

Consolidating Ireland's Indigenous Social Enterprise Sector – A Policy Perspective

Research Article

Andrew Forde

Head of Rural Regeneration at Department of Rural & Community Development, Dublin, Ireland

Abstract: The National Social Enterprise Policy for Ireland (2019 – 2022) was a watershed moment for social enterprise in Ireland. Ireland has a rich, proud and diverse experience of social economy and social enterprise, yet the policy framework developed comparatively later than in some other EU member states. Since its launch in 2019, the Policy has helped to significantly shape the social enterprise sector in Ireland including through targeted measures and improved coherence across government policy. At the same time, the sector is still in a nascent phase and faces dramatic new challenges associated with the realities of focussing on social impact whilst trading in a competitive market economy traditionally focussed on export-potential, which have been exacerbated by the economic effects of the COVID-19 pandemic. As this foundational Policy comes to the end of its term, the Government, in partnership with the sector, now faces another significant juncture which will determine how successful social enterprise can be in moving from the margins to the mainstream and contributing to Ireland's economic, social and environmental progress. The current article seeks to clarify the features of Ireland's indigenous social enterprise sector, and offers perspectives on some of the prerequisites for an ambitious and impactful successor policy in 2023 to unlock the potential of the sector to grow in scale and impact.

Keywords: *Social enterprise, Social Economy, Social Enterprise Policy, Public Policy, Ireland, Enterprise, Entrepreneurship*

© Sciendo

INTRODUCTION

The publication of Ireland's National Social Enterprise Policy (2019 – 2022) (Government of Ireland, 2019) in July 2019 was hailed as a defining moment for the sector (Ring 2019). The Policy created a foundational framework within which social enterprise activity was recognised by government policy for the first time in the history of the state as a legitimate means of trading for social good. It established a platform for social enterprises and their wider ecosystem to grow in scale and impact. Social Enterprises, networks and support organisations were instrumental in the development of the policy (Government of Ireland 2019) and since its publication they have leveraged it to significantly increase the profile, quality and intensity of their activities. The Policy has served as a tool to enhance advocacy for a levelling-up of the enterprise playing field in Ireland, which traditionally has favoured a strong export-focussed enterprise development model, with less focus on developing the indigenous social enterprise sector.

Since its publication, Government support has assisted in raising awareness of social enterprise in Ireland, building and strengthening social enterprises and their networks or support organisations, and achieving better cross-governmental policy alignment. Now that the foundational policy is coming to the end of its term, it is timely to ask how Government, in partnership with stakeholders, can ensure the next iteration of policy strengthens the social enterprise sector further, such that it supports sustainable and inclusive growth on the one hand, as well as the requirements of a just and green transition on the other.

* E-mail: andrewforde@gmail.com

This paper is principally concerned with the next iteration of policy and what some of the critical success factors might be. To address this central question, this paper will firstly outline the nature of the social enterprise sector in Ireland and its unique features. It will then offer some perspectives on the prerequisites for effective public policy relevant to social enterprise and why the social enterprise sector should be seen as a flag-bearer for the broader social economy and contributing significantly to Ireland's social, environmental and economic ambitions.

UNDERSTANDING THE UNIQUE NATURE OF SOCIAL ENTERPRISE IN IRELAND

The OECD (2018) notes that social economy organisations traditionally refer to the set of associations, cooperatives, mutual organisations, and foundations whose activity is driven by values of solidarity, the primacy of people over capital, and democratic and participative governance. Ireland has a long and rich history of social economy and, specifically social enterprise. From credit unions to cooperatives, civil society organisations to the more commercially focussed social enterprises, the social economy in Ireland is thriving and diverse in nature and focus. It played a critical role in the response to the COVID-19 pandemic in 2019 and 2020 in particular. The European Commission estimates there are 2.8 million social economy entities in Europe that employ 13.6 million people, spanning a diverse range of sectors and forms, from care services to recycling; from cooperatives to social enterprises (European Commission 2021).

In 1998, the Social Economy Working Group report presented a three-tier typology of social economy enterprises in Ireland which included Community business, ultimately financed by trading income alone, deficient demand social enterprises, where the demand for particular goods and services within a community is not matched by resources due to disadvantage or low density of population; and, enterprises based on public sector contracts, that address the potential for subcontracting from the public sector (Social Economy Working Group Report, 1998). A national Social Economy Programme was launched in 1999, to support social enterprises that were professionally managed and 'entrepreneurial', i.e. functioning in the marketplace (O'Hara and O'Shaughnessy, 2004). Under this programme, social enterprises were required to contribute to and support the regeneration of the local community as well as maximising employment opportunities for the long term unemployed and other disadvantaged groups. Already at this point, there was a growing understanding that some organisations may be mainly focussed on community service and as such not commercially trading, whilst others were adopting more commercially enterprising characteristics though this trading was a means to an end rather than an end in and of itself. These social enterprises were becoming a more prominent and complementary part of a diverse and vibrant social economy landscape in Ireland.

In 2000, the Social Economy Framework Document published by FÁS identified the distinguishing feature of the social economy as '[t]hat part of the economy, between the private and public sectors, which engages in economic activity in order to meet social objectives.(FÁS. 2000). Clearly this was not to suggest that all social economy activities were commercially trading activities *per se*, rather it implied that the social economy comprises economic actors involved in some form of action and transaction, leading to a social outcome. As economic actors, social economy organisations were creating jobs, often for the most marginalised.

The broadly conceived community, voluntary and charity sector is the largest segment of the social economy in Ireland. Indeed, research commissioned by the Charities Regulatory Authority in 2018 notes that charities in Ireland are estimated to have direct, indirect and induced expenditure of €24.98 billion and support 289,197 employees. (Charities Regulatory Authority, 2018). However, the social economy extends far beyond the formal charitable sector, so it is reasonable to assume these are conservative estimates of both financial impact and staff employment levels of the wider social economy. This distinction between social economy – comprising primarily non-trading entities such as charities – and social enterprises, is critically important.

Social enterprises – as trading businesses with explicit social and/or environmental aims - represent a subset of the social economy in Ireland. They have specific characteristics, opportunities and challenges. The most important distinction is that social enterprises, by definition, are businesses trading for social progress. They are concerned with similar issues as any other micro-business or SME such as markets and financing, but they are equally mission-focussed, and must balance market considerations with achieving maximal impact. In the case of social enterprises, there is no dichotomy or hierarchy between trading and impact, one reinforces the other. However, to conflate social enterprises with broader, non-trading, social economy organisations is to misunderstand fundamental distinctions.

The OECD defines social enterprise as “an entity, which trades goods and services, that fulfils a societal objective and whose main purpose is not the maximisation of profit for the owners but its reinvestment for the continued attainment of its societal goals (OECD 2022). The European Commission similarly defines a social enterprise as “an operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners or shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities.” The term “social enterprise” has been deployed in a number of EU legal texts for funding purposes (EU 2013a, b); EU 2021 a,b). In June 2022, the tripartite structure of the International Labour Organisation also agreed to a definition of a social enterprise which focusses more on work integration and addressing disadvantage but is consistent with the OECD (2022) and the European Union by defining a social enterprise as “a unit that utilizes market means but primarily to serve social purposes, such as employing and training disadvantaged individuals (for example, persons with disabilities and the long-term unemployed), producing products of particular social value or serving disadvantaged persons in other ways” (International Labour Organisation (ILO) 2022).

These international definitions clearly situate social enterprises as trading businesses with explicit and central social purposes. The EU has recognised the strong potential of the broader Proximity and Social Economy by explicitly including it as one of fourteen industrial ecosystems in its New Industrial Strategy for Europe (European Commission, 2020). The EU will prioritise and monitor these ecosystems as part of its annual analysis of the state of the single market.

Recognising the potential for the social enterprise sector to grow and generate positive impact on society, in January 2017, the Government of Ireland made a commitment in the framework of the Action Plan for Rural Development to “Develop and publish a National Policy on Social Enterprise which will encompass the full range of activity in this sector” (Department of Rural and Community Development (2017). That same year, the then Department of Justice and Equality became the first government department to recognise the potential of Work Integration Social Enterprises to create opportunities for people with previous convictions through the New Way Forward Social Enterprise Strategy 2017 – 2019. In the absence of a cross-governmental policy on social enterprise, that Strategy retained the Forfás (2013) definition of social enterprise as an enterprise: i) that trades for a social/societal purpose; ii) where at least part of its income is earned from its trading activity; iii) is separate from government; and iv) where the surplus is primarily re-invested in the social objective.

Following extensive engagement with a wide range of stakeholders, in 2019 Ireland published its first ever National Social Enterprise Policy (2019 – 2022) which adopted a much broader perspective than solely focussing on work integration. The Policy is based on the OECD (2022) and EU definitions, but also relies on the inputs of the 114 organisations who contributed to the extensive public consultation process.

Co-creation of the Policy was a critical success factor given the diversity of views and interests in the social economy generally and the social enterprise sector specifically. It was also, understandably, a key ask from the main representative and network organisations in the period leading up to the development of the Policy. The Social Enterprise and Entrepreneurship Task Force (SEETF), established in 2009 to promote social enterprise and social entrepreneurship as a viable and vibrant part of the Irish economy, led calls on Government to work in partnership to develop social enterprise in Ireland Forfas (2013). Government responded positively to these calls by co-producing a report on Social Enterprise in Ireland in June 2018 (O’Shaughnessy, 2018). It then pursued a period of bilateral and multi-stakeholder engagements and public consultation events to shape and hone the Government’s approach to the development of the new Policy. The Department of Rural and Community Development, which led the Policy development, also sought the engagement of other government departments, given the cross-governmental relevance of the issue. Following these extensive engagements, the Government defined Social Enterprise as:

an enterprise whose objective is to achieve a social, societal or environmental impact, rather than maximising profit for its owners or shareholders. It pursues its objectives by trading on an ongoing basis through the provision of goods and/or services, and by reinvesting surpluses into achieving social objectives. It is governed in a fully accountable and transparent manner and is independent of the public sector. If dissolved, it should transfer its assets to another organisation with a similar mission (Government of Ireland 2019).

This definition sought to capture the unique features of the Irish social enterprise sector, which encompasses a broad spectrum of organisations from those operating on market margins – so-called deficient demand social

enterprises – right up to highly commercial, sometimes internationally trading, social enterprises. The Irish definition creates no hierarchy of significance, nor any order of precedence from a public policy point of view. It explicitly references different forms of social enterprises including work integration social enterprises (WISE), enterprise development social enterprises and environmental social enterprises, but does not offer an exhaustive list based on a recognition that the sector is dynamic and evolving. In the Irish context one can see many examples of social enterprises active in the social care, education, hospitality, technology, circular economy, and innovation spaces. The role of cooperatives is also important in this regard, and there is significant potential for the development of cooperatives which adopt a social enterprise business model. Rural social enterprises too, play a particularly important role in Ireland. In his seminal study, Olmedo (2021) argues that rural social enterprises (can) act as 'placal embedded structures' which (re)valorise (untapped) local assets and attract external resources based on their ability to enhance collective action and to develop synergies with different stakeholders.

Moving Beyond Definitions

Cafferty, McCarthy and Power (2016) note that ambiguity around the definition of SEs, categorising the various forms and functions they perform can be challenging. Wilkinson, Medhurst, Henry, Wihlborg, and Braithwaite (2014) categorised SEs into social and economic integration of the disadvantaged and excluded, social services of general interest, other public services, strengthening democracy, environmental activities and solidarity with developing countries. Ekins, Domenech, Drummond, Bleischwitz, Hughes, and Lotti, (2019) suggested that rather than seeking to define a circular economy in so many words, it may be described through its characteristics. This may be a sensible approach for social enterprise where its characteristics – trading, central social/environmental purpose, reinvestment of profit, transparency and accountability – are primordial. Over-emphasising definitions risks pitting one form of social enterprise against another, stifling the entire sector. Similarly, retreating to overly simplistic, dichotomous narratives of European models of social enterprise versus US models of social entrepreneurship misrepresents Ireland's unique, indigenous social enterprise sector, and is divisive and unhelpful.

The first National Social Enterprise Policy sought to provide a definition and broad typology of social enterprise as a means of fostering a collective identity for the sector and increasing awareness across the public and private sector to enable the development of markets and impact potential. This sense of identity within the sector is developing, but sectoral cohesion remains a challenge so it seems that consolidating the identity of social enterprise and continuing to raise awareness should remain priorities in the successor policy. Furthermore, the persistent zero-sum narrative of social enterprises gain being the broader social economy's loss is a fallacy and a significant risk facing the sector.

Social Enterprise and the Circular Economy: Complementary identities

Contrast this with what has been witnessed in another nascent but rapidly expanding sector, the circular economy. The circular economy has grown exponentially over the past decade. The success of the circular economy is attributable to the effectiveness and simplicity of messaging around the role, purpose and importance of the sector to the environment and the economy. Both public and private actors can see opportunities in the sector, and it was assisted by the converging forces of political appetite and increasing public awareness of the pronounced effects of climate change and biodiversity degradation. The European Union has been a key driver of the success of this sector as it mainstreamed circular economy into its work towards the twin-track green and digital transitions, ensuring no-one was left behind. For example, the European Commission adopted a circular economy action plan (CEAP) in March 2020 which is one of the main building blocks of the European Green Deal (European Commission (2020). It has provided unprecedented funding in recent years towards achieving its objective of making sustainable products the norm in the EU. Now the circular economy is widely known and understood, throughout all aspects of the state and society which is yet the case for social enterprise though conditions are ripening.

There is a very strong relationship between the circular economy and social enterprise as noted in the 2022 OECD Report on the Circular Economy in Ireland OECD (2022). In the Irish context, more and more social enterprises are diversifying into circular enterprises, and new ventures often integrate sustainable or circular processes into their business models. This is no accident, it is becoming a *sine qua non* for effective and sustainable business.

Secondly, the recognition of the role of social enterprise to help foster sustainable and inclusive recoveries is near-universal. In 2021 the European Union published the EU Action Plan for the Social Economy, the OECD is currently finalising a specific Recommendation to Governments on the Social and Solidarity Economy which emphasises its role in achieving inclusive and sustainable economic development.

Additionally, the trading dimension of social enterprise has been copperfastened at EU level through the EU Industrial Framework which recognises Social Economy as one of 14 industrial ecosystems. Work is also underway at the level of the International Labour Organisation (ILO) and the UN. So what should Government consider as it moves towards the development of a successor National Social Enterprise Policy?

Evidence: Establishing a Reliable Basis

The EU Action Plan on the Social Economy, published in 2021, recognises that social enterprise is one part of the social economy. The Action Plan notes that existing data on the social economy are often scarce, incomplete and difficult to compare and so contains a strong focus on improving the evidence basis for public policies in this area (European Commission (2021) Ireland is no exception in this regard. One of the major public policy challenges faced by government is understanding the full scale, scope and impact of the social economy in general and social enterprise in particular.

In 2012, drawing on 2009 data, Forfás estimated that there were some 1,420 social enterprises in Ireland, employing over 25,000 people, with a total income of around €1.4 billion (Forfas 2013). Whilst obviously now out of date, this figure almost certainly represents a significant underestimation of the numbers of social enterprises in Ireland. By way of illustration, in 2019 a mapping exercise in Waterford alone identified 325 social enterprises (Cooke et al 2019). Another exercise carried out by the Social Finance Foundation, University College Cork, Waterford, Ballyhoura and Cavan Social Enterprise Mapping Project 2017 estimated that there were approximately 7,400 social enterprises operating countrywide.

Under *Our Public Service 2020*, (Department of Public Expenditure and Reform 2020) Government is committed to evidence-informed policy-making, recognising that evidence allows Departments to the design and target Government policy which leads to better outcomes for people, businesses and the public service itself.

In 2022, following a competitive tendering process a consortium which contains very strong stakeholder involvement, was contracted by the Department of Rural and Community Development to develop a data-collection methodology in partnership with social enterprise stakeholders and to carry out a data-collection exercise. The importance of this work cannot be over-stated. It will provide a rigorous and repeatable methodology to determine the scale, scope and nature of the social enterprise sector in Ireland, filling a substantial information and evidence gap. The research will not only estimate the number of social enterprises in Ireland, but also the regional spread, primary sectors of activity, the nature and levels of staffing and approximate traded income levels.

With this information Government will be in a stronger position to articulate a new ambition for the sector for the coming years. A clearer understanding of the sector will also significantly support the current policy aims of raising awareness and ensuring greater policy alignment, as numbers can often speak for themselves. It is critically important that all sectoral interests not only participate in this exercise, but ensure the process is co-created so that the outcome is accurate and the results are of collective benefit.

Co-Creation: Reflecting Stakeholder Perspectives

The need for co-creation extends beyond the data exercise. For the future social enterprise policy to be effective and fit-for-purpose, its development must again be based on co-creation.

The 2019 National Social Enterprise Policy recognises the vast experience of social enterprise, and that collaboration between government and relevant stakeholders is central to the shared success of implementing the Policy. Partnership has informed every aspect of policy development and delivery, and must remain central to the development of a successor. Impartiality and open-mindedness are also critically important. Social Enterprise sits at an intersection of public policies which are concerned with enterprise policy, social policy and sustainability policy.

Since 2019 many lessons will not only have been learned by policy-makers, but also by practitioners, funders and financiers (community and otherwise), support organisations and academics. These learnings must be harnessed effectively in order to shape a common ambition for the future of the sector. A major part of capturing these learnings is carrying out an in-depth review, so the Irish Government engaged the OECD to carry out this independent, international review of the Social Enterprise policy ecosystem OECD (2020). The OECD held extensive consultations with a wide range of stakeholders on site including social enterprises, networks and support organisations, funders, local authorities and government departments and agencies. The findings of this comprehensive review are due to be published in 2023, in order to be fed directly into the considerations regarding the successor policy.

Challenging traditional Enterprise narrative: Developing Social & Circular Enterprise

The Minister for Rural and Community Development currently holds responsibility for social enterprise policy though clearly other Departments – in particular the Department of Enterprise, Trade and Employment - have a role to play in ensuring social enterprises thrive as part of a diversified enterprise base. By supporting social enterprises, government is supporting a much wider range of public policy objectives related to inclusion, equality, job creation and so on. The Minister for Rural and Community Development, on behalf of government, has articulated a clear ambition for Ireland to become a European leader for social enterprise. In December 2020, the Minister joined eighteen other European Union member states in signing the Toledo Declaration on the Social and Solidarity Economy as a commitment to strengthening the decisive role that Social Enterprises can play as the EU emerges from the health, economic, and social crisis caused by the COVID-19 pandemic.

Ireland, as a small open economy, relies on trade as a principal source of economic growth and improvement in living standards. Given our limited domestic market of some five million people, it is natural that the SMEs, small corporates, and PLCs, which make up the bulk of our indigenous enterprise base, must look to international markets early in their development, to find new customers for their products and services to scale. However, the dominant focus on high potential start-ups and international trade should not create a dichotomy for government when it comes to enhancing other parts of the indigenous enterprise base which includes social enterprise. Indeed, what is increasingly clear is that achieving meaningful balanced regional development, which is a priority under the National Development Plan and Our Rural Future Ireland's rural development policy 2021 - 2025, there is a need to catalyse the development of community-based business, cooperatives and other forms of social enterprises particularly outside of Dublin. The more that companies seek to ensure their supply chains are sustainability-proofed, the more opportunity there is for social enterprises to grow, generating a win-win for all. Moreover, Foreign Direct Investment is increasingly reliant not just on offering the skills and infrastructure traditionally required by international companies, but also on sustainable supply chains, and socially impactful opportunities to help companies to achieve their Environmental, social, and governance (ESG) targets. Again, here social enterprises can form part of the solution, if they are provided the market opportunities like any other SME to provide goods and services, but in parallel to fulfil significant social or environmental objectives. This is not about delegating social or environmental responsibility, it is about reimagining business relationships which move from charity to partnership which serve society, the economy and the environment in equal measure. This requires policy-makers to shift thinking towards the achievement of a social, circular economy, which stands to enhance and augment our strong and growing SME sector.

The first time Social Enterprise featured in a national economic strategy was under Future Jobs 2019. Since then linkages have been made across circular economy policy, renewable energy schemes, and the coherence of the social enterprise sector with the cooperative movement is increasingly recognised. In 2021, in its response to the effect of the COVID-19 pandemic on the Irish economy and society, the Government's Economic Recovery Plan (ERP) established a vision of the economy post-pandemic, which is export-oriented, digital, and green, whilst also being regionally balanced and inclusive Department of the Taoiseach (2022). In order to realise this vision, nine Regional Enterprise plans were published in 2022 which seek to build on the unique circumstances and opportunities in different regions. Several of these plans include objectives related to social enterprise. For example, in the Regional Enterprise Plan Mid-West, Strategic Objective 5 is focussed on Developing Social Enterprises and Job Creation Initiatives for areas of high unemployment. Government of Ireland (2022a). Similarly, Dublin's Regional Enterprise Plan Government of Ireland (2022b) contains actions focussed on community-led social enterprises. Moreover, there has been a sharp increase in localised social enterprise strategies being developed. Crucially, in December 2022, the Irish Government published its Enterprise White Paper (Department of Enterprise, Trade and Employment (2022) which establishes a high-level vision for the development of enterprise in Ireland, founded on sustainability, innovation and productivity, up to 2030. The White Paper notes that social enterprises are an "important and growing part of Ireland's entrepreneurship ecosystem, creating jobs and stimulating local economic activity, and are recognised as an integral part of Ireland's broad enterprise policy landscape. This creates a strong framework for growth of the sector in line with mainstream enterprise policy, whilst not diminishing its complementary role in the achievement of other public policy goals such as in the areas of inclusion and climate action.

This policy matrix assists in raising awareness and challenging traditional thinking about the nature and potential of social enterprise for Irish society, and assists in levelling the playing field for social enterprises in accessing supports.

Cross-Government: Articulating the Added-Value of Social Enterprise to the Irish Economy

Although the National Social Enterprise Policy is a whole-of-government policy, its effectiveness requires meaningful linkages to be made, on an ongoing basis, with other relevant policies and programmes. This is in the nature of public policy, which are dynamic processes, with shifting requirements and opportunities. Effective policies are not static, they must continuously seek renewal and reinforcement across the system, and in-so-doing, reaffirm their relevance and potential. This is recognised under the third pillar of the National Social Enterprise Policy which is focussed on Achieving Better Policy alignment. The policy notes that social enterprises operate right across society and the economy, addressing social, economic and environmental challenges and commits to developing a better understanding of the interaction between social enterprises and relevant policy areas across Government to achieve closer alignment with social enterprises and the potential contribution they can make to delivering on a range of policy objectives.

As government policy moves more and towards ensuring effective transitions to a low-carbon, more digital future, with a strong focus on sustainability, there is a need to continue to focus on the potential role for social enterprise alongside the more traditional sectors. Social Enterprise must be seen as a sector of high growth potential, and supported accordingly. Doing so allows not only the creation of more jobs, often amongst the most disadvantaged, but it also can assist in realising broader public policy objectives. There is significant potential for further alignment with the circular economy, and potential in the areas of micro-energy generation and social innovation. The cooperative sector has become synonymous with agriculture in the past, but again this is an area of tremendous opportunity for social enterprise business model to grow.

Developing this sector requires decisive efforts right across government and conclusively disassociating social enterprise from traditional notions of “charity” (even though it remains perfectly legitimate for a social enterprise to be legally registered as a charity), and instead thinking about social enterprise from the perspective of impact and opportunity. Social Enterprises must be given fair opportunity to develop, or to fail, like other businesses, but in considering their value there must be a far more nuanced understanding of why they exist, how they function, and what impacts they are generating. This includes being supported to access public procurement markets, as provided for under Circular 20/2019 on promoting the use of Environmental and Social Considerations in Public Procurement.

CONCLUSION

Ireland has a vibrant social economy which includes a developing social enterprise sector. These are complementary sectors and the strength of each can bolster the other. Social Enterprise is not universally understood across the public or private sector, and this is limiting its potential for growth, both in terms of scale and impact. The National Social Enterprise Policy for Ireland served as a strong foundational framework for growth of the sector, sitting alongside other important policies for the broader community and voluntary sector such as the 5-Year Strategy for the Community and Voluntary Sector in Ireland, and the National Volunteering Strategy. Significant progress has been made in mainstreaming social enterprise, raising awareness, and promoting discussion about the place of social enterprise as part of a diversified, and increasingly green, national economy. However, there is still much to do, and tremendous potential to be unlocked through deliberate and ambitious public policy.

The context too has changed profoundly since the first policy was launched in 2019. Ireland is on a strong economic growth trajectory despite the composite challenges of recovery from COVID-19 and dealing with a global energy and food security crisis, on top of the legacy challenges of climate action and environmental protection. These issues require government to focus on macro and micro resilience, including at community level and amongst marginalised cohorts. This serves only to underscore the importance of social enterprise being recognised not as an incidental part of Irish society and the economy, but potentially a central driver of growth and impact.

This article has argued that the foundational policy must be built upon with decisive ambition and in partnership with stakeholders in the next iteration. To do so, there are certain essential elements including establishing a rigorous evidence basis, and ensuring meaningful co-production with sectoral interests. The diversity of the social enterprise sector is its strength, and this needs to be reflected in any future policy. No less important will be the acceptance of this diversity within the sector itself, which at times experiences disunity.

As policy makers and stakeholders develop the new National Social Enterprise Policy, it would be timely to reflect on some fundamental questions facing the sector such as whether the current definition of social enterprise is fit for purpose in a changing Ireland, whether there is a need to create a specific categorisation, legal status, mark or 'register' of social enterprises in order to be more readily identifiable or to ease access business supports, whether Ireland's social enterprise sector should embrace more confidently the diversity of social enterprises (from the deficit demand types right up to those trading internationally) and provide graduated supports depending on the form, scale and ambition of the social enterprise, and whether a consolidation of sectoral representatives would enhance its opportunities for growth. These are the kinds of challenging questions which deserve significantly further examination and consideration, but could prove to be decisive in shaping the future of social enterprise in Ireland.

Finally, as Ireland moves towards a more sustainable and inclusive future, the recognition of social enterprise as "important and growing part of Ireland's entrepreneurship ecosystem" under the Enterprise White Paper is a major milestone and particularly significant in enabling growth of the sector. It is important that this translates into a practical and effective operational reality for social enterprises. This may require a progressive evolution in thinking on the supply and demand side of the market, as well as at strategic level in considering how social enterprise can support the objectives of the National Development Plan's strategic outcome of achieving balanced regional development, for example. Social Enterprises are creating meaningful jobs, serving communities and generating manifold impact right across Ireland. It is therefore not only correct for government to focus on levelling-up the playing field for social enterprise as part of its broader enterprise development efforts, doing so represents a value-added proposition for government, as social enterprises support the achievement of numerous sustainable development policy goals. At a European level, their role is recognised as being significant, and the EU, OECD and ILO have converged in prioritising the development of the sector. Now, as Ireland comes to the end of its first National Social Enterprise Policy, it has as a unique opportunity to seize the momentum to shape a new, ambitious and mainstream future for its dynamic social enterprise sector.

References

- Cafferty, S., McCarthy, O. and Power, C. (2016). Risk and reward: The development of social enterprise within the criminal justice sector in Ireland - some policy implications. *Irish Probation Journal*, 13, 22-39.
- Charities Regulatory Authority (2018). Social and Economic Impact Report. Registered Irish Charities. Available at: <https://www.charitiesregulator.ie/media/1564/indecon-social-and-economic-impact-report-2018.pdf> (2 March 2023).
- Charities Regulatory Authority (2018). Social and Economic Impact Report. Registered Irish Charities. Available at: <https://www.charitiesregulator.ie/media/1564/indecon-social-and-economic-impact-report-2018.pdf> (2 March 2023).
- Cooke, S., Goggin, S. and Riches, L. (2019). Social enterprise in Waterford: Mapping survey and case studies 2019 (Waterford Area Partnership and the Social Finance Foundation, p. 44). Waterford Social Enterprise Network. Available at: https://f49b1bdc-0fd8-40d4-9e96-02edee3fe61c.filesusr.com/ugd/fa495b_f469e9334a7b477997eed39a6d04ee45.pdf
- Department of Rural and Community Development (2017). Action Plan for Rural Development 2017-2019 Final Progress Report. Available at: <https://assets.gov.ie/77125/6ad75b95-db9b-4788-ae53-7a5083717782.pdf> (2 March 2023).
- Department of Public Expenditure and Reform (2020). Our Public Service 2020, Innovating for Our Future pillar of Our Public Service 2020. Available at: <https://www.ops.gov.ie/actions/innovating-for-our-future/> (2 March 2023).
- Department of Justice and Equality (2019). A New Way Forward 'Social Enterprise Strategy 2017-2019. Available at: https://www.serni.ie/wp-content/uploads/2021/03/Mid-Term_Review_-_A_New_Way_Forward_-_Social_Enterprise_Strategy_2017-2019.pdf (2 March 2023).
- Department of Rural and Community Development (2019). Public Consultation on the National Social Enterprise Policy for Ireland 2019-2022 submissions. Available at: <https://www.gov.ie/en/publication/2da960-public-consultation-on-the-national-social-enterprise-policy-for-ire/> (2 March 2023).

- Department of Enterprise, Trade and Employment (2022). White Paper on Enterprise 2022 – 2030. Available at: <https://enterprise.gov.ie/en/publications/publication-files/white-paper-on-enterprise-2022-2030.pdf> (2 March 2023).
- Department of Rural and Community Development (DRCD) and Social Finance Foundation (SFF) (2018). Research Report to support the development of a National Social Enterprise Policy. Available at: <https://www.gov.ie/en/publication/5545b1-seresearch-report/> (2 March 2023).
- Department of the Taoiseach (2022). Economic Recovery Plan 2021 Progress Report. Available at: <https://www.gov.ie/pdf/225900/?page=null> (2 March 2023).
- Ekins, P., Domenech, T., Drummond, P., Bleischwitz, R., Hughes, N. and Lotti, L. (2019). The circular economy: What, why, how and where. Background paper for an OECD/EC Workshop on 5 July 2019. Paris, France.
- European Commission (2020). Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions (2020) A New Circular Economy Action Plan for a cleaner and more competitive Europe COM(2020) 98 final. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2020%3A98%3AFIN> (2 March 2023).
- European Commission (2021). Social Economy Action Plan, page 20. Available at: <https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=10117&furtherNews=yes#navItem-1> (2 March 2023).
- European Commission (2020b). Communication to the European Parliament, the Council the European Economic and Social Committee and the Committee of the Regions: A new industrial strategy for Europe. Available at: https://ec.europa.eu/growth/sectors/proximity-and-social-economy_en (2 March 2023).
- European Commission (2021). Building an Economy that Works for People: An Action Plan for the Social Economy. Luxembourg: Publications Office of the European Union.
- European Union (2013a). Regulation (EU) No 1296/2013 of the European Parliament and of the Council of 11 December 2013 on a European Union Programme for Employment and Social Innovation (“EaSI”) Official Journal of the European Union, L 347/238.
- European Union (2013b). Regulation (EU) No 346/2013 of the European Parliament and of the Council of 17 April 2013 on European social entrepreneurship funds, Official Journal of the European Union. Available at: <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:115:0018:0038:EN:PDF>
- European Union (2021a). Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013, Official Journal of the European Union. Available at: <https://eur-lex.europa.eu/EN/legal-content/summary/european-social-fund-plus-esf-2021-2027.html>
- Forfás (2013). Social Enterprise in Ireland. Sectoral Opportunities and Policy Issues. Available at: <https://www.tcd.ie/business/assets/pdf/centre-socialengagement/23072013-> (2 March 2023).
- FÁS (2000). Social Economy Framework Document. Dublin: FÁS.
- Government of Ireland (2019). National Social Enterprise Policy for Ireland 2019–2022. Dublin: Department of Rural and Community Development. Available at: <https://www.gov.ie/en/campaigns/e779c3-social-enterprise-policy/> (2 March 2023).
- Government of Ireland (Economic Recovery Plan 2021 Progress Report (2022), Department of the Taoiseach. Available at: <https://www.gov.ie/pdf/225900/?page=null> (2 March 2023).
- Government of Ireland (2022a). Regional Enterprise Plan to 2024 Mid-West Department of Enterprise, Trade and Employment. Available at: <https://enterprise.gov.ie/en/Publications/Publication-files/Mid-West-Regional-Enterprise-Plan-to-2024.pdf> (2 March 2023).
- Government of Ireland (2022b). Regional Enterprise Plan to 2024 Dublin, Department of Enterprise Trade and Employment. Available at: <https://enterprise.gov.ie/en/Publications/Publication-files/Dublin-Regional-Enterprise-Plan-to-2024.pdf> (2 March 2023).
- International Labour Organisation (ILO) (2022). Decent work and the social and solidarity economy, Report VI (11-25) ISBN 978-92-2-036623-3 International Labour Office, Geneva, Switzerland within the workshop series “Managing environmental and energy transitions for regions and cities”, Paris, p12.
- OECD (2018). Job Creation and Local Economic Development 2018: Preparing for the Future of Work, OECD Publishing, Paris. Available at: <https://doi.org/10.1787/9789264305342-en> (2 March 2023).
- OECD (2020). Job Creation and Local Economic Development 2020: Rebuilding Better, OECD

- Publishing, Paris, France. Available at: <https://doi.org/10.1787/b02b2f39-en> (2 March 2023).
- OECD (2022). The Circular Economy in Ireland, OECD Urban Studies, OECD Publishing, Paris. Available at: <https://doi.org/10.1787/7d25e0bb-en> (2 March 2023).
- OECD (2022). Recommendation of the Council on the Social and Solidarity Economy and Social Innovation, OECD/LEGAL/0472, June. Available at: <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0472> (2 March 2023).
- OECD (2020). Boosting Social Entrepreneurship and Social Enterprise Development in Estonia: In-depth Policy Review. OECD Local Economic and Employment Development (LEED) Papers, No. 2020/02, OECD Publishing, Paris, France. Available at: <https://doi.org/10.1787/8eab0aff-en> (2 March 2023).
- Olmedo, L. (2020). Exploring Irish Rural Social Enterprises as Neo-endogenous Development Actors. PhD Thesis [unpublished], University College Cork.
- O'Hara, P and O'Shaughnessy, M, (2004). Work Integration Social Enterprises in Ireland. Centre for Co-operative Studies, National University of Ireland, Cork, Ireland. Working Paper no. 04/03 Liège: EMES European Research Network (www.emes.net) 04/03, <https://www.ucc.ie/en/media/research/centreforcooperativestudies/docs/IntegrationSocialEnterprisesinIreland.pdf> (2 March 2023).
- O'Shaughnessy, M. (2018). Social Enterprise in Ireland. Social Enterprise in Ireland - Research Report to Support the Development of a National Social Enterprise Policy, DOI - 10.13140/RG.2.2.26639.00163.
- Ring, M. (2019). Keynote Address at the launch of the National Social Enterprise Policy for Ireland 2019-2022, Department of Rural and Community Development 23rd July. Available at: <https://www.gov.ie/en/speech/06f2a6-social-enterprise/> (2 March 2023).
- Social Economy Group Working Report (1998). Partnership 2000, The Stationery Office, Dublin, Ireland.
- Wilkinson, C., Medhurst, J., Henry, N., Wihlborg, M. and Braithwaite, B.W (2014). A Map of Social Enterprises and their Eco-systems in Europe: Executive Summary, Brussels: European Commission. Available at: <http://www.thejournal.ie/irish-person-critical-nice-2879591-Jul2016/>

Copyright of Irish Journal of Management is the property of Irish Journal of Management and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.