

EUROPEAN UNION



Committee of the Regions

SEDEC-VI-004

4th SEDEC Commission meeting, 25 June 2015

DRAFT OPINION

**Commission for Social Policy, Education, Employment, Research and
Culture**

**The role of the social economy in restoring economic growth and combating
unemployment**

Rapporteur: **Luís Gomes** (PT/EPP)
Mayor of Vila Real de Santo António

This document will be discussed at the meeting of the **Commission for Social Policy, Education, Employment, Research and Culture** to be held **from 11 a.m. to 5 p.m. on 25 June 2015**. To allow time for translation, any amendments must be submitted through the online tool for tabling amendments (available on the Members' Portal: <http://cor.europa.eu/members>) **no later than 3 p.m. (Brussels time) on 12 June 2015**. A user guide is available on <http://toad.cor.europa.eu/CORHelp.aspx>.

Reference document

Draft opinion of the European Committee of the Regions - The role of the social economy in restoring economic growth and combating unemployment

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

1. notes that social economy institutions and actors have proved to be particularly resilient during the crisis, helping to improve public well-being and keep people on the labour market even when other organisations and businesses have been unable to do so. This has been particularly evident in its inclusion of people who find it especially difficult to enter the labour market, specifically those with disabilities and young people;
2. highlights how social economy initiatives, being based on cooperation and civic engagement among the individuals who make up communities, contribute to raising the level of trust throughout the EU, in both predominantly urban and rural or peri-urban areas, in richer and poorer regions, and in larger and smaller cities;
3. points out that social economy organisations stimulate participation and a spirit of solidarity and enterprise among all people, including those pushed aside by the economic system, which contributes to the generation of economic activity that creates added value, even in sectors that are neglected on account of their low economic or financial profitability;
4. emphasises the importance of facilitating public involvement and social co-creation processes, by means of dynamic partnerships between the public sector, the wide range of social economy institutions and the private sector, especially that part made up of social enterprises;
5. highlights the scant public recognition of entrepreneurial capacity in the social economy, deriving in part from the lack of connection between actors in different regions and countries, which hinders the spread of best practices, the establishment of partnerships and social innovation. Work in the social economy must become increasingly attractive to the most able of each generation - to achieve this, the social economy must be perceived as being dynamic, innovative and forward-looking;
6. suggests that a bigger role be given to research on the social economy in Europe, and to promoting the creation and dissemination of generic training programmes on the social economy for the general public, together with specialised programmes for social economy actors. Partnerships should be built up between social economy organisations, educational institutions, training bodies and local and regional authorities;
7. recalls that local and regional authorities, the Member States and the EU must foster a spirit of partnership and support for the development of new management tools and new opportunities for social support still being opened up by progress in the Information and Communication Technologies, enhancing the quality of services provided, rationalising costs and helping to create a positive image of the social economy among the general public;

8. urges the EU institutions to develop common definitions for the status of organisations acting in the social sphere, both non-profit ones such as mutual societies, cooperatives, social solidarity associations and certain foundations, and those which do not exclude profit from among their objectives but subordinate it to openly-stated altruistic ends. These definitions must underpin the way EU partnership programmes with these organisations are framed, so that support can be tailored to the needs of each type of organisation, with a view to strengthening their role in promoting employment and fostering local and regional entrepreneurship;
9. notes that the positive role of social economy institutions and actors in tackling unemployment and promoting inclusive and sustained growth is particularly important in regions of low population density, marked by emigration, a rapidly ageing population, lack of economic dynamism and a low level of entrepreneurship. In such regions, the importance of the social economy goes beyond meeting local demand for social goods and services, because social economy organisations represent one of the few ways in which good intentions can coalesce to promote entrepreneurship and retain or attract economic actors who can make best use of local resources;
10. proposes that wherever possible, national and EU support for partnerships involving social economy organisations should be increased in regions of low population density, with the aim of fostering their special role and creating and keeping value in such regions;
11. suggests stepping up efforts already under way to amend the European rules on public procurement, opening them up so that relatively small and highly localised institutions, as is the case with most social economy organisations and particularly non-profit ones, have a chance to compete locally with major, private-sector providers;
12. considers it crucial to unlock the potential of the social economy by means of local and regional funding solutions for social economy organisations, reconciling the necessarily demanding economic and financial requirements with the acknowledged public interest of the work carried out in the field by these organisations;
13. highlights the need to foster a demanding culture of evaluation in social economy organisations, improving their capacity to measure and report the social and economic dimensions of their actions and developing methodologies and indicators that are consistent with their nature and specific features;
14. believes it would be a good idea to create a multilingual digital platform to foster exchange of information aimed at social economy organisations, business incubators, business clusters and investors in the social economy, based on sharing information on access to EU programmes;

15. argues that the highly localised (or territorialised) scope of most social economy organisations means that the EU and the various Member States should promote and facilitate an expanded role for local and regional authorities in framing programmes and policies for the social economy, and in linking it with other public policies, making it possible to achieve the objectives set.

Brussels,

II. PROCEDURE

Title	Own-initiative opinion on the Role of the social economy in restoring economic growth and combating unemployment
Reference(s)	n/a
Legal basis	n/a
Procedural basis	Rule 41 b) ii
Date of Council/EP referral/Date of Commission letter	n/a
Date of Bureau decision	18 March 2015
Commission responsible	SEDEC
Rapporteur	Luís Gomes (PT/EPP)
Analysis	March 2015
Discussed in commission	29 April 2015
Date adopted by commission	Scheduled for June 2015
Result of the vote in commission (majority, unanimity)	
Date adopted in plenary	Scheduled for October 2015
Previous Committee opinions	
Date of subsidiarity monitoring consultation	n/a