

**SEE CONTRIBUTION TO THE EUROPEAN COMMISSION
CALL FOR EVIDENCE ON:**

**“Single market – Proposal for a legislative initiative
on cross-border activities of associations”**

Brussels, 28 of October 2022

Social Economy Europe (SEE) is the voice of the 2.8 million social economy enterprises and organisations in the European Union, employing 13.6 million people in the European Union (i.e., 6.3% of the EU's workforce). Created in November 2000 under the name of CEP-CMAF, SEE is the European network representing the collective interests of all social economy actors as cooperatives, mutuals, associations, foundations, social enterprises, and other social economy legal forms. SEE is currently unites 20 members.

SEE welcomed the adoption by the European Parliament (EP) of its ambitious Resolution of 17 February 2022 with recommendations to the Commission on a statute for European cross-border associations and non-profit organisations (. This Resolution demonstrates the EP willingness to strengthen Europe's civil society and to recognise also the essential economic role of associations, foundations, and other non-profit organisations (NPOs, including charities); the latter representing a significant component of the European social economy.

SEE also welcomes the European Commission (EC) for its commitment to respond to this EP resolution with a legislative act. SEE considers this initiative as a complementary and mutually reinforcing means to the Council Recommendation on developing social economy frameworks, and other key actions for associations and foundations included in the Social Economy Action Plan (SEAP). This legislative initiative should aim to overcome obstacles faced by foundations, associations and other NPOs, as key social economy actors within the single market by setting an adequate enabling environment that respect the wealth of social economy diversity in the Union.

SEE calls the EC to include public benefit foundations and associations in its legislative initiative, in line with the EP Resolution calling for a legislative action for the non-profit/public-benefit sector. SEE believes that narrowing the legislative proposal down to associations would not only potentially exclude targeted organisations facing similar barriers for their cross-border activities; but would also potentially weaken the vitality and innovation both of civil society actors and democratic space, and of (essential) non-profit and social economy actors.

This ambition in the scope of the EC legislative proposal should include a clear and positive definition of the non-profit sector and its organisation, covering both dimensions of civil dialogue space and economic actors aiming to the general interest. This legislative initiative should hence have the ambition to protect and recognise the public-benefit sector and to overcome barriers to cross-border public-benefit work.

SEE calls for creating a European legal form non-profit/public benefit organisations which would help to overcome existing barriers and the right enabling legal environment to support their role as social, civil and economic actors in the Union. This had also been called upon by State Secretaries Joaquín Pérez Rey (ES) and Sven Giegold (DE) in a [joint letter](#) to Commissioner Schmit. The idea of developing supranational legal forms should be further analysed including reviewing other legal bases than the catch all article, which requires unanimous approval of all Member States and the procedure of enhanced collaboration. European legal forms should be attractive, accessible, and comprehensible legal instrument that will be picked up by the sector and citizens to operate more easily across borders. The administrative simplification should also drive the creation of such legal form that should avoid red tape and disproportionate supervision and reporting.

We also welcome the Commission's approach to encourage MS to create a new type of national legal form that would encompass all NPOs, based on core harmonised criteria, and coherent with the social economy principles and features stated in the SEAP. In our understanding, this option should allow NPOs to be recognised across borders all over the EU and to lift NPOs' main cross-border obstacles.

We would be in favour of the establishment of minimum standards enshrined in fundamental rights on which national frameworks would be based. Such core minimum standards for NPOs would need to reinforce the respect and implementation of fundamental rights, such as the freedom of association, the freedom of expression, non-discrimination and level playing field. For example, the CEP-CMAF social economy charter¹ could serve as a basis in that regard.

A European information campaign on NPOs that would aim to strengthen the cooperation among MS could be a supportive option to complement and accompany the previous legislative and policy options, particularly before the 2024 European elections, to promote citizens active participation in our democracies. We also believe that this very welcome initiative should be accompanied by other measures from the EC that would be part of an overall roadmap to support civil society and social economy and the promotion of civic freedoms and economic democracy, both at national and EU level.

As recognized by the SEAP, social economy is one of the main facilitators towards the creation of an inclusive and non-discriminatory Europe, given its strong focus on addressing social challenges such as helping disfavoured groups integrating the labour market or providing care and support for certain groups in risk of social exclusion, such as the elderly, people with disabilities, migrants and refugees, and individuals who are far from the labour market. Unfortunately, this role remains under-explored.

In this context, the commitment of the current Commission to develop this legislative initiative should be ambitious and aim to create **a Single Market for the general interest**, alongside the SEAP. This proposal must be a real game changer for enabling philanthropy/civil society and social economy work towards achieving an inclusive and diverse well-functioning Union. We are confident that the EC will develop a legislative policy proposal in close dialogue with social economy organisations, especially

¹ <https://www.socialeconomy.eu.org/the-social-economy/the-social-economy-charter/>

foundations and associations representatives. In addition to its own contribution, SEE also relies on its members contributions to this consultation, including of Philea and the European Council for non-profit organisations (CEDAG); as well as of other members of the civil society coalition (Civil Society Europe and Social Services Europe).

About Social Economy Europe:

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- ❖ European umbrella organisations of cooperatives, mutuels, associations and foundations, as AIM, AMICE and Philea.
- ❖ National Social Economy umbrella organisation, representing the diversity of social economy actors as CASES (Portugal), CEPES (Spain), ConcertES (Belgium), ESS-France (France), Forum Terzo Settore (Italy), SZOWES (Poland), Ukrainian Social Academy (Ukraine) and the Wheel (Ireland).
- ❖ European networks actively engaged in the promotion of the social economy as: CECOP, DIESIS, CEDAG, ENSIE, EMN, Eurodiaconia, FEBEA, IPSE, and REVES.

SEE is the organisation providing the technical secretariat to the European Parliament's Social Economy Intergroup, a cross-partisan group of 80 MEPs belonging to the main pro-EU groups. It is also an active member of GECES (European Commission Expert Group on Social Economy and social enterprises), co-leads the Pact for Skills for the Proximity and Social Economy Ecosystem, and actively participates in the EU Platform to Combat Homelessness, the Industrial Forum, and the UN Taskforce on Social and Solidarity Economy.

Social Economy Europe has now 20 members!



#SocialEconomyActionPlan

#Time2ScaleUp

Contact: Víctor Meseguer, director of SEE director@socialeconomy.eu.org