TRAVERSES

Groupe *initiatives* SUMMARY NOTE

Text taken from the work published in *TRAVERSES No. 55*

Supporting the emergence and growth of social and solidarity economy organisations:

Practices and challenges



International solidarity organisations are going through a period of upheaval: the rise of conservatism, the decline of multilateralism and budget cuts are weakening them and calling into question their place and legitimacy. At the same time, the social and solidarity economy is gaining international recognition – a United Nations resolution has enshrined it as a driving force for the achievement of the Sustainable Development Goals. Social enterprises, which combine social and/or environmental impact and economic viability, appear to be a promising way forward: they support local dynamics without replacing them. However, a gap still persists between funder rhetoric and reality, with financial instruments tailored to limited-profit social enterprises remaining scarce.

It was in this context that the "Groupe *Initiatives*" (G*i*) wanted to capitalise on the practices and challenges involved in supporting the emergence and growth of SSE organisations, in order to learn from them and call on governments and funders to take action.

Frame of reference

The concepts of the social and solidarity economy, social enterprises and social entrepreneurship are increasingly being used, sometimes simply as a result of a passing trend. Yet it would be futile to seek a universal and fixed definition of the SSE or social enterprises, as the emergence of these concepts depends on cultural and historical contexts. Our ambition in the publication is more modest: **to offer a frame of reference.**

"Preconceived definitions of the SSE can be exclusionary. An approach based on values and solidarity practices provides a more complete understanding of this protean category, while minimising the chance of perpetuating a relationship of conceptual domination over less institutionalised forms of SSE organisations" Xylm[1]

1. Coquillaud Q, Behra M, Cordrie B, Glemain P, Havas E, Renault M et al.; Qu'est-ce que l'ESS ? Étude de cas d'une coopération entre acteurs ESS bretons et togolais ; 2026 ; https://xylm-asso.fr/documents/publications-xylm/

A collective approach

The work began in Madagascar and expanded to Togo, Burkina Faso, Mali, Senegal and France, mobilising four G*i* member organisations: AVSF, Entrepreneurs du Monde, Geres and GRET. It was based on 10 case studies of social enterprises supported by these organisations and on about 30 interviews (with enterprises, NGOs, researchers, financial partners and institutions). These materials were discussed during the study days of 10 and 11 March 2026 in Antananarivo, in a hybrid format, bringing together field teams, social enterprises, investors, financial partners and public institutions. Each case was self-assessed using Cerise+SPTF's Social Business Scorecard (SBS) tool, which looks at seven dimensions: purpose, public, products and services, HR policies, ethical principles, profits and partnerships. Intentionally diverse (widely varying legal forms, sectors, ages from one to 17 years, turnover), the sample was not representative but had an exploratory purpose, to open up a debate and provide food for thought.

What the case studies say

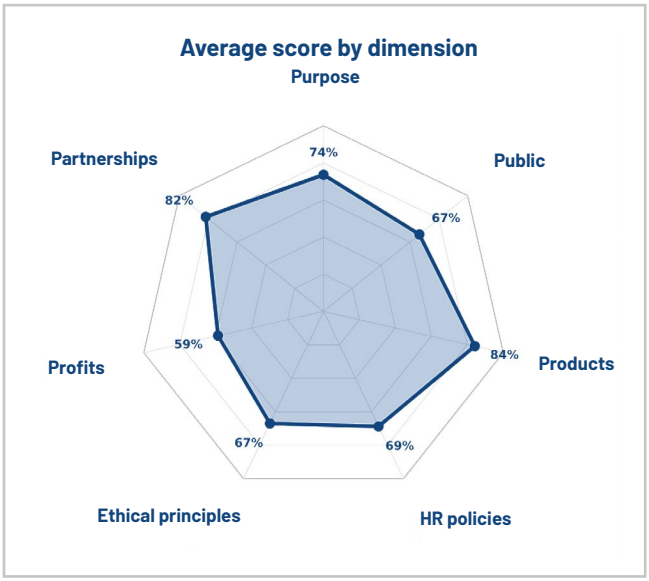
- **Social purpose:** the most robust foundation. The purpose, public and product dimensions scored the highest. The social mission is formalised in articles of association, the orientation towards vulnerable populations is explicit and product and service innovation is constant. There is sometimes room for improvement in formal monitoring and evaluation and in the ability to reach the most vulnerable individuals while remaining viable.
- **Governance: the pillar with the most heterogeneous practices.** Governance bodies are functional and mechanisms are used to ensure transparency. Governance constitutes a space of tension between an entrepreneurial logic and an inclusive and participatory logic. Parity is almost achieved among employees but is slightly lower among executives and on Boards of Directors. Organisational youth goes hand in hand with governance that is still being consolidated.



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- **Business model: the main point of vulnerability.** The "Profits" dimension was the most contrasted. All social enterprises are growing, but viability remains fragile for the youngest: achieving breakeven takes time and scaling up strengthens models. The tension between social accessibility and financial breakeven is structural. Social enterprises are responding with innovative mechanisms: hybrid financing, equalisation between products, services or channels, tiered pricing.

The graph below shows the average results of the 10 case studies for each of the seven dimensions of the analysis. These averages reflect very encouraging results although they mask the heterogeneity of cases and practices as we set out in the journal.



Average score by dimension, Social Business Scorecard, Cerise+SPTF

Impact management: an essential driving force for social enterprises

For these organisations, impact management is seen as a continuous cycle – planning, monitoring, analysing, acting – inspired by the practices of social microfinance institutions. Three conditions guarantee its usefulness: integration into internal systems, simplicity and dedicated governance capable of monitoring the implementation of the mission. Scientific impact measurement, based on expensive and time-consuming causal attribution, should not be confused with the day-to-day management of social and environmental performance.

For adequate financing arrangements and regulatory frameworks

Since 2022, AVSF, Entrepreneurs du Monde, GRET, Geres and CCFD/SIDI have been advocating, within a working group hosted by Coordination Sud, for **instruments tailored to limited-profit social enterprises** with the AFD group and the Ministry for Europe and Foreign Affairs. Their proposals: a single point of contact within the AFD group and a "range of tools" that can be adjusted depending on the stage of development – grants, loans, repayable advances, guarantees, first-loss financing, patient capital, blended finance – provided that the enterprise has an ambitious social and environmental purpose.

The **legal framework determines institutional recognition** and access to

funding, tax incentives and public procurement. Only about 30 countries have a framework law. Senegal has taken this step (2021 policy law, dedicated ministry), thanks to strong institutional backing. Madagascar, with its long-established cooperative fabric and strong associative sector, remains "at a crossroads" due to a lack of institutional leadership and coordination; Togo is gradually putting its framework in place. The lesson learned from both countries: align political will with collective advocacy.

Cross-cutting issues: gender, youth, international solidarity

- **Gender equality.** Its integration is progressing but remains uneven and requires strategic leadership endowed with resources. The challenge is to move from the inclusion of women to the transformation of social relations: practical needs versus strategic interests, intersectionality and mobilisation of men.
- **Youth.** The 10 cases showed mainly implicit inclusion (salaried employment) and almost no strategic targeting; in Malagasy cooperatives, staff under the age of 30 represent less than 5% of members. The challenge is to recognise young people as stakeholders, echoing the GSEF SSE Youth Hub dynamic (Bordeaux Declaration, 2025).
- **SSE and international solidarity.** Faced with the weakening of the top-down "North-South" model, the Xylm association is advocating for horizontal "region to region" cooperation linking international solidarity and the local SSE, as illustrated by the partnership between Breton and Togolese stakeholders.

Key lessons learned

1. The emergence of social enterprises is embodied in old and local concrete practices that precede institutional definitions.
2. The social mission is the DNA of organisations. It is enshrined in key documents (articles of association, charters, shareholders' agreements) and accompanied by safeguards.
3. The business model is the most critical point. It is raising questions amid substantial reductions in public funding.
4. Inclusive governance is a real driver of legitimacy and success.
5. Gender and youth are calling for a transformation of practices and norms, not just inclusion.
6. A dedicated legislative framework is a powerful accelerator for the sector.
7. Financing mechanisms tailored to limited-profit social enterprises are more necessary than ever.



Green Biz Africa, Mali



Loan disbursement, Assilassimé Solidarité, Togo

Groupe *initiatives*

45 bis, avenue de la Belle Gabrielle
94736 Nogent-sur-Marne
France
contact@groupe-initiatives.org

www.groupe-initiatives.org

Created in 1993, the "Groupe *initiatives*" (G*i*) is a collective of professional international solidarity associations that have come to the conclusion "that [they] would make more progress together than separately and that [they] can overcome [their] differences and [their] competition by setting common challenges and shared goals" (see the G*i* Manifesto). It currently consists of 16 member organisations. The dynamics of rapprochement within the collective express the will of the members to better assert their values and their specific approaches to combating inequalities for a habitable world, for economic, social and cultural rights and for international solidarity. The "Groupe *initiatives*" is a forum for exchange as well as for sharing experiences and practices in order to fuel the thinking of international solidarity stakeholders and to formulate recommendations in the field of public policies.

ITS MEMBERS

AGRISUD INTERNATIONAL
APDRA PISCICULTURE PAYSANNE
AVSF AGRONOMES & VÉTÉRINAIRES SANS FRONTIÈRES
Ciedel
CRAterre
ENTREPRENEURS du Monde
ESSOR Soutien - Formation - Réalisation Association de Solidarité Internationale
geres LA SOLIDARITÉ CLIMATIQUE EN ACTION
grdr Migrations Citoyenneté Solidarités
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LE PARTENARIAT CENTRE GAÏA Pour un monde plus juste, plus durable et plus solidaire

Note written by Martin Adjaho and Eugénie Constancias (Entrepreneurs du Monde) and Claire Kaboré and Thierry Rabarijaona (GRET).

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