



SOCIAL ECONOMY, A DRIVER OF ECONOMIC AND SOCIAL PROGRESS IN EUROPE

**SEE Memorandum for the
European elections 2019**

About Social Economy Europe

Social Economy Europe (SEE) was created in November 2000 under the name of CEP-CMAF -the European Standing Conference of Cooperatives, Mutuals, Associations and foundations- with the purpose of establishing a permanent dialogue between the social economy and the European Institutions. In 2008, CEP-CMAF changed its name and officially became Social Economy Europe, **the voice of the 2.8 million social economy enterprises and organisations in the European Union.**

SEE members include European organisations of mutual and cooperative insurers (AMICE), non-profit healthcare players, health mutuals and health insurance funds (AIM); industrial and service cooperatives (CECOP), foundations, associations of general interest (CEDAG), work integration social enterprises (ENSIE), paritarian institutions of social protection (AEIP), ethical banks and financiers (FEBEA), and the European Cities and Regions for the social economy (REVES). SEE also represents the national social economy organisations of France (ESS-France), Italy (National Third Sector Forum), Portugal (CASES), Spain (CEPES) and Belgium (ConcertES).

SEE believes in a European Union that is determined to promote the economic and social progress of its Member States, and that acknowledges its key role as global social economy leader. SEE believes in:



A diverse economy at the service of people. A democratic, sustainable and inclusive economy, strongly committed to society.



A more favourable ecosystem for the development of the European social economy, that will keep offering innovative solutions in response to societal demands.



The social economy's active participation in the development and implementation of the main socio-economic policies of the European Union.

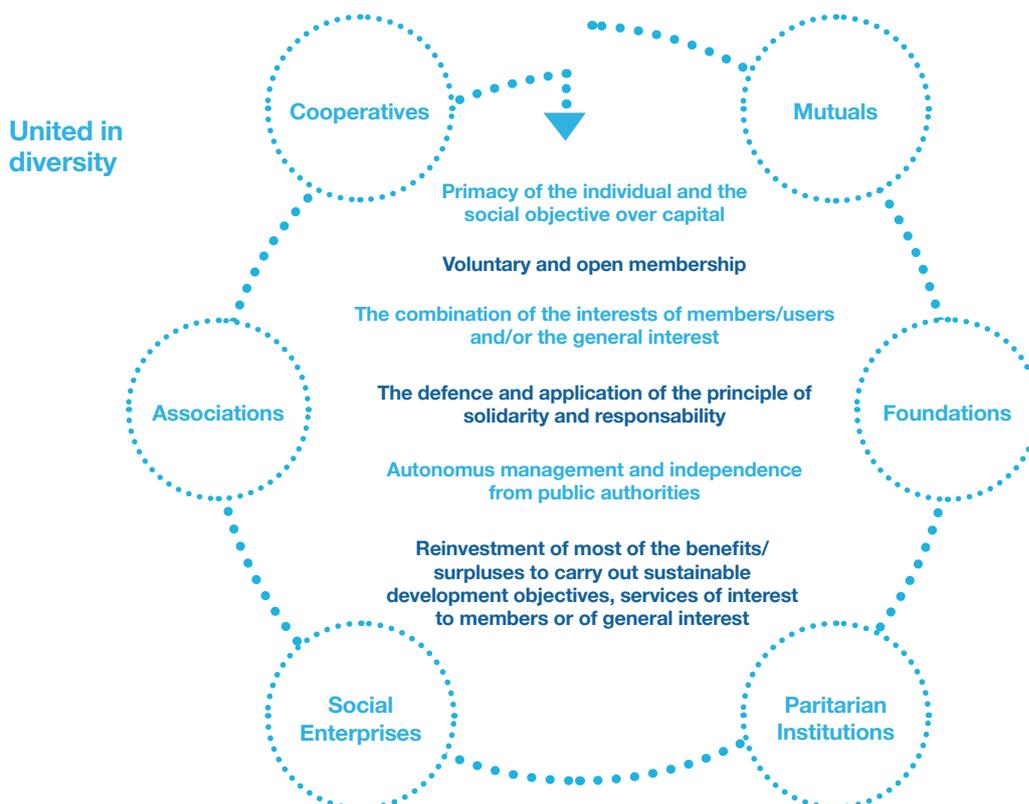
Social Economy, an enterprise model for the future of Europe

The European Union and the rest of the world are experiencing disruptive technological, social and economic changes. The emergence and progress of digitalisation, blockchain and big data, or the global rise of inequalities and job insecurity, are trends quickly changing our world, bringing new opportunities but also new challenges, and urging us to debate about the future that we -Europeans- want to build collectively.

The European elections of May 2019, constitute a historic opportunity to ensure the participation of citizens in building the future of the European Union. In this context, the social economy is determined to contribute to shaping a future based on **sustainable development** and economic and social progress, through a European Union based on cooperation, democracy, solidarity, respect for its diversity, innovation and active citizenship.

Europe needs the social economy to reach out to its citizens, detect their real needs and make them part of creating solutions to a number of challenges, such as unemployment or precarious work, social exclusion, discrimination and racism, climate change or the lack of social cohesion. Likewise, the social economy needs the European Union to improve its visibility, as an alliance of virtuous enterprise models, and to support its recognition and development -on equal footing with other forms of enterprise- throughout the European Single Market.

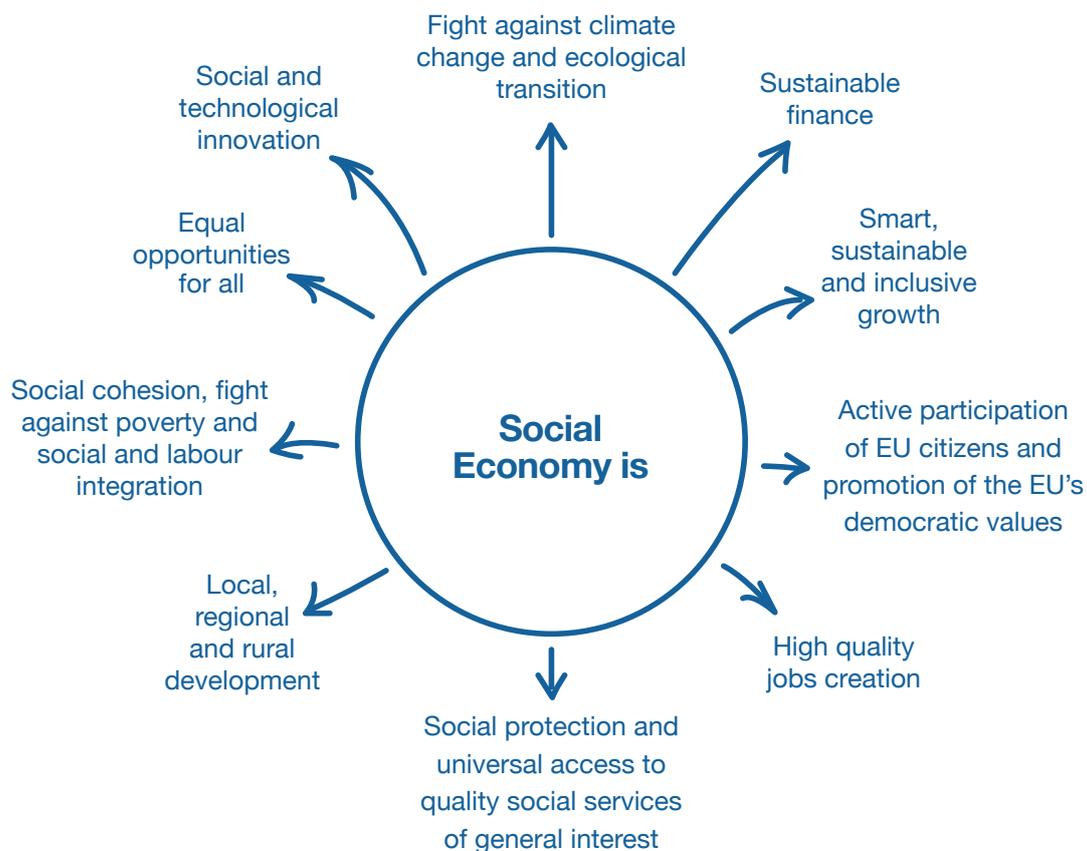
The social economy is an essential part of the European economic and social landscape. According to the European Economic and Social Committee, there are **2.8 million** social economy enterprises and organisations in the European Union, that employ **13.6 million** people and account for **8% of the EU's GDP**.



Social economy refers to a diversity of enterprises and organisations, such as **cooperatives, mutuals, associations, foundations, social enterprises** or **paritarian institutions of social protection**, that are united by common values and characteristics.

Enterprises and organisations of all sizes, ranging from SMEs to large companies and corporations, that operate in all the economic sectors, such as industry, education, healthcare and social services of general interest, agri-food, banking, insurance, renewable energies, re-use and recycling, retail, housing, tourism, culture and leisure, building, professional services, digital economy, etc.

Because of their strong connection with the civil society and their social commitment, social economy enterprises and organisations are at the forefront when it comes to offering innovative solutions to the main economic, social and environmental challenges of our time, and contribute to the achievement of key EU objectives.



10 SEE proposals for the European elections 2019

To further support the development of the social economy all over Europe and to unlock its full potential as driver of economic and social progress and cohesion in the European Union, Social Economy Europe makes ten proposals to the European Institutions:

1. Set-up a European Action Plan for the Social Economy

2. Re-establish the European Parliament's Social Economy Intergroup

3. Consolidate the structured dialogue between the Social Economy and EU Institutions

4. Advance towards a European legal framework for all social economy enterprises and organisations

5. Improve access to finance and EU funding for social economy enterprises and organisations

6. Put the social economy at the heart of the European Pillar of Social Rights, the EU semester, Cohesion Policy, the Sustainable Development Goals and the debate on the future of work.

7. Boost social and technological innovation and inter-cooperation among social economy enterprises and organisations

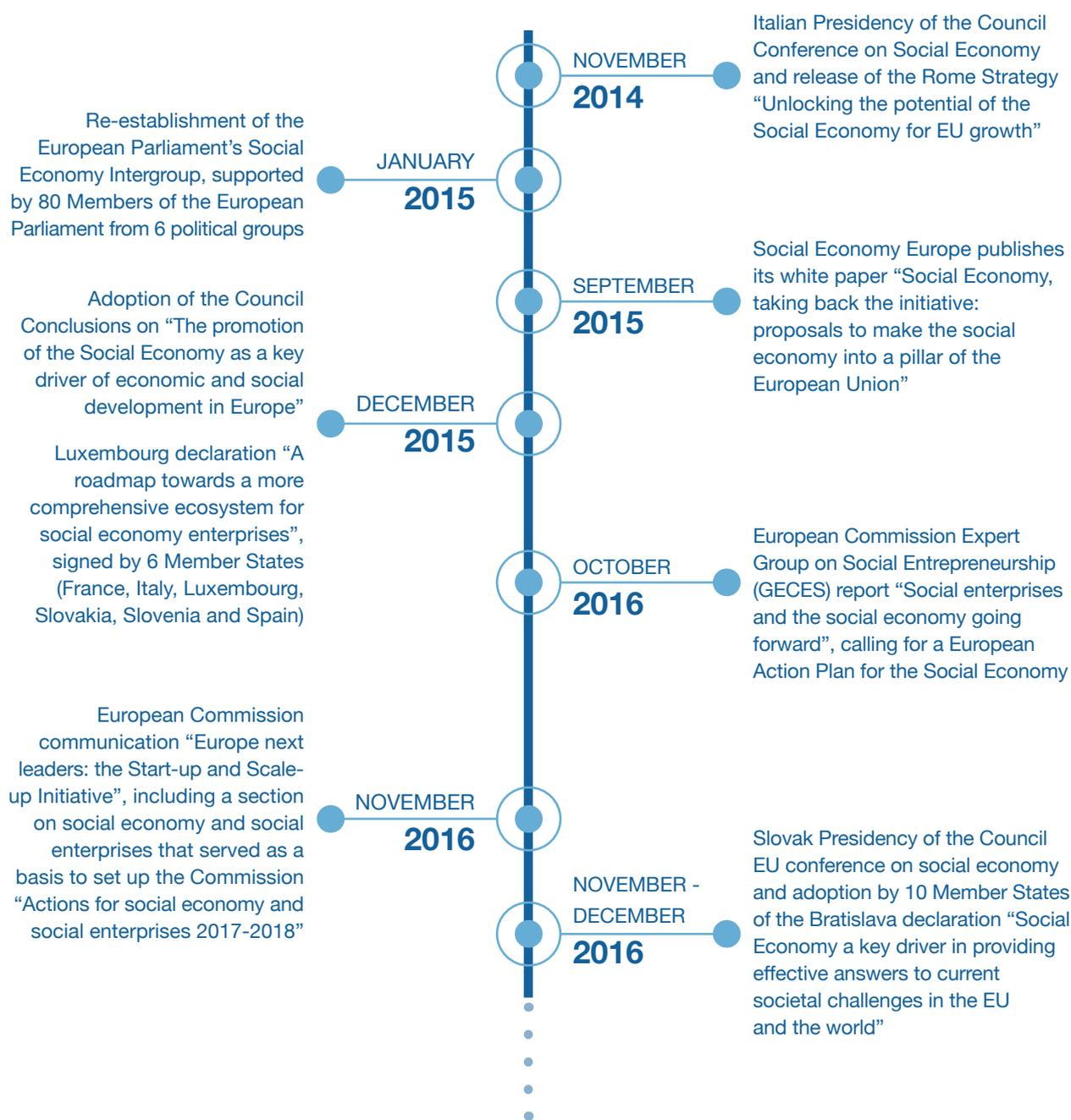
8. Improve the visibility of the social economy

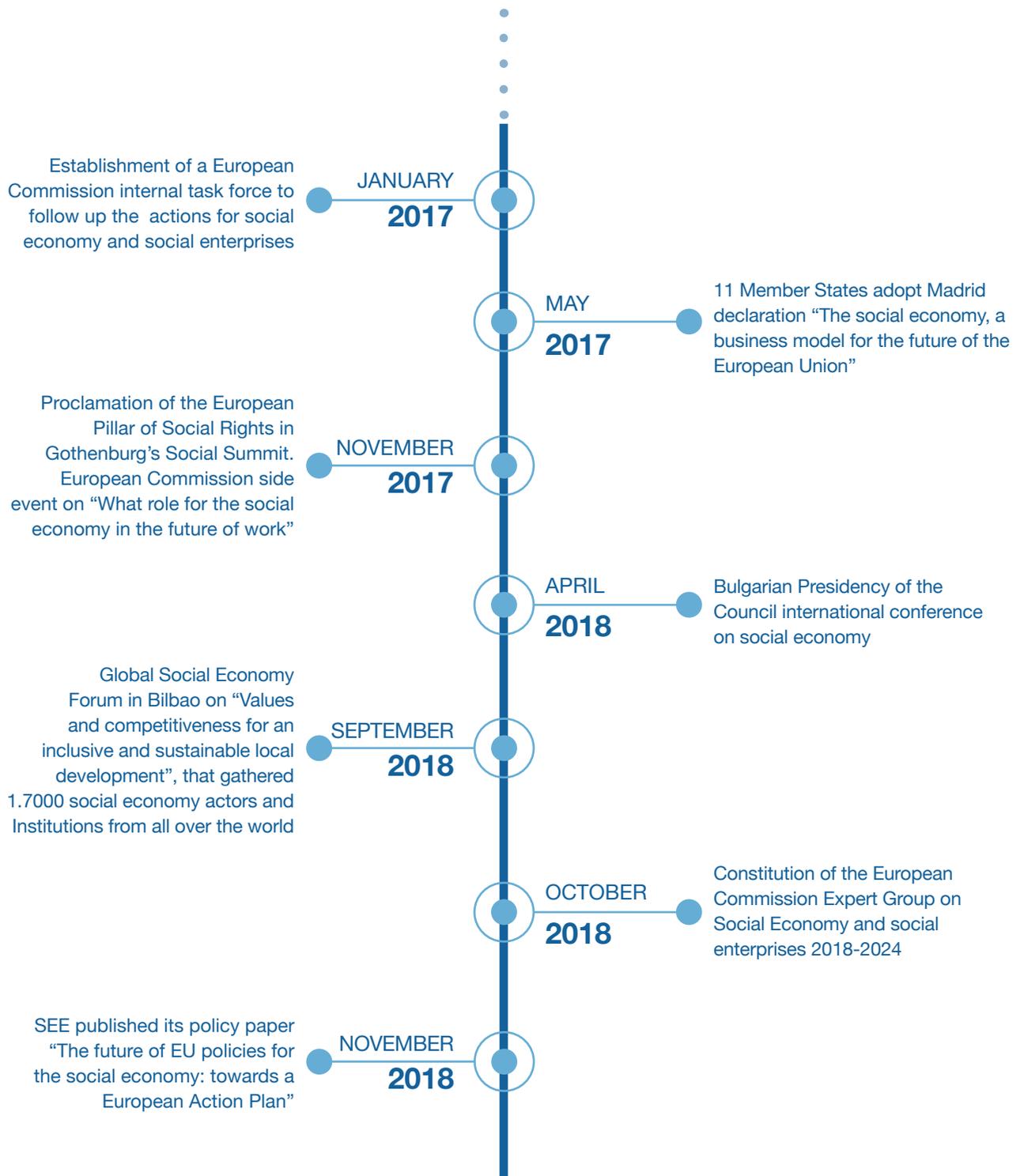
9. Foster the role of the social economy in the external action of the European Union

10. Promote socially responsible public procurement

Milestones achieved by the Social Economy in the 2014-2019 EU mandate

The social economy is a European success story, that has consistently gained political and social visibility as a way of doing business that replies to the growing demand of citizens and consumers for a more responsible and sustainable economy, as an important pillar notably in terms of employment and social cohesion across Europe and as key actor for the achievement of the United Nation’s 2030 Agenda for Sustainable Development. These are the main milestones achieved for the social economy over the EU mandate 2014-2019:





SEE recommendations: Towards a European Action Plan for the Social Economy

1. Set-up a European Action Plan for the Social Economy.

Social Economy Europe invites the EU Institutions and, particularly, the European Commission to set-up a European Action Plan for the Social Economy, starting from the achievements of the 2014-2019 EU mandate.

This Action Plan shall serve to boost the visibility of social economy enterprises and organisations, support them in generating social and technological innovations, improve their access to finance and EU funding; remove the legal obstacles impeding their ability to grow and operate in the Single Market on an equal footing with other types of companies, as well as to inspire public authorities from the EU and its neighbouring countries to promote the growth of the social economy as a driver of economic and social progress for all.

Moreover, this Action Plan should also serve to foster the uptake of new technologies in social economy enterprises and organisations. By seizing the opportunities offered by the technological revolution, social economy enterprises will bring their values of solidarity, democracy and sustainability to the new economy.

In November 2018, Social Economy Europe, presented its policy paper *“The future of EU policies for the social economy: towards a European Action Plan”*, a public policy proposal with three main objectives:

- Recognise the social economy as a key actor in the design and implementation of the main EU socio-economic policies.
- Promote the convergence and coordination of the different levels of public administration involved in the promotion of the social economy by defining strategic objectives and benchmarks at EU level.
- Foster a conducive ecosystem for the growth of the social economy, improving its contribution to key EU objectives and allowing its enterprises and organisations to take full advantage of the European Single Market and EU funds and financial instruments.

In line with these three objectives, SEE’s proposal for an Action Plan includes **20 policy measures** and **64 actions** structured in **7 pillars**.

2. Re-establish the European Parliament's Social Economy Intergroup.

Social Economy Europe invites the European Parliament to **set-up a new Social Economy Intergroup**, a European Parliament's an informal body of vital importance to mainstream social economy's perspective into the legislative and non-legislative work of the European Parliament.

Created in 1990, and permanently active since then, the Social Economy Intergroup serves to ensure a permanent dialogue between all European Institutions, Member States and the social economy sector. The Social Economy Intergroup aims to:

- Promote exchanges of views on EU policies and legislation linked to social economy issues.
- Provide regular opportunities for a dialogue between MEPs, social economy actors, European Commission political representatives and officials; Member States and other relevant stakeholders.
- Ensure that the European Parliament, the Commission and the Council take into account the social economy and its actors whilst developing their policies.

In the 2014-2019 EU mandate, the Social Economy Intergroup **-supported by 80 MEPs from 6 political groups-** organised 16 public hearings, attended by more than 1.2000 people in total, on topics such as: *“A new generation of public policies for the social economy”*, *“The role of the social economy in shaping future of work”*, *“Social Economy's contribution to the ecological transition in Europe”*, *“The role of the social economy for a successful European Pillar of Social Rights”* or *“Social economy financial institutions: financing Europe's real economy”*.

The action of the Social Economy Intergroup and its members was of key importance in the inclusion of the social economy in key EU reports and regulations: **European Social Fund Plus 2021-2027** (2018), report on the **European Pillar of Social Rights** (2017), **Single Market Strategy** (2016), **Social entrepreneurship and social innovation in combatting unemployment** (2015) etc. Furthermore, the bureau of the Social Economy had high level meetings with the Vice-President of the European Commission Jyrki Katainen (Jobs, growth, investment and competitiveness), with Commissioners Elżbieta Bieńkowska (Internal Market, Industry, Entrepreneurship and SMEs) and Marianne Thyssen (Employment, Social Affairs, Skills and Labour Mobility); with former Minister of Labour, Employment and Social and Solidarity Economy of Luxembourg, Nicolas Schmit, and with the European Commission special adviser for the European Pillar of Social Rights, Allan Larsson.

3. Consolidate the structured dialogue between the Social Economy and EU Institutions.

The success and applicability of EU policies for the social economy must be based on dialogue and cooperation between European institutions, Member States and social economy representative organisations. Both at EU and Member State-level there are directorates, taskforces, units and departments focusing on social economy policies that should have a key role in drawing up an ambitious and effective EU Action Plan for the social economy.

A permanent dialogue and consultation with social economy representative organisations, both at EU and Member State level, is fundamental to ensure the efficacy, impact and sustainability of social economy's public policies. Therefore, Social Economy Europe proposes to:

- **Nominate a member of the college of Commissioners as responsible for the social economy.**
- Consolidate and strengthen the **European Commission Internal Taskforce on social economy.**
- Take full advantage of the **European Commission Expert Group on social economy and social enterprises**, whose plenary sessions should be chaired by the member of the college of college of Commissioners responsible for the social economy.
- Promote the participation of social economy representative organisations in the European Union's inter-sectoral social dialogue.
- Strengthen and extend to further Member States the **Monitoring Committee of the Luxembourg Declaration on Social Economy**: a high-level group of Member States governments aiming to promote the development of the social economy in the European Union, at which Social Economy Europe participates as an expert organisation. The monitoring committee will be chaired by France and Spain, in 2019 and 2020 respectively.
- Strengthen the activities of the **European Economic and Social Committee's Social Economy category and study group on social economy enterprises**, that should be permanent.
- Strengthen the cooperation with the European Committee of the Regions.

4. A European legal framework for all social economy enterprises and organisations.

As stressed by the European Parliament's *Report on the Single Market Strategy* (2015) "*social economy enterprises represent a diverse range of business models, which is **key to a highly competitive and fairer single market***". Consequently, the report calls on the Commission "to mainstream the social economy within its single market policies and to develop a European Action Plan for social economy enterprises in order to unlock the full potential for sustainable and inclusive growth".

Social economy enterprises and organisations should be allowed to operate in the Single Market on an equal footing with the other forms of enterprise, therefore, SEE calls for a **European legal framework for all social economy enterprises and organisations**. To achieve this objective, Social Economy Europe proposes to:

- **Issue a European Commission recommendation concerning a common understanding of the social economy**

A European Commission recommendation concerning a common understanding of the social economy would improve the convergence and coherence of the different social economy policies at EU and Member State level, preventing the use of contradictory concepts, that could hinder the growth, the mutual recognition and the visibility of the social economy's enterprise models; and support the growing number of Member States planning to develop social economy laws and/or public policies.

This **common understanding of the social economy** should refer to the main social economy legal forms existing in Europe and above all, to its values and distinctive features defined in the "*Social Economy Charter*" (2002), that have obtained legal recognition in the social economy laws of Belgium (2001), Spain (2011), Portugal (2013) or France (2014).

The 2003 Commission recommendation concerning the definition of micro, small and medium-sized enterprises, aiming at "limiting the proliferation of definitions of small and medium-sized enterprises in use at Community level", could serve as an inspiration for this recommendation on social economy.

- **Take into account social economy actors in all EU legislations and policies**

The social economy is a major socio-economic actor in Europe that operates in all the economic sectors, however, currently the diversity of business models operating in Europe is insufficiently taken into account. Therefore, impact assessments should be carried-out when EU legislation is drafted or revised to ensure that it is appropriate and proportionate for all business models, including social economy enterprises and organisations.

- **Identify the main legal and administrative barriers faced by social economy enterprises and organisations within the Single Market, and propose possible solutions at the EU level, allowing these enterprises to operate cross border in the European Union.**

5. Improve access to finance and EU funding for social economy enterprises and organisations.

Access to finance is of key importance to support the development of social economy enterprises and organisations all over the Europe. The European Union through its financial instruments and funds should boost investment in social economy innovative projects. To this end, SEE proposes to:

- **Mainstream the social economy in the European Fund for Strategic Investments and the new InvestEU programme**

To ensure that the “social economy financial demand” is met and the success of investments in social economy projects, social economy financial experts should be involved in the implementation and governance/ monitoring bodies of the European Fund for Strategic Investments (EFSI) and the future InvestEU, such as its Investment Committee. Furthermore, a **diversity of implementing partners**, beyond the EIB, should be foreseen, including national promotional banks and social economy financial institutions (such as cooperative and ethical banks and financiers and philanthropic organisations).

The inclusion of the social economy among the funding priorities of InvestEU’s social investment and skills policy window, constitutes a positive step forward. In addition, the three other policy windows -sustainable infrastructure; research, innovation and digitalisation; and SMEs- should also serve to finance social innovative and strategic economy projects.

Social Economy Europe is committed to largely disseminating the EU’s investment opportunities for social economy enterprises and organisations.

- **Strengthen social economy’s financial ecosystem**

The diversity of the banking and insurance models existing in the European Union must be safeguarded and promoted. SEE calls for:

- Ensure that EU financial regulations adequately take into account the different business models of the financial intermediaries of the social economy.
 - Update the banking rules to encourage investments in social economy projects.
 - Prepare measures to support the channelling of solidarity investments from private small savers into funds promoting the creation and development of social economy enterprises.
 - Integrate non-accredited/non-qualified investors into the EuSEF regulation (European social entrepreneurship funds) to allow all social economy financial actors to use this designation.
- **Further use the ESF Plus, ERDF, Horizon Europe, Life programme and the cohesion funds to finance the development of the social economy.**

6. Put the social economy at the heart of the European Pillar of Social Rights, the EU semester, Cohesion Policy, the Sustainable Development Goals and the debate on the future of work.

Social economy contributes to a more social and sustainable European Union, and to the fulfilment of the 20 principles of the European Pillar of Social Rights and of the 17 Sustainable Development Goals, included in the United Nation's 2030 Agenda for Sustainable Development. Moreover, in a context of disruptive economic, social and technological transformations, leading to a debate on the future of work, the social economy is offering innovative solutions to the emerging challenges.

The social economy is committed to achieve equal opportunities, regardless of gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation; to create quality jobs for everyone -with a special focus on offering employment opportunities for the most vulnerable ones, such as people with disabilities, with mental health problems, migrants, refugees- among other collectives; to provide quality social services, and to support the transition from the informal to the formal economy and the ecological transition towards renewable energies and a circular economy.

Moreover, social economy enterprises and organisations, with their principles of democratic governance and non-profit or limited profit distribution, are at the forefront when it comes to fair working conditions, employee's participation, mutualisation and cooperation as a reply to the rise of precarious work, false self-employment and the subsequent issues in terms of accessing social protection. For instance, the social economy, and particularly the cooperative movement, is currently offering interesting solutions and alternatives to the precariousness that characterises the gig economy.

Therefore, Social Economy Europe calls for:

- An ambitious implementation of the European Pillar of Social Rights and of the Sustainable Developments Goals.
- The inclusion of the social economy among the economic and social priorities of the European Semester, aiming to generate greater integration and coordination at European level of the policies to boost jobs creation through the social economy.
- An assessment of social economy's contribution to the SDGs as part of EUROSTAT's actions to monitor the progress towards the implementation of the SDGs.
- Mainstreaming the social economy in the new European Disability Strategy, which should pay attention and support social economy's potential to speed up the integration of people with disabilities at all levels of the society and of the economy.
- A substantial use of social economy-centred partnerships for the programming and implementation of the cohesion policy 2021-2027.

7. Boost social and technological innovation and inter-cooperation among social economy enterprises and organisations.

The emergence of new advanced technologies, such as artificial intelligence and robotics, blockchain, nanotechnology, biotechnology, micro and nanoelectronics, advanced materials, “green technologies”, medical technologies or photonics, represent an enormous opportunity for the development of the European Union and of social economy enterprises and organisations.

The European Union must favour the penetration of advanced technologies into the diversity of business forms operating in the single market, particularly into social economy companies and organisations, aiming to:

- Support their development and strengthen their competitiveness, internationalisation and presence in emerging sectors.
- To make visible the economic, social and environmental usefulness of new technologies, promoting their use as an instrument to achieve social objectives, in areas such as education, health and, in general, social services of general interest.
- Encourage the participation of citizens and workers in technological transformations, placing technology at the service of people and social progress.
- Strengthen the capacity of the social economy to offer innovative and effective solutions to new social, economic and environmental challenges.
- Promote fair and decent working conditions in response to new forms of precarious work.

In this sense, Social Economy Europe calls for the inclusion of the European Commission to include the social economy in partnerships that seek to promote the penetration of advanced technologies in Europe, such as the future **European Alliance for Artificial Intelligence**.

On the other hand, inter-cooperation and the creation of **social economy and social innovation clusters**, or the active participation of social economy enterprises in clusters formed by a diversity of company forms, is crucial for the growth of the social economy and for its participation in the design and development of strategic EU economic and social projects. The European Union, within the scope of its policy for internal market, industry, entrepreneurship and SMEs, should support these strategic alliances with active participation of the social economy to promote local development, innovation and competitiveness. In this sense, the French example of the **“territorial poles of economic cooperation”** (PTCE), with a broad participation of social economy enterprises, could be replicated in other Member States.

8. Improve the visibility of the Social Economy.

In the current context at which the European Union is strongly committed to implementing the United Nations' 2030 Agenda for Sustainable Development, it is important to underline that the social economy is a key actor for the achievement of the Sustainable Development Goals. Social economy enterprises and organisations foster gender equality and equal opportunities for all by ensuring decent working conditions and creating quality jobs (with a special focus on the social and work integration of individuals in a situation of vulnerability); as well as by ensuring a universal access to social protection and to high quality social services, such as healthcare and education. Likewise, social economy enterprises and organisations are at the forefront in boosting sustainable agriculture and rural development; responsible consumption, the circular economy and the transition towards renewable energies and energy democracy, contributing to a more socially and environmentally sustainable economy. All these elements are at the core of the 2030 Agenda.

In order to unlock the full potential of the social economy for the EU sustainable growth, it is essential to ensure that EU citizens know the diversity of enterprise and entrepreneurship models in Europe, to be aware of the plurality of options available when consuming or starting an entrepreneurial project.

SEE calls on the EU Institutions to:

- **Develop satellite accounts for the social economy** at EU and Member State level in line with Eurostat's current efforts, in order to document the effective contribution of the social economy to the major macro-economic aggregates and its social impact.
- Support the evaluation of the social impact of social economy enterprises and organisations, taking into account their specificities and the existing tools, such as the results of the VISES' Interreg project, that gathers 21 social economy actors from Belgium and France.
- Promote the **inclusion of the social economy in the curricula of all levels of education and training**, to promote the entrepreneurship of young people and of all citizens through the social economy.
- Celebrate annually, on a permanent basis, the **European Day of Social Economy enterprises**. The impact of this event, that the EESC organises since 2016, could be reinforced by involving the European Commission and the representative organizations of the social economy in its organisation.
- Consolidate the European Commission's programme "**European Social Economy Regions**" whose main objective is to increase knowledge about the social economy at the regional and local level.

9. Foster the role of the Social Economy in the external action of the European Union.

SEE calls on the European Union, as a global leader on social economy, to mainstream these sustainable business models in its external action, as a driver to achieve the SGs, by:

- Supporting the adoption of a **United Nations resolution on the promotion of the Social Economy**, able to inspire citizens and public administrations to foster social economy entrepreneurship.
- Including the promotion of the social economy among the priorities of the **EU External Investment Plan** the new **Neighbourhood, Development and International Cooperation Instrument (NDICI)**.
- **Fostering the development of the social economy in third countries**, due to the potential of these enterprises in terms of boosting sustainable economic and social progress.
- **Supporting third countries aiming to elaborate social economy legal and policy frameworks** and disseminate good practices on how the diversity of business models contributes to economic stability and to enhance fair competitiveness.
- **Encouraging** third countries' governments to **include the social economy in their national strategies to achieve the Agenda 2030** as a key driver to achieve most of the Sustainable Development Goals.
- **Promoting the inclusion of the social economy in the agenda of the international fora, such as the G20.**

10. Promote socially responsible public procurement.

Public procurement represents 14% of EU GDP and has an enormous in terms of promoting, through procurement, strategic objectives of general interest such as green transition, social inclusion, accessibility, gender equality or quality employment. It also represents an opportunity for the growth of the social economy in the European Union, currently under-represented in its access to public procurement.

In this sense, the new generation of directives -approved in 2014- incorporate a series of tools, such as social and environmental considerations, division into lots or reserved contracts, that facilitate the access of the social economy enterprises and organisations to these procedures. However, there is still a long way to go in terms of knowledge and use of these legal instruments by all public administrations.

In line with the current efforts of the European Commission, **Social Economy Europe calls for the further development of socially responsible public procurement in the European Union**, through:

- The update, in collaboration with social economy representative organisations, of the Commission's guide "Buying Social: a Guide to Taking Account of Social Considerations in Public Procurement", published in 2010.
- The continued organisation of events and training sessions addressed to all public administrations on socially responsible public procurement.
- A permanent exchange of good practices between administrations and public procurement authorities.
- Public-private partnerships, with the participation of the social economy, to offer innovative responses to emerging economic and social challenges.
- The inclusion of social and environmental clauses in the own public procurement of the European Union Institutions.

Special acknowledgement to our members:



AEIP: European Association of Paritarian Institutions

www.aeip.net



AIM: International Association of Mutuals

www.aim-mutual.org



AMICE: Association of Mutual Insurers and Insurance Cooperatives in Europe

www.amice-eu.org



CASES: Cooperativa António Sérgio para a Economia Social

www.cases.pt



CECOP-CICOPA Europe: European Confederation of industrial and service cooperatives

www.cecop.coop



CEPES: Confederación Empresarial Española de la Economía Social

www.cep.es



CONCERTES: Plate-forme de concertation des organisations représentatives de l'économie sociale (Belgium)

<http://www.concertes.be>



EFC: European Foundation Centre

www.efc.be



ENSIE: European Network of Social Integration Enterprises

www.ensie.org



ESS-France: Chambre Française de l'Économie Sociale et Solidaire

www.ess-france.org



FEBEA: European Federation of Ethical and Alternative Banks and Financiers

www.febea.org



FTS: Forum Nazionale Terzo Settore (Italy)

www.forumterzosettore.it



REVES: European Network of Cities and Regions for the Social Economy

www.revesnetwork.eu



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