



**PROCEEDINGS FROM THE CONFERENCE**

**“NEW PERSPECTIVES ON SOCIAL ECONOMY IN THE MILAN AREA:  
comparing some European experiences”**

**11<sup>th</sup> February 2005**

**MILAN**

**The conference “New Perspectives on Social Economy: comparing some European experiences” was organized by the Province of Milan, Economic Activities and Innovation Department, in collaboration with ASNM (North Milan Development Agency). The event took place on 11<sup>th</sup> of February 2005 at Palazzo Giureconsulti – Sala Colonne of the Milan Chamber of Commerce, in the framework of the LNet project (European Learning Network), an Interreg III C operation running from July 2004 till February 2007.**

**LNet brings together a consortium of five cities and seven partners: London (Greater London Enterprise as coordinator, and London Development Agency), Hamburg (Technical University Hamburg – Hamburg Technology Transfer), Prague (Technology Centre of the Academy of Sciences of the Czech Republic), Amsterdam (City of Amsterdam) and Milan (Province of Milan, ASNM-North Milan Development Agency).**

**The project aims to promote a reflection at European level and to identify common strategies to address the enterprise issues of deprived urban areas. The project will also provide local authorities and development agencies with practical tools in order to eliminate barriers to local economic development in these areas and to facilitate international benchmarking processes and the exchange of best practices.**

**The conference was a valuable opportunity to compare the different experiences of the project partner cities on the theme of social economy. International experts and the main Italian actors of the Third Sector took part in the conference. The project partners presented an overview of their city’s experience in the field of social enterprise, highlighting the historical background, key activities, main barriers and frameworks for support. The Italian Third Sector representatives discussed about new strategies and instruments for the development of the social enterprise in the province of Milan.**

## **Introduction**

**The Council for Economic Development and Innovation of the Province of Milan, Luigi Vimercati, opened the conference highlighting the importance for the provincial administration of activating a commitment for a sustainable development with particular attention to the social dimension. Mr. Vimercati took the opportunity to announce two initiatives that will be launched by the Province of Milan and which are closely linked to the LNet themes. One relates to the inclusion of 2.500 disabled workers (WHERE???), and the other one, in collaboration with the Milan Chamber of Commerce, Bocconi University and the Milan City Council, is related to the integration of foreign immigrants in the labour market.**

**The intervention was followed by a brief presentation of the project LNet by the Director of the Economic Activities and Innovation Department of the Province of Milan, Mr. Giorgio Monaci. Starting from the identification of the main barriers present on deprived urban areas (scarcity of financial resources, crime and social exclusion, lack of role models, low level of networking among the community members, lack of technological competences and qualified human resources, presence of black economy), Mr. Monaci presented the three themes the project will focus on to promote positive change in deprived urban areas: entrepreneurship, innovation, and social enterprise, the specific theme of this event.**

## **Session 1 – European experiences**

**The five LNet partner cities then presented their own experience of social enterprise, coordinated by Mr. Renato Galliano, General Manager of North Milan Development Agency, who pointed out the need of reinforcing the role of the social economy in Europe, both in terms of labour creation and urban regeneration.**

**In this context the situation in London, Allison Ogden-Newton's presentation 'Exploring social enterprise' provided an overview of the debates and current situation in London. The presentation compared the private production process to the social enterprise one, highlighting the key differences in terms of inputs, production processes. The London social enterprise landscape is dynamic and varied. It is estimated that there are 5000 social enterprises in London. London has the highest level of social entrepreneurial start up activity compared to any other UK region. Social enterprise in London is taking place in a variety of ways, including: Improving local public service delivery; Empowering communities;**

**Addressing market failure; Enabling the voluntary sector to improve sustainability; Empowering consumers; Supporting voluntary and community organisations; Empowering workers. Alison Ogden-Newton also talked about Social Enterprise London, an NGO active in providing support to social enterprises in London.**

**Hamburg's intervention was focused on the Third Sector and migrant entrepreneurship. During the analysis of the city situation, Metin Harmanci pointed out the differences, in terms of criteria, needs, typologies, barriers and potential between social and migrant enterprise. It emerged that migrant entrepreneurship is mainly family oriented, characterized by a defeatism (due to education, language, status), lack of commitment and self discipline, distrust towards advice and institutions. Promotion of community life, self-organisation, increase of participation, implementation of new communication channel and boosting motivation are the main priorities to be tackled.**

**Dr Isabel Gallin gave a presentation on social entrepreneurship in deprived areas of Amsterdam. The Netherlands showed the widest non-profit sector in the world in terms of employment (12%) in sectors as health, welfare, and education. However, there is not a strong tradition of social economy in The Netherlands as a result of a strong welfare state and 'pillarisation', i.e. the organisation of groups of citizens based on religious or political beliefs. Social economy actors can be cooperative firms, associations or mutual organizations that must include independent management, democratic decision-process and not to have a profit scope. Dr Gallin emphasised the importance of not adopting a narrow definition of social enterprise and on focusing on the enterprise element and its potential**

**The social economy framework in Prague is characterized by an old tradition of the cooperative system, but there is a gap in the definition of social economy. Daniela Vachova stated that Social Enterprise and Third Sector have started being used only recently. The Third Sector includes non-governmental organizations and non-profit organizations, while Social Enterprise means a type of cooperative that employs disabled and disadvantaged people. The sector faces a dual challenge in the Czech Republic at present, linked to the reform of the cooperative legislation and the definition of public benefit.**

**Antonella Rosso presented the results of a recent study of the Milan Chamber of Commerce on the situation of the immigrant entrepreneurs in Lombardy. In the province of Milan, the majority of enterprises controlled by entrepreneurs of low income is located in Milan. Foreign enterprises in Lombardy are still few but firms controlled by low income entrepreneurs are growing fast. Immigrant businesses are characterised by small dimension, traditional sectors with low entry barriers, concentration in specific sectors also linkable to citizenship, entrepreneurs in majority young men. Some foreign entrepreneurs show a propensity to the “social commitment” rather than to the “social enterprises”.**

## **Session 2**

**After the five cities presentations it took place a round table with representatives of the Milan social economy.**

**Mr. Marcello Corraja, Head Office of Employment and Economic Activities of the Province of Milan, emphasised the necessity to deepen the concept of social economy at European level. One of the key elements in the promotion of social enterprise is the creation of synergies between the different existing networks, the creation of models capable to bring together public institutions, private realities in the social field and entrepreneurship, to facilitate the access of market niches and to foresee some credit access lines. Attention must also be paid to the normative framework.**

**The Milan Chamber of Commerce, as explained by the Director of Formaper Mr. Federico Montelli, is very active in supporting the social economy. It has done so through institutional activities such as the publication of social and sustainability audits for the last four years and support activities for the cooperative sector. In addition, the Chamber of Commerce has established the first corporate social responsibility one-stop shop and the first observatory on social economy (1997). It has recently published an atlas on the third sector in the Milan area. It has also promoted training and technical assistance initiatives for social enterprises, filling a clear gap in provision. With the cut-backs of the State in the supply of services, the social enterprises are able to deliver services that the city councils do not offer anymore.**

**The President of Legacoop Lombardy, Mr. Guido Galardi, remarking the necessity of working on the three central themes of the LNet project - entrepreneurship, innovation and social enterprise - considered the need to define at European level the field and the legal framework in which social enterprises act, otherwise there would be the risk of wasting and locking in a “ghetto” the social enterprise.**

**Mr. Marco Granelli, Area Manager of Cittadinanza Attiva, Caritas Ambrosiana, underlined the commitment to the promotion of social enterprise of his organisation through the project “Agenzia di Cittadinanza” (Citizenship Agency), through the provision of training and accompanying start-ups. This project also helps social enterprises to link up with the private sector and local and provincial authorities and has also set up a social enterprise newsletter.**

**Mr Ferlini, from the Compagnia delle Opere, talked about the confederation of social enterprise which his organisation set up. In his intervention, he stated that less state involvement and more subsidiarity are needed if the social enterprise sector is to grow, especially in the service-to-person sectors. A new law is expected to be passed (reviewing the law “8 per mille”) which could guarantee the credit for social enterprises.**

**Mr Galimberti, Agenzia per le Onlus, underlined the heterogeneity of the 3rd Sector, the lack of regulation and taxation framework. The Agenzia per le Onlus was set up against this framework and aims to promote the 3<sup>rd</sup> Sector and to provide legislative support.**

**Mr Dario Cassata , president of the social sector of Confcooperative, gave a brief historical overview on the evolution of the co-operative system. He stated that social co-operatives are enterprises which have to: compete on the market, be social not only in the aims but also in the manner, promote the participation and have social responsibility. 260 social cooperatives are in existence in Milan at present. He emphasised the need to promote innovation, particularly as social enterprises existed long before the legislative framework. It is crucial that their role is fully understood and promoted and that this is accompanied by a greater policy integration (labour market, social policies etc).**

**The conference was closed by the vice-president of the Province of Milan, Alberto Mattioli, who hoped that this event would constitute an initial step towards greater coordination of all stakeholders of the 3<sup>rd</sup> Sector:**

**For further information on the project visit the website:**

**<http://www.thelearningnetwork.net/>**

**The slides presentations are available on the website of the Province of Milan**

**[http://temi.provincia.milano.it/economia/documenti\\_news/pop\\_het.htm](http://temi.provincia.milano.it/economia/documenti_news/pop_het.htm)**

**Compagnia delle Opere**      **<http://www.cdo.it>**

**Agenzia per le onlus**      **<http://www.agenziaperleonus.it>**

**Legacoop**      **<http://www.legacoop.it>**

**Confcooperative**      **<http://www.confcooperative.it>**

**Fomaper - Camera di commercio di Milano**      **<http://www.fomaper.com>**

**Caritas Ambrosiana**      **<http://www.caritas.it/templates/0/Benvenuti.asp>**