The social economy prioritises people, social and environmental causes over profit. It plays a key role in social innovation, inclusion and job creation, providing bottom-up solutions for key challenges.

Social economy entities can face difficulties developing and scaling up their activities because they are not sufficiently understood and recognised. They need more and better support to have an even bigger impact. The Council Recommendation will make it easier for social economy entities to start up, scale up and be recognised.

The social economy encompasses many different sectors, requiring a whole-of-government approach. The proposed Council Recommendation sets out comprehensive, coherent, and up-to-date recommendations to Member States on how to promote the social economy across policy fields and legal frameworks.

The Commission invites Member States to design and implement targeted and comprehensive social economy strategies to create an enabling environment for the social economy to thrive, by looking at different policy areas.
What are some of the recommendations?

- Facilitate more mentoring and collaboration between social economy entities and the wider business community.
- Put in place mechanisms for consultation and dialogue between the public authorities and organisations representing the social economy.
- Create apprenticeship schemes in social economy that support young people, as well as tailored career guidance and training opportunities.
- Set up national competence centres for training on the social economy.
- Create social innovation hubs to harness the social economy potential.
- Acknowledge the role of the social economy in providing accessible and high-quality social and care services and housing, particularly for disadvantaged groups.
- Encourage contracting authorities to purchase goods and services strategically and to pursue social impact and innovation.
- Ensure that social economy entities have access to financing at the right stage of their development and tailored to their needs.
- Make full use of the scope under State aid rules to support the social economy.
- Assess whether tax systems sufficiently encourage its development and consider tax incentives.

EU funding is available for the social economy under the ESF+, ERDF and InvestEU and other funding programmes.

New social economy gateway

The new Social Economy Gateway is a one-stop-shop website that provides social economy entities with information on EU funding, training opportunities, events, resources and more. It has the latest information about what’s happening on the ground in the Member States, and where to go to find out more. Go get immersed in the social economy!

social-economy-gateway.ec.europa.eu