



...before we start

➤ Please mute your microphones.



➤ This session is recorded.



➤ Do you have a questions? Please write it into the chatbox 😊!



What is the Investment Climate Reform Facility?



Implemented by

Investment Climate Reform (ICR) Facility

Objective Support the countries and regional institutions in Africa, the Caribbean and the Pacific in their public-private dialogue process to create a more conducive and sustainable investment climate.

1) Technical Assistance

- Are you a public and private stakeholders in an African, Caribbean or Pacific country? Do you conduct a business environment reform initiative?
- The ICR Facility offers **technical assistance** of up to 90 expert days for your business environment reform initiative.
- Interested? Check your eligibility and send a request via www.icr-facility.eu

2) DFIs

Strengthening national and sub-regional DFIs countries with tailor-build capacity building

3) Sharing and compiling knowledge

Dissemination and Mainstreaming of best practices and lessons learnt (www.icr-facility.eu)

ICR Knowledge Hub

ICR Blog

Online Events

More information

Website: www.icr-facility.eu

Linkedin: Investment Climate Reform Facility

Youtube: ICR Facility

Implemented by

AGENDA	
Introduction and agenda	Juliet Cornford, Senior Consultant, Global Social Enterprise Team, British Council
Panel Presentations	Patrick Klein, Head of Sector, DG Grow, Social Economy and Social Enterprise, European Commission
	Dan Gregory, Director of International and Sustainable Development, Social Enterprise UK
Q&A Session	
Panel Presentations	Charmaine Brimm, Technical Specialist: Socio-Economic Development, Planning Institute of Jamaica
	Edwin Zu-Cudjoe, Executive Director, Social Enterprise Ghana
Q&A Session	
Closing Remarks	Escipión Oliveira-Gomez, Assistant Secretary-General, Organisation of African Caribbean and Pacific States (OACPS)



Charmaine BRIMM

Technical Specialist: Socio-Economic Development,
Planning Institute of Jamaica



Patrick KLEIN

Head of Sector, DG Grow,
Social Economy and Social Enterprise,
European Commission



Edwin ZU-CUDJOE

Executive Director,
Social Enterprise Ghana



Dan GREGORY

Director of International and Sustainable Development,
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**Social
Enterprise UK**

Established in 2002 as the **national body for social enterprise**

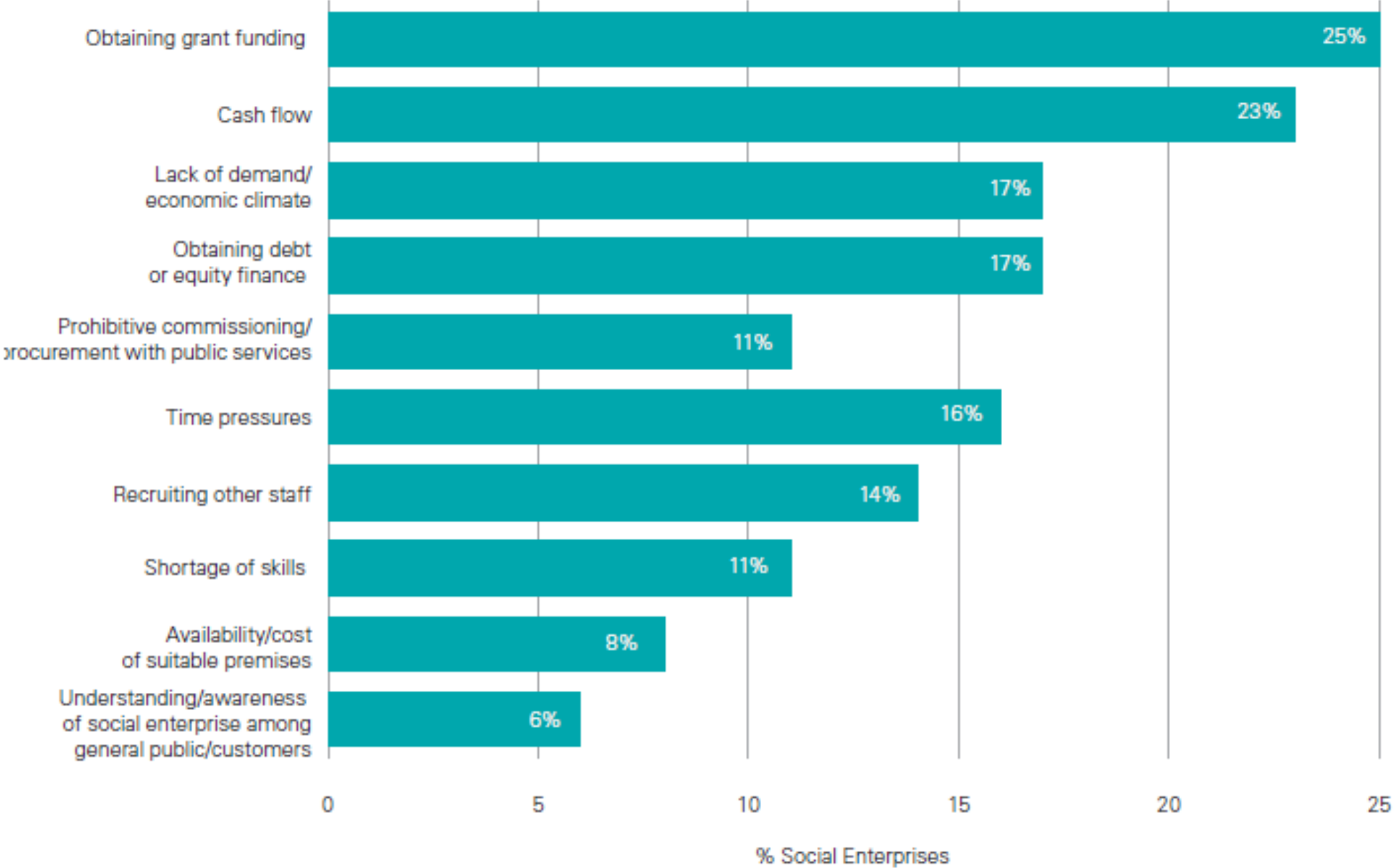
Membership organisation: over 3000 members

All the different forms of social enterprise under one umbrella

Main purposes:

- Supporting social enterprises to thrive
- Developing the evidence base for social enterprise
- Influencing policy and political agendas (with govt)
- Showcasing the benefits of social enterprise
- Broker, facilitator, market builder
- Creating connections & sharing learning internationally

FIGURE 20: TOP 10 BARRIERS TO SUSTAINABILITY



1. The lack of a clear definition and understanding of the idea of social enterprise
2. Lack of awareness of social enterprise in practice, exemplars, role models, brand recognition.
3. Lack of understanding the value and contribution of social enterprise at both the micro and macro level, gaps in the evidence base.
4. Access to markets, including international and domestic B2B and B2C as well as public procurement.
5. Access and affordability of workspace and premises.
6. Access to appropriate and affordable funding and finance, from start-up to loans and risk capital
7. Confusing and complex regulatory environment with a lack of clarity over company registration.
8. Confusing and complex tax regime for social entrepreneurs, social enterprises and investors.
9. Issues with workforce and skills, knowledge gaps, ;ack of access to mentorship, business support, etc.
10. Fragile networks and frameworks for association.

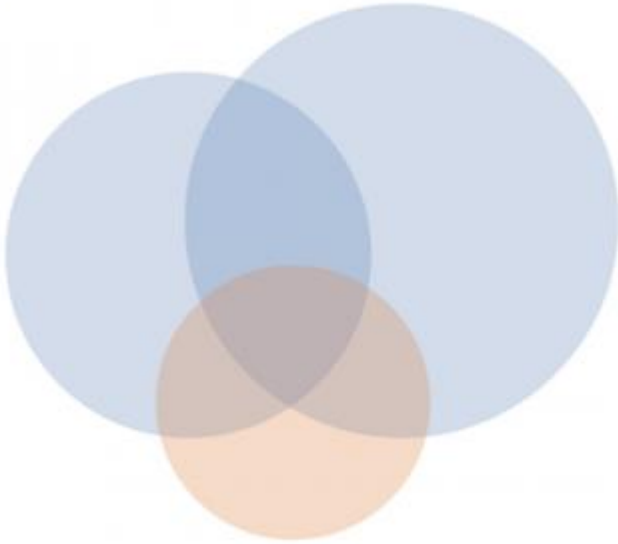
PROJET DE LOI
ÉCONOMIE SOCIALE ET SOLIDAIRE

*Entreprendre autrement
pour créer des emplois
dans nos territoires*



Manitoba Social Enterprise Strategy

A STRATEGY FOR CREATING JOBS THROUGH SOCIAL ENTERPRISE



Manitoba 

Co-created by the Canadian Community Economic Development Network and the Province of Manitoba

FEBRUARY 2015



Stratégie de l'Ontario pour l'entrepreneuriat social pour 2016- 2021

Découvrez comment nous contribuons à la croissance des entreprises sociales en Ontario.





1. Politicians
2. Responsibility
3. Cross-party
4. Cross-sector
5. Long-term
6. Evidence
7. Influencers
8. Credibility



Q&A Session

Do you have a question to our panellists?

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ICR WEBINAR: Approaches to drafting legislation and policies for the social economy in African, Caribbean and Pacific countries



THE JAMAICAN EXPERIENCE

Presented by Charmaine Brimm
Technical Specialist: Socio-economic Development
Community Renewal Programme
The Planning Institute of Jamaica

January 27, 2022

OUTLINE



Jamaica's Social Enterprise Landscape

- INTRODUCTION
- BACKGROUND TO ICR INTERVENTION:
 - JAMAICA'S SOCIAL ENTERPRISE LANDSCAPE:
 - ✓ Existing legislation
 - ✓ Barriers identified
- THE PROCESS TOWARDS FORMALIZATION OF THE SECTOR:
 - ✓ Achieving Government Buy-In
- AFTER THE ICR - WHAT WILL THE SECTOR LOOK LIKE:
 - ✓ New Operating Framework:
 - Tenets of the Draft Legal Status Act
 - Objectives
 - Anticipated Outcomes
 - Marketing Strategy
 - ✓ **The new SE ecosystem**

THE END

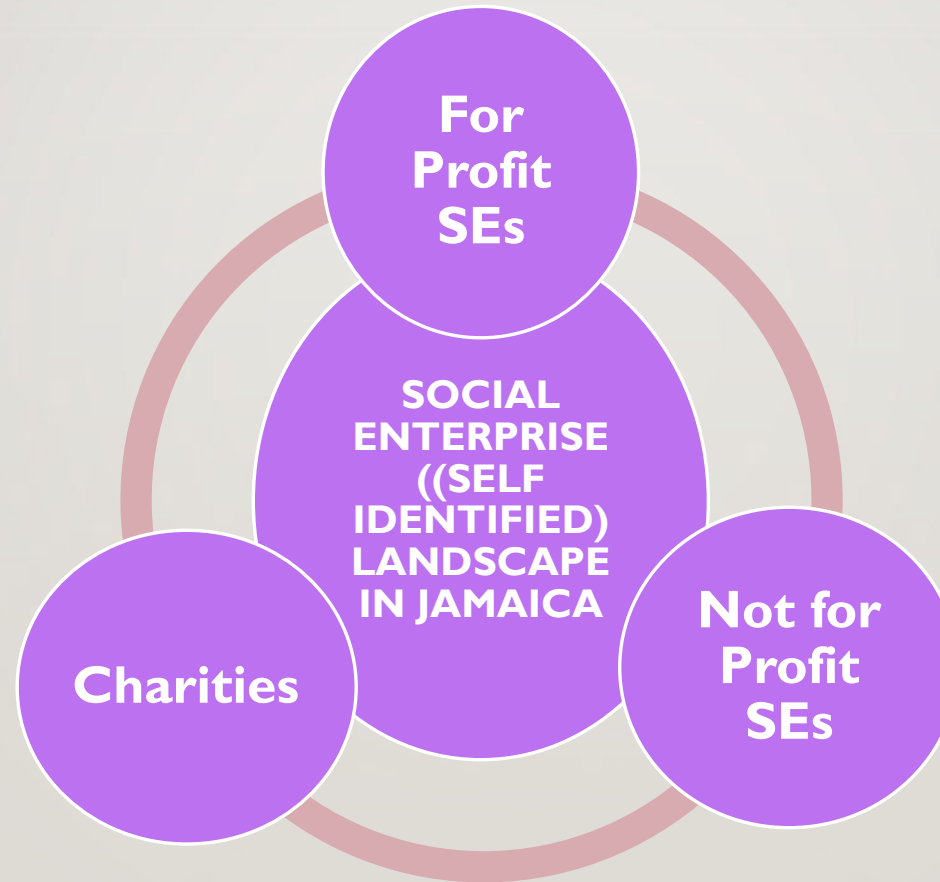
1. INTRODUCTION: WHO WE ARE



- The PIOJ is the foremost planning agency of the government that seeks to initiate and coordinate the development of policies, plans and programmes for the sustainable development of Jamaica.

JAMAICA'S SOCIAL ENTERPRISE LANDSCAPE: *INFORMAL*

Jamaica's SE sector has been mapped and assessed, but SE has not been legally defined. This means that each scholar, consultant, regulator, CSO, and entrepreneur adopted a definition that suited his or her purposes.



There has also been work undertaken by Foundations, a key one being the JN Foundation with the Social Enterprise Boost Initiative (SEBI), which introduced to Jamaica what and how Social Enterprise should operate.

EXISTING LEGISLATION: WHAT TYPES OF JAMAICAN ENTITIES, THEN, MAY CURRENTLY SELF-IDENTIFY OR BE CONSIDERED SES?

Registered with the COJ	Registered with DCFS	No legal registration
Company Limited by guarantee without share capital	Benevolent societies	CBOs
Companies limited by guarantee with share capital	Cooperatives	Partners
Companies		Individual entrepreneurs
Partnerships		
Sole proprietors		

Note that not all the entries on the chart fit the core criteria for SE based on international best practice – in particular, sole proprietorships and individuals cannot meet the requirement of inclusive governance. In the absence of any legal definition, however, there is no impediment to an individual holding him or herself out to the public as a social enterprise.

BARRIERS IDENTIFIED

The review of the existing legal framework in Jamaica revealed several legal barriers to the growth and development of the sector, including:

- ✚ lack of a clear, established definition of social enterprises and recognized legal status resulting in an informal and *ad hoc* process of “self-identification”;
- ✚ absence of appropriate monitoring and oversight of their governance and operations, resulting in the sector developing in a highly informal and fragmented way;
- ✚ inconsistent interpretation of local tax and charities law by the administering agencies resulting in many social enterprises not qualifying for favourable tax treatment under the Jamaican Charities Act;

BARRIERS IDENTIFIED CONT'D

The review of the existing legal framework in Jamaica revealed several legal barriers to the growth and development of the sector, including:

- ✚ lack of standard measurement metrics and inadequate data collection and analysis of the sector and its contributions to development, including data on benefits provided, individuals employed and communities served, etc;
- ✚ limited access to credit and other funding, including the inability to list on the newly established Jamaica Social Stock Exchange as a result of the informal nature of the sector and the absence of a recognized legal status; etc.



**THE PROCESS:
FORMALIZING
THE SE SECTOR**

STEP 1

Establishment of Policy Committee (2016)

STEP 2

Advocacy for inclusion of SE in existing policy framework (2016)

STEP 3

Narrative for Social Enterprises Developed (2017)

STEP 4

Ministry establishes National Policy Implementation Committee & Policy Committee reconstituted to Social Enterprise Working Group (2017)

STEP 5

Cabinet Approval given & New Chapter on Social Value Creation added to MSME & Entrepreneurship policy (2018)

STEP 6

SEWG: Developing the legislation

- Research: ICNL(2018)
- National Consultations (2019)

INVESTMENT CLIMATE REFORM FACILITY INTERVENTION IN JAMAICA

STEP 6



PURPOSE

1. DEVELOP A DRAFT LEGAL STATUS FOR JAMAICA'S SE SECTOR
2. DEVELOP A MARKETING STRATEGY AND RESOURCE MOBILIZATION PLAN
3. HOST CAPACITY BUILDING WORKSHOPS FOR GOVT. FACILITATORS, PRIVATE SECTOR & SE PRACTITIONERS





**DRAFT LEGAL
STATUS ACT**

**PROVISIONS
UNDER
PROPOSED
LEGISLATION**

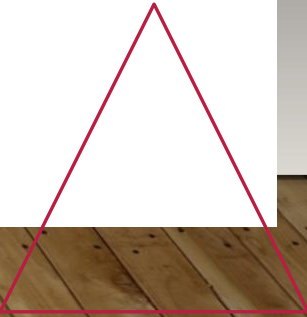


SOCIAL
ENTERPRISE
VENTURE RESPONSIBILITY
MISSION INNOVATION
DOUBLE-BOTTOM-LINE
CONVERGENCE
HYBRID
FOR-BENEFIT
ENTREPRENEUR
IMPACT
L3C BCORP
SUSTAINABILITY
NONPROFIT
STAKEHOLDERS BUSINESS



KEY OBJECTIVES

The primary goal of the **project recommendations** were therefore to address these challenges and to encourage government to adopt various measures in favour of the promotion, development and visibility of the social economy and its operators, by creating a more favourable legal environment for their business development.



EXPLORING HYBRID LEGAL STRUCTURES FOR SOCIAL ENTERPRISE REGISTRATION

Country	Structure Name	Main Feature
Canada	Community Contribution Company	Allows entrepreneurs in B.C. to pursue social goals through their businesses while still generating a profit and providing investment opportunities to like-minded investors
UK	Community Interest Company	subject to an 'asset lock' (which ensures that assets are retained within the company to support its activities or otherwise used to benefit the community.
UK	Charitable Incorporated Organisation	Same structure as a company but with different terminologies
USA	Low Profit Limited Liability Company (LC3)	The L3C provides all the benefits of an LLC structure, flexibility in ownership, management, decision making power, and profit distributions.

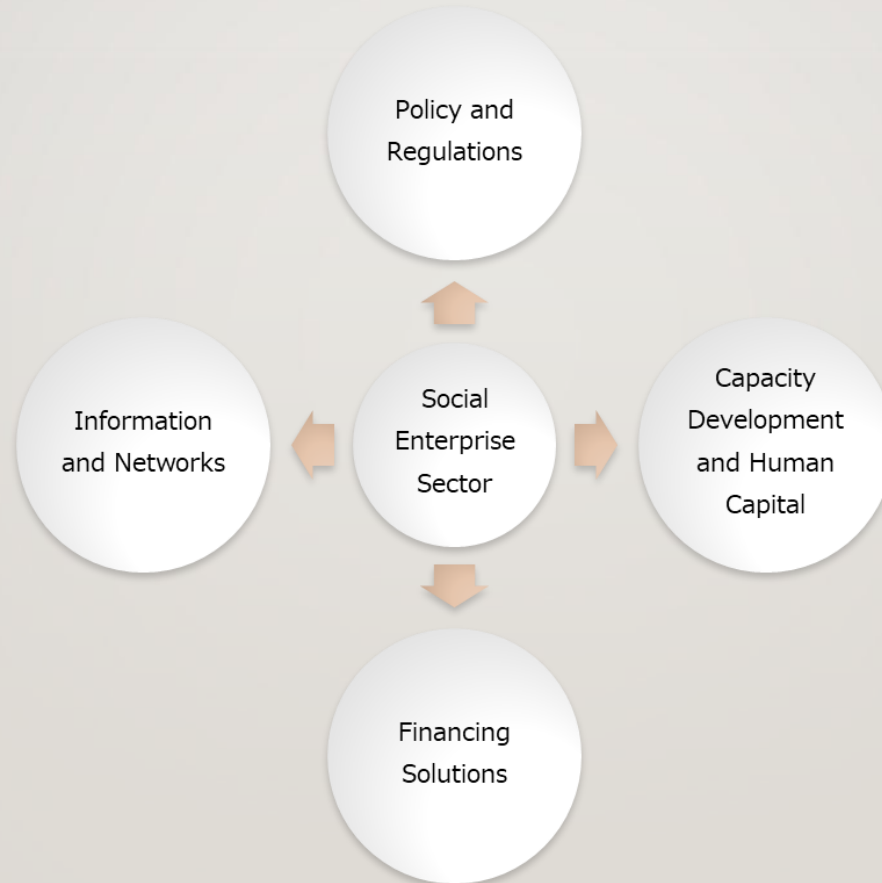
KEY TENETS UNDER THE PROPOSED LEGISLATIVE FRAMEWORK – DRAFT LEGAL STATUS ACT

Key Definitions	Qualifying Criteria	Social Enterprise Report	Jamaica Social Stock Exchange Listing	Incentives	Thresholds
Social enterprise” means an entity with a defined social mission set out in its constitution to contribute to solving social, economic, environmental or cultural problems at the community, national or international levels through ethical business practices, with a significant portion of profits being reinvested in the social mission;	<ul style="list-style-type: none"> Engages in on-going economic activity; Pursues an explicit and primary social mission that benefits society; 	social enterprise report” - the report to be submitted every two years to satisfy the Registrar that the social enterprise is operating according to its stated objectives and continues to satisfy the registration requirements.	Social Enterprises seeking to attract Equity Investments via the Jamaica Social Stock Exchange Equity platform, must meet the following criteria:	<ul style="list-style-type: none"> Procurement Set-aside for MSMEs and Social Enterprises Low interest Loans Tax Credit on Social Mission activities 	Social Enterprises should at least 30% of its income from trading (whether from the sale of goods or the provisions of services), in keeping with its growth cycle.
social enterprise status” - the designation accorded to an entity after fulfilling the registration requirements of the Act;	<ul style="list-style-type: none"> Has limits on distribution of profits or transfer of assets to prioritize the social aim; and Must be independent from the State (or other for-profit organizations). 	<p>(a) a fair and accurate description of the manner in which the social enterprise’s activities have impacted the community over the previous two years;</p> <p>(b) a description of the steps, if any, which the social enterprise has taken to consult</p>	<p>Be a selected qualified entity of the JSSE;</p> <p>SEs are subject to JSSE’s requirement for listing;</p>	<ul style="list-style-type: none"> No income tax on reinvested income Lower rate of GCT on output for the first 5 years GCT deferral on inputs Reduced rate on dividends paid to 	In other words, up to 70% of an SE’s income can come from donations, private investments or other non-trading sources of income.

KEY OBJECTIVES/ANTICIPATED OUTCOMES

KEY OBJECTIVES/ANTICIPATED OUTCOMES	ADDITIONAL SPINS OFF ANTICIPATED
<ul style="list-style-type: none"> ➤ Give statutory recognition to the legal status of social enterprises in Jamaica by replacing the current process of “self-identification” with a formal procedure for acquiring legal status and recognition as a social enterprise; 	<ul style="list-style-type: none"> ➤ Bolstered governance capacity, recordkeeping and operations for social enterprises;
<ul style="list-style-type: none"> ➤ Articulate a clear definition of social enterprises with accompanying criteria; 	<ul style="list-style-type: none"> ➤ Increased opportunities for social enterprises to participate in public procurement and to access funding from private and public sources, including via possible tax deductions for donors and investors, as well as preferential access to and terms of credit from financial institutions; etc.
<ul style="list-style-type: none"> ➤ Introduce a simple, efficient and predictable process for the registration, governance and oversight of social enterprises; 	<ul style="list-style-type: none"> ➤ Greater visibility and heightened public awareness of social enterprises;
<ul style="list-style-type: none"> ➤ Develop a public Register of Social Enterprises; 	<ul style="list-style-type: none"> ➤ Improved data collection, measurement and analysis relating to the sector and its contributions to development based on standardized metrics, including accurate monitoring and reporting and collection of data on benefits provided, individuals employed, and communities served, etc.;
<ul style="list-style-type: none"> ➤ Consider affording tax exemptions and other fiscal incentives to spur the growth of social enterprises and in recognition of the social value which they create; etc.. 	<ul style="list-style-type: none"> ➤ More synchronized efforts of policy and programme support by government, donor agencies, civil society and private sector organizations in the social economy.

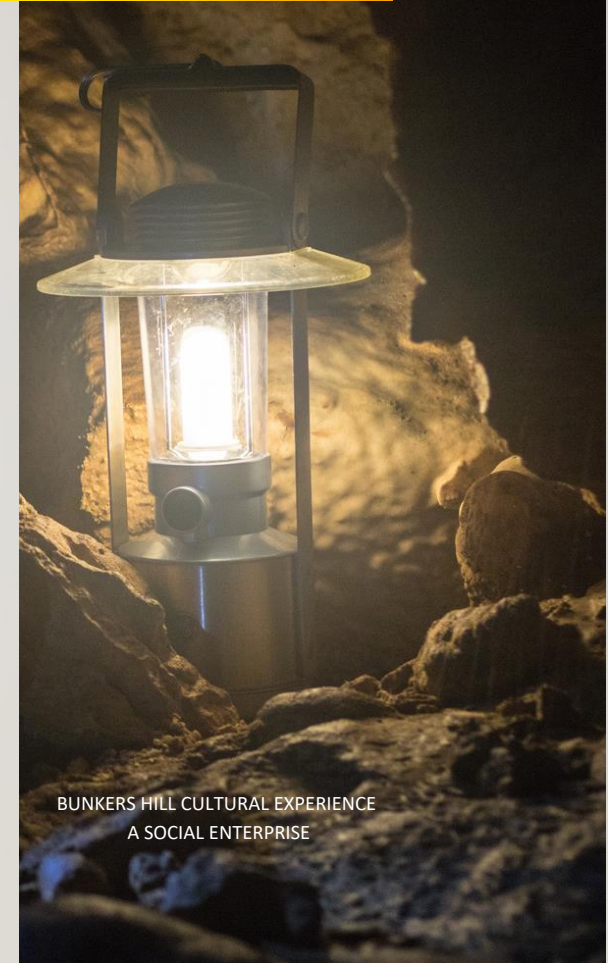
MAIN LEVERS FOR ECOSYSTEM DEVELOPMENT



Marketing Strategy OBJECTIVES

The proposed strategy is part of a broader range of strategies that will focus on:

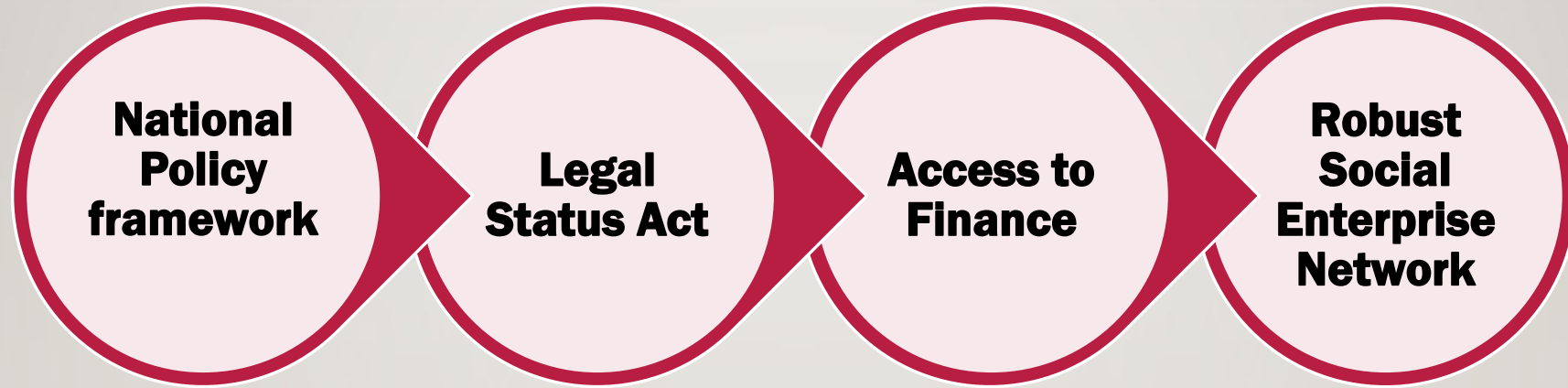
- Increased market access opportunities
- Create better platforms for sharing market opportunities + raising awareness of the potential benefits of social enterprise
- Value chain integration with the private sector
- Promote understanding of SE at the community level
- Build a SE sector network of SocEnt certified! Allies under the ICR Facility
- Engender buy in and support



BUNKERS HILL CULTURAL EXPERIENCE
A SOCIAL ENTERPRISE

Jamaica's New SE Operating Framework

An Ecosystem



Contact the Planning Institute of Jamaica
Email us at crp@pioj.gov.jm
For more information





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IV) Q&A Session

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- **Are you a public or private stakeholder in an ACP country?**
- **Do you want to improve your business environment for supporting women's economic empowerment?**

The ICR Facility can support you with technical assistance of up to 90 expert days.

Check the eligibility criteria on our website and send us a request via the online request form.

www.icr-facility.eu



Thank you for your feedback!



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Investment Climate Reform Facility



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