



Category of Good Practice: Advocacy

Good Practice's title

Lobbying for better access to funding for Social Entrepreneurship

Main objective

Change attitudes of authorities towards funding for social entrepreneurship – end result: new funding for SE & MF

Key words:

Access to funding for social entrepreneurship and microfinance

Type of organization: Microfinance social enterprise – NGO - Association

Country: Norway

Year of inception of the good practice: 2011

Services and products provided: network, microfinance, advice & training

Portfolio (€): €225 000 – but lent €625 000 (revolving loan fund)

Avg. loan size (€): €6000

Number of clients: loans: 173 – other: 1200

Website: www.microfinancenorway.no

Address: Kolbtonveien 7, 1410 Kolbotn, Norway

Institutional profile

Microfinance Norway (name since 2010) is a non-profit member based association providing training, network and mentoring and access to microloans in Norway. It is also member of the Nordic Microfinance Network and EMN. It has 92 members, but has served more than 1200 persons. It is also working towards better operating framework and funding for social enterprises (SE) in Norway and the Nordics. It works in close partnership/contact with other organisations and with Norwegian government to reach this goal.

Mission of the organization

To support the innovative opportunities of people by providing competence, network and access to finance for entrepreneurs. We are working towards a more equal and inclusive society by working to improve financial inclusion in Norway. We aim at building sustainable businesses and also to become sustainable as a social enterprise and to improve the conditions for microfinance in Norway and the Nordic countries.

Governance structure

Annual meeting consisting of the 92 members with voting rights has the highest authority. Board with mix of members and experienced board representatives – 5 members + two reserves. The Managing Director is chosen by the board – manages the daily operations of the org. Network of volunteers and consultants are running activities, courses, mentoring and advice.

Good Practice

Introduction

Together with other social enterprises (SE) we started an advocacy process towards better funding for SE from the government of Norway. By cooperating closely as partners and working for the common good we managed to get a new funding window specifically for social entrepreneurship organisations from 2011. The method used was arranging several meetings for politicians and SE practitioners in the Norwegian parliament during the period from 2008-2011 when the strategy led to a new funding window for SE. The effort was coordinated by a loose network, Network for Social Entrepreneurship in Norway, but the network had no money, and was really just managed through a Facebook group. Still we had hundreds of participants in the meetings, and set up exciting partnerships across organisations, had many meetings with politicians, and the effort led to much higher awareness about SE in the Norwegian Government and a new type of funding for SE.

Target group and accessibility

The beneficiaries of the effort was Social enterprises working towards a more inclusive labour market, better access to finance and services for entrepreneurs and other social entrepreneurship practitioners filling the gap in the “welfare state”

Innovativeness

The innovativeness of the process was to work directly with the government in a way that they let us have the lobbyist conferences in the parliament for free. This was possible because of nurturing contact with some key people across the political spectrum, and by working in close partnership with many SE org. so the advocacy was not for one org. alone. This way the whole sector benefitted, and a new form of funding for social enterprises was the result. Now the process of developing the SE field further,(including the rules for funding) has also been adopted as an important strategy by the new government of Norway (since 2013).

Relevance given the context

Working together-even in informal networks to achieve advocacy goals work much better than doing it for your own interest alone.

Adaptability to other contexts

The method may be used by others – in different contexts, but the transparency and informal system in Norway and the Nordics might have made it easier to do it here. We will in the close future use a similar method at the Nordic level to try to change the investment mandate (given by politicians) for the Nordic Investment Bank so it may invest in a Nordic Microfinance and social innovation fund.

Efficiency

The goal of the action is ongoing – a first goal of getting specific funding was reached, but now other goals are being pursued as a network. The network has also led to formalisation of a “grass-root based” Centre for social entrepreneurship – especially focused on the organisations working with excluded persons.

Outcomes

The method led to funding for Microfinance Norway of € 90 000 over two years and €50 000 the third year. + recognition and new opportunities as a SE. The government now asks for advice and wants to learn from our experiences. A new NGO: Centre for Social Entrepreneurship has been established. The Facebook group has 1850 members and daily updates. All so far has been done without funding as network but led to funding for the participants (end users).

Sustainability

The new funding is allowed for each org. only for three years, so sustainability is in focus and still difficult to attain.

In practice: Specific description of a success story

5 Social enterprises got access to funding from Norwegian Government because of common advocacy effort over several years. New understanding and focus in Norwegian Government is the result, but this is just the start: as a method of raising political awareness standing together as a network and doing common effort worked well in Norway. Three ministries do now focus specifically on SE and microfinance as part of the SE sector. Things are moving in the right direction at least.

Further readings (some only in Norwegian)

www.mikrofinansnorge.no , www.nordicmicrofinance.org,
<https://www.facebook.com/groups/sosialentreprenor/members/>
http://www.mothercourage.no/sosialt_entreprenerskap