

# Social Economy Organisations

## France Sustainable business model

Social Economy is better known in France as “**Social and Solidarity Economy**” (ESS in French, or SSE in English)

**Law of July 31st, 2014**  
SEE real legal definition

- ✓ principles implementation
- ✓ recognition and development of SE enterprises

**SEE is defined by the statutes of its structures:**



They defend the **primacy of people and the individual over capital** and are characterized by a **collective management** of these organizations. The Solidarity Economy brings together organizations whose **primary objective is social utility**



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# France

1

In the national list of SSE enterprises there are **151 SE organizations operating in the energy sub-sector**

Regarding employment, SSE enterprises counts for **2.6 million jobs (67% occupied by women)**

2

3

The **care sub-sector** is the main sub-sector of social economy in France since it represents **46,9% of the whole SE employment.**



According to the **Panorama of the national SSE observatory** (May 2022), the proportions are:

- ✓ **154 679** SSE enterprises and organizations
- ✓ **1.3 million** active associations (21 million volunteer participation)
- ✓ **23 880** cooperative employer establishments
- ✓ **7 392** mutualist employers
- ✓ **721** employing foundations
- ✓ **500** commercial SSE companies

# Social Economy Organisations

## Spain Sustainable business model

The **Council for the Promotion of the Social Economy** is the institution that gives visibility to the social economy entities

Law 5/2011



### Who forms part of the SE?

Fishermen's Guilds

Social Employment Centres

Mutualites

Cooperatives

Worker-owned societies

Insertion Companies

Foundations and Associations

### Who makes up the SE today in SPAIN?

53.2%

Associations & foundations

32.8%

Cooperatives

6.7%

Special employment centres (SEC) belonging to the SE

41.2%

Social services sector

31.7%

Arts and leisure activities sector

24.3%

Education sector



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# Spain



1

In other sectors, the presence is also notable: **agriculture (13%) and energy sector (10.1%)**. But, the presence is very low in **construction (1.5%)** and in **hotels and restaurants (1.2%)**.

Despite the complexity and legal-administrative difficulties for the **energy sector**, there are currently many active initiatives that could be considered **Energy Communities** in the terms proposed by the European Union

2

3

The **Law 5/2011 on the Social Economy**, represented an unprecedented turning point for the recognition, visibility and development of the Sector at a national and EU level.

SE is an economic reality with a significant weight in the Spanish business community:

- ✓ 6 out of every 100 organisations in the private sector of the Spanish economy belong to the SE
- ✓ The SE is more important in regions where the **business density is low**, like **Castilla y León** and **Extremadura** (7.9% and 8.8% respectively, of the total productive framework).
- ✓ In regions such as **Navarre** (7.7%) and **Basque Country** (7.6%) the development of the SE has been more deeply rooted for historical, cultural, and institutional reasons
- ✓ In others, such as the region of **Murcia** (8.2%), development has been more recent, but has reached very significant values at regional level.
- ✓ In the **Balearic Islands**, the **Canary Islands** and the **Community of Madrid**, the weight of the social economy in the regional economies is relatively small.



# Social Economy Organisations

## Ireland Sustainable business model

**Social Economy Organisations** in Ireland provide **human, social and community services** in all key areas.

### Non-profit sector:

**34,331 ORGANISATIONS**, including:

**19,410** Unincorporated entities

**10,225** Companies Limited by Guarantee (CLG)

Nonprofit organisations are to be found in every part of Ireland. However, nonprofit density is **higher** in areas with a **higher concentration of urbanisation**.

The greatest number of nonprofits are in:

- 1) local development and housing sector
- 2) recreation/sports
- 3) education/research

\*While the Social Services and Health sub-sectors are in receipt of the largest portion of Government funding in the social economy



# Ireland



**1** **Charities** have long provided essential services to the population, a **defining feature of Irish society** that continues until today.

Towards the latter half of the 20th century, the social economy in Ireland grew more diverse, with a proliferation of **independently governed community-based organisations, voluntary groups, charities and non-governmental development organisations.**

**2**

**3** There is no specific legal form for social enterprises under Irish law. Many social enterprises are **incorporated as companies** limited by guarantee, and are also registered as **charities.**

The dominant regulation in the sector comes under the **Charities Act 2009**, which established a **Charities Regulator**. The Regulator has since created an online public register of charities in Ireland. Charitable purposes in Ireland include:

- ✓ The prevention or relief of poverty or economic hardship;
- ✓ The advancement of education;
- ✓ The advancement of religion;
- ✓ Any other purpose that is of benefit to the community

The **care sub-sector** is a large part of the overall social economy in Ireland. 1 in every 3 people delivering public services in Ireland works in a **social economy organisation**

The **energy sub-sector** is a relatively new phenomenon, although there is a strong and developing **circular economy** within the wider social economy.





# Social Economy Organisations



## Romania Sustainable business model

**Social Economy Organisations** have a long history dating back to the **19th century** when the first cooperatives were founded

**2007** Begins the process of institutionalising the social economy

EU agenda on social economy and the EU funds for social economy strongly influenced the SE ecosystem



**2010** Process of creating a legislative framework for social enterprises

**2015** Approval of Law 219/2015 on Social Economy

Main entities that could be considered **social enterprises**

COOPERATIVES

ASSOCIATIONS

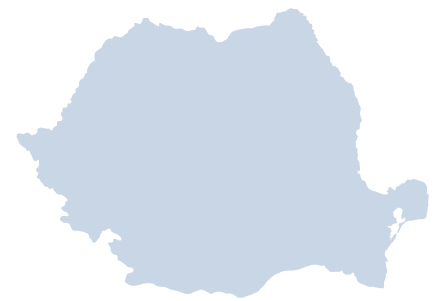
LIMITED LIABILITY COMPANIES

FOUNDATIONS

MUTUALS



# Romania



**1** A social enterprise is *any legal person governed by private law who carries out **activities in the field of social economy**, holds a **social enterprise certificate** and complies with the **principles of the social economy*** (defined by law 219/15)

The **legal framework** on the social economy also introduces the **social insertion enterprise** as a form of work integration social enterprise.

**2**

**3** The SE is mostly represented by **non-profit organisations** - associations, foundations and mutual aid associations (**95%**), which have a higher share both in **number of organisations** and as an **employer**.

SE contributes to the **twin transition** by providing sustainable goods and services. NGOs promoted the implementation of **social and green procurement** by public authorities and the business sector

**4**

SE recognition as a sector by public authorities is very low, but the **number of entities** and the **employment** in SE is growing arising in 2021 at around **130.000 entities** with around **102.00 employees**

The SE sector includes **2.000 cooperatives**, **5.200 mutuels**, **118.000 NGOs**, and **2.558 newly certified social enterprises**, out of which **163 are WISEs**





# Social Economy Organisations


## Poland Sustainable business model

The main document that defines the **SE legal framework** is the **Law of August 5, 2022 on Social Economy**

**2019** There were 90,000 SE entities in Poland:

- ✓ 1.4 thousand cooperatives, including:
  - ✓ social cooperatives (65.7%),
  - ✓ worker cooperatives (26.3%),
  - ✓ cooperatives of the disabled and blind (8.0%);
  
- ✓ 88,600 other entities, including:
  - ✓ associations (78.9%),
  - ✓ foundations (17.3%),
  - ✓ religious entities (2.0%),
  - ✓ economic self-government and agricultural circles (1.9%)

The National Social Economy Program indicated that in 2021 **SE** entities employed **206,400 workers**, accounting for about **1.3% of employment** in Poland's economy.





# Poland



1

According to the Polish Classification of Activities (2019), **cooperatives** most often conducted their main activity on **manufacturing (21.9%)**, followed by **administration services (17.6%)** and **accommodation and food services (12.5%)**

**Social economy** is understood as *the activity of social economy entities for the local community in terms of social and professional reintegration, establishment of jobs for people at risk of social exclusion and provision of social services, realized in the form of economic activity, public benefit activity and other paid activity*

2

3

Public statistics have not yet developed an **unambiguous and comparable methodology** for measuring the Social Economy sector's potential over time.

Economic activities were undertaken in 2020 by **8.8 thousand (9.2%) of registered non-profit organizations**.

- ✓ **Educational services** were most often provided (**16.9%**) - primarily in non-school forms, followed by activities related to **rental and management of real estate (14.8%) (5.9%)**.
- ✓ Main sources of income of social economy entities were primarily **of a market nature (41.9%)**, followed by **public funds (39.4%)**, **charity (12.8%)** and **membership fees (5.9%)**



# Social Economy Organisations

## Germany Sustainable business model

In **Germany** there is a wide variety of forms, organisational structures, philosophies and traditions

### Social enterprises are:

- ✓ organised in separate “families” with different goals, legal frameworks, research, education and training organisations etc.

### The legal framework is:

- ✓ dominated by the associations (e.V.), foundations, non-profit companies, and cooperatives





# Germany



1

With a new strategy, the German federal government will place cooperatives, social enterprises, non-profit organisations and all other actors in **social innovation** at the center of **political action**.

The number and significance of social economy organisations are increasing, and it is related to the **growing importance of responsible consumption, regional economy, CSR and business ethics**.

2

Out of **640.531 organisations**

3

- **95% are associations (e.V.)**
- **4% are foundation and non profit companies,**
- **1 % are cooperatives**

**Support associations** are growing strongly, there are currently **more than 130.000**, especially in the fields of **education and culture**.

4

*More than 75 % of the organisations rely exclusively on volunteer work*

**One in four** organisations is developing services for **migrants**. One in 10 organisations is involved in **refugee aid**.



# Social Economy Organisations

## Greece Sustainable business model

2016

*Social and Solidarity Economy and development of its actors and other provisions, Official Gazette A' 205/31-10-2016*

- ✓ Law establishing **Social and Solidarity Economy**
- ✓ Categorization of **Social Enterprises**:

social collectives of limited liability

social collective enterprises for inclusion and social benefit

collectives of employees

*via this law, any other non-single-person legal entity that respects **certain requirements** may be accredited to the title of Social and Solidarity Economy Actor and **must enroll to the General Record***



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# Greece



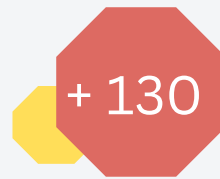
## 2,212 entities enrolled in the **General Record for Actors of Social and Solidarity Economy**

*Ministry of Labour and Social Affairs (2022, August)*



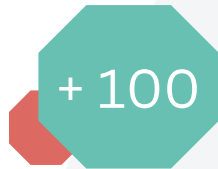
+ 160

**Education sector**



+ 130

**Culture sector**



+ 100

**Agriculture sector**

**1**

Social Enterprises Actors enrolled are found mainly in the **Attica region (39%)**, following with the **Central Macedonia region (12%)** and the rest are dispersed all over Greece (2022).

There were **911 Energy Communities registered in 2021**, but it is not certain they are also social economy actors, **as registration is not compulsory for them**

**2**

**3**

Compared to most European countries, **employment rates** in the social economy sectors in Greece are **very low** and **the potential for local development has not been exploited** to a large extent.





# Social Economy Organisations

## Slovenia Sustainable business model

### Who makes up the SE today?

Social Economy Organisations are present in forms of

Cooperatives

Social enterprises

Employment centers

NGOs

Companies for employment of persons with disabilities

Interest and activities around **social enterprises and other SEOs** have been growing, although their weight in the national economy remains modest.

SEOs all together represent

**3,2%** in the **whole national economy** in terms of **employment**,  
and **11,5%** in terms of **number of organizations**.

✓ The accession to the EU in 2004

✓ The EU's social enterprise promotion

*have stimulated the **arising of social enterprises and other SEOs and political support** in the country.*



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# Slovenia



1

Slovenia has a **long history of cooperative tradition**, although Social economy and Social entrepreneurship are young concepts.

SE sector **does not have a strong identity nor common standards or networks**, part of the support system comes from the **NGO tradition**, and part from **State or private entrepreneurship support schemes**.

2

3

EU funded pilot-projects launched in **2009 and 2012** to **support the development of social enterprises** (and the 2008 financial and economic crisis have been an important catalyst).

**267 social enterprises** of various legal organizational forms were registered **in the social enterprise registry in 2021**

4

## Social Entrepreneurship Act 2011 / 2018

*“SE is an economy that consists of social enterprises, cooperatives, companies for people with disabilities, employment centers and non-governmental organizations (societies, institutes, foundations) that are not established solely for the purpose of making a profit, but operate for the **benefit of their members, users or wider communities and produce commercial or non-commercial products and services**”*



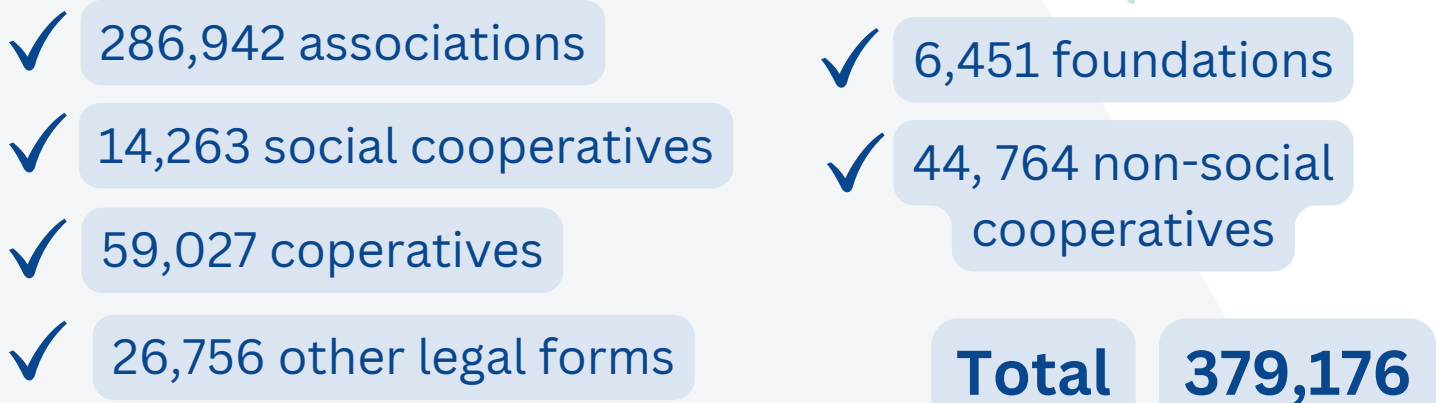


# Social Economy Organisations

## Italy Sustainable business model

**Social Economy** (SE) organisations in Italy have constantly grown in the last decade, although it has slowed down in the recent period.

In Italy, there are **379,176** active SEOs  
Overall, they employ more than **1,5 million people**.



### Social Economy is concentrated in the fields:





1

**SEOs operate in all the economic sectors.**

The **health and social assistance sector** is the most important from the **economic** point of view: they generate an added value of **€12.7 billion** (25.9% of the total).

2

The main concentration of SEOs is in **Northern Italy (47%)**, even if there was a great growth in the South in the last decade (31%).

3

In terms of **employment**, the most important sectors are:

- **Health and social work sector** - 445,000 employees (29.3%)
- **Business support service, rental and travel agencies** - 223,000 employees (14.6%)
- **Transport and storage** - 205,000 employees (13.6%)
- **Education** - 122,842 employees (8.1%)

The Italian care sector recognises the important role of SE organisations.

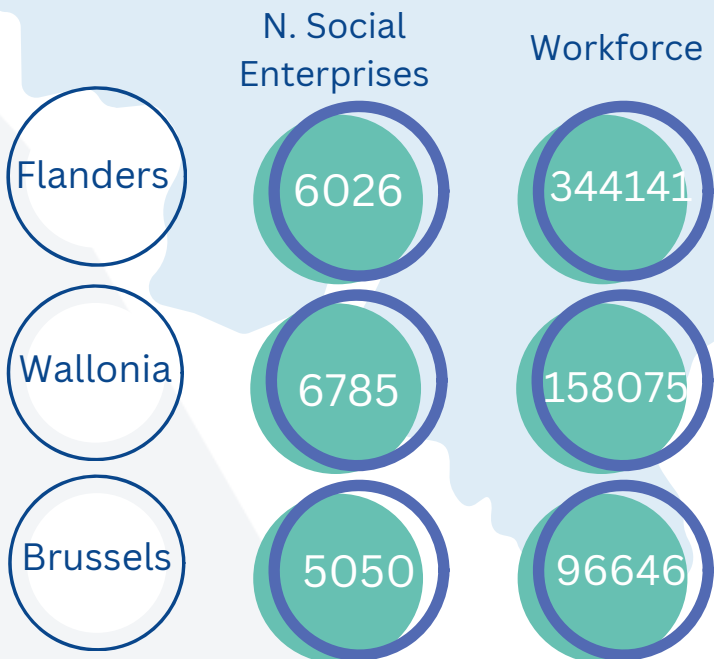
The Italian care system has a tripolar model, as it goes beyond the traditional public-private dualism and includes a **third pillar, represented by all those SEOs** (mainly associations, co-operatives and foundations) which participate in the **co-design of the welfare system**.

**SEOs play a main role in education, social care, health and inclusion.**

# Social Economy Organisations

## Belgium Sustainable business model

SE in **Belgium** accounts for **17.861 entities**, employing **598.862 salaried people**:



The main components of SE are:

FOUNDATIONS

COOPERATIVES

MUTUAL HEALTH FUNDS

ASSOCIATIONS

They respect and follow:

- ✓ *Autonomy of management*
- ✓ *Primacy of people and of work over capital*
- ✓ *Purpose of service to members and to the collectivity*
- ✓ *Democratic decision*



# Belgium



1

The most common juridical form used in SE are the **associations** (16285 that have paid employment)

Belgium is one of the fastest-growing countries in Europe in terms of renewable energy

2

SEOs are mostly active in production/distribution

3

**Social work and Arts, entertainment and recreation** are the main sectors for employment in the SE

Walloon government includes a Ministry that is competent for **Social Economy** (*Ministry of Employment, Formation, Health, Social Action and Social Economy, Equal Opportunities and Women Rights*)

4

## Over the last four years

While traditional economy has stagnated with +0.5% in the number of enterprises and -0.14% in the number of jobs,

**SEOs have grown 4,2%,  
generating 6,1% more jobs**



# Social Economy Organisations

## Europe Sustainable business model


### Social Economy Ecosystem (SE)

Europe accounts for **2.8 million entities**, employing **13.6 million people** (6.3% of EU's working population), mobilizing **82.8 million volunteers** and **232 million members** of cooperatives, mutuals, etc.

**SE is very heterogeneously developed in the EU**, representing **0.6% - 10%** of all jobs across MS and SEOs are active in all economic sectors. However, for most **baSE countries**, the **main sectors are social/health services, education, sport and artistic activities**.

### Social Economy Organisations (SEOs)

SEOs are primarily driven by social aims, prioritising them over the pursuit of profit maximisation. They focus on developing sustainable practices, goods, and services in a wide range of fields. This approach enables SEOs to avoid typical trade-offs between addressing social and environmental needs and economic performance.



**baSE** focuses on skills, knowledge, attitudes, and competences transversal to the whole ecosystem, adding a thorough analysis of two specific sub-areas: **Care and Energy**



# Europe

The distinctive assets of **SE models** make them a suitable avenue to help the EU attain its goal of becoming the **first climate-neutral continent by 2050 while leaving no one behind**:



1

**SEOs are present in all sectors:** renewable energy, local/organic food, low-carbon transport, care services, access to culture, and the list goes on

2

**SEOs are guided by their commitment to social or environmental objectives,** boosting creativity and innovations

3

**SEOs answer to social or environmental needs** unmet by mainstream businesses

4

The Social Economy Ecosystem is the second of the 14th Industrial Ecosystems to have a path towards transition: **“Pathway for the green and digital transition of the ‘proximity and social economy’ ecosystem”** Nov. 2022