

CECOP's response to European Commission's consultation on scenarios towards co-creation of a transition pathway for a resilient, innovative, sustainable and digital proximity and social economy ecosystem

February 2022

<https://ec.europa.eu/eusurvey/runner/TP-P-SE-2022>

Fully enabling the ecosystem as agent for the green transition

What output scenarios for 2030 would benefit the development of a green proximity and social economy industrial ecosystem, in line with the priorities of the EU Industrial Strategy and the social economy action plan? (2000 character(s) maximum)

- Cooperatives, as agents of inclusive transition, enjoy enabling policy environment across the EU and are included in policy-making on sustainability at various levels.
- Clear information and better use of, relevant financial instruments, including InvestEU and national recovery plans. New financial schemes favouring long term capital. Opportunities for co-design or co-programming. In particular, investments in sustainable infrastructure under the Social Investment and Skills Window. Support to members' capital investment in cooperatives.
- An EU capacity building strategy, toolbox, specific diagnostic tools, and knowledge exchange for transition of SMEs incl. cooperatives.
- Special support and access to finance for SMEs, including cooperatives, in remote and rural areas.
- Transition is strategically promoted through public procurement, public investment, service concessions, and public-private partnerships which engage cooperatives.
- Strategic use of taxation incl. VAT and state aid rules to support transition.
- Investments and policy support for cooperatives (including multistakeholder ones) in strategic sectors: construction, energy, mobility, waste management, circular and sharing economy, tourism).
- Harmonization of new national regulation on circular and low carbon products, without additional burden to SMEs.
- Increase in the number of cooperative clusters and clusters of social and ecological innovation organized on cooperative principles.
- All relevant workers benefit from up-skilling/re-skilling opportunities necessary for the transition. Specific programs and measures for vulnerable workers.
- Innovative, inclusive production models prioritize workers' professionalization and working conditions, and are internationally supported by strong sustainable development provisions in the EU's trade agreements.
- Support to increased transnational cooperation among social economy entities.

What are the main challenges to ensure the green transition of this industrial ecosystem, as part of this pathway? Can you provide relevant data or evidence? 2000 character(s) maximum

- low level of investments in the green transition of small and medium cooperatives. Radical production transformation may entail job losses and is a heavy burden on SMEs. Large investments incl. long-term capital needed for decarbonization projects
- We need both new green jobs and up-skilling re-skilling for the existing ones. Difficulties in attracting workers with green skills, especially in rural and remote areas. More broadly, decrease in the number of workers in technical and qualified professions
- Insufficient awareness of support measures for the transformation, unclear or fragmented information
- lack of awareness raising and training to learn about relevant digital mechanisms. Digital Innovation Hubs supporting decarbonization, energy efficiency and circular economy through technology transfer and networking are needed
- Wide disparities between regions or MS; cooperatives in certain MS not enjoying favourable policy and legal environments. This calls for tailor made approaches
- 11.6% of total labour input in the EU's private sector is undeclared, which mandates specific attention to vulnerable and precarious workers in the green economy
- need for a more inclusive and sustainable understanding of economic prosperity: from linear systems reliant on heavy resource use to circular economy systems, providing job opportunities and higher quality of life
- Lack of statistical data and analytical toolboxes for assessing the sustainability impact of social economy entities covering both environmental and social dimensions. Insufficient capacity of social economy entities to measure and improve their sustainability
- energy efficiency of the social infrastructure used by cooperatives to run their activities (education, lifelong learning, social housing, care)
- fulfilling community needs and creating participatory models for renovation and regeneration projects in line with the European Green Deal objectives
- Support to cooperative entrepreneurship in green sectors

On which challenges are you ready to work jointly with other stakeholders for the green transition of this industrial ecosystem, as part of this pathway? 2000 character(s) maximum

- Promoting the cooperative model among young people (with schools, universities, research and innovation centres, institutions, vocational training organisations, the private sector, youth organisations etc.). Worker cooperatives provide quality and meaningful jobs, including green jobs, for young people, and at the same time empower youth entrepreneurship. Cooperatives also promote sustainable consumption. Promoting cooperative model as solution for environmentally key sectors such as circular economy, sharing economy, sustainable energy, sustainable construction, clean and shared mobility services, sustainable consumption, waste management, sustainable tourism, etc. Sharing good practices.
- Developing and promoting standardized tools for assessing the sustainability impact of cooperatives

- Ensuring that the green jobs are quality jobs, which includes workers involvement in the governance of the enterprise, work-life balance, long-term contracts, and other benefits for the employees.
- Promoting cooperative solutions for non-standard workers in the green economy.
- Promoting sustainable rural development through worker cooperatives in the rural environment. Bringing the economic model of the Social Economy and worker cooperatives to disadvantaged areas.
- Promoting inclusion of vulnerable and underrepresented groups in the green transition, including women, youth, people with disabilities and inhabitants of rural or remote regions.
- Taking part in innovation activities leading to new and more sustainable economic systems; building synergies with research centers and universities.
- Strengthening synergies between public and private actors.

What pledges and/or actions towards the green transition of the ecosystem, do you intend to present, as part of this pathway? *2000 character(s) maximum*

CECOP works to create a supportive environment for cooperatives, so that they can operate to their full strength and fulfil their mission of providing sustainable jobs and high quality services to communities. As a European confederation, we commit ourselves to:

- Represent the interests of our members to the EU institutions, other European-level policy makers, national governments, and the wider cooperative movement when it comes to green transition
- Support green transition through networking and mutual learning among members
- support cooperatives capacity to cooperate with each other
- Increase the visibility of cooperatives in industry and services implementing green transition
- Carry out research and contribute to knowledge about industrial and service cooperatives' green transition

Members of CECOP and their affiliated cooperatives contribute to a more inclusive and just economic transition by virtue of their business model. They commit themselves to:

- Promoting cooperation among cooperatives in green transition and circular economy.
- Promoting green transition that serves the general interest.
- Promoting best practices of cooperatives acting toward green transition.
- Promoting the multistakeholder cooperative model as an instrument for green transition, especially for the provision of services of general interest.
- Mobilising stakeholders "on the ground" and creating shared value at the local level.
- Supporting cooperatives on the way to optimizing production, building circular economy, and other actions towards a green transition.

They are committed to put in place their own actions and measures in that field but they also need EU and national measures and actions supporting opportunities for ecological transition. We believe that first and foremost it is the duty of the European Commission and national authorities

to create an enabling environment for social economy entities, including cooperatives, and their participation in the ecological transition.

Digitalising the ecosystem

What output scenarios for 2030 would benefit the development of a digital proximity and social economy industrial ecosystem, in line with the priorities of the EU Industrial Strategy and the social economy action plan? 2000 character(s) maximum

- Clear information and better use of relevant financial instruments, including InvestEU and national recovery plans. Support to community-based digital enterprises incl. cooperatives
- Increased support for digital transformation: access to finance, test-before-invest, training, capacity building. Support for both new and established cooperatives (including for scale-up). Digital assessments on businesses at risk of closure to support feasibility studies for worker buy-outs
- Initial investment in basic digital capacities (technology uptake and skills) available for cooperatives. Support to up-skilling and re-skilling of workers with digital skills.
- For SMEs incl. cooperatives, support for innovation and improved access to wider innovation eco-systems incl. specific channels within Digital Innovation Hubs
- Increase in the number of Industry 4.0 academies among cooperatives
- Digital transition in social economy encouraged through taxation, public procurement and state aid rules
- All small and medium cooperatives, including those in remote and rural areas, can access finance for digital transition
- Increased number of platform cooperatives and their support by appropriate policies
- Increase in affordable, adapted and open/shared advanced technology and off-the-shelf IT solutions for cooperatives, especially small and medium ones
- Support for cooperative data management models
- Ensuring data interoperability across borders, interoperability and mutual recognition of national electronic identification and authentication devices. Improved opportunities for companies' interaction with the authorities via digital channels, including in electronic public procurement procedures and including in cross-border situations

What are the main challenges to ensure the digital transition of this industrial ecosystem, as part of this pathway? Can you provide relevant data or evidence? 2000 character(s) maximum

- Need for coherence among different policies that affect the transition pathway
- Administrative burden, especially for digital cross-border activities

- Lack of ambitious investment programs, issues in access to capital. Insufficient funding for innovation (start-ups & scale-ups)
- Insufficient support in access to technology, especially in rural areas
- Support needed for emerging digital industries, and cooperatives active in traditional industry
- We need not only “new digital jobs” but also upskilling and re-skilling for the existing jobs. There is skills mismatch and need for improved access to skills development. Special support needed for vulnerable categories of workers, especially in disadvantaged/remote areas.
- Attracting workers (incl. young graduates) with digital skills, especially in rural and remote areas
- Overall slower digital transition in rural and remote areas
- Need for tailor-made transition processes
- Poor working conditions for workers, lack of transparency in algorithms and data management in the platform economy. Need for specific support to workers in the platform economy prone to undeclared work
- Insufficient initial investment in basic digital capacities, especially for small and medium cooperatives. Need for training, business support for digital transformation, test before invest services and networking
- Wide regional disparities; cooperatives in certain MS not enjoying favourable policy and legal environments. This calls for tailor made approaches
- Insufficient investment in decentralised storage and cloud infrastructure
- Challenges in use and creation of open data
- Challenges in digitization, data management and data sharing for cooperatives active in health and care
- Need to develop cooperative, resilient, sustainable, decentralized and open public blockchain technology networks; deploying scalable solutions through public-private collaboration
- Lack of skills in cooperative federations to support affiliated coops’ digital transition

On which challenges are you ready to work jointly with other stakeholders for the digital transition of this industrial ecosystem, as part of this pathway? *2000 character(s) maximum*

- Promoting the cooperative model in digital activities and inclusive transition.
- Promoting the cooperative model among young people acquiring or graduated with digital skills. Recent development of cooperative start-ups demonstrates that they are a suitable and attractive model also for digital activities.
- Promoting platform cooperatives since they provide tangible advantages to all stakeholders concerned by the platform: workers with quality working conditions and adequate protection, consumers but also regions or states where the platform operates since they help retain revenues and taxes locally. Platform cooperatives may contribute to support the development of different sectors (such as energy, tourism, etc.).
- Contribution to a just and inclusive digital transition, in particular, integrating underprivileged groups such as persons with disabilities, youth, women etc.

- Ensuring that the digital jobs are quality jobs, which includes workers involvement in the governance of the enterprise, work-life balance, long-term contracts, and other benefits for the employees.
- Promoting open and transparent use of data and technology. Promoting blockchain technology cooperatives.
- Promoting cross-sectoral partnerships, co-design projects and co-programming with the competent public authorities.
- Working on digitalising the provision of social, health and care services.

What pledges and/or actions towards the digital transition of the ecosystem, do you intend to present, as part of this pathway?

2000 character(s) maximum

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- Represent the interests of our members to the EU institutions, other European-level policy makers, national governments, and the wider cooperative movement when it comes to digital transition
- Support digital transition through networking and mutual learning for members
- support cooperatives capacity to cooperate with each other
- Increase the visibility of cooperatives in industry and services implementing digital transition
- Carry out research and contribute to knowledge about industrial and service cooperatives' digital transition

Members of CECOP and especially their affiliated cooperatives contribute to a more inclusive and just economic transition by virtue of their business model. They commit themselves to:

- Promoting inclusive digital transition that serves general interest.
- Promoting "cooperation among cooperatives" - one of the core cooperative principles. Sharing experience and expertise among different cooperative federations.
- Promoting the multistakeholder cooperative model as an instrument for digital transition, especially for the provision of services of general interest.

Simultaneously to their own actions, CECOP members need EU and national measures and actions supporting digital transition of cooperatives. We believe that first and foremost it is the duty of the European Commission and national authorities to create an enabling environment for social economy entities, including cooperatives, and their participation in the digital transition.



**The European confederation of
industrial and service cooperatives**

General comments

What other comments would you like to give? 2000 character(s) maximum

It is crucial that all the actions and measures foreseen by the European Commission and Member States toward green and digital transition are accessible to cooperatives active in all sectors, including the industrial sector.

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