The Social Enterprise Sector Development Programme

He Pakihi Whai Kaupapa ki Roto i te Ao Māori
“He waka anga whakamua”

Acknowledging that in order to move forward, everyone needs to be in the waka, rowing together in the same time and in the same direction.

Vision

Connected and thriving pakihi whai kaupapa (business that pursues purpose).
Kaupapa

Opening doors and connecting to relevant stakeholders to help build an environment where Māori aspirations for pakihi whai kaupapa are realised.

Upholding the principles and spirit of Te Tiriti o Waitangi including kāwanatanga - honourable governance for mutual benefit, ōritetanga - equity for Māori and wairuatanga - upholding belief systems.

Whanonga Pono
Guiding principles or values

Kōtahitanga

Tino Rangatiratanga
Māori self-determination and decision making.

Ako
To learn from and to teach each other.
About this strategy

This strategy has been prepared by the Ākina Foundation to share insights gathered as part of the Social Enterprise Sector Development Programme (SESDP) and to contribute to the growing body of knowledge and kōrero on Māori Social Enterprise (Pakihi Whai Kaupapa).

The strategy has been prepared following regional engagement with interested stakeholders by Māori Women's Development Inc, reported in the *Māori Social Enterprise National Insights Report* (prepared by Māori Women's Development Inc). The strategy draws on the *National Insights on Social Enterprise 2017 - Pakihi Whai Kaupapa* (commissioned by Te Puni Kōkiri) and aligns with national strategies such as *He Kai Kei Āku Ringa the Crown Māori Economic Growth Partnership Strategy to 2040* and the *Indigenous Approach to the Living Standards Framework 2019* (prepared by Te Puni Kōkiri and the Treasury).

This strategy is intended to share the insights that we have gathered, guide operational delivery of the SESDP and propose action areas that Government and other stakeholders could focus on when considering how to invest in and grow Māori Social Enterprise.

The Social Enterprise Sector Development Programme

A three year partnership between the New Zealand Government (Department of Internal Affairs) and the Ākina Foundation to enable:

- The social enterprise sector to thrive;
- The social enterprise sector to contribute to meeting the government’s economic, social and environmental goals; and
- The Government to develop a clear articulation of its ongoing contribution to the social enterprise sector beyond the programme.

Māori social enterprise (pakihi whai kaupapa) has an important role within the programme. However, we recognise that the mahi that comes out of the insights and the ongoing kōrero is not ours alone. There are many stakeholders working towards outcomes for whānau and social enterprise is just one part part of a wider conversation. He waka anga whakamua - we all need to be in the waka rowing together at the same time. We believe that the role of the programme is to connect pakihi whai kaupapa to deep and impactful mahi already being done by stakeholders to help build an environment where Māori aspirations are realised.
What is social enterprise?

Social enterprises are purpose-driven organisations that trade to deliver positive social, cultural and environmental impact. Social enterprises use business models as a tool to help solve social, cultural and environmental issues. They are often profit-making businesses, but they invest the majority of their profit and expenditure in delivering positive outcomes (their impact). The impact of a social enterprise is central to their purpose; it is the reason the business exists.

While there is no formal legal definition in New Zealand, the following three key elements usually define social enterprise:

- The social, cultural and/or environmental mission provides public or community benefit and is the primary purpose of the organisation;
- The majority of income is derived from trading a product or service;
- The majority of either expenditure or profit is spent in the fulfilment of the purpose of the organisation.

Pakihi Whai Kaupapa - business that pursues purpose

Pakihi whai kaupapa is a business that strives to fulfil a mission beyond economic gain. The concept of a business pursuing broader goals, and not just pure economic gain, has been practiced by Māori for generations. Early inter-tribal trade was conducted for the benefit of the greater Iwi, not for individual gain. Today, Māori businesses continue to grow the Māori economy while also achieving significant positive social and environmental benefit.

Economic drivers for māori businesses are seen in a wider wellbeing context, and are informed by te ao Māori (a Māori world view) where, for example, whenua (land) is not seen just for its economic potential, but through familial and spiritual connections defined by cultural concepts such as whakapapa (genealogy) and kaitiakitanga (stewardship). The history of pakihi whai kaupapa and the Māori economy creates a unique context and opportunity for social enterprise in New Zealand. We have a responsibility to serve this uniqueness, and to learn from it to develop a thriving social enterprise sector in Aotearoa New Zealand.

He Pakihi Whai Kaupapa Engagement Strategy
This strategy aims for Māori Social Enterprise (MSE) to have increased access to capability and financial sustainability.

Pakihi Whai Kaupapa is an approach Māori are exploring to achieve positive outcomes for whānau, sustainably funded to enable a by Māori for Māori approach in partnership with others.

The long term goal is to support communities to lead their own development, **remove barriers to increase access** to capability (people skills and resources), financial sustainability (funding, investment and markets) and create the conditions for success that aligns with community, whānau, hapu and iwi aspirations.
This strategy proposes that these activities...

- Practical training & mentoring
- Impact capability building
- Awareness raising of Māori enterprise
- Regional training hubs
- Procurement database
- Māori Social Enterprise marketplace
- Intentional networking
- Funder/investor education
- Facilitated connection with funders/investors
- Grants / microfinance

Delivered in this way...

- By Māori for Māori that can benefit all
- Accessible
- Funded
- Flexible
- Locally-led
- Geographically spread

... will create positive impact for Māori Social Enterprise...

- Access: Connection, opportunity, visibility
- Capability: People, skills, resources
- Financial sustainability: Funding, investment, procurement

... leading to positive impact for Māori and the community

Positive outcomes for whānau
Tino Rangatiratanga
Positive outcomes for Papatūānuku
### Who could play a role in this?

<table>
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<tr>
<th>Stakeholders</th>
<th>Stakeholder currently supporting outcomes in this area:</th>
<th>Stakeholder activities</th>
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<td>Access</td>
<td>Financial sustainability</td>
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<td><strong>Investors &amp; funders</strong></td>
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<td>Eg Foundations, grant makers, impact investors, Callaghan Innovation Māori Economy team, Māori Womens Development Inc, Māori Economic Development team (MBIE)</td>
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**Standout Māori Social Enterprises**

(Eg Patu, Whalewatch, Fush, Akau, IMoko, Hikurangi Enterprises, Banqer)

- Leading
- Showcasing
- Sharing

*Stakeholders coloured purple specifically target Māori, meaning that access barriers are not as pronounced as with mainstream providers*
Investors, funders and Government increase their knowledge of the value of the Māori social enterprise sector

Establish new (or identify, align, and publicise existing) funding/investment streams specifically available to Māori social enterprises at varying stages of development

Identify and publicise or establish by Māori for Māori capability builders e.g. Whānau Ora providers or Iwi
In year 1, the programme:
- Hosted and co-designed regional hui to gather understanding of the needs of Māori social entrepreneurs.
- Found that the challenges faced by Māori social entrepreneurs: access to finance, access to markets, understanding, communicating and measuring impact and building capability are very similar to social enterprises generally.
- However the barriers to access and delivery (by Māori for Māori) require specific consideration. In Year 2, the SESDP delivery team will work to forge enduring, reciprocal Iwi/Māori partnerships both within their workstreams and across the programme.

In years 2 and 3, the programme moves into more targeted activity:
- Workstream leads will work with key Māori stakeholders in their areas to identify and consult on barriers to access and work to reduce these barriers through targeted activity:
  - Financial sustainability
    - access to finance (investment readiness) and legal structures
    - access to markets (social procurement) including indigenous procurement
  - Increasing capability
    - incorporate Māori expertise and insights to regional hubs and networks across NZ
    - work closely with social enterprises working towards whānau wellbeing to help measure and manage their impact and align to Government outcomes
    - partner with and deliver impact capability building to Māori businesses at Matariki X (co-delivered with Wai-Atamai)
    - provide social enterprise capability building resources to partner organisations to test & use in their own capability programmes
Action areas that Ākina through the SESDP is focussed on:

Along with clear engagement
- Engage with and share this strategy with key stakeholders identified in stakeholder map, community leaders, the Cross Agency Advisory Group and the Sector Working Group.
- Seek proactive networking and collaborating opportunities that are aligned with the concept of kōtahitanga.
- MWDI and other Māori leaders play a core role on the Sector Working Group providing strong Māori voices, input, insights and feedback on programme activities.
- Continue to showcase and work closely with standout Māori Social Enterprises - building awareness and providing a platform for stories of success (eg Patu and Whalewatch in Structuring for Impact report).
- Explore funding arrangements to enable Māori communities to successfully lead development locally.

Moving towards a wider government strategy for social enterprise
- The Programme team, led by DIA, will take Ākina’s insights and begin to understand how these can be incorporated into a wider government strategy.
Year Two and Three Programme Structure

Overarching Topics

Programme Governance Group
CVS Minister

Programme Management
Ākina and DIA

Government Policy Priorities
Sector Engagement
Iwi and Māori Partnerships
Stakeholder Engagement
Partnership
Communications and Education

Social Procurement
- Social Procurement

Capability Building
- Access Support
- Build Capability Networks
- Hubs Pilot

Impact
- Management
- Measurement
- Communicating

Finance and Legal
- Legal Structures
- Access to Capital

Workstreams will inform and support the Government's development of the Sector Strategy, delivered at the end of the Programme.

Where this fits within the programme

Cross Agency Advisory Group and Sector Steering Group

Targeted Workstreams

Focus Areas

He Pakihi Whai Kaupapa Engagement Strategy
## Social Procurement

- Grow number and diversity (including Māori enterprise) of certified suppliers in the marketplace
- Co-develop capability building resources for Social Enterprises to be market ready
- Support Govt to understand opportunities for Social & Indigenous Procurement (MBIE, TPK)
- Support the implementation of Social Procurement initiatives across govt and wider (local govt) (MBIE, DIA, TPK)
- Contribute to the conversation on Indigenous Procurement (MBIE, DIA, TPK)

## Capability Building

- Support & equip regional ‘Hubs’ pilot champions to assess model (until Sept 2019)
- Apply learning to enhance model for place-based approach to capability building - whether identify as a social, community or Māori enterprise (from Oct 2019) (Local Govt, MBIE, MSD, DIA, MYD, TPK)
- Facilitate environment scan - existing tools & expertise business support & capability building (Local Govt, MBIE, TPK, MSD, MoE)
- Test and develop tools and resources to meet gaps (Local Govt, MBIE, TPK, MSD, MoE, StatsNZ)
- Create sustainable conditions for SE networks to grow (regionally & nationally) (DIA, MBIE, MPI)
- Pursue action to support Māori SE (TPK, MWDI, Whanau Ora, Callaghan)

## Impact

- Support sector to understand, communicate and increase their impact
- Develop and test impact framework and tools for social enterprises to measure and communicate impact (StatsNZ, MBIE, SIA, MPI, MFIE, TPK)
- Gather insights on the impact of sector. (StatsNZ - LSF)
- Create an informed hypothesis of social enterprise areas of impact. (StatsNZ - LSF)
- Consider Te Ao Māori in measuring impact (TPK, MWDI)
- Consider how impact contributes to wider govt goals (including Whānau wellbeing) (StatsNZ, Treasury)

## Finance & Legal

- Create and implement plan to increase investment readiness of the sector, including Māori enterprise (MBIE, TPK)
- Understand current govt funding options to social enterprise development (MBIE, TPK, MSD, DIA, MFAT, MFIE, MPI)
- Determine future approach for access to capital
- Create a more enabling legislative environment for the sector (impact-driven enterprises including Māori) (MBIE)
- Incentivise impact-driven enterprises and outcomes that contribute to Govt’s wellbeing goals (MBIE, DIA, MSD, MPI)
Iwi/Māori Partnerships

The focus for this area is to ensure the SESDP has the ability to help forge enduring, reciprocal relationships with Iwi, hapu and wider Māori communities across each delivery area of our programme. We acknowledge that these relationships can be complex, multi-faceted and ongoing and requires a strong level of commitment and resourcing in order to do this work effectively.

In order to achieve effective working relationships between the aspirations of SESDP and Iwi/Māori, the aim of this approach is to help:

• understand and co-create effective power sharing arrangements;
• support Iwi/Māori in realising their own potential;
• build relational trust;
• listen carefully to Iwi/Māori communities; and
• respond accordingly.

Our team are also observing the approaches that are emerging from the Living Standards Framework from Treasury as well as the work from Te Arawhiti - Māori/Crown Relations to understand what we might learn from their approach and apply any key learnings to our work plan.

The SESDP also acknowledges that each whānau, hapū, marae and community have their own distinctive kawa and tikanga therefore the values that are most important to Iwi/Māori will help build the underlying framework and partnering agreements moving forward in Years 2 and 3 of our collective journey.
Ākina’s Māori Partners, Supporters, Collaborators & Advisors

Ākina Board Members
- Tina Porou
  Ngāti Porou, Ngāti Tuwharetoa, Ngāi Tāmanuhiri, Ngāti Rakaipaaka
- Te Puoho Katene
  Ngāti Toarangatira, Ngāti Whātua, Ngāti Tama

- Wai-Atamai Social Innovation Hub
- Social Value Aotearoa
- The Southern Initiative

- TPK - through the SESDP Cross Agency Advisory Group
- MBIE - Māori Economic Development Team
- Callaghan Innovation - Māori Economy Team

Impact Enterprise Fund Directors
- Paul Majurey - Hauraki

Māori Women’s Development Inc
- SESDP Sector Working Group - Teresa Tepania-Ashton
  Ngāpuhi, Ngāti Kahu, Te Aupouri
- Consultation hui with Māori SEs, and Māori in the sector carried out by Kaye-Maree Dunn
  Te Rarawa, Ngāpuhi, Ngāti Mahanga, Ngāi Tamanuhiri
- Hui insights report
- Advisory and support for Ākina

Te Tihī Whānau Ora
- Manawatu Regional Hub
- Sector Development Programme
- Bruce Kereama Ngāti Kauwhata- Whānau ora systems navigator

Tahito Indigenous Investing
- Temuera Hall - JMI Wealth
  Ngāti Tuwharetoa, Te Arawa

He Pakihi Whai Kaupapa Engagement Strategy
Resources

- Te Puni Kōkiri (2017) National Insights on Social Enterprise - Pakihi Whai Kaupapa
- Treaty Resource Centre (2016) Nga Rerenga o Te Tiriti - Community Organisations Engaging with the Treaty of Waitangi