

# **Social Economy, a driver of economic and social progress in Europe**

**SEE Memorandum for the  
European elections 2024**

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## About Social Economy Europe

Social Economy Europe (SEE) is the voice of the 2.8 million social economy enterprises and organisations Europe. Created in November 2000, under the name of CEP-CMAF<sup>1</sup>, SEE represents the collective interests of all social economy actors as cooperatives, mutuals, associations, foundations, social enterprises, and other social economy legal forms. Social economy enterprises and organisations of all sizes operate in all socio-economic sectors.

SEE is formed by three types of members:

- ❖ European umbrella organisations of cooperatives, mutuals, associations, and foundations, such as AIM, AMICE, CEDAG, and Philea.
- ❖ National Social Economy umbrella organisations, representing the diversity of social economy actors such as ADV Romania, CASES, CEPES, ConcertES, ESS-France, Forum Terzo Settore, Alleanza delle Cooperative Italiane, PASE KALO, Szowes, Social Economy Ukraine and the Wheel.
- ❖ European networks actively engaged in the promotion of the social economy as CECOP, DIESIS, ENSIE, EMN, Eurodiaconia, FEBEA, IPSE, Teachsoup Europe and REVES.

In 2023, SEE had 24 members:



<sup>1</sup> European Standing Conference of Cooperatives, Mutuals, Associations and Foundations

# Social Economy, a model for the present and future of Europe

Every day, **nearly 3 million social economy enterprises and organizations in Europe employ more than 14 million people and account for 8% of the EU's GDP<sup>2</sup>**, providing concrete and innovative solutions to the main challenges we face.

More specifically the **social economy enterprises and organizations** present in all sectors of activities do the following:

- ❖ Create and maintain quality jobs.
- ❖ Contribute to social inclusion and the integration of people with support needs into the labor market.
- ❖ Contribute to gender equality and foster diversity and inclusion of people with disabilities.
- ❖ Drive sustainable economic and industrial development.
- ❖ Play an important role in European social protection systems.
- ❖ Revitalize rural and depopulated areas of Europe.
- ❖ Contribute to fair, green and digital transitions by supplying sustainable goods and services and reducing the digital divide.
- ❖ Contribute to social and territorial cohesion, fostering a sense of community and helping address key social challenges such as environmental issues, food sovereignty and accessible and quality healthcare.
- ❖ Play an important role in strengthening democracy in economy and society at large.
- ❖ Contribute to provide access to finance at local level even in remote and less populated areas of Europe.

The European Union and the rest of the world are experiencing disruptive technological, social and economic changes. The emergence and progress of

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<sup>2</sup> In some EU countries such as Spain, France and Italy this figure reaches 10%

digitalisation, blockchain and big data bring new opportunities but also new challenges. Other trends such as the global rise of inequalities and job insecurity, the environmental challenges, ageing demographics of the EU, the lasting impact of the covid-19 crisis as well as of the new geopolitical situation with war in Ukraine and in the Middle East are trends rapidly changing our world. This situation urges us to rethink the way we produce and consume and calls for a debate about the future that European citizens want to build. The social economy has proved to be a solution to collectively build answers to the challenging trends and disruptive scenarios Europe is facing.

Here are a few examples of how Social Economy (SE) brings solutions to some crucial EU challenges<sup>3</sup> :

- ❖ **DIGITAL TRANSITION:** SE participates in **digital literacy** and **upskilling**, development of **digital tools** and **services** that are alternative to the GAFAM, that support green transition, civic participation, digital commons and social innovation. Furthermore, it is an ecosystem that is shaping and participating in a democratic digital world where citizens are sovereign over the use of their data.
- ❖ **GREEN TRANSITION:** SE is an **innovator** and plays a crucial role in the green transition by fostering **sustainable practices**, promoting social and environmental responsibility, **raising awareness** and **addressing economic inequalities**. It develops **eco-friendly Products** and **Services** in fields such as renewable energy technologies, sustainable agriculture practices, urban farming, waste resource efficiency (reducing waste, recycling programs, upcycling projects, and promoting the reuse of products), responsible supply chain practices, sustainable water management, disaster preparedness, development of climate-resilient infrastructure and other green industries. Through community engagement and educational programs, they can empower individuals and communities to make informed choices that contribute to the green transition.
- ❖ **HOUSING:** **Community Land Trust** is a model of a nonprofit corporation that holds land on behalf of a place-based community, while serving as the long-term steward for affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community. CLTs balance the needs of individuals who want security of tenure in occupying and using land and housing, with the needs of the surrounding community, striving to secure a variety of social purposes such as maintaining the affordability of local housing, preventing the displacement of vulnerable residents, and promoting economic and racial inclusion<sup>4</sup>.
- ❖ **ENERGY:** **energy community cooperatives** and **Renewable Energy Communities** promote decentralized energy production, independent of large

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<sup>3</sup> [https://commission.europa.eu/strategy-and-policy/strategic-planning/strategic-foresight/2023-strategic-foresight-report\\_en](https://commission.europa.eu/strategy-and-policy/strategic-planning/strategic-foresight/2023-strategic-foresight-report_en)

<sup>4</sup> [https://en.wikipedia.org/wiki/Community\\_land\\_trust](https://en.wikipedia.org/wiki/Community_land_trust) , see also <https://www.clteurope.org/>

corporations. Usually, they are citizen driven initiatives organised at municipal and regional level, and in some cases with the participation of local authorities. They offer citizens and the community the opportunity to contribute to the energy transition. What's more, they offer opportunities to invest their money in local or even regional projects<sup>5</sup>. Such model can combat profit-greed inflation the EU has experiences recently and participate to the acceleration of the EU green transition.

- ❖ **POVERTY:** many social economy organizations provide **social services** to the community, including extreme (and growing) situations like homelessness (through shelter and front line services), extreme poverty (through food aid), and also provides **employment opportunities** to those furthest from the labour market, promoting inclusive growth, and advocating for policies that address the structural causes of poverty.
- ❖ **SUSTAINABLE FOOD:** these are systems that ensure food security and nutrition for present and future generations while minimizing environmental and social impacts. SE is a strong player in the field that participates to this system through **Local Food Production** (such as community-supported agriculture, short supply chain, cooperatives, and community gardens), reducing **Food Waste** (through food banks and food rescue organizations), **Sustainable Agriculture Practices** (through organic farming, crop rotation, and agroforestry, which reduce the negative impacts of agriculture on ecosystems). Broadly social economy enterprises and organizations can support the concept of food sovereignty, which emphasizes community control over food systems. By giving communities a say in food production and distribution decisions, the social economy can help ensure that food systems are more equitable and sustainable.
- ❖ **DEMOGRAPHIC TRANSITION :** SE plays a crucial role in the provision of care services (by providing **accessible healthcare, home care services** and community care to the elderly), or housing solutions (**affordable and age-friendly housing options** that provide older individuals with housing stability and a sense of community), **community-based transportation** services that address the specific needs of elderly population, as well as **social inclusion activities** (thus combatting isolation) through the organization of community development, as well as mentoring or volunteering activities that support elderly's mental, physical and emotional health.
- ❖ **RE-INDUSTRIALIZATION:** SE promotes inclusive, sustainable, and community-driven economic growth through quality **job creation** (especially, but not only, through the inclusion of marginalized groups in the labor market), job and skills retention, providing answers to specific industrial crisis and lack of generational enterprise continuity (through business transfers/workers' buyouts of industries that would not be considered profitable enough to operate for

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<sup>5</sup> [https://fr.wikipedia.org/wiki/Coop%C3%A9rative\\_citoyenne\\_d%27%C3%A9nergie](https://fr.wikipedia.org/wiki/Coop%C3%A9rative_citoyenne_d%27%C3%A9nergie) , see also <https://www.rescoop.eu/>

capitalistic actors) **Local Development** (by revitalizing local production and manufacturing activities in struggling regions), **Innovation and Sustainability** (by focusing on sustainable and innovative production methods that are greener and fairer, for example platform coops use digital tools to answer local needs in an environmentally friendly way), **Collaboration with different stakeholders** (governments, conventional enterprises, and civil society organizations) to answer local needs and through pooling of resources, and last but not least through **Ethical Production** (through ethical production standards and social purpose driven enterprises).

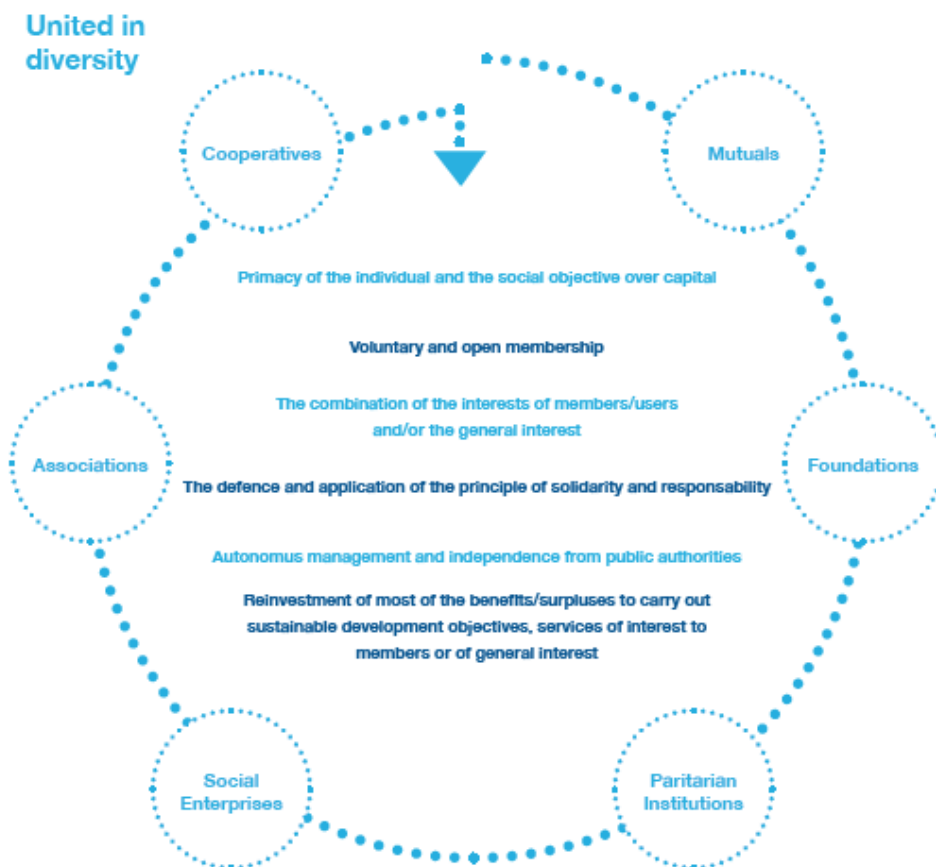
- ❖ **SUPPORTING REAL ECONOMY AND LOCAL COMMUNITIES:** Cooperative banks are key actors in the European society. They provide access to finance at **local level** even in **remote and less populated areas** where other financial institutions are no more present. Members/customers, especially households and SME's, might find a long-term relationship of trust and have the opportunity of being involved in governance strategy. Cooperative banks are **strongly rooted in their communities** and are engaged in the local development providing specific supporting schemes as **microfinance**.
- ❖ **DEMOCRACY AND CIVIC ENGAGEMENT:** one the founding principles of the SE is its democratic and participatory governance which is a way of promoting democratic practices beyond the political sphere and spread them widely across society. SE promotes **economic participation** by giving individuals and communities a stake in the **ownership** and **decision-making processes**. For example, worker cooperatives and employee-owned enterprises bring democracy at the workplace meaning that the power is in the hands of the workers who decide jointly on the major guidelines of their enterprises and appoint their leaders. At local level, many social economy organizations are rooted in local communities and operate with a strong focus on local needs and priorities, thus promoting **involvement in local governance** and decision-making processes. The citizens' participation is very important within the social economy as the social economy organizations encourage **civic engagement** and **social activism** and participate to social innovation and experimentation of democratic practices, providing alternative perspectives and solutions to societal problems. This diversity of thought and action contributes to the pluralism that is essential to a vibrant democracy. Social economy entities frequently engage in **educational activities** and **awareness campaigns** on important social and political issues. They can help inform and mobilize citizens, promoting informed decision-making.

The European Parliament elections of 2024 constitute an opportunity for citizens to outline 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.

Social economy is a unique opportunity for the EU to reach out to its citizens, detect their real needs and make them actors of the solutions to several challenges, such as unemployment or precarious work, discrimination, inclusion of people with disabilities and other disadvantaged groups into society and the labour market, climate change, energy crisis, access to health and healthy food, affordable housing, or the lack of social and territorial cohesion.

Likewise, the social economy needs the European Union to improve its visibility and to foster the flourishing of its ecosystem across the EU. In fact, to support the development of sustainable solutions for society, the development of SE -on equal footing with other forms of enterprise, needs a level playing field throughout the European Single Market.

Social economy refers to a diversity of not-for-profit enterprises and organisations, such as cooperatives, mutuals, associations, foundations and social enterprises, that are united by common values and characteristics:



Enterprises and organisations of all sizes, ranging from SMEs to large companies and organisations, that operate in all the economic sectors, such as industry, education, services (healthcare, social services of general interest, tourism, transport,



professional services, culture and leisure etc), agri-food, banking, insurance, renewable energies, re-use and recycling, retail, housing, building, 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.

## Milestones for Social Economy in the 2019-2024 EU mandate

The **social economy is at a historic moment not only at European level but also at global level**. This global recognition of the key role of the social economy to address the current socioeconomic challenges is evidenced by the resolutions adopted by UN and ILO and the Recommendation approved by the OECD.

At European level, the 2019-2024 European Commission and European Parliament mandate was very fruitful in terms of policy development on social economy resulting in the achievement of the following main milestones:

- December 2019: The European Commission announces a European Action Plan for the Social Economy
- January 2020: Re-establishment of the European Parliament's Social Economy Intergroup
- March 2020: The European Commission releases the [SME](#) and [Industrial strategies](#) and [Circular Economy Action Plan](#)

March 2021: Portuguese Presidency of the EU Council: European conference on social economy and adoption of the [Cascais Declaration on Social Economy](#)

- April 2021: The Economic and Social Committee (EESC) approves its opinion on [The role of social economy in the creation of jobs and in the implementation of the European Pillar of Social Rights](#)
- May 2021: European Social Economy Summit and adoption of the [Mannheim Declaration on Social Economy](#)

- May 2021: Adoption of the [Porto Declaration on Social Affairs](#)
- October 2021: Slovenian Presidency of the EU Council: European conference on social economy and 1<sup>st</sup> Edition of the European Social Economy Awards.
- December 2021: Launching of the [\*\*Social Economy Action Plan \(SEAP\)\*\*](#)
- February 2022: The European Parliament approves a legislative initiative: [Report on a Statute for European cross-border associations and NPOs](#)
- May 2022: French Presidency of the EU Council: European conference on social economy “The Social Economy, the future of Europe” and adoption of the Strasbourg declaration on Social Economy
- May 2022: The Economic and Social Committee (EESC) publishes an [\*\*Opinion on the Social Economy Action Plan\*\*](#)
- November 2022: The European Commission launches the [\*\*“Transition Pathway for Proximity and Social Economy”\*\*](#)
- February 2023: The European Committee of the Regions (CoR) adopts the opinion [\*\*“Creating an enabling environment for the social economy – the local and regional perspective”\*\*](#)
- March 2023: Launching of the [\*\*Youth Entrepreneurship Policy Academy\*\*](#)
- June 2023: The [\*\*Social Economy Gateway\*\*](#) is launched by the European Commission
- June 2023: The European Commission publishes a proposal for a [\*\*“Council Recommendation on developing social economy framework conditions”\*\*](#)
- June 2023: European conference on social economy organised during the European conference on social economy in the period of the Swedish Presidency
- September 2023: Adoption by the European Commission of a [\*\*Proposal for a Directive of the European Parliament and of the council on European cross-border associations\*\*](#)
- September 2023: EESC [\*\*“Opinion on the Social Economy Package”\*\*](#)

- November 2023: Spanish Presidency of the EU Council: European conference on social economy: “Social Economy: People, Planet, Action”, 2<sup>nd</sup> Edition of the European Social Economy Awards and adoption of the [San Sebastian Manifesto on Social Economy](#).
- November 2023: Approval by the European Council of the “*Council Recommendation on developing social economy framework conditions*”
- February 2024: Belgian presidency of the EU Council: European Conference on social economy and adoption of the Liège Declaration on Social Economy.

## SEE proposals for the European Parliament Elections 2024

The launching of the Social Economy Action Plan by the European Commission in 2021 has been an important milestone that acts as roadmap to promote, enable and consolidate this essential ecosystem within the EU. Many actions have been laid on paper to mainstream social economy in various European policies such as the Council Recommendation on developing social economy framework conditions, in which Social Economy Europe will play a key role to monitor its adoption by the Member States, or the Transition Pathway for the proximity and social economy ecosystem, linking the Action Plan with the renewed European industrial policy, recognizing the contribution of the social economy to a fair, inclusive, digital, and green transformation.

Beyond the EU, the key role of social economy to address numerous global challenges is being recognized at international level with the following milestones: the adoption by the ILO of a [Resolution on decent work and the social economy](#), the approval of a [Recommendation on the social and solidarity economy and social innovation](#) by the OECD and, for its first time, the approval by the UN General Assembly of the resolution “[Promoting the social and solidarity economy for sustainable development](#)”, which provides a definition of the social economy that is identical to the one included in the European Social Economy Action Plan.

Undoubtedly, the social economy is experiencing a historic momentum due to its capacity to address a sustainable development based on the social inclusion and the territorial cohesion completely aligned with the green and fair objectives of the European Union and the SDGs promoted by the UN.

The European Elections of 2024 are the perfect opportunity to boost these political objectives and build upon the milestones and goals achieved in the recent years. In this regard, Social Economy Europe is committed to supporting the flourishing of social economy all over Europe, and encourages the EU institutions to continue their efforts by taking onboard **three main proposals in the frame of the European elections 2024**:

- 1. Renewal of the European Parliament’s Social Economy Intergroup**
- 2. Appointment of a European Commissioner responsible for Social Economy**
- 3. Continue and further develop the implementation of the Social Economy Action Plan**

## 1. Renewal of the European Parliament's Social Economy Intergroup.

**Social Economy Europe strongly encourages the European Parliament to renew and maintain the Social Economy Intergroup**, 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 actors. Social Economy Europe is the secretariat of the European Parliament's Social Economy Intergroup since its foundation.

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 representatives, Member States and other relevant stakeholders.
- ❖ Ensure that the European Parliament, the European Commission and the Council take into account the social economy and its actors whilst developing their policies.

The action of the Social Economy Intergroup and its members has been key for the development and approval of the Social Economy Action in 2021. **In order to keep social economy high on the political agenda and to make sure the SEAP is being properly implemented, it is crucial to ensure that the European Parliament's Social Economy Intergroup continues and maintains Social Economy Europe as secretariat of the Intergroup.**

In the 2019-2024 EU mandate, the Social Economy Intergroup (SEIG) -supported by 73 MEPs from 6 political groups- organised **12 public hearings**, attended by more than 1,200 people in total, on topics such as: "*Co-designing the Social Economy Action Plan*", "*Next Generation EU: Mobilising social economy's potential to build back better*", "*Social Economy's vision for a green and fair transition*", "*Social Economy and Roma inclusion in times of Covid-19*", "*Skills and digitalization*", "*The role of SEIG for an ambitious SEAP implementation*" or "*The Council Recommendation on developing social economy framework conditions*".

## 2. Appointment of a European Commissioner responsible for Social Economy

**Social Economy Europe considers that the appointment of a European Commissioner committed to social economy is crucial to assure the continuity of the Social Economy Action Plan (SEAP) and the development of social economy broadly.**

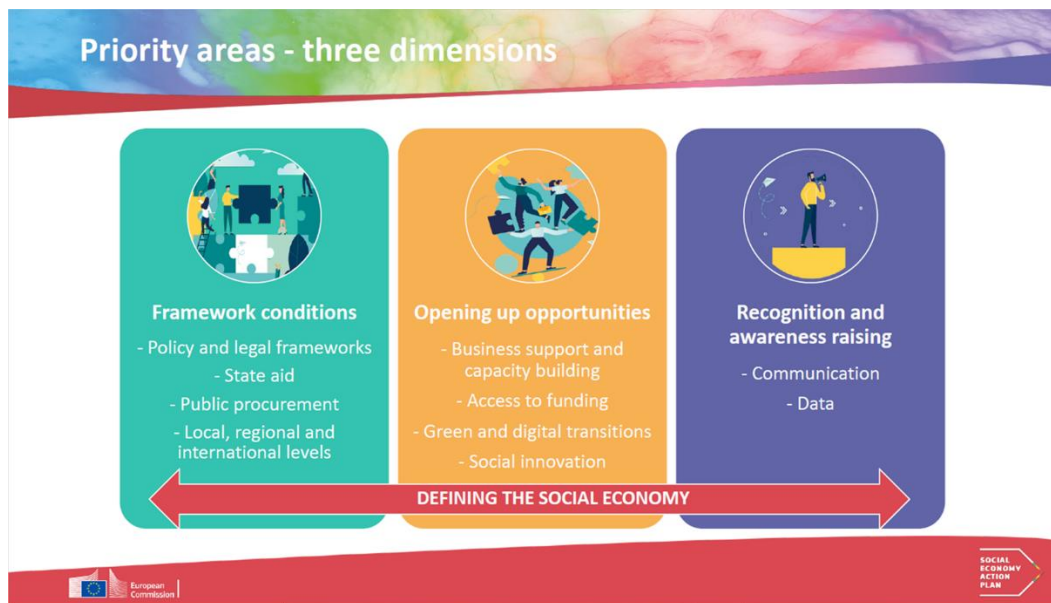
The current European Commissioner for Jobs and Social Rights, Nicolas Schmit, and his cabinet, have shown a huge commitment to social economy, most notably through the launching of the Social Economy Action Plan in 2021. The current European Commissioner for Internal Market, Thierry Breton, and his cabinet have also played a key role in the recognition of the social economy as one of the 14 ecosystems of the EU Industrial Policy. Although we consider that joint DG EMPL and DG GROW competence over social economy is crucial (as this is the case currently), SEE believes a designated commissioner committed to social economy is necessary to make sure the SEAP is implemented and remains high on the Commission's policy agenda, its implementation is properly monitored and coherently embedded with other relevant EU policies (sectorial, international cooperation, competition...), as social economy deploys in all sectors of activities, and to maintain social economy in the EU's political agenda in a cross-cutting manner.

**Such appointment would ensure the European Commission maintains and reinforces its commitment to social economy as a transversal subject involving all sectors and different DGs that coordinate actions regarding SE.**

As the successful implementation of the SEAP also requires the active support from Member States, this appointment would be reinforced by a dedicated cabinet to assist Member States in defining their strategies and measures for the social economy and support the work of social economy coordinators with a view to the implementation and follow-up on the Social Economy Action Plan as well as to continue and reinforce the permanent dialogue between the European Commission and the rest of EU institutions: European Parliament, the Committee of the Regions and the European Economic and Social Committee, and the European Investment Bank Group. It is also essential to maintain a key dialogue with SE actors' expertise through the continuation of the GECES.

### 3. Continue and further develop the implementation of the Social Economy Action Plan

The Social Economy Action Plan, launched in 2021, is an ambitious roadmap for the development of social economy until 2030 with 3 priority areas:



SEE and its members are actors that can and will support the implementation of the SEAP in many different ways. To achieve the implementation of the Social Economy Action Plan and pursue the established objectives it is necessary to carry out the following actions and to monitor them continuously:

- a. **Incorporate the Social Economy transversally in all EU industrial, economic and social policies.**

The social economy must be present and taken into consideration in all the EU industrial, economic and social policies to **strengthen the visibility of its contribution to a more inclusive, participatory, sustainable and competitive Europe.**

To do so, it is necessary to **ensure that the social economy is part of all sectorial policy development through the participation of social economy representatives in the policy making process.**

The social economy has a **key role in the provision of social services and social inclusion**, being also a crucial player in fundamental sectors such as health and care, and education. This key role must be recalled in the European social policies and in the development of the **European Pillar of Social Rights**.

Furthermore, the social economy can be a strong vector to satisfy the need for a sustainable re-industrialisation of the European economy. Social economy industrial producers, given their strong link to their communities and their not-for-profit nature, are perfect actors to foster a local industrial economy that will not delocalise the moment it becomes more profitable to do so.

SEE will participate in such efforts by supporting the coordination of SE actors at EU level, by being present in key working groups and events linked to EU socio-economic development (such as in the industrial agenda for proximity & SE ecosystem, SME, GECES...).

**b. Support and encourage Member States to develop enabling frameworks and other actions pinned in the Recommendation to the Council of the European Union on Developing Social Economy Framework Conditions.**

The proposal for a **Council Recommendation on Developing Social Economy Framework Conditions**, published by the European Commission on 13<sup>th</sup> June 2023, aims at promoting enabling policy and regulatory frameworks for the social economy and/or measures that facilitate its development. SEE supports and **encourages Member States to implement an ambitious version of the Council Recommendation** to take adapted measures in the main points developed in the Recommendation:

- Access to the labour market
- Social Inclusion
- Skills
- Social innovation, sustainable economic development and territorial cohesion
- Access to public and private funding
- Access to markets and public procurement
- State aid
- Taxation
- Social impact measurement and management
- Visibility and recognition

Social Economy organisations need an enabling and supportive legal framework to unleash their full potential and we endorse the call to Member States in this regard.



A swift adoption of the current European Cross-border Association (ECBA) proposal is needed as is the consideration of a similar legal instrument for foundations/philanthropic organisations.

National policy makers enable philanthropic foundations and organisations to do impact investing on the programme or endowment side to trigger more support for the wider social economy and start ups. The EU and national policy makers should develop new financial instruments that would enable philanthropic organisations to invest their endowments into products that are linked to their mission and acceptable in terms of financial risks.

This Council Recommendation is linked to the implementation of the **European Pillar of Social Rights** as it recognizes the key role of social economy in reaching its targets: *“By leveraging its strengths, such as creating quality jobs, fostering social and labour-market inclusion, and promoting sustainable development, the social economy has the potential to help achieve the European Pillar of Social Rights and its core principles of equal opportunities and access to the labour market, fair working conditions, and social protection and inclusion”*<sup>6</sup>.

In its [analysis of the recommendation](#), SEE stresses the important contribution of social economy to a fair and sustainable economic development (see previous point), as well as to a diverse economy. At the same time, SEE stresses the importance of the monitoring of the Member States measures, also with the involvement of local/regional authorities and social economy actors, put in action following the Council Recommendation.

SEE will closely monitor the implementation of the Council Recommendation on developing social economy framework conditions, and together with its members, whenever there are national umbrella organization, it will help these to monitor and co-design the implementation of the recommendations through exchange of best practices. SEE will also try to mobilize the Luxemburg monitoring committee to ensure that a good percentage of the Council actively deploys enabling legal frameworks and policies. SEE will also support the development of SE representative organizations wherever it is needed.

### **c. Endorse Social Economy with adapted financial support.**

One of the objectives of the Social Economy Action Plan is to improve the access to funding for social economy enterprises and organisations. Nevertheless, this objective cannot be achieved without a financial support adapted to the specific needs of the social economy enterprises and organisations. It has been demonstrated that there is a persisting mismatch between the demand and supply of repayable finance for social

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<sup>6</sup> European Commission (2023): Council Recommendation on developing social economy framework conditions. p.3.

economy enterprises and organizations in Europe, both in terms of access to debt and equity. It is therefore essential to **build a European-wide financial ecosystem for social economy enterprises and organizations.**

It is worth mentioning that the Social Economy Action Plan does not have any budgetary resources, so some of the objectives may not be achieved due to the lack of adequate support for its implementation. Therefore, it is urgent to provide the Action Plan with structural support in order to achieve the goals and objectives it aims at.

Furthermore, it is also important to **allocate and earmark European funds for the development of the social economy ecosystem across the European Union.**

In addition, and in order to achieve the objectives of the Social Economy Action Plan, it is important to **increase the accessibility of the social economy to future European Cohesion Funds.** Promotion of the social economy – beyond its role regarding employment creation - should be clearly stipulated in the specific objectives of the funds. Even though a number of opportunities for the social economy have been created in relation to European Cohesion Funds, much still has to be done to ensure the real access of the social economy to the latter at Member State level – for example when it comes to eligibility criteria chosen in the programmes, administrative procedures, capacity-building (in this case for public authorities) with regard to the application of state aid and public procurement-related rules and further improvement of the latter, or the better involvement of social economy actors in the programming and implementation of operational programmes at national and/or regional level.

Philanthropic organisations should operate in frameworks that enables them to support other social economy organisations and to co-grant and co-invest with public and other actors to work towards a society that works for people and the planet. The development of a dedicated co-investment facility for philanthropy under Invest EU as announced in the Social Economy Action Plan should be pursued.

SEE will encourage dialogue between its different constituents to make sure SE enterprises and organizations are well aware about financial opportunities proposed by SE financing actors (cooperative and ethical banks, foundations and other philanthropic organizations...) and other organizations.

**d. Improve and strengthen social economy skills and education at all levels.**

The social economy ecosystem, as the EU economy globally, needs to strengthen the skills of its workforce and members to resiliently embrace the opportunities and challenges brought by the green and digital transitions.

SEE is completely committed to promote the **upskilling and reskilling of the social economy enterprises and organisations** regarding this new scenario as it is the co-

coordinator of the Large Skills Partnership (LSP) of the proximity and social economy ecosystem.

The facilitation of training and skills in the social economy can be achieved by running learning exchanges between social economy entities, training organisations and mainstream companies. SE needs training tailored to its specific management and entrepreneurial approaches. Just like mainstream economy, it also needs to address:

- job-related skills needed for the digital and green transitions (including circular, repair, and digital skills).
- adapted life-long reskilling and upskilling modules, including for disadvantaged groups.
- the European approach to micro-credentials for lifelong learning and employability.
- inclusion of training on or provided by the social economy in the list of training eligible to be covered by the individual learning accounts, amongst other actions.
- the increase of the opportunities for collaboration between research and policymakers for social economy.

It is important to **involve all the educational system actors: schools, universities, business schools, VET providers, trainers of public servants... to raise awareness about what the social economy is and to include it in their curricula.**

**Important in this respect is also the mobilization of policymakers at local, regional and national level for appropriate policy frameworks and partnerships.**

Within this action it is especially relevant to foster social entrepreneurship skills by providing access to coaching and mentoring programs for social economy entities and (future) social entrepreneurs. In this regard, and to promote the entrepreneurship in social economy amongst young people, **SEE wants to promote the creation of Youth Entrepreneurship Academies at national and regional levels** around the European Union, taking into account that the promotion of the entrepreneurship needs actions made at local level, with the cooperation of public institutions (including the EU institutions) and actors of the social economy ecosystem.

#### **e. State Aid & Public Procurement**

The issue of access to public procurement is crucial because many SE enterprises provide goods or services of general interest. Up until now, elements such as the “lowest price criteria” or the lack of attention to social impact of suppliers naturally made it difficult to SE entities to win the bids for those competing, negatively affect the quality of the service or the wages. In the same line of idea, public market should provide “inclusive & proportionate criteria for SME” which are important for all SME, including

SE actors, and therefore crucial to strengthen the potential of locally rooted economic actors. The European Commission should further support capacity-building for public authorities which for different reasons are still reluctant to apply social procurement practices. Moreover, a permanent entity with legal status capable of supporting the participation of SMEs in public procurements could be developed as an active tool. These entities already exist at national level in several Member States.

As recognized by the OECD, *De minimis* rules strongly impact on SE organizations and enterprises providing services of general interest. Indeed, given the high inflation that has occurred in the last years, the increased need for social services and that the social goal of SE organizations and that the surpluses are mostly reinvested in the social activity itself, a threshold of up to 1 million euros should be provided to social enterprises pursuing general interest. In addition to this, the general *de minimis* should be also increased for the rest of the social economy enterprises and organizations.

#### f. **Develop adapted tax policies**

The issue of taxation is essential because it is a tool to address and encourage or on the contrary block certain economic practices. We call upon MS to ensure **corporate tax exemptions on profits retained by social economy entities** as these are necessarily reinvested to fulfil the social objectives of SE structures. Therefore such tax exemptions are simply a level playing field measure for SE organisations and enterprises acting in the market in competition with mainstream businesses.

In the case of cooperatives, mutual societies and generally all non-profit social economy organisations and enterprises, the specific **tax treatment of profits allocated to "indivisible reserves"** (which generally consists of the deduction of such profits from the income of the company) is a structural requirement of the tax system. SEE would like to stress that the provision of the option for Member States to introduce a rule for the deductibility of profits allocated to 'indivisible' assets does not expose the systems to any risk of avoidance.

National policy makers should set up tax incentives for individual and corporate donors when supporting social economy actors. In this context overcoming barriers to cross-border philanthropy and the call for a better implementation of the tax non-discrimination principle remain a key ask.

SEE can help identify best practices and support MS in the implementation of such fiscal policies.

**g. Improve measuring and evaluating methods regarding Social Economy's contribution to the socio-economic development of the EU**

The social economy makes a major contribution to the socio-economic development of the European Union. Nevertheless, the lack of data and statistics prevent the accurate measurement of the social and economic impact of the social economy. It is therefore fundamental to **improve the knowledge on social economy by raising awareness and promoting amongst the Member States the collection of comparable statistics and data** on social economy and the creation of social economy observatories and satellite accounts.

It is also crucial to **develop, in cooperation with the social economy, adapted indicators to measure** not only the **economic** but also the **social impact of social economy. Such an approach entails a** medium and long term approach to impact measurement, which is rarely compatible with a short term approach as requested in subsidised project timeframes. Furthermore, such impact measurement requires both quantitative and qualitative assessment.

SEE is involved on such a theme at global level with the "[Own the metrics campaign](#)" and ready to contribute to the topic with researchers and practitioners.

**h. Strengthen the role of the Social Economy in the EU's external agenda.**

The historical momentum that the social economy is living is happening at global level, not only at European level. It is therefore essential to reinforce the links between the European Institutions and third countries as well as with International Organizations such as UN, OECD, ILO...

The EU and third countries share common objectives, embedded in the 2030 Agenda for Sustainable Development. The social economy can help achieve these objectives both within and outside the EU. Therefore, the actions announced in the other sections of this Plan can also inspire support for the social economy in non-EU countries. For this reason, SEE advocates for the **social economy to be part of the EU's international cooperation agenda and reinforce the joint work with international organizations such as the United Nations Taskforce on Social and Solidarity Economy, of which Social Economy Europe is one of the observer members.**

To this scope, SEE is in dialogue with Social Economy stakeholders in Third countries. The EU could play a pivotal role in facilitating a long-term dialogue and co-development of the European Social Economy ecosystem with the existing and emerging actors/stakeholders of the Social Economy in Third Countries.

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