SE AND INNOVATION ASSOCIATION



Of course, different social media platforms are used as well as more traditional media like television and radio broadcasts. The style in which social media posts are stated is very informative and goes "into details of the type of profile" wanted by the organisation. These posts are a "testimony" of activities achieved, rarely conducted by a professional expert. There is also a follow-up on social media interactions with beneficiaries because they are able to comment and to submit their proposals. Community members play a part in assessing activities' success through their comments on postings.

A few caveats are mentioned. One participant evokes that the "positioning [meant in terms of political affiliation] of social media does not really provide the needed support to reach the organization's goals." Confidentiality is another caveat. "Some people will not want to be exposed;" "90% of our people will reject being exposed to the media" as one participant states.

Therefore, confidentiality must be observed and identities must be safeguarded. So, it is sensitive and delicate (grey area).” For one participant, the issue of calling the beneficiary as client or partner is particularly sensitive.

2.6. Perceptions of Beneficiaries

Most participants’ organisations count on word of mouth and social media to raise awareness about the SDGs they are working towards. Word of mouth is transmitted through “positive feedback” or when potential beneficiaries “see the results with other people.” “Simple action plans” conducted by social enterprises are enough for some participants to raise awareness, as if the activities speak for themselves. “Raising awareness occurs in different strategies as it depends on the target categories.” One participant explains that “if the target category is governmental, then the awareness raising session happens through a dialogue session and if the category is a people from the community or average people? then we organize an awareness raising session, a training to introduce the SDGG's to them and the programmes and projects. In return, the impact of the 2030 Agenda on the SEs’ activity is not clear. Vujaninović (2018) shows that SDGs themselves did not shape the direction and scope of social entrepreneurs but are still considered to be a powerful instrument of communication, raising public awareness, connecting key stakeholders, and fundraising.

Most organisations have a unit or department dedicated to conduct marketing campaigns to attract potential beneficiaries and explain the benefits of engaging in activities which serve the attainment of SDGs: this allows the beneficiaries, especially young people who are more active on social media, to be conscious of the goal of the organisation. One participant even claims that organisation’s department related to social media is “one of the strongest sections not just in our institution but at the level of the agencies present in the country and the young people that are employed in this department have a lot of skills and qualifications.”

In order to be more explicit about the organisation’s activities, some of them adopt “a branding process for each activity and each activity has an identity” which is conveyed through “a video at the end of each activity that summarises everything”. Social media posts are also used in an integrated process run by “social media officers,” “designers,” as well as “video editors”. For another participant, even a “freelancers’ department and an entrepreneurs’ department” makes it even easier for “people to choose what suits them.” One participant states that such awareness campaigns are actually “social marketing. Social enterprises think from an economic point of view”.

“

When I say I’m doing marketing, I’m just touching people’s Lives

ATEF AHMAD – EGYTEFL

”

Social platforms are used by some participants' organisations to recruit beneficiaries. As explained by one of the participants, "a form is shared, whether on Facebook and LinkedIn, which serves as a registration form where beneficiaries are tracked" followed by "interviews to select the correct category of people and the ones interested really in the activities in case they match the criteria."

In addition to media presence, some organisations schedule "meetings, gatherings, workshops to raise awareness." For one participant, these communication strategies even involve "the parliament and private sector" and "funding institutions" sometimes through "large events or seminars that show the repercussion on the SDG's." Another participant states that he "distributes brochures" after Friday prayer" in order to make them aware about the importance of his organisations; activities (STEM awareness in this occurrence). Another recalls inventing "a group of champions" advocating for the advancement of SDGs "to other youths in other places," sort of sharing "success stories" telling. At the school level, one participant explains that raising awareness happens through writing on "black cards" and "coming to school to talk about the SDGs in class." A participant explains that awareness on SDGs comes through game play even at the internal level of the organisation in order to help better target SDGs: "have a table where each SDG is put and how it can be impacted in the activities". Some workshop attendees suggest including SE in the educational curriculum of schools, organize annual or biannual meetings for social entrepreneurs in the region.

“

We have sessions that are dedicated to speaking about the SDGs and the accomplishment of those goals through social work and their participation in their activities and the programmes, so the people play a part in achieving SDGs by committing to them

ALI ASSAF - LOST

”

2.7. A Non-Systematic Assessment of SDG Attainment

Most of the participants explain that they use different tools to assess the impact of their activities on the beneficiaries which are mostly qualitative tools based on the feedback from the targeted population: evaluation forms, feedback on social media, personal communication. However, none of them uses a clear quantitative measure of their impacts on the population such as Social Return on Investment (SROI) in the larger scope of Blended Value Accounting (BVA) as theorised by Manetti (2014) or using at least a metric for the measurement of price subsidies in service provision (McMullen & Bergman, 2018) which causes a moral dilemma for entrepreneurs who are not fully committed to their social and economic mission or at least using an integrated framework for performance management (Spencer et al., 2016) by relying on qualitative data if metrics are hard to implement.

A simple scale should be used to effectively capture economic and social salience as well as financial and social organisational outcome satisfaction (Lortie & Cox, 2018).

Evaluation of performance happens during the implementation of the activity or after its end (4 to 6 months after the end of the project). It is conducted by the internal team through a “coordinator (who) would take the direct feedback of the beneficiaries and would submit it to the internal team to overcome any of the challenges that may be mentioned”, [they would also] “use surveys”, whose results are compiled into a report which is shared with the beneficiaries, too, based on “the terms used by people from their comments, or from them applying to our series of sessions”.

One participant mentions that this evaluation is conducted by “a quality department divided into the M&E and the follow up teams with the beneficiaries over the activities,” or via “a research and development department.” One participant tries to reduce the risk of failure by starting by testing a prototype of the product they are proposing before launching it on a larger scale. “Through an online system,” beneficiaries “keep on posting for six months about their achievements and the revenues that they made.”

Another tool is the number of long-term jobs found by beneficiaries or the increase in the number of members of the organisation (especially the number of young people involved). Other participants measure the impact in terms of the increase in donations and funds they receive from donors who see the efficiency of the implemented projects, or the number of signed partnerships. If “more people are participating, this could be a way to measure the public impact, social cohesion, re-appropriation of the public space.” It is important to make sure that the people targeted have really understood the SDG that the organisation is attempting to reach. Beneficiaries have an active role in promoting the organization: “When beneficiaries start recommending the organisation to other people whenever they need help.” One participant calls the assessment process “outcome harvesting”: a meeting is organised at the end of the project, grouping different beneficiary categories and local authorities where questions such as “Did it answer the need of this region? Were there advantages or positive outcomes? What are the recommendations or propositions?”

“

We try to divide the feedback into positive and negative feedback. We try our best to learn from the negative and learn why it is negative as well

MAHA AWN – KAYAN FOUNDATION

”

Other participants do not use evaluation tools and have a subjective approach for assessing impact especially when they deal “with intangible indicators, it’s really hard to measure.” Word of mouth is important to promote the organisation’s activities.

“There are KPIs that we can’t measure.” Participants state “the social impact happens when social conditions improve”, “social impact doesn't have to be translated in terms of money”, “this happiness that you express, this motivation is a social impact”, “the first indicator is the joy of a kid, the smile of a kid, and then we can go deeper on the psychological level, if they were able to develop psychologically or their performance at school developed, the relationship of the kid to their environment”, “the elements of success and imagination and creativity, when their imagination can reach this far” or at the level of “the parents who are satisfied with what their kids are trying to learn so get positive things”



When you tell me to measure the impact, I'll tell you it's very hard for me to do that

MOHAMMAD ISSA - CREATIVITY LAB



Some participants use a matrix of indicators embedded in their “theory of change”, choosing for “each project a separate indicator”, the impact being measured “based on the tools used in implementing one project” and “the data of the measurement of its success are used as an input to another project” in compliance with “the reports of other organisations and the governments under the mandate” under which the organisation operates. One organisation uses “the baseline and endline” to assess if the goal of the project has been attained through a “pre-assessment and a post assessment”. The pre-assessment is done whenever an activity is implemented. Interviews are done to write the comments. The post assessment serves to measure the impact of the project, to test if the objectives have been reached. There is also the assessment of the threats and challenges. For another participant, the “main goal is divided into smaller achievable goals. For another organisation, which has “no institution to conduct the studies and research” the assessment is outsourced.

Most Arab countries in which the organisations are operating (Lebanon, Egypt, Tunisia) have been classified in 2015 as efficiency-driven economies (Bosma et al., GEM, 2012). Only Egypt and Tunisia have made the cut in the 2022 report as level-C countries with a GPD/capita lower than 20000\$. (Hills et al., GEM, 2015)

2.8. Recognition by local Communities

Most participants insist on the fact that their organisation is embedded one way or another with its locality and community structure through partnerships with other organisations, academia, businesses, and some local authorities.

Even though other partners are not social entrepreneurs, they consider collaboration with social enterprises as part of their CSR policy. The ultimate goal of the 2 parties is not the same but by collaborating they are creating social value: “when a company creates revenues, the bank creates revenues, because the services they provide and the money they put to provide services will be deducted from their annual taxes”.

The collaboration can take the form of “exchange of knowledge and expertise.” These partnerships may serve as a financial cushion for social enterprises in case donors stop funding their projects.



It is embedded in the local community structure of course. Because otherwise, it won't be effective

NIBAL BOU HAMDAN – 0-WASTE COMMUNITY



Most participants deplore the fact that they are not recognised as social enterprises by the main stakeholders in their local community. This impacts the possibility of signing partnerships with the public and private sector. This comes from the fact that “the ecosystem in the middle east is a little bit shaken and tired” and social enterprises are still unable to find their unique place in that ecosystem. They are perceived as “as a regular company led by young people,” “a party that might find solutions.” The recognition of social enterprises is not enough to create any momentum. For one participant from Syria, social enterprises are considered “more social pioneers because the way we deal with the community, they are able to assess the difference between us and other associations, as they see that maybe we establish something that is more social than business oriented.”

Some participants attribute this blurry vision to the lack of exposure of social enterprises and that they should do more to be recognised by the government. Others deplore the inefficiency of the legal framework in most MENA countries. However, social enterprises’ legitimacy does not come from government recognition alone, but from collaboration with multiple stakeholders (Agarwal et al., 2018). It is a necessary condition through which social enterprises embed themselves into formal institutional structures with governmental and non-governmental stakeholders (Table 4).

STATEMENT (%)	NEUTRAL	AGREE	STRONGLY AGREE
I'm proud of my organisation's achievements so far	4.5	36.4	59.1
My organisation is actively looking to collaborate with other social enterprises within its community	5.6	22.2	72.2
My organisation is strongly collaborating with other social enterprises within its community	5.6	44.4	50

TABLE 4: COLLABORATION WITH OTHER SES

Very shy collaboration with academia is reported by participants except when it's the case of a university-based incubator. Some partnerships are conducted with major universities for specific projects, delivery of certification, specific trainings. Bodolica et al. (2022) insists on the pivotal role played by educational institutions to provide a safe environment for triggering students' social entrepreneurial skills via extracurricular activities and learning embedded in the curriculum which would increase their employability in the labour market.



III. A PROACTIVE TRANSPARENCY CONCERN

A situational approach of participant organisations websites assesses the conformity of these websites with the standards of proactive transparency implemented by Darbishire (2012) which lists a number of standards to be followed by public institutions in order to enhance proactive disclosure of information. Proactive transparency is defined as public disclosure of information without any request being filed by citizens. This classification is used in order to assess 11 out of the total number of participating organisations websites according to the following: the publication of information on organisations, budget, operations, decisions, open meetings, decision-making processes, subsidy programmes, databases and publications in addition to the existence of a link for donations, job opportunities, a clear statement of SDGs tackled and an “About us” field where the organisation defines itself (or its vision, mission and values)

	SANAD	Bunyala AGR Climate Action Solution.	LOST	EgyTEFL	Try-pulley	Jesuit Garden Neighborhood Gathering	Refuse	Pass Foundation	CONCAT	Dyaruna	NSPCC
Classes of Information											
Institutional information											
Organizational Information											
Salary Info											
Operational Information											
Decisions and Acts											
Services Information											
Budget Information											
Subsidies Information											
Public Procurement											
Decision-making and Public Participation											
Open Meetings Info											
Lists, registers, databases											
Publications info											
Latest news											
Job opportunities (online candidacy)											
Donation Link											
About us											
Website address	sanad-h.org	bunyalaagrclimate.org	lostb.org	egytefl.org	tripulley.wordpress.com	jpgng.org	refuse.co	pass-ye.org	concat.tech	diyarouna.org	nspcc-org.ca
Clearly stated SDGs		12, 2, 13, 14			8, 17, 13						
Self definition	Non-profit organization	Community-based organization	Organization	Program	Initiative	Group		Voluntary non-profit organization	Digital company	Non-governmental organization	community-based organization

TABLE 5: PROACTIVE TRANSPARENCY

While the websites have what can, for the most part, be described as clear information about provided services, institutional and organisational information, some publications, and databases, they all lack any information regarding salaries, subsidies, procurement, decision-making processes, and open meetings information. Additionally, none of the organisations define themselves as social entrepreneurs and very few clearly mention the SDGs they target (Table 5).

IV. SOCIAL ENTERPRISES' ECONOMIC MODEL

There is not one economic model that can be fit to all the participating organisations. Their diversity in terms of tackled SDGs, their source of funding, the nature of their economic and social value production as well as their legal status makes it difficult to choose one specific economic model to cover them all. Their results-driven efficiency broadens the definition of sustainability. Acknowledging different sources of tensions in social enterprises stemming from the hybrid nature of the organisation and the decision-making processes within. Ismail & Johnson (2019) suggest reinforcing organisational values, internal and external dialogue as well as valorising interpersonal relationships as ways to ease the tension.

4.1. Unconventional Organisational Models

The form of a social enterprise is often confused with the organisational form of non-profit organisations given the fact that the goal is to serve a social goal. OECD (2013) previews the possibility of a transition from one form of organisation to another. Social enterprises can be newly created start-ups, or entities created by the transformation of pre-existing private organisations (e.g. NGOs, associations, non-profit organisations) or government organisations. Transformation can take place through the introduction of an economic activity, a change in organisational form (e.g. into a worker owned co-operative), or as a spin-off from another organisation (e.g. from the private, non-governmental/ charitable or public sectors). Alter (2007) has presented an extensive and exhaustive typology of social enterprise models, which fails to fit the MENA region, at least from the findings of the discussions conducted in the peer-exchange programme. The definition of the legal identity of the social enterprise remains a little blurry for some of the participants. They have an easier time defining what the organisation is not rather than what it really is. Most of them define their organisation as being a “non-profit” organisation which is a broad definition of what a Civil Society Organisation (CSO) is. Some participants use the label “non-traditional non-profit organisation” but are able to clearly link their revenue-generating activities and social value-creation regardless of their legal status.

The reason behind that is that what matters to the participant is the social impact of their actions, regardless of the legal or official definition of their organization. In some countries, the legal framework is either old, or inexistent, or needs updating. Some organisations are therefore registered as CSOs with the legal authorities, but their work is close to social entrepreneurship. Some organisations are willing to register as CSOs to get the benefits of a legal framework or even registering it in a county which has a legal framework but operating in another country which does not. One workshop participant suggests replacing the word framework with “umbrella” and another with “guidelines” in order to include all possible aspects of legal interventions to protect social enterprises.

Defourny et al. (2018) theorises institutional logics of social organisations based on the three principles of capital interest (CI), mutual interest (MI) and general interest (GI). The hybrid resource typology is the most interesting to our paper since participants have reported a diversified source of funding for their activities. Figure 4 shows that social enterprise models emerge from six traditional models through two distinct institutional logics: The first type of logic can be observed among non-profit or public organisations experiencing a downward move towards marketisation. The second type of logic corresponds to an upward move of conventional cooperatives and mutual-interest associations towards a stronger general-interest orientation

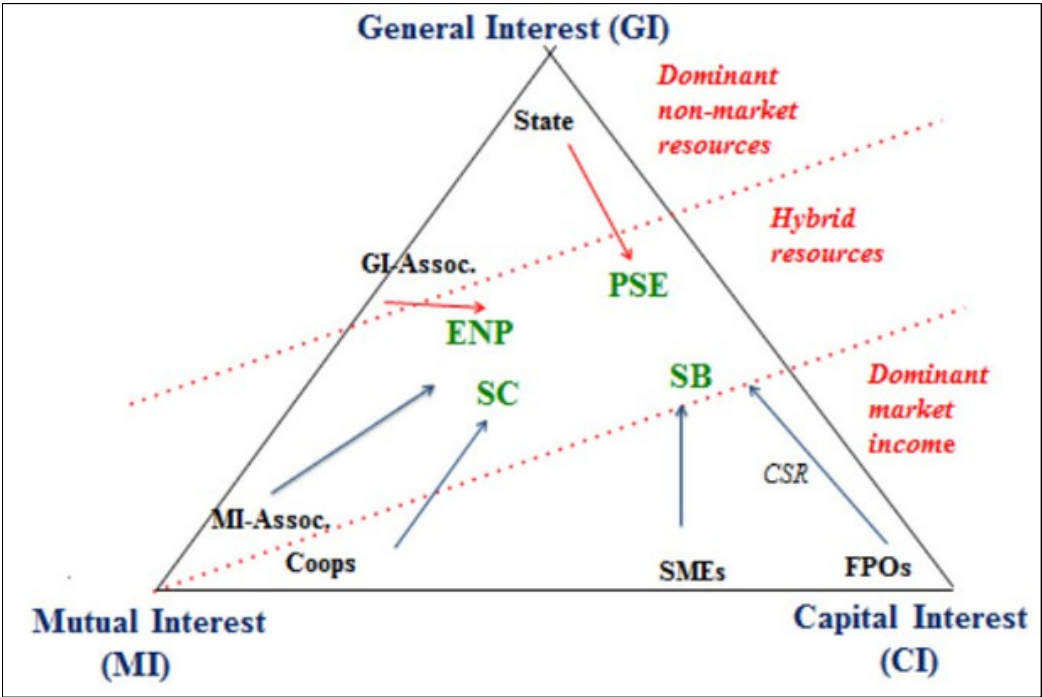


FIGURE 4 : TYPOLOGY OF SOCIAL ENTERPRISES BUSINESS MODELS (DEFOURNY ET AL, 2017)

The entrepreneurial non-profit (ENP) model stems from the result-driven activities of participants and their lack of a clear organisational structure of their enterprise. They produce general interest activities, and they are funded by different sources of income-generating activities. Fitzgerald & Shepard (2018) suggests four ways a non-profit might structure a social enterprise and in what circumstances they might occur according to institutional logic and commercial and social mission production (Figure 5).

Integration occurs when both the commercial and social logics are highly compatible within the organisation, and they combine to form one blended logic. This occurs when a balance is found between the economic and social mission combined with highly engaged personnel with strong value-driven performance. Aggregation on the other hand separates personnel involved in the social production from the personnel involved in the economic production. Fitzgerald & Shepard (2018) also mentions two other models related to low compatibility which are compartmentalization and subordination.

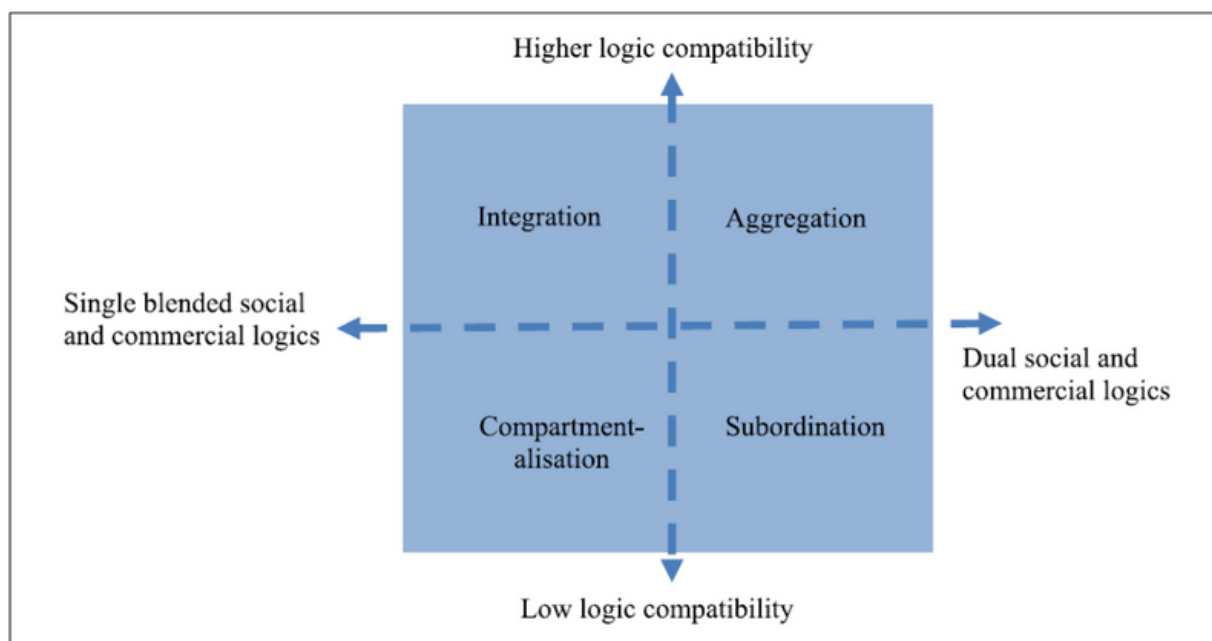


FIGURE 5: CLASSES OF SOCIAL ENTERPRISES: DEFOURNY ET AL. (2018) ADAPTED FROM BESHAROV & SMITH (2014); PRATT & FOREMAN, (2000).

Although most of the participating organisations rely on donations as their main funding resources, the viability of their economic model will push them to develop strategies that are commercial in order to generate revenue. Traditional reliance on philanthropy and donations promotes a culture of dependence and may constrain strategic growth (Haugh, 2007). Entrepreneurial opportunities have to be exploited in order to move to more independence in the social enterprise strategy, which is not a dynamic process for the participants, so far. This does not mean that every social initiative should venture into a blended model (McMullen, 2016) given that they have inherent dysfunctional attributes (namely costs of the blended model) that can overshadow its impacts on society.

Some workshop participants proposed other possible economic models which fit better, in their opinion, the context of their respective actions like the “profit-for-purpose” or “the sustainability-oriented” business model. Another participant insisted on the holistic approach to sustainability by providing for a mental health culture in a cross-cultural context. Caring for the well-being of beneficiaries has to be prioritised in order to make them change their mindset and engage fully in social value creation. This would go along investing in social capital in order to make the ecosystem more stable.

The vague definition of the organisational structure by participants does not exclude their full engagement in their mission and their disregard for profit earning activities shows that they blend their social and economic logics. Grassl (2012) states the four necessary conditions necessary (if not yet sufficient) for a successful social enterprise model (which excludes profit-seeking or profit-sharing imperatives). A social mission must drive it, generate positive externalities for society, recognise the centrality of the entrepreneurial function and achieve competitiveness on markets. The transition from a for-profit-based enterprise to a social enterprise has been a gradual process for most of the participants’ organisations.

Some claim that “the ecosystem that supported them sometimes pushed them to focus even less on profit” through “collaborations with the incubators “or “accelerator programmes” and to switch to a “business model” which prioritises the use of profit, if any, only to make social impact. Only one participant had a clear statement that the switch in the business model had a timeline: turning 50 percent to a social enterprise by 2028.

A few participants have a clear idea about the organisational framework of their organisation. In general, these are small-scale organisations with a limited number of team members engaging in a collaborative environment with flexible organisational structures. When they are not incubated in a more formal structure such as a university which has a clearly written organisational framework, the mainly rely on the organisational structure of a for-profit organisation: “a General Manager, an Executive Director, and various departments including project management, financial management, logistics management, with regulations in place to ensure smooth and efficient operations within the institution”. One participant’s organisation has “a board of directors of seven members and one of them is the director with full-time employees and volunteers (over 250 about 15 years old and older) allotted to departments; education, empowerment, entertainment, youth empowerment, and life skills training. Another organisation has a COO, a CEO, and a CFO but the structure is flexible enough to engage employees in the decision-making process. When the scope of activity is large enough, the organisation adopts the structure of board of trustees - CEO - national programme manager - department managers or executive committee with a chairman and vice chairman. Consultants, volunteers, and researchers manage the activities.

The diversity and the flexibility of the organisational structure does not hinder the attainment of the targeted SDG. As one participant states it, “even the most rigid donor can be convinced that such structures were needed to reach sustainability” since the organisation gains in independence of decision and collaboration with other social enterprises even for a limited time period, for one project.

Even when they are aware that profit is key in a “very fast capitalistic world that labours under the weight of the need to consume and spend money and make money,” participants do not forget these profits should be rechanneled towards their appointed social goal. What counts is not making profit per se, but the sharing of that profit with “shareholders, team members and the supporters of the entrepreneurial journey.

Another participant acknowledge that the advancement of SDGs was not the main target of their activity at first, but he got conscious of the importance of “fostering innovation, and creativity” in structuring the organisation’s work in order to serve the SDG. Another participant is aware that “some reforms have to be adopted to develop activities, programmes or projects in order to achieve the designated SDGs” like building strategic relations with stakeholders and actors and target groups based on need assessment.”

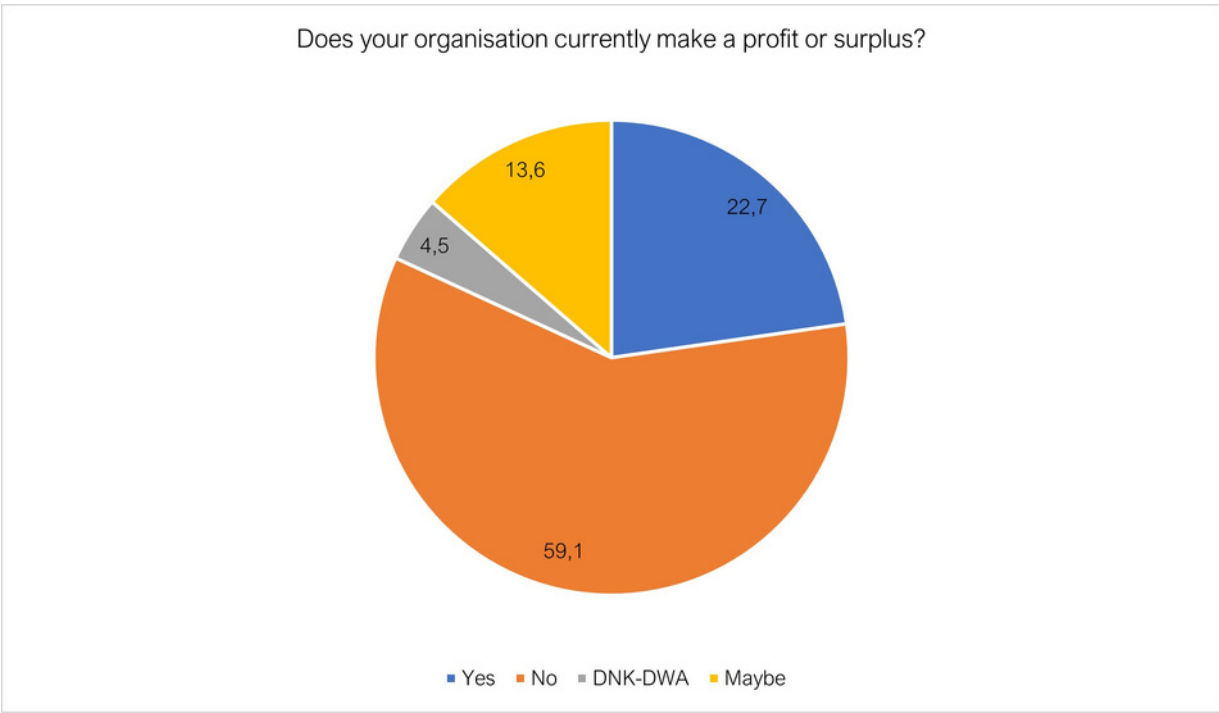


FIGURE 6: PROFITS

The ambiguity surrounding profit generation in the context of social enterprises reflects the diverse nature of these organizations. Some respondents may not clearly identify themselves as social entrepreneurs, and their organizations might not be unmistakably categorized as social enterprises, leading to uncertainty in their profit-related responses.

However, it's essential to emphasize that profits are not inherently negative in social entrepreneurship. They serve as a vital resource to fund socially related activities and are often essential for sustainability. In fact, profits can act as powerful incentives for donors to support social enterprises, contributing to their long-term effectiveness.

This complexity in profit perception highlights the need for hybrid resource models in social entrepreneurship, which blend various income sources, promoting resilience and adaptability while enabling organizations to pursue their social missions effectively.

Although most of the respondents have stated that their organisation is not making any profit, profits, if any, are used mainly for growth and development activities (44%), followed by distributing rewards to staff and beneficiaries and sharing the profits with owners and shareholders (Figure 7). Once again, this is linked to the unease around using profits and to the fact that most of the organisations are fairly new in the domain and need to invest more in the development of their activities.

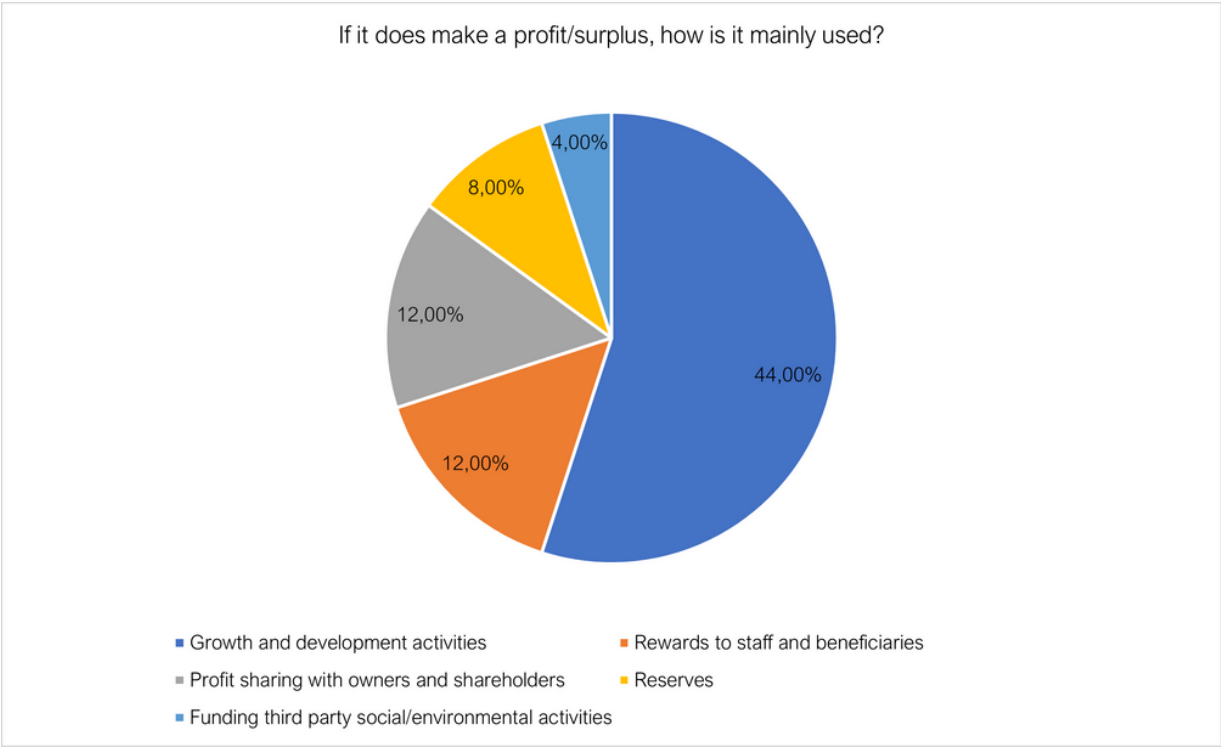


FIGURE 7 : DISTRIBUTION OF PROFITS

4.2. Diversified Economic Value Creation

The economic value production of the participants' organisations is as diverse within and across the different SDGs they are tackling:

- To fund projects in commerce, trade, agriculture
- To create jobs with social cause or environmental dimensions
- To produce booklets that contains different success stories
- To prioritise enterprises struggling financially
- To sell goods and services such as recyclables to local industries and factories

Profits or proceeds from economic value-creation have different uses according to participants. Some organisations reuse them in “expansion of the projects in the same enterprise” or to cover the operational costs regarding power, water, rent” or “to hire more employees.” If the enterprise is part of a network, the profits are distributed in parts of each organisation member of the network. In some organisations, the turnover comes from the sales of products bought by people (especially in the recycling industry) who get rewarded immediately.

Participants state they are accountable for many stakeholders such as donors, trainers, trainees, UN agencies, banks INGOs, funding bodies, funding agencies, beneficiaries, members of the foundation or association, volunteers in the organization, partners in the same network, governmental agencies, municipalities, suppliers of resources (in the environmental field, they can be businesses or households that provide recyclables) customers, CSOs, media...



Those stakeholders are very important especially in rural regions or random or unorganized regions; we should build great relations with them in order to be able to capture their adherence to change the culture of the community

ATEF AHMAD – EGYTEFL



Participants emphasise building a good reputation with stakeholders in order to build trust. Trust can be built through simple things like “exchanging goods and services, trainings” or engaging in “negotiations with every stakeholder in order to understand their objectives, build common ground and achieve a common goal. If these objectives are not aligned, a balance is needed in order to achieve a common goal”.

STATEMENT (%)	STRONGLY DISAGREE	DISAGREE	NEUTRAL	AGREE	STRONGLY AGREE
My organisation follows a clearly stated social enterprise policy		4	20	44	32
The organisational structure of my enterprise is flexible enough to cope with external shocks and/or social change		8	36	40	16
The values and practices changed in my organisation since entering into a SE		8	4	56	32
My social enterprise is carrying out part of an overall strategy linked to the mission and vision of the organization		4	28	48	20
The transition to social activity has positively impacted clients' expectations		4	24	56	16
The demands of the social enterprise compete with the economic enterprise demands for competencies, skills, and innovation	4	8	12	56	20
My organisation follows a clear policy for publishing financial statements		12	16	36	36
My organisation's board reacts positively to new ideas		12	16	36	36

TABLE 6 : BLENDED ECONOMIC AND SOCIAL VALUE PRODUCTION

Responses to different statements regarding interactions within the respondents' organisations and external links to beneficiaries are positive (Table 6). The statements show that the organisation follows a clear social enterprise policy and that it has positively been impacted from a transition, if any, from a traditional business or CSO to a social enterprise (Seelos & Mair, 2005). The statements show that the organisation publishes its financial statements and that the board is proactive. The respondents are less confident in their organisation structure's flexibility to react to external shocks (the total of respondents who agree and strongly agree to that statement is 56%, which is fairly high, but less enthusiastic than for other statements). They also declare that the organisation has a clear procurement policy (85%).

4.3. A Rich Social Value Production

As identified by Holt & Littlewood (2015), the creation of social value which contributes to SDG attainment can happen throughout the value chain of production of social enterprises (input stage, operations, products, and services they offer, and profits distributed to members, and through direct programmes and interventions) and not only by social value production, per se. In that sense, some social enterprises are described as "focused contributors," whose contribution to SDGs are concentrated in a particular area of their value chains, as "focused integrated contributors," whose contribution are made across multiple value chain activities or as "broad contributors" who are contributing to many different SDGs simultaneously.

The social production of the participants' organisations is as diverse within and across the different SDGs they are tackling:

- To build a more equitable value chain of resources within communities
- To improve the liability of urban neighbourhoods
- To raise awareness and encourage behavioural change.
- To bring technical support to refugees
- To hire people from different social backgrounds
- To foster expansion and development
- To reduce medication waste
- To train children workers
- To foster start up initiatives.
- To build young graduates' capacities in order to find jobs and provide them with mentorship.
- To provide vocational training
- To provide psychosocial support to women, children, and youth
- To provide advocacy for marginalised groups' causes
- To raise awareness about entrepreneurship
- To train, mentor and incubate small social enterprises.
- To encourage freelancing initiatives through coaching, business development, mentoring, marketing, and financial issues
- To train refugees in small craft jobs

- To invest in start-ups
- To encourage freelance initiatives
- To transform people from buyers to change workers.



Working for the SDGs means working together not in a competing mindset

LAURA JARDINE PATERSON – CONCAT



After that, a follow up system for beneficiaries taking part in training activities must be ensured in order to test its impact by referring to impact matrixes of the World Bank or the OECD.

Advancement in SDGs is done by increasing the quantity and improving the quality of the provided services. In some occurrences, the organisation expands its beneficiaries beyond its initial target population. One participant explained that the organisation fixes a rate field officer per match that they cannot exceed in order not to jeopardise the service quality. However, one participant declares that “SDGs are not really fit for social entrepreneurship.

For some participants, human capital development plans are related to the overall strategy of the organisation and require the development of “soft skills” to be part of the skills of the 21st century. They tend to market “jobs for the future”: strategic trainings are conducted with the help of “external trainings based on relationships at the regional and international levels.” In incubators, “capacity building and training, happens based at the request of the entrepreneurs.”

The complex relationship between social enterprise organisation and the attainment of SDGs can be made clearer by using a socially oriented Business Model Canvas (Sparviero, 2019) which allows for the comparison between different types of social enterprises analysing the challenges related to legitimacy, governance and strategy. This is a particularly interesting field to investigate and to apply for the MENA region in future research.

4.4. Significant Social Innovation

Corner & Ho (2010) identifies four patterns to how SE opportunities are recognised and exploited. The identification of opportunities is an ‘organic phenomenon’ that is inherent to entrepreneurs who are implicated in social problems. It is a collective action developed by multiple actors working together to create social value. They raise awareness and information based on their prior experience. Finally, it is the result of a ‘spark,’ ‘insight’ or ‘moment of inspiration’.

Very few participants believe that the social value production of their organisation is making a significant change in their community and thus consider it as social innovation. However, social innovation resides in efficiency of intervention through the deployment of resources and tackling social problems.

It is not just about finding new tools to advance SDGs but to use them in an optimal way. Participants state what they consider to be an innovative way in fundraising, generating revenues and training such as signing MoUs to resell medications at a lower prize, organising biking events to raise funds, parent coaching, therapy through reading, establishing small enterprises and networking between them, doing research and implementing new technologies and practices to improve operations and minimise environmental effects.

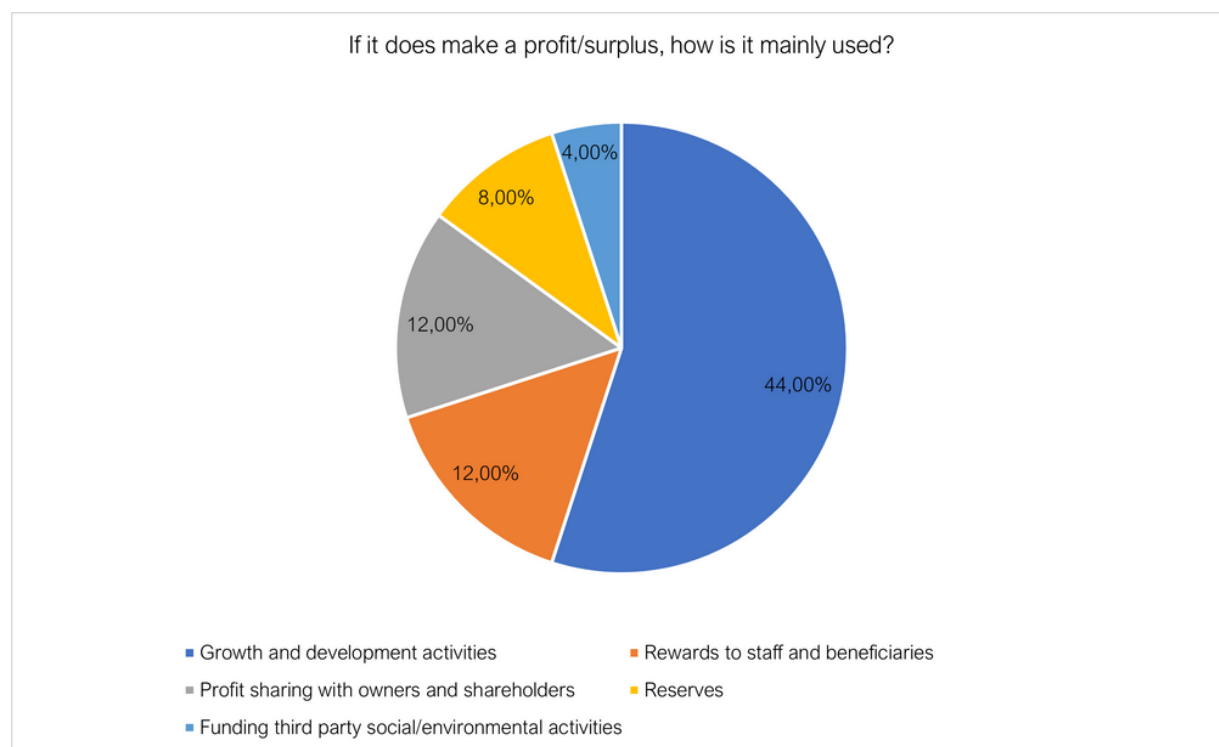


TABLE 7: IDENTIFICATION OF OPPORTUNITIES

About a third of respondents declare that they detect social problems to tackle when they represent an opportunity related to the organisation’s business (Table 7). 23% of the respondents identify the social problems by observing their local community problems or through conversation with peers. They rarely rely on scientific research to detect the problems to resolve.

However, when it comes to finding solutions to the identified problems, they seek the help of experts who can give them scientific solutions (for 27.3% of respondents) or by counting on themselves or relying on improving their own knowledge and skills through informal training (25.5%). These two measures show that the participants need to find permanent solutions by relying on solid foundations which allow for their organisation to target the problems by avoiding hasty impulsive initiatives (Figure 8). The importance of fostering innovation within a national innovation policy is essential to sustain the innovative dynamics of social enterprises on the long run (Ramani et al., 2017): social enterprises are required to mobilise resources, to transform them into innovations, to create and sustain demand, to design and implement the innovation delivery, and to create and sustain networks with other innovators.

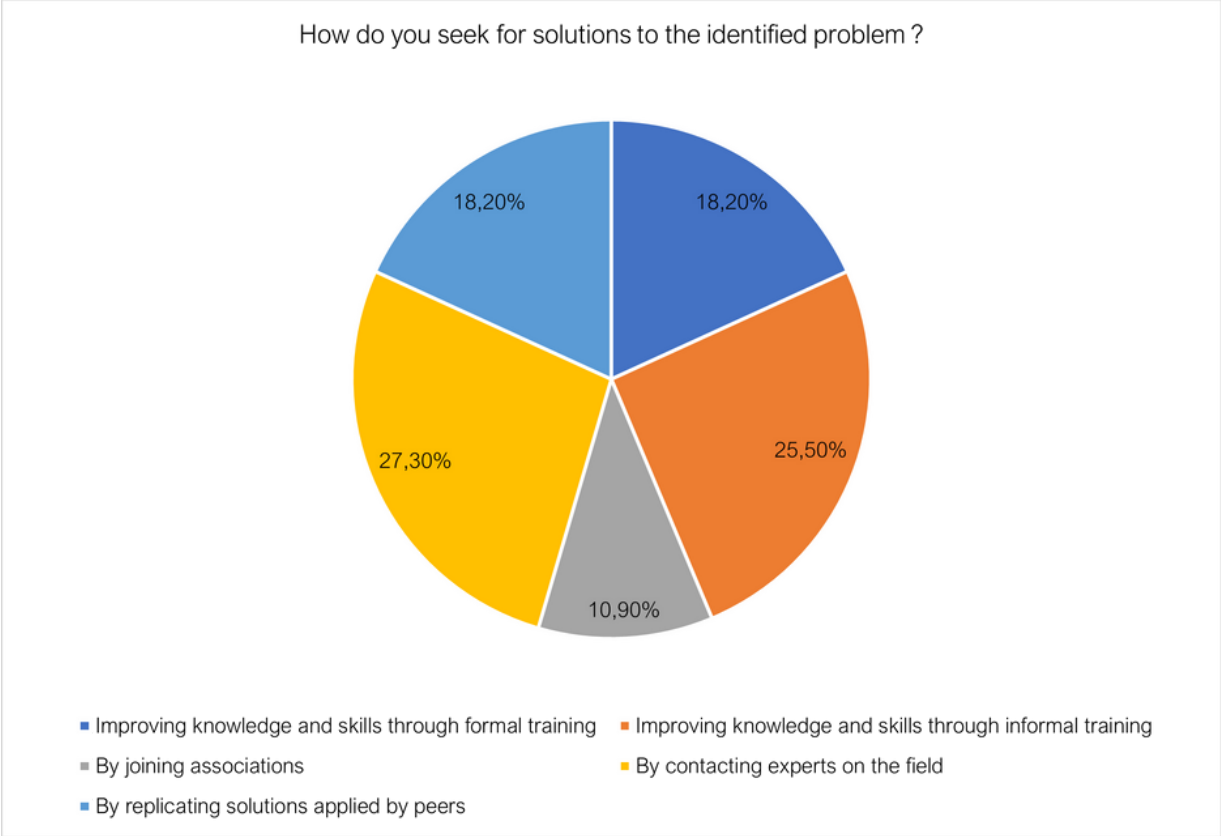


FIGURE 8: SOLUTIONS TO PROBLEMS

V. UNSTABLE NETWORK DYNAMICS

In order to enable sustainable efforts for change, collective SE work to collect already available resources, create new resources, and influence the creation and reshaping of institutional arrangements (Montgomery et al., 2012). In contrast to the "heroic" concept of the lone social entrepreneur doing it all by themselves, SE occurs across levels and amongst stakeholders. This concept, not extensively developed in this paper, can explain the wide range of external actors that frequently work together to develop and support entrepreneurial initiatives and the mechanisms which contribute to the success of such collaboration. However, this collective collaboration remains uncertain in the MENA region.

5.1. Deceiving Collaboration with Government

Abdou et al. (2010) identifies, as provided in figure 9 below, three main categories of challenges faced by social entrepreneurs: policymaking and governance-related challenges, the need for greater institutional, operational, and financial support, and the lack of social and cultural awareness and recognition of their work.

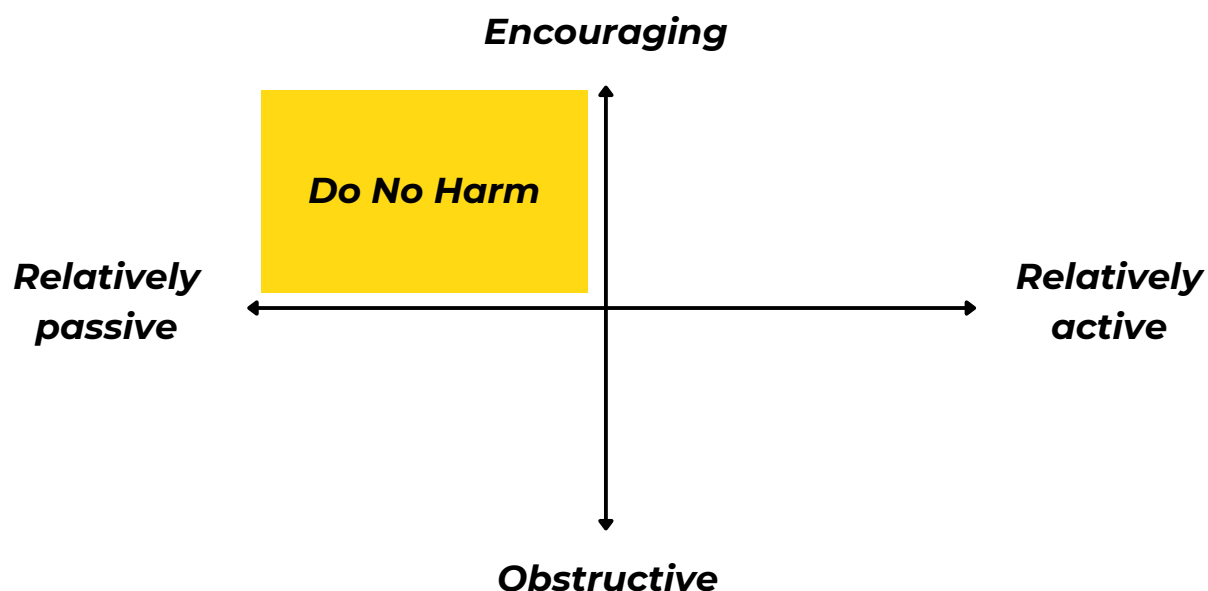


FIGURE 9 : ATTITUDES OF GOVERNMENTS (ABDOU ET AL., 2010)

Abdou et al. (2010) explains that governments can play a pivotal role by establishing an 'appropriate' regulatory role, improving their connections with social enterprises, and rewarding their successes 'through recognition, procurement and partnership' developing a wider ecosystem for the nourishment of social enterprises.

However, most participants deplore the weak support by the government for their activity, with some even describing it as a “virtual absence of government in terms of facilities, access to data, support, import and export,” especially for Lebanese SEs. The absence of laws protecting the sector makes it even harder for the organisations to engage in new investments. They regret the “absence of power and the absence of tools,” “not even moral support” to achieve their projects, which pushed them to cooperate with the private sector “to guarantee sustainable partnership and agreements.” The “recognition to the strength of social enterprises and their contribution to economic development would allow to open channels with the private sector and have a large possibility for network and will even lead to facilitation from the government.” “There is no awareness related to speeding up administrative procedures.” “Corruption is like grease for gears.”

In some countries like Lebanon, “it is hard to find a financial source that is not related to politics or to religion” and the absence of a legal framework or registration of social enterprises activity makes the absence of state-related support even harder to bear. One participant even finds in the absence of State support an opportunity: “I would rather make sure that they don't interfere, I involve them very minimally, but that's the strategy and it's working.” In addition to the issue of sustainability, there's also competition, “it raises the standards of the market. Sometimes competition is illegitimate and has a negative impact on the project.”

In some countries, there are some measures intended to give more attention to social enterprises. As one participant explains, in Palestine, an entrepreneurship ministry is in place, but “communication was minimal, so the work is still at in the early stages and focused on awareness raising, but there are no overall policies,” whether to entrepreneurship or social entrepreneurship. In the absence of real support, some facilitations are offered to entrepreneurs by the government like technical support, reaching a certain category of the population and implementing certain activities related to the whole country,” “under a certain agreement or memorandum of understanding to the facilitation.” Under this umbrella, the government provides the social enterprises with trainees in return for capacity-building, especially when it comes to public servants. Another participant mentions that there are laws to regulate cooperation with external entities, but not a legal framework for SEs, like vetting the founders of the social enterprises or the security of the location. Many participants remember some collaboration with ministries in organising conferences or meetings, using some public entity venues for such meetings, access to databases which help in outreaching targeted population

“

When the government finds itself unable to do anything, it creates partnerships with social enterprises

Guglielmo Mazzà – ReFuse

”

The case of Egypt is similar to the one in Palestine. One participant explains that “there’s an administration called administration of community engagement or participation within the ministry of education” which tackles illiteracy, marginalised families. Social enterprises should introduce themselves either to this administration or to the representatives of education in order to explain their activities and the population’s needs.

However, governments in the MENA region should understand that social enterprises are the “new allies” and all they need is recognition and motivation. In some unstable areas such as “Yemen, the government is almost non-existent, and civil society organisations are the ones who play the role of local governance. Besides the challenges of war and conflicts, which constrains the role of civil society organisations, governments also limit the activities of these organisations and do not allow them to work on a larger scale.” Any activity or project has to be granted a written approval from the social affairs office in the same governorate or from the social affairs ministry.

“

Authorities keep being positively interested and not engaged

Guglielmo Mazzà – ReFuse

”

Decentralisation may be presented as a solution for heavy red-tape and corrupt governance. However, participants have what can be described as mixed opinions about it. One participant believes that “decentralisation in social enterprises is linked to corruption. The greater the decentralisation the greater the corruption”

Since there are no regulations, social entrepreneurs do not benefit from tax reductions as they are considered commercial entities that generate a lot of funds, so the system is “based on neoliberalism, it leaves us as citizens to pay taxes at the end of the day.” One workshop participant suggests to “discuss the equal distribution of grants with the concerned ministries”, “and to reduce the cumbersome paperwork needed for grant calls”.

5.2. Administrative Complexity

Participants have mixed perceptions of the impact of administrative complexity on their activities. Some find that there is a need for better transparency from the authorities in order to regulate their work and establish more trust between them and the stakeholders, while others find that this lack of information is an opportunity because they are able to go on with their business without too much oversight from the government.

The lack of clear legislation makes it difficult to proceed with the activities. Some participants “don't know what would make something work or not work”. In troubled countries such as Lebanon or Yemen, the lack of recognition complicates the relationship even further with the private sector.

“Banks are not accepting to open new bank accounts” in Lebanon, therefore foreign organisations cannot transfer their funds easily to Lebanese organisations. “Any project cannot be implemented without a permit from the Ministry of Social Affairs” in Yemen, in addition to the fact that registered enterprises lists are not updated. In some countries, the government requires that any funding be audited by “an external party.” Some participants are surprised by the addition of “new laws and legislations” that are sometimes voted by the parliament but not published. Sometimes an existent enterprise or network becomes unauthorised due to amendments to the law which the enterprises would not be aware of.

The problem can even concern the perception of authorities to the enterprise’s core activity especially when the organisation is dealing with marginalised groups like the LGBTQ+ community, gender equality or cross-cultural. In some cases, the government uses legislation to hinder such activities by applying unfair regulation to all enterprises.

“Sometimes the unclear legislation can be positive,” organisations pursue their activities by “finding loopholes” or working under “the umbrella of other organisations” escaping that way to unclear or inexistent legislation.

Some participants insist on the importance of being legally recognised by the authorities in order for social enterprise employees to declare their taxes, get social security allowances, be insured and attract funds from donors. Some other participants find that decentralisation may benefit them in making their transactions “really speedy,” and directly target the concerned parties especially youth, knowing that “each region has its specificities” and what is decided on a central level may not be implemented in all governorates. Online payment may speed up transactions as well, as one participant claims.

Participants agree that corruption hinders their administration transaction and try to avoid it by tying strong connections with the concerned ministries, or trying to avoid engaging in activities that need administrative channelling. Avoiding paying bribes may delay the administrative process but keeps the organization’s work ethical. One participant states that he gives credit to officials knowing that they did not make any effort to make the organisation work easier.

5.3. Strong Collaboration with Municipalities

Salomons (2020) explains that in their collaboration, social entrepreneurs primarily apply effectual logic (using resources at hand to decide on what goal to pursue) while local governments primarily apply causal logic (using a predefined goal to determine which resources are needed to reach it). This paradoxical view can either serve as an enabler or barrier to cooperation between the two parties and reignite the effectiveness/efficiency debate. Contrary to the lack of collaboration with governments expressed by participants, most participants recall different types of collaboration with their local municipalities, mostly for technical and administrative support and rarely financial support.

This collaboration takes the following forms (Table 8):

- Granting permits to activities or implementing projects (planting trees, recycling)
- Conveying information to municipalities to facilitate the implementation.
- The municipality in one of the partners of the network to which social enterprises are affiliated.
- Periodical visits
- Signature of MoUs

STATEMENT (%)	STRONGLY DISAGREE	DISAGREE	NEUTRAL	AGREE	STRONGLY AGREE
Social entrepreneurs are involved in policymaking within my municipality jurisdiction	5.6	11.1	33.3	33.3	16.7
I can describe the relationship with my municipality as a true collaboration	5.6	11.1	27.8	33.3	22.2
My municipality interacts strongly with local SE	16.7	5.6	22.2	38.9	16.7
My municipality applies specific conditions to collaborate with local SEs	27.8	11.1	16.7	33.3	11.1
My municipality welcomes any idea coming from social enterprises that replace/take over services from government agencies.	11.1	16.7	22.2	33.3	16.7

TABLE 8: COLLABORATION WITH MUNICIPALITIES

VI. CHALLENGES TO SUSTAINABILITY

A sustainable social enterprise is one that can pursue its mission over time and in so doing meets the needs of its stakeholders. Sustainability should be seen as an ongoing process rather than an end goal. It is a process that involves the interaction between different strategic, organisational, social, and financial elements. This gives a broader assessment of the social enterprise's sustainability without confining it to the financial dimension. To capture these dimensions, for instance, USAID has developed a CSO Sustainability Index based on seven dimensions including financial viability²

6.1. The Hardship of Financial Sustainability

Financial sustainability is a major challenge for social enterprises in the MENA region. Their economic model remains uncertain and has to benefit from worldwide experiences to become more viable. Powell et al. (2019) identify three factors which allow a social enterprise to simultaneously achieve social outcomes and financial sustainability: diverse income streams (which is confirmed by participants) and reduce reliance on service-level agreements (which is not observed by social enterprises and grants (with the high rate of 45%); delivering social quality service (unmeasurable due to the lack of use of indicators), and a hybrid workforce (a mix between skilled workers provided by trainers and unskilled workers provided by the beneficiaries).

6.1.1. Diversified Sources of Revenue

Most participants declare that sources of revenues are diversified while others admit that it is still a challenge for them, and others plan to include diversification in their financial sustainability strategy, in the near future.

For participants engaged in diversification, targets are fixed by month or semester, and they try to reach it. Some organisations prioritise companies that support their goals and try to include funding criteria in their agreements. However, the “main problem about financial sustainability is counting on small social capital, friends, family.” Sources mentioned include sale of goods and services, subscriptions, donations, paid training sessions, lease of organisation space for events, external consultancies, exchange of services or raw material between organisations, funds from a social development fund (Egypt). A legalisation of the organization's status will help it to be eligible for more substantial grants and funding, or to receive foreign funding which must be covered by legal agreements.

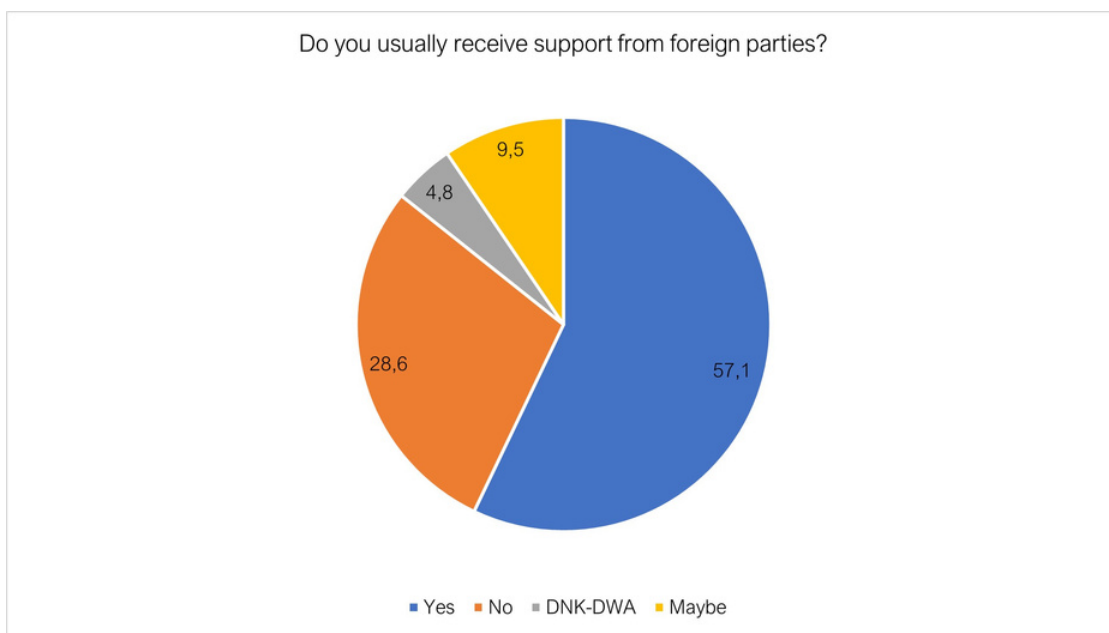


FIGURE 10: FOREIGN PARTIES SUPPORT

A big part of respondents (57%) confirm that it receives funding from foreign parties which alleviates a part of their financial constraints (Figure 10)

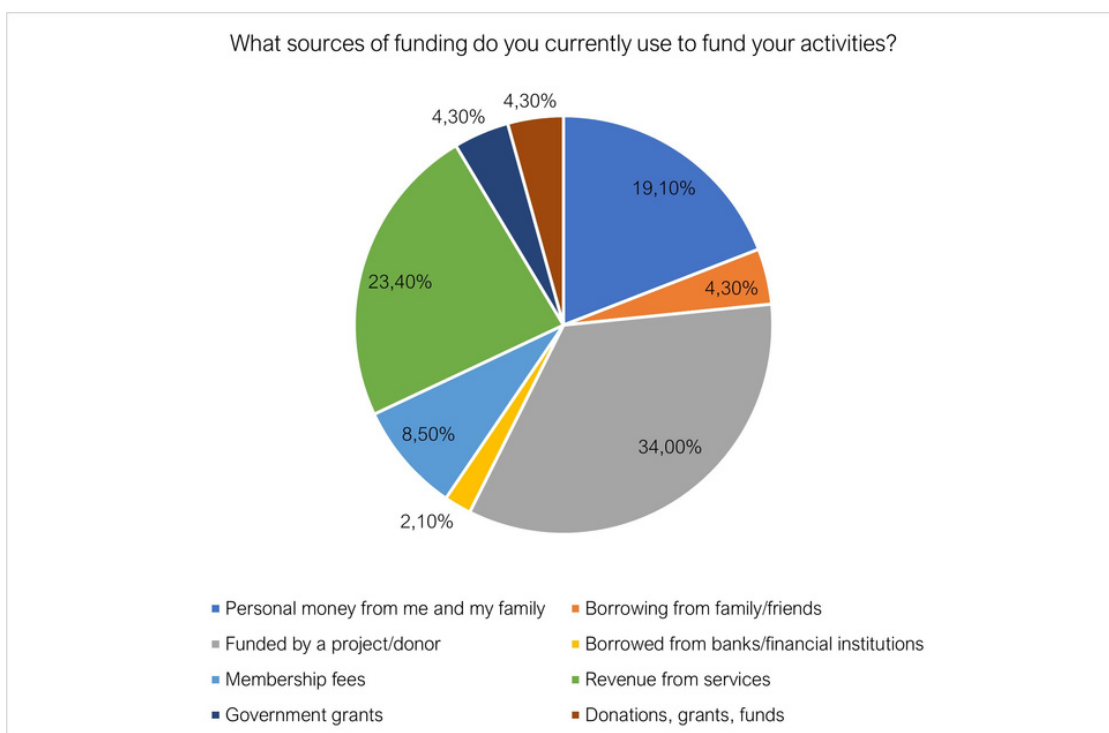


FIGURE 11: SOURCES OF FUNDING

According to respondents' answers, sources of funding are reasonably diversified relying heavily on external donations whether it is in the form of a project funded by donors (34%), personal savings (19%), donations, grants and funds, government grants or borrowing from close personal relations (each 4.3%).

According to respondents' answers, sources of funding are reasonably diversified relying heavily on external donations whether it is in the form of a project funded by donors (34%), personal savings (19%), donations, grants and funds, government grants or borrowing from close personal relations (each 4.3%). The economic model of social enterprise relies on self-sufficiency from the organisation's production, while in this survey, less than a quarter of responses (23.4%) state that the revenues from services are the main source of funding. This may be critical for long term financial sustainability in case the main cited sources of funding are limited (Figure 11).

For participants whose organisations do not diversify, they explain that this is a way to ensure that projects are able to sustain themselves financially. Relying on external funding and grants will dilute the self-reliability of the projects and independence of action. For one participant, donors are selectively chosen to avoid interfering with the organisation's freedom of action. For one participant, the organisation's founder is in a governmental position whose monthly income is enough to cover the expenses of the organization.

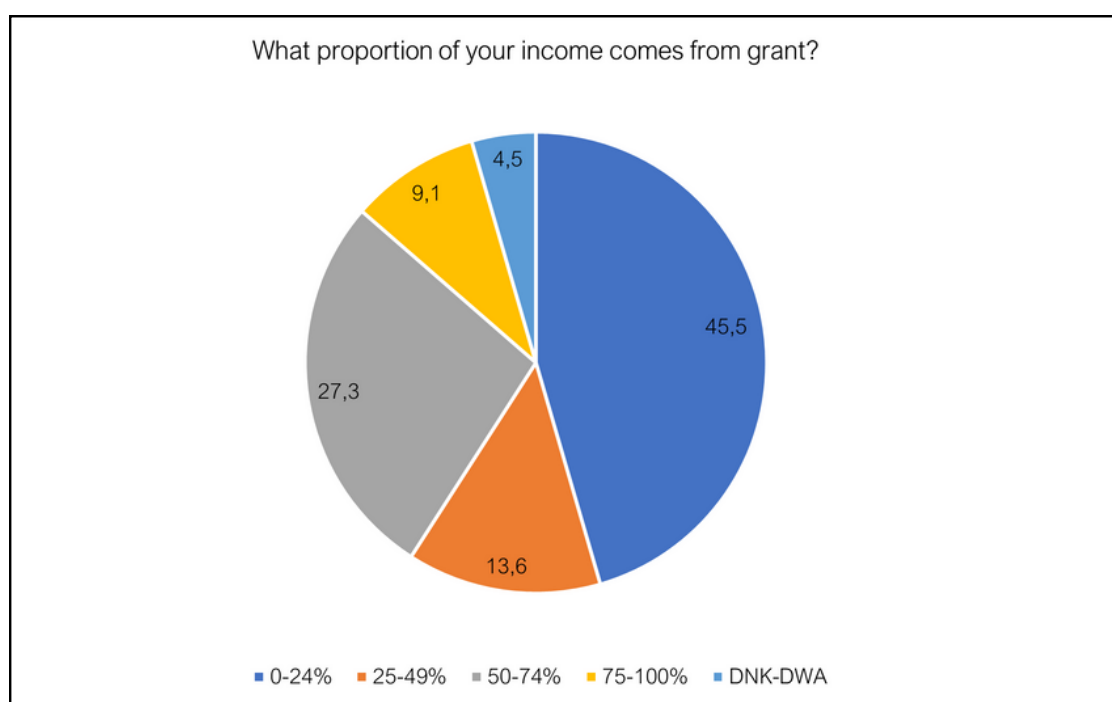


FIGURE 12: GRANTS

Grants represent a limited part of the organisations' sources of funding, for 45.5% of respondents, grants amount to less than a quarter of their funding, while for 27.3%, grants represent between 50% and 74%. Once again, the two extreme cases are not good news for social enterprises which have to rely on their own production revenues in order to sustain their financial needs (Figure 12). The diversity of funding is also related to social innovation because donors are more attracted to non-traditional activities.

Participants try to attract these sources through advocacy, partnerships with other entities such as banks, fundraising events, affiliation with universities, diaspora money transfers, relying on public figures from the community, sponsorships, and calls for proposals.

6.1.2. Inefficient Risk Management Tools

Based on a survey addressed to Egyptian social entrepreneurs, Almhammad (2022) links the effectuation theory (how entrepreneurs make decisions in an unknown environment) to social enterprises performance and concludes that effectual thinking is efficient for social enterprises driven either by social cause or profit. This thinking process is important when it relates to loss calculation and risk management. Dwivedi & Weerawardena (2018) explains that the social entrepreneurial orientation is not driven by personality traits but by innovativeness, pro-activeness, risk management, effectual orientation, social mission orientation which all contain a high level of uncertainty and need to be well managed.

When asked about risk management tools related to financial sustainability, participants stuck to mentioning the challenges they face in terms of securing funds and the legal recognition of their organisation. Some participants find that “limiting the number of beneficiaries” and “selecting elites,” preferably with no “political affiliation” among beneficiaries and donors in terms of skills and financial capabilities are ways to limit potential risks. Apparently, quality and not quantity is the motto.

In terms of legal risk, the lack of official recognition and a clear legal framework of SE limit the margin of action of participant organisation in terms of attracting expertise and donations. “Laws in terms of social enterprises, taxes, licensing, staff that works in an enterprise” are needed. “The government” pushes donors to hate creating social enterprises because of all the required documents and bureaucracy.”

In terms of financial risk, in some cases, donors are reported to get disinterested by the project altogether and leave the social enterprise without any barrier.

In terms of market risk, expansion is hindered and the context changes according to governorates; the funding and skill patterns are not similar in all governorates, in the case of Egypt. Another challenge is the narrowness of the market.

If the social enterprises focus on one population (women, people with disabilities), it is not able to diversify its risk. One participant recalls the rejection of the project of the organisation (preventing violence against women) by “religious men in the area” and the problem was resolved by a meeting where the objectives of these projects were explained as ones that do not contradict religious beliefs.

If the social enterprises focus on one population (women, people with disabilities), it is not able to diversify its risk. One participant recalls the rejection of the project of the organisation (preventing violence against women) by “religious men in the area” and the problem was resolved by a meeting where the objectives of these projects were explained as ones that do not contradict religious beliefs.

In terms of technical risks, some participants point out that “developers and the website development industry are quite broken, really expensive and good reliable developers are hard to find. Their prices are very high now all over the world and the demand is huge.” One participant wishes he had an employee dedicated to risk management.

Most participants admit that they lack the necessary debt management tools because this will increase their annual costs in terms of financial and accounting expertise but are aware that debt management will allow them to “to attract bigger grants, then they will allow to include those costs in grants.” For one participant, the bulk of costs is operational cost, so the debt management tool consists of reducing the number of team members to keep “the model very loose, indeed” disregarding the potential impact on productivity.

6.1.3. Insufficient Financial Planning

Participants’ attitudes towards financial planning are alarming because their economic model is not able to sustain the funding of projects on the longer run. The main source of funding remains external, mainly from donors. The basic difference between a social enterprise and an NGO is that the social enterprise is able to generate its own revenues in order to serve a social target. In the sense that it ranges from complete disregard to relying on the parent incubator to “cover basic costs”, one participant admitted that no financial plan is needed and that the economic model “is very easy”: the decision to engage in activities depends on the “availability of support and the period of any given project”, the “age of the organisation itself” regardless of fixed resources like membership fees, partnerships with donors, personal savings. One participant states that “80% of the funds are from the donors, while the other 20% are from other governmental sources”.

Most participants agree that their organisations do not benefit from tax reductions or exemptions, but rather from some “special treatment” or “facilitations” from tax authorities in their countries. The incubators play a part in linking the harboured organisations with the concerned ministries and making tax declaration easier for employees, payment of fees, auditing processes and tax return, if any. In some countries, taxes are applied if the organisation profits exceed a certain amount. In Yemen, “everything related to the work of civil society is exempted from tax. Non-profit organisations are also exempted from tax.”

Some participants rely on internal expertise in terms of accounting, auditing, legal matters and technical support and others rely on external help in that regard. They rely on the feedback of beneficiaries to pinpoint the areas of strength and to enhance weaknesses. One participant mentions the need to “network with national and international organisations” and “the municipality” “through projects or support.” Drawing from the experience of one Canadian participant, the need for free online training courses has a great effect on building the capabilities of social entrepreneurs in what is called “HR administrative plans”.

6.2. Crucial Investments in Human Capital

Estrin et al (2018) explains that specific entrepreneurial human capital (being sensitive to opportunities and developing business models to exploit them) is relatively more important in commercial entrepreneurship, and general human capital (higher levels of education enable entrepreneurs to identify and exploit opportunities) in social entrepreneurship.

Participants agree on the importance of continuous training for their members but have different ways to conduct them. In some organisations, especially those dealing with education, there is an internal unit conducting all the intensive training for employees, volunteers and for local beneficiaries. In other organisations, trainings are conducted with external trainers depending on the specific needs identified during activities. The training may cover a wide range of skills such as “life skills, strategic planning, building background, leadership tools and methods, and tracking and evaluation.”

Internal and external trainers are chosen not only based on experience but on the “dynamic they can bring” to the organisation. External trainers bring a different approach to the team, they “feed the organisation with information and they genuinely want it to succeed”: “a bit basic training material and half is team building,” a diversified set of activities. Collaboration with well-established international social enterprises is beneficial for MENA region enterprises, as one participant states, because they can provide resources necessary for training. The need for investment in human capital resources is linked to an overall strategy for organisations to train their employees, volunteers, and beneficiaries to transform them into trainers and mentors themselves in a strategy of “peer education or peer training.”

“If the leadership and governance policy is good then the volunteers will benefit a lot and reflect good investment in the capabilities and skills of the participating youth.” The funding of this training can be provided by specific grants.



This is a strength; we work as a team and not as individuals.

Shahenaz Bamosa – Pass Foundation





Human capital is our biggest asset. We don't own anything else.

Lamya Karkour – Tri-Pulley



A few participants state that their organisation has a clear hiring process, “procedures that are for the whole incubator,” which doesn’t exclude hiring people for specific projects based on their experience. One Yemeni participant in a small organisation state that “leadership and governance are dependent on 2-3 employees and no more” which hinders the hiring mechanism and makes it “heavily dependent on volunteers” who are hired through “headhunting” or through postings on hiring portals. One participant state that if employees do not have “the right profiles, their whole business model is at stake because they would be like this negative energy”. Little is said about the barriers to hiring social entrepreneurs with disabilities (Caldwell et al., 2016) for instance.

Only one participant states that their organisation focuses on “TVET background” because candidates have “passed through different kinds of challenges along the way,” coming from “an underprivileged community”.

Most participants emphasise the importance of building a cohesive team, fully engaged in the organisation’s values, and their organisation rarely ever has a clear hiring policy. Team members share the same “ethics,” are not afraid to voice their concerns about internal and external challenges and are able to self-criticise and share in order to learn from failures and “complimenting each other’s successes”. These teams are diverse: “different regions, religions, people with disabilities,” “educational backgrounds,” and “sexual preferences.” In some cases, the incubator imposes several criteria for new recruits.

Solid, diverse teams impress stakeholders and increases trust for donors who would be more willing to invest funds in “loyal and dedicated” teams, especially when the organisation is advocating for decent work. They have to apply these rules in their teams before conveying such values to beneficiaries.

6.3. Challenges of Expansion

Drawing from the literature on community-based entrepreneurship, success in targeting multiple SDGs depends on the availability of skills in the community and its participation. (Peredo & Chrisman, 2006). Participant organisations already targeted many SDGs and others intend to expand their coverage. For one participant, even though his organisation targets SGD8, the social cause can be any social cause: “education, health, security, food security, environmental protection”.

Organisations build on their successes in targeting one SDG to expand their action to other SDGs, keeping in mind that their resources are limited which can endanger their whole model:



It's good to specialise in the areas where we're good, where we have already developed our skills

Lamya Karkour – Tri-Pulley



Participants are aware “subconsciously or implicitly” that “the SDGs are all interconnected” even if their organisations are focused on one specific goal. One target, for instance, “environment protection” cannot be targeted, “disregarding gender equality and then the inclusion of marginalised people and those with disabilities.” “To empower and help youth, also reduces the poverty rates in the country. Different SDGs can be targeted depending on the area of operation.

Some participant organisations do not target one specific SDG. They focus “on different domains and each domain really targets a certain SDG”, like “a Nexus between more than one SDG.” “An institution cannot work on specific objectives or separate objectives because the objectives are all linked,” and that “would shape the organisation differently”.

Of course, increasing SDG coverage incurs additional costs like transportation, marketing, tangible services (for instance material for disabled people), human resources (specialized teams). These costs can be externalised to the support initiatives of governments, donors, and sponsors.

From a marketing perspective, gaining a new market, means for one participant “gaining trust on a national and regional level: the idea behind it is to actually transmit knowledge, with partners who understand your philosophy and who actually try to replicate things you do.”

Participants propose the following steps in order to enhance the structure of innovation.

- Creating a department for external international relations
- Creating a department for training and continuous education.

- Implementing a headquarters for organisations which mainly operates online.
- A better distribution of tasks.
- Connecting trainees through online sessions
- Enhancing competency of employees
- Conducting an assessment plan before the project implementation
- Conducting periodic follow-up on activities
- Integrating beneficiaries in the working team

6.4. Possibilities for Collaboration

In order to test the participants' willingness to cooperate with each other to cover more SDGs than the ones their organisations are already tackling and in view of a possible expansion of their activities, participants were asked to take part of a scenario of role playing where they would imagine how the collaboration will take place between them: the choice of a common project, the drafting of the agreement, the operational process and the follow-up.

Most participants were eager to collaborate on the basis of “exchanging certain ideas over a certain project”, its extension to other Arab countries and to exchange expertise they are lacking in terms of trainers or specific-skilled employees which can enable them to “exchange ideas and knowledge to replicate the project”. The result would be an expansion of the impact, especially towards countries where there is already legislation for social enterprises.

In one of the sessions, a scenario of cooperation was imagined between organisation 1 which deals with improvement of education for youth and organisation 2 which protects refugees. Both organisations operate in Yemen but in 2 different regions. Both organisations have a strength in their solid team members, but organisation 1 has a weakness in finding skilled trainers and organisation 2 has difficulties in accessing the population due to the ongoing war and hard transportation.

The common project that they agreed upon was delivering education to young refugees through online trainings in the region of Taaz (where the refugee camps are located). A partnership was imagined linking trainees from different regions through online sessions, select participants through field visits to camps and raising awareness about the importance of education. This common project does not need any legal umbrella but needs periodic follow-up on progress and a clear measurement tool of impact. (SDGs 4, 9 and 10)

In another session, a scenario was imagined between one organisation dealing with the psychological needs of Arab refugees located in Canada and another organisation dealing with empowerment of young Arab refugees located in Yemen. The Canadian organisation representative expressed a specific curiosity to know how to deal with refugees having different cultural background and especially young girls facing discrimination and harassment in order to provide them with the appropriate therapy and healing steps which can enhance their mental wellbeing.

The imagined agreement between the two would entail importing the experienced personnel from Yemen to Canada to help on the ground where they will be “chaperoned and accommodated”, and in return the Canadian organisation can provide technical support through its collaborators in the MENA region in order to give online sessions to refugees in Yemen. (SDGs 3, 4 and 5)

These two examples illustrate the fertile ground for collaboration across nations, regions, and SDGs.

6.5. The Case of Lebanon

Lebanese social enterprises represent a rich tapestry of distinctive characteristics and grapple with unique challenges within the broader Middle East and North Africa (MENA) region. These characteristics are inexorably linked to Lebanon's specific socio-economic and political milieu. Paramount among these attributes is the nation's remarkable religious and ethnic diversity, which exerts a multifaceted influence on the social enterprise landscape. These enterprises frequently find themselves tasked with addressing an extensive spectrum of community-specific needs and negotiating a diverse array of hurdles, reflecting the intricate social fabric of Lebanon.

Adding complexity to this dynamic is the backdrop of continual political and economic instability that Lebanon has wrestled with. Social enterprises have arisen as indispensable actors, assuming the responsibility of responding to the urgent needs of their communities during tumultuous periods. These enterprises are not mere passive observers; rather, they exhibit proactive problem-solving capabilities, swiftly adapting to ever-shifting circumstances and devising innovative approaches to usher in positive change.

One remarkable facet of Lebanon's social enterprise ecosystem is the substantial presence of the Lebanese diaspora. This global community offers an unparalleled opportunity for social enterprises to engage with Lebanese communities abroad, thus tapping into a wellspring of support, partnerships, and investments. The diaspora connection becomes a distinguishing feature, empowering these enterprises to extend their reach and influence far beyond Lebanon's borders.

Lebanon's role as a host to a significant number of refugees from neighbouring countries, such as Syria and Palestine, further underscores the distinct character of its social enterprises. These entities have assumed a pivotal role in addressing the exigent needs of displaced populations, a role that may not be as prominent in other MENA countries.

They serve as beacons of hope and support during times of humanitarian crisis. The Lebanese social enterprise landscape also thrives on the promotion of cultural and artistic initiatives. These endeavours possess economic significance as well as contribute to the preservation and dissemination of Lebanon's rich cultural heritage. The dynamic arts and culture sphere provides a fertile ground for social enterprises to exert a lasting impact.

Lebanese social enterprises are renowned for their hybrid business models, incorporating elements of both non-profit and for-profit operations. This strategic amalgamation of financial approaches allows them to access a broader array of funding sources, encompassing grants, donations, and revenue-generating activities. This underlines the adaptability and versatility of these enterprises in their pursuit of social change.

The historical connections of Lebanese social enterprises with international organisations and nations have bestowed them with a valuable advantage. They often enjoy greater ease in accessing international networks, funding, and expertise, thus significantly augmenting their effectiveness and reach.

Gender equality and women's empowerment stand as fundamental objectives for a multitude of Lebanese social enterprises, especially within a challenging socio-cultural context. These enterprises dedicate their endeavours to fostering economic opportunities and advancing women's initiatives, thereby effecting positive change in a region where gender disparities persist.

Despite their noteworthy contributions to society, Lebanese social enterprises operate within a legal and regulatory environment that remains in a state of evolution. The absence of a well-defined legal framework poses a substantial challenge, necessitating a concerted endeavour to attain recognition and support.

In response to these distinctive challenges and opportunities, the Lebanese Social Enterprises Association (LSE) has emerged as a pivotal self-representative organisation. LSE fulfils a multifaceted role within the ecosystem, serving as the advocate for social enterprises, championing policies that foster their growth and recognition. Moreover, LSE functions as a bridge-builder, facilitating networking and collaboration among diverse groups within the social enterprise sector. This role proves instrumental in the sharing of experiences and resources, which, in turn, promotes sustainability and growth.

Furthermore, LSE elevates the legitimacy of its member organisations, providing them with a recognised platform and a collective identity. Such recognition holds immeasurable value in attracting both local and international support and investments.

Social enterprises in Lebanon have played a remarkable role in addressing various social, economic, and environmental challenges, particularly during periods of crisis when the state's involvement is lacking. They have emerged as viable solutions to numerous issues afflicting Lebanese society, such as the Syrian refugee crisis, political instability, economic hardships, and public health challenges. They have targeted multiple Sustainable Development Goals (SDGs) and succeeded in achieving sustainability in their actions. Nevertheless, they grapple with substantial financial constraints, issues of corruption, and regional disruptions in the absence of a clear legal framework that recognises their status. Their operation predominantly hinges on the dedication of individuals committed to effecting positive change within their communities, especially in the ever-evolving context of the country.

It is worth noting however, that the organisational landscape of social enterprises in Lebanon remains somewhat nebulous. The principal challenge confronting the growth and sustainability of these enterprises lies in the crowded nature of the ecosystem, marked by weak coordination among enterprises, the risk of dependence on donors, and a lack of clarity in the definition of social enterprises due to the absence of a comprehensive legal framework. While the ecosystem provides resources to support organisations at the ideation and start-up stages, it lacks the necessary resources to facilitate their growth. Notably, Lebanon and Tunisia stand out as two of few countries in the MENA region that advocate for initiatives aligning with the hybrid objectives of social enterprises. The Lebanese Social Enterprises Association (LSE) ardently lobbies for the definition of social enterprises as companies whose primary mission is to address social or environmental issues while simultaneously striving for financial viability and the reinvestment of the majority of profits in their social impact. In Tunisia, a similar definition is promoted with the added components of "systems change" and the discovery of "innovative solutions."

In the absence of a defined legal framework, numerous Lebanese organisations have convened to establish the LSE. Lebanon stands out as the sole country in the region to possess a self-organised entity focused on the promotion of social entrepreneurship. This organisational structure, when examined closely, reveals that LSE's role is to connect social enterprises, facilitating the formation of a robust network capable of fulfilling the needs of its members while concurrently establishing partnerships with international and local counterparts. LSE's evolution commenced with an incubation programme in 2012, which subsequently expanded to include non-governmental organisations (NGOs) and other entities operating under the SE model in 2018. This broadening of its membership base has been attributed to LSE's outreach and advocacy efforts, resulting in a current membership of 12 entities, in addition to 6 pending applications. Membership within LSE adheres to rigorous scientific criteria established by an independent committee of academics.

This approach filters requests and classifies members into groups based on their size, sustainability, and social impact, ensuring that the process remains free from political interference. The application procedure is presently undergoing revision to render smaller organisations eligible for registration, with start-ups and organisations in the ideation stages excluded from this process. LSE extends recognition to its members, not solely with regard to the organisations' donors but across different stakeholders. Additionally, it offers a platform for the sharing of experiences, thereby reducing costs and promoting products. The importance of self-recognition as a social entrepreneur cannot be overstated. The de facto recognition granted by an independent entity further bolsters the legitimacy of LSE members by appending the label of "social enterprise." The by-laws of LSE actively safeguard fair representation for all members, irrespective of their size. LSE ardently advocates for the formulation of legislation that can define the social enterprise sector and is engaged in active lobbying with members of the Lebanese Parliament to rectify the prevailing confusion regarding the sector.

VII. POLICY RECOMMENDATIONS

Below are some major policy recommendations to support and enhance the role of SE in the Middle East and North Africa (MENA) region:

1 Flexible Legal Frameworks

Establishing a legal framework for social enterprises in the MENA region that is flexible and adaptable. Rather than imposing rigid definitions and structures, promoting an environment where various legal models, including for-profit and non-profit entities, cooperatives, community interest companies, and other innovative structures, can coexist and thrive. This approach encourages diversity and innovation in social entrepreneurship.

2 Integrating Profit-Social Value

Encouraging dialogues and education around integrating profit generation with social values. Launch awareness campaigns, training programs, and forums that emphasise the benefits of a sustainable, profit-driven approach while remaining committed to the core social mission.

3 Leveraging Sustainable Development Goals (SDGs)

Actively promoting the use of the SDGs as a unifying framework for social entrepreneurs. Providing resources, training, and incentives for aligning projects with the SDGs, creating a common language and a shared vision for social change in the region.

4 Supporting Creativity and Innovation

Develop programmes and initiatives that nurture creativity among social entrepreneurs. This can include funding opportunities, mentorships, and innovation hubs that encourage innovative thinking to address complex regional challenges.

5 Community-Centred Approaches

Encouraging and recognising the practice of treating the community as a partner rather than a client. Supporting initiatives that promote community engagement, participation, and co-creation of solutions, fostering a more inclusive and collaborative approach

6 Addressing Organisational Structure Challenges

Establishing support programmes that help social entrepreneurs in the MENA region strike a balance between their social mission and financial sustainability. Offering mentorship for human resource management, guidance on impact measurement, and funding opportunities for resource-constrained organisations to build stronger, more effective entities.

7

National Policy Advocacy for Long-Term Vision

Working towards a national strategy that supports social entrepreneurs in their efforts to drive systematic changes and advocacy. Creating platforms for policy engagement, offering training in advocacy skills, and providing financial incentives for long-term vision projects that address pressing regional issues

8

Collaboration Mechanisms

Encourage collaboration and networking among social entrepreneurs in the MENA region. Establish platforms, conferences, and events that facilitate partnerships, knowledge sharing, and resource mobilization, enabling social entrepreneurs to learn from one another and access vital resources.

9

Recognition and Support of Welfare Society Transformation

Governments should recognize and actively support the pivotal role social entrepreneurs play in transforming local municipalities. Provide grants, incentives, and resources to facilitate SE projects at the community level, empowering these initiatives to create lasting change

10

Education and Training

Invest in educational programmes and training that equip social entrepreneurs with the skills and knowledge needed to navigate the unique challenges of the MENA region, from cultural sensitivity to policy advocacy. These programmes can help social entrepreneurs operate more effectively and sustainably.

11

Encouraging strong collaboration with academia

To prepare young graduates for social entrepreneurship, aligning their curricula with SDGs. Integrating social innovation courses into schools and universities to nurture creativity as a key skill. Promoting creativity as a main competency in academia to prevent overlap among social enterprises and build a collaborative ecosystem.

VIII. CONCLUSION

The emergence of the SE (SE) mindset in the Middle East and North Africa (MENA) region signifies a significant shift in the way individuals address the complex challenges associated with regional instability, economic crises, and the shortcomings of the State. These passionate individuals, often young and returning to their home countries or making radical life changes, are choosing to launch their own social enterprises. Their motivations are deeply personal, driven by a desire to empower vulnerable individuals and communities. Their unique and inspiring stories are often rooted in their own life experiences, which fuel their passion for positive social change.

However, the concept of SE in the MENA region is not easy to define. Several challenges hinder its self-identification and definition. One key challenge is the absence of a standardised legal framework to define and identify social enterprises. Unlike in some Western countries, there may be a lack of clarity in MENA countries regarding how to register or operate as social enterprises. The ongoing debate about the integration of profit generation with social values is another reason that social entrepreneurs may hesitate to identify as such. Some individuals and organisations prioritise their social and environmental impact over financial sustainability, fearing that labelling themselves as social entrepreneurs might compromise their commitment to these values.

Many social entrepreneurs choose to focus on their mission and values rather than conform to a specific label, reflecting a commitment to grassroots and community-driven initiatives. Furthermore, the United Nations Sustainable Development Goals (SDGs) are still underutilised as a framework for social entrepreneurs in the MENA region. The SDGs offer a unifying framework that transcends regional and cultural differences, providing universal relevance, interconnected goals, resource mobilisation, measurable impact, and opportunities for collaboration and networking. Aligning their initiatives with the SDGs can enhance the credibility and impact of social entrepreneurs in the region.

Creativity is identified as a crucial skill for social entrepreneurs in the MENA region, given the complexity of the social and environmental challenges they face. Creative thinking allows them to identify innovative solutions, adapt to changing circumstances, make the most of limited resources, and create solutions that are culturally sensitive and appropriate. It also helps in building collaborations and partnerships, developing innovative business models, and engaging with target communities effectively.

One distinguishing feature of SE in the MENA region is the perception of the community as a partner rather than a client. This approach is rooted in empathy, community-centred thinking, and the building of meaningful relationships. Empathy serves as the foundation of the work undertaken by social entrepreneurs, empowering them to create solutions that genuinely resonate with the community's needs.

Involving community members in decision-making processes fosters a sense of ownership and pride, ensuring the sustainability of initiatives. Social entrepreneurs in the MENA region face challenges in establishing and maintaining an organisational structure that aligns with their values. Balancing their social mission with financial sustainability can be complex, and resource constraints, human resource management, impact measurement, and regulatory and legal challenges are common hurdles they encounter.

Controversial guidance within the SE ecosystem in the MENA region centres on the role of profit generation. Some advocate for a strong focus on social impact, while others emphasise the importance of developing a sustainable, profit-generating model. The balance between these perspectives creates a dilemma for aspiring social entrepreneurs, who must carefully navigate this spectrum. In the MENA region, social entrepreneurs often allocate more resources to addressing immediate basic needs rather than investing in policy and advocacy for systematic change. This pragmatic response is influenced by the region's pressing challenges, short-term impact focus, resource constraints, risk aversion, and limited policy advocacy skills. However, this approach may divert resources from long-term visions and policy advocacy, hindering systemic change.

Despite these challenges, social entrepreneurs in the MENA region play a pivotal role in transforming the welfare society at the municipality level. They empower municipalities by fostering collaboration and engagement, providing innovative solutions, promoting transparency and accountability, and demonstrating a welfare society approach that aligns with principles of good governance. Lebanese social enterprises have unique characteristics due to the country's diversity, political and economic instability, diaspora engagement, humanitarian and refugee crises, cultural and artistic initiatives, non-profit and for-profit hybrids, international partnerships, and a focus on women's empowerment. The legal and regulatory environment is evolving, and there is a need for a self-representative body like the Lebanese Social Enterprise (LSE) to advocate for social enterprises. Practitioners, or social entrepreneurs, play essential roles in research, policy development, and donor interventions. They provide contextual knowledge, innovation, demonstrated impact, gap identification, policy piloting, community trust, insight into unintended consequences, local problem-solving, inclusivity, resource mobilisation, impact measurement, practical realism, and a bottom-up perspective.

In conclusion, while the SE sector in the MENA region holds great promise, it is crucial to recognise that market forces and SE alone cannot achieve the systemic change needed to attain social justice and meet the Sustainable Development Goals (SDGs). The challenges and complexities faced by the region require a more comprehensive approach that involves a synergy between various stakeholders. SE plays a pivotal role in addressing immediate social and environmental challenges and serves as a catalyst for change at the grassroots level. However, to achieve long-term systemic change and advance social justice, there is a pressing need for collaborative efforts involving governments, civil society organisations, international institutions, and local communities.

APPENDIX: PARTICIPANTS' PROFILES

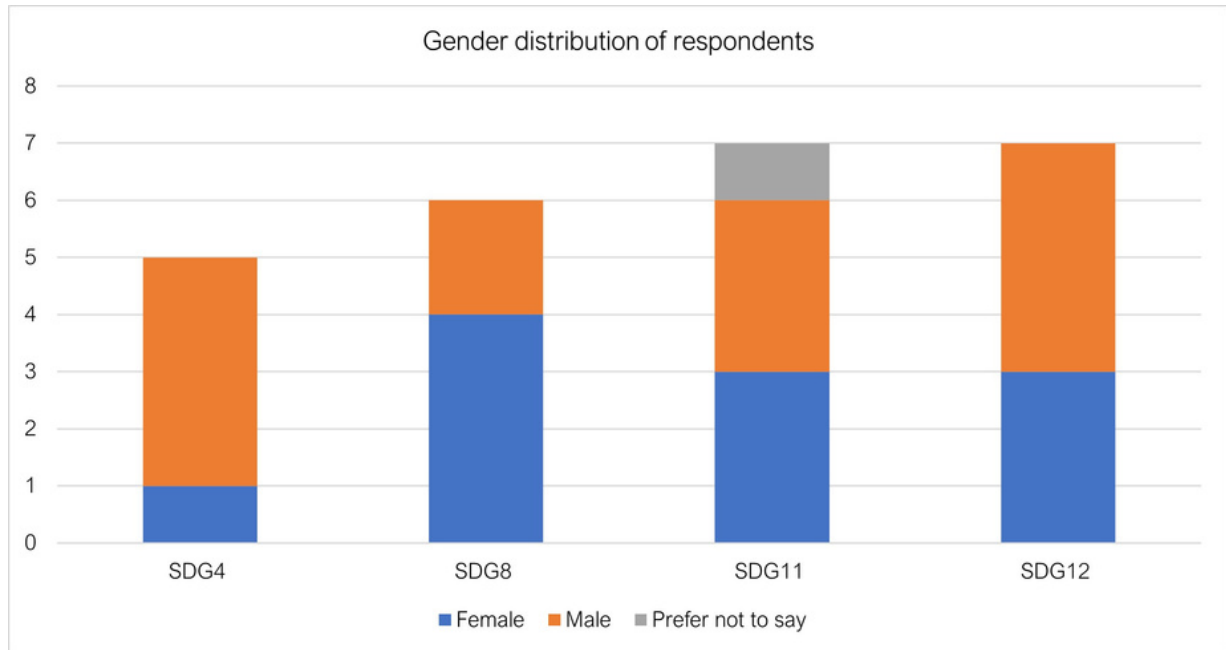


FIGURE 13: GENDER DISTRIBUTION OF RESPONDENTS

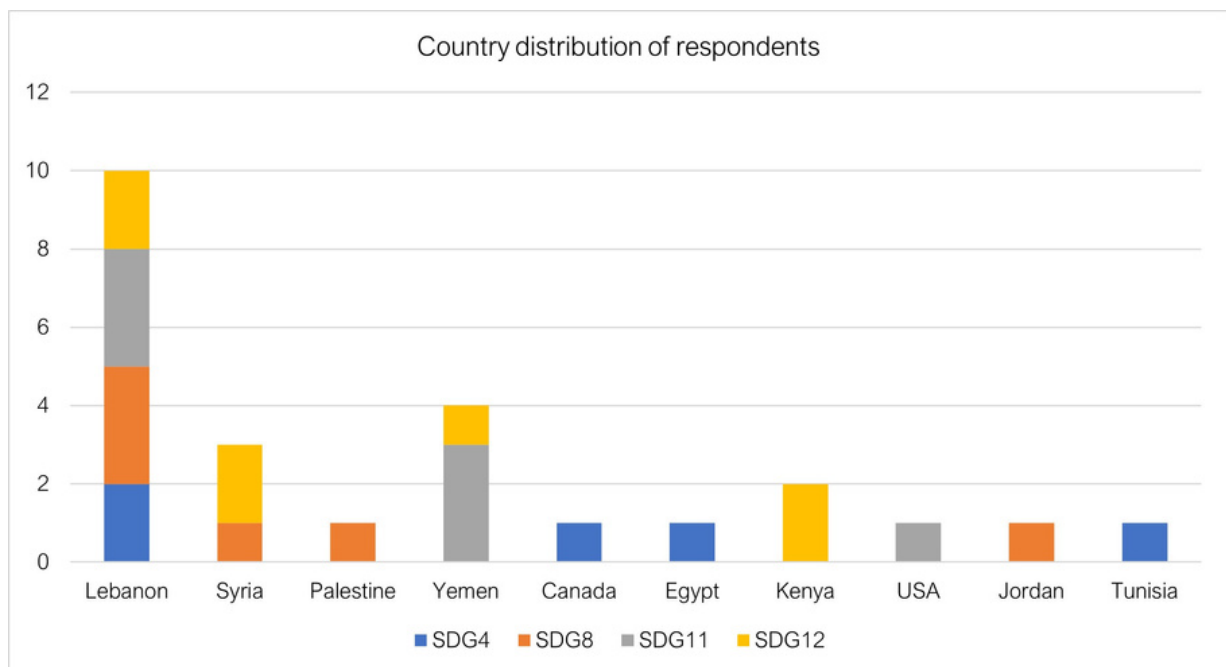


FIGURE 14: COUNTRY DISTRIBUTION OF PARTICIPANTS

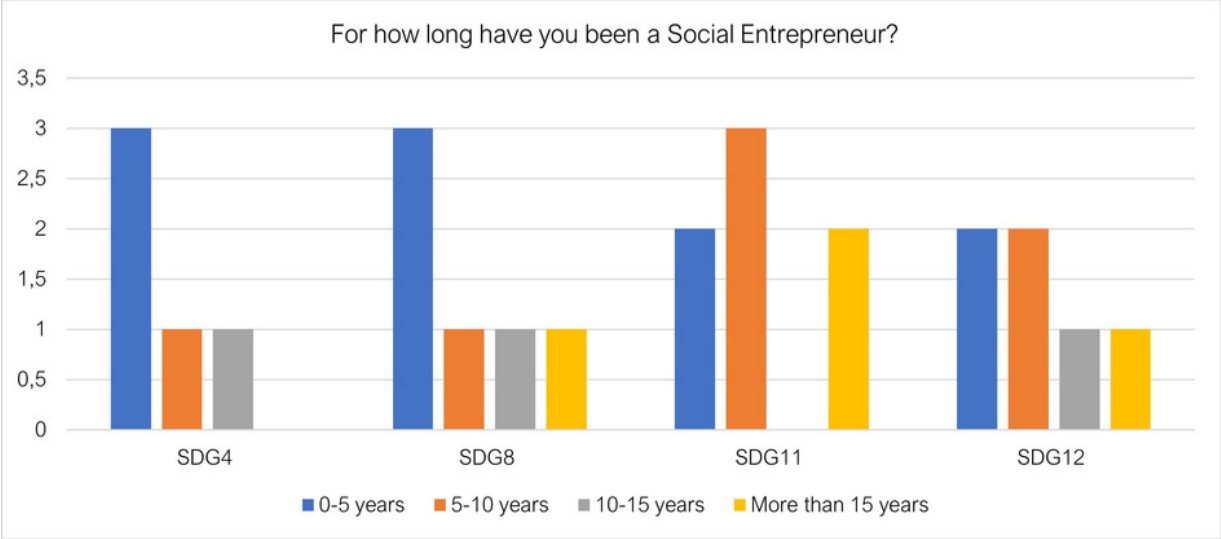


FIGURE 15: NUMBER OF YEARS OF ACTIVITY

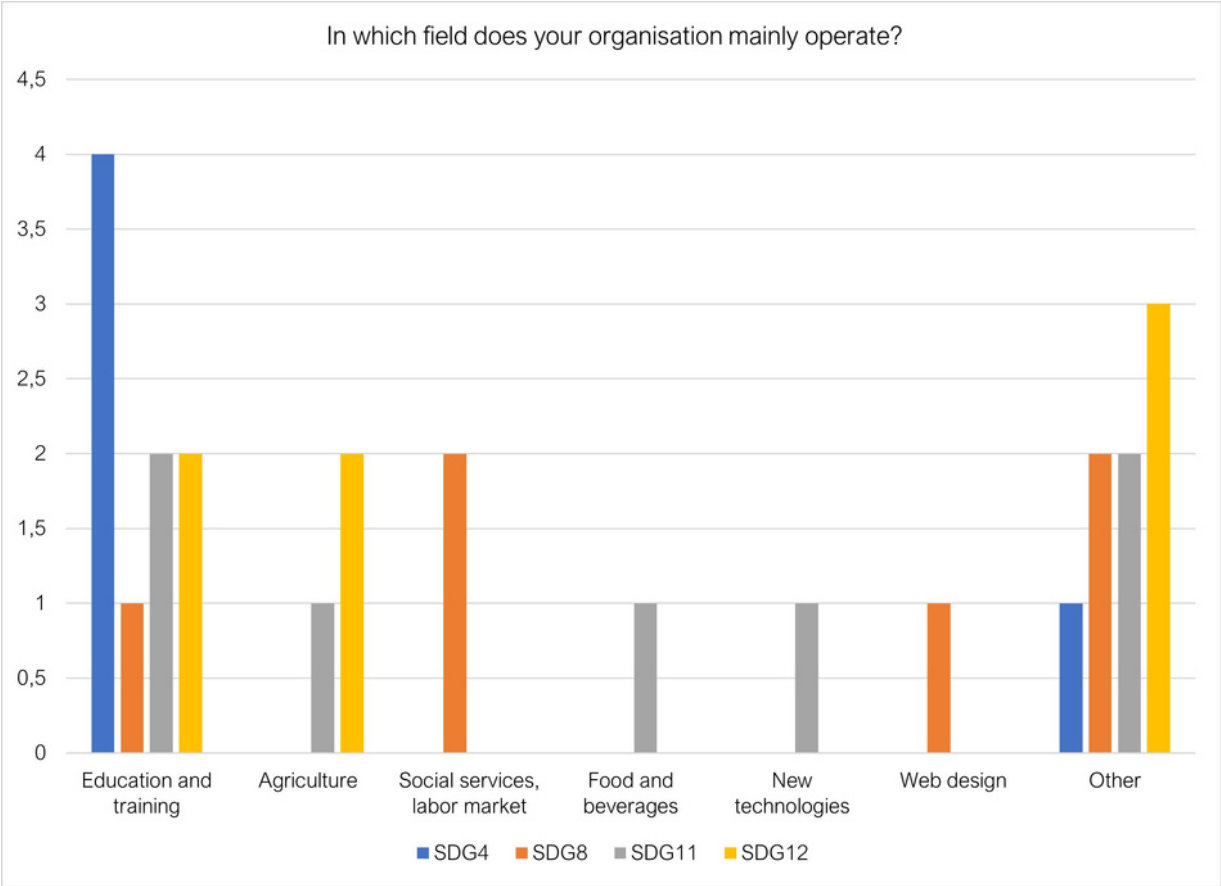


FIGURE 16: PARTICIPANTS' FIELDS OF INTERVENTION

X: REFERENCES

Abdou, E., Fahmy, A., Greenwald, D., & Nelson, J. (2010). Social entrepreneurship in the Middle East: Toward sustainable development for the next generation. Wolfensohn Center for Development, The Middle East Youth Initiative Working Paper, 10.

Agarwal, N., Chakrabarti, R., Brem, A., & Bocken, N. (2018). Market driving at Bottom of the Pyramid (BoP): An analysis of social enterprises from the healthcare sector. *Journal of Business Research*, 86, 234-244.

Alegre, I., Kislenko, S., & Berbegal-Mirabent, J. (2017). Organized chaos: mapping the definitions of social entrepreneurship. *Journal of Social Entrepreneurship*, 8(2), 248-264.

Almhamad, G., Lakatos, V., Alkerdi, A., & Alkhatib, L. (2022). Social Entrepreneurship Research in The Middle East (Systematic Review). *CrossCultural Management Journal*, (1), 7-15.

Alter, K. (2007). Social enterprise typology. *Virtue ventures LLC*, 12(1), 1-124.

Austin, J., Stevenson, H., & Wei-Skillern, J. (2006). Social and commercial entrepreneurship: same, different, or both? *Entrepreneurship theory and practice*, 30(1), 1-22.

Bird, B. (1988). Implementing entrepreneurial ideas: The case for intention. *Academy of management Review*, 13(3), 442-453.

Bodolica, V., Spraggon, M., & Badi, H. (2021). Extracurricular activities and social entrepreneurial leadership of graduating youth in universities from the Middle East. *The International Journal of Management Education*, 19(2), 100489.

Bosma, N., Schott, T., Terjesen, S., & Kew, P. (2015). Global entrepreneurship monitor special topic report–social entrepreneurship. Global Entrepreneurship Research Association, London Business School, London.

Caldwell, K., Harris, S. P., & Renko, M. (2016). Social entrepreneurs with disabilities: Exploring motivational and attitudinal factors. *Canadian Journal of Disability Studies*, 5(1), 211-244.

Cardon, M. S. (2008). Is passion contagious? The transference of entrepreneurial passion to employees. *Human resource management review*, 18(2), 77-86.

Corner, P. D., & Ho, M. (2010). How opportunities develop in social entrepreneurship. *Entrepreneurship theory and practice*, 34(4), 635-659.

Darbishire, H. (2011). Proactive Transparency: The Future of the Right to Information? Working Paper, Worldbank Institute.

Di Domenico, M., Haugh, H., & Tracey, P. (2010). Social bricolage: Theorizing social value creation in social enterprises. *Entrepreneurship theory and practice*, 34(4), 681-703.

Defourny, J., Nyssens, M., & Brolis, O. (2018). Mapping and Testing Social Enterprise Models Across the World: Evidence from the International Comparative Social Enterprise Models (ICSEM) Project. ICSEM Working Papers, N° 50.

Dwivedi, A., & Weerawardena, J. (2018). Conceptualizing and operationalizing the social entrepreneurship construct. *Journal of Business research*, 86, 32-40.

Estrin, S., Mickiewicz, T., & Stephan, U. (2016). Human capital in social and commercial entrepreneurship. *Journal of business venturing*, 31(4), 449-467.

Fitzgerald, T., & Shepherd, D. (2018). Emerging structures for social enterprises within nonprofits: An institutional logics perspective. *Nonprofit and Voluntary Sector Quarterly*, 47(3), 474-492.

Grassl, W. (2012). Business models of social enterprise: A design approach to hybridity. *ACRN Journal of entrepreneurship Perspectives*, 1(1), 37-60.

Haskell, D., Haskell, J., & Kwong, J. (2009). Spiritual resources for change in hard places: A values-driven social entrepreneurship theory of change. *Complexity science and social entrepreneurship: adding social value through systems thinking*.

Haugh, H. (2007). Community-led social venture creation. *Entrepreneurship theory and practice*, 31(2), 161-182.

Hill, S., Ionescu-Somers, A., Coduras Martínez, A., Guerrero, M., Menipaz, E., Boutaleb, F., & Shay, J. (2023). *Global Entrepreneurship Monitor 2022/2023 Global Report: Adapting to a "New Normal"*.

Holt, D., & Littlewood, D. (2018). How social enterprises can contribute to the Sustainable Development Goals (SDGs)—A conceptual framework. In *Entrepreneurship and the sustainable development goals*. Emerald Publishing Limited.

Ismail, A., & Johnson, B. (2019). Managing Organisational Paradoxes in Social Enterprises: Case Studies from the MENA Region. *Voluntas: International Journal of Voluntary and Nonprofit Organisations*, 30(3), 516–534.

Jack, S. L., & Anderson, A. R. (2002). The effects of embeddedness on the entrepreneurial process. *Journal of business Venturing*, 17(5), 467-487.

Kummitha, R. K. R. (2017). *Social entrepreneurship and social inclusion*. Palgrave, 10, 978-981.

Langworthy, M. (2020). *MedUP! Promoting Social Entrepreneurship in the Mediterranean Region A Policy Brief*.

Lortie, J., Cox, K. C., Castro, S., & Castrogiovanni, G. J. (2021). Measuring social entrepreneurship: identifying and assessing the performance of social entrepreneurial ventures. *Journal of social entrepreneurship*, 1-29.

McMullen, J. S., & Bergman Jr, B. J. (2018). The promise and problems of price subsidization in social entrepreneurship. *Business Horizons*, 61(4), 609-621.

Manetti, G. (2014). The role of blended value accounting in the evaluation of socio-economic impact of social enterprises. *VOLUNTAS: International Journal of Voluntary and Nonprofit Organisations*, 25, 443-464.

Maroush, Z., Wannis, H., Haidar, G., & Ayoub, T. (2020). Lessons from the Lebanese Social Entrepreneurship Ecosystem. Available at: <https://policy-practice.oxfam.org/resources/lessons-from-the-lebanese-social-entrepreneurship-ecosystem-620971/>

McMullen, J. S., & Warnick, B. J. (2016). Should we require every new venture to be a hybrid organization? *Journal of Management Studies*, 53(4), 630-662.

Montgomery, A. W., Dacin, P. A., & Dacin, M. T. (2012). Collective social entrepreneurship: Collaboratively shaping social good. *Journal of business ethics*, 111, 375-388.

Noruzi, M. R., Westover, J. H., & Rahimi, G. R. (2010). An exploration of social entrepreneurship in the entrepreneurship era. *Asian Social Science*, 6(6), 3.

Pathak, S., & Muralidharan, E. (2020). Societal ethics and social entrepreneurship: a cross-cultural comparison. *Cross-Cultural Research*, 54(2-3), 180-208.

Peredo, A. M., & Chrisman, J. J. (2006). Toward a theory of community-based enterprise. *Academy of management Review*, 31(2), 309-328.

Peredo, A. M., & McLean, M. (2006). Social entrepreneurship: A critical review of the concept. *Journal of world business*, 41(1), 56-65.

Phillips, W., Alexander, E. A., & Lee, H. (2019). Going it alone won't work! The relational imperative for social innovation in social enterprises. *Journal of business ethics*, 156, 315-331.

Powell, M., Gillett, A., & Doherty, B. (2019). Sustainability in social enterprise: hybrid organizing in public services. *Public Management Review*, 21(2), 159-186.

Prabhu, G. N. (1999). Social entrepreneurial leadership. *Career development international*, 4(3), 140-145.

Rahim, H. L., & Mohtar, S. (2015). Social entrepreneurship: A different perspective. *International Academic Research Journal of Business and Technology*, 1(1), 9-15.

Ramani, S. V., SadreGhazi, S., & Gupta, S. (2017). Catalysing innovation for social impact: The role of social enterprises in the Indian sanitation sector. *Technological Forecasting and Social Change*, 121, 216-227.

Renko, M. (2013). Early challenges of nascent social entrepreneurs. *Entrepreneurship theory and practice*, 37(5), 1045-1069.

Salomons, T. (2020). Collaboration between social entrepreneurs and local governments: A causation and effectuation view (Master's thesis, University of Twente).

Seelos, C., & Mair, J. (2005). Social entrepreneurship: Creating new business models to serve the poor. *Business horizons*, 48(3), 241-246.

Shane, S., Locke, E. A., & Collins, C. J. (2003). Entrepreneurial motivation. *Human resource management review*, 13(2), 257-279.

Sparviero, S. (2019). The case for a socially oriented business model canvas: The social enterprise model canvas. *Journal of social entrepreneurship*, 10(2), 232-251.

Spencer, R., Brueckner, M., Wise, G., & Marika, B. (2016). Australian indigenous social enterprise: measuring performance. *Journal of Enterprising Communities: People and Places in the Global Economy*, 10(4), 397-424.

Stephan, U., & Drencheva, A. (2017). The person in social entrepreneurship: A systematic review of research on the social entrepreneurial personality. *The Wiley handbook of entrepreneurship*, 205-229.

Utting, P. (2018). Achieving the sustainable development goals through social and solidarity economy: Incremental versus transformative change. *UN Inter-Agency Task Force on Social and Solidarity Economy*.

Vujaninović, P. K., Lipenkova, S., & Orlando, E. (2018). The role of social entrepreneurship as a key driver of the Agenda 2030. *Regional Academy on the United Nations*.

Yitshaki, R., & Kropp, F. (2019). Entrepreneurial passions and identities in different contexts: a comparison between high-tech and social entrepreneurs. In *Entrepreneurial Identity and Identity Work* (pp. 30-57). Routledge.

Zaefarian, R., Tasavori, M., & Ghauri, P. N. (2015). A corporate social entrepreneurship approach to market-based poverty reduction. *Emerging Markets Finance and Trade*, 51(2), 320-334.



IMPACT 4 POLICY SERIES

About COSV

COSV is an Italian NGO working in development cooperation for over 40 years worldwide and now stabilized in the Med Area and Africa. We adopt a human-centered collaborative approach that prioritizes understanding local contexts and needs, ensuring that development strategies are tailored to the unique socio-economic, cultural, and environmental aspects of each community. Specializing in pioneering innovation projects, COSV intricately weaves together the critical elements of social cohesion, economic transformation, and good governance. This triad serves as the cornerstone of their strategy, aiming to foster environments where communities can thrive both socially and economically while being governed by principles of fairness and accountability. Through this nexus, COSV endeavors to catalyze positive change, ensuring that development is both inclusive and equitable.

About the Impact 4 Policy series

"Impact4Policy" is a dynamic methodology developed by the **COSV Social Economy Unit** – research team. It is designed to conduct an agile and thorough impact analysis within incubation and acceleration programs. The "Impact4Policy" methodology aims to identify the key elements, features, typologies, and emerging models of social and solidarity economy (SSE) initiatives, while providing valuable insights for sector-based policy recommendations. Through the combined use of qualitative and quantitative data analysis of the supported initiatives, "Impact4Policy" leverages the active involvement of participants, field observations, and global comparative benchmarking, such as the ICSEM model, incorporating peer review and/or peer exchange processes as well. The significance of "Impact4Policy" lies in its ability to extend the impact analysis of SSE initiatives beyond the typical temporal boundaries of support programs by adopting a holistic and dynamic approach. This allows not only for the assessment of the immediate effectiveness of the initiatives but also for the promotion and monitoring of their long-lasting impact on sector-based policies and community well-being. By placing particular emphasis on sustainability and scalability, "Impact4Policy" aims to ensure that SSE initiatives contribute significantly and continuously to sustainable economic and social development.

CONTACT

www.social2square.com | www.cosv.org | seunit@cosv.org