

TOWARDS A MORE RESILIENT ECONOMY

The Contribution of
Impact Entrepreneurs

A Perspective Paper
by Impact Hub
Amsterdam and
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Long, opaque value chains. Polluting production. Unhealthy consumption. Unfair distribution of power and revenues. Our system is cracking at the seams: it's time for fundamental change. Many organisations and entrepreneurs have been committed to transition for some time, with varying degrees of success. The COVID-19 measures are sharpening the necessity and opportunities for change: not only are the flaws in the system clearer than ever, we are also seeing accelerated innovation taking place in some areas. However, there is also the danger that we will soon forget these lessons after the crisis and turn back to "normal". How is it that we retain these new innovations and collaborations and use them to accelerate the transition towards an economy focused on creating shared value?

This perspective paper offers insights into the impact entrepreneurs¹ field in Amsterdam and beyond. We provide a mapping of emerging issues derived from what the municipality is already doing to capture the socio-economic impact of COVID-19 on citizens of Amsterdam² and from the lived experience of the Impact Hub locally and globally³ in witnessing what are surfacing/growing issues at city-level within its networks of impact entrepreneurs and partners. We also share some emerging responses and recommendations for action to ensure the viability - and thriveability - of Amsterdam's impact entrepreneurs and social innovators through the current COVID-19 situation and for the post-COVID-19 period of economic renewal. As concerns of economic bounce-back consume leaders of our business, political and social sectors, impact entrepreneurs have been busy interconnecting with each other and those most affected by the crisis to find new ways forward.

THE BIG PICTURE

Resilience refers to the capacity to rebound, or bounce back. When we experience economic contraction we are often preoccupied with the contraction and pay less attention to the resulting expansion that may very well be in a new form. While it may still be too early to say how things will turn out as the deepness of the crisis for our impact entrepreneurs is still revealing itself, we are seeing them hang on with a will not only to survive the crisis - but to thrive and grow in service of a more sustainable society. We have started to see entrepreneurs pivoting and creating new products, taking collective stands to be recognised and advocating for changes in supply chains and policies⁴. We see efforts from government, the private sector and consumers to join in the transition to a more green and inclusive city - with wider and more open public discussion surfacing about the ethics of what is changing (or not). At the same time, we have more of our population needing the services of foodbanks⁵ and helplines⁶. The crisis has made more visible the existing socio-economic and digital divides and spurred increasing restlessness of young people who seek jobs.

We need a bounce-back not to the 'old system', but to an economy rooted in equity and inclusive green growth. Recognising that we do not need to start from scratch but already have many elements of the new economy in what we have now, we can individually and collectively shift our production and purchasing behaviours towards building a bridge to a new economy - one in which impact entrepreneurs are recognised as key contributors to the regeneration of our city. Amsterdam's core values: spirit of enterprise, freedom of thought, civic virtue and creativity are valuable ingredients to this transition.⁷

According to DRIFT⁸, "transitions are characterised by the emergence of new structures, cultures and practices. Other key characteristics are co-evolution, self-organisation and adaptation." But to be sustainable, transitions need to be carried by sustained behavioural change aligned with a shared vision for a more equitable, green and inclusive economy. Here, the Amsterdam City Donut Tool⁹ provides a start to connect the macro with the micro whereby, for example, we can redesign our economy to live into new consumption habits that are within the planetary resource limits. Impact entrepreneurs see these constraints as inspiration for sustainability innovation. The Economy for the Common Good network published a post-COVID appeal¹⁰ to "flatten the curve" on our other excesses and provides recommendations for the concrete transition of our prevailing economy towards one that fosters "people's health and resilience through healthy food, safe employment, social inclusion and eradication of poverty." The European Green Deal calls for climate neutrality, a decoupling of economic growth from resource use and that "no person and no place is left behind".¹¹

Amsterdammers like to take action. Wij Amsterdam¹² and Hack the Crisis¹³ platforms helped citizens find each other to solve challenges together. However, beyond the immediate response to COVID-19 challenges, we find many more questions have been raised about our future from the role of corporate responsibility to how to find work better aligned with one's core values, from the regeneration of our natural habitats to the insecurity about longer term supply chain disruptions. Whether we are prepared or not, the shift is happening and we all play a role in co-creating the way forward.

PERSPECTIVES FROM THE IMPACT ECOSYSTEM: OPPORTUNITIES & CHALLENGES FOR IMPACT ENTREPRENEURS

Engaging with impact entrepreneurs during the crisis, it is evident that even if they have been hard hit, the crisis has enlarged their sense of opportunity in the bigger picture and fueled their passion to bridge the challenges and be ever more relevant to the post-COVID-19 reality.¹⁴ There is a strong call to reset how we approach our food sustainability, job creation, education and take a more systemic perspective towards what needs to change. This has spurred new collaborations and calls for action, as well as a need to re-invent ourselves as we ask ‘what sort of a society do we want to live and work in?’. Many impact entrepreneurs have been dealing with these issues for far longer than the crisis at hand, and so it is even more important to enable that experience and their lessons learned to serve co-creation of our emerging collective future. These are essential contributions that need the support of financiers, consumers, the private sector and all levels of government.

While public debates ensued during the height of the pandemic regarding to-wear-or-not-wear-a-mask, local innovators the Refugee Company¹⁵ and Makers Unite¹⁶ were two first movers to respond to the dire need for protection among healthcare workers by setting up mask-making ateliers, while providing valuable employment and skills training to newcomers. With nowhere for the Amsterdam rambling youngsters to go during the lockdown, Rambler Studios¹⁷ created a design-your-life at-home curriculum to engage these young talents in creative projects and keep them out of trouble. Innofest, which counts on festival season to provide opportunities for startups to test concepts, pivoted by providing home test packets¹⁸ so that entrepreneurs could continue on their market validation path in spite of the COVID-19 measures. Botanic Bites, winner of the Amsterdam Food Pitch 2019, noticed that oyster mushroom farmers in the Netherlands couldn't sell to their usual clients due to restaurant closures and so - with their recipes and production facilities - they rescued 750 kilograms of perfectly good product¹⁹ to turn into direct-to-consumer products. Witnessing the increased textile waste produced on Amsterdam streets during the lockdown with people cleaning out closets, Loop.a Life scaled up its efforts to reduce textile waste with the launch of a new cotton line.²⁰ Gibbon, the sustainability platform for travel wear rentals, energised its home communities into gathering supplies for people in need such as migrant workers currently isolated in dormitories.²¹ Studio Jux and Frank about tea have both introduced consumer giving into their models, respectively encouraging their customers to support the families

of their tailors in Nepal affected by COVID-19²² and donating webshop sales in support of the lonely elderly in Brabant, in partnership with the charity Met je hart.²³ Impact enterprises have a captive audience of consumers that are loyal and values-aligned and so leveraging those relationships to give more in support of keeping alive supply chains that don't have the same safety nets that we have is an extra role they contribute to wider societal resilience and co-responsibility.

One of the most unique collaborations is Happy Tosti with Dutch investment firm Orange Capital Partners in a 'rent for impact' deal that enables Happy Tosti to continue to operate its locations and expand its capacity to provide livelihoods for more people with distance from the labour market.²⁴

It remains early days but the crisis already feels long for early stage entrepreneurs and those whose investment deals have been delayed due to market contraction. The biggest all around challenge in this sector remains access to finance²⁵ or: retaining talent and jobs, new business model pivots, restructuring debt burdens, and digitalisation to operate in a new and blended (on/offline) economy.²⁶ In addition, post-crisis impact entrepreneurs are looking to broaden their customer base, for example expanding from addressing consumers directly to securing business customers.

The issues that we have tracked of interest to impact entrepreneurs as we emerge from the crisis fall largely within the broader thematic clusters of inclusion, employability/business continuity and changing consumption patterns. Such issues have both provided constraints and opportunities which we have seen most strongly among food impact entrepreneurs in the city as the horeca sector suffered significant closure, but also where the crisis has spurred new innovations and collaborations among them.²⁷

During the height of the COVID-19 'intelligent lockdown' and as we have been coming out of it over the last months, we have attempted to capture the experiences and perspectives of impact entrepreneurs asking them: What are current and emerging issues you see due to COVID-19 that have relevance for our impact entrepreneurship field and impact ecosystem? Table 1 appended is a synthesis, clustering response patterns in key issue areas along with possible opportunities for impact entrepreneurs to play a role in response to.

One of the key reflections in Amsterdam in these times that may be interesting for other cities, is the value of having a programme within the municipality to recognise and support impact entrepreneurs. The City of Amsterdam's Amsterdam Impact Unit (within Economic Affairs) Amsterdam Impact 2019-2022 programme is a follow up of the successful Social Entrepreneurship 2015-2018 programme.²⁸

Having such a program in place and relationships across the ecosystem and with key players has helped understand the impact of a crisis like COVID-19 and provided a basis to assess the consequences of general measures and what more is needed. For example, to support access to market for products of impact entrepreneurs suffering from the harsh drop in sales due to COVID-19, the annual Buy Social programme powered by Social Enterprise NL was moved up to a special digital session that provided entrepreneurs with the opportunity to pitch to CSR and procurement specialists from (international) organisations.²⁹ Having such activities and relationships in place can make it easier for a local government to respond in a relevant and timely way in the face of a crisis, and for the ecosystem to see itself and offer peer support in helpful ways.

LEARNING FROM OTHER CITIES

Globally, we have seen responses in the impact entrepreneurship sector that are both structural and community-driven,³⁰ playing a key role in responding to basic and immediate needs. Similarly to what we have found in the Amsterdam impact ecosystem, purpose-driven entrepreneurs are taking a longer term perspective as contributors to a more just and sustainable economy and seeing partnerships that enable that. The World Economic Forum called social entrepreneurs as “critical to our response to and recovery from the COVID-19 crisis”³¹ and convened the COVID Alliance for Social Entrepreneurs.³²

While local contexts are diverse, we have found through rapid sharing across the Impact Hub network the value of entrepreneurial communities in responding both to the humanitarian needs where the government cannot and on pivoting efforts to keep essential goods flowing so people can eat and work. In spite of differing circumstances and politics, the shifts we are seeing named by impact entrepreneurs across cities are largely similar across geographies (see Table 2).

Local contexts will have different priorities going forward and the situation is evolving so it remains hard to know where to place bets on the ‘new reality’. The degree of community and social cohesion at the neighbourhood level varies in different contexts: we see it getting better in some cities due to the crisis but worse in others. Neighbourhood community engagement has become more important also to entrepreneurs not traditionally “impact entrepreneurs” as they realise local neighbourhoods are their customer base. Virtual communities have arisen to complement live ones thus extending the reach and contributing to readiness for the challenge of possible future crises. We see a growing need for participatory tools and capacities that enable collaboration and citizen engagement, as well as strengthen intergenerational solidarity and learning.

Entrepreneurs also see many partners and funders distracted now but they know that the SDGs³³ and the climate crisis have not gone away. With the economic downturn there has been immediate attention on “how can we help the vulnerable in this moment?” and the climate crisis, along with the rest of the SDGs, are still bigger questions. Impact enterprises that are aligned and motivated to work more systematically on these larger challenges remain committed and so the urgent need is to enable them to bridge through the immediate times to not only survive post-COVID, but to thrive.

Small and medium businesses (SMEs) are important contributors to sustainable economic development and job creation. They represent 50% of global jobs and contribute 23-61% of national GDP.³⁴ One in three start-ups³⁵ globally aims at social good, making impact enterprises a key niche. Some critics - and even some advocates of social enterprise - dismiss its potential contribution to not only sustainable but also inclusive economic development on the basis that it is too small, too business orientated or too niche. Yet this perception ignores a rich vein of evidence. For example, social enterprises are far more likely to be led by women than mainstream businesses. 38% of social enterprises have a female leader, compared with 19% of SMEs and 3% of FTSE 100 companies.³⁶ Finally, most social enterprises either serve vulnerable groups through their products and services, create additional jobs and livelihood opportunities for these groups or encourage them in social and civic engagement.

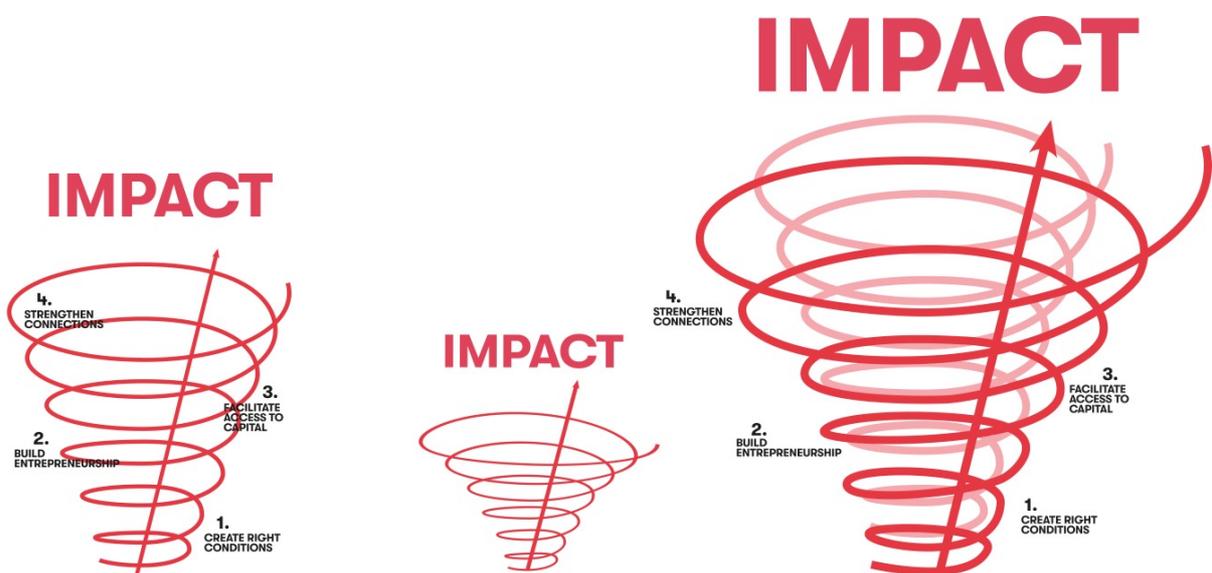
Overall, we can applaud the agility and responsiveness of purpose-driven entrepreneurs in the face of the COVID-19 crisis and hope this serves to build resilience and readiness for any future such crisis. For that, we need engagement of the ecosystem and other stakeholders as a whole.

CALL TO ACTION

We need to build back and bounce back better. We need to change the paradigm towards multiple value creation³⁷ whereby stakeholders across sectors collaborate in genuine ways to rethink and redesign how we meet human needs within planetary boundaries.³⁸ The post COVID-19 economic recovery period is a once in a generation opportunity to address two of the most urgent global issues of our time - inequality and climate change.

To seize this opportunity it is important to strengthen our ecosystem approach and to build on the lessons learned about how to foster impact entrepreneurship. Impact Hub Amsterdam and Amsterdam Impact collaborated earlier on the publication 'Building a city's ecosystem for impact'.³⁹

The simple spiral model that resulted from our analysis of three years of work enabling the ecosystem captures the essence of our approach in four nested building blocks: Create Right Conditions, Build Entrepreneurship, Facilitate Access to Capital, and Strengthen Connections. The aim then was building long term support to nurture and evolve a city-wide impact ecosystem and engage the diverse players. While that remains our commitment, the model also gives us a valuable map to pay attention to post-COVID-19 recovery measures that serve the longer term while responding to short-term needs: creating right conditions in view of needed resilience and a longer term vision for society, entrepreneurial capacity-building for impact, access to capital aligned with an impact agenda and for specific issue areas, and to continue to strengthen connections between impact entrepreneurs and the various stakeholders that can help the ecosystem to spring back and to flourish.



To bounce back and to build back better, a collective effort is needed with a strengthened transition agenda that facilitates and stimulates impact entrepreneurship in service of society. An agenda that:

- prioritises the well-being of our citizens⁴⁰ as well as our changemakers⁴¹
- encourages job creation in future-facing industries⁴²
- galvanises entrepreneurial energy on the bigger green transition: energy, waste, biodiversity⁴³
- fosters inclusive entrepreneurship⁴⁴ and equal opportunities

This agenda also needs to unleash new models of collaboration - city-wide and regionally, across hierarchies and sectors - to build resilience between stakeholders so to keep a focus on the path to impact and the better society we all want. At this time it is most critical to pay attention to re-creating the right conditions, and support those who have been caught by the extreme challenges to either pivot or re-start. When it comes to capital there are short-term needs while longer term requirements need to re-align themselves to the pace and capacity of funders, as the pieces fall back into place again - maybe in different ways.

In this agenda, impact entrepreneurs are a key contributor. Impact enterprises are built around key climate and social issues with a solution orientated approach and a focus on creating inclusive jobs. They are a source of livelihood and active citizenship for disadvantaged individuals. As such, they become a key agent of change in this transition and need continued support as they navigate the significant impact of COVID-19 on them and the communities they serve. Moreover, in previous economic crises, SMEs and social enterprises specifically, demonstrated that, if supported effectively, they can spring back and be a key contributor to inclusive job creation and the green transition agendas.⁴⁵

If consumers have less money to spend in a post COVID-19 scenario, will they be more conscious or not with their purchase choices? There has been a large move towards consumer awareness and preference for local purchasing during the lockdown, and while we see consumer confidence increasing post-COVID-19,⁴⁶ the longer-term repercussions for impact-oriented products and services remains uncertain. We recognise the inherent tension that an impact economy has in operating within the wider parameters of the predominant market economy which itself has many unknowns. While impact enterprises prioritise socio-economic and environmental betterment, they are not immune to economic contractions in personal and institutional budgets. A recession hits an impact enterprise not only with its own budget cutbacks or that of its customers, but also dampens impact investor interest as investors look after their own portfolios. However, it can also be seen from reflection on past crises that such a collective economic downturn may well provide opportunities for impact enterprises to respond to growing societal needs and be a welcome option for consumers and investors seeking more values-aligned ways to spend/invest their money in the face of massive corporate bail-outs.⁴⁷ While small impact enterprises are sometimes seen as financially riskier, in fact by their very nature to address pressing social and environmental issues, they contribute to overall risk mitigation.

We now have an opportunity to learn from this crisis and rethink our society and the roots it is built upon. To do this we build on the foundations of our existing partnerships and invite everyone - inspired by Mariana Mazucatto⁴⁸ - to:

- 01.** steer innovation to solve the immense societal challenges around us
- 02.** strengthen our collective stakeholder approach to work together on societal challenges
- 03.** invest in an economy and structures in our society that prevents future crises from happening
- 04.** learn from the past and develop real social and economic transformation

We invite impact entrepreneurs to partner with us and we will continue to work on creating conditions for them to thrive through this crisis and scale the application of their ingenuity and entrepreneurialism in service of the transition. Perhaps in a timely manner, the Dutch national government acknowledged that more and more entrepreneurs are blending social purpose with business and will therefore introduce a new company legal form that recognises these entities.⁴⁹

At Amsterdam Impact we are keen to learn from emerging practice and to create the enabling regulatory environment to incentivise our city change agents to scale their impact and grow jobs aligned with a safe, sustainable and rewarding future for all. At Impact Hub Amsterdam we continue to work with impact entrepreneurs and partners to identify and grow solutions that contribute to societal resilience. We see public-private partnerships - involving impact entrepreneurs - as a tool that can help us move beyond immediate short term recovery and towards co-creating longer term resilience. This means entrepreneurs might well be in a better position than most large organisations to pivot and respond to growing societal needs, as captured in the appended tables, and to partner with organisations to fuel a different type of growth; one where we mitigate social and environmental risks through our financial recovery.

By focusing on positive societal impact, rather than only a bottom line, our impact entrepreneurs can help us steer more clearly through the turbulence while offering inspiration - as well as practical partnership - to corporates, public authorities and funders. As we strengthen our connections and weave a new way forward, we will find that the resilience we seek is not only our end point, but is woven into the very fabric of our collaboration as we live into that desired future.

TABLE 1: GATHERED FROM LOCAL IMPACT ENTREPRENEURS

“In our Amsterdam context, what are current and growing issues you see due to COVID-19 that have relevance for our impact entrepreneurship field and impact ecosystem?”

<p>DUE TO COVID WE SEE THESE EMERGING ISSUES GROWING AND WITH THE POSSIBILITY TO INCREASE MORE POST-COVID (in no particular order)</p>	<p>POTENTIAL OPPORTUNITIES FOR IMPACT ENTERPRISES AND OUR ECOSYSTEM TO ADDRESS</p>
<p>Increased (visibility of) inequality, feeling safe and secure, racism - belonging as a core need, loneliness and marginalisation, safety of women and children, domestic abuse, inclusive approaches</p>	<ul style="list-style-type: none"> - Inequalities of access in our society i.e. in food, learning, digital tools, health - Making inclusion the norm - Encouraging minority-driven enterprises - Solutions for making it more acceptable to ask for and offer emotional support - Ways for marginalised people to develop their talents - Safety of women and children - solutions for women and children experiencing domestic abuse - Removing the stigma in asking for help as a victim of domestic abuse - Re-building livelihoods to regain independence
<p>Growing challenges with homelessness & housing in the city - access, affordability</p>	<ul style="list-style-type: none"> - Discrimination in the housing sector - More affordable housing solutions and/or affordable housing facilitation services
<p>More vulnerable groups - groups that have already had a hard time are hit hard by the virus and new vulnerable groups are also emerging:</p> <ul style="list-style-type: none"> - self-employed workers - flex workers - young people - higher risk family situations (single parent homes, psychiatric problems, below poverty line, etc) - homeless which have more than doubled already over the last 10 years (pre-corona) - elderly - economically marginalised groups including many who depend on shelter and/or face domestic abuse situations 	<ul style="list-style-type: none"> - Responding quickly to growing vulnerable groups and move beyond emergency response and put structural solutions in place - Preventing suffering families from having a domino effect on their young members i.e. students drop out of school due to family financial problems - Engagement of youth as peer social workers (youth help youth) - Financial inclusion tools for vulnerable groups - Youth entrepreneurship education - Collaboration between policy-makers and entrepreneurs. Design-thinking with beneficiaries to create long-term solutions - Rapid incentivisation scheme for impact entrepreneurs to respond to growing issues, social impact bonds

<p>Business continuity for small enterprises</p> <p>Impact Hub assessment of impact entrepreneur needs during COVID intelligent lockdown in NL (March-May 2020) revealed top 3:</p> <ul style="list-style-type: none"> - short and medium term (bridge) funding - business model innovation, restructuring support - access and promotion to new markets <p>These surveys in the same time period have similar findings: ‘The Dutch Tech ecosystem & COVID-19’ (Techleap) ⁵⁰ 50% of startups have lost significant revenue and are expected to run out of money in the coming 3 months. Most founders indicate the need for short term (1-3 months) bridge funding with the amount needed most ranging from €100,000 to €400,000.</p> <p>“The impact of COVID-19 on Female Entrepreneurship and Women in Tech in the Metropolitan Region Amsterdam (MRA)” (Startup Amsterdam)⁵¹</p>	<ul style="list-style-type: none"> - Enable support structures for small businesses to better manage through a crisis - Matching enterprises to buyers and impact investors - Strengthening entrepreneurship and business model innovation - Enhanced financing structures for access to a capital for small impact enterprises
<p>Poverty - the already vulnerable have reduced capacity to make ends meet; debts rising; financial stress</p>	<ul style="list-style-type: none"> - Widening poverty gaps - Mitigating the increased burden on the social security system with more people in need - Financial inclusion - Employment creation
<p>Unemployment - need for employment creation</p>	<ul style="list-style-type: none"> - Unemployed re-training for new jobs - Help unemployed become entrepreneurs/self-sufficient so to create livelihoods that give people dignity and sufficiency - “Next generation” jobs that address our digital and green future (ref: EC recovery plan)⁵²
<p>Education for employability - innovation and digitalisation</p>	<ul style="list-style-type: none"> - Remote education that is effective in content and reach - Reform of our education system for efficiency and flexibility - Reform of our education system to meet real needs for the next generation - New digital learning skills and tools - Relevant skills development programs

<p>Climate + employment nexus - "Not everyone wants and can participate in this transition in the same way," writes the Dutch Social and Cultural Planning Bureau (SCP) in a research report⁵³. "It is important that this is addressed in policy in good time and that this does not lead to growing inequality between groups."</p>	<ul style="list-style-type: none"> - Citizen behavioural change to reduce human activity on the environment - The elderly, vulnerable, singles and some socio-cultural groups that are much less likely to make "green" switches - Innovation on achievement of real and measurable change, CO2 reduction at a micro everyday level - More affordable choices for households - Aligning job creation with a climate friendly future - Organisational integration of sustainability in job creation
<p>Financial literacy - young people, self-employed labor migrants and flex workers who are affected in their livelihood.</p>	<ul style="list-style-type: none"> - Post-COVID-19 pension planning, financial independence, and investment - Challenges in personal debt escalation - Financial literacy education - New financial instruments
<p>Need for strong local startup ecosystems</p>	<ul style="list-style-type: none"> - Creating value chains of impact enterprises
<p>Demand / revenue decrease - Revenue loss (e.g. delay/cancellation of orders/projects); Expected funding is delayed or cancelled; Market demand decreases. See the Metro Region</p> <p>Amsterdam (MRA)'s 4 scenarios of economic contraction⁵⁴ - hardest hit sectors in terms of economic loss and employment effect in horeca (restaurants and cafes), retail, and employment agencies</p>	<ul style="list-style-type: none"> - Redeployment of the talents and assets in loss sectors to ones that are growing - Pivoting on growth in sectors most affected - Innovation/pivots in horeca, retail and employment agencies
<p>Job market changes</p> <ul style="list-style-type: none"> - shift from physical events/services to consultancy - the 'why' from people behind their decision to work for a company is more present 	<ul style="list-style-type: none"> - Recognition - and reward - what work is of most value to society i.e. healthcare, social care, food production and distribution are grossly undervalued - Support for people who want to re-align their work with their values - values-based job-matching, talent development
<p>Fighting COVID-19 with creativity</p>	<ul style="list-style-type: none"> - Building on the increased solidarity experiences in neighbourhoods during the COVID lockdown - Grow neighbourhood-rooted social enterprises - Community engagement in building local resilience and response capacity - How to use current resources/production systems in new ways

<p>Food - the living system and supply chains that actually feed us - see both (1) increase in demand for naturally and locally grown organic vegetables as people are hoping that this healthy diet will strengthen their immune system and thus bring health benefits as well as support local producers, and (2) increased reliance on food banks for people who have less income, and affordability issues for good food</p>	<ul style="list-style-type: none"> - Dealing with sudden increases/decreases in demand - How localisation affects our imports that other countries rely on - Access and health in food for all, equity in food access - Food distribution and waste - Coops to grow food - Longer term supply chain resilience
<p>Supply chain disruption</p>	<ul style="list-style-type: none"> - Adaptation and potentially localisation of supply chains - Local manufacturing Resilience services and redesign - Effective monitoring and transparency about transportation of crucial supplies such as medical equipment and medications
<p>Worldviews of the economy, of self within the economy - tension between permanent change and going back the way it was</p>	<ul style="list-style-type: none"> - Opportunities for (re-)alignment of values to consumption, employment - Creation of new values-based jobs - Alignment of business to more holistic models i.e Donut Economy, Economy for the Common Good, B Corp
<p>Big corporate supply chains are not sustainable i.e. fashion</p>	<ul style="list-style-type: none"> - Greenwashing, corporate transparency - Transparency on product life-cycles and waste streams Where not to buy, guidance on ethical choice-making i.e. retail lists/guides - Circular solutions and partnerships
<p>Shopping habit changes - buy local, buy less, buy online shopping (online domain grows and with that competition among business)</p>	<ul style="list-style-type: none"> - Locally produced ethical products for many every day items - Product innovation where there is willingness to pay for local value chains, protect local jobs - New forms of solidarity i.e. along value chains, in the connection between neighbourhood and local businesses - Retail innovation - Customer loyalty, build customer communities, customer education and experience - Evolving the online shopping experience to evolve
<p>Less commuting (working from home) and less travel (digital tools)</p>	<ul style="list-style-type: none"> - Innovations in commute habits, busy areas/times - The Home office business market - Work-life balance changes - Worker autonomy

<p>Different use of public space</p>	<ul style="list-style-type: none"> - How public space encourages social cohesion and safe use - Collaboration between entrepreneurs and the municipality
<p>Sustainable and local tourism</p>	<ul style="list-style-type: none"> - Upgrading the identity and experience of our city to align with a more inclusive and green economy - Development of new and transitioned tourism services Sustainable retailers and tourist experiences - Domestic marketing
<p>Health care - preparedness in terms of facilities, equipment and readiness to respond. Also "Large groups are afraid of loss of work and income and currently avoid the GP and ambulatory care due to fear of infection."</p> <p>See questions from Hack the Crisis: https://www.hackthecrisis.nl/en/challenges/topic-1-healthcare-wellbeing</p>	<ul style="list-style-type: none"> - Creation of an economy and culture that prioritises preventative health and quality of life - Increase health care literacy, navigation of the healthcare system for those unfamiliar with it - Incentivising entrepreneurship in preventative medicine, healthy lifestyle, wellness - Innovation of insurance companies to provide incentives i.e. contribute to gym membership, in turn helps fitness enterprises succeed - Innovations that help you 'own' and manage your own health
<p>Media & Oversight - truthfulness and transparency</p>	<ul style="list-style-type: none"> - Assurance that what is installed for citizen protection during a crisis does not become the new norm - Transparency - New forms of citizen trusted media - Privacy and data management
<p>Concerns for data management, privacy – tech ethics, data ownership and agreements, COVID-19 precautions⁵⁵ that become a new norm</p>	<ul style="list-style-type: none"> - Fair data organisation and access - How we process, store, manage and understand the immense volume of data that is present - Data collaboratives gain momentum as a new form of collaboration for exchanging data to create public value. - Personal privacy innovation products/services
<p>Collaboration - how to work with others under pressure, less budgets</p>	<ul style="list-style-type: none"> - Collaboration capacity-building - Startup thinking for organisations - Partnerships brokering for change

<p>Mental health, burnout - especially among young women, work not aligned with values, stress about rent, work, the future</p>	<ul style="list-style-type: none"> - Health support through healthy habits that strengthen immune system - Populations more prone to mental health issues - Get rid of stigmas around mental health issues - The chronic societal issues that led to growing mental health before the crisis - Reduce fear about the future - Reduce work contract insecurity - Incentivising impact entrepreneurship in well-being space
<p>International development sector changing - humanitarian aid was limited during the crisis, also growing distrust of foreign workers and solutions</p>	<ul style="list-style-type: none"> - Humanitarian assistance innovation - Supporting entrepreneurs to help themselves in contexts abroad - Repercussions on emerging economies if we go circular and cut interdependencies
<p>The importance of investing in the public good - build/maintain government capacity to protect public goods such as education and health</p> <p>Role of municipalities - good fortune of the Dutch system, while in other country contexts reliance on informal care from family and neighbours, local NGOs and/or international humanitarian orgs, impact entrepreneurs Municipalities are in a good position to help strengthen these existing support structures. (Social Impact Working Group on the Corona Crisis)⁵⁶</p>	<ul style="list-style-type: none"> - The evolution of our public institutions through this crisis - Innovation to solve public challenges - Strengthening cross-stakeholder collaboration on societal challenges - Strengthening democracy at a time when it is most tested in many places - Enabling collaboration for the public good i.e. through platform https://wijamsterdam.nl/ that allows citizens to self-organise and help each other

Inputs to this issue mapping include:

- Impact Hub member and program participant surveys and needs interviews, feedback from wider community of entrepreneurs and partners and allies in the ecosystem, Impact Hub community app analysis
- Input from Amsterdam Impact: Amsterdam City Council notes, report on social vulnerability by the General Affairs Council), [amsterdam.nl](https://wijamsterdam.nl/); reviewing the work from Werkgroep sociale impact coronacrisis, <https://wijamsterdam.nl/>
- News sources such as AMEC, De Parool, FT, NRC, FD, nos.nl, nltimes, eur.nl, etc
- IH Amsterdam team strategy day mapping on collective context based on stakeholder interactions throughout the crisis and research via various articles on post-corona impact

TABLE 2: GATHERED FROM GLOBAL INTERMEDIARIES OF IMPACT ENTREPRENEURS

"From the context of your city and community, what are the key trends/shifts you see in this sector for the post COVID-19 world?"

GLOBAL KEY TRENDS/SHIFTS (in no particular order)	POTENTIAL OPPORTUNITIES FOR IMPACT ENTERPRISES
<p>Financing for impact entrepreneurs Public funding attention and programs shifting to SME resilience, job creation, some countries providing significant structural support for the sector while some offer nothing specific; general trend shows impact investors have stepped back; foundations primarily focused on current grantees. In the short-term entrepreneurs experience funding contraction as partners pull back, pause, re-shuffle their budgets - mixed messages on what is "essential" in the future society.</p>	<ul style="list-style-type: none"> - Looking at longer term resilience in terms of structural support (from public and/or private funding) that might help them build over a few years and create reliable employment. - Entrepreneurs need clear narrative that there are in it for the long haul, a resilient economy needs long term outlook as future challenges might come in different forms - Most vulnerable need to be addressed and solutions implemented at scale (develop more support for entrepreneurs addressing inclusion) - Housing and office rents take on extra considerations now in terms of affordability to be a social entrepreneur; need to be agile to minimise overheads.
<p>Digitalisation both in how to run one's own business (tooling) and how to put products/services out on the marketplace (market access); products/services depending on in-person either have suffered/stopped or needed to innovate/pivot. This crisis has made visible where the digital divide is.</p>	<ul style="list-style-type: none"> - More digital fluency and tools for impact entrepreneurs to support their business models and visibility online, collective deals on platforms, technical skills - Virtual Companions - as people become accustomed to digital assistants and chatbots their expectations will evolve, and some people will start to seek out virtual personalities. AI, automated commerce. - Tech4 Good
<p>Policy support that enables local impact entrepreneurs and social innovators to co-create better social safety nets to tackle growing needs i.e. homelessness, employment, youth at risk.</p>	<ul style="list-style-type: none"> - Social enterprises recognised as partners in government provision of essential services in case of a pandemic i.e. New Zealand⁵⁷

<p>More / less synergy depends on the position of the (local) government and recognition of this sector as a solutions provider.</p>	<ul style="list-style-type: none"> - Support entrepreneurship and employability capacity-building cross-country i.e. Cambodia⁵⁸ - Co-creating with the government an ongoing platform for citizen ideation and support (Philippines). - Creating mechanisms to encourage solution-building in public services / to solve public issues while minimising risk to public funds i.e. Social Impact Bonds (Netherlands)⁵⁹
<p>Globalization to de-globalization - the changing dynamic between local and global, and potential impact of localisation in “north” countries on “south” countries (depending on export markets), shifting interdependencies and risks of cross-border trade.</p>	<ul style="list-style-type: none"> - Deepen local impact, increased consumer awareness and new translocal partnerships - Focus on sustainable (global) supply chains, fair trade, enterprises that create shared value along the chain
<p>Education - gap in how we are equipping the next generation for the real needs of tomorrow i.e. growing own food, repair instead of discard, helping in neighbourhood</p>	<ul style="list-style-type: none"> - New education offerings that are better linked to real needs - Opportunities for young people falling into vulnerability/crime to turn to entrepreneurship instead
<p>Health Addiction, mental health, preventative health, remote working - also saw in some places (i.e. Africa) community engagement in support of health efforts to identify vulnerable groups, give notice on outbreaks and to change behaviours to stop transmission</p>	<ul style="list-style-type: none"> - Developing entrepreneurial responses to these growing and more explicit needs post-COVID, and putting in place community-based solutions bottom up - Role of art for public engagement in an emergency, - New models for tackling tough issues in decentralised ways and in collaboration with public authorities
<p>Employment - Large scale unemployment as large companies contract, can't guarantee, already seeing lay-offs, talent waste, pressure on social security systems (in places that have them else fall into poverty)</p>	<ul style="list-style-type: none"> - The need for impact entrepreneurs to truly grow their companies as well as enabling new entrepreneurs to start more easily becomes more important, and needs enabling infrastructure so that employment creation can line up with a more green and inclusive economy.
<p>Inclusion Inequalities are visible/recognised now in a way they were not paid attention to before</p>	<ul style="list-style-type: none"> - Raise awareness about social issues & fostering connection - Marrying social inclusion to the way

	<p>growth happens for more inclusive growth, coupling sustainability and</p> <ul style="list-style-type: none"> - inclusion for more green and inclusive growth.
<p>Energy transition, lower dependence on fossil fuels, new plastics economy</p>	<ul style="list-style-type: none"> - Develop, grow, innovate in renewables, partnerships to scale and to access markets become important
<ul style="list-style-type: none"> - Trust & transparency - today with the crisis, trust is being called into question all over the world. In turbulent times, it is even more important that we have trust. - In Media - transparency and accountability; some shift away from media consumption due to overwhelm and scepticism/increasing mistrust due to fake news and dominance of government “broadcast due to emergency times - In Politics - shift in politics, new means for political engagement, new generation of potential candidates based on new values. Call for more collaborative governance, call for more engagement of citizens in public decision and budget allocations. - In Science - reliability, transparency, role and trustworthiness of public health agencies (i.e. WHO) 	<ul style="list-style-type: none"> - Alternate media channels and ways of verifying Innovation in the media realm - verification of sources, more direct knowledge through citizens, citizen reporting, social media tools, education about sense-making. Fighting fake news. - Innovation in the political realm, efforts for inclusion, new forms of activism and engagement, entrepreneurs can be partners for experiments with collaborative governance. More transparent, understandable science. Translation of complex issues into understandable ways. Reliable channels. - Opportunities to recover trust in science, public authorities and the media through transparent partnerships for the public good and open data initiatives.
<p>Role of companies shifting where some are waking up to align more actively with the call to sustainability and inclusion, some questions re; installing a new paradigm on revoking a license to operate, desire for more corporations for direct engagement in the community. enabling impact to go mainstream; divestment</p>	<ul style="list-style-type: none"> - New types of partnerships and sourcing of innovations from impact entrepreneurs - Show longevity of corporate solutions beyond greenwash
<p>Community-Open Source Solutions - sharing and even giving away your innovative solutions to our shared challenges.</p>	<ul style="list-style-type: none"> - Open sourcing as an opportunity to disseminate and scale solutions to places that don’t have access.

Reference: Derived from global conversation of 25 Impact Hub leads sharing and collating observations through their Impact Hub communities and partners in 25 cities + from the global team. Cities in the conversation: Amsterdam | Athens | Baltimore | Boston | Caracas | Dar Es Salaam | Houston | Jakarta | Kuala Lumpur | Lagos | London | Lusaka | Manila | Milan | Moscow | Monterrey | NYC | San Jose (CR) | Shanghai | Stockholm | Stuttgart | Syracuse | Taipei | Vienna | Zagreb



Amsterdam Impact is a dedicated unit within the City of Amsterdam's Economic Affairs department to support and strengthen the ecosystem for all impact enterprises. These range from startups to large corporations that tackle societal challenges through entrepreneurship and create both financial and social value. In addition, the programme pays special attention to enterprises that improve the quality of life in Amsterdam's neighbourhoods. The Amsterdam Impact 2019-2022 programme is a follow up of a successful Social Entrepreneurship 2015-2018 programme.

www.iamsterdam.com/en/business/amsterdam-impact
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Impact Hub Amsterdam was founded in 2008 and has been serving the city and throughout the Netherlands through impact entrepreneurship development programs, innovation scouting, impact events, and ecosystem development around key societal issues. With over 400 member entrepreneurs, Impact Hub Amsterdam is deeply rooted in the local market and community. Part of the Impact Hub global network focused on building entrepreneurial communities for impact at scale, Impact Hub Amsterdam has 100+ sister communities of 17,000 impact entrepreneurs and innovators in more than 55 countries. As one of the world's largest communities and accelerators for positive change, Impact Hub contributes to the development of impact enterprise ecosystems to drive collaboration and innovation with partners and allied network towards a just and sustainable society, and realisation of the Sustainable Development Goals.

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1 Impact entrepreneurs are those whose primary goal is a positive social, economic and/or environmental impact, accomplished through entrepreneurial means, usually as a purpose-led businesses. Within the scope of impact entrepreneurship fit both socially responsible businesses and social enterprises.

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7 Amsterdam Museum, "Amsterdam DNA"

8 <https://drift.eur.nl/about/transitions/>

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11 https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en

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13 <https://www.hackthecrisis.nl/en/challenges>

14 The Dutch yearly Social Enterprise monitor 2020 by network organisation Social Enterprise NL (June 2020; forthcoming) included some COVID questions and took a snap shot of how the COVID pandemic affected the Dutch social entrepreneurship ecosystem. Over 70% of the respondents saw lower revenues (n=191); in Amsterdam 80% (n=53). 1 in 5 social entrepreneurs in The Netherlands and Amsterdam were worried about the future of their business and 2 in 5 couldn't do the desired/planned investments. Three to four months since the pandemic reached the Netherlands and three months since the Dutch government took lockdown measures roughly 1 in 3 entrepreneurs in Amsterdam were busy unlocking new business opportunities and developing new business models.

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16 <https://www.makersunite.eu/pages/maskers-covid19>

17 <https://ramblerstudios.com/>

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