



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**



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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



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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



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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*



Thank you.



Follow EESC work on Social Enterprise:

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