Policy recommendations on deploying measures supporting social innovation



Zoritza Kiresiewa, Ecologic Institute, 9 September 2025







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Policy & Funding Frameworks for SI



- EU strategies & initiatives that integrate SI as a tool for sustainability:
 - European Green Deal
 - Bioeconomy Strategy
 - · Circular Economy Action Plan

National strategies (examples):

- Germany: National Strategy for Social Innovation & Social Enterprises (2023)
- The Netherlands: Circular Economy Programme (2021–2030)
- Finland: Social Enterprises Strategy + Circular Economy Strategy
- Spain & Portugal: Comprehensive programmes fostering eco-innovation and impact investment

Funding & support programmes:

- Horizon Europe (European Innovation Ecosystems) → citizen empowerment & green transition
- European Social Fund Plus (ESF+) → skills, jobs, inclusive society
- SEAP (2021) → strengthens social economy, access to finance, regional innovation
- LEADER →fosters local partnerships and bottom-up strategies



Methodology



• **Data collection**: 17 in-depth interviews conducted Nov 2024-Feb 2025 with SI initiators identified as good practice examples.

• Focus areas of the interviews: challenges; support mechanisms; vision for a supporting policy environment

Analysis: interviews coded and analysed using MaxQDA

Validation: validation workshop with 21 stakeholders

Financial & Regulatory Challenges



Key Barriers Identified

- Social innovation projects struggle to secure public and private funding
- Public funding is often uncertain, complex, and affected by political shifts
- High dependence on public grants limits long-term planning for social innovators
- Legal and regulatory rules are often rigid, not tailored to the needs of non-profits or smaller organisations
- Expensive certifications and slow approval processes make market entry hard



Collaboration & Networking Barriers



- Lack of awareness and recognition of social enterprises as "real" businesses
- Limited awareness of their goals makes it harder to gain institutional support
- Fragmented networks hinder knowledge-sharing and coordinated action







Funding & Regulatory Support

- More accessible EU Funding and simplified application processes; tailor grants to SI themes (e.g. loneliness, sustainability)
- Empower regional development agencies: financial and personnel resources, capacity-building & training
- Introduce tax incentives for SI and sustainable practices
- Encourage private sector engagement in social financing and promote mechanisms like Social Impact Bonds
- Support certification costs and offer guidance programs



Key Policy Recommendations 2/3



Structural & Strategic Measures

- Prioritize public procurement favoring social enterprises, e.g. formulation of legal requirements for fair and sustainable public procurement
- Improve regulatory standards, e.g. regarding greenwashing and value chain transparency (e.g. Green Claims Directive)
- Reduce regulatory burdens: streamline administrative and reporting tasks
- Ensure policy stability: long-term funding disconnected from political shifts
- Develop impact-oriented funding criteria and monitoring frameworks







Strengthening Collaboration & Public Awareness

- Launch awareness campaigns to reshape public perception; e.g. informational events to increase understanding of social innovation
- Facilitate networking and collaboration among social-sector representatives; support multi-stakeholder collaboration: NGOs, government, private sector



Windows of opportunity within EU policy development

 Strategic Plan for the upcoming Research and Innovation Framework Programme (FP10) (2025-2026)

- EU Bioeconomy Strategy Review and Update
- European Semester Country-Specific Recommendations
- Implementation of the Green Claims Directive
- Implementation of the Corporate Sustainability Due Diligence Directive



Public Consultations and Feedback

Have a say on upcoming EU policies and on simplifying existing laws.





Thank you

Zoritza Kiresiewa, Ecologic Institute, 9 September 2025 zoritza.kiresiewa@ecologic.eu www. ecologic.eu

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