



The D-WISE Network

Case study for “Alaturi de Voi” Romania Foundation (ADV Romania)

“Accelerator of Social Enterprises”

Introduction and background information

Since its inception in 2002, the 'Alaturi de Voi' Romania Foundation (ADV) has been a pioneering force in integrating people with disabilities and other at-risk groups into the workforce. As the first in Romania to establish a Work Integration Social Enterprise, ADV's journey is a testament to resilience and innovation.

Established by Holt International Children's Services U.S.A., ADV Romania's mission is to foster the integration and employability of persons with disabilities. The organization achieved a milestone by establishing UtilDeco in 2008, Romania's first Work Integration Social Enterprise and. Through its efforts, ADV Romania has created over 100 workplaces, with at least 40% dedicated to people with disabilities.

In 2022, ADV Romania co-funded AFIN – the first Romanian non-bank institution specializing in supporting social economy organizations with dedicated financial instruments. This move marks a significant step in the organization's commitment to sustainable social impact.

Social enterprises are increasingly recognized for their potential to address pressing societal challenges while also creating economic opportunities. This case study focuses on the 'Accelerator of Social Enterprises' program lead by ADV Romania, highlighting how it exemplifies best practices in social entrepreneurship.

The program lead by ADV Romania is rooted in the organizations own experience in social enterprises management. Through is holistic approach it addresses gaps in Romania's legislative approach towards social economy actors. These gaps have discouraged the growth of social economy enterprises and entrepreneurs. Despite the absence of a clear Social Economy Strategy or a dedicated funding framework in Romania, the efforts of social economy organizations, including ADV Romania, led to the enactment of the Law 219/2015 on Social Economy in 2015. Yet, there's still no specific mechanism in place to implement this law effectively.

Moreover, the organization has pinpointed a significant knowledge gap within government staff, particularly those overseeing local employment agencies. This includes a lack of understanding about the social economy sector, insufficient resources, and a general unawareness of the everyday challenges faced by social economy entrepreneurs.

Work integration social enterprises (WISEs) in Romania are not fully appreciated for their role in creating inclusive jobs. Encouraging the employment of people with disabilities, the law mandates that protected shelters employ a minimum of 30% workers with disabilities. However, these shelters are

not currently recognized as WISEs. WISEs, committed to their social mission, not only employ at least 30% of workers with support needs but also reinvest 90% of profits back into their social mission, as per the Law of Social Economy. Additionally, Law no. 448/2006 mandates that companies and institutions with over 50 employees must hire at least 5% disabled workers, facing taxes otherwise. An alternative to this tax is purchasing from protected shelters.

ADV Romania's analysis of protected shelters revealed unethical practices. While the law requires that products and services from these shelters be produced by workers with support needs, many only employ the minimum required number (three) and import products for resale, focusing on profit rather than manufacturing. This model offers limited job creation and makes it hard for locally manufactured products to compete with imports from low-income countries. Therefore, **ADV Romania advocates for protected shelters to also be authorized as social enterprises.**

ADV Romania also notes the lack of incentives and burdensome administrative tasks for social economy ventures, such as extensive reporting, registration with local employment agencies, and complex legal and funding processes.

These conditions became fruitful ground for the conception of the ‘Accelerator of Social Enterprises’ project. The project aimed to incubate social enterprises and create the right conditions for them to thrive. Its overall objective was to create inclusive workplaces and enterprises that are mindful of the needs of the communities they are part of. The project had a holistic approach – from raising awareness to training, financing, mentoring and further support for growth. All the activities were carried out by the ADV Romania team (the same team that is also involved in the management of the social enterprises created by the foundation. Moreover, participants in training activities learned from the experience of the foundation and had the chance to visit the social enterprises created by ADV.

The structure and composition of the ‘Accelerator of Social Enterprises’

The Accelerator started in Romania in 2019 and it run nation-wide until 2022, within [two projects](#) funded by the European Social Fund, implemented through the [Operational Programme Human Capital](#), managed by the Ministry of European Funds in Romania.

In 2020, the Accelerator was extended to Republic of Moldova and Ukraine (where it run until 2023), through the [EU4YOUTH program](#), co-financed by the European Union ([project details](#)).

Accelerator incubated 42 social enterprises in Romania, 5 in Moldova and 1 in Ukraine, and 108 jobs have been created in these enterprises – with 20 of them addressed to people from vulnerable groups. **The Accelerator successfully awarded a total amount of €2.1 million in grants.**

Here is a [video summary of the Accelerator](#).

Name	Accelerator of Social Enterprises in Romania, Moldova and Ukraine
Objectives	<ul style="list-style-type: none"> • To raise awareness on the opportunity to develop social economy entities as a means to contribute to lowering social disparities and to creating inclusive workplaces. • To offer social entrepreneurship trainings for at least 400 people from Romania, Moldova and Ukraine. • To develop 48 social enterprises in Romania, Moldova and Ukraine and offer mentoring and support for their growth for at least 1 year after establishment.

	<ul style="list-style-type: none"> To create a network of support and development of social economy and to connect them to other communities and relevant actors in the country or in other EU-member states.
Activities / Deliverables	<ul style="list-style-type: none"> 210 persons from Romania participated in social entrepreneurship trainings 238 youth from Moldova and 19 youth from Ukraine participated in social entrepreneurship trainings Video story of key achievements in Romania Video story of key achievements in Moldova and Ukraine 42 social enterprises established in Romania – video stories 5 social enterprises created by youth in Moldova and 1 social enterprise created by youth in Ukraine - video success stories (videos were made in Romanian, English and Ukrainian) Awarding of grants of 100.000 Euros to 42 social enterprises in Romania, and 7.500 Euros in Moldova and 1 in Ukraine Creation of jobs within the newly established social enterprises, with a particular focus on persons belonging to vulnerable groups.
Target group(s)	Aspiring social entrepreneurs across Romania. In Moldova and Ukraine, the project targeted specifically youth.
Timeline	The Accelerator was implemented in Romania during July 2019 – July 2022 at national level, except for the Bucharest - Ilfov Region, which has not been eligible for this financing axis. In Moldova and Ukraine was implemented during February 2020 – March 2023.
Location	Romania, except Bucharest-Ilfov Region, Moldova (all), Ukraine (Odessa and Ismail regions).
Main implementing organisation(s)	ADV Romania
Other organisation(s) involved	<p>In Romania, for one the 2 projects, ADV Romania had one partner - Grupul de Consultanță pentru Dezvoltare DCG (fonduri-structurale.ro).</p> <p>The activities from Romania were 100% funded through the Operational Programme Human Capital, managed by the Ministry of European Funds in Romania.</p> <p>The activities from Moldova and Ukraine were 90% funded by the European Union, through the EU4YOUTH program.</p> <p>Activities in Moldova and Ukraine have been implemented together with the following organisations: the Cross-Border Cooperation Association “Lower Danube Euroregion” (Romania), Agency for Cross-Border Cooperation and European Integration (Moldova), Youth NGO "New Generation of Europe" (Ukraine), National Platform of Women of Moldova (Moldova).</p>

Outcome and results

The Accelerator enabled social enterprises to establish themselves both as businesses and within communities, becoming models of social innovation and empowering people from vulnerable groups in the labour market. What is more, approximately 90% of the profit these enterprises generated were directed towards their social mission – among others, these were to provide inclusive jobs for people from vulnerable environments, contribute to sustainability goals such as sustainable production and consumption, offer educational courses and resources to vulnerable women, older people and children, or offering other services to vulnerable individuals free of charge.

Given the growing social enterprise environment, ADV Romania has increased its policy capacity, being able to acquire the funding and knowledge to create various mechanisms that ensure the continuation of the best practices obtained by the implementation of the Accelerator.

The funding provided through the [Operational Programme Human Capital](#), was also used to create a series of mechanisms that will further the goals of the Accelerator of Social Enterprises:

- [The first interactive map of social enterprises in Romania](#), which was connected to international networks, being a tool to promote these enterprises and socially responsible procurement.
- **Three legislative projects registered in Parliament** proposing fiscal and non-fiscal incentives for the social enterprise sector.
- Inclusion of the incubated social enterprises in **the first social economy cluster in Romania**, registered by ADV on [the European cluster platform](#). The aim of this cluster is to help social enterprises grow and become more competitive, thereby multiplying their positive impact on local communities and the environment.

As such, the Accelerator now serves as a basis for future programs through which ADV Romania will contribute to the development of the social economy ecosystem. Participants in the project became active members in their communities, displaying a paradigm shift towards social entrepreneurship that served as inspiration to others. The physical nature of the businesses established further allowed for local visibility of the social entrepreneurs, further establishing the innovative nature of the project and its impacts. The project's participants were an example of the results brought about by empowering people with disabilities to take initiative in the labour market.

Two social enterprises were created by people with disabilities. The 48 social enterprises created have established around 20 jobs for people with disabilities, many of which are still active today.

“One of the Accelerator entrepreneurs was a young man with a sight disability, who was passionate about having his own coffee shop. Through the Accelerator, he was able to draft and execute his business plan, and, while he had no entrepreneurial experience, his business remains successful. He has created his first coffeeshop in Cluj, which in September got a Golden Review from Google. Not only is he creating a social impact, but he is also creating a great product. He has received attention from mass media, and his staff is composed of multiple people with disabilities, who, in this innovative workplace, have found unique opportunities. He acts as an example in his community”

Elena Vasiliu – ADV Romania

Facilitating factors	Barriers or challenges
<ul style="list-style-type: none"> • A positive stream of communication was established with individuals in the Accelerator and business experts, which was further facilitated via informal means of communication. This allowed for constant feedback and mentoring, as well as community-building amongst the participants of the Accelerator. • A clear workflow for all employees of ADV Romania working on the Accelerator enabled continuity, efficiency and appropriate guidance when needed. • Team members of ADV Romania were dedicated, hard-working and committed, going above and beyond to assist participants. Most of the team members were also part of ADV Romania for many years and very knowledgeable of the social economy particularities and challenges, ensuring that the overall goals of the Foundation were sustained throughout the process. Having a dedicated full-time team on a project is not common in the social economy sector, and the ability of ADV Romania to dedicate a full-time team to the project was a success factor. 	<ul style="list-style-type: none"> • The specialized attention required by the new social enterprises brought a heavy workload to the team of ADV Romania, indicating the need for additional resources to guide participants. • Reporting requirements and compliance processes, especially in light of external funding, required specialized knowledge and experience.

Recommendations for organisations seeking to establish incubator projects

- It is crucial to ensure compliance and monitor the cash flow of projects, especially in light of the extend of the project. Ensuring efficient capital flows, on-time payments and best use of external funding is key to sustainably maintaining all enterprises.
- It is important to have a dedicated team that is familiar with the objectives, aims and targets of the project. Dedication to excellence, transparency amongst team members and clear guidance is key towards ensuring continuity and efficiency with day-to-day tasks, as well as strategic decisions.
- Ensuring that the implementing teams are composed of experienced team members is key towards maintaining a positive process that is closely linked to the overall aims and strategy of the main implementing organization and its partners.

Conclusion

Through the example of the Accelerator for Social Enterprises, ADV Romania was able to support multiple enterprises in being established, providing opportunities for inclusive, empowering employment to people with disabilities. In light of the challenging conditions faced by the social economy sector across Europe, the Accelerator and the demonstrable efforts of ADV Romania to

support social enterprises provide many arguments in favour of continuing to support and promote the inclusion of people with disabilities in labour markets, as well as demonstrating which essential challenges the sector would face in the future. However, government support will be critical in providing these enterprises and their workforces with the necessary tools for the future economy and labour market.

The D-WISE Network

Following a first encounter in Madrid in July 2017, in December 2018 Fundación ONCE promoted the launch of a **European Observatory for Inclusive Employment and SDGs** with the aim to raise awareness, to build an EU partnership and to conduct a study on the common characteristics and challenges of social economy organizations and companies employing a significant percentage of persons with disabilities in Europe. The project, initially co-financed by the European Social Fund in the framework of [Disability Hub Europe](#), was set up by a coalition of six organizations active in the social economy sector employing persons with disabilities from across Europe. After two years of activity, the **European Observatory for Inclusive Employment and SDGs** is a consolidated project, which will operate as D-WISE Network. Our main objectives are to analyze how the social economy sector employing significant percentages of workers with disabilities effectively contribute to their labour and social inclusion in Europe, to examine the existing employment models for persons with disabilities in social economy and their alignment with the UN Convention on the Rights of Persons with Disabilities (UN CRPD), to explore policy needs and provide recommendations for decision-makers and to contribute to the UN 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs).

Our members are:

<p>National member organisations from Belgium, Bulgaria, Croatia, Finland, France, Spain, Romania, the Netherlands, Sweden and Slovenia.</p>	
<p>European network partners</p>	
<p>Observer organisations</p>	

The European Observatory for Inclusive Employment and the SDGs
 Contact: Carolina Serrano, Weber Shandwick, Observatory Secretariat,
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Methodology and data collection

This case study is part of a series of ten - one for each national member organisations of the D-WISE network. The overall objective is to contribute to better understand how persons with disabilities actually access economic opportunities, while recognising the diverse legal forms and adopted approach towards employment of workers with disabilities taken throughout Europe. The data collection process was qualitative in nature and conducted by Weber Shandwick, acting as the D-WISE Secretariat. It consisted of a brief document review and semi-structured interviews with the key contact persons involved. Each case study was drafted by Weber Shandwick and approved by the respective national member organisation before being publicly released.

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