

Social Platform President [Conny Reuter](#) presented on the Social Business Initiative at the conference on Social Business and Social Economy organized by the European Commission.

These are our first reactions to the Communication; Social Platform members are working to achieve a common position.

Based on these contributions he addressed the following:

- **A clear definition of “social enterprise” or “social business” is crucial** to allow to clearly distinguishing a social enterprise from a business company engaging in some social corporate responsibility actions: to simplify, not every business is social and not all social organizations are businesses. He also pointed out the specificity of the “business” dimension in the social sector: the **non-distribution constraint** is a key feature of social economy enterprises which are also not **owned** by shareholders but by **stakeholders**.
- All support measures aimed at developing social entrepreneurship must have as a pre-condition a better knowledge, understanding and visibility of social economy and social economy enterprises, which in various EU countries have a well-established framework and long tradition. To achieve this objective, it is crucial to develop **structured exchanges among the different actors** (public authorities, social enterprises and social economy representatives, CSOs representing users, investors, banks, business companies...) at EU level and in the 27 EU member states.
- **Ensure better and easier access to financing** for social enterprises and social economy organizations is necessary in order to strengthen the sector. Financing can be crucial throughout the whole life cycle and should ease social investments both in the short and in the long term. The participation of private investors to European and national lending mechanisms must be accompanied by the guarantee that the control of social enterprises rests in the hands of social enterprises themselves. The new EU funds and programs have to be used in order to ease their financing too.
- **Legal frameworks are essential both at national and European level.** Social Platform has been calling for a **European statute for associations**, and the revision of the European statute for cooperatives. Such a statute would not only benefit large-scale organizations wishing to expand in other countries, but also thousands of small scale organizations in bordering regions which face difficulties in developing their activities cross-border.
- It is urgent to develop a **better common understanding of tools to measure social returns on investment and social value.** This is not addressed in the actions foreseen by the Communication although it was raised in the social investment consultation. It would be an important area in order to develop understanding of and increase the visibility of social enterprises/the social economy and for both public authorities and private investors to be able to measure and evaluate the results.
- The **link between the Social Business Initiative and the Europe 2020 strategy** should be better stressed in the Communication: one proposal to be

explored should be the integration of strategies to support social enterprises in the National Reform Programs. The implementation of the Social Business Initiative at national and regional / local level is essential for the success of the initiative and the strengthening of the sector, as it is traditionally rooted in local and regional contexts.