

CONCLUSIONS

European Conference on Social Economy

Toledo (Spain) 6 and 7 May 2010

On the occasion of the European Conference on the Social Economy “A different way of doing business: challenges and opportunities in a globalised world”, these are the following conclusions to the debates held on 6 and 7 May 2010 in Toledo (Spain) by representatives from EU Institutions, Member State and organisations of Social Economy enterprises and entities.

A) The social economy enterprises are a business actor that contributes towards building Europe in a globalised world.

- The Toledo Conference is being held in a context of economic crisis with serious social consequences in the European Union and in other parts of the world. Faced with this situation, Social Economy enterprises are emerging as an actor that offers solutions and alternatives to the great economic and social challenges of our time that will mark the future of the European Union.
- The **European Institutions** have acknowledged in various official documents how Social Economy enterprises contribute towards generating added value in society and towards solving some of the most significant challenges and imbalances in European society so as to consolidate its wellbeing.

**B) Priorities and measures for the development of the Social Economy enterprises in the European Union**

**1. The Social Economy enterprises in European Union business policies.**

The **European Commission**<sup>1</sup> and the **European Economic and Social Committee**<sup>2</sup> have coincided in highlighting the need to safeguard the plurality of types of company existing in Europe. The legal frameworks of the European Union and of the Member States which regulate business activities should promote in a consistent way the various types of enterprise and equal status for the different types of companies.

In this regard, the Conference has drawn attention to the need for the European Union and the Member States to generate measures that will create a favourable environment to the development of Social Economy enterprises in their multiple expressions.

The Commission and the Member States should take Social Economy enterprises into account in the European programmes devoted to research, innovation, funding, regional development and cooperation for development, among others. The Conference has concluded in this regard that it is necessary to continue to set up measures to promote the Social Economy Enterprises.

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<sup>1</sup> Communication from the Commission. Small and medium enterprises: the key to achieving more growth and employment. Interim review of Modern SME Policies. COM (2007) 592 final. October 2007.

<sup>2</sup> Opinion of the European Economic and Social Committee. “Different types of companies” December 2009.

## **2. As regards the European Union growth model in the context of the EU 2020**

This period of crisis in which we find ourselves is not only a threat, but also an opportunity to lay the basis of a better economic model. The Social Economy Enterprises can contribute towards designing this new model as they represent another business format based on values like long-term benefit, the primacy of people over capital and respect for the environment. The Social Economy enterprises demonstrates on a daily basis how economic rationality and social progress are compatible criteria, with solidarity and social responsibility being key instruments in attaining a shared horizon of wellbeing and social cohesion.

Therefore, it is all about working to generate a new growth model based on more transparent, more sustainable and in short, more responsible corporate action. A growth model that is committed to job creation, to investing in human capital, fighting social exclusion and making the most of European society's capacity for innovation.

The **EU 2020 Strategy** is a key political framework for economic recovery and configuration of new sustainable socio-economic model.

### **Proposals and requests from the Social Economy organisations:**

#### **■ The Social Economy enterprises in «An industrial policy for the globalisation era»**

The Small Business Act has pointed out that it is necessary to take into account the diversity of the business community and of SMEs, whether craft and small companies, Social Economy enterprises or family-managed SMEs, as they all have the potential to consolidate European growth<sup>3</sup>. The pluralism and diversity of the different types of business are aspects that are valuable to the European Union and therefore it would be important for the EU 2020 Strategy to expressly acknowledge this.

- ▶ In this regard, and in accordance with the importance and recognition given by the European Institutions to the Social Economy Enterprises, it has been proposed that the EU 2020 Strategy should include expressly Social Economy enterprises among the players that will contribute towards developing a strong foundation of industry and specialised knowledge in Europe and towards placing the EU in a position that will result in general sustainable development.

#### **■ The Social Economy enterprises in the “Guidelines for Employment”**

With a view to making the most of the potential of the entrepreneurship and of the various forms of enterprise existing in Europe, promoting pluralism of the types of company would be a key element in promoting the creation of quality jobs and attaining the proposed target of ensuring that 75% of the population aged between 20 and 64 years is in employment by the year 2020.

- ▶ The Member States and European Institutions have been asked to ensure that the Guidelines for Employment acknowledge Social Economy enterprises as an important source of job creation as they are:

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<sup>3</sup> Communication from the Commission. Small and medium enterprises: the key to achieving more growth and employment. Interim review of the Modern SME Policy. COM(2007) 592 final, October 2007

- less dependent on the business cycle and often provide services which require intensive use of labour and are socially useful<sup>4</sup>.
- a fundamental instrument for the labour integration of the vulnerable groups (for instance handicapped people), whose integration in the work market is essential to reach the objectives of employment in the EU2020 Strategy<sup>5</sup>.

### ■ The role of the Social Economy enterprises in combating poverty and social inclusion

Social inclusion should also be promoted through the generation of decent, inclusive and quality employment that meets the specific needs of the disabled and of vulnerable persons. Social Economy enterprises have been doing this work with tools and itineraries for insertion that are adapted to the needs of people already in a situation of or at risk of social exclusion.

- ▶ Member States and the European Commission are asked, as part of the initiative to create a European Platform against Poverty, to include expressly Social Economy enterprises as players that generate job opportunities for the less attended people.

### C) Final Considerations

The Member States and European Institutions are strongly encouraged to keep the development of Social Economy on the agenda for future European Presidencies, as this will enable the further promotion of the Social Economy enterprises. It is very important to coordinate these activities between the European Commission, the Social Economy Inter-Group in the European Parliament and to the Social Economy Category in the European Economic and Social Committee.

This work of coordination between national and European Institutions should be translated into the increase of consistency between the various European and national policies that affect Social Economy enterprises.

Moreover, it has been pointed out that for the analysis and development of any policy on the Social Economy Enterprises, it is necessary to continue reinforcing the statistical mechanisms about these enterprises.

The Conference recalls the request to the Member States to set up a legal framework, that will provide recognition for the components of the Social Economy, and the request to the Commission to support Social Economy enterprises. In this regard, the Spanish Law on the Social Economy has been considered as a reference that could allow the generation of similar frameworks at European level so that they contribute towards the recognition of the Social Economy as an economic and social player, which should be considered in the definition of public policies.

Toledo, 7 May 2010

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<sup>4</sup> Informative document from the European Commission to the EPSCO Council. The employment crisis: trends, political responses and key actions. COM (2009) 649 final. November 2009.

<sup>5</sup> Communication from the Commission Modernising social protection for greater social justice and economic cohesion: taking forward the active inclusion of people furthest from the labour market. COM (2007) 620 final. October 2007.