

Social Innovation in Luxembourg
By: Jean-Christophe Burkel,
(ULESS) Union luxembourgeoise de l'économie sociale et solidaire

I) Milestones of social innovation in Luxembourg

2007

- Creation of the label “Sozial Affair”

The label “Sozial Affair” was created in 2007 by 7 NGOs in order to promote the economic and social integration of people at risk of social exclusion. Their quality products and services are made recognizable to any consumer -public or private-by the label "Sozial Affair". The label “Sozial Affairs” developed steadily since 2007, organizes every year a “Marché solidaire” in the streets of Luxembourg and is now planning to develop joint marketing strategies for its 12 members.

2009

- Romain Schneider becomes the first Minister in charge of Solidarity Economy.

Through the inception of this new ministerial department, Social innovation, social enterprises and solidarity economy become part of the Governmental strategy for the 2009-2014 legislative term.

Since 2013, this Ministerial Department is now under the responsibility of Dr. Nicolas Schmit, Minister of Labour, Employment and Social and solidarity economy.

2012

- “Plan d'action pour le Développement de l'économie solidaire au Luxembourg - 2012”

The first Governmental Action Plan specifically dedicated to support social and solidarity economy and social innovation in Luxembourg. This Action Plan embodied 4 priorities:

- Define a communication strategy;
- Facilitate the establishment of a sector-wide umbrella organisation;
- Support social entrepreneurship;
- Improve the dialogue with the private sector.

- Creation of 1, 2, 3 Go Social

1,2,3 Go Social aims to support social entrepreneurs in Luxembourg. Entrepreneurial projects are selected on the basis of both social innovation and economic feasibility.

The aim of 1, 2, 3 Go Social is support the emergence, consolidation and development of innovative entrepreneurial projects within the scope of Social and Solidarity Economy (i.e. "An economy in the service of solidarity that is part of a sustainable development approach. An economy based on projects that combine economic and social objectives activities.") 1,2,3 Go Social supports and promotes these innovative entrepreneurial projects and assists in the development of a Social Business Plan.

2013

- Creation of the "Union luxembourgeoise de l'économie sociale et solidaire" (ULESS)

Founded in July 2013 with the support of the Government, ULESS is the umbrella organisation aimed to defend and to promote Social and Solidarity Economy. ULESS's missions are:

- to represent, promote and defend social and solidarity economic actors;
 - to bring together various stakeholders from the private and public sectors;
 - to ensure national representativeness of the social and solidarity economy sector;
 - to promote social and solidarity economy in Luxembourg and to actively contribute to its development
 - to spread the values cooperation, association, mutualisation and solidarity.
- Creation of "Innovationsociale.lu"

InnovationSociale.lu is part of a research initiative, fostered by the Public Research Centre Henri Tudor (which became LIST – Luxembourg Institute of Science and Technology since the 1st January 2015) and supported by the Ministry of Labour, Employment and the Social and Solidarity Economy.

InnovationSociale.lu is a **Think Tank**, which aims to:

- **better understand** how social innovation in Luxembourg may be matched to existing international practices,
- **make all kinds of information resources accessible** (theories, case studies, interviews, internet sources, etc.), which are in connection with the implementation of social innovations,
- **describe events, working groups, citizen groups...** that may contribute to a knowledge development for social innovation,
- **stimulate thought and debate** about social innovation.

The information is organised around the **four domains**, which are commonly used to illustrate social innovation: services for people, sustainable development, employment and integration, and support devices. For each of them, you will find case studies, experience feedback, testimonials, publications and links to events or actors of Social Innovation, in Luxembourg and elsewhere.

- Creation of European Impact Investing Luxembourg (EIL)

European Impact Investing Luxembourg is an open initiative supported by a group of Luxembourg-based firms in the financial services sector that seeks to:

- Contribute to the development of the impact investing sector
- Facilitate initiatives in this area within Luxembourg
- Promote the Luxembourg's financial centre's capacity to support and coordinate practice of impact finance

Leading private banking centre with a long time engagement in responsible finance, Luxembourg is well positioned to play a catalytic role for impact investing on its pathway towards becoming a mainstream asset class.

The European Impact Investing Luxembourg wants to play the role of an impartial information exchange platform between stakeholders of the impact investing space. Its activity is currently structured in five working groups:

- Crowdfunding
- Impact Measurement
- Foundations
- "Société d'Impact Sociétal" (SIS)
- Luxembourg Impact Investing Platform (LIIP)

2014

- According to STATEC, social enterprises represents 7 % of total employment in Luxembourg

Statec (Luxembourg Statistics Institute) published a research paper (« Assessing the social and solidarity economy in Luxembourg » by Eva Rückert and Francesco Sarracino, Working paper nr. 75, April 2014, 29 pp.), which introduces the on-going work of a research project intended to furnish a non- exhaustive inventory of the Luxembourgish social and solidarity economy for the use of social policy makers and to increase visibility. Business register data is employed to analyse the features of the social economy and social enterprises in Luxembourg and to trace their evolution over time. The paper focuses on assessing the legal forms and economic activities and also presents some descriptive statistics on paid employment. Social and solidarity economy jobs are found to have a 7% share of total employment in Luxembourg in 2011. In 2000 the share of social jobs amounted to only 4%. These jobs are heavily concentrated in health and social work, a sector with a high share of female employment. The employment shares and employment growth are found to be unevenly distributed across legal forms and gender.

- According to the European Commission first comparative report, Luxembourg is one of the 8 countries in Europe which have a policy framework in place to support social enterprises

Social enterprises are an important driver for inclusive growth and play a key role in tackling current economic and environmental challenges, according to a report published by the European Commission.

Yet, only eight countries (Bulgaria, Greece, France, Italy, **Luxembourg**, Slovenia, Sweden, and United Kingdom) have a policy framework in place to encourage and support the development of social enterprises.

For the first time, this in-depth study outlines the main features of social enterprises in 28 EU Member States and Switzerland using a common definition and approach.

It also gives an overview of social enterprise eco-systems across countries, including factors constraining their development.

Country report: Luxembourg

2015

- Chair in "Social Business and Social Management" (University of Luxembourg)

Sponsored by the City of Esch-sur-Alzette, a new Chair in "Social Business and Social Management" aimed to identify new opportunities for social and economic development in the southern region of Luxembourg and to promote the creation of new models of "social business" has been created with the University of Luxembourg.

II) Main challenges being addressed by social innovation

There are 3 main challenges ahead:

1. A new bill of Law on Social and Solidarity Economy
2. The Luxembourg Presidency of the European Union during the 2nd semester 2015
3. Creation of an incubator (ULESS project for 2015)

III) Key Actors

- Governmental bodies

Ministry of Labour, Employment and Social and solidarity economy
(<http://www.mte.public.lu>)

- Research / Think Tanks

InnovationSociale.lu (<http://www.innovationsociale.lu>)

University of Luxembourg (<http://www.uni.lu>)

STATEC (<http://www.statistiques.public.lu>)

- Business Federations

ULESS – Union luxembourgeoise de l'économie sociale et solidaire (<http://www.uless.lu>)

EIIL – European Impact Investing Luxembourg (<http://www.impact-investing.eu>)

IMS – Inspiring More Sustainability Luxembourg (<http://www.imslux.lu>)

- Private initiatives

1, 2, 3 Go Social (<http://www.123gosocial.lu>)

Sozial Affair (<http://www.sozialaffair.lu>)

Short list of recent events

4th December 2014 – Conference on
Une grille d'évaluation de l'entrepreneuriat social adaptée aux spécificités du Grand-Duché de Luxembourg (<http://www.uless.lu/menu/non-categorise/conference-publique-4-decembre-2014-grille-d-evaluation-de-l-entrepreneuriat-social>)

29th January 2015 – Conference

The EIL annual conference "The role of social finance for the Luxembourg of tomorrow" (<http://www.impact-investing.eu/blog-publications/article/2014/12/eil-conference-january-29-2015>)

12 March 2015 – Closing ceremony and presentation of successful social business plans (1, 2, 3 Go Social)