

**MINUTES: European Parliament Social Economy  
Intergroup public hearing on:**

## ***Towards a European Action Plan for the social economy***

**Wednesday the 28<sup>th</sup> September 2016, from 13:00 to 15:00  
European Parliament, Brussels**



On Wednesday the 28th September took place in Brussels, at the European Parliament, the **Social Economy Intergroup's** public hearing "**Towards a European Action Plan for the social economy**".

**Jens Nilsson** MEP (S&D, SE), Co-President, of the European Parliament's Social Economy Intergroup; explained that over the last months the Parliament, the Council, Member States, the EESC and the Committee of the Regions, as well as social economy representative organisations, have called for an ambitious EU policy for the social economy. He underlined that the adoption of the Council Conclusions on "[The promotion of the social economy as key driver of economic and social development in Europe](#)", in December 2015, was a turning point. Member States committed themselves and called on the European Commission to adopt concrete measures to actively promote and support the social economy and its enterprise models. Therefore, he encouraged social economy organisations at European, Member-State and local level, to spread and use these Council Conclusions to request public authorities to better acknowledge and promote the social economy.

Concerning the proposal of a European Action Plan for the social economy, Mr. Nilsson announced that the Co-Presidents and Vice-Presidents of the Social Economy Intergroup, decided to send a letter to Commission's President Jean-Claude Juncker,

requesting him to incorporate this important Action Plan into the Commission Work Programme for 2017.



**Ardalan Shekarabi**, Minister for Public Administration of Sweden, presented Sweden's government strategic use of public procurement as a way to promote social goals. Mr. Shekarabi explained that **contacting**

**authorities in Sweden procure for more than 60 billion euros**, which represents a fifth of the country's GDP. Given the scale of public procurement, not only in Sweden but also at EU-level, he emphasized that there is a great potential in public procurement to promote a socially sustainable society.

Minister Shekarabi presented the three major reforms pursued by the Swedish government in the public procurement area, that create a solid basis for a strategic use of public procurement.

First of all, Mr. Shekarabi mentioned the implementation of the European Directive on public procurement of 2014. He recognised that Sweden was not able to finish the transposition process on time. However, he announced that the government expects the new law -currently under the scrutiny of the Swedish Parliament- to come into force on the 1<sup>st</sup> of January 2017.

Secondly, he referred to the creation of the National Agency for Public Procurement, that plays a key role in the implementation of public procurement policies. Minister Shekarabi explained that the Agency has an overall responsibility for developing and supporting the procurement carried out by the contracting authorities, providing support on all aspects of public procurement, including environmental and sustainable procurement, and promoting an innovative public procurement.

Mr. Shekarabi stressed that, among other aspects, the Agency focuses its efforts on facilitating the participation of non-profit organisations, social economy enterprises and other forms of SMEs in public tenders, and promoting the inclusion social considerations in the procurement procedures. For instance, he explained that the agency is offering guidance on the possibilities to use contract performance conditions regarding the employment of long term unemployed or trainees.

Thirdly, Minister Shekarabi presented the recently launched National Procurement Strategy, that he defined as an important instrument to encourage contracting authorities to a more strategic use of public procurement. He stated that non-profit organisations and social economy enterprises, because of their highly positive economic and social impact, are key actors in contributing to social cohesion and to

more sustainable and inclusive societies. He explained that, this strategy emphasises, precisely, the importance to – within the legal framework – facilitate the participation of such enterprises and organisations in public procurement.

On the topic of the importance of **public-private partnerships to provide effective solutions to socio-economic needs and challenges**, Mr. Shekarabi explained that Sweden has special instrument -called IOPs- to foster partnerships between municipalities and non-profit organisations of which he gave several examples:

To conclude, Minister Shekarabi reported on the results of various national inquiries that coincide on the importance of public procurement to foster partnerships between the public sector and the social economy and stressed that the Swedish government will pursue its efforts to strengthen and promote the role of non-profit organizations and social economy enterprises in public procurement.



**Nadine Muller**, Responsible for the social and solidarity economy at the Ministry of Labour, Employment and Social and Solidarity Economy of Luxembourg, stressed that the Council Conclusions on social economy of December 2015 and Luxembourg declaration “[A roadmap towards a more comprehensive ecosystem for social economy enterprises](#)”, also adopted in December 2015 by 6 Member States (France, Italy, Luxembourg,

Slovak Republic, Slovenia and Spain), constitute an excellent basis to define an effective European Action Plan for the social economy.

Ms. Muller brought-up several elements strongly linked to the development and implementation of an effective Action Plan: the need of accurate data about the social economy and its effective contribution to the major macro-economic and social aggregates and, linked to this question, the need to have a common methodology ensuring comparable results between Member States; the need of sufficient human resources, both at EU and Member States level, to ensure the effective implementation of the Action Plan; and the need to have a clear political reference in charge of the social economy within the European Commission.

In addition, Ms. Muller explained that the group of Member States that signed Luxembourg’s declaration on social economy, alongside with other Member States, are working together to promote the further development of the social economy on a trans-national basis. She mentioned the project #ScaleMeUp, launched in Paris on the 17<sup>th</sup> June, as a concrete example of this cooperation between Member States. This programme will support 7 European projects based on trans-national cooperation



between a social economy enterprise and other forms enterprises, local authorities, universities and research centres etc.



**Michal Polák**, Advisor to the Minister of Finance of the Slovak Republic, explained that the social economy is not well developed in Slovakia, however the government and other local and regional public authorities, perceive the sector as an opportunity to tackle structural unemployment and to contribute to regional development. Mr. Polák stressed that the government is focusing its efforts

on creating a good environment for start-ups and a conducive eco-system for their development, for instance by funding social enterprises through the European Structural and Investment Funds, and by contributing to the creation of incubators and other support structures for the social economy.

Moreover, Mr. Polák announced that the Slovak Presidency conference on social economy, that will take place on 30<sup>th</sup> of November and the 1<sup>st</sup> of December 2016 in Bratislava, will focus on two main topics: the social economy as a driver of regional development and jobs creation and the development of national legal frameworks allowing the further development of the social economy in the different EU Member States.



**Slawomir Tokarski**, Director for Innovation and Advanced Manufacturing at the European Commission (DG Growth), directly addressed the proposal of a European Action Plan for the social economy by stressing that it is still an ongoing debate within the Commission. In any case, he emphasised that the social economy will remain high on the agenda of the Commission, particularly now that President Jean-Claude

Juncker ratified, in his State of the Union address, that solidarity is key to keep building the European Union. Social economy's ability to reconcile economic and social progress, its resilience, its attachment to the local communities which prevents delocalisations, and its capacity to bring innovative answers to social challenges, are also key factors justifying the EU's action in the social economy field.

Director Tokarski informed about the different initiatives carried out by the Commission to support social economy enterprises and organisations, such as the projects supporting business transfers to employees to ensure the sustainability of many enterprises -particularly SMEs- across Europe, or the analytical study on the cooperation between social economy enterprises and other forms of companies, also aiming to promote “social intrapreneurship” within “traditional” companies.

Mr. Tokarski, pointed out social innovation’ great potential to offer solutions to the main socio-economic challenges that Europe face. He acknowledged that interesting ideas all over Europe are having trouble to scale-up and to be replicated in different places. He announced that the Commission will put in place a **Social Innovation Platform in 2017**.

Concerning many social economy enterprises problems to access to finance, Director Tokarski, stressed that President’s Juncker proposal to **double the duration and the financial capacity of the European Fund for Strategic Investments** is good news for the social economy, as a significant part of the Fund will be deployed to finance investments with high social impact. In the same way, he emphasised that **Investment Plan for Africa and the Neighbourhood** could also contribute to the development of social economy enterprises, as leverage for socio-economic development, in these regions.

Director Tokarski stressed that public powers cannot solve the major socio-economic challenges alone, there is a need to develop partnerships, to cooperate and, in that context, the social economy can be a key player. He concluded by emphasising that the social economy should remain a priority for all Commission’s Directorates General.



**Juan Antonio Pedreño**, President of Social Economy Europe, stressed that he was very honoured to participate in this public hearing on a European Action Plan for the social economy, and thanked the European Parliament’s Social Economy Intergroup for providing regular opportunities for dialogue between the different European Institutions and the social economy sector.

Mr. Pedreño emphasised that the social economy is far more 2 million enterprises, employing over 14.5 million people in Europe; it is **another form of enterprise and organisation based on people**. He recalled that social economy enterprises and organisations offer to the overall society innovative solutions to the main social, economic and environmental challenges: from the need to create and maintain high-quality and decent jobs, to the social and labour-market integration of the most vulnerable, the provision of high-quality social services or the promotion of entrepreneurship. He explained that the main characteristics of the social economy are its capacity to create decent jobs and its potential to build a more sustainable and

inclusive economy, at the service of local development and based on the principles of solidarity and democracy. Therefore, he emphasised that the social economy should be a key ally of public authorities to develop partnerships.

SEE President stressed that the social economy **should be, and wants to be part of the positive agenda for the European Union** announced by Commission's President Jean-Claude Juncker during his State of the Union address. A positive agenda aiming at contributing to sustainable economic growth for all, to decent jobs creation, to reduce inequalities, to strengthen the solidarity between Europeans or to promote investments in productive and innovative projects. Because of the effective contribution of the social economy to these objectives, he requested to the European Commission to include an ambitious **European Action Plan for the social economy** in its Work Programme for 2017.

Mr. Pedreño explained that such an Action Plan shall contribute to boost the visibility of the social economy towards public authorities and the overall society, to document -through statistics- social economy's effective contribution to the major macro-economic and social aggregates; to make sure that EU legislation takes into account the diversity of business models and legal forms -particularly social economy enterprise models- in order to ensure a level playing for all the forms of enterprise; to find innovative ways enabling cross-border cooperation between social economy enterprises while respecting social economy's values and enterprise models; to give guidance to the growing number of Member States and public authorities interested in developing legal frameworks and policies to actively support the development of the social economy; or to improve social economy's access to finance. He stressed that this European Action Plan for the social economy should create the condition allowing the social economy to participate in the co-construction process of the main socio-economic and environmental policies of the European Union.

To conclude, SEE President explained that supporting the social economy is supporting an enterprise model that reconciles economic growth with social development, an enterprise model at the service of people with a highly positive social impact. Mr. Pedreño invited the different European Institutions to work together to promote and support the further development of the social economy in Europe.





**Ariane Rodert**, Vice-President of the EESC's Group III; recalled that the European Economic and Social Committee organised, on the 1<sup>st</sup> of July of this year, the **1<sup>st</sup> European Day of Social Economy Enterprises** at which the EESC called for a long term Action Plan for the social economy to be included in the Commission Work Programme for 2017. She announced that, given the success of this first edition, the EESC will organise a second edition in 2017.

Ms. Rodert emphasised the need to have sufficient human and material resources at European Commission level to effectively implement a hypothetical European Action Plan for the social economy. She explained that the action of the European Union institutions is very much needed to enhance the visibility of social economy enterprises and organisations, that are still insufficiently known by Europeans and by public authorities.

Ms. Rodert explained that EU policies should be both highly visible and sustainable, she stressed that a European Action Plan should connect different policy areas and ensure that the social is mainstreamed into the main socio-economic policies. For instance, she stressed that the social economy should be connected to very social innovation programme.

Ariane Rodert concluded by stressing that the outcomes and the impact of EU policies to support the social economy should be measured, as well as the social impact of social economy enterprises and organisations.



**Sven Giegold** MEP (GREENS/EFA, DE), Co-President of the European Parliament's Social Economy Intergroup, addressed the closing remarks of the hearing. He welcomed the more proactive and positive position of the European Commission towards the social economy, even if ambitious actions to support the social economy are still needed.

Mr. Giegold emphasised that the set-up of a high-level group of Member States on social economy is a great opportunity to support the development of the social economy in Europe. He asked if this high-level group has been joined by additional Member States, further to the six signatories of Luxembourg's declaration on social economy.

To conclude, Mr. Giegold stressed that the social economy has a wide support because of its contribution to a Europe that conciliates economic prosperity with a strong social dimension.

Before the end of the hearing four participants took the floor to make comments and questions:

**Bruno Roelants**, Secretary General of CECOP-CICOPA Europe, emphasised that it is of key importance to overcome the vision of the social economy as a provider of social services. He explained that many social economy enterprises and organisations are leaders in providing social services of general interest and in integrating in society and in the labour markets vulnerable groups. Nevertheless, the social economy goes far beyond. He stressed that the social economy is in all the economic sectors from the aerospace industry, to agriculture, retail or financial services. He recalled that many social economy enterprises are the result of business that have been transferred to or bought out by their employees and res-established under the form of social economy enterprises.

**Agnès Mathis**, Director of Cooperatives Europe, insisted on the importance of overcoming the vision of the social economy as a "niche" economy and stressed that social economy actors should be mainstreamed in the European enterprise and entrepreneurship policies. To conclude, Ms. Mathis, underlined the potential that the collaborative economy might represent for the development of social economy enterprises, particularly for cooperatives. In that sense, she informed the participants about the exploratory study "[Cooperative Platforms in a European Landscape](#)" recently carried out by Cooperatives Europe, in collaboration with LAMA Development and Cooperation Agency.

**Paulina Banas**, Policy Advisor at Eurocities, stressed the huge disparity between European cities when it comes to the social economy. She emphasised that in several EU cities the social economy has become "the new normal", however in many EU cities social economy entrepreneurship models remain underdeveloped.

**Patrizia Bussi**, Director of ENSIE, proposed to include a dimension on mutual learning between Member States in the hypothetical European Action Plan for the social economy, given the huge disparities in the development of the sector between Member States. To conclude, she called on all social economy stakeholders to work together and to cooperate to ensure the further development of the social economy in Europe.