

SOCIAL ECONOMY ACTION PLAN

This overview document was developed based on the outcomes of three mutual learning workshops organised by the European Commission's Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL) between March and June 2024. The goal of the three events was to support national and regional authorities in designing, updating, or implementing their social economy strategy.

The workshops welcomed over 50 public officials from national and regional administrations across 21 Member States, as well as independent national experts, representatives of the Organisation for Economic Co-operation and Development (OECD) and the European Commission. Participants were invited to discuss and share inspiring practices regarding **the five building blocks of social economy strategies**. Participants prepared for the workshop by carrying out a self-assessment for their country using this [questionnaire on social economy strategies](#).

THE FIVE BUILDING BLOCKS OF A SOCIAL ECONOMY STRATEGY

The five building blocks were set out by the [Council recommendation on developing social economy framework conditions](#) adopted by the Council on 27 November 2023 as a part of the implementation of the [Social Economy Action Plan](#) (SEAP). The Council recommendation provides guidance on how to improve labour market access, social inclusion, skills, social innovation, sustainability, and territorial cohesion by supporting the social economy. The building blocks provide a framework for Member States to develop comprehensive strategies for a thriving social economy ecosystem. The first building block, vision and objectives, provides the basis for the other four: stakeholder engagement (article 10 of the Council recommendation), administrative and institutional setup (article 25), visibility and recognition (article 11) and monitoring and evaluation (article 26).

VISION & OBJECTIVES

ITS PURPOSE

The first building block addresses the two key elements that a strategy should include: vision and objectives. The **vision** should define the overall purpose and direction of the strategy and should explain what the social economy represents, its role, size, reach, potential contribution to achieving policy goals and its significance for the economy and society in the future. The strategy should adopt **objectives** with concrete targets and steps that translate the vision into action and offer a roadmap to achieve it. Relevant objectives should be specific, measurable, and time-bound, with indicators on how progress regarding their delivery will be recorded.

KEY LEARNINGS

- 🔍 Defining the vision and objectives through a participatory process facilitates stakeholder buy-in for agreement on long-term objectives and strategy implementation.
- 🔍 Linking the social economy strategy to other related strategies improves policy coherence and facilitates its implementation.
- 🔍 Investment in skills and capacity building of social economy organisations should be included in the vision to ensure that the social economy ecosystem is able to contribute fully to the strategy.

INSPIRING EXAMPLES

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ADMINISTRATIVE & INSTITUTIONAL SET-UP

ITS PURPOSE

The building block on administrative and institutional set-up focuses on the structures needed to support the social economy effectively. In several Member States, governments have established dedicated social economy units or councils. These units coordinate and monitor social economy policies and communicate with stakeholders. Typically, these units operate within the mandate of an existing governmental ministry. Additionally, these dedicated units help promote the social economy and increase its visibility and recognition.

KEY LEARNINGS

- 🔍 Appointing a dedicated institutional body to implement the strategy can facilitate coordination between the main actors in the administration and the social economy ecosystem.
- 🔍 Political endorsement of the social economy strategy and the involvement of different ministries are key factors for the successful implementation of a social economy strategy.

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CONSULTATION MECHANISMS

ITS PURPOSE

Stakeholder engagement and consultation is pivotal for a successful social economy strategy, from the planning stage to the actual implementation, monitoring and evaluation. The main reason for involving stakeholders is twofold: they can give input on design and feedback on existing practices, and they can support and promote the strategy and/or social economy policies.

Relevant stakeholders for the social economy ecosystem include not only social economy organisations, but also public sector institutions (such as development banks, enterprise development agencies, research institutes and universities), investors and private enterprises, as well as regional and local authorities, which are closer to the actual communities and to social economy initiatives.

KEY LEARNINGS

-  It is important to involve a wide range of stakeholders (both public and private) in the various stages of planning and implementing the social economy strategy or policy at national, regional, and local levels.
-  It can be useful to coordinate the involvement of various stakeholders through a lead ministry or a specific network / umbrella organisation.
-  Both policymakers and practitioners can contribute to stakeholder discussions, with practitioners being able to contribute with practical examples from communities in a bottom-up approach, and policy-makers with a more strategic perspective in a top-down approach.

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VISIBILITY & RECOGNITION

ITS PURPOSE

Visibility and recognition are often seen as the main 'strategic axes' of the social economy and countries employ various methods to increase the visibility and recognition of the activities taking place in the social economy ecosystem. They target policymakers, the public sector, and society at large. Data collection and statistics can help to demonstrate the positive contribution of the social economy. Information campaigns and events can also be useful tools to increase the visibility and recognition of the social economy. In some countries, awards and labels are used to highlight social economy entities.

KEY LEARNINGS

- 🔍 Social economy entities operate in multiple sectors and more support is needed to increase the visibility of the social economy in these different areas (e.g. health, environment, care).
- 🔍 A legal framework is a helpful instrument to promote the visibility of the social economy strategy, as it can set clear definitions of what is and what is not part of the social economy.
- 🔍 Data and statistics are important to fully understand the impact that social economy entities can have on the economy and on society.

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Legal Frameworks

The [Council Recommendation on developing social economy framework conditions](#) recommends that Member States adopt policy and legal frameworks to facilitate and promote the development of the social economy. Legal frameworks also have other benefits, such as increased recognition and visibility of the social economy and access to dedicated funding.

Legal frameworks for the social economy refer to a broad set of laws that cover the whole ecosystem and promote, develop and/or regulate the social economy. Most countries have some form of legal framework, while specific framework laws are less common. Framework laws are specific laws regulating the social economy and recognising it as an ecosystem. Very few Member States have such framework laws (France, Greece, Luxembourg, Poland, Portugal, Romania, and Spain). Although there are advantages to having a legal framework, they are not a must, and some Member States decide not to have them. They can be time-consuming to adopt and can limit the scope of what is considered part of the social economy ecosystem.

MONITORING & EVALUATION

ITS PURPOSE

A monitoring and evaluation plan should be part of a social economy strategy, including performance targets and indicators to measure the effectiveness of the strategy's actions. Indicators should be linked to the policy objectives of the strategy and to data that can be collected in a timely manner. As such, in addition to identifying the right set of indicators, it is important to establish the right mechanisms for data collection. This can be done from existing sources or through surveys and interviews with various stakeholders.

KEY LEARNINGS

- 🔍 The choice of indicators should be SMART and focus on performance, informing policymaking and helping to drive the strategy forward.
- 🔍 It is useful to have a single and independent body responsible for data collection and evaluation, including gathering feedback from stakeholders.
- 🔍 Although resources and funding are sometimes limited, creative solutions can be applied, for example by drawing on existing research and using indicators that others have already used.

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Social Impact Measurements

It is recommended to include social impact measurement practices as part of a social economy strategy or policy. It provides evidence-based results on the performance of the social economy and can therefore contribute to better policymaking. Reporting with quantitative and qualitative data on the impact of social economy entities is also a way to provide a rationale for governments to invest in the social economy and in public procurement procedures. Read more about social impact measurement [here](#).

Better Entrepreneurship Policy Tool

The [Better Entrepreneurship Policy Tool](#) is a free online self-assessment and learning tool designed to help policymakers, practitioners, and stakeholders create and implement effective policies and programmes that support social and inclusive entrepreneurship. It helps users to assess their current policies, identify areas for improvement, and develop dedicated strategies. The tool includes self-assessment questionnaires, policy guidance notes, and case studies to support policy design.

Further information

More information on the outcome of these workshops and further information about the social economy can be found on the Commission's [Social Economy Gateway](#). This is a one-stop-shop website providing information and resources on the social economy. The proposed measures align with the European Pillar of Social Rights Action Plan and contribute to the 2030 EU headline targets.

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