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Microfinancing social businesses in apiculture for sustainability in rural communities (SBEEES)

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ANALYSIS OF THE ENVIRONMENT (PESTLE, SWOT)

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PESTLE analysis

- a tool used to examine the external environment that influences an organization or sector.
- it helps to understand the broader context in which social enterprises, cooperatives, and community initiatives operate.

FACTORS

1. **Political**
2. **Economic**
3. **Social**
4. **Technological**
5. **Legal**
6. **Environmental**

PESTLE analysis highlights both opportunities (such as supportive policies, ethical consumption, and green innovation) and challenges (like funding constraints, legal complexity, or environmental pressures).

1. POLITICAL

- Growing government interest in inclusive and sustainable economic models.
- Public policies and subsidies supporting cooperatives, social enterprises, and NGOs.
- Political instability or changes in leadership may reduce long-term funding or support.
- International recognition (e.g., UN, EU, ILO frameworks) strengthens legitimacy of SSE.

2. ECONOMIC

- Access to mixed financing (public funds, grants, crowdfunding, ethical finance).
- Often resilient during crises (focus on community, local markets, and mutual aid).
- Challenges in scaling and competing with profit-driven firms.
- Contribution to local job creation, especially for marginalized groups.

3. SOCIAL

- Increasing demand for ethical consumption, fair trade, and social responsibility.
- Strong role in community building, solidarity, and inclusion.
- Rising awareness of inequality and climate justice drives support for SSE.
- Volunteerism and collective participation are key resources.

4. TECHNOLOGICAL

- Digital platforms enable collaboration, crowdfunding, and e-commerce for social enterprises.
- Technology can lower costs and expand access (e.g., e-learning, telehealth).
- Risk of digital divide—beneficiaries may lack access or skills.
- Innovation in green and circular technologies supports SSE missions.

5. LEGAL

- Diverse legal frameworks for cooperatives, associations, and social enterprises.
- Recognition varies by country (some have strong legal definitions, others lack them).
- Compliance with labor, tax, and transparency laws may be resource-intensive.
- International standards on sustainability and human rights influence practices.

6. ENVIRONMENTAL

- Strong alignment with sustainability, circular economy, and ecological transition.
- Many SSE initiatives focus on recycling, renewable energy, local food, and waste reduction.
- Pressure to meet environmental standards can increase costs.
- Climate change creates both challenges (e.g., resource scarcity) and opportunities (e.g., green jobs).

SWOT analysis

- a tool used to assess the internal and external factors that influence an organization or sector
- in the SSE it helps to identify **strengths** like community trust and resilience, **weaknesses** such as limited funding or scaling challenges, **opportunities** in areas like ethical consumption and green innovation, and threats including competition or political instability

STRENGTHS

- Strong focus on social impact, inclusion, and solidarity.
- High community trust and local embeddedness.
- Resilience during crises due to mutual aid and local networks.
- Diverse organizational forms (cooperatives, associations, social enterprises).
- Promotes ethical values (fair trade, sustainability, justice).

WEAKNESSES

- Limited access to financing compared to mainstream businesses.
- Difficulties in scaling up without losing mission or community focus.
- Often dependent on public funding or subsidies.
- Limited managerial, marketing, or digital skills in some organizations.
- Measurement of social impact can be complex and resource-intensive.

OPPORTUNITIES

- Growing demand for ethical, sustainable, and fair products/services.
- Supportive policies at national and international levels (UN, EU, ILO).
- Expansion of green and circular economy sectors.
- Rising awareness of climate change, inequality, and social justice.
- Digital technologies (platforms, crowdfunding, e-commerce) to reach new audiences.

THREATS

- Political instability or policy changes reducing long-term support.
- Competition with profit-driven firms that may adopt “social-washing” strategies.
- Economic downturns limiting consumer spending or public funding.
- Risk of mission drift when prioritizing financial survival over social goals.
- Climate and environmental crises that may strain community resources.

Thank you for your attention!

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