



Kick-starting the nascent social finance market in Estonia

The study is conducted by Tallinn University
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OBJECTIVE

The objective is to map how ready Estonian social enterprises are to access social finance and what their needs are. The project consortium includes stakeholder representatives; Social Enterprises are represented by the Estonian Social Enterprise Network, Investors are represented by the Baltic Innovation Agency (manager of startup accelerator Buildit) and SEB Bank, The Community is represented by the Development Centre of Võru County and Research and Development is represented by Tallinn University (Social Entrepreneurship MA program).

SAMPLE

Given that the social economy in Estonia is still in the early development phase and there is a relatively small number of social enterprises, the project will use a broad definition of social enterprise. In Estonia, legal forms available to social enterprises are also limited with non-profit association represented highest. The project activities will be in-line with the approach outlined in the 2020 OECD policy report 10 i.e., in the Estonian context, both non-profit associations (that generate revenue by selling goods and services), as well as organizations which, whilst not social enterprises per se, share many of their characteristics (e.g. SMEs and start-ups which have a strong social or environmental objective and socially responsible businesses) will be included. The survey had 91 participants.

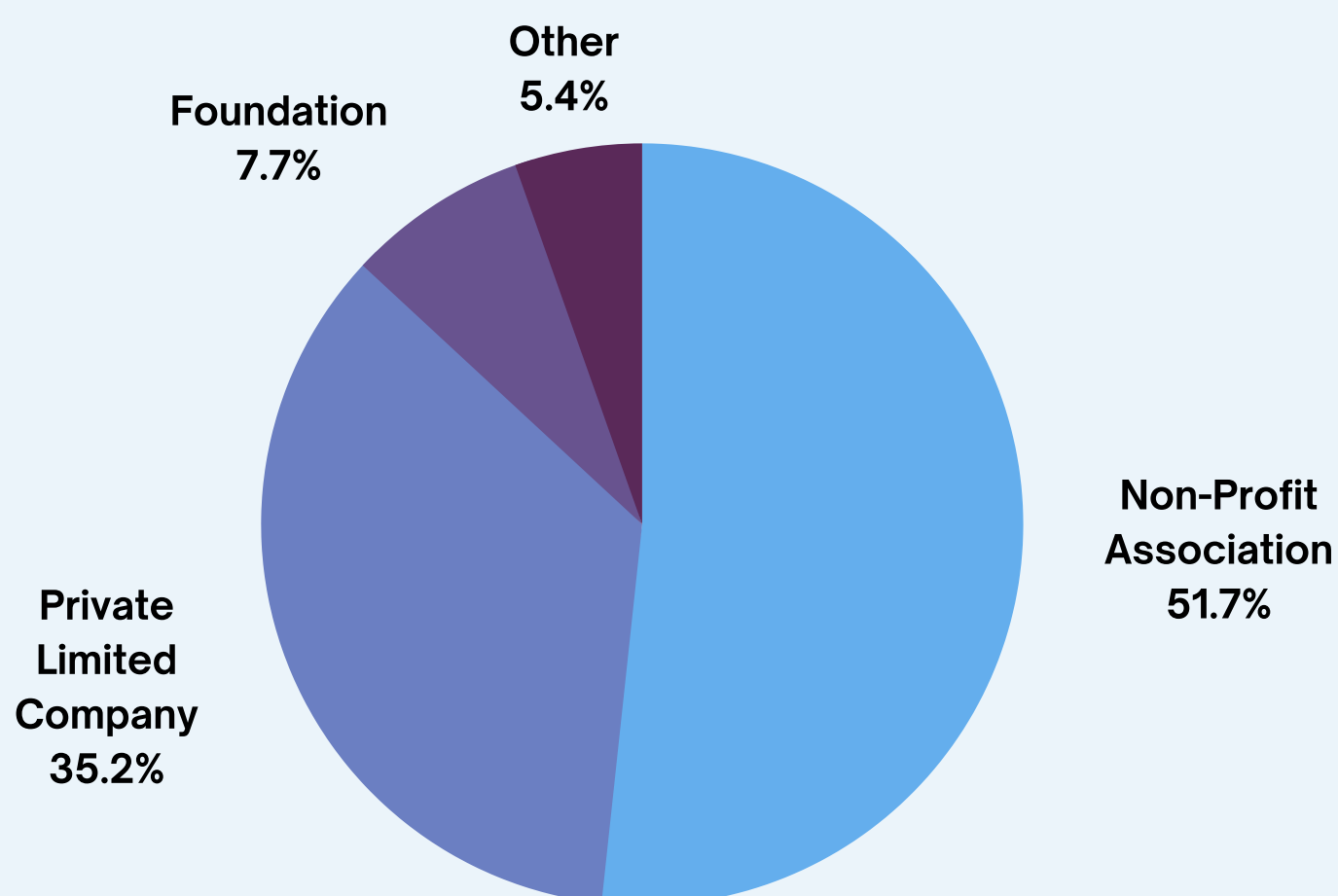


CHART 1: THE LEGAL STATUS OF ESTONIAN SOCIAL ENTERPRISES

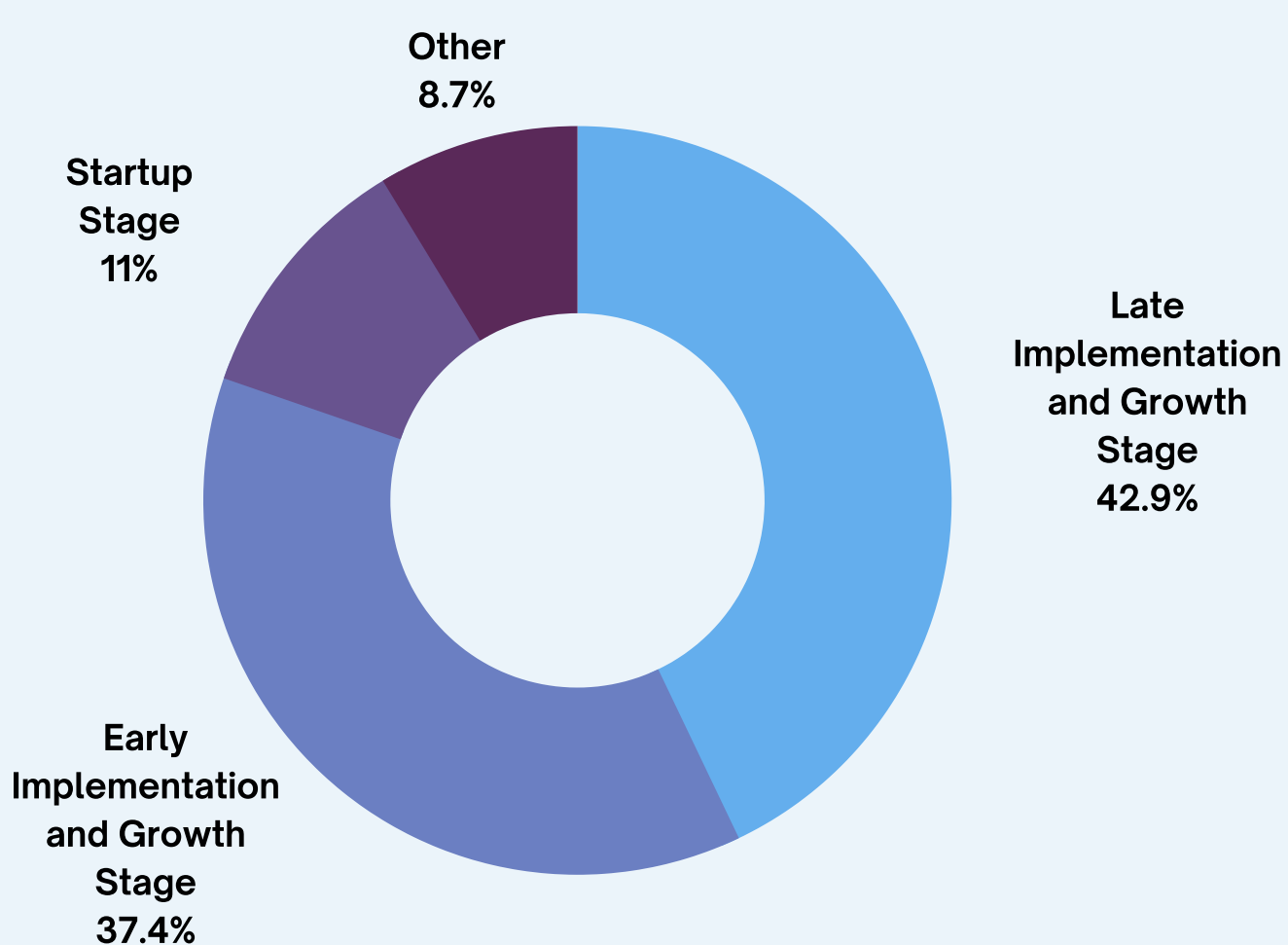


CHART 2: THE DEVELOPMENT STAGES OF ESTONIAN SOCIAL ENTERPRISES

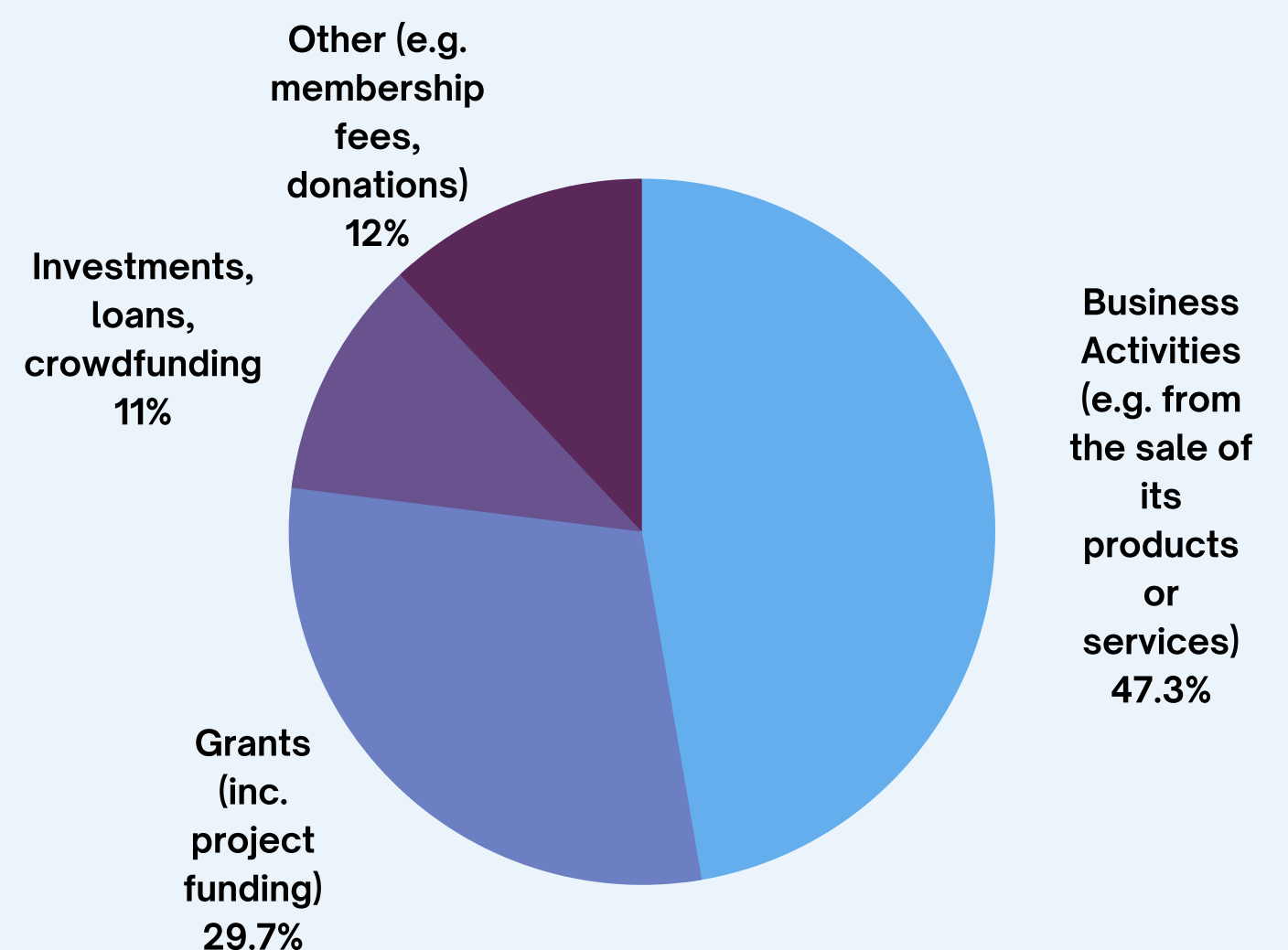


CHART 3: MAIN REVENUE SOURCE OF THE LAST 24 MONTHS

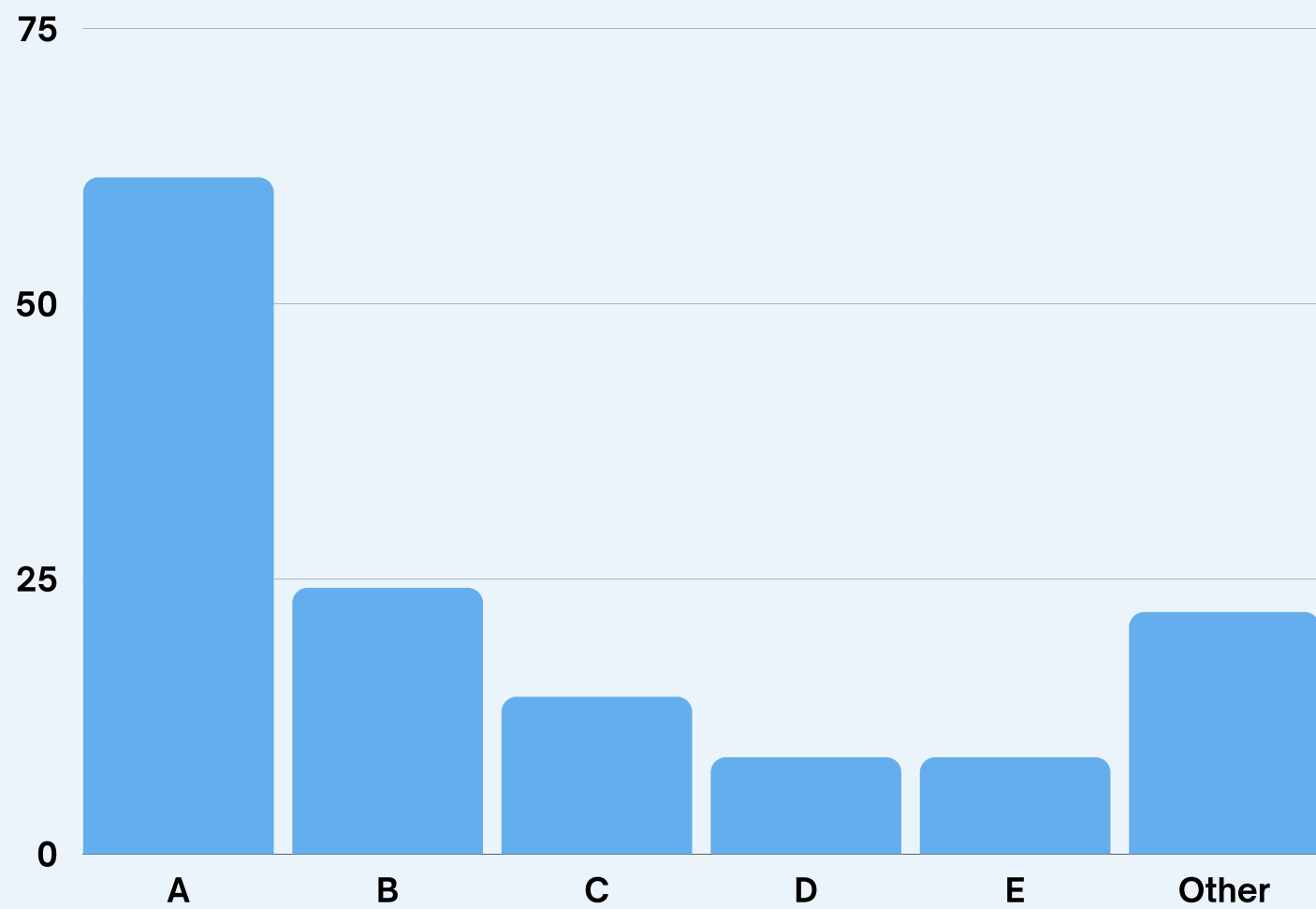


CHART 4: SOURCES FROM WHICH THE ORGANIZATIONS HAVE APPLIED FOR/RAISED FUNDING FROM IN THE LAST 24 MONTHS (PARTICIPANTS WERE ABLE TO CHOOSE SEVERAL ANSWERS)
 A - GRANTS/PROJECT FUNDING; B - PRIVATE DONATIONS;
 C - INCUBATOR OR ACCELERATOR FUNDING; D - BUSINESS ANGEL FINANCING AND VENTURE CAPITAL; E - IMPACT INVESTMENTS
 (% OF ORGANIZATIONS)

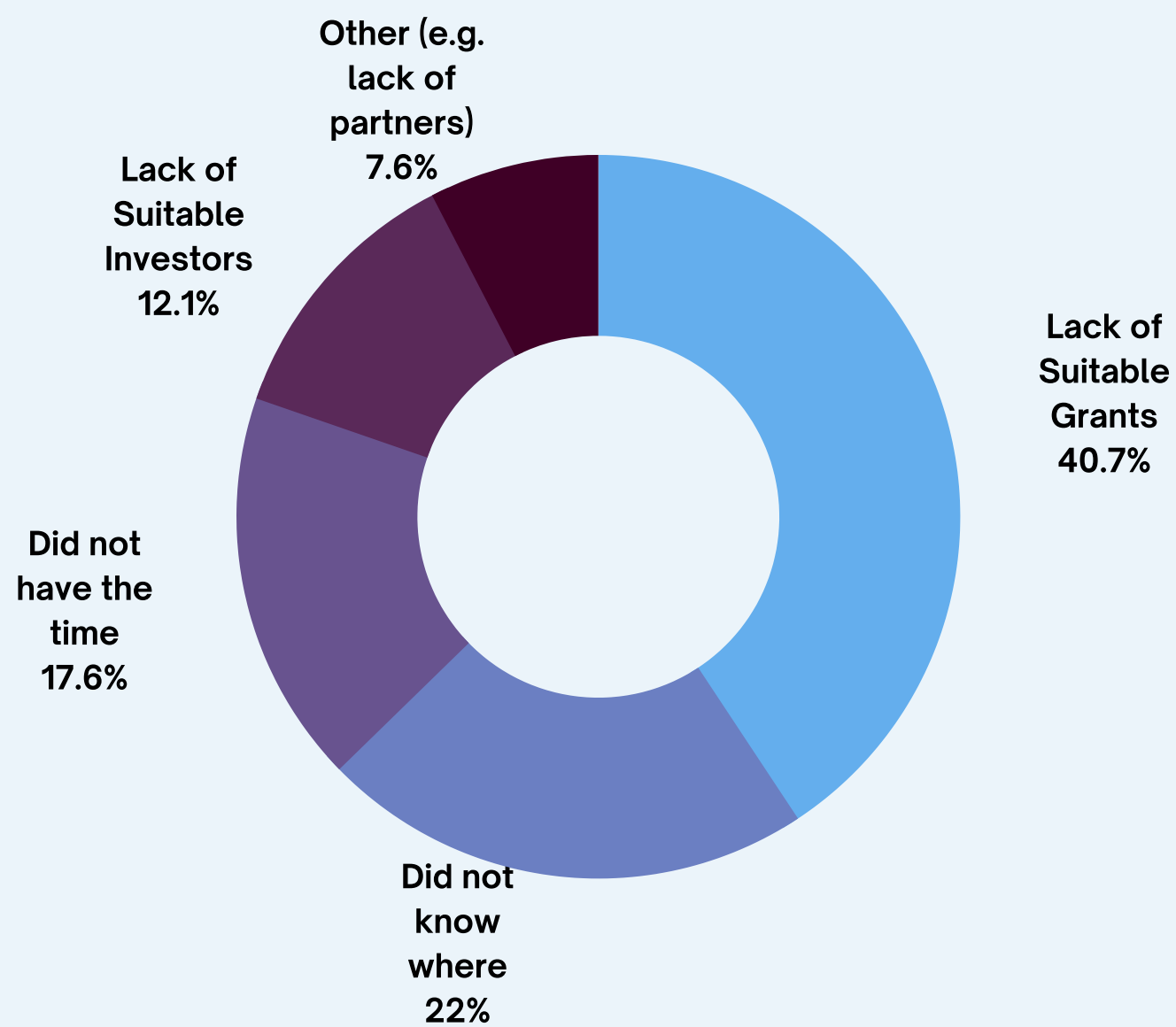


CHART 5: REASONS WHY SOME ORGANIZATIONS DID NOT APPLY FOR OR RECEIVED EXTERNAL FINANCING FROM THE PUBLIC OR THE PRIVATE SECTOR IN THE LAST 24 MONTHS

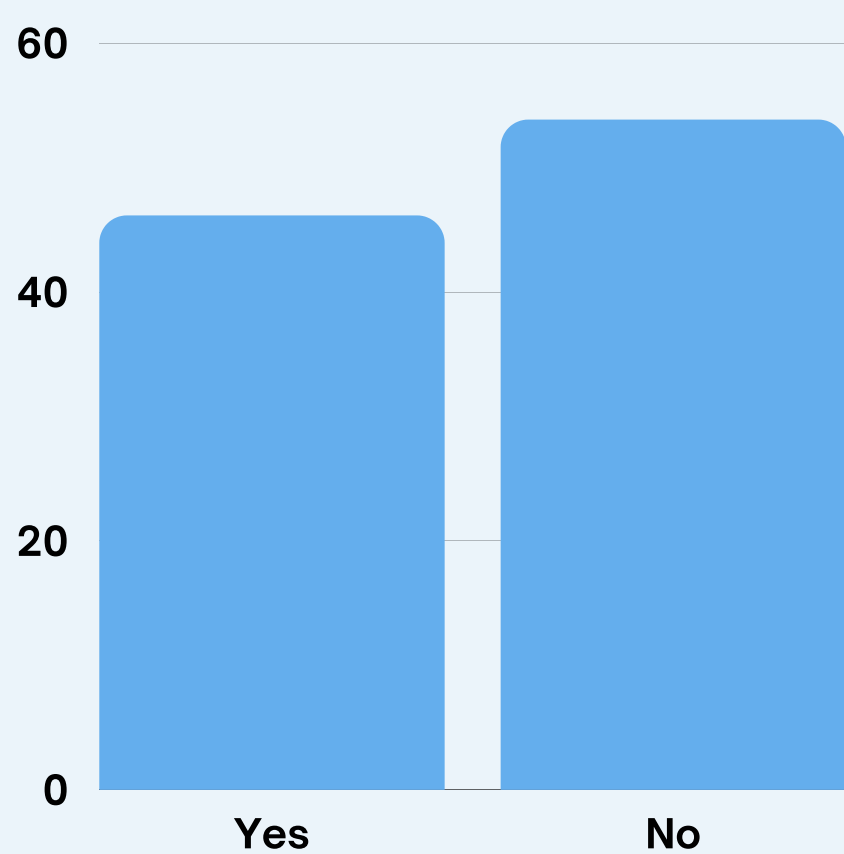


CHART 6: % OF ORGANIZATIONS PLANNING/NOT PLANNING TO RAISE INVESTMENTS IN THE NEXT 24 MONTHS

IN ADDITION

From organizations that stated that they plan to raise investments 47.62% are at the "Early Implementation and Growth Stage" and 21.43% are at the "Startup Stage". 82.76% of organizations at these two stages selected one of their main revenue sources to be "Business activities". "Early Implementation and Growth Stage" and "Startup Stage" are ready for investments of more than 19 million Euros.

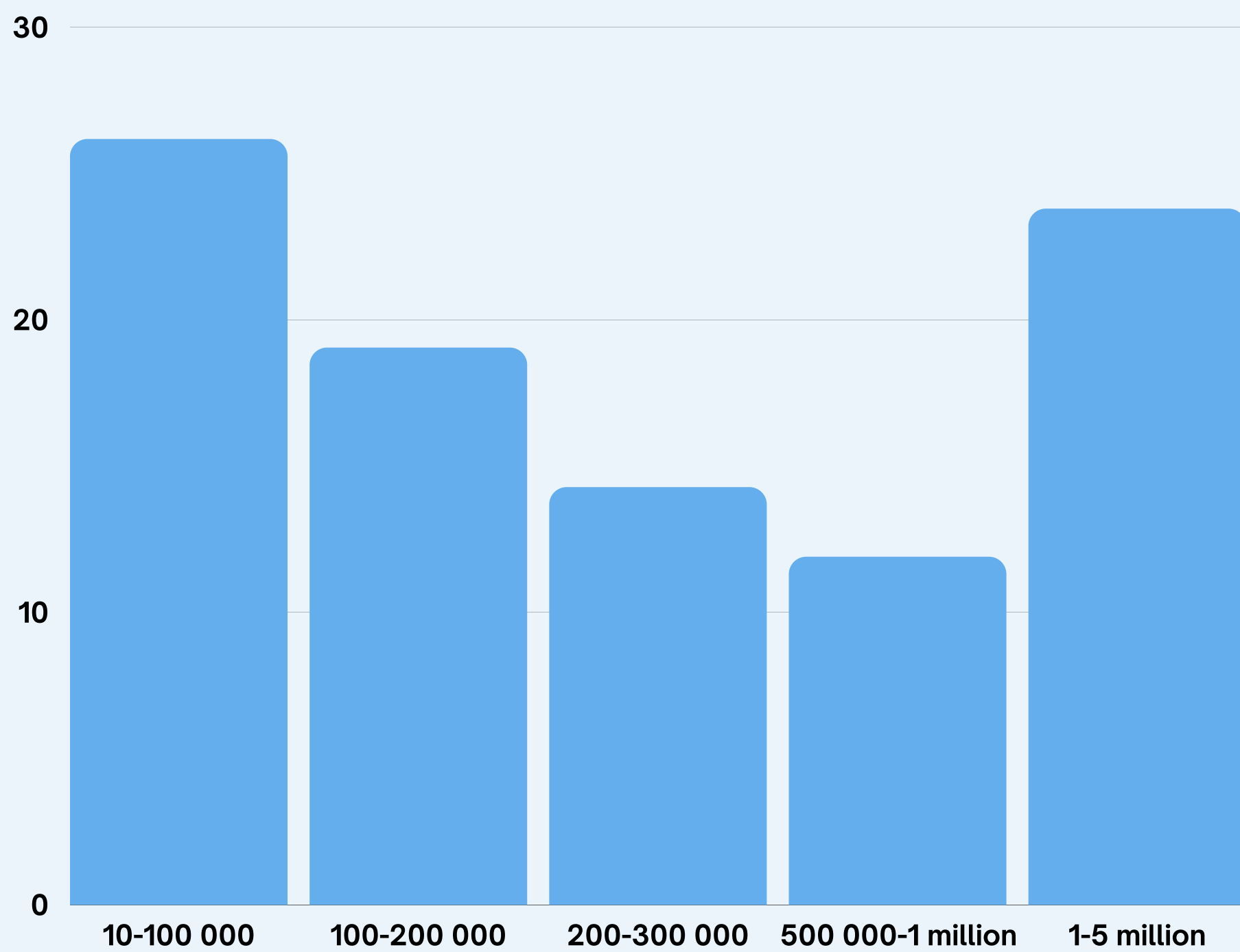


CHART 7: THE SUM OF INVESTMENTS PLANNED TO RAISE (% OF ORGANIZATIONS)