

SOCIAL COMPANIES

A social business combines the search of a profit and a social purpose, which fulfills a public need. In the past two decades, global interest for this the concept has increased significantly.

Various nations supported this concept and passed legislation related to social business, yet definitions and approaches differ from state to state.

Also, new investment vehicles have emerged which direct capital flows to the social enterprises; sometimes seeking only for a return of the initial capital, but sometimes allowing for a modest profit. Investors in social investment vehicles are always seeking "a double bottom line," or profit plus the value associated with the social return on the investment.

States are also enacting national policies which directly impact social businesses; these include directing state controlled budget holders to invest in green technology, or procuring supplies from social businesses.

IDLO is conducting a global comparative analysis of existing legislation and regulations which impact social enterprises and social investments. This multi-stakeholder analysis of the existing and proposed legislation aims to better understand and support social enterprises.



IDLO will conclude the survey with the publication of guidelines for law and policy makers, as well as provide a draft model law for social companies.