

RIPESS EUROPE contribution on the Recommendations of the Council of the European Union of November 9th, 2023 on developing social economy framework conditions.

The following policy brief is a contribution by RIPESS EUROPE Network on the Recommendation of the Council of the European Union of November 9th, 2023, on developing social economy framework conditions¹.

By adopting the resolution "Promoting the social and solidarity-based economy for sustainable development" on 18 April 2023, the United Nations (UN)² reaffirmed the essential role of social and solidarity economy, thereby consolidating the resolution on decent work and SEE adopted by the International Labour Organization (ILO)³.

As part of the action plan for social economy presented by the European Commission in 2021⁴, the Council of the European Union has adopted a recommendation on the establishment of framework conditions for social economy⁵.

«In line with the principles of the European Pillar of Social Rights, the aim of this Recommendation is to foster access to the labour market and social inclusion by guiding Member States on promoting enabling policy and regulatory frameworks for the social economy and measures that facilitate its development. To achieve these objectives, Member States, in line with national competences and considering national circumstances, are recommended to work together with stakeholders to acknowledge, support and build on the contributions made by the social economy.

By promoting the social economy, this Recommendation supports the achievement of the three Union headline targets for employment, skills, and poverty reduction by 2030 in line with the European Pillar of Social Rights Action Plan.

Promoting the social economy also stimulates fair and sustainable socio- economic and industrial development. It contributes to the European Green Deal, to economic democracy, sustainable development, citizens' active participation and to improve social and territorial cohesion across the Member States».

RIPESS EUROPE is a European network that promotes social solidarity economy in Europe and includes more than 46 national, sectoral and cross-sectoral networks in 21 countries. It is part of the intercontinental RIPESS network and aims to share practices, inter-cooperate and engage in common actions that can promote and improve the visibility of the solidarity economy movement and contribute to legal frameworks and public policies. RIPESS EUROPE is working to create a new collective imaginary aimed at achieving a post-capitalist society through transformative economies.

RIPESS Europe welcomes positively the recommendation on the establishment of framework conditions for social economy by Member States and local authorities. Drawing on more than ten years of experience with its members, RIPESS EUROPE wishes to draw the attention of the Council of the European Union and the Member States on several points which it considers particularly important for the implementation of this plan.

¹Recommendation of the Council of the European Union on developing social economy framework conditions, November 9th, 2023 <https://data.consilium.europa.eu/doc/document/ST-14113-2023-INIT/en/pdf>

² Resolution "Promoting the social and solidarity economy for sustainable development", UN, April 2023 <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N23/118/68/PDF/N2311868.pdf?OpenElement>

³ "Resolution concerning decent work and the social and solidarity economy", OIT, June 2022 https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_848633.pdf

⁴ The 2021 Social Economy Action Plan "sets out measures to boost social innovation, strengthen the social economy and its organisational models, and further develop its capacity for economic and societal transformation." <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=COM:2020:690:FIN#PP4Contents>

⁵ Council Recommendation on developing social economy framework conditions - Political agreement of September 29th, 2023 <https://data.consilium.europa.eu/doc/document/ST-13287-2023-INIT/en/pdf>

1) Member States must develop ambitious strategic and regulatory frameworks that take into account the diversity of social economy initiatives.

SSE has demonstrated its ability to provide effective and coherent responses to the needs of territories and populations, and its relevance in initiating transitions and responding to major European challenges in terms of the priority areas developed by the European Union: the Green Deal (renewable energies for citizens, sustainable and accessible food, agro-ecology, soft mobility, environmental transitions, reuse, circular economy etc.), the post-Covid-19 recovery plan, the economy for people (integration through economic activity, social innovation, etc.), the European foundations of social rights (cultural rights, social action, health for all, affordable housing, etc.), the European Structural and Investment Funds (inclusion of people furthest from employment, social innovation, the fight against precariousness, territorial cohesion, sustainable development, ecological transition, etc.).

Solidarity economy is more than ever a concrete and real response to the major crisis we are facing by its capacity to tackle the need for sobriety and the transition towards a post-extractive economy. SSE is multifaceted and driven by a diversity of citizens' initiatives, based in particular on the principles of non-profit, fundamental rights, a plural economy, collective entrepreneurship, cooperation, commons and general interest.

RIPESS EUROPE advocates the implementation of plans within Member States that consider the transversal approach of SSE beyond the entrepreneurial mode based on employment and social inclusion, in line with European ambitions to support citizen dynamics and local development more broadly.

2) Member States must develop public policies for SSE actors based on sustainable, operational funding and in partnership, going beyond a profit and market access approach.

As SSE is based on principles of general interest and the primacy of individuals and social and environmental objectives over profit, with in particular the reinvestment of surpluses at the heart of the project, support for SSE by States and local authorities is essential. Since SSE is by its very nature firmly rooted in local communities and partnerships, local authorities play a major role in structuring and developing SSE. SSE must not be relegated to the competitive mechanisms of the market.

RIPESS EUROPE recommends that Member States:

- Develop national and local public policies for SSE organisations and actors: provide public funding, in particular through subsidies, on the basis of partnership and sustainability.
- Promote social and environmental criteria in public procurement without forcing SSE actors to be subject to the logic of profitability and public procurement, which promotes competition between local actors to the detriment of the logic of cooperation and partnerships necessary within territories.
- Promote the accessibility of SSE actors and local authorities to the various European programmes and funding for the development of SSE within territories by making them eligible to the various programmes and European structural and investment funds. Enabling SSE to meet these challenges means continuing efforts to improve accessibility for all organisations and actors, especially small ones, to the ESIF and European programmes: continuing administrative simplification, automating payments on account, supporting engineering, changing the role assigned to managing authorities and intermediary bodies in order to minimise control functions (which are costly) in favour of support and guidance functions.
- SSE must be recognised as consisting essentially of non-economic (social) services of general interest. In this way, SSE must not be relegated to a competitive logic but must be considered as a separate field of specific services of general interest, which should at the very least be covered by an exemption regime in the context of State aid.