

Description of the social enterprise – information sheet

Village Life Association



Village Life

A. Identification data	
1. Name of the enterprise	Village Life
2. Location/Address of the enterprise	Str. Nicolae G Caramfil, nr. 28-30, Bl: I/C, Sc 1, Et 3, Ap 7, Bucuresti, 014144
3. Website of the enterprise	www.villagelife.ro
4. Legal organisational form	Association
B. Good practice of the social enterprise	
Aspects that recommend the social enterprise as a good practice in the particular sector.	The social enterprise addresses economically disadvantaged families that are not experienced with tourism activities but that, with assistance, can capitalize on existing resources (their traditional household and natural and cultural patrimony of their region) and improve their standard of living. The income generating activity proposed by our program is open to all those that respect a minimum set of requirements and are interested in practicing this kind of tourism. They don't need to make any initial investment or have any business specific skills. Assistance and formal training are provided along the way.
C. Context:	
1. Year of Founding	2011 (the association) and 2013 (the social enterprise)
2. Context of start-up – problem that the enterprise was set up to solve, economic social rationale	<p>In Romania, economically disadvantaged rural communities, often in isolated or mountainous regions, are highly vulnerable, facing depopulation and lack of perspective. Approximately 70% of the poorest Romanians live in the countryside, while the average income is 25% lower in rural areas as compared to the urban ones. The source of the rural income is largely limited to subsistence agriculture and cannot sustain a decent standard of living. Under these circumstances, many villagers end up as migrant workers all over Europe or are employed in low qualified jobs in the bigger cities of Romania.</p> <p>In the same time, the rural environment is often culturally and naturally rich and is seen as an example of true sustainability and complete resilience by urban folks and young generations, especially in Western Europe, where this type of rural landscape is long gone. The economical and social decay is also impacting the preservation of the cultural and natural patrimony of the rural areas.</p> <p>Considering the high potential for responsible travel of these impoverished rural communities and the global increasing interest in self sufficient close to nature lifestyles, we have initiated a rural sustainable travel program. We started with creating a network of villages set in picturesque hill and mountain areas, with forests, lakes, rivers and other natural or cultural attractions. Our hosts are carefully selected according to a clear set of criteria, live in the spirit of rural traditions, in simple homes, and have a household with animals, orchards and gardens.</p>

	<p>For a participation fee, travellers are hosted in village households where they learn and participate in daily life, the way it is traditionally lived in the countryside (i.e.: wine making, cheese making, shepherding, tending to animals, Holiday festivals, etc.);</p> <p>The program allows villagers to increase their revenues by capitalizing on existent resources (mainly natural and cultural patrimony) that have been neglected so far.</p>
3. What are the Main Activities of the entity?	Development and promotion of the host families network; training on responsible rural tourism matters for the host families; Main service: intermediation of rural cultural experiences
4. Who are the Main stakeholders (i.e. members, clients, producers, etc.)?	<p>Members: 3 founders, 2 employees, 2 advisers</p> <p>Beneficiaries: 10 families in 4 villages. A total of 30 direct beneficiaries and over 70 indirect beneficiaries. Our plan is to extend the network over the next year.</p> <p>Customers: educated Romanian and foreign travellers, between the ages of 26-45, who are looking for a special cultural experience in rural areas.</p>
5. Geographic coverage with respect to:	Currently working in 4 villages (4 counties: Valcea, Brasov, Arges and Harghita) but planning to extend in the coming year.
i) to production of services and/or goods and	
ii) market/consumers or beneficiaries, clients, etc.	Clients (tourists) coming from all over the world: USA, Canada, Australia, India, Germany, France, UK, Sweden, etc.
D. Ownership Structure	
1. What is the ownership structure of the entity: i.e., does the entity have shareholders, owners/members, donors, trustees, investors, etc.?	The entity has members (the 3 founding members) and several donors: NESsT Foundation, OMV Petrom and private donors.
2. If membership, is membership open or closed? Is exclusivity required?	Membership is closed.
3. Is a capital contribution required? If so, how much? Is equity capital unallocated or individualised?	No capital contribution required.
4. Describe in a few words the voting distribution (e.g. one member-one vote; proportional to equity contribution; proportional to use, etc.).	One member-One vote.

5. Describe in a few words the main benefits for members or owners.	No benefits policy developed yet.
6. Indicate any <u>main changes</u> in ownership over the lifetime of the entity.	No changes.
E. Governance	
1. Describe the governance structure of the entity (board, management, committees, etc.), number of members and method of selection (appointed or elected and by whom).	The entity is governed by a Board consisting of the three founding members.
2. Is there an entity or process for oversight of the board?	No
3. Are there external independent board members?	No
4. Are there term limits for board members?	No
5. What is the gender composition of the board?	2 women, 1 man
6. Describe management and board salary/ compensation policies and how they are decided/determined?	Staff salaries are established based on the employee's experience and the practices on the NGO market in Romania. The salaries depend also on the financial resources available in the organization. Board members are not financially rewarded.
F. Profit/ benefits/ surplus distribution policies	
1. Describe briefly the distribution policies and procedures for profits / benefits / surplus	Not applicable
2. Are members/owners liable for losses of entity? Describe how liability is shared.	Not applicable

G. Strategy: highlight approaches adopted to address the identified challenges	
1. Describe briefly the business strategy looking at aspects like: main products/services, market niche, market share, quality and pricing/costs and <u>main changes</u> occurred in time.	<p>Main service: rural immersive cultural experiences</p> <p>Market niche: sustainable rural tourism/ community based tourism</p> <p>Quality and pricing: We have defined a unit of our service as one day-tourist. The price for one unit was calculated based on competition and on the price-quality matrix.</p> <p>Main changes: In terms of business model we are currently analysing the possibility of developing a platform that promotes a larger variety (in terms of quality and rural experience) of rural hosts, with the potential of increasing the financial sustainability of the social enterprise.</p>
2. Describe briefly the relation between the business strategy and the social mission of the enterprise.	<p>Our goal is to reach the break-even point in the coming 2 years. The social enterprise will become the main source of financing for Village Life. The profit will be reinvested in raising the quality of the service offered by providing training and raising the living conditions of hosts. Any surplus will be invested in achieving the broader objective of preserving the traditional rural environment through new projects that will help the communities to sustainably increase and diversify their economic activities.</p>
3. Please describe briefly the strategic partners or alliances that the enterprise has.	<p>NESsT Foundation (social enterprise competition organiser; donor) – has provided funding and technical assistance to the social enterprise since 2013.</p> <p>PACT foundation (rural community development NGO) – has provided support and acted as a connector for the association from the beginning, adding credibility to our NGO in our early stages. Currently a partner in other projects developed by the organization apart from the social enterprise.</p>
4. Please describe briefly the methods and practices of communication/relationships with Stakeholders (members, community, donors, NGOs, etc.),	<p>Our main communication channels include: website, Facebook page, and newsletter.</p> <p>We constantly keep in touch with beneficiaries by phone and annual monitoring visits.</p> <p>We develop annual promotional plan to reach our target customers.</p>
5. Innovation and key performance factors	
6. Human resources - personnel	
- No. of employees	2
- No. of volunteers	2
- No. of members	3 founders
6.1. For Work Integration social enterprise - vulnerable employees if the case (i.e.), work integration plan/programmed used and management structure	<p>We work with people from economically disadvantaged areas (rural) with the aim of increasing their revenues. We do not provide full time employment for vulnerable employees.</p>

H. Outcomes: results achieved and lessons learned	
- Yearly social and economic results – every 5 years since start-up, and/or the last 3 years	2014
- Assets (raw numbers)	N/A
- Capital (raw numbers)	N/A
- Production	N/A
- Turnover /sales	approx. 4000 Euro
- Profit/loss	0
- Social benefits - describe the benefit to members (membership), indicators used to evaluate the enterprise.	10 families received a direct income from the activity of the social enterprise 10 families received assistance and training on practising tourism activities Approx. 18% average increase in annual income for the most active hosts. Over 10 people from the communities benefited from extra income generated by the presence of our costumers in the villages.
I. Describe in a few words the broader social / environmental impact in your community – spill-over effects, in the last 3-5 years.	The families involved in the tourism program have increased their awareness on why is it important to protect the natural and cultural patrimony around them. In one of the villages we work with, a foreign language class for adults was established at the initiatives of one of our hosts.
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