

SOCIAL ECONOMY INTERGROUP PUBLIC HEARING

Minutes: “Integrating Social Economy into the EU policy programme”



The European Parliament's Social Economy Intergroup celebrated its first public hearing of this mandate at the European Economic and Social Committee on Wednesday 22 April, aiming to integrate social economy promotion in the EU policy programme for the upcoming years, starting with the Commission Working Programme for 2016 and the mid revision of Europe 2020.

In a context of weak economic growth and high unemployment and poverty levels, the Commission's 2015 Workplan overlooks the full potential of the social economy sector to create sustainable and inclusive growth and quality jobs in the European Union.

Through its Social Economy Intergroup, the European Parliament is playing a major role in promoting the further development of the European social economy enterprise model, a different model associating the general interest, economic performance and democratic performance.

This first hearing was an opportunity to have an exchange of views between the European Institutions (European Parliament, European Commission, the upcoming Luxembourg's

European Parliament's Social Economy Intergroup

Social Enterprises, Social Entrepreneurship, Third Sector contact@socialeconomy.eu.org

T. +32 2 225 44 90

Presidency of the Council of the EU and the European Economic and Social Committee), civil society and social partners representatives, and social economy experts, on how to concretely promote social economy from the European Institutions.

Miguel Angel Cabra de Luna, President of the Social Economy category of the European Economic and Social Committee, stressed the EESC's commitment to collaborate with the European Parliament's Social Economy Intergroup to further develop the social economy at the EU level and to integrate the social economy promotion among the European Commission priorities for the upcoming years. Moreover he asked the European Commission to follow-up the Social Business Initiative, launching a second phase of the Initiative, taking a holistic approach, developing an initiative for all the social economy enterprises.

The first roundtable "*A European Social Economy Policy: the point of view of EU Institutions*", moderated by **Jens Nilsson MEP** (S&D, SE) brought together **Marie-Christine Vergiat MEP** (GUE/NGL, FR), **Kristin Schreiber**, Director for Governance of the Single market at the European Commission (DG GROWTH, Internal Market, Entrepreneurship and SME's), **Nadine Muller**, social economy advisor at Luxembourg's Ministry of Labour, Employment and Social and Solidarity Economy, and **Ariane Rodert**, Vice-President of the Group 3 of the European Economic and Social Committee.

Jens Nilsson MEP, Co-President of the Social Economy Intergroup, presented the different speakers and stressed the lack of new EU initiatives on Social Economy. Nilsson welcomed **Minister Nicolas Schmit** (Luxembourg's Minister of Labour, employment and social and solidarity economy) important efforts to integrate the promotion of social economy among the EU priorities. Minister Schmit is travelling to different Member States to collect their support to further promote social economy in Europe.

Marie-Christine Vergiat MEP, Co-President of the Social Economy Intergroup, reminded the strong Intergroup's track record in promoting social economy in Europe. Since 1990, and particularly in the last years, the European Parliament has produced an important amount of political initiatives supporting social economy enterprises and their legal recognition (a legal recognition for all social economy enterprises such as mutuals, general interest foundations and general interest associations). This work has been supported and often initiated by the members of the Intergroup. Ms Vergiat mentioned, among other, **Patrizia Toia MEP** report on Social Economy (2009), and on the contributions of cooperatives to overcoming the crisis (2012), she also referred to **Heniz K. Becker** on the Social Business Initiative (2012). Vergiat complained about the "quasi-disappearance of the social economy in the Commission's 2015 Working Programme".

Kristin Schreiber, Director for Governance of the Single market at the European Commission (DG GROWTH, Internal Market, Entrepreneurship and SME's), underlined her personal commitment to contribute to the further development of the social economy enterprise model. She explained that the top priorities of the European Commission in relation to social economy are: the implementation of the social investment package, the promotion and financing of "social enterprises" through the European Social Fund (ESF), and the promotion of social innovation and social impact measurement.

Nadine Muller, advisor on social economy affairs at the Luxembourg's Ministry of Employment, Labour and Social and Solidarity Economy, announced that social economy will be an important topic of the upcoming Luxembourg's Presidency of the Council of the EU (that will start on the 1st of July). Along the same lines, Muller confirmed that Luxembourg's Presidency of the Council will organise an important conference on social economy, on the 3 and 4 December, with the social economy actors and the different European Institutions. The conference will particularly focus on the financing of social economy enterprises. Minister Schmit is currently travelling to different Members States to collect governments support to this initiative and –in a broader sense- to the strong promotion of the social economy enterprise model in Europe.

Arian Rodert, Vice-President of the group 3 of the European Economic and Social Committee, presented the important work of the Committee in the field of social economy, and particularly, the EESC's Social Enterprise project. She also emphasised the importance of ensuring a broader diffusion of the results of the project, particularly in central and eastern European countries, where social economy is less rooted in the economic and social landscape. She stressed that social economy enterprises need a particular legal ecosystem to develop their full potential. Rodert asked the European Commission to create a dedicated unit for social economy affairs.



The second roundtable aimed to express the point of view of civil society, social partners and organisations promoting the social economy enterprise model. **Alain Coheur**, President of Social Economy, moderated and animated the debate.

Juan Antonio Pedreño, President of CEPES (the Spanish social economy representative organisation), Vice-President of Social Economy Europe, and member of the Board of Directors of Cooperatives Europe, stressed the contribution of social economy enterprises to the realisation of fundamental EU economic and social objectives. He reminded that, in the middle of an economic crisis and employment destruction context, the Spanish

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social economy has created 170.000 new employments and 25.000 new enterprises since 2008. Social Economy also contributes, among other important objectives, to reduce the pay gap between men and women.

For Mr. Pedreño, local and regional policies are fundamental to ensure the development of social economy enterprises but European Institutions have also an important role to play. EU policies strongly influence local, regional and national policies. Therefore, a European policy promoting social economy is very much needed. This EU policy should take a holistic approach, to benefit all the social economy enterprises: cooperatives, mutual, foundations, associations and new forms of social enterprises.

Rebekah Smith, senior adviser on social affairs at Business Europe, stressed that both the social economy and the “mainstream business” approaches are important to ensure Europe’s economic and social development. For Smith there is room for both models in the Europe economic and social landscape. She argued that “mainstream business” have also a social added value, for instance, in terms of job creation. She added that CSR is also a way, for “mainstream business” to create a positive social impact.

Paula Woodman, senior adviser at the British Council, presented the British, Council Global Social Enterprise programme, and particularly their task supporting social enterprises creation in various EU countries.

Marthe Nyssens, funding members of EMES, an international Research network, specialized in the study of social economy enterprises, complained about the “consultancy” approach of the European Commission in the development of studies on the European social economy. For Nyssens the study of the social economy is complex, because of the diversity of the social economy enterprises and their common particularities and values. An academic perspective is very much needed to study the complexity and the different social, economic and environmental impacts of social economy enterprises. For Nyssens the European Commission should incorporate and strengthen this academic perspective.

Sven Giegold MEP (GREENS/EFA, DE), Co-President of the EP’s Social Economy Intergroup, was in charge of the closing conclusions. Giegold, explained that social economy enterprises represent a different form of economy, aiming to achieve objectives other than financial profit. Therefore there is a contradiction, and very often a competition between the “mainstream or capitalistic business” and the social economy enterprises.

Regarding the European Commission lack of initiatives to further promote social economy in Europe, he emphasized that the implementation of previous initiatives is compatible with the development of new EU initiatives to better take advantage of social contribution to sustainable and inclusive growth, and to quality employment creation.

Giegold asked the Commission to launch a second phase of the Social Business Initiative.