



## National Policy Nexus

Best-Policy Sharing Initiatives

### 6zero1

LUXEMBOURG

LEGAL STATUS

Last year, the Luxembourgish Minister of Employment and Social and Solidarity Economy has created a new legal structure for social enterprises - société d'impact societal - SIS. SIS intends to address some challenges faced by existing organizations, created under the form of foundations, cooperatives or associations, as well as emerging impact oriented-businesses. This legal structure aims to offer better legal protection, an appropriate fiscal framework, tax incentives and access to public procurement contracts to organisations whose impact is locked in an inappropriate legal structure. In exchange, social enterprises are demanded with higher levels of transparency and accountability.

Aware that the adoption of SIS implies going through a due diligence process and having significant capacity installed, the Ministry created 6zero1. This side initiative intends to support social enterprises applying and complying with SIS, while giving them tools to grow.

### Presentation

Created in July 2016, as a joint initiative of the Ministry of Employment and Social and Solidarity Economy, the Foundation du Grand-Duc and the Grand Duchess and the Luxembourg Union for Social and Solidarity Economy (ULESS), 6zero1 seeks to create sustainable jobs through the rise of social enterprises in the country.

6zero1 is the first incubator for social enterprises in Luxembourg, offering not only a work space but also a 150-hour training pack for the enterprises to succeed. Located 15 minutes away from Luxembourg City, it offers a 12-month program to a cohort of up to 10 social enterprises. 6zero1 leverages experiences and contacts from its founders/partners' networks to deliver the most useful experience to each participant. Trainings are delivered in a pro bono basis by local agencies and firms and frequent events held on a frequent basis gather potential relevant stakeholders.

### 6zero1 incubation programme description

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Target group</b>         | Self-employed individuals with a business idea or existing organisations (for or not for profit) that intend to make societal change in Luxembourg.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Services description</b> | <b>Workspace</b> – Inspirational work place with multiple facilities, including desk and chairs, internet, phone and printing facilities, meeting rooms, kitchen, lounge and stationary material.<br><b>Network</b> – Access to wide range of people and organisations that come to events and training sessions, willing to help enterprises addressing their challenges.<br><b>SIS Assistance</b> - Personalized support during the application for the SIS legal structure and on following stages.<br><b>Consulting</b> – Individual and hands-on support given by engaged professionals to address specific issues.<br><b>Training</b> – 150 hours of group training, covering different general topics, such as: Business model; Financing opportunities; Strategy; Growth and scale; Social business plan (theory of change); Accounting; and Intellectual property. |
| <b>Duration</b>             | 12 months                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Price</b>                | € 400 per month                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

## Implications

The programme is delivered on a cohort basis. Each cohort can have a maximum of 10 enterprises. The programme's selection criteria is three-fold: **1)** wanting to adopt the SIS structure; **2)** having a sustainable business model (or in route towards sustainability); and **3)** delivering impact in Luxembourg, although they can also operate elsewhere.

The first cohort started in January 2017, after an application period of 3 months. The jury has assessed 20 applications and selected 7 finalists. Since June 2017, a second cohort has been running, integrating 6 new enterprises.

Having the SIS legal statues, 6zero1 will have to report its performance to the Ministry itself – annual impact reporting is one of the conditions imposed on social enterprises. Being a second-tier organisation, outcomes will be measured through the success achieved by the incubation participants. A new round of approvals will take place in October and 6zero1 is expecting more participants to be granted the social enterprise legal structure.

**Lessons learned** - Despite its nascent stage, 6zero1 has already incorporated learnings and improvements in the programme. Amendments have been made according to feedback received along this past months. Examples include: new topics on training modules, such as scaling models and social media management for communication purposes. 6zero1 is also considering other areas of businesses associated with its core activity, such as delivering a similar programme to national employment agencies, where some people might find a different route to their professional paths.

**Obstacles faced** – As the SIS legal structure is new, organisations and projects are not familiar with its definition, advantages and requirements. Therefore, it has been difficult for 6zero1 to explain the value that it can add to their businesses. 6zero1 expects that the value of its programme will be clearer as the first edition participants share their experience as well as the added value to their business on access to public procurement contracts.

6zero1 is an initiative created to ensure and monitor the successful implementation of a specific public policy. The involvement of the Ministry and its team, as well as the active engagement of other partners, has been instrumental. More and more firms have signaled their interest in helping these enterprises grow and are, step by step, embracing the social entrepreneurship and social innovation agenda.

### Example: Eis Epicerie Zolwer

Eis Epicerie has integrated the first cohort of 6zero1 incubation programme and already conquered the SIS status. It is the 4<sup>th</sup> social enterprise registered in the country.

Eis Epicerie or "Our Grocery Store" is a shop that sells more than 1000 biological, locally produced fair products at fair prices. However, it's also available for other types of exchanges, such as workshops, trainings and events.

Previously established as a cooperative, its goal is to create a melting place where anyone can acquire fair products while promoting local production and sustaining agricultural jobs.

## More information

- For more information about Luxembourg's ecosystem for social enterprises: [EC Country Report 2014](#)
- For more information about the new legal status: [societe d'impact societal](#)
- For more information about 6zero: <http://6zero1.org/en>

## Contact

EVPA's Policy Team  
policy@evpa.eu.com