

Framework Setting and Initiation of Action Research Leading to a Poverty Reduction Through Social Entrepreneurship Bill and Coalition

In its meeting on October 17, 2011, the ISEA Board approved a resolution for the consortium to undertake research in support of its members' advocacy efforts to create a policy and political environment supportive to social entrepreneurship.

In follow-up consultations between ISEA and interested members and partners, notably PhilSEN, FSSI, WFTO-Asia, INAFI-Philippines, ASoG and PRRM, the idea of a more focused action research and campaign around a draft bill on poverty reduction thru social enterprise gained support for many reasons: (1) there was a need to push government to go beyond the Conditional Cash Transfer scheme to address poverty; (2) there was a need for a focal point to rally unity building in what was recognized as a fragmented social enterprise sector; (3) a number of social enterprises in their growth stage were directly experiencing problems and disincentives that pointed to the need to reform the system of public procurement, payment of taxes and other legislative measures impinging on their capacity to scale up impact on the poor; (4) an opportunity to lobby the bill as a priority measure during the Presidents' 2012 State of the Nation Address was appreciated as possible and desirable.

A small grant from Oikocredit allowed ISEA to compose a team to undertake research and draft a proposed bill. The drafting team was composed of Earl Parreno as Team Leader and Nelson Rendon/Gil Estella as members, with the ISEA President providing guidance and direction. FSSI provided counterpart funds for stakeholders' consultations. A series of consultations were conducted in December 2011 to February 2012 leading to the formation of a Steering Committee for a National Stakeholders Consultation co-chaired by ISEA and FSSI on February 15-16, 2012.

The February 15-16 consultation was participated by over 60 representatives and leaders of social enterprises, networks and resource institutions who agreed to set up a Poverty Reduction Through Social Entrepreneurship Coalition. The Coalition discussed and enhanced the draft bill and united on pushing it as a Poverty Reduction through Social Entrepreneurship Act. The proposed legislative measure recognizes, supports and incentivizes social enterprises serving the poor as primary stakeholders as major partners in poverty reduction. The Coalition also united on working together to develop standards for self-regulation and on undertaking a national campaign to raise awareness and support for social enterprises as vehicles for poverty reduction.

The PRESENT Coalition represents a significant development in the social enterprise policy network in the country. Before the coalition, the social enterprise sector was often characterized as fragmented. For the first time, major social enterprise networks, resource institutions and key social enterprises came together to work towards creating a more favorable policy environment for social enterprises as partners of government in poverty reduction. Co-chaired by the Ateneo School of Government and the Foundation for a Sustainable Society Inc, the other members of the Steering Committee of the PRESENT Coalition includes the Philippine Social Enterprise Network; World Fair Trade Organization (WFTO)-Asia/Philippines; International Network of Alternative Financial Institutions-Philippines; Eagle's Wings Development Foundation; Bote Central/Philippine Coffee Alliance; Pilipinas Ecofiber Corporation; Hapinoy/Micro Ventures Inc; Foundation for TheseAble Inc; Philippine Rural Reconstruction Movement; and the Institute for Social Entrepreneurship in Asia. These different actors represent dynamic organizations and networks that have been evolving and supporting various social enterprise initiatives through the years. In the process, they are evolving benchmarks and best practices about how social

enterprises can serve as vehicles for poverty reduction and sustainable development. These span a wide array of initiatives: cooperatives of the poor as social economy organizations; microfinance institutions providing financial and other services to the entrepreneurial poor; fair trade organizations and subsector interventions working to improve the position and benefits of marginal producers in value chains; community-based enterprises exhibiting economic, social and ecological bottom lines; and value chain interventions as building blocks of a solidarity economy.

Insights from previous researches on social entrepreneurship in the Philippines and Asia over the past 10 years, including the ISEA President's PhD research output on Social Enterprises and the Poor (2007-2012) proved valuable as inputs to the discussions before, during and after the February 2012 national consultation. Such facilitated unity building among key players in the sector towards focusing advocacy on social enterprises with the poor as primary stakeholders and on poverty reduction through social entrepreneurship.

ISEA continues to serve as knowledge resource institution for the Poverty Reduction through Social Entrepreneurship Coalition during the lobby and education campaign. Its anchor project in this regard is a Multisectoral Forum Series with two main objectives: (1) To provide a national anchor for enriching the discussion and debate on poverty reduction through social entrepreneurship using the PRESENT Bill as take-off point; and (2) To broaden the constituency supportive to social entrepreneurship as a major strategy for poverty reduction through legislative action and beyond. The forum series hopes to involve the PRESENT Coalition and the social enterprise sector in mainstreaming and deepening the discussion on poverty reduction through social entrepreneurship with national government agencies, local government units, ODA donors and the business sector.