

8th March 2023

On International Women’s Day (IWD) 2023, Euclid Network (EN) wishes to emphasise the need to continue supporting women¹ social entrepreneurs through policies at all levels of governance and through targeted actions by support organisations. Social entrepreneurship is understood to be a particularly appealing form of entrepreneurship to women.² However only through a holistic inclusion of women throughout action areas, informed policy decisions and an honest reflection upon the current limitations of the ecosystem can the ideal of equity for all be pursued.

IWD 2023 has the theme ‘Embrace Equity’ with the simple reminder that equity is not just a nice to have, it is a necessity.³ Committing to equal opportunities is not enough⁴ and more action and conscious effort is required to address the persistent and systemic barriers facing women within and beyond the social enterprise ecosystem. **EN therefore calls on policy makers at all levels of governance, finance providers and social enterprise support organisations to do more to support and empower women social entrepreneurs throughout overarching frameworks and with targeted actions.**

Why is now the time to act?

As part of the Top 100 Women in Social Enterprise initiative 2023 which saw over 900 women nominated for this list of leading changemakers, many challenges they face were highlighted. These included alarmingly just being a woman in the social enterprise sector. Beyond this, nominees underline intersectional barriers, challenges with mental wellbeing and work-life balance.⁵ According to the data gathered by the [European Social Enterprise Monitor \(ESEM\) 2021-2022](#) on social enterprises with all-female founding teams,⁶ barriers in financial support were the most commonly identified type of obstacles (79.7%).⁷ These were

¹ [Understood to be ‘an adult who lives and identifies as female though they may have been said to have a different sex at birth’.](#)

² European Commission (2021). [Building an economy that works for people: an action plan for the social economy.](#)

³ <https://www.internationalwomensday.com/Theme>

⁴ Ibid.

⁵ Consolidated challenges noted in the Top 100 Women nomination forms from 2023.

⁶ In the European Social Enterprise Monitor (ESEM), data on gender was collected relying on the self identification and perception of respondents into three categories: ‘male’, ‘female’, ‘other’. The term ‘female’ from the ESEM survey is being used synonymously with ‘women’.

⁷ [Euclid Network \(2022\). The European Social Enterprise Monitor 2021-2022.](#)

followed by barriers in non-financial support/access to markets (73.7%) and visibility (73.2%).⁸

In the past years a series of policy announcements, actions and plans have been announced internationally and in Europe.⁹ There is a renewed momentum behind the social economy and a reinvigorated belief that social entrepreneurship and social enterprise is a viable alternative to traditional commercial and profit-centric business models. This momentum provides an opportunity for social enterprise to move from the margins to the mainstream¹⁰ but it also confers an additional responsibility on the ecosystem's stakeholders to ensure it embodies the principles upon which it is built. These include the core values of inclusion, fairness and equity.¹¹ However, 69.5% of ESEM Social Enterprises with all-female founding teams consider there to be low, very low or no political support for social enterprises in their countries (compared to 65.9% of ESEM Social Enterprises generally).¹² There is a clearly perceived lack of political support for social enterprises by ESEM respondents with this is felt to an even greater extent by ESEM Social Enterprises founded by women. The ambition of mainstreaming and supporting the social economy therefore must be pursued in tandem with reflecting and improving on the ecosystem to ensure social entrepreneurship is inclusive, innovative and equitable.

What are the barriers women face?

Women face...

...financial barriers

Investing in women can be a great catalyst for change¹³ however women entrepreneurs currently only receive 2.3% of the venture capital globally.¹⁴ Women represent a majority of the European population but women represent only a third of Europe's entrepreneurs.¹⁵ According to ESEM 2021-22, women are in a majority at all levels of the surveyed social enterprises. This highlights that among social enterprises are not only businesses delivering a positive impact for women but are businesses that include women in their foundation, operation and leadership.¹⁶

Financial barriers are some of the most significant for social entrepreneurs and ESEM Social Enterprises with all-female founding teams highlighted access to funding to be the main difficulty they face.¹⁷ 79.7% of ESEM Social Enterprises with

⁸ [Euclid Network \(2022\). *The European Social Enterprise Monitor 2021-2022*.](#)

⁹ For example see the [EU's Social Economy Action Plan](#) and [the Transition Pathway for the Proximity and Social Economy](#); the [ILO's Resolution Concerning Decent Work and the Social and Solidarity Economy](#) and [UN's attention to the social and solidarity economy](#); the [OECD's continuing work on social entrepreneurship](#), and the [World Economic Forum's Global Alliance on Social Entrepreneurship](#)

¹⁰ [OECD \(2021\). *The Social and Solidarity Economy: from the Margins to the Mainstream*](#)

¹¹ <https://www.oecd.org/cfe/leed/social-economy/>

¹² [Euclid Network \(2022\). *The European Social Enterprise Monitor 2021-2022*.](#)

¹³ [Reach for Change and Global Utmaning \(2021\). *An Anthology of Empowering Women Entrepreneurs*.](#)

¹⁴ *Ibid.*

¹⁵ [Empow'her \(2019\). *Women-led Social Enterprises: a European Study*.](#)

¹⁶ [Euclid Network \(2022\). *The European Social Enterprise Monitor 2021-2022*.](#)

¹⁷ [Empow'her \(2019\). *Women-led Social Enterprises: a European Study*.](#)

all-female founding teams consider there to be barriers relating to financial support. This is compared to 76.7% of ESEM Social Enterprises overall.¹⁸ Addressing these barriers in access to finance for women social entrepreneurs requires action from public and private stakeholders. When measures are taken that seek to address barriers in social enterprises' access to finance in general, a special consideration should be given to barriers specifically affecting women social entrepreneurs.

ESEM Social Enterprises with all-female founding teams on average have smaller revenues than ESEM Social Enterprises overall. 47.3% of ESEM Social Enterprises with all-female founding teams had revenues of 0-50,000€ in the past 12 months, compared to 32.1% of ESEM Social Enterprises overall. From the women founded social enterprises surveyed in ESEM 2021-22 (n=414), the largest source of funding in the previous 12 months was from their own savings (48.3%).¹⁹ Compared to all ESEM Social Enterprises (n=1907), women founded social enterprises can be seen to draw on their own savings to a greater extent with 39.4% overall requesting this source of financing.²⁰ For the whole group of ESEM Social Enterprises, the most common overall source of financing requested was not their own savings but public financing (44.2%). The European Women's Lobby's Mapping of Women's Social Entrepreneurship in Europe also noted a gender pay gap for women social entrepreneurs²¹ which perhaps also links in turn to the above observations from ESEM 2021-22 and to Empow'her's 2019²² study noting women social entrepreneurs using self financing typically also means their ventures are smaller and grow more over time.²³ The observation that women founded social enterprises are relying more on self-financing compared to other sources indicates the extent to which public and private financing opportunities can be improved.

Furthermore, 69.8% of ESEM Social Enterprises with all-female founding teams have never applied for EU funding, compared to 59.4% of all ESEM Social Enterprises never having applied for EU funding. Of these women founded social enterprises, 43.3% of them stated the reason for them not applying was because they were not aware of the opportunity (compared to 38.5% of ESEM Social Enterprises overall). There is therefore a need to reflect on why certain types of financing are reaching fewer and understood worse by women social entrepreneurs. Public financing reforms have the opportunity to act to mitigate gaps in the access to private funding stemming from the impact of gender on decision making.

...non-financial barriers including in support services and skills training

The non-financial support provided to social enterprises is also a crucial factor in their success, also contributing to their ability to access and make use of financial support. 73.7% of ESEM Social Enterprises with all-female founding teams identified non-financial support/access to markets as a barrier to their success compared to

¹⁸ [Euclid Network \(2022\). *The European Social Enterprise Monitor 2021-2022*.](#)

¹⁹ [Ibid.](#)

²⁰ [Ibid.](#)

²¹ [WeStart \(2015\). *Mapping Women's Social Entrepreneurship in Europe: synthesis report*.](#)

²² [Empow'her \(2019\). *Women-led Social Enterprises: a European Study*.](#)

²³ [Ibid.](#)

72.7% of all ESEM Social Enterprises.²⁴ Women social entrepreneurs highlighted the importance of support in developing soft skills through services such as mentoring, peer learning and networking.²⁵ While there are opportunities to develop ‘hard skills’ such as those related to legal and accounting, these were cited less in the assistance needs of women social entrepreneurs.²⁶

...barriers associated to the low visibility of women social entrepreneurs

Visibility was highlighted by the nominees for this year’s Top 100 Women in Social Enterprise list. 73.2% of ESEM Social Enterprises with all-female founding teams cited visibility as a barrier to their enterprise. This is compared to 68.9% of all ESEM Social Enterprises.²⁷ Since 2021, EN has chosen to shine a light on the women leading the way in social entrepreneurship across Europe through the [Top 100 Women in Social Enterprise](#) initiative.²⁸ The Top 100 List provides visibility for 100 women each year but much more action is required to ensure that this visibility is sustained, contributes to increased considerations of women social entrepreneurs in policy making and a more inclusive and supportive ecosystem for all aspiring and existing social entrepreneurs. The Top 100 Women in Social Enterprise lists from 2021, 2022 and 2023 are all available on the EN website and we strongly encourage you to spend time reviewing these names, enterprises and innovators to find women to engage with, share in their expertise and experiences.

...barriers relating to specific business areas – a concern for the digital transition

UN Women selected ‘DigitALL: Innovation and Technology for Gender Equality’ as their theme for IWD 2023.²⁹ This is a poignant topic reflecting on the recent launch of the European Commission’s [Transition Pathway for the Proximity and Social Economy](#).³⁰ This pathway seeks to map the path for the European social enterprise ecosystem to make a success of the green and digital transitions. As highlighted by this year’s UN Women IWD theme, a concerted effort to ensure that this Twin Transition is inclusive and equitable is necessary, especially when considering the inclusion of women from all parts of the European community in the digital transition.

...barriers associated to gender stereotypes and uneven caring responsibilities

Women social entrepreneurs face additional barriers which are rooted in gender based stereotypes that go well beyond the scope of social entrepreneurship. Stereotypes pertaining to women’s capability to be entrepreneurs continue to persist³¹ including that women are not business drivers or suitable leaders.³² Furthermore, women face in some cases a no-win scenario, being penalised for being too feminine or vilified for being too masculine.³³ Women additionally face

²⁴ [Euclid Network \(2022\). *The European Social Enterprise Monitor 2021-2022*.](#)

²⁵ [Empow’her \(2019\). *Women-led Social Enterprises: a European Study*.](#)

²⁶ Ibid.

²⁷ [Euclid Network \(2022\). *The European Social Enterprise Monitor 2021-2022*.](#)

²⁸ [The Top 100 Women in Social Enterprise initiative project page](#)

²⁹ [UN Women’s theme for IWD 2023 - ‘DigitALL: Innovation and Technology for Gender Equality’](#)

³⁰ [European Commission \(2022\). *The Transition Pathway for the Proximity and Social Economy*.](#)

³¹ [WeStart \(2015\). *Mapping Women’s Social Entrepreneurship in Europe: synthesis report*.](#)

³² [Reach for Change and Global Utmaning \(2021\). *An Anthology of Empowering Women Entrepreneurs*.](#)

³³ [WeStart \(2015\). *Mapping Women’s Social Entrepreneurship in Europe: synthesis report*.](#)

unevenly distributed caring and familial responsibilities in terms of child care, caring for elderly relatives or assuming responsibility for domestic tasks.³⁴ Hence while steps to tackle the barriers women social entrepreneurs face can and should be taken, the wider structural and systemic barriers that women face in society must also be addressed.

...intersectional barriers that build upon each other

Social entrepreneurs and social enterprises face many barriers as a group, some of which are specifically experienced to a greater extent by women social entrepreneurs. Barriers, challenges and obstacles can be further compounded by a multitude of factors beyond gender including aspects such as age,³⁵ migration status or social class. Policies designed to support social enterprises and social entrepreneurs in general can and do support womens' social entrepreneurship but they should also take explicit consideration of what measures can be taken to support women social entrepreneurs. Other socio-economic and demographic factors can also be considered within a more granular approach to policy making. Within actions designed to support women social entrepreneurs, additional attention should be given to women social entrepreneurs who face exclusion or disadvantage due to a combination of factors. This approach may promote more holistic strategies to tackling exclusion of less advantaged or underserved communities of entrepreneurs.

We must act and take advantage of the momentum behind social enterprise today

Women do not only start and scale successful social enterprises but they create enterprises that support and deliver social impact for women and society in general. They also serve as an inspiration to other women. Policy makers must ensure that they are doing all they can to enable women to become social entrepreneurs, supporting their mission to tackle social and environmental challenges for the benefit of us all. Social entrepreneurship is already demonstrating its potential as the future of entrepreneurship, attracting new talent and underserved groups such as women with positive spillover effects for commercial entrepreneurship.³⁶ This provides yet another reason for policy makers to support social entrepreneurship.

Women make up more than half of the European population and still even in 2023 represent a largely untapped and underutilised group with a great potential to support sustainable growth and address environmental and social issues through social entrepreneurship.³⁷ There is a clear idea and a belief that the social economy helps to improve gender equality³⁸ however we need to ensure that this is a reality. **Actions from all stakeholders are needed in order to achieve this.**

³⁴ [European Commission \(2022\). *Communication on the European Care Strategy*.](#)

³⁵ [OECD \(2022\). *Unlocking the potential of youth-led social enterprises*.](#)

³⁶ <https://cordis.europa.eu/project/id/613500/reporting>

³⁷ [Empow'her \(2019\). *Women-led Social Enterprises: a European Study*.](#)

³⁸ European Commission (2021). [Building an economy that works for people: an action plan for the social economy.](#)

EN strongly encourages policy makers at all levels of governance and support organisations across the ecosystem to continue to consider the barriers and needs of women social entrepreneurs to collectively overcome these challenges. There must also be a reflection on the ecosystemic conditions which create and further exacerbate these barriers. Support organisations and social enterprises themselves must be empowered and supported through policy action to allow them to address persistent issues relating to gender equality.

Our call to action

Action is needed, but what can you do? Different groups of stakeholders have the opportunity to contribute to making social entrepreneurship more inclusive in different ways.

- EU policy makers must consider women throughout different policy frameworks, both through targeted actions but horizontally as a key group in **all** actions. When designing frameworks relating to topics such as digitalisation, an attention should be paid to reaching groups typically less engaged in these areas, such as women. This should be a consideration for example in the co-implementation of the Transition Pathway for the Proximity and Social Economy.³⁹ An awareness of EU funding needs to be increased among women-led social enterprises with other public funding sources taking steps to mitigate existing exclusion of women and social entrepreneurs by finance providers. The EU and other public authorities therefore have an opportunity to drive positive change in the wider finance market so that the barriers women face in accessing funding are addressed.
- National and local policy makers in the implementation of EU and national policy initiatives and framework must consider how to ensure women are included in (social) entrepreneurship. Furthermore, national and local policy makers should consider how to showcase examples of women's successes to inspire more women and address barriers relating to women's visibility. Women are leaders and successful entrepreneurs and this needs to be seen. National and local policy makers can also develop targeted funding programmes and non-financial support services to support aspiring and scaling women-led social enterprises. To develop these services, policy makers should work with national and local associations for social entrepreneurship, designing programmes that will really respond to the needs of women social entrepreneurs.
- Finance providers must reflect on their decision making processes, the questions they are asking women and any assumptions which they are holding while deciding upon funding allocation. This internal reflection and change goes beyond women engaging in social entrepreneurship but relates to stereotypes and discrimination women face in accessing funding beyond the social economy. Funding organisations have the opportunity to develop programmes specifically targeted towards supporting women social entrepreneurs. While this is a clear and concrete action, it must be accompanied by a review of how to include women in all decision making relating to funding allocation.
- Social enterprise support organisations should engage with policy makers to support them in making better policies for women social entrepreneurs. Social enterprise support organisations can also develop specific and tailored programmes and

³⁹ European Commission (2022). [The Transition Pathway for the Proximity and Social Economy](#).

campaigns to support women in social enterprise with soft skills development, networking opportunities and greater visibility. It is furthermore important for funders and policy makers to engage and support these organisations to help strengthen social enterprise ecosystems with gender equity as an inalienable feature.

- Social enterprises themselves as well as all stakeholders should reflect on whether they are embodying the values of the social economy themselves, whether they are operating on the principles of gender equality and whether they can do more to support and promote the successes of and opportunities for women in social enterprise.

To solve the barriers women social entrepreneurs are facing, we must look at the individual experiences of women social entrepreneurs but we must also consider how this reflects the realities of the wider ecosystem and the barriers therein. Only by addressing these barriers through an ecosystemic and cross-sectoral approach can they truly be addressed. EN is ready to work with our members, partners and like minded organisations to bring about the changes we all want to see in our economy and society.