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Solidarity
Ecosystems



SILK

**SOCIAL SOLIDARITY ECONOMY INTERNATIONAL LEARNING AND
KNOWLEDGE COMMUNITY OF PEERS**

*GLOBAL ACTION ON PROMOTING SOCIAL AND SOLIDARITY
ECONOMY ECOSYSTEMS*

ASSESSING INTERNATIONALIZATION EXPERIENCES

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conseils

ZENTRUM FÜR SOZIALE INNOVATION
CENTRE FOR SOCIAL INNOVATION



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SILK - SOCIAL SOLIDARITY ECONOMY INTERNATIONAL LEARNING AND KNOWLEDGE COMMUNITY OF PEERS
GLOBAL ACTION ON PROMOTING SOCIAL AND SOLIDARITY ECONOMY ECOSYSTEMS

Key definitions from the scoping paper

Social and Solidarity Economy (SSE): a concept that refers to enterprises and organizations, in particular cooperatives, mutual benefit societies, associations, foundations and social enterprises, which specifically produce goods, services and knowledge while pursuing economic and social aims and fostering solidarity. The social and solidarity economy thus includes private, formally organized entities with autonomy of decision and freedom of membership that produce non-market services for households and whose surpluses, if any, cannot be appropriated by the economic agents that create, control or finance them.

Internationalization: a set of processes involving multilateral flows of goods, services, financial resources as well as “intangible assets” (information, skills, business models, knowledge, etc.) within and between organizations, and across countries. The multilateral nature of the internationalization processes is worth emphasizing, as it is not a one-way street. Indeed, SSEOs can follow both an “outward” way of internationalizing (by expanding in foreign markets) as well as an “inward” way (like importing from foreign markets).

Task 3.1. Practitioners

Tools: In this case we plan to mainly produce tools facilitating the ASSESSMENT of individual practices and strategies. This document has been produced jointly by ZSI and MCE Conseils

This tool aims at helping SSE organisations to assess the necessary processes involving multilateral flows of goods, services, financial resources, information, skills and knowledge within and between organisations as well as across countries to finally decide on their own, specific and targeted internationalisation strategy. It should help to go beyond the intuitional decision making which is common. The tool should act as a tailored document prepared for internal meetings of the SSE management to take decisions on internationalisation.

The tools consist of

- ▶ **Tool 1** - A flow chart of issues to assess and decisions to take
- ▶ **Tool 2** - A list of questions an SSE organisation should ask itself when contemplating to internationalise; background information for each, exemplified with insights from case studies
- ▶ **Tool 3** - A list of indicators to determine where the organisation stands with regard to internationalisation and what needs to be addressed
- ▶ **Tool 4** – Application of the flow chart (T1) on the cases studies of SILK members
- ▶ **Tool 5** – Analysis grid of impact of Internationalization to SSEs main distinction compared to private enterprises

1.1 Assessing internationalisation¹ - strategic issues

A social economy enterprise (SEO) is always the result of a collective desire to find tailored and satisfactory solutions to a need felt by a group or a community. However, like any business, its economic viability relies mainly on the income it derives from its market activities with private or public consumers. "The key to success is the balance and complementarity between social mission and economic viability. "A social economy enterprise is therefore a dual entity:

It is an association of people, united in a democratic framework, sharing values of solidarity and sustainable development to achieve this common goal together. This is the meaning of "social mission".

It is also a business which develops economic activities within the framework of a competitive market by producing and selling goods and services, but whose *raison d'être* is to enable the association to achieve this mission.

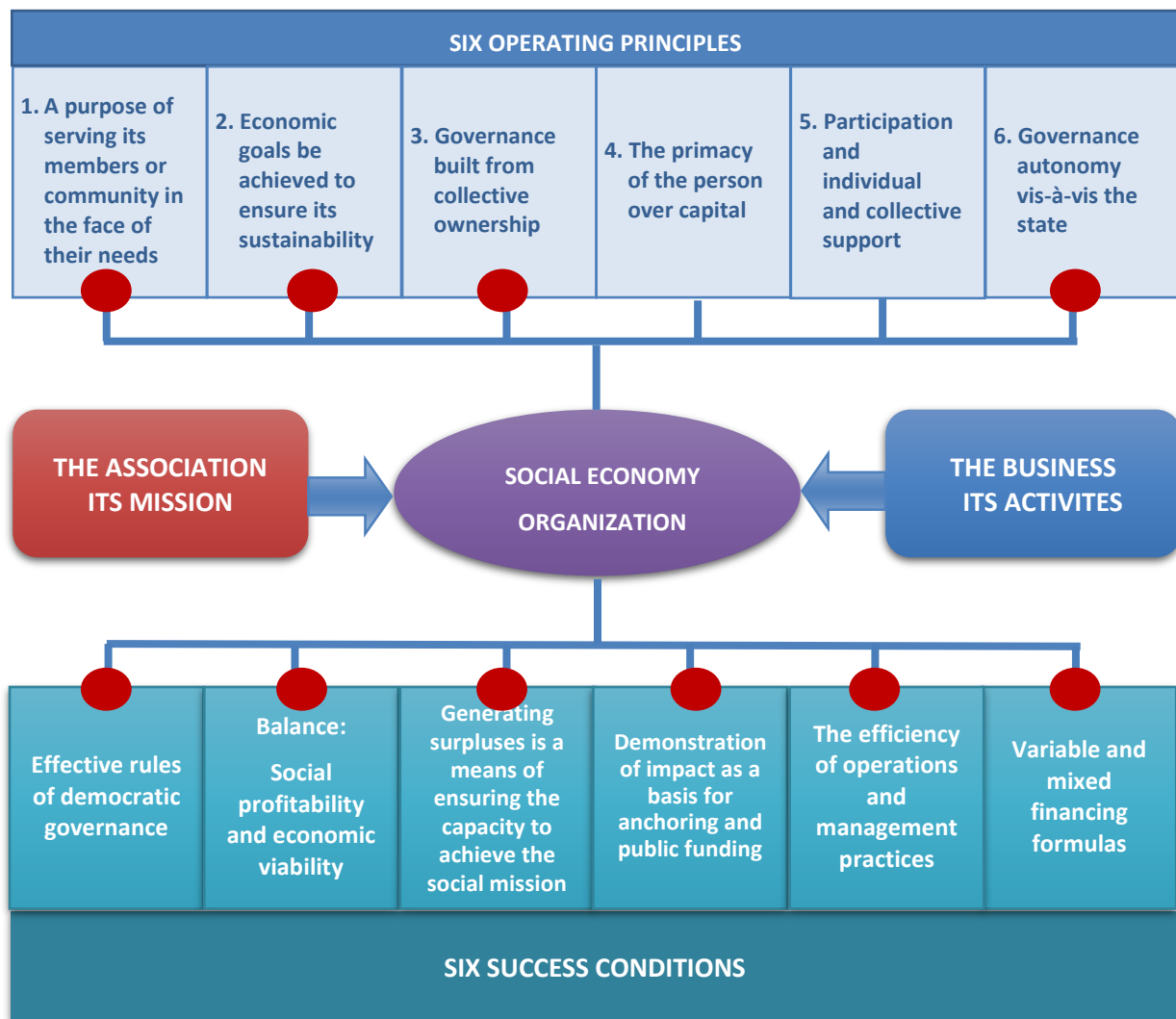
The experience of collective enterprises that have been operating for many years with these two components shows that the main key to success is the ability to create and maintain a balance and complementarity between social profitability, i.e. the satisfaction of needs as they arise, by the "association" of people and their community, and the efficiency of the "business" in terms of its economic function. The internationalization of its experience can have an impact on both, mainly of course on the operational aspects of its economic life but also on the social field by learning new approaches, experience and ways to dynamize its association.

| MAINTAIN EQUILIBRIUM | |
|---|---|
| Avoid exclusively financial decisions | Avoid exclusively social decisions |
| <p>This means as much as the imperatives of the market, the pressure on the prices, on the improvement of the cost, the opportunisms oriented only on the profit must not lead the "business" to changes of organization and to modifications of price, sales and production strategy without judging the effects and impacts on the social mission.</p> <p>Maintaining complementarity means that the economic activities developed by the "business" must always remain organized in a compatible manner and within the framework of an effective combination with the social purposes desired by the "association".</p> | <p>The will of the "association" to achieve its social mission must not put the "company" in a precarious situation, by imposing operating constraints on it (in terms of the number of jobs, or on the pricing policy, etc.) incompatible with its obligations towards its partners.</p> <p>Priority to the social mission in the choices of production organization and trade policy must remain compatible with the financial viability of the organization.</p> |

¹ This section is inspired by the Guide d'analyse des entreprises d'économie sociale, cowritten by MCE Conseils and the Réseau d'investissement social du Québec, published by CAP Finance in 2017. It also considers many perspectives arising from the case studies presentations and following discussion.

Our past experience and the analysis of the case studies and relating discussions confirm somewhat the need of social economy organizations to reach for an equilibrium between social impact, collective governance and economic performance. This equilibrium has to be aimed as well in internationalization of activities and relations in order to enhance the SSEO global performance. The following diagram attempts to summarize main elements of strategic concern, even if it does not offer an exhaustive picture.

GLOBAL ANALYSIS OF SOCIAL ECONOMY ORGANIZATIONS²



Elements where internationalization can have an impact

² Guide d'analyse des entreprises d'économie sociale, published by CAP Finances in 2017. The element subject to impact from internationalization were identified in various case studies presentation and following debates

A positive internationalization activity may have the following impact:

1. Improving the capacity of serving its community or members. By nature, many SEO are dedicated to local markets or community. Despite this, international exchange of products, services, financing or intangible assets (such as knowledge or experience) may improve the SEO's general performance and capacity to serve its community. Its capacity to import/export may improve its efficiency and lower its price for its historical market. On the other hand, the economic potential of foreign activity may become a distraction or could lead to neglect its local community or workers. A SEO with a clear social mission would avoid such consequences.
2. Strengthen its sustainability by bringing positive outcome from its diversified operations. Its foreign market (inward to improve quality or lower costs or outward to increase revenues or exchange of knowledge) may improve its financial performance and as such raise its capacity to improve its community. On the other hand, the SEO must follow closely the environmental impact of its internationalization.
3. Internationalization of its network of source of expertise or trade of experience may improve its capacity to support its collective governance with a renewed view of its organizational culture or new training techniques for its members.
4. The internationalization of its operations, financing or expertise can develop the SEO autonomy and, in many cases, may reduce its dependency on public financing.
5. Internationalization of knowledge may improve the SEO's capacity to reach and maintain a clear demonstration of balance between social objectives and economic activities. It may improve this balance with new strategies, diversified sources of material or destination of services, raising its volume and lowering its average cost and price, which can increase its ability to serve financially precarious markets or customers.
6. Internationalization brings exposure and visibility to a SEO activity and performance, raising its public image and increasing its recognition among its own community and may favor new support from public institutions or facilitate the development of local markets.
7. Exchange of management techniques, cultural approaches, general management knowledge or topics specifically pertaining SEOs operation should improve all SEOs global performance since exchange between managers of the same sector with different experience and contexts of operation is a clear strategy to innovate locally and improve the general performance on social impact as well as economic performance.
8. If well managed and assessed, having access to financial opportunities should improve the SEO's performance. This may be inward, with access to foreign financing with lower cost or more flexibility or it may be outward when larger SEOs find opportunities to supply loans or investment to overseas organizations with a similar mission. This side of internationalization is clearly not exclusive to social economy, by far, but it should be done and assessed differently than in the private sector, with a mixture of social and economic analysis.

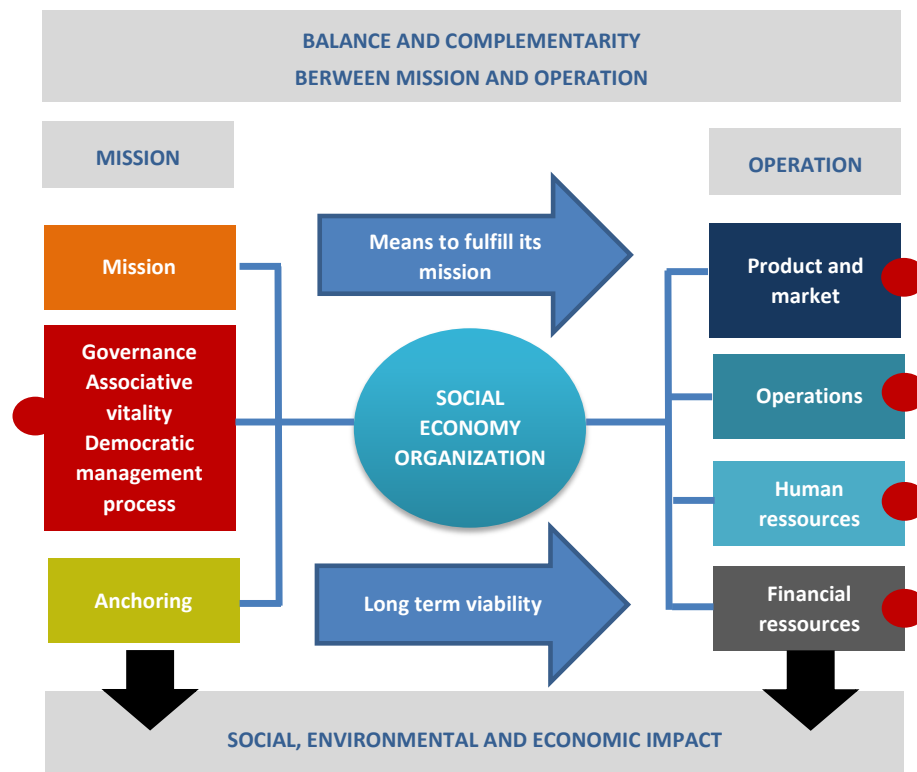
How to assess the internationalization impact on SEOs

The overall assessment begins with the motivations of the SEO behind its effort to go international, the why of TOOL 1. Is it a question of economic opportunity (increasing revenues or lowering costs), of broadening its impact, of sharing values and strategies? How do we approach the evaluation of the strategies and operational choices that will determine the SEO's global performance and the impact of its internationalization, be it outward, inward or both.

It is the usual reflex to concentrate looking into the financial aspects of a business or an internationalization operation, but it is also essential to make an assessment of the process to validate its consistency with the mission and its impact on performance. Such an assessment is carried out on the basis of data relating to the strategic and operational orientations proposed and the means put forward to achieve the objectives of the SEO.

The financial analysis of the impact may seem like the most technical, the most arid aspect of internationalization. Yet it only translates into monetary and arithmetical terms the decisions, choices and repercussions of the choices of mission and organization of production and sales. It is the financial reflection of the activity that illustrates the consequences of business choices.

Taken as a whole, our experience and the various case studies show that the success of a social economy enterprise rests on six main elements which must be solid, or demonstrate their capacity to become so. These elements will be decisive in ensuring the organization's ability to carry out its mission in an economic environment favoring its sustainability, the reimbursement of its liabilities and the renewal of its production capacity. Internationalization can have an impact on most of those factors.



Thus, each of these specificities can be impacted by internationalization and its effect on the realization of the company's project. The assessment of these elements must be carried out from an overall perspective. They must therefore complete and support the financial perspective. And over and above all these elements, internationalization has to be confronted with its sustainability toward environmental consequences.

This search for coherence is illustrated by a vision of the SEO as presented above. The above diagram illustrates the main challenges related to mission, impact and governance (left) and the four main operational functions of the enterprise (right). It is a schematization of the multiplicity of elements of analysis of the social economy enterprise, each of these elements contributing to the achievement of its mission, its development, its success and its long-term viability. Mission fulfillment, social impact and economic performance can be impacted by internationalization. As with any other decision, Internationalization should not call into question the efficiency of the Enterprise or business and that the profitability should not come at the cost of a lower social impact.

As in the traditional economy, the testimony of SILK participants show that Internationalization can have an impact on:

1. The market, of course, via any export activity or investment in a subsidiary in order to develop and diversify geographically the consumers of the SEO
2. Its operations, naturally, if the SEO choose to obtain some equipment or raw material from overseas, or gain some production or management expertise from a foreign partner or supplier
3. Its human resources, if it tries to access new manpower from a foreign production site or gain knowledge from expertise exchange projects with foreign consultants or SEOs active in the same sector
4. Its financial resources, coming from the economic impact of all theses operational opportunities or if it succeeds to obtain financing from foreign sources (at better conditions) or if it invests overseas.

But as with all its local activities, the SEO may decide to manage differently these opportunities to maintain or reinforce the balance between its social objectives and its economic goals.

5. SEOs may have a different pricing policy or may target new markets from different criteria than private enterprises. Per example, SEO have often a goal of making their services financially accessible to their customers since they often offer services to satisfy social needs. Their rational to export may differ. It may choose countries and region where they are more pertinent because of some economic precarity. So pushing social impact may lead to different economic strategy or choices.
6. Outsourcing and importing any part of activity or knowledge may be in opposition with a local job creation objective being part of the SEO's mission
7. In the same perspective, it will definitely see human resource as much as a result of its operation as a operational cost. It will invest in its people (as any other enterprise) but with a social goal being complementary to competitiveness building.
8. The international exchange of knowledge and experience will impact on the SEO's capacity to manage, produce and sell. But it can also help developing new visions on its balance between mission and operation. It may help to strengthen its governance toward democratic management and associative vitality.

On the other hand, the effort invested in the assessment of the internationalization process has to be in scale with the level of effort the process itself. The analysis has to make sense on a cost benefit logic, a small occasional international activity will not demand the same level of investment to assess its performance as a long-term commercial link or foreign investment operation.

GENERAL CONSIDERATIONS COMING FROM SSEOs CHARACTERISTICS³

A-Framework:

- SSEOs are involved in internationalization for years, driven by a mix of extrinsic and intrinsic, economic but also non-monetary motivations
- Heterogeneity of internationalization drivers

B-Motivation and drivers:

- Similar as traditional private for-profit enterprises: gaining market power, accessing new market, accessing new resources, reducing costs
- Motivational: interest in spreading a new model, exporting social solutions to social problems, demonstrate de validity of SSE, strengthen its reputation with international institutions
- Distinctly: SSEOs can allocate scarce resources to higher risks regions than traditional firms

C-Main strategies to internationalization: Quite often it is best to implement more than one complementary strategies

- Foreign Direct Investment (rarity – Mondragon)- acquiring foreign assets, with social impact
- Export/Import – most traditional, example agriculture, fairtrade
- Franchising: model duplication and knowledge export (organizational models)-cooperation development
- Joint ventures – strategic alliance: risk minimization and building a collective capacity to overcome small scale capacity
- Collaboration via international networks
- Knowledge and best practice dissemination
- Identity sharing (global image)
- Research and innovation
- Licensing: rent of intellectual propriety or use of product and/or services for a fixed term
- Born global
- Shared certification systems – fairtrade
- International projects, events, conferences
- Managerial education – human capital development

³ This short list is a summary of the scoping paper presentation of issues

TOOL 1 - Flow chart of questions for SSEOs in preparation of an internationalization process

Phase 1 - Introspection

Why

- Motives behind the internationalization process?
- Are we looking to increase activity or improve our knowledge, process?
- Values, saturation of local market, organic growth, opportunity to grow, partnerships, new policies, exports, sharing of mission, knowledge?
- **Is our field of action intensively affected by international flows, actors or activities?"**
- **Balance between Economic logic and social objective**

What

- **What are we offering or looking for ?**
- Define the value proposition offered by the SSEO in the internationalization process?
- Differentiation, uniqueness?
- Are we filling a need, a void?
- **Are we looking for a solution for our internal needs ?**
- Inward or outward ?

Phase 2 - Prospection

Where

- With which country/region should I explore Internationalization?
- Where do we share values, objectives, opportunities?
- Why are these locations ready for the internationalization?
- **How to capitalize on international events ?**
- SWOT of the different possible source/destination?

When

- Is it the right time to make the move? Why?
- For the organisation, for the clients, for the competition, regarding policies already in place or to come
- Opportunity, now or never?
- How long to prepare for the internationalization? Are we ready?

Phase 3 - Operationalization

Who

- Alone or with partners? Which partners and why?
- **Which types of collaborators will I need? Partners? Funders? advisors? Others"**
- **Do we need different partners on different stages ?**
- Who will lead the project?
- Business networks (industry associations, suppliers, customers, distributors, advisors, investors, other SSEOs)

How

- What internationalisation strategy should be used?
- FDI, Export, Franchising, Licensing, Joint venture, Collaboration networks, Dissemination, Identity sharing, R&D, Born global

TOOL 2 – Internationalization evaluation grid

This list of questions allows a SSEO's manager to assess the impact of its internationalization afterwards or to help plan an internationalization activity. It is inspired by general economics literature and a systematic review of case studies published by SILK participants.

All element underscored in blue are specific to SSE or should raise more in depth analysis than from private enterprises

A-NATURE OF INTERNATIONALIZATION

1. Is my internationalization activity Inward, Outward, or reciprocal?
2. Exchange of products
3. Exchange of services
4. Exchange of knowledge, tools, training
5. Exchange of financing
6. Exchange of values
7. Did you make international activities only with other SSEO or with private enterprises, public institutions or a mixture of the above

B-PROCESS OF INTERNATIONALIZATION

1. Importance of internationalization activity - % of earnings or expenditures
2. Did you have access to Specific funds for internationalization process?
3. Did you have a proactive search of internationalization opportunity or was it by accident
4. Time needed to find a foreign partner and build a constructive relationship
5. Level of difficulty to identify a partner
6. Did you encounter technical difficulties to adapt with or to foreign partners?
7. Did you encounter legal or regulations obstacles?
8. Did your internationalization process involve innovation or just duplication?
9. Did you encounter cultural gaps that enriched your understanding?
10. Did you encounter cultural gaps that lowered the internationalization positive impact
11. Level of difficulty arising from distance
12. Did you encounter logistics constraints?
13. Did you have to overcome management complexity and organisational difficulties?
14. Level of difficulty financing internationalization
15. Did you have access to public funding for exploring internationalization
16. Did you have access to public funding for operating internationalization
17. Are your Internationalization process brings larger positive impacts than the organizational and financial efforts invested
18. Did you benefited from a consortium of players in a trade mission which lead to higher outputs
19. Was the opportunity cost of investing time and effort in bringing a partner to the level of readiness to cooperate limit your rate of growth.
20. After living the experience, how do you assess the readiness of your SSEO to implement internationalization at the beginning?

C-MISSION AND SOCIAL IMPACT

1. Did Internationalization improve the level of our social impact in our community
2. Did Internationalization allowed you to broaden our positive social impact in other location
3. Did Internationalization helped increase the number of people having access to your services
4. Did Internationalization contribute to labour justice, social security, decent work in your community
5. Did Internationalization contribute to labour justice, social security, decent work in other countries
6. Did your I activities contributed in small scale to change the world, or reduce social and economic inequalities
7. Our responsibility, as global citizens, to share innovations and best practices which can make a difference.
8. Did Internationalization have a negative impact on the democratic governance process or lead to a more private capital structure for financial reasons?
9. Did Internationalization contribute to build a broader international fair-trade ecosystem
10. Did Internationalization contribute to our capacity to improve sustainable housing and territorial development?
11. Did Internationalization contribute to our capacity to support inclusion and diversity?
12. Did Internationalization contribute to our capacity to support cultural life of our community or our partner's community?
13. Did Internationalization contribute to social innovation?
14. Did Internationalization brought new suppliers to your SSEO, improving their social and economic situation?
15. Are your Internationalization activities having a operational negative/positive impact on the environment?
16. Are your Internationalization activities having a impact on the environment messaging and broadened better responsible environmental behaviour from partners or members?

D-STRATEGIC IMPACT

1. Did Internationalization contributed to strengthening the market presence of collaborative exchange between SSEOs
2. Did your Internationalization activity helped bring new positive regulations for SSE, sustainable development or social development?
3. Did Internationalization contributed to strengthening the collaborative exchange between SSE on open knowledge in management, governance or thematic issues
4. Did Internationalization provided a platform for social start-ups to expand their business globally while supporting them in creating positive impact abroad.
5. Did Internationalization favoured free or low-cost transfer of technology and knowledge materials in order to make adoption of best practices affordable and fair.
6. Did Internationalization support a better Team cooperative culture in your SSEO
7. Did Internationalization support a better Team cooperative culture in your partners
8. Did Internationalization strengthen your democratic and participatory governance processes
9. Did Internationalization improve the governance participation of your members
10. Did Internationalization strengthen your SSEO visibility or public image and reputation
11. Did Internationalization helped your SSEO being part of a community and having a support network
12. Did Internationalization widened your own horizons, take learning from philosophies, perspectives and approaches to which you might not otherwise be exposed
13. Did Internationalization improv your practice of continued evaluation, helped innovations to evolve?
14. Did Internationalization expose your SSEO to other SSE enterprise models, case studies and leaders of global significance
15. Did Internationalization increase visibility and understanding of the mission and functioning of SSE enterprises.

E-ECONOMIC IMPACT

1. Level of general increased local economic spillover
2. Did Internationalization allowed to increase your production capacity
3. Did Internationalization bring higher income for economic actors of your community.
4. Did Internationalization allowed to decrease production cost and increase access to your product/service
5. Did Internationalization allowed to improve supplies and develop economic opportunity to small producers overseas?
6. Did Internationalization contributed to strengthening your SSEO's market presence overseas
7. Did Internationalization contributed to strengthening your SSEO's market presence in your local market
8. Did Internationalization helped attracting investors to your sector or community
9. Did Internationalization favour job creation in your SSEO or your community
10. Did Internationalization favour job creation in other countries
11. Did Internationalization favoured to gain fair market access for your SSEO or your members/customers
12. Did Internationalization helped your SSEO to become more competitive

F-FINANCIAL IMPACT

1. Did Internationalization improve your revenues
2. Did Internationalization reduce your operating cost or improved your operation margin?
3. Did Internationalization helped attracting investors to your SSEO
4. Did Internationalization helped identify investment opportunities
5. Did your Internationalization partners provided support in terms of recognition and credibility amongst other financial institutes and policy makers
6. Did Internationalization allowed us to reduce our prices and increase our access to our customers
7. Did Internationalization improved your financial results in a way to strengthen the organization (surplus or stronger balance sheet)
8. Did internationalization have an impact on our ownership structure?

TOOL 3 - A list of indicators to determine where the organisation stands with regard to internationalisation and what needs to be addressed

| | | Questions to ask | Response |
|--|--------------|---|----------|
| Phase 1 Introspection | Why | Motives behind the internationalization process? Values, saturation of local market, organic growth, opportunity to grow, partnerships, new policies, exports? | |
| | What | Define the value proposition offered by the SSEO in the internationalization process? Differentiation, uniqueness? Are we filling a need, a void? | |
| Phase 2 Prospection | Where | Which markets are more likely to be entered? Why are these markets ready for the internationalization? SWOT of the different possible markets? | |
| | When | Is it the right time to make the move? Why? For the organisation, for the clients, for the competition, regarding policies already in place or to come. Opportunity, now or never? How long to prepare for the internationalization? Are we ready? | |
| Phase 3 Operationali zation | Who | Alone or with partners? Which partners and why? Who will lead the project? Business networks (industry associations, suppliers, customers, distributors, advisors, investors, other SSEOs) | |
| | How | What internationalisation strategy should be used? FDI, Export, Franchising, Licensing, Joint venture, Collaboration networks, Dissemination, Identity sharing, R&D, Born global | |

Indicators to follow during the internationalization process

| Indicators | | Examples case studies to be completed |
|---|---|---------------------------------------|
| Phase 1 : Introspection | <ul style="list-style-type: none"> Number/growth of customers/clients/partners reached or helped Assessment and growth rate of customer/partner/worker satisfaction rate Evolution of the social impact on communities Size/growth rate of revenues Operational margins Available liquidity to invest Number/growth rate of employees – suppliers – workers in general Market share and growth rate Reflection on the responsibility to share best practices Internal evaluation of ESG (environmental, social, governance) factors | |
| Phase 2 : Prospection | <ul style="list-style-type: none"> Research on similar social projects Appetite for democratic governance Impact on the local community to integrate (social, environmental, economic) Market size (population, projects, customers, revenues, etc.) Customer/client/partner profiles Penetration rate Potential revenues Number of direct competitors | |
| Phase 3 : Operationalization | <ul style="list-style-type: none"> Number of key partnerships to develop Number of employees to operate Level of involvement of employees in democratic governance Improvement in working conditions Fair-trade certification to obtain Cash-flow of operations Evaluation of suppliers and buyers in line with our values Impact on the environment Size of investment Financial forecast | |
| Phase 4 : Performance assessment | <ul style="list-style-type: none"> Number of people/clients reached or helped with product/services Broad evaluation of satisfaction of employees, community, suppliers, partners Audit on the environmental, social and governance (ESG) impact of the project on the local community Empowerment of the local community Assessment of improvement in working condition Growth rate of revenues Operational margins Market share and growth rate | |

TOOL 4 – Application of the flow chart (Tool 1) on the case studies of SILK members

| | | KOICA (Korea International Cooperation Agency) | Equal Exchange (EE) | COOPCYCLE (CC) | COOPCYCLE - bicimensajerías | DA Group | MCE Conseils | Mondragón Corporación Cooperativa (MCC) | Social Enterprise Academy |
|--|---|---|--|---|-----------------------------|---|---|--|--|
| Company characteristics | Industry/sector | Development Assistance | Production of fair-trade foods and drinks | Bicycle couriers | Bicycle couriers | In sustainable development solutions | consultancy for both social and for-profit enterprises | Mechanical engineering, automotive industry, household appliances, construction industry, retail, banks, insurance companies and others | learning and development programmes offering accredited qualifications focusing on leadership, social entrepreneurship and social impact measurement |
| | Country | South Korea | USA | France | Mexico | India | Québec, Canada | Mondragón, Spain | Scotland |
| | Founding year | 1991 | 1991 | 2016 | 2016 | 1983 | 1983 | 1956 | 2004 |
| | Legal status/form of organisation | Government-owned organisation | for-profit worker-owned cooperative | Federation/Cooperative | Cooperative | collaboration of organizations with not-for-profit research and charity objectives and social enterprise ambitions. | non-profit social economy enterprise | Industrial Cooperative | Independent social enterprise |
| Phase 1: Introspection. The What and Why | Motives and considerations behind the internationalization process, what did the company expect to gain (such as partnerships, growth) and what did it want to avoid (such as saturation of the local market) via internationalisation? | There has been a rapid growth of social enterprises in Korea in the last couple of years. KOICA uses the potential of these Korean social enterprises by facilitating cooperative projects in developing countries. Through this, it helps Korean social enterprises to grow while contributing to the SDGs and global social values. | EE saw itself as an international company from the beginning, and cooperated with partners in Europe, Latin America and Africa early on. Through this cooperation, they EE developed tight-knit partnerships and networks. Through these networks, EE learned valuable insights from Fair Trade groups which were ahead of the developments in the US at the time. EE gained in knowledge, connections and expertise and was able to offer products not yet prevalent in the US. | CoopCycle is a self-hosted platform to order meals in your neighborhood and get them delivered by bike couriers, its software being reserved to co-ops. Bicycle couriers are generally not employed by the platform they deliver for, which results in bad working conditions, low pay and instability. As this issue is not only prevalent in France, but around the world, CC's internationalisation was driven by (a) the fact that precarious working conditions for bicycle couriers exist in several countries around the world, (b) that the idea of solidarity and cooperatives finds support around the world, and (c) that CC has developed technology which would benefit and improve conditions for couriers around the world. As such, via internationalisation, CC wanted to pursue its objective of social change as well as present and spread and adapt its technology to new markets. | | strategy to scale its impact. This includes innovating and incubating inclusive eco-solutions and packages to help meet the basic needs of societies; implementing replicable solutions in a commercially viable manner; influencing the ever-growing base of beneficiaries and partners, including enterprises, government bodies, private corporates and civil society organisations. | international initiatives since 1990s, aim at a sharing experience and diversify our market and revenue base. First, subcontracting expertise for CA gvt and international devpt organisations then development of own projects (with partners), then non-economic activities promoting social economy as solution to many social challenges; also helping other organisations (JINASE, European association of SE investors) to internationalise | Mondragón went international to stay competitive, not to make more money, nor to save labour costs, nor to evade taxes. The main reason was always to secure jobs in the parent cooperative. The internationalisation process of Mondragón has always been reactive. As each cooperative is sovereign and makes its own decisions, MONDRAGON Corporation has not a single way to do this process, even though all cooperatives were benefited from common experience. Later Mondragón "popularized" internationalization and sent many people abroad as the subsidiaries abroad were growing. This process permitted to train many managers, supporting their career progression in cooperative companies in the Basque Country. | The decision to explore international exporting and replication was considered by the board, concluding it was a classic social entrepreneurial action: going beyond its resources to seize a market based opportunity to achieve increased social impact. An exit strategy was planned from the start. Strategic principles were also articulated. These ensured the model of learning delivery was shared as well as the ethos behind operating the organisation. The organisation was re-structured, identifying core specialist functions to be developed as a centre of excellence that could support replicable delivery functions in each location. The Academy was not interested in growth for growth's sake or in 'empire building' but in enabling local partners to achieve impact in their realities. |
| | To which extent is there support by policy and governance structures in the company's founding country? | As KOICA is a government-founded and government-owned organisation, its activities are supported by the government / existing policies. | In the US, SSE are not recognised as a group, and therefore there is no policy support for their internationalisation. | France has a long history of social and solitary-based organisations and enterprises. Though by 1847, already 2500 mutualist organisations existed, it wasn't until the 1970s that a national committee for cooperatives, mutuals and associations came into existence. In 2014, a legal basis for the term Social and Solidarity Economy was enacted, and by 2015 there were approx. 96 000 SSE enterprises, with several public programmes, an official commissioner, grants, and an official development strategy. As such, France provides a firm legal and financial basis for the support and development of SSE enterprises. | | building that support is part of DA's activities through membership in a range of South-South and NGO alliances that support transition to green, inclusive and fair economies. Clean Development Mechanism (CDM) helped to create demand for green technologies of DA. Carbon Financing Mechanism. Non-existence of dedicated policies on SSE in India or in the target nation inhibits promotion/influencing societies of actual impact | | | The Scottish Government is enabled to share a key strength and play a role on a global stage. The Scottish First Minister attended the launch of SEA Canada in Toronto and SEA China in Beijing. The Scottish Government knows our programmes will develop local capacity and ecosystems, as well as in-country capacity with lasting benefits. |
| | Which value did the organisation offer in the internationalisation process? (such as: filling a need) | KOICA (or actually, Korea as a country) can offer its advanced social enterprise sector and its experience in the transition to one of the poorest countries to one of the most economically advanced. | Through the cooperation with international partners, they were able to fill the need in the US for fair-trade coffee, imported from a country that was under embargo at that time (Nicaragua). This was only possible through careful planning and advancing networks before officially founding EE. | CC provided value in the internationalisation process by addressing the need of bicycle couriers to organise and improve their working conditions. | | capacity building for entrepreneurs and sustainable development ecosystems | business development support structures and services for NPOs, strategic analysis, best practices, and training activities (local development, SME financing, micro-finance, women integration in economic activities, etc.). exported of " lessons learned on union and cooperative development strategy and adaptation of our own network to different operation context, mainly in sub-Saharan west Africa and Brazil." | As a result of globalisation, the global dimension is presented as one of the main keys to competitiveness and survival for industrial companies, but also defending the local labour market and stability of local communities. Globalisation is therefore considered a process with an important effect in economically developed countries and emerging countries or in growth, it has a crucial, positive effect on well-being by reducing inequalities between countries. | whilst strong training and advice was available on the technical competences (e.g. finance, marketing and business planning), traditional training or business support tended not to meet the specific needs of social entrepreneurs. The Academy's products are designed to support leaders and organisations at each stage of development, for leaders at all levels, and young people – the next generation of social enterprise leaders – in formal education and beyond. This is a unique offer missing in many support ecosystems. |

| | | KOICA (Korea International Cooperation Agency) | Equal Exchange (EE) | COOPCYCLE (CC) | COOPCYCLE - bicimensajerías | DA Group | MCE Conseils | Mondragón Corporación Cooperativa (MCC) | Social Enterprise Academy |
|--|--|--|---|---|-----------------------------|--|--|---|--|
| | Which markets are more likely to be entered and why? | KOICA focuses on disadvantaged and developing countries, and helping Korean social entrepreneurs to set foot into those markets. As such, it targets markets in need of social innovations and new technologies to facilitate advancement. "The CTS initiative has also become a way for Korean social entrepreneurs to expand into developing countries." | EE decided to offer coffee because of a market analysis. However, it closely monitored the developments of price and demand, and expanded its product lines and entered new markets when it realised that coffee prices had plummeted. | CC decided to start a pilot in the Mexican market, because Mexico offered similar institutions and history of SSE; high informality of the courier sector, which constituted a need for CC's services. Therefore, Mexico both presented viable conditions for success and a need for CC services. | | resource-efficient building materials (brickmaking technology aimed at local job creation) sustainable tech solutions, also in disaster relief | West Africa and Brazil, with CA funding | The first division of Mondragón to internationalise was the industry. Usually, countries with the same language (Spanish) are addressed first: Chile, Mexico etc. Important to note is that Mondragón cooperatives were always oriented to exportation, so the unwritten condition is that they should have important sales in the target country before setting up a new organisation/company/cooperative. | The initial move was to create a joint venture in Africa with Iman, a like-minded international development organisation. A Hub model was deployed initially in Australia and then more widely in Asia and Africa. |
| Phase 2: Prospection. The Where and When | Why is it the right time, which factors supported internationalisation? | A policy shift in support of the social economy in Korea led to a rapid increase of social enterprises and strengthened Korea's social ecosystem. This prompted KOICA to expand its development assistance efforts by using and exporting its advantage of strong social enterprises and exporting their expertise. | Even though EE considers itself "born global", it found itself with the difficulty of establishing a network of reliable, but small and cooperatively organised farmers in a country faced with an embargo (Nicaragua). Despite this difficult starting position, EE managed to find a European partner to circumvent the embargo and was thus possible to sell a specific product no one else in the US could (easily) sell. | The internationalisation was partly driven by the COVID-19 pandemic, which increased demand for couriers without improving their working conditions. Moreover, the internationalisation to Mexico in particular was driven by several factors: 1. similar history and institutions regarding SSE as France has, 2. very rudimentary use of technology for managing work, and thus high need for an advanced platform like CC developed, 3. particularly bad conditions of couriers. | | first collaboration with international donor-side organisations, 1990s, then transnational collaboration | economic crisis, looking at cooperative solutions for struggling enterprises (?) | The internationalisation process was the only way to avoid losing business, as it was reactive and followed the strategies of key clients. Having important sales in the target country was considered useful to set up a new branch. | |
| | Which partners, networks and why these? | KOICA cooperates with both domestic and international partners. It supports domestic entrepreneurs in developing their ideas, solutions and business plans, and adapts those for implementation in developing countries. It cooperates with developing countries to offer solutions and support, and cooperates with other multilateral partners to promote discussion and exchange. | EE cooperated with international partners early on to import fair-trade coffee, and began networking with European partners who provided EE with networks and connections, enabling them to expand their business. EE further developed networks with farmer cooperatives and fair-trade groups all over the world, which allowed them to gain expertise and expand their product line. A particularly important partner in EE's internationalisation process is La Siembra, a Canadian fair-trade cooperative. EE and La Siembra agreed to long-term strategic cooperation, in the course of which La Siembra withdrew its best-selling chocolate from US markets and instead started to manufacture EE's chocolate brand. In exchange, EE and La Siembra shared the financial risk. This agreement resulted in great financial success. However, due to the 2008 financial crisis, La Siembra was at risk of bankruptcy, which would mean to score private investors to keep the company, but lose its cooperative. | CC was created with the intention to internationalise and collaborate, as such they developed networks and partnerships right from the start. As CC's business model is federal, it consists of several local initiatives, each of them networking and collaborating with different partners. In the case of Mexico, CC collaborated with an institute in Mexico which provided expertise in transport and development, whereas CC provided software and technology. | | collaboration with development aid donor countries for tech transfer to address local needs in India, global transfers from 1990 onwards, collaboration with Indian and global NGOs, increasingly multi-stakeholder co-creation also including for-profit business partners increasingly addressing access to credit and finance eg through CO2 compensation companies | "value centered convergence between trade union and social economy objectives." (p. 3), also skills in negotiating in social partnership context, tight network of institutions in trade union ecosystem (credit union, pension fund, venture capital fund) | In more than 80% of the cases of the Industrial Group Mondragón production plants in other countries were opened in order to follow the strategies of its key clients. Whenever possible, Mondragón replicated its intercooperation tools abroad, developing industrial parks where cooperatives could be together and help each other. | Partners were sought who shared the Academy's values on learning and development and could commercialise the product. Initial engagement often came through 'direct delivery' by the Academy in Scotland, working in partnership with the would-be hub partner. If this process of familiarisation proved successful, the first step was to sign an 'exploration agreement' in which both parties explored the feasibility, financial and otherwise, of Academy Hub in the particular territory. If this proved positive (and this was not always the case) the Hub was launched with the development of the first cohort of facilitators, led by Academy's lead facilitators from Scotland, and intensive training and development of the new Hub partner team. Training is delivered by practitioner facilitators, themselves all social enterprise leaders. Social Enterprise Academy is a strategic delivery partner of the Scottish Government. |
| Phase 3: Operationalization. The Who and How | Which internationalisation strategy? (FDI, Export, Franchising, Licensing, Joint venture, Collaboration networks, Dissemination, Identity sharing, R&D, Born global) | KOICA cooperates and collaborates with international partners to (a) support Korean social entrepreneurs who want to enter foreign markets ("exporting entrepreneurs") (b) contribute financially to projects in developing countries (c) collaborates in joint projects with international partners. | EE used several internationalisation strategies over the years, yet considers itself to be "born global". Initially, it facilitated the internal flow of goods within the US, and the external flow of capital to the farmer cooperatives providing EE with products. EE also collaborates and networks with providers, other fair-trade businesses, and interest groups. Additionally, some of the successful farmer cooperatives outside the US, who provided EE with products, also started investing in EE (Foreign Direct Investment FDI). EE has also received grants from a global initiative. Moreover, EE was an important player in establishing fair trade as a concept, not only through its success, but also by creating a certification system. It thus contributed to identity sharing. Lastly, EE's efforts to support other cooperatives to sustain and develop their businesses constitutes an example of dissemination and managerial education. | CC exports its technology to associated cooperatives and partners; offers legal assistance and accounting services (R & D?); invests in visibility and branding (Dissemination); and participates in identity sharing by spreading its vision of cooperative and democratically organised organisations. Moreover, CC builds and develops international support networks. | | transfer of innovative Green tech solutions, knowledge alliance-building in sustainable development sphere, also careful brand management open source and IP sharing approach | knowledge and business strategy exchange based on existing good practice and experience in a very distinct home market transfer of knowledge, learning, also based on "soft skills" in negotiation, pedagogy, again, also for gains in reputation and credibility cooperations based on shared values", internationalization means concentrating on one assignment for a certain time" | The multi-location strategy is totally relevant and necessary since allows not only to better defend local, cooperative and non-cooperative employment, how to access higher levels of competitiveness and business performance. There is a plurality of internationalisation strategies among the 25 global cooperatives. | Franchising has a mixed reputation. Initially, the Academy was sceptical, being aware of other examples of franchises with mixed results, difficulties of quality control and dissatisfied franchisees. Franchising was also perceived as a purely commercial strategy for growth to increase revenue. This did not fit with the ethos of the Academy in exploring replication to share something of value with others and support leaders of social purpose. Termining the approach 'social licensing', the Academy gave itself permission to reinvent the methodology, experimenting with adaptations to franchising models, and avoiding legal implications of franchising which existed in some countries. |

| | | KOICA (Korea International Cooperation Agency) | Equal Exchange (EE) | COOPCYCLE (CC) | COOPCYCLE - bicimensajerías | DA Group | MCE Conseils | Mondragón Corporación Cooperativa (MCC) | Social Enterprise Academy |
|---------------------------------|---------------------------|--|---------------------|----------------|-----------------------------|--|---|---|---|
| Phase 3: Operationalization | Indicators (quantitative) | | | | | # of social enterprises created (or equipped), turnover | percentage of repeat business | replication of 1st intercooperation tools abroad | |
| | Examples of indicators | | | | | | | development of industrial parks where cooperatives could be together and help each other | The process of internationalisation has reduced short-term profitability of the Academy; the surplus created by the Scottish business has been required to support the international expansion. However the social impact of the Academy has been enhanced immeasurably |
| Phase 4: Performance Assessment | Indicators (quantitative) | | | | | amounts of raw materials or CO2 saved | | employment in those cooperatives that have at least one productive subsidiary abroad (we call global cooperatives) grows more than in those cooperatives that they do not have any productive plants abroad. With a higher net growth in cooperative parent companies (28.04% > 13.71%), in the local environment (52.5% > 24.71%) and globally (140.58% > 21.04%). New jobs, profitability of company grew and also members' capital, more money for social projects | |
| | qualitative indicators | | | | | | results from project evaluations of levels of knowledge transferred demonstrate its impact, relevance, efficiency, achievement of the goals, etc. personal assessment regarding benefits for either the organisation itself, its worker or any other stakeholder (beneficiaries, communities etc.) p.7 "Most SSEE encountered upgraded their management practices with a clear distancing from traditional operational indicators toward better suited mission-focused information system." (p. 8) | The internationalisation strategy of Mondragón corporation generated sustained dynamics over time in surrounding sectors, such as the education sector (Mondragón Team Academy) and the fourth sector (MUNDUKIDE as the NGO of Mondragón). The qualitative leap experienced by the insertion of all this international cultural baggage in the Basque Country community, allowed the creation of innovative experiences in many areas, including new learning methodology | |
| | | | | | | sales of low-cost solutions | | | |
| | | | | | | Aqua+ bottle for safe drinking water | | | |
| | | | | | | knowledge transfer: # of partners, toolkits, packages, modules for capacity building | | | |
| | | | | | | alliance-building: # of policy briefs, network partners, gvts advised, initiatives connected to platforms | | | |
| | Comments | | | | | Arguably, a case of some "servitisation", in which technology transfer is supported and complemented by knowledge transfer, consulting and capacity building through networks and alliances. Reputation and brand management central to this, maybe also the "groundedness" in very concrete and accessible technologies | A consultancy SSE leveraging 1st knowledge to build the very services and finance instruments that develop 1st own ecosystem. However, strongly aware of the limitations of conventional efficiency criteria in assessing knowledge transfer and impact. | | Flow of skills between social enterprise leaders is enhanced - both within and between organisations (this is how our learning programmes operate), and across countries (this is how our international replication model operates). The outcome is resilient social enterprise support ecosystems, better able to enhance the capacity of social enterprises, who in turn are enabled to 'change the world'. |

TOOL 5 *Analysis grid of impact of Internationalization to SSEs main distinction compared to private enterprises*

The following tables show an attempt to demonstrate what kind of impact different approaches on internationalization will have on a social and solidarity economy organization in face of their main elements of distinction as compared with private enterprises.

As for capitalistic companies, SSEOs will reach for economic growth and financial performance coming from internationalization. This may come from larger market and revenues, better network of supplies, access to technology and knowledge improving their process.

But ESEOs will want to assess its internationalization on its social impact at home and abroad.

It will try to see if internationalization have an impact on its democratic governance and collective ownership, since scaling up and diversifying geographically will put pressure on democratic process and will allow the emergence of different groups of stakeholders and consequently a high level of difficulty to reach consensus and demonstrating faire and equal treatment to all.

So the impact assessment has to be outward looking as well as inward, it has to be on economic performance, but also social impact and internal governance process.

This is what is attempted with the two following tables.

A short conclusion


We tried in this document to offer a framework to help social economy enterprises to assess the process and the results coming from their internationalization activities.

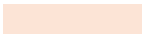
But it is clear that this assessment approach is for internationalization strategies which are more structured and challenging. But there are also internationalisation processes that start by participating in a Mission or International Conference, or which receive the offer to be involved in an international project.

Sometimes internationalisation do not involve a well-thought and analysed "strategic decision". Internationalisation quite often just "happens" or just grasping an unplanned opportunity that presents itself. An accidental approach is not bad in itself. Our proposal of tools can also be taken as a "easy-to-use" initial guidelines also for them (so for example that if they are invited to a project this may be an opportunity to improve their LOCAL performance).

Identification of issues

| Guiding principles of SSE framework | Internalization strategy | | | | | | |
|---|---|---|---|---|---|--|---|
| | Cooperation | Diversification | Merger | Acquisition or take over | Spreading | Benchmark analysis | Spin-off |
| Definition | Create a consortium or cooperative to pool products or services or develop new ones with other organizations with similar needs | Develop new products or services either through the acquisition of existing ones or through research and development | Absorption of another organization | Take possession of assets or take control of another organization | Make knowledge available so that others can retrieve it | Inspiration process from knowledge developed for projects in other regions or in related sectors. | Creation of similar companies or franchises within the same network |
| Responding to the needs of members or community | Capacity increase | Will new products/services increase response to community's needs? | Could lead to Capacity increase in on location and decrease in another | Capacity development scale of market increase | Limited impact on original community, More organizations offer the service associated with knowledge | Do the inspirational knowledge transfer itself to the reality of the members of the organization? | Diversity of communities served, response to others needs, Lessons from allies may improve impact on original community |
| Decision-making autonomy toward the State | Cooperation leads to the sharing of power with other stakeholders | Diversification may lead to financial autonomy or reducing dependency toward a single public partner | Increase autonomy of buyer, decrease autonomy of SSEO bought | The organization that sells assets or whose control is taken no longer has decision-making autonomy over its activities | Knowledge is used autonomously by the organization that chooses to use it and may improve autonomy | Knowledge may improve strategy, therefore social and economic performance, therefore potential autonomy | The franchise does not have decision-making autonomy on a certain number of parameters compared to its parent company. |
| Democratic governance of members | Cooperation may improve governance culture, but may also bring constraint and limitations | | What will be the role of the members/owners in the absorbed part? | What will be the role of the members/owners of the absorbed part? | | Possibility of adjusting inspiration models through consultation with stakeholders. May improve governance mechanism | What is the role of franchises in the democratic management of the franchise network? |
| Economic viability | Well-organized cooperation generally leads to a reduction in operating costs or new development opportunities | Are the new services mobilizing the necessary resources for the economic viability of the model? Or bring new funds through higher economic performance | Higher scale should induce higher returns and/or larger social impact | Higher scale should induce higher returns and/or larger social impact | Research and development are carried out by an organization that may not benefit from the sharing of its knowledge. | Knowledge may improve strategy, therefore social and economic performance, therefore potential economic strength | Higher scale should induce higher returns and/or larger social impact |
| Prohibited or limited distribution of surpluses | | | | Higher economic performance may induce temptation to spread return away from mission | The economic benefits of knowledge-based projects can benefit private rather than collective interests. | | The economic benefits are distributed among the franchise network, the presence of private interests should be avoided. |
| In the event of dissolution, the remainder is attributed to a legal person with similar objectives. | Do other stakeholders have similar goals (and not just needs)? | | The control of assets leads to the conservation of new assets within the company. | The control of assets leads to the conservation of new assets within the company. | The economic benefits of knowledge-based projects can benefit private rather than collective interests. | | May be the subject of a franchisee contract |

 = High probability of improving this principle

 = Risk of degrading adherence to this principle

 = No impact

| Guiding principles of the framework | Internalization method | | | | | |
|---|--|---|--|--|--|---|
| | Cooperation | Diversification | Merger | Acquisition or take over | Spreading | Spin-off |
| Definition | Create a consortium or cooperative to pool products or services or develop new ones with other organizations with similar needs | Develop new products or services either through the acquisition of existing ones or through research and development | Absorption of another organization | Take possession of assets or take control of another organization | Make knowledge available so that others can retrieve it | Creation of similar companies or franchises within the same network |
| Responding to the needs of members or the community | - Impact on the quantity/quality of services offered to members - Impact on the quality of services offered to community | Impact of new services on the number of needs met or people reached | - Impact on the quantity of services offered to members - Impact on the quality of services offered to members | - Impact on the quantity/quality of services offered to members - Impact on the quality of services offered to community | - Level of adaptability of knowledge to the new context | - Number of new people served |
| Decision-making autonomy | - Level of concentration of power of the consortium or cooperative over its members | - Level of influence of the partners linked to the services on the whole organization | - Level of power sharing between the various stakeholders of the merged organizations | Not applicable. Taking of control implies the loss of decision-making autonomy of the controlled company. | - Level of influence of the knowledge-generating organization on the direction of initiatives | - Level of concentration of power in the parent company |
| Democratic governance of members | - Degree of decision of the members on the orientations of the cooperative or of the consortium | - Development of new products in line with democratic choices - If new people benefit from the products, level of integration of the organization's decision-making bodies | - Level of disparity of influence in the new structure of the members of the merged organizations | - Level of disparity of influence in the new structure of the members of the acquired structure | - Level of influence of each of the initiatives on the overall development of the inspiration model. | - Level of influence of the members of each of the franchises on the orientations of the whole group. |
| Economic viability | - Impact on financial surpluses | - Impact on financial surpluses | - Impact on financial surpluses | - Impact on financial surpluses | - Impact on financial surpluses | - Impact on financial surpluses |
| Prohibited or limited distribution of surpluses | - Surplus from the mutualization reinvested in the project or redistributed among the members according to the level of activity | - Fair distribution of surpluses from different services and products to members - Reinvestment of surpluses in the organization | - Fair distribution of surpluses to members of the merged organization - Reinvestment of surpluses in the organization | | - A form of limited redistribution of surpluses to the knowledge-generating organization. - Reinvestment of part of the surpluses in the development and improvement of knowledge | - A form of limited redistribution of surpluses to the parent company. - Reinvestment of part of the surpluses in the development of the network |
| In the event of dissolution, the remainder is attributed to a legal person with similar objectives. | - Clause in the regulations aiming at the remittance of the remainders towards an organization with similar objectives during dissolution. | - Clause in the regulations aiming at the remittance of the remainders towards an organization with similar objectives during dissolution. | - Clause in the regulations aiming at the remittance of the remainders towards an organization with similar objectives during dissolution. | - Clause in the regulations aiming at the remittance of the remainders towards an organization with similar objectives during dissolution. | - Clause in the regulations aiming at the remittance of the remainders towards an organization with similar objectives during dissolution. | - Clause in the regulations aiming at the remittance of the remainders towards an organization with similar objectives during dissolution. |

ANNEX

SECTION III - Good practices (Other lessons – indirect importance)

MARKET

-Coopcycle : The services provided in Europe are fully financed by the contribution of the members of the federation. However, this contribution may be different in specific cases. For example, in Mexico, the *bicimensajerías* (bicycle messengers) are not yet contributing 2%, as it is still a pilot project, but, in exchange, ITDP takes care of the financing of the programmer who adapts the platform to the local context. This mutualisation strategy, based on solidarity and autonomy, is inspired by the idea that "to each according to his means, and to each according to his needs". That is, not all cooperatives require the same services during their development process.

-Scotland : Trade

Intended Outcome - Scotland's social enterprises will become more aware of international opportunities and more global in their outlook. More social enterprises will grow their international sales and impact.

-Investment

Intended Outcome – Create an environment where Scottish social enterprises have access to the investment needed to expand international reach and impact, ensuring Scotland is a destination of choice.

-Social Enterprise Academy : A strategic delivery partner of the Scottish Government, the Academy matched funds with grants from domestic and EU sources to make learning available and affordable in remote rural communities in the Highlands and Islands.

-KOICA : The Creative Technology Solution (CTS) is one of these initiatives that contributes to finding solutions to challenges in development cooperation that are difficult using existing methods in developing countries.

-Equal Exchange : Since the early 1990s, EE had accepted money from outside investors who had no say in the organization's governance. 2003 marked a turning point in its positive cyclical flows; one of its successful farmer coop partners in Mexico became the first beneficiary that used its proceeds to make financial investment in the EE company.

-[...] The loss meant that La Siembra might have been forced to relinquish some aspects of cooperative structure in order to court private investment and avoid bankruptcy. La Siembra's solidarity investors alerted the EE directors of the situation, and EE decided to invest its own funds to preserve the worker cooperative model and prevent disruption of cash flows to the farmer producers, acting on the "coop to coop" principle of support. The decision to invest prioritized solidarity over pure profit, yet the situation has nonetheless yielded positive financial results for everyone involved.

ORGANIZATION

-Social Enterprise Academy : Academy learning and development programmes offer accredited qualifications focusing on leadership, social entrepreneurship and social impact measurement.

-The Sustainability of the Process was considered from the outset. An exit strategy was planned from the start. If the plan was not successful, the additional staffing capacity built-up for replication would be reduced, leaving the Academy viable to serve its original market. Planning also considered the scale of investment raised, and did not over-expose the organisation to unaffordable debt, even if it reverted to only trading in its original market.

-Trade Missions : With the missions the consortium aimed to strengthen international networks by facilitating social enterprises that are ready to expand abroad and want to scale (e.g. in the context of foreign trade missions) and to raise awareness about the Dutch favorable business climate for international social enterprises, finance providers and other relevant parties.

-ACCIO : ACCIÓ has an own expert team in each office that offers personalised consultancy services to Catalan enterprises and that acts as an extension of the company.

-Equal Exchange : EE was founded as a "born global" organization.

-Development Alternatives Group : Mere transfer of technology and knowledge to a country doesn't ensure its widespread adoption. Long term support is imperative to achieve scale and impact that an exchange envisions. Through platforms and partnerships, DA collaborates with local and national government agencies, key private players of the sector to disseminate solutions and their impact.

SOCIAL

-Mondragon : As a result of globalization, the global dimension is presented as one of the main keys to competitiveness and survival for industrial companies and gives lead to an unprecedented international industrial migration process from North to South and from West to East.

Globalization is therefore considered a process with an important effect in economically developed countries and emerging countries or in growth. It can be said that it has a crucial positive effect on well-being by reducing inequalities between countries through a pulley effect that pulls from bottom to top and push from top to bottom.

-Scotland : Global Citizenship

Intended Outcome - Scotland will fulfil its role as a good global citizen, promoting social enterprise where possible and extending its international impact. This will help to frame, lead, and accelerate global developments in the social enterprise movement.

-Education

Intended Outcome - Scotland will become recognised as a world catalyst for knowledge about social enterprise and the leading destination for learning about it. This will build on Scotland's world-class educational offering and reputation for research excellence.

-Social Enterprise Academy : The long term support for Hub teams includes networking and more active support for Hub staff and facilitators.

-Development Alternatives Group : DA's technology transfers programmes have entry points from social and environmental angles beyond the economic aspects of the solutions.

-As a member of the Green Economic Coalition (GEC), DA represents India for voicing the grassroots experience in a global network of diverse organisations from different sectors for greening the economy by drafting working papers, policy issues and organizing conferences. As a member of Green Climate Fund (GCF), DA is influencing public and private players to undertake sustainable financing of clean initiatives within India.

SECTION I - Drivers

I-I Drivers for Politics

ECONOMIC

- Scope of activity includes trade and investment, international development (ODA), third sector (growing the social enterprise sector), and business and enterprise (social business growth).

SOCIAL

- Willingness, experience and enthusiasm of training partners
- Democratic participation

STRATEGIC

- Assertive communication skills and effective communication channels
- Inter- and multidisciplinary
- Quality of training materials
- Social enterprises products and/or services have an intangible added value that is appreciated abroad
- Perseverance of the participating collectives
- Social enterprises are more resilient and motivated than mainstream SMEs
- Consolidation of partnerships with national and international actors
- The Observatory programme is linked to the national social enterprise business support programme (Just Enterprise) so business support and small grant assistance is available to support individual enterprises
- The remit for working with social enterprise is broad and includes pre-start activity and it recognises that some of those supported will not be classical social enterprises as defined by the Code of Practice in Scotland. Without this flexibility the scope and value would be limited.

- International Social Enterprise Observatory is a sector led initiative, with Government as partners, all involved on equal basis.
- Co-produced Internationalisation Strategy in 2016 reflecting sector initiative to raise the profile and recognition of internationalisation.
- Internationalisation given appropriate emphasis in the 10-year social enterprise strategy and Actions Plans.

II-I Barriers for Politics

MARKET

- Difficult market/trading conditions for social enterprises
- Funding has been agreed on an annual basis impacting on longer term planning.
- Insecure or declining grant funding

SOCIAL

- Difficulty in reaching agreements
- Lack of familiarity with SSE and related complex issues

ORGANIZATION

- Uncertainty about the resources needed for the sustainability and expansion of the projects in the medium and long term.
- Concern about the lack of continuity and follow-up of the projects at the end of the pilot.
- The COVID-19 crisis has set back internationalisation progress across all of the Scottish economy, including social enterprise.
- The UK exit from the European Union, against the wishes of the majority of Scots, has compelled Scotland to redefine its international position and this impacts on all sectors including social enterprise.
- Competition within the market
- Lack of time/capacity to develop trading potential
- Logistical, technical and organisational problems due to interaction via the virtual classroom.
- Time-consuming training process
- Low visibility of the collectives' ventures
- Internationalisation still regarded as "niche" by much of the social enterprise sector
- International social enterprise still regarded as "niche" by some within government agencies.