



European Economic and Social Committee

Social Entrepreneurship - a Tool To Achieve Social Objectives

***The view of the European Economic and Social
Committee***

Meeting of the Chairpersons of the Committee on Employment and Social Affairs
Riga 23 February, 2015



The EESC, Social Economy and Social Enterprise

- **Actively engaged** with the Institutional Social Enterprise Agenda
- EESC key **EU Policy Expert** → social economy category group, GECES member
- Significant **expertise** and **opinion work**, such as
 - ✓ Diverse forms of enterprise
 - ✓ Social enterprise and social entrepreneurship
 - ✓ Social business initiative
 - ✓ Social impact measurement
 - ✓ Social impact investment, etc.
- **Current EESC Social Enterprise Project report** – recommendations for policy direction



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Social Entrepreneurship – a EU description

COM Social Business Initiative (2011):

- the **social/societal objective** primary reason for the commercial activity
- **profits** are mainly **reinvested** towards the social objective
- the **method** of organisation or ownership system **reflects** its **mission**

Thus are enterprises:

- providing **social services and/or goods** and services to **vulnerable persons**
- with a method of **production** of goods or services with a **social objective**



A few facts

- Social economy **paid employment** over **14.5 million** Europeans
- Representing about **6.5% of the working population** of the EU
 - In Belgium, Italy, France, Spain and the Netherlands accounts for between 9%-11.5% of working population
- Only capturing a **fragment**, further research and statistics needed
- The models vary based on national context:
 - **Social economy** = associations, mutuals, cooperatives and foundations
 - **New legal forms emerging** – but sharing same principles, balancing social and economic
 - Social enterprise **active across sectors** from work integration (WISE) to providing social and welfare services across sectors



Why social enterprise?

- In a new social landscape with unprecedented **crisis** and complex societal **challenges**, social enterprises are a solution:
 - Mission is to meet unmet needs or tackle social issues
 - Catalyst for social innovation → user-centred, local, flexible
 - Produce both social and economic outcomes → social cohesion/inclusion and business creation and employment
 - Proven more resilient and growing → still underdeveloped in many MS



To unleash the potential - creating a tailored eco-system

- Mainstream in enterprise **policy** → political will, ownership, coherent policy framework
- Access to **finance** → hybrid capital, full lifecycle
- Access to **markets** → apply favourable conditions in public procurement
- Access to **funding** → prioritise in EU funding programmes
- **Development and capacity building** programmes
- **Awareness, visibility and recognition** → measure social impact
- **Action plans and implementation** needed at MS/regional/local levels
- *Needs identified represents **shared view** → SBI EESC opinions etc.*
- *Need **commitment to continuation of the agenda** at all levels*



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Thank you.



Follow EESC work on Social Enterprise:

<http://www.eesc.europa.eu/?i=portal.en.social-entrepreneurship-make-it-happen>