

## **SOCIAL ECONOMY INTERGROUP OF THE EUROPEAN PARLIAMENT**

### **EVENT ON “RECOMMENDATION TO THE COUNCIL OF THE EUROPEAN UNION ON DEVELOPING SOCIAL ECONOMY FRAMEWORK CONDITIONS”**



*Family picture taken at the end of the event.*

**Tuesday 12 September 2023, 17:00-19:00**

**Kaleidoscoop, Strasbourg.**

# Round-table discussions on the Council Recommendation on developing Social Economy framework conditions.

## Introduction

September 12th, 2023 a Social Economy Intergroup of the European Parliament took place in Strasbourg at Kaleidoscoop, a third space at the border of France and Germany. The venue itself is symbolic as it is at the heart of the EU, at the border of 2 powerful countries once at war. Kaleidoscope is located at “Rue de la Coopérative” and as a third space its aim is to be a place of encounter and cross-fertilization, for people and businesses. It is a place where people share a premise, facilities and most of all conviviality.

Furthermore, the Eurometropole of Strasbourg is a strong supporter of Social Economy (SE) and innovator in the field of promoting strong partnership between the State and Social economy, for the benefit of its population and social cohesion.

What better place to organise an intergroup and debate about the [Council Recommendation on developing social economy framework conditions](#) which is currently under negotiation?

The debates were organised in two parts, the first one analysed the recommendation from the viewpoint of European institutions and SE representatives at European level, the second focused on the views of national, local and SE actors themselves. A visit of the premises followed the debate, to show the added value of SE organization and how it can bring solutions to social and green challenges.

The event was followed by approximately 100 people in-person and online and counted on the presence of the following MEPs: Patrizia Toia, Claude Gruffat (speakers), Katrin Langensiepen and Monica Semedo. We are grateful for the participation of other MEPs online.

In the following paragraphs we are pleased to share with you some of the highlights of the esteemed panellists.

## 1. Opening remarks by Véronique Bertholle, Deputy Mayor of Strasbourg

The event started with the opening remarks of Véronique Bertholle who highlighted the **commitment of the Eurométropole of Strasbourg with the social economy**. She remarked the key role that Social Economy plays in the Eurométropole of Strasbourg and its political commitment for the development of social economy in the territory. Bertholle also remarked the support of the Eurométropole of Strasbourg to the Council Recommendation and the important milestone it represents.



*Véronique Bertholle, Deputy Mayor of Strasbourg giving her speech.*

## 2. Welcome and introduction by Patrizia Toia, MEP (S&D, IT) and co-President of the Social Economy Intergroup.



MEP Toia explained the **role of the Social Economy Intergroup** in pushing the Commission to recognize Social Economy (SE) as an ecosystem as well as to deliver legal instruments to support the development of SE, such as the proposition to facilitate the cross-border activities of the non-profit associations in the EU and the introduction of a new legal form for European cross border associations in the Member States.

Toia underlined that the **diversity and complicity** of SE organizations are the main strength of this economic model. They can contribute to almost any economic sector and intervene where the state and the mainstream enterprises cannot. It is the case when it comes to **fighting the challenges** of global warming, energy crisis or to provide care to the most vulnerable people. She also stressed the necessity of a **co-creation process with SE actors** to come up with solutions within the political framework in order to answer to the needs of the organizations and to fully channel their potential of social transformation and progress and the **necessity of continuing without delay with the work on social taxonomy**.

***“The main reason we are here today, is to ask the Council to now follow through with the commitment shown by the Parliament and the Commission, and to approve within the end of the year a Recommendation that is as ambitious as possible.”***

### 3. First round-table: The Recommendation as seen from the European level and from Member States

The first roundtable was focused on the European level and Member States perspectives of the Council Recommendation and counted on the participation of Claude Gruffat, Giuseppe Guerini, Juan Antonio Pedreño and Victor Meseguer. This roundtable was moderated by Sarah de Heusch, Director of Social Economy Europe.



*Composition of the first roundtable. From left to right: Victor Meseguer, Claude Gruffat, Sarah de Heusch, Juan Antonio Pedreño and Giuseppe Guerini.*

#### Claude Gruffat, MEP (Greens/EFA, FR) and co-President of the Social Economy Intergroup

The first roundtable began with the intervention of Claude Gruffat who stressed the importance of **replacing the Human needs at the center of the economy**. This concept has regained interest in the '70s, and SE was put into the spotlight as an option to deal with globalization and the new financial economics. To Gruffat, **poverty** and **climate change** are two symptoms of a same sickness named "Capitalism". Aiming at rapid growth and profit it jeopardizes the people and the environment and is even dangerous for the survival of humanity. Capitalism is incompatible with the fight against global warming. Gruffat also highlighted **Fair Trade** as an invaluable instrument to promote and generalize

SSE and that should be further developed amongst the global North exchange as well.

***“Social and Solidarity Economy should be the driving force of degrowth understood as an economy based on autonomy, self-sufficiency & care.”***

## **Juan Antonio Pedreño, President of Social Economy Europe and CEPES**



Juan Antonio Pedreño started his intervention by remarking that we are living a moment of **worldwide recognition of the social economy**, a moment that opens up great windows of opportunity based on an action plan which was approved by the Commission. The **Social Economy Action Plan (SEAP)** provides the European Union with an ambitious policy, with a long-term vision in favor of Social Economy model as an actor of sustainable development. It places **Social Economy at the heart of the EU agenda** to create and

maintain quality jobs, to build more cohesive societies that foster equal opportunities for all.

It is an action plan that identifies the SE as a business model that favors a **fair, green and digital transition**. It accelerates **social and technological innovation** and strengthens the social and economic capital of territories by helping to revitalize **rural areas and villages**.

***“The Social Economy Action Plan and the Recommendation are the key pieces on which the architecture of this powerful European policy for the Social economy must be built”.***

It should facilitate the construction or creation of ecosystems in the states and integrate the SE in all their socio-economic policies. Such policies should stimulate SE as a key entrepreneurial actor of **sustainable economic and**

**industrial development, of territorial cohesion and of support to social innovation.** Because Social Economy is much more than an actor that favors access to the labour market for people at risk of exclusion, it is also a business model that generates more than 6% of employment across the EU and is present in all economic sectors and is increasingly present in the industrial and high-tech sectors.

### **Giuseppe Guerini, President of CECOP and member of the EESC**

Giuseppe Guerini started his speech by saying: We all agree on what was said on the recommendation but there are some weaknesses that need to be underlined. The recommendation focuses too much on the social dimension of SE and not enough on its industrial aspect. More links should be made with the **European industrial strategy.**

***“If Social Economy could benefit from the same level of state aid that were granted to the oil sector, automotive sector, the energy sector or the arms sector, then today there would be less problems and conflicts in the world.”***

He also added that all the lights are on the Social Economy and what happens when all the lights are on is that some corners of shade appear. We need to be careful specially on two matters. First, the fact that traditional enterprises are obsessed with the “fair” competition. We need to remove obstacles to attain a truly fair. We opened new spaces and we need to be careful about this. Secondly, social washing is a risk. However, **SE is about bringing people out of poverty**, allowing people to participate and having an active role in the economy, to make them leaders of their economic lifestyle.

### **Victor Meseguer Sánchez, Special Commissioner for Social Economy, State Secretariat for Employment and Social Economy at the Ministry of Labor and Social Economy, Spain**

Victor Meseguer explained that the Spanish government is leading the negotiations for the Recommendation and, if everything goes well, the Recommendation should be approved in the coming weeks. All the concerns mentioned are included in the negotiations. He also remarked that there are 27 diplomats sent by their governments to Brussels that talk and share good

practices regarding SE, even bringing some hope on the matter. There is a will to share the respective good practices from each country.

In general, Member States are in favor of the Recommendation, they understand the **contribution of Social Economy to local and regional public authorities, to the green deal, to the digital and fair transition and industries**. There are not many objections to these matters, unlike the matter of taxation and state aid which has found some opposition in some member states.

***“According to the European Commission and the Spanish government the Recommendation does not bring new tools but rather reminds of some tools that already exists.”***

#### **4. Second round-table: The Recommendation as seen from the local level and the SSE ecosystem**

The second roundtable was focused on the local level and the SSE ecosystem perspectives of the Council Recommendation and counted on the participation of Jérôme Saddier, who participated online, Aude Saldana and Antoine Dubois. This roundtable was moderated by Alain Coheur, Vice-President of Social Economy Europe.



*Composition of the second roundtable. From left to right: Aude Saldana, Alain Coheur and Antoine Dubois. Jérôme Saddier participated online.*

**Jérôme Saddier, Vice-President of Social Economy Europe and President of ESS-France**



According to Saddier's words, ESS France is very satisfied with the ambitious project that is this Recommendation. Such a recommendation is not easy to come up with due to the heterogeneous dimension of SE in Europe. Only half of the member states have a legal framework in favor of SE, which is not enough. The Commission should further promote such legal frameworks.

He also remarked that the elaboration of the Recommendation was a process of co-construction with 81 contributions coming from actors of the social economy ecosystem from around 16 different Member States.

***“There is a feeling that the recommendation establishes a perimeter of the SE with a definition which might be too limiting, not being understood as full economic actors in some sectors.”***



*Jérôme Saddier intervening online.*

## **Aude Saldana, Secretary General of GSEF**

Saldana began her intervention by pointing out that GSEF looks at the Recommendation through the lenses of local governments and the Social and Solidarity Economy (SSE). In the DNA of GSEF, we can find the co-construction of SSE policies based on a local economy for a local and sustainable development and co-constructed with the actors of civil society. The SSE gives democratic power to the economic actors. In general, from an international point of view the recommendation encourages the member states to develop some policies or strategy of SSE.



*“We need to go further than an international recognition, we need to find some measures that show that the SSE is not a sector but a cross-functional way of doing business.”*

### **Antoine Dubois, Vice-President of the Strasbourg Eurometropole in charge of the social economy**

In A. Dubois' view, the **entrepreneurial dimension is missing** in the Recommendation. This needs to be improved as SE is not the one who should repair the mistakes of the conventional economy. SE has an answer to bring to the contemporary challenges. SE is the economy of tomorrow, it has to have access to the same financial tools as mainstream enterprises if SE wants to be the economic enterprise that shapes society.

Dubois also stressed the role of SE in **Social innovation**. The SE ecosystem takes a lot of time to come up with solutions. We need to give time to the men and women that wake up every morning to come up with solutions.

*“SE is an economy that answers current challenges; the public policies need to evolve for all of this to happen, they need to integrate social and environmental clauses to their public procurement criteria.”*

## **5. Conclusions**

The main objective of this event was to discuss the main points of the Council Recommendation towards its adoption by the Member States. The interventions have shown the key milestone that this policy represents to promote and achieve the goals of the Social Economy Action Plan through its implementation at national and local levels. All the panellists along with the whole social economy intergroup and SEE have advocated for an ambitious adoption of the Recommendation.

***All panellists call upon Member States to adopt an ambitious version of the recommendation to Council on developing social economy framework conditions.***