



DELIVERABLE 5.1.2 – Policy recommendations for fostering social enterprenurship in Greece

of project “**Supporting Social Enterprises in combating poverty and social exclusion**” with
the acronym “**SOCIAL PLATE**” in the framework of the European Territorial Cooperation
Program INTERREG V-A Greece - Bulgaria 2014-2020

<https://www.socialplate.eu/en/>

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The Central Market of Thessaloniki SA participates in the project "Supporting Social Enterprises in combating poverty and social exclusion" with the acronym "Social Plate", which is implemented within the framework of the INTERREG V-A Greece-Bulgaria Territorial Cooperation Program 2014-2020 and co-funded by the European Union and National Funds of the participating countries

Content table

Executive Summary	3
1. Introduction to the project “SOCIAL PLATE”	6
1.1. A few words about the project “Social Plate”	6
1.2 Object of the project “SOCIAL PLATE”	7
2. Conceptual approach and characteristics of social entrepreneurship	9
3. Categories of social enterprises	23
4. Motivations for the establishment of social enterprises	38
5. Corporate social responsibility and social entrepreneurship	44
5. Record the current situation for the social entrepreneurship sector in Greece	49
6. Comparative assessment of social entrepreneurship in Greece and Europe	68
7. Institutional framework for the establishment of social enterprises.....	78
8. Financing tools for social enterprises	91
9. Proposals for policy development to enhance entrepreneurship at national, regional and local level	99
Bibliography	105

Executive Summary

From the current report, which studies the social entrepreneurship and the construction of adequate policies for its development, the following remarks may be highlighted:

- Social entrepreneurship is perceived as a generic concept and used as an “umbrella” term, describing any type of organization, business or legal entity (the individual businessman included). On the other hand, social enterprises may be overlapping with the former concept, but it is a rather narrower concept, referring explicitly to an emerging type of business that is defined by a set of intrinsic characteristics². Social enterprises are a part of the social and solidarity economy (SCE), along with the main families of cooperatives, mutuals, associations and foundations.
- Social enterprises, specifically, demonstrate a variety in their size, range of action and in their entrepreneurial orientation. The main legal forms, under which they operate are: a) the non-profit legal form (unions, institutions, and non-for-profit enterprises), b) the cooperative legal form, c) the legal form, adapted to the intrinsic traits of social enterprises, d) the legal form of stock companies.
- Creating an enabling environment for the formation and the development of social enterprises, as well as for the other SCE entities, constitutes a goal of public policies, that usually take the form of laws, programs, and tools. These supportive policies aim to: a) the promotion of social enterprising, b) the formation of an adequate legal framework, c) the provision of sustainable financial tools, d) the provision of services and the formation of support infrastructure, e) passing measures for market accessibility and f) encouraging research and education at the SCE field.
- The corporate social responsibility may not be confused with the SCE concept. The former refers to the voluntary adoption by the enterprise of practices that promote the sustainable development, either as an additional operation or as an integrated business strategy. The latter describes a wide sector of economy that bares specific characteristics that differentiate it from the public and the private for-profit sector. Some of these characteristics lead to socially responsible practices, while they constitute integral traits

of the identity of these entities. Therefore, non-complying with these traits for the SSE actors means endangering their identity, as well as abolishing what differentiates them from public or private for-profit undertakings.

- Regarding statistical records for social entrepreneurship in general, it was found that their absence constitutes a problem for many countries, Greece included. In our country this issue may be partially addressed through the formation of the General Registry of SCE Entities, as SCE, according to the law, bares specific characteristics without being completely identical with social entrepreneurship. Based on available statistical data and secondary sources, it was found that the highest employment rates of SSE actors ranges between 9% - 10% of the total workforce. This is encountered in Belgium, Italy, Luxembourg, France and Netherlands, while in Romania, Malta, Lithuania, Cyprus, Croatia, Slovenia and Slovakia the rates are under 2%. In our country this rate is 3% of the total workforce, and -as a result- it classifies Greece with the countries, where the SCE employment rate is very low, due to the fact that SSE is still an emerging field of economy. In parallel, SCE entities in many EU countries (including Greece) have been resilient during the crisis, demonstrating a very small decrease in paid positions and maintaining the vast majority of these positions despite the financial turmoil.
- Law 4430/2016 on “Social and Solidarity Economy and development of its entities and other regulations” introduces two types of SCE actors: a) the de lege recognized SCE entities (social cooperative enterprises, social cooperatives of limited liability and worker cooperatives) and b) the SCE entities that need to satisfy certain criteria to gain the SCE entity status, such is the case for agricultural cooperatives, civil cooperatives, civil law companies. Under the Greek jurisdiction, there is no law that introduces social enterprises as a distinct legal form.
- Regarding the national recognition of the SCE concept, it was found that Greece belongs to the category of countries, in which SCE enjoys a moderate level of recognition. This may be explained by the fact that major SCE actors, such as cooperative banks and institutions, cannot be recognized as SCE entities according to the existing law.

- The financial tools for the SCE development may be based on state intervention, which can be direct (e.g. awarding of grants and subsidies) or indirect (e.g. tax measures, investment incentives, socially responsible public supply contracts, promotion of cooperative banks and financial tools from the field of SCE in the context of synergies with interested actors and local authorities). L. 4430/2016 adopts provisions for the financial support of SCE entities (e.g. creation of an SCE Fund, accessibility of SCE entities in the National Fund for Entrepreneurship and Development, inclusion in support entrepreneurship programs and in programs of Manpower Employment Organization for the promotion of employment). Additionally, direct grants for newly founded or already existing SCE entities and the funding of 89 help-desks will be provided. Apart from the above, the SCE actors have also created their own institutions and tools, such as the formation of 9 cooperative banks as well as the establishment of a non-profit legal entity aiming at addressing the needs of SCE entities in Greece with an emphasis on providing loan guarantees.
- Based on the above remarks, the current study suggests the following actions:
 1. Developing a common perception of SCE, among the broad spectrum of different SSE actors.
 2. Improving the promotion of SCE actors, along with their virtues and characteristics.
 3. Measuring and further establishing the SCE impact and its efficiency in the socioeconomic growth.
 4. Creating an adequate ecosystem for the development of enterprises and entities of SCE, enabling their accessibility in funding for further growth, as well as establishing an appropriate legal framework that will allow them to operate fully and in a transnational level.
 5. Further incorporation of social economy in EU funds and programs.
 6. Enhancing the role of SCE in EU's external actions.
 7. Consolidating and improving a permanent crosstalk between public authorities and SCE actors.

1. Introduction to the project “SOCIAL PLATE”

1.1. A few words about the project “Social Plate”

The project "Supporting Social Enterprises in combating poverty and social exclusion" with the acronym "SOCIAL PLATE", was submitted on 22.04.2016 to priority axis 4 - 'A Cross-border Area without Social Exclusion' and in particular:

- In Thematic Goal: 09 - 'Promoting social cohesion, combating poverty and discrimination'
- In investment priority: 9c – ‘Providing support to social enterprises’
- In Specific Objective: 9 - 'Expanding social entrepreneurship in the cross-border area'

The duration of the project in the stage following its formal approval was from 01/08/2017 to 31/07/2019 and after an extension request is from 28/09/2017 to 27/09/2019 and is of a duration 24 months in total.

The financing contract was signed on September 28, 2017 and has the number B2.9c.03, while the partnership agreement was signed respectively by the representatives of the partners participating in the partnership on August 29, 2017.

The Central Market of Thessaloniki SA is the Lead Beneficiary in the project entitled "Supporting Social Enterprises in Combating Poverty and Social Exclusion" and under the acronym "SOCIAL PLATE", which is 85% co-financed by Community funds and 15% national,

in framework of the European Cross-Border Cooperation Program Greece - Bulgaria 2014 - 2020 (INTERREG V-A).

In the corporate form of this project, as submitted and approved, TECHNOPOLIS - INTERNATIONAL EDUCATION INSTITUTE (126.040,00 €), Borino Municipality (106,009,40 €) and Active Youths (100,980,00 €) also participate. The total approved budget of the project "SOCIAL PLATE" is € 551.779.40, while the budget of the Central Market of Thessaloniki SA for the implementation of the actions to be undertaken as the Project's Lead Beneficiary amounts to 218.750,00€.

1.2 Object of the project "SOCIAL PLATE"

Project background

The cross-border area comprises some of the most remote and isolated areas of both countries as they are characterized by increasing levels of poverty and high unemployment rates especially for women and young people. Social entrepreneurship has been able to alleviate such problems in various parts of Europe but in the cross-border area it has not developed sufficiently. Social entrepreneurship can address issues of reduced service provision to specific populations subject to or threatened by social exclusion and at the same time provide them with access to the labor market. This deteriorating socio-economic context has aroused the interest of partners in the creation and operation of social enterprises in Greece and Bulgaria that offer (a) an additional opportunity to enter the labor market the professionally and financially troubled and vulnerable groups and (b) to seek new and sustainable resources to meet social goals for the benefit of the public.

The idea of the project was developed as a solution to the issues of unemployment, poverty and social exclusion. Specifically, the project aims to promote regional cohesion through the creation and promotion of social enterprises in Greece and Bulgaria with the role of not only providing long-term unemployed and marginalized people but also feeding people from vulnerable social groups. In addition, through training seminars, the project seeks to increase

the skills of the unemployed, as well as people already working in other social enterprises lacking in marketing, business planning, etc.

The purpose of the project is to support the establishment of a social enterprise in Greece (Central Macedonia) and to promote it in Bulgaria through social franchising, that is, the cross-border transfer of the social enterprise from one country to another. The purpose of the social enterprise will be the distribution of long-term products that would otherwise be wasted, promoting an ecological approach while employing individuals from economically and professionally disputed groups to ensure the daily operations of the entity.

Expected results

The project is a solution to the perennial problems of poverty and marginalization of socially vulnerable groups such as women and young unemployed. The “Social Plate” project will create jobs for the aforementioned individuals, helping them to contribute to the local economy as well as help themselves: two NGO staff will be employed as volunteers. Volunteering is promoted after it has been shown that through socialization and community participation, people can go beyond marginalization. Using a food surplus that would otherwise end up in the trash bin suggests an innovative and environmentally friendly approach.

The fact that public, regional and local stakeholders are involved in the partnership ensures the project's broader contribution to the development and support of social entrepreneurship. Educational institutions and other public bodies will also be involved in information effort and raising awareness about the opportunities and conditions for the development of social entrepreneurship by organizing joint forums / discussions. There will also be joint seminars / events of good practice aimed at a wider audience of people with financial and social problems, providing them guidance in business planning, marketing strategies etc. By providing guidance and support in creation of new NGOs, the project “Social Plate” becomes one of the few organized efforts to promote social entrepreneurship

locally and nationally in the cross-border area, thereby enhancing the development of local businesses economies.

2. Conceptual approach and characteristics of social entrepreneurship

The purpose of this report is to examine social entrepreneurship. This study provides answers to key questions about this alternative form of entrepreneurship, namely how it is defined as a concept, what its legal framework is, how it can be formed and what constitutes an appropriate environment for its development, while At the same time, the course of social entrepreneurship in Greece and in Europe is examined.

The concept of social entrepreneurship and social enterprise is examined in relation to other similar terms (social economy, solidarity economy, co-operative) which overlap. The social enterprise, in particular, is broken down into sub-categories, based on its legal form, field of activity and business orientation. Emphasis is also placed on the creation of an environment

conducive to the creation and development of social enterprises, as well as to all stakeholders of SCE in general, which is a requirement in the formulation of public policies in the form of laws, programs and tools. Public policies for SCE are invited to take into account the values and principles of these ventures, to remove existing barriers to their development and to shape appropriate conditions by motivating interested parties to establish and participate in SCE initiatives. At the same time, this report identifies areas for action to formulate appropriate policies to stimulate the development of social entrepreneurship.

Another issue that has been addressed in this study concerns corporate social responsibility, which has in recent years attracted the interest of national governments, international organizations, the business world and the academic community. There is also a plurality of definitions and approaches here, as with the concepts discussed at the outset, but the concept of social responsibility should not be confused with that of social enterprises and the social solidarity economy in general. Although they present some overlapping elements, they are not identical.

At the same time, the current institutional framework governing social business and the state of the art so far taken into account, considering the number of active ventures, their legal form, their geographical distribution, as well as their sustainability and employment issues.

The statistical analysis of the social economy in Europe and Greece made some findings as to the size, creation and maintenance of jobs, while examining the degree of legislative recognition of the social economy in Europe and Greece with the recent legislative initiative of n. 4430/2016.

An equally important issue developed in this report concerns the development of appropriate SSE funding support and development tools, while referring to the supportive financing measures in place in Greece for SCE projects.

Finally, bearing in mind the above findings, the report concludes with a number of policy development proposals to enhance entrepreneurship at national, regional and local level, which may form the basis for adopting a coherent action plan for social solidarity, as a key

tool for systematic integration of SCE various social-economic policies, as well as actions to achieve sustainability objectives.

This section will briefly outline some key concepts such as social entrepreneurship, social enterprise, social economy, solidarity economy and cooperatives. These concepts overlap at several points and need clarification so that the subject of the report will then be analyzed.

Social entrepreneurship and social enterprise

The terms social entrepreneurship and social enterprise tend to either inadvertently or intentionally be used in public discourse as synonyms or similar. This is partly due to the fact that there is no broad consensus on the definition of the terms, while often the boundaries between the definitions of the above terms are unclear. A closer examination, however, reveals that these two terms are distinct, not tautological.

In particular, social entrepreneurship is an “umbrella” term that describes a general logic that can apply to any type of organization, business or legal form (including the individual entrepreneur). Entrepreneurship can be practiced by the public sector, by private enterprises, by civil society or by social operators (traditional or emerging types of organizations, such as social enterprises). Therefore, social entrepreneurship is practiced by any body, venture, initiative and not only by social enterprises.

What distinguishes social entrepreneurship as a concept is that it seeks to meet new or existing social needs, often providing answers in an innovative way. As a term it is often associated with social innovation and social impact. This does not mean that its primary objective is the realization of a social purpose / mission, nor does it provide solely social services. The key feature of social entrepreneurship is that it seeks to balance the production of profit for partners / members and to promote social benefit. For that reason social entrepreneurship is not accompanied by restrictions, on the distribution of profits or forecasts on the participation in governing bodies and other factors such as consumers, employees. Consequently, social entrepreneurship is not guaranteed, nor is it promoted over time, as it depends on the will of the entrepreneur.

On the other hand, social enterprises as a condition refer to a new business model, with some inherent characteristics¹. Consequently, in order for a company to be qualified as social it must bear these characteristics. Businesses are either set up as social or transformed into social when and when they acquire these characteristics. They are a new phenomenon that transcends Europe's borders and can be found in other regions such as Asia and North America². As a new phenomenon, it has attracted the interest of businesses, politicians, citizens and investors³. However, the absence of a widely accepted definition makes it difficult to study them.

The European Commission has attempted to introduce a definition of work for social enterprises in the text of the Social Entrepreneurship Initiative. The above definition was largely based on the definition of the international EMES⁴ ⁵ research network with several points in common. The European Commission's definition highlights some key features of social enterprises, but it is not a binding definition for Member States to adopt in their national laws. In terms of its importance, it is noted that it has been a working definition of the mapping of social enterprises in subsequent studies, while it has been used as a tertium

¹ Petrella, F. & Richez-Battesti, N. (2014). Social entrepreneur, social entrepreneurship and social enterprise: semantics and controversies. *Journal of Innovation Economics & Management*, 14,(2), 143-156. : « *the notion of “social entrepreneurship” is a way to put more emphasis on the process, on the organisational and collective dimensions of the entrepreneurship. The notion of “social enterprise” refers to the “tangible outcome of social entrepreneurship”. Let us now present this last notion* ».

² European Commission - Directorate-General for Employment, Social Affairs and Social Inclusion (2013). *Social economy and social entrepreneurship: A guide to social Europe*. Issue 4, p.

³ OECD/EU (2017), *Boosting Social Enterprise Development: Good Practice Compendium*, OECD Publishing, Paris, σ. 21

⁴ Official website EMES <https://emes.net/>

⁵ OECD/EU (2017), *Boosting Social Enterprise Development: Good Practice Compendium*, OECD Publishing, Paris, σ. 22

comparationis for the comparative study of European national laws on social enterprises⁶. In a sense, this definition helps to form a common understanding and understanding of the phenomenon of social enterprises, despite the diversity and the differences that it appears⁷. In particular, according to the text of the Social Initiative Entrepreneurship, businesses are called social enterprises⁸:

- *'for which the social or social purpose of the common interest is the reason of existence, commercial activity, often expressed with a high level of social innovation,*
- *whose profits are mainly reinvested in achieving this social objective,*
- *and whose manner of organization or system of ownership reflects their mission, based on democratic or participatory principles or with a view to social justice.*

It is about:

- *companies who are providing social services and / or goods and services to a vulnerable public (access to housing, access to care, assistance to the elderly or disabled, integration of vulnerable groups, childcare, access to employment and training, dependency management, etc.); and / or*
- *enterprises whose mode of production of goods or services pursues a social objective (social and occupational integration through access to work for disadvantaged persons, in particular because of their low specialization or social or occupational problems caused by exclusion and marginalization), but whose the activity may cover goods or services other than social»⁹.*

⁶ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe: Synthesis Report.

⁷ OECD/EU (2017), Boosting Social Enterprise Development: Good Practice Compendium, OECD Publishing, Paris, σ. 22

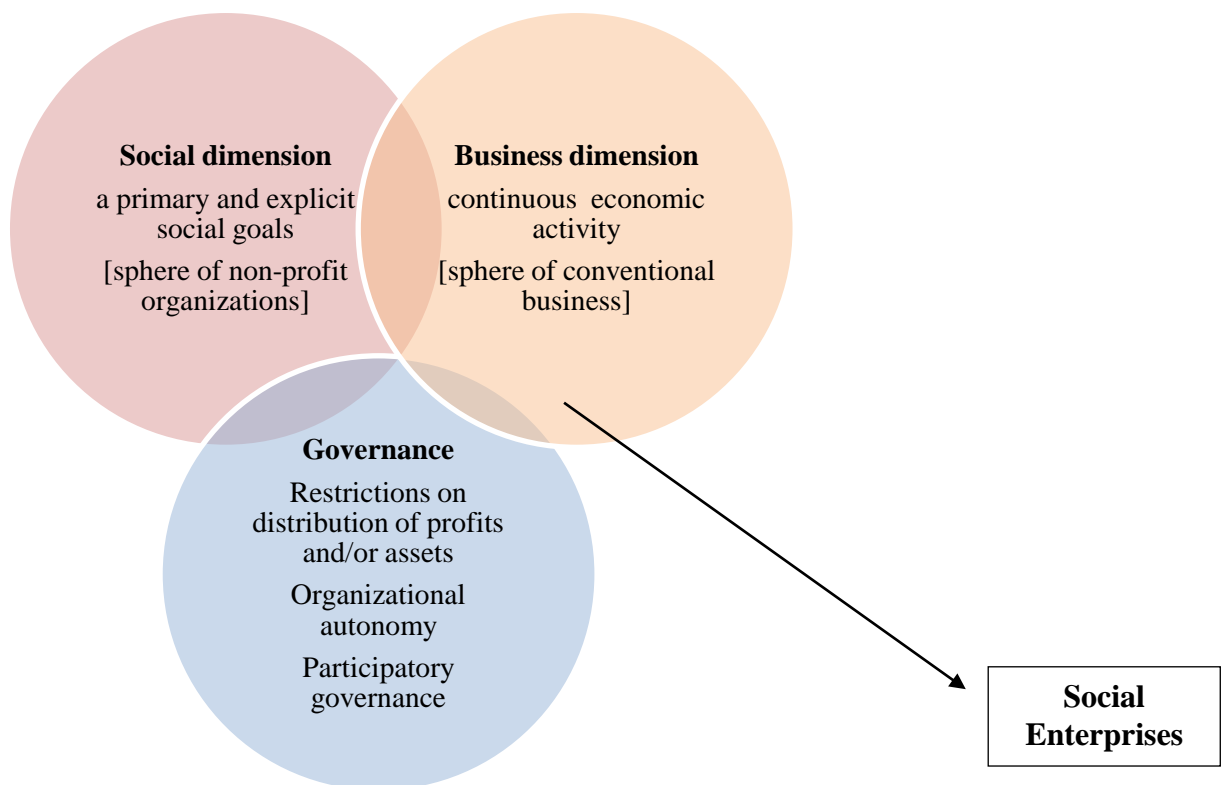
⁸ For the purposes of the rules of the Treaty on the Functioning of the European Union and the case law of the Court of Justice of the European Union

⁹European Commission, (2011). Social entrepreneurship initiative. Building an ecosystem to promote social enterprise at the heart of social economy and social innovation, COM/2011/0682, p. 2-3.

According to the above, social enterprise has three critical elements, which are highlighted by the international literature:

- a) business dimension,
- b) social dimension,
- c) system of governance¹⁰ (Chart 1).

Chart 1



Source: European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe. Synthesis Report, pg.10

¹⁰European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe. Synthesis Report, p. 9

With regard to the business dimension it is noted that a social enterprise has a continuous economic activity, ie it produces goods or provides services in the market. Buyers of goods or recipients of services may be individuals, members of the social enterprise or the public in the context of public procurement supplies¹¹. The business dimension is fundamental to social enterprise, as it distinguishes it from other bodies and organizations (such as non-profit organizations) that, while pursuing a social objective, but without necessarily engaging in regular trading¹². The business dimension of social enterprises implies that enterprises make use, at least partially, of the factors of production, which are paid work, capital and wealth in the context of the monetary economy. This means that in the beginning social enterprises can rely mainly on voluntary and non-commercial sources, but in order to be sustainable they make use of the above production factors¹³.

On the social dimension it is noted that a social enterprise has a social purpose. This means that the products or services provided must promote social or public benefits¹⁴. This social goal is the primary pursuit of social enterprise and not of secondary importance. This is equally important as it differentiates social enterprises from private for-profit companies whose main purpose is production and profit distribution¹⁵.

The third element refers to the governance of a social enterprise, which must be done in such a way as to promote its social purpose, as noted above. This means that a social

¹¹ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe. Synthesis Report, σ.10

¹² European Commission - Directorate-General for Employment, Social Affairs and Social Inclusion (2013). Social economy and social entrepreneurship: A guide to social Europe. Issue 4, p.

¹³ European Commission, p.10

¹⁴ European Commission, p.10.

¹⁵ European Commission - Directorate-General for Employment, Social Affairs and Social Inclusion (2013). op. , p. 31-32

enterprise should be distinguished by the following specific characteristics of its governance:

- i. organizational autonomy,
- ii. democratic and / or participatory decision-making system;
- iii. restrictions on the distribution of profits and/or business property¹⁶.

The coexistence of the above governance features differentiates social enterprises from both private and non-profit organizations.

It should be emphasized that social enterprises are multidimensional in the sense that the business, social and governance elements, as discussed above, coexist at the same time, as opposed to conventional businesses or non-profit organizations, where such coexistence of all three elements is not observed¹⁷.

Social economy

“Charter of Principles of the Social Economy¹⁸” is the most recent definition of the field of social economy. This text was compiled by the organization *“Social Economy Europe¹⁹”*, that

¹⁶ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe. Synthesis Report, p.9-10

¹⁷ European Commission, p.10.

¹⁸ Permanent Conference of European Cooperatives, Mutual Insurance Companies, Associations and Institutions (CEP-CMAF), 20 August 2007 https://www.amice-eu.org/userfiles/file/2007_08_20_EN_SE_charter.pdf

¹⁹ The Permanent Conference of European Cooperatives, Mutual Insurance Companies, Associations and Foundations (CEP-CMAF) was established in 2000 with the aim of conducting a permanent dialogue with the institutions of the European Union. In 2008 this initiative changed its name to “Social Economy Europe”. Social Economy Europe (2015). Social Economy. Taking back the Proposals initiative to transform the social economy into a pillar of the European Union, White

is to say, the body representing social economy bodies at European level, thus constituting a text for the social economy to be identified by the bodies making up themselves²⁰.

The Charter crystallizes the principles that govern the universe of the social economy and are:

- the superiority of human beings and social goals over capital,
- voluntary and free participation,
- democratic scrutiny by members (this principle does not apply to institutions which do not have members),
- the combination of promoting the collective benefit of members / users and / or social (community, community),
- the defense and application of the principle of solidarity and responsibility,
- autonomous management and independence from public authorities,
- the use of most of the surpluses for the purposes of sustainable development, for the benefit of members or for the greater good²¹.

paper.file:///C:/Users/ifige/AppData/Local/Packages/Microsoft.MicrosoftEdge_8wekyb3d8bbwe/TempState/Downloads/livre-blanc_en%20(1).pdf

²⁰ Monzón, J.L, Chaves, R. (2017). *Recent evolutions of the social economy in the European Union*.

European Economic and Social Committee, p. 9

<https://www.eesc.europa.eu/sites/default/files/files/ge-04-17-875-en-n.pdf>

²¹ *Social Economy Europe* (2015). Social Economy. Taking back the initiative Proposals to make the social economy into a pillar of the European Union, White paper.

file:///C:/Users/ifige/AppData/Local/Packages/Microsoft.MicrosoftEdge_8wekyb3d8bbwe/TempState/Downloads/livre-blanc_en%20(1).pdf

Traditionally, the social economy has included cooperatives, mutual insurance companies, associations, and recently foundations, while new players such as social enterprises²² emerged.

Based on the above perception, which is also reflected in the Social Initiative Entrepreneurship, social enterprises are carriers of the social economy. But they are not the only ones. That is why the concepts of social economy and social enterprise are not identical. In order to be considered a Social Entity as a social enterprise, it must have the specific characteristics, as discussed above, of a social enterprise.

Solidarity economy

The term "solidarity economy" or "solidarity economy" appears in the late 20s. in France and Latin America. This concept has placed a conceptual sign on third-party organizations that produce or distribute social products and services, which are dethroned as absolutely necessary for every human being to live in dignity. Consequently, the disposal of these goods cannot depend on income or other criteria, and each government must either ensure the donation of such goods or subsidize the above organizations so that their pricing can be is lower than market prices.

Based on the French approach to the solidarity economy, its ventures seek to reconcile the market, the state and reciprocity by utilizing a variety of resources: such as sales of goods / services on the market, government grants and donations to support them. and volunteers who support these projects. On the other hand, the Latin American approach emphasized

²² Monzón, J.L, Chaves, R. (2017). P.. 9

the solidarity economy as an alternative to the existing capitalist one system²³.

Cooperatives

Cooperatives, as noted above, are seen as bodies that have traditionally been integrated into the social economy²⁴. They are differentiated from social enterprises because their targeting, as we will see below, is not primarily social²⁵. But often social enterprises are set up under a cooperative legal form²⁶.

In particular, the International Co-operative Alliance, which is the international body for cooperative representation, drafted the Manchester Co-operative Declaration at the 1995 Manchester Conference voluntarily set up to address common economic, social and cultural needs and aspirations through a co-owned and democratically managed enterprise²⁷.

According to the definition, which is widely accepted internationally, a cooperative is an association of persons, in the sense that it defines itself the legal form of the persons who

²³ International Center for Research and Information on Public, Social and Cooperative Economy (CIRIEC) (2012). The social economy in the European Union. European Economic and Social Committee, p. 23-24.

²⁴ Monzón, J.L, Chaves, R. (2017). *Recent evolutions of the social economy in the European Union*. European Economic and Social Committee, p. 9

<https://www.eesc.europa.eu/sites/default/files/files/qe-04-17-875-en-n.pdf>

²⁵ Ευρωπαϊκή Επιτροπή- Γενική Διεύθυνση απασχόλησης, κοινωνικών υποθέσεων και κοινωνικής ένταξης (2013). Κοινωνική οικονομία και κοινωνική επιχειρηματικότητα: Οδηγός για την κοινωνική Ευρώπη. Book 4, p. 32.

²⁶ Ευρωπαϊκή Επιτροπή- Γενική Διεύθυνση απασχόλησης, κοινωνικών υποθέσεων και κοινωνικής ένταξης (2013). p. 32, 41-43. European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe. Synthesis Report, p.42

²⁷ Βλ. MacPherson I, *Συνεταιριστικές αρχές για τον 21 αιώνα*, Ινστιτούτο Συνεταιριστικών Μελετών, 1997, p. 8-9.

will become its members²⁸. Consequently, a cooperative can be accepted as members not only natural persons but also legal entities, provided there is no contrary legal provision. Subsequently, the association of persons is defined as autonomous, thereby emphasizing the independence of the cooperative institution from the executive and other companies, in particular the speculative organizations²⁹. The establishment of a cooperative, as defined by the definition, is voluntary. Therefore, setting up and joining a cooperative cannot be a product of obligation. The purpose of setting up a cooperative is to meet the needs of its members, as is clear from reading the definition. These needs can be purely economic (such as reducing costs or boosting co-operatives' income) or social, (such as childcare) and cultural (such as sponsoring sports activities)³⁰. In any case and regardless of their nature and diversity, the needs of the members are the reason for the existence and functioning of each cooperative. The above needs are served through the cooperative enterprise, i.e. the use of the products or services it provides to its members. As a business, the cooperative is a regulated market player. But its peculiarity, which distinguishes it from any other form of business, whether public or private, is the coincidence of ownership and democratic administration, on the basis of which "power is shared within the cooperative among members on a democratic *basis*³¹". The 1995 Declaration crystallized beyond the definition and values that the cooperative movement (self-help, self-responsibility, democracy, equality, equality, solidarity, honesty, transparency, social responsibility and concern for them). The above values are embodied in the seven cooperative principles, as recorded in the Manchester Declaration.

These principles are set out in the text of the Declaration and are as follows:

1. Voluntary and free participation

²⁸ Βλ. MacPherson I, p. 9.

²⁹ MacPherson, p. 9.

³⁰ MacPherson, p. 10.

³¹ MacPherson, p. 10.

Co-operatives are voluntary organizations open to all persons who can use their services and wish to accept their responsibilities without discrimination on the basis of sex, social class, race, political belief or religion.

2. Democratic administration on the part of members

Cooperatives are democratic organizations run by their members who are actively involved in shaping their policy and decision making. Men and women who serve as elected representatives are accountable to the members. In primary cooperatives members have equal voting rights (each member one vote) and in higher-level cooperatives, they are also organized in a democratic way.

3. Financial participation of members

Members participate on an equal footing and democratically manage the cooperative capital. At least one part of this capital is usually the common property of the cooperative. Members usually receive limited or no remuneration for the funds they deposit to become members. Members shall have surpluses for any or all of the following purposes: (a) development of the cooperative, possibly with the creation of reserves, of which at least part will be undistributed; cooperative; and (c) support for other activities approved by members.

4. Autonomy and independence

Cooperatives are autonomous self-help organizations run by their members. If they enter into agreements with other bodies including governments or raise funds from outside sources, they are free to do so by following rules that ensure democratic administration by members and maintain cooperative autonomy

5. Education, training and information

Co-operatives provide training and hands-on training to their members, elected members of management, executives and employees so that they can contribute effectively to the development of their co-operatives. They provide information to the public - especially young people and opinion-makers - about the benefits of cooperation.

6. Cooperation between cooperatives

Cooperatives serve their members with maximum efficiency and strengthen cooperative movement when they cooperate with each other through organizations at local, national, regional and international level.

7. Interesting for the community

Cooperatives work for the sustainable development of their communities with policies adopted by its members³².

³² MacPherson, p.1-2.

3. Categories of social enterprises

This section examines the individual categories in which social enterprises can be distinguished according to the size and scope of: their action, their legal form, their field of activity and their business orientation. In more detail:

a. Size and scope of social enterprise typology of action

Social enterprises vary in their size and scope. A significant number of these businesses correspond to small and medium-sized local businesses. However, through partnerships and networking, social enterprises are grouped together to achieve economies of scale and to emerge as important economic and social actors in the country where they are based. (Box 3a)³³.

Box 3a: The consortium “In Concerto”³⁴

In just a decade, the “In Concerto Consortium” in Castelfranco Veneto, northwestern Italy, has become the region's largest business. The consortium was founded in 2002 by local social cooperatives, many of them start-ups, and operates in an area of 100,000 inhabitants. The consortium is comprised of 22 social cooperatives, employs almost 1 300 employees (including over 200 with some kind of physical or social handicap), and provides reintegration services to over 1,000 users. The consortium has a total turnover of more than € 47 million and which, even in 2010, a gloomy year for most businesses, has grown by almost 13%.

“In Concerto” is a large partnership of single-mission cooperatives, based on the idea that social cooperatives should be as present as possible in the local area and be active in every possible field. This virtuous mechanism generates income for the local area, provides employment and enhances social inclusion - for people with disabilities, former prisoners, or anyone socially disadvantaged, including those over 50 who have been fired and struggling to support families their. This is possible because the social partners belonging to In Concerto have decided that certain functions and decisions (such as staffing, accounting, shopping, etc.) will be centrally executed. Relations between members are very close, and the decision to join forces has allowed all cooperatives, including small and medium-sized enterprises, to be developed and grow in size.

Affairs and Social Inclusion (2013). Social economy and social entrepreneurship: A guide to social Europe. Issue 4, p.

http://solidaritymission.org/wp-content/uploads/2015/12/Social_Europe_Guide.pdf

³⁴ European Commission - Directorate-General for Employment, Social Affairs and Social Inclusion (2013). Social economy and social entrepreneurship: A guide to social Europe. Issue 4, p. 39.

An internal fund helps cooperatives to innovate. Cooperatives pay money to the fund, based on the volume of their work, as labor is the ultimate purpose and value they produce and offer to the population and the weakest members of society, not profit. In Concerto's cooperatives are active in many areas, such as carpentry, cleaning and social services such as home health care, elderly care, and communities for people with mental health problems. The consortium can emerge as a 'solution provider' to large companies, managing a full production line, overseeing production as well as logistics, warehousing, personnel management and certifications. Co-operation between cooperatives and the decision to qualify the system as a whole, rather than the individual profit, mean that cooperatives can offer great benefits to customers.

Ως αποτέλεσμα, σε μια εποχή που η Ιταλία κατακλύζεται από εισαγόμενα κινεζικά προϊόντα, η κοινοπραξία εξάγει προϊόντα της στην Κίνα. Εν τέλει, η In Concerto δεν είναι ανταγωνιστική λόγω χαμηλού εργατικού κόστους, αλλά διότι είναι μια ευέλικτη, ενοποιημένη και καινοτόμος επιχείρηση.

As a result, at a time when Italy is inundated with imported Chinese products, the consortium exports its products to China. In the end, In Concerto is not competitive, not due to low labor costs, but because it is a flexible, integrated and innovative business.

Article translated into English by Carla Renicki, from the book *Buon Lavoro*, by C. Borzaga and F. Paini, published by Altra Economia

b. Typology of social enterprises by action field

Social enterprises cover a wide range of activities in which they carry out their social mission (see Box 3b). At the same time, they were found to be expanding into new areas of activity, where they were not previously significant, such as renewable energy. In particular, the main areas of activity of social enterprises are:

1. social and economic integration of vulnerable and excluded people (such as labor market integration and protected employment),
2. social services of general interest (such as long-term care for the elderly and people with disabilities, child care, employment and training),
3. other social and community services (such as micro-credit, counseling, temporary homelessness),
4. services of general interest (maintenance of public spaces, provision of passenger transport services, waste collection),

5. onshore industries and environment (such as recycling, renewable energy, pollution reduction),
6. Cultural, tourist, sporting and reproductive activities,
7. Solidarity practices in developing countries (such as the promotion of fair trade)³⁵.

The sectors in which social enterprises operate are different from country to country. In Italy, for example, social enterprises are active in labor integration and in the provision of social services. In Sweden and the UK a significant number of social enterprises provide community and social services, while in Hungary and Romania social enterprises are particularly active in the field of social health work and education³⁶.

Some of the factors that influence and in what and how many areas social enterprises appear and operate is the existence of a social state, and in particular the quality of social services provided by the state and the existing institutional framework within which social enterprises operate, and to what extent allows them to operate in any sector of the economy or if it places restrictions on the undertaking of economic activities by social enterprises³⁷.

Despite the differences between countries, it is noted, however, that WISE (WISE- work integration social enterprises) is the most basic form of social enterprise in a significant number of countries, such as the Czech Republic, Greece, Hungary, Latvia, Poland, Slovakia and Slovenia. On the other hand, social enterprises appear to be under-represented in the field of construction and processing³⁸.

³⁵ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe: Synthesis Report, p. 33

³⁶ European Commission - Directorate-General for Employment, Social Affairs and Social Inclusion (2013). Social economy and social entrepreneurship: A guide to social Europe. Issue 4, p. 36-37

³⁷ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe: Synthesis Report., p.36

³⁸ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe: Synthesis Report, p.35-36

Box 3b: Mapping the fields of activity of social enterprises in Europe³⁹

Το SELUSI είναι ένα ερευνητικό πρόγραμμα (χρηματοδοτούμενο από το 7^ο πρόγραμμα-πλαίσιο της Ευρωπαϊκής Επιτροπής), το οποίο μελετά τις συμπεριφορές στην αγορά και τις αποφάσεις οργανωτικού σχεδιασμού πάνω από 600 κοινωνικών επιχειρήσεων σε ολόκληρη την Ευρώπη. Η βάση δεδομένων που έχει συγκροτηθεί στο πλαίσιο του προγράμματος προσφέρει ένα περιεκτικό δείγμα, συγκρίσιμο μεταξύ χωρών, και μπορεί να βοηθήσει στο σχηματισμό μιας εικόνας για τους πολλούς τομείς στους οποίους δραστηριοποιούνται οι ευρωπαϊκές κοινωνικές επιχειρήσεις.

Πεδίο δραστηριότητας κοινωνικών επιχειρήσεων

75% του δείγματος	Κοινωνικές υπηρεσίες	16,70%
	Απασχόληση και Κατάρτιση	14,88%
	Περιβάλλον	14,52%
	Εκπαίδευση	14,52%
	Οικονομική, κοινωνική και κοινοτική ανάπτυξη	14,34%
	Πολιτισμός, τέχνες και ψυχαγωγία	7,08%
	Υγεία	6,90%
	Στέγαση	2,72%
	Επιχειρηματικές ενώσεις	2,00%
	Νομικά, υπεράσπιση και πολιτική	1,63%
	Λοιπά	4,72%
	100%	

Πηγή: Στοιχεία SELUSI όπου συμπεριλαμβάνονται όλα τα δεδομένα από όλες τις χώρες (N=581)

Περισσότερες πληροφορίες: www.selusi.eu

³⁹ European Commission - Directorate-General for Employment, Social Affairs and Social Inclusion (2013). Social economy and social entrepreneurship: A guide to social Europe. Issue 4, p. 37.

[http://solidaritymission.org/wp-content/uploads/2015/12/Social_Europe_Guide.pdf]

C. Typology of social enterprises based on legal form

There is a wide range of legal forms that businesses receive in order to function as social (see Table 2). Despite the differences found between European countries in these legal forms, there are four main legal forms in which social enterprises operate:

- (a) Non-profit legal forms (associations, institutions, non-profit companies),
- (b) Cooperatives,
- (c) Legal forms adapted to the characteristics of social enterprises,
- (d) Capital companies ⁴⁰

In particular, the first category notes that non-profit legal forms include associations, foundations and non-profit corporations. These legal forms may operate democratically or be managed by an administrator, do not distribute profits, and are traded on the market to serve and promote their social mission. A study conducted in 2015 in 29 European countries found that in 23 of the 29 countries social enterprises were operating in the legal form of the association and in the legal form of the association in 12 countries⁴¹.

Cooperatives belong to **the second category** of legal forms, which are associations of persons, governed democratically by their members, who can distribute their positive financial results, but usually with restrictions. Although they are self-sustaining economies and self-help organizations of their members, they can still include social goals in their statutes. Of the 29 European states where social enterprises were mapped, in 15 of them social enterprises make use of the legal form of the cooperative⁴².

At the third category of legal forms are the predominantly legal forms of social enterprises. Concerning the results of the aforementioned mapping study of social enterprises it was

⁴⁰ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015)., p. 42

⁴¹ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015), p. 42

⁴² European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe: Synthesis Report., p. 42

noted that for the last category of legal forms in 15 of the 29 states, in total, the national legislator has adopted provisions recognizing and regulating the activities of the social enterprises⁴³.

In particular, the legislator sometimes adapts existing legal forms to the needs and particulars of a social enterprise in order to strike a balance between their social mission and their business practice. In a number of countries the cooperative model was the one that was adapted by law to the inherent characteristics of social enterprises, such as the case of L. 381/1991 on social cooperatives in Italy. In other jurisdictions the legislature introduced special types of non-profit organizations allowing them to undertake economic activities, such as the Czech case with the introduction of public benefit organizations⁴⁴.

In some European countries the legislator takes a different approach, emphasizing not the legal form that a social enterprise can acquire, but the legal status. The acquiring of the legal status of a social enterprise can be done by a wide range (or even any) of ventures, regardless of the legal form they carry⁴⁵. In Italy, for example, the acquisition of social enterprise status can be done by a traditional cooperative, a social cooperative, an institution, association or even a capital company⁴⁶. However, a basic requirement for this is that the candidate body fulfills certain criteria⁴⁷.

At the fourth and last category of legal forms of social enterprises are the capital companies, where ownership / management is done by the partners / shareholders on the

⁴³ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe: Synthesis Report., p. 51.

⁴⁴ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015), p.51

⁴⁵ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). P. 51

⁴⁶ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015), p. 21

⁴⁷ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). P. 51

basis of their participation in the corporate fund.⁴⁸ These companies have the ability to market to promote a social purpose and adapt their governance to their social mission, making it a top priority over profit making and distribution⁴⁹. In the aforementioned mapping study, it was found that in 18 of the 29 European countries, social enterprises make use of the legal form of capital / equity companies⁵⁰.

d. Typology based on the business dimension of social enterprises

The mapping study of 29 European countries and taking into account the distribution of profits / surpluses, their legal form, how they are governed, their sources of income, the work provided and the field of activity yields a categorization of social enterprises by their business dimension⁵¹.

This study identified a new trend of social enterprises, which are more market oriented and emphasize profit making in order to drive them to fulfill their social mission. These social enterprises have a strong business orientation, allow for a limited distribution of profits to their members and to social investors, and are usually in the legal form of traditional cooperatives, venture capital firms or private companies. The work provided in these social enterprises is remunerated, and they are engaged in a wide range of activities such as social services, education and new activities such as renewable energy and fair trade⁵².

⁴⁸ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). P.42

⁴⁹ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). p. 42

⁵⁰ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). p. 42

⁵¹ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). p. 36-41

⁵² European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). p. 36-41

On the other end there are social enterprises, which are not so strongly business oriented. These include non-profit associations, institutions and organizations. The distribution of profits to these social enterprises is prohibited by law. And their system of governance depends on the legal form they choose and can be democratic in the case of associations, whereas in the case of institutions, collective governance is not compulsory. Their main sources of income are their members' contributions, government subsidies and grants, public supply contracts and, secondarily, the supply of goods / services on the free market. The areas in which they operate are - inter alia - social and community services, education, culture and tourism⁵³.

At the forefront of these two trends are placed the social enterprises, which operate in legal forms, which are a legal adaptation of existing legal forms to particular traits of a social enterprise, such as social cooperatives, for example. Their social mission is provided by law and does not depend on the will of the participants. Their system of governance is provided by law to be generally participatory or even democratic. Their income comes from market trading and also from subsidies. These social enterprises are mainly based on paid on work and secondarily on volunteers⁵⁴.

⁵³ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). p. 36-41

⁵⁴ European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). p. 36-41

**Πίνακας
2α**

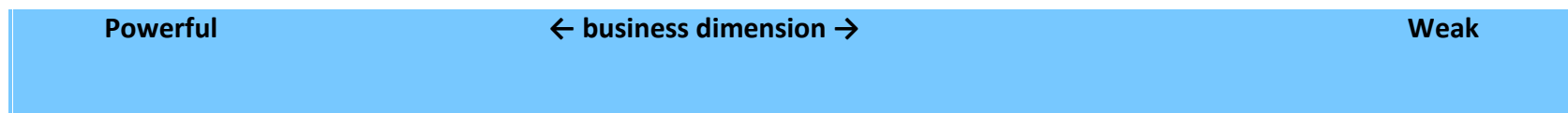
Οι τρεις επικρατέστερες νομικές μορφές που χρησιμοποιούν οι κοινωνικές επιχειρήσεις

Χώρα	Non-profit legal forms				Legal forms of social enterprises				
	Union	Institution	Organizatio	Non-profit company	Cooperation	Capital company	Individual company	Other	
AT	✓					✓	✓		
BE	✓				✓	✓			
BG	(*) ✓	(*) ✓						(1) ✓	
CY	✓	✓		✓					
HR	✓		✓		✓				
CZ	✓		(**) ✓			✓			
DK	✓					✓	✓		
EE	✓	✓				✓			
FI		✓			✓	✓			
FR	✓				✓			(2) ✓	
DE	✓				✓	✓			
GR					✓				✓
HU	✓			✓	✓				

(6) Βιομηχανικές εταιρίες και ταμεία πρόνοιας (IPS)

IE	✓			✓		✓			
IT	✓	✓							✓
LV	✓	✓				✓			

Table 3 Emerging typology of modern social enterprises



Characteristics	Profit companies	Enterprises with a specific purpose	Non-profit organizations with a specific purpose and business activity
-----------------	------------------	-------------------------------------	--

Distribution of surpluses / profits	Limited distribution of profits to owners, members and / or social investors (optional)	Limited or no distribution of profits by law	Non-distribution of profits (distribution of profits is prohibited by law)
Legal forms	Traditional cooperatives, capital companies, Private companies	Adapted legal forms on social companies eg social cooperatives, CICs / SCICs	Associations, foundations, organizations Hybrid forms (π.,χ. commercial department of charities)
Διακυβέρνηση	The social mission is voluntarily ensured by the business through its governance / business model	The mission is protected by law The law predicts for a participatory governance system (stakeholder and / or democratic way of making decisions)	Non-Profit By Law The governance model depends on the legal form, e.g. associations are democratically governed, and institutions are not required to follow a collective way of governing

	<p>The governance model depends on the legal form</p> <p>E.g. Co-operatives are democratically governed while capital companies are not required to follow a collective way of governing</p>		
Basic sources of income	Trading income	Trading income , subsidies (WISE)	Member Contributions, Grants and Donations, Subsidies (WISE), Trading Income
Labor status	Paid work	Mostly paid employees and some volunteers	paid workers and volunteers
Market	Private Markets - Consumers and Other Businesses (Especially Socially Responsible), Public Sector (Mostly Competitive)	Public Sector (competitive and direct outsourcing, Private markets - mainly consumers, but also businesses)	Public Sector (mainly direct outsourcing), Private markets - mainly consumers but also businesses

Fields of Activity	Wide range of activities including social services, education, environment, culture, arts, tourism, and new activities Like renewable energy, fair trade and transport, etc.	Social and Community Services, Other, Public Services, Education, Housing, Labor Integration etc.	Social and community services, and other public services, education, environment, culture, arts, tourism etc.

Source: European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2015). A map of social enterprises and their eco-systems in Europe: Synthesis Report, p. 41

4. Motivations for the establishment of social enterprises

The creation of an environment to the creation and development of social enterprises, as well as all the actors of SCE in general, it is an issue in the formulation of public policies, which often take the form of laws, programs and tools. Public policies for SCE are invited to take into account the values and principles of these ventures, to remove existing barriers to their development and to shape appropriate conditions by motivating interested parties to establish and participate in SCE initiatives. The development of public policies at local and national level for SCE generally covers the following areas of action:

- (a) Promoting social entrepreneurship,
- (b) Developing an appropriate legal, regulatory and tax content
- (c) The provision of sustainable financing instruments,
- (d) The provision of services and the establishment of business support infrastructures,
- (e) Developing supportive measures for market access,
- (f) Support for research and education.⁵⁵

a) Promoting social business

Promoting a positive attitude towards social entrepreneurship can act as a preparatory stage for the creation of a social enterprise, as well as other SCEs. Such a positive attitude can be shaped by organizing exhibitions / conferences and integrating entrepreneurial activities in schools, vocational training schools and universities.⁵⁶

In our country, promotional initiatives for SCE have been undertaken from the Special Secretariat for Social and Solidarity Economics, such as organizing two annual SCE reports

⁵⁵ OECD/European Union, (2013), *Policy Brief on Social Entrepreneurship. Entrepreneurial Activities in Europe*, p.13

⁵⁶ OECD/European Union, (2013), *Policy Brief on Social Entrepreneurship. Entrepreneurial Activities in Europe*, p. 13

and a regional one, with the aim of disseminating SCE to the general public, as well as corresponding initiatives by the bodies themselves⁵⁷.

It should also be noted that for the first time in our country there is a postgraduate study program dedicated exclusively to SCE. This postgraduate program covers a wide range of topics such as SCE's theoretical approaches, business planning, governance, public policy issues for SCE, as well as its relationship with social movements and the public.⁵⁸.

b) Development of an appropriate legal, regulatory and tax framework

The legal framework should clearly define the social enterprise as well as the wider sector of SCE, as well as the stakeholders in this field. At the same time, the rules governing the establishment and operation of the CA. should not be detailed and suffocating with regard

⁵⁷ The 1st Exhibition on Social and Solidarity Economics, entitled "SSE. ATHENS EXPO '17, held on November 1-3, 2017, in Technopolis of Athens, Gazi. The 2nd Exhibition of Social and Solidarity Entities, entitled SSE. "ATHENS EXPO '18" took place on November 7-11, 2018 at the premises of the old Athens Stock Exchange (Sofokleous 10, Pasmazoglou 1) and at the patio of the National and Kapodistrian University of Athens - Gripareion Hall, (Sofokleous 1). These two reports were organized by the Special Secretariat for Social and Solidarity Economy of the Ministry of Labor, Social Security and Social Solidarity with the participation of 150 bodies. A similar initiative at regional level was undertaken by the Region of Western Greece, the Special Secretariat for Social and Solidarity Economics and the ESA Western Greece EWP with the organization of the 1st Expo Social and Solidarity Economy of Western Greece. Corresponding initiatives under the auspices of the Special Secretariat for Social and Solidarity Economics were undertaken by SSE bodies with the organization of the 1st COOPEXPO ' on METRO »February 2018 on February 22-24 and 2nd COOPEXPO" Produce - Business Social "on May 28 - June 2, 2018 at the Syntagma Metro Station multipurpose space. Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p.

⁵⁸ Official website of Hellenic Open University <https://www.eap.gr/el/programmata-spoudwn/444-κοινωνική-και-αλληλέγγυα-οικονομία/5415-κοινωνική-και-αλληλέγγυα-οικονομία-καο>

to the obligations imposed on them, while the legislator must adopt provisions taking into account the dual economic and social nature of these bodies.

With regard to the tax framework, it is noted that the taxation rules of SCE entities, should take into account the social mission of the agencies, to introduce similar tax reliefs in favor of rewarding the positive social impact, as well as indirect tax reliefs on the persons investing in them.⁵⁹.

In the context of Law 4430/2016, the term SCE is attempted at no.2.1 as "all economic activities based on an alternative form of organization of production, distribution, consumption and reinvestment relations, based on the principles of democracy, equality, solidarity, cooperation, and respect for human beings and the environment".

The entities of SCE are divided into two categories:

a) To the self-governing CAAL entities, which acquire the status of CAAL entities, constituted by themselves and are social cooperatives, limited liability social cooperatives, and employee cooperatives.

b) Non-self-governing CAAL entities, which acquire the status of CAAL entities, provided that they meet the standards set by Law 4430/2016 at no.3.1 d.

The term social enterprise is not contained in the above law, nor is it intended as a distinct legal form or subcategory of SCE entities.

Regarding the tax relief measures introduced by the lawmaker for SCE, it is noted that and employees' associations are exempt from the trade fee for the first 5 years (No. 73.2 Law 4430/16 in conjunction with No. 31.3 Law 3986/11) and are required to pay a reduced fee

⁵⁹ OECD/European Union, (2013), *Policy Brief on Social Entrepreneurship. Entrepreneurial Activities in Europe*, p.13

(500e) for subsequent years of five years (No. 73.1 Law 4430/16, No. 31.1 S. Law 3986/11). The above exemption also applies to any branches operating in these CA⁶⁰.

c) Providing sustainable financing tools⁶¹

Public policies are called upon to contribute to the development of appropriate funding tools for the SCE. This can be achieved by familiarizing the traditional credit sector with the needs and capabilities of the SCE (for example, the provision of collateral by the publicly traded SCE in order for it to be financed by a conventional bank). At the same time, more innovative arrangements can be introduced with Community-private partnerships between civil society, government and credit institutions. The start-up funds are also critical in the early stages of setting up a new social enterprise, which can be secured by microfinance or grants.⁶²

d) Providing services and setting up business support infrastructures

Social enterprises, as well as most SCE bodies, need support in the business nature of their venture. However, this support cannot be the same as that of conventional businesses, as it ignores the social dimension of SCE, which distinguishes it from the private for-profit sector. For this reason, a one-size-fits-all solution is rejected. Instead, a support network of social enterprises and SCEs is proposed, which will include:

- (a) General support measures, which apply to all businesses in general; and

⁶⁰ Official website of the Special Secretariat for Social and Solidarity Economics (clarification on the exemption from the duty fee for the sub-branches of the commonwealth, worker cooperatives & commonwealth) <https://SSE.gov.gr/dieykrinisi-schetika-me-tin-apallagi-apo-to-telos-epitideymatos-gia-ta-ypokatastimata-ton-foreon-k-al-o/>

⁶¹ For more see: Section 9 “Financing Tools for Social Enterprises” in this study.

⁶² OECD/European Union, (2013), *Policy Brief on Social Entrepreneurship. Entrepreneurial Activities in Europe*, p. 14

(b) Supportive measures, specially designed for social enterprises, SCE bodies; and their needs,

(c) The creation of appropriate infrastructures, such as innovation parks and incubators for the creation and development of social enterprises, as well as the field of SCE generally⁶³.

The Special Secretariat for Social and Solidarity Economics in its Annual Report for 2018 noted that 89 Support Centers will be funded, which will be co-sponsored by SCE. These Centers will serve as a "help desk" providing consulting and support services to established, new and existing SCE bodies, while calling on them to develop publicity actions aimed at disseminating SCE in the local community. In practice, the number of 89 centers has not been fully completed, as 15 funding proposals have been accepted from the 44 proposals submitted.

e) Research and education support

The support for the research of SCE Governments and public research institutes are equally useful as it can identify the diverse needs of CA and propose ways to integrate them more effectively into national, transnational, social and economic policies. Measuring the social impact of social enterprises and designing mutual learning platforms are some of the issues that can be studied by researchers⁶⁴.

Based on the above, there are some steps that are being taken in this direction to encourage research promotion in the field of SCE. In particular, within the framework of the European Commission's technical assistance program entitled "Technical Assistance for the Development of Social and Solidarity Economy in Greece", managed by the British Council and funded by the Ministry of Labor, Social Security and Social Solidarity, a number of reports on mapping SCE's field, education and related skills development, creation of a social

⁶³ OECD/European Union, (2013), *Policy Brief on Social Entrepreneurship. Entrepreneurial Activities in Europe*, p. 14

⁶⁴ OECD/European Union, (2013), *Policy Brief on Social Entrepreneurship. Entrepreneurial Activities in Europe*, p. 16

impact measurement tool, harmonization Modes-unification of cooperative legislation, and a study on the creation of an appropriate model for Greece is bankrupt, insolvent and already bankrupt companies and their transfer of venturing K.A.L.O.⁶⁵ At the same time, in the framework of the 2nd Annual Report of the CA, which took place in 2018 was announced by the Deputy Minister of Labor, Social Security and Social Solidarity the creation of a network of researchers and academic institutions, in common reference point research and study in the area of SCE.

f) Supportive measures for market access

The access of social enterprises and SCEs, in general markets can be facilitated by public procurement and in particular by establishing social criteria in tenders for the supply of products and services to the public. At the same time, it is necessary to develop the skills of local administrations and CA on the other hand, so that managers can know how to integrate social criteria into procurement tenders, and SCEs be able to submit a competitive bid^{66 67}.

At European level it is noted that Directive 2014/24 / EU on Public Procurement has been adopted, which requires public authorities to - without being obliged - take social and environmental considerations into account when formulating and evaluating the tendering procedure⁶⁸. This Directive has been transposed into national law, and in particular no. 20.1 Law 4412/2016, which stipulates that contracting authorities (ie public authorities) may

⁶⁵ Ειδική Γραμματεία Κοινωνικής και Αλληλέγγυας Οικονομίας, (2018). Ετήσια Έκθεση, Υπουργείο Εργασίας, Κοινωνικής Ασφάλισης και Κοινωνικής Αλληλεγγύης, p. 39

⁶⁶ OECD/European Union, (2013), *Policy Brief on Social Entrepreneurship. Entrepreneurial Activities in Europe*, p. 15

⁶⁷ European Commission, (2010), *Social Markets: A Guide for Incorporating Social Aspects into Public Procurement*, Luxembourg.

⁶⁸ European Commission, (2010), *Social Markets: A Guide for Incorporating Social Aspects into Public Procurement*, Luxembourg, p.7

exclusively grant the right to participate in public procurement procedures to the following entities:

- (α) In Protected Products,
- (b) Limited Liability Social Cooperatives,
- (c) Integrated Social Cooperative Enterprises and
- (d) any other economic operator whose main purpose is, by virtue of its Articles of Association, the occupational and social integration of persons with disabilities or disadvantaged persons, provided that more than 30% of the body's employees are disabled or disadvantaged workers.

5. Corporate social responsibility and social entrepreneurship

This section defines the concept of social responsibility, its dimensions and areas of operation, as well as its relationship with the social economy and its entities as subjects and as objects (ie as recipients) of corporate social responsibility practices.

The concept of corporate social responsibility

Corporate social responsibility has in recent years attracted the interest of national governments, international organizations, the business world and the academic community. As with the concepts discussed in previous sections, there is a plurality of definitions and approaches here, emphasizing different aspects of social responsibility each time.

Corporate social responsibility (CSR) has also been addressed by the institutions of the European Union. In particular, the Commission in 2001 drew up a Green Paper on promoting a European framework for corporate social responsibility. The purpose of the Green Paper, as stated in paragraph 93, is to "raise awareness and stimulate debate on new ways of promoting corporate social responsibility". In particular, paragraph 20 attempts to identify CSR as a voluntary integration by companies of social and environmental concerns into their business activities and their contacts with other stakeholders.

Based on the above definition it turns out that one of the key attributes of CSR that is explicitly addressed in most definitions is its voluntary nature. This means that any practices undertaken in the context of corporate social responsibility by businesses are the product of private initiative and are at their discretion, rather than the result of their compliance with statutory obligations. In the case of legal systems, which are not provided for socially responsible practices, CSR cannot act as a substitute for the law and fill the existing gap. The role of social responsibility is complementary to the law, the legislator has to foresee the minimum that socially responsible businesses should do, while social responsibility refers to practices that go beyond the statutory minimum conditions.

Another question, which is about corporate social responsibility, is about which companies are targeted. It is a fact that in the past there has been a great emphasis on the adoption of socially responsible practices in particular by large corporations and multinationals. The Green Paper, however, is addressed to every company, regardless of size and scope, such as family and small businesses⁶⁹, as its goal is to promote socially responsible entrepreneurship across the entire business world.

The socially responsible practices that a business can adopt are not limited to one area of action, but cover a wide range of topics, such as: issues of corporate ethics, labor relations,

⁶⁹ "In addition, it is necessary to provide tools and guidance to many more companies, in particular small and medium-sized enterprises, to enable them to report effectively on their policies, procedures and performance on corporate social responsibility. Big pioneering companies can support SMEs in this field by offering their expertise and skills in capacity building. "

human rights, company relations with society, but also issues related to the environmental impact of business decisions. “In particular, CSR relates to the following:

- The working environment (employees)
- The market (suppliers and buyers)
- The environment (natural and anthropogenic)
- Society (in its layout or layered composition)
- Ethical issues (as perceived by different societies)
- Human rights (as guaranteed by the UN)

The broad scope of corporate social responsibility also depends on its broad target, ie the profitability of a business in terms of not only economic but social and environmental considerations⁷⁰.

In addition, social responsibility is a multidimensional concept, with an internal and an external dimension, ie within the business itself (internal dimension), but at the same time transcending the narrow boundaries of the business itself (external dimension). In particular, the internal dimension of corporate social responsibility refers to the employees of the company, their employment conditions (eg health and safety practices of the workforce) and the investment of the company in its workforce (eg through training) And in the case of restructuring of the business, CSR dictates that any changes that are decided, take into account those affected by the restructuring, in particular the workforce of the business. Another issue within CSR in its internal dimension concerns the consideration of the environmental impact on the internal operation of the business (eg covering the energy needs of the company from renewable energy sources or a strategy for saving natural resources during production / processing of the finished product). However, an enterprise must also exhibit socially responsible behavior towards stakeholders that go beyond the narrow circle of its employees or shareholders, such as eg other business partners, suppliers,

⁷⁰ Exarchos G., Notopoulos P., (2013). Corporate Social Responsibility in the Modern World and Platon

consumers of its products or users of its services, public authorities and non-profit organizations, representing the local community and the environment (external dimension). The consequences of corporate social responsibility are varied and can lead to long-term and financial benefits for the business itself, by improving eg her reputation. However, different views have been expressed on this issue. In one sense, corporate social responsibility may entail an additional cost for the business itself, while in another sense it is profit-neutral. But beyond these approaches, it is undeniable that businesses often get into a dilemma when their business operations are financially beneficial, but not socially responsible.

In 2011, the European Commission redefines corporate social responsibility as the responsibility of businesses for their impact on society. This text goes on to emphasize that CSR relates to their business as well as their core business strategy in close cooperation with stakeholders. This means that corporate social responsibility must be integrated into the core strategy and operation of the business by shaping processes that take into account social, environmental and ethical aspects, as well as human and consumer rights.

The new definition places corporate social responsibility at the heart of the operation and management of the business by expanding on the previous definition, which approached corporate social responsibility as a set of good business practices. This new definition brings social responsibility closer to the concept of "Corporate Citizen", in which a business is an integral part of the community in which it is called upon to set an example of good citizenship. The concept of good citizenship was largely based on the United Nations Global Compact of 2000, which mentions corporate liability as defined by ten human rights principles, of labor relations, the environment and the fight against corruption. In practice good corporate citizenship is manifested through corporate volunteering or corporate alliances in this direction⁷¹.

Corporate Social Responsibility and SCEs

⁷¹ Monzón, J.L, Chaves, R. (2017). *Recent evolutions of the social economy in the European Union*. European Economic and Social Committee, p. 32

The concept of corporate social responsibility should not be confused with that of SCEs. Although they present some overlapping elements, they are not identical. The first concerns the voluntary adoption of sustainable development-promoting practices that will either be undertaken as an additional activity or as an integrated strategy. The second describes a broader sector of the economy, with some features that distinguish it from the public and private-profit sectors. Some of these characteristics lead to socially responsible practices, but they are inherent to the identity of these actors. For this reason, any company that implements socially responsible practices does not imply that it belongs to the wider SSE family.

The SCE bodies as subjects of corporate social responsibility they are closer to adopting socially responsible practices because of the principles and values that govern their organization, functioning and day-to-day management, up to long-term strategy development. This is also emphasized in the Green Paper, where paragraph 23 explicitly refers to workers' cooperatives and other enterprises in the form of cooperatives, mutual funds and associations, which incorporate the aims and needs of other parties into their structure and automatically assume social responsibilities their responsibilities towards the citizen.

It should be noted, however, that the SCE bodies also have the same they often come to similar dilemmas with conventional businesses in adopting socially responsible practices. But to the extent that they move away from socially responsible practices, they also depart from the characteristics of the other business forms. So for the SCE this departure may raise questions of divergence from their principles or even the loss of their particular identity. But apart from underlying socially responsible practices, the SCEs they can themselves benefit from socially responsible private-profit-making practices and become beneficiaries of these

practices. These practices may include, but are not limited to, investments, donations, favorable lending, know-how and technical support (in particular agencies set up)⁷².

5. Record the current situation for the social entrepreneurship sector in Greece

The purpose of this section is to examine the current state of the field taking into account the number of active ventures, the legal form they acquire, their geographical distribution, as well as their sustainability and employment issues.

General notes

The inability of statistical recording and mapping of social entrepreneurship in general is a general problem encountered in a number of countries, including Greece. In our country this problem is partially cured through the establishment and operation of the General Registrar, to the extent that the Registrn - as defined by law - it contains certain elements without being completely identical to the concept of social entrepreneurship.

In particular, Law 4430/2016 provides in no. 4 the functioning of the General Register of Social and Solidarity Entities, which is an electronic database. The department responsible for its observance is the Department of the Register of Social and Solidarity Entities, which falls under the Special Secretariat of SCE of the Ministry of Labor, Social Security and Social Solidarity.

The main responsibilities of the Registry of Social and Solidarity Entities are:

(a) "Providing information to citizens on the conditions for setting up and operating social cooperatives and workers' cooperatives, as well as acquiring the status of "Social and Solidarity Entity". The information is provided live, by phone or by email.

⁷² Ευρωπαϊκή Επιτροπή- Γενική Διεύθυνση απασχόλησης, κοινωνικών υποθέσεων και κοινωνικής ένταξης (2013). Κοινωνική οικονομία και κοινωνική επιχειρηματικότητα: Οδηγός για την κοινωνική Ευρώπη. Τεύχος 4, p.67

- (b) The approval of the establishment of Social Cooperative Societies of Workers' Associations; and
- (c) The maintenance and operation of the General Register of Social and Solidarity Entities⁷³.

The Department has been operating since March 2017 and by August 2018 the following items have been recorded:

- (a) Approvals of 580 new entities;
- b) Reconstruction of 541 bodies under Law 4430/2016, which were incorporated with the former Law 4019/2011;
- (c) self-registration of the 17 COPs⁷⁴.

Every year, the Special Secretariat of SSE, after elaborating the data of the SCE Electronic General Registry, compiles an annual report on its activities and developments in the SSE area, while providing useful and up-to-date information on the field and up to now its course⁷⁵.

Number of active carriers SCE

In particular, the Special Secretariat of the SCE in the 2018 Annual Report found that the number of active players has increased significantly for the period 2012-2016 (see Chart 1). This conclusion is drawn on the basis of the annual reports submitted by the SCE in the register, from which data on the financial year of the previous year are derived from the year of submission⁷⁶.

⁷³ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p.92-93

⁷⁴ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 93.

⁷⁵ Official Website of the Special Secretariat for Social and Solidarity Economy <https://SSE.gov.gr/>

⁷⁶ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p.96-97

Specifically, while in 2013 they submitted annual reports on the financial use of the previous year with only 2 entities, in 2014 they reached 44 and in 2017 they reached 374. The submission of an annual report on the financial year of the previous year is an indication that the entity is active. However, it is not excluded that there are more active players and they simply have not deposited this report in the register.⁷⁷.

Chart 1. The number of active carriers for the years 2012 to 2016



Source: Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 96

Mapping of SCE vectors by legal form

⁷⁷Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 96..

Also interesting is the distribution of entities registered in the General Register of CA. based on their legal form. More specifically, according to the data of the Special Secretariat and registrations made by October 10, 2018,⁷⁸ the followings (in descending order) are displayed:

Table 4: Registration of registered SCE entities based on their legal form

Legal form	Total number of registrations up to 11/10/2018
Social cooperative societies of collective and social interest	1091
civil corporations under no. 741 AK	31
CSE integration	27 (total)
CSE integration of vulnerable groups	23
CSE integration of Special Groups	4
<u>social cooperative enterprise</u>	24
<u>Employees' cooperative</u>	22
BODIES	8
OTHER LEGAL FORMS	1

As can be seen from the table above, the overwhelming majority of CA acquires the legal form of the Joint Venture and in particular the SCE of utility. Concerning the Commonwealth Games It is noted that most of them belong to vulnerable groups and only a small

⁷⁸ [Official Body Registry Website Good: General Body Registry Entries \(11-10-2018\)](http://www.ypakp.gr/index.php?ID=UQH3HmY0tWvx5Eoq&Rec_ID=12229)

http://www.ypakp.gr/index.php?ID=UQH3HmY0tWvx5Eoq&Rec_ID=12229

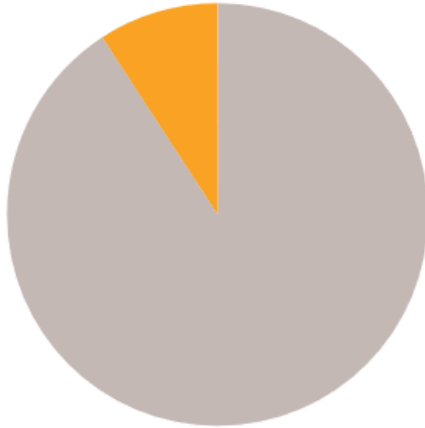
percentage of them are Communities integration of special groups⁷⁹. It is subsequently found that a significant number of SCE entities bears the legal form of civil corporations under no.741 AK and workers' cooperatives. On the contrary, the percentage of CA which have the legal form of a union or urban cooperative is very low, while only one agricultural cooperative has acquired the status of CA and has been registered in the registry for the above period.

However, in addition to the entities that have acquired legal personality, according to the Report on Social and Solidarity Economics in Greece, of the 251 responses to the survey questionnaire, a small percentage (9%) of them were working informally, without legal personality (See Figure).⁸⁰

Figure: Legal Form versus Informal Status of Respondents

⁷⁹ No. 2.8 N. 4430/2016: 'Specific' are those groups of the population who are disadvantaged in terms of their smooth integration into the labor market for economic, social and cultural reasons. These include: (a) victims of domestic violence, (b) victims of trafficking in human beings, (c) homeless people, (d) people living in poverty, (e) economic migrants, (f) refugees and applicants asylum, pending an asylum application, (g) heads of single parent families, (h) people with cultural particularities; (i) long-term unemployed for up to twenty-five years and over fifty years. "

⁸⁰ Temple, Βαρβαρούσης, Α., Γαλανός, Χ., Τσιτσιρίγκος, Γ., Μπεκριδάκη, Γ. (2017). Έκθεση για την κοινωνική και αλληλέγγυα οικονομία στην Ελλάδα, Βρετανικό Συμβούλιο, p. 44-45.



Πώς θα περιγράφατε τον φορέα σας; [μόνο μια απάντηση]

9% Φορέας κοινωνικής και αλληλέγγυας οικονομίας χωρίς νομική μορφή π.χ. τράπεζα χρόνου

91% Φορέας κοινωνικής και αλληλέγγυας οικονομίας με νομική μορφή π.χ. κοινωνικοί συνεταιρισμοί

These projects fall into two categories:

- (a) Informal ventures operating outside the money market and promoting local community in particular (eg time banks, redistribution of food, urban and peri-urban vegetable gardens);
- (b) Informal ventures regularly involved in the market economy⁸¹

Geographical distribution of operators

Concerning the regional distribution of SCE entities, a first observation that is drawn is that the picture is highly heterogeneous. According to the General Registrar of SCE data, as updated as of October 11, 2018, it is found that the largest number of operators is concentrated in the Region of Attica and Central Macedonia, while the smallest number of operators are found in the regions of Western Macedonia, the Ionian Islands and the North Aegean (see Table 5).

Table 5 Regional distribution of SCE entities⁸²

Regions	Number of registered entities up to τις 11/10/2018

⁸¹ Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on the Social and Solidarity Economy in Greece, British Council, p.45

⁸² Official Website of Register of Good Bodies: Registration of General Body of Register (11-10-2018) http://www.ypakp.gr/index.php?ID=UQH3HmYOtWvx5Eoq&Rec_ID=12229

EAST MACEDONIA AND THRACE	55
ATTICA	500
NORTH AEGEAN	13
WEST GREECE	65
WEST MACEDONIA	21
EPIRUS	25
THESSALIA	87
IONIAN ISLANDS	21
CENTRAL MACEDONIA	163
CRETE	80
SOUTHERN AEGEAN SEA	47
PELOPONNESE	80
CENTRAL GREECE	51

Corresponding observations also come from the Report on Social and Solidarity Economy in Greece (Table 6)⁸³.

Table 6. Geographical distribution of the participating entities

⁸³ Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on the Social and Solidarity Economy in Greece, British Council, pp. 49-50

	Συνολικός Αριθμός Φορέων της ΚΑΛΟ	Συνολικό ποσοστό των φορέων της ΚΑΛΟ	Ποσοστό κατηγορίας Α Φορείς καταχωρημένοι στο ΜΗΤΡΩΟ του ΥΠ.Ε.Κ.Α.Α.	Ποσοστό κατηγορίας Β Φορείς μη-εγγεγραμμένοι στο ΜΗΤΡΩΟ του ΥΠ.Ε.Κ.Α.Α.	Ποσοστό της κατηγορίας Γ ΑΤΥΠΕΣ οντότητες
Αττική	80	36%	31%	51%	37%
Κεντρική Μακεδονία	32	15%	15%	14%	21%
Θεσσαλία	23	10%	14%	3%	5%
Ανατολική Μακεδονία	15	7%	9%	6%	0%
Κρήτη	13	6%	6%	6%	5%
Πελοπόννησος	12	5%	4%	6%	5%
Νότιο Αιγαίο	9	4%	4%	6%	5%
Δυτική Ελλάδα	8	4%	4%	0%	5%
Ήπειρος	7	3%	4%	0%	0%
Κεντρική Ελλάδα	11	5%	6%	6%	5%
Ιόνια Νησιά	4	2%	1%	0%	11%
Δυτική Μακεδονία	3	1%	1%	0%	0%
Βόρειο Αιγαίο	3	1%	1%	3%	0%

Source: Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on the Social and Solidarity Economy in Greece, British Council, p. 48

Similar conclusions can be drawn from the Annual Report of the Special Secretariat of SSE of the year 2018, where according to the annual reports of the 2017 bodies for 2016, the distribution of the SCE entities has been mapped per region (Chart 2)⁸⁴.

In particular, in the Attica region, the highest percentage of active SSEs is found. (44%), while the lowest percentage is found in the regions of Epirus, Ionian Islands and North Aegean Sea⁸⁵.

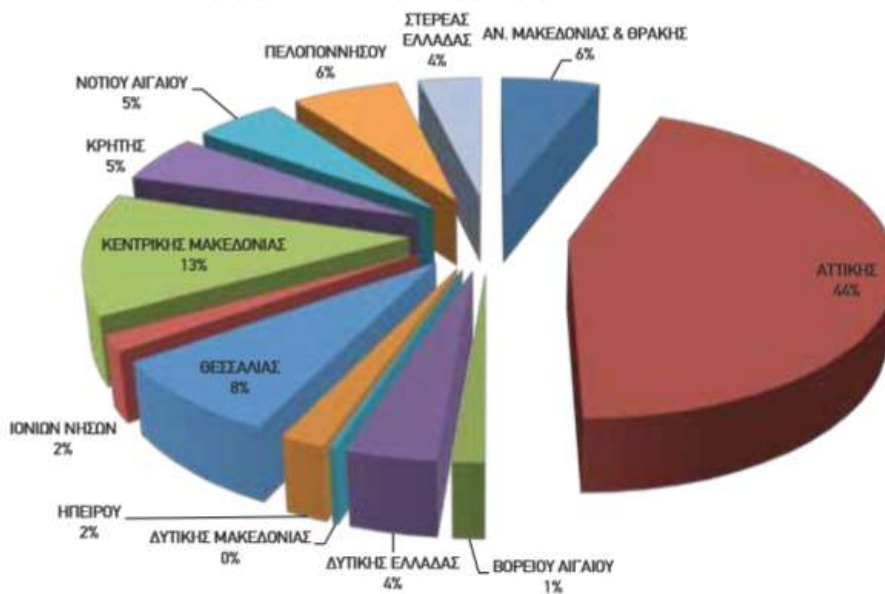
A significant number of active players are found in the region of Central Macedonia (13%) and Thessaly (8%). In addition, the regions of Eastern Macedonia and Thrace (6%) and the Peloponnese are at the same level (6%). The same is true of the region of Crete and the

⁸⁴. Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 97-98.

⁸⁵ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 97-98.

South Aegean (5%), as is the case of the region of Western Greece and Central Greece (4%).⁸⁶.

Chart 2 - Distribution of active SSE actors in the regions of the country in 2016



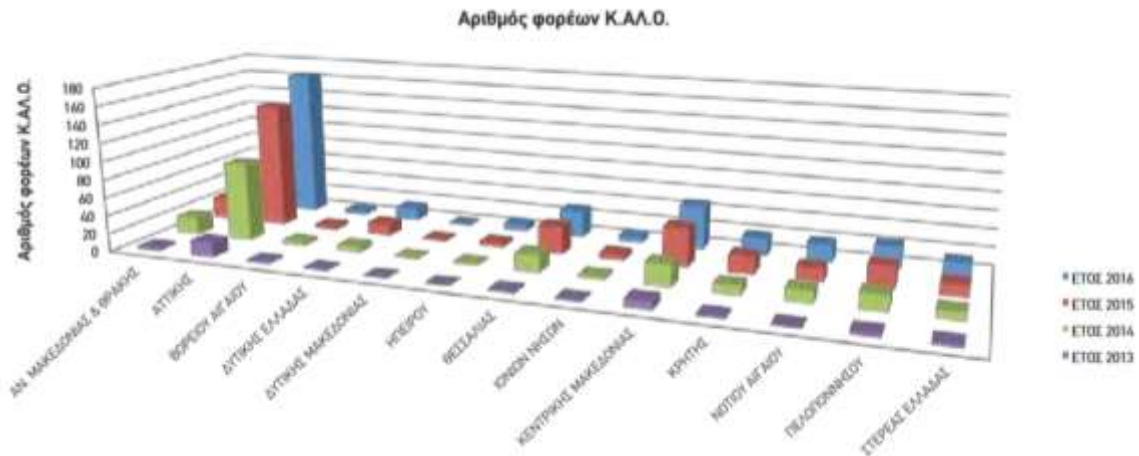
Source: Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 99

Comparing 2016 data with that of the previous year, the following conclusions are drawn (Chart 3):

- (a) Increase in the number of active SCE operators; in four regions (Central Macedonia, Central Greece, North Aegean, South Aegean),
- (b) A decrease in the number of active SCE operators; in five regions (Eastern Macedonia and Thrace, Attica, Thessaly, Crete, Western Macedonia),
- (c) There is no change in the other regions (Western Greece, Epirus, Ionian Islands and Peloponnese)⁸⁷.

⁸⁶. Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 97-98.

Chart 3 - The evolution of the number of active SSE actors in the regions of the country in the years 2013 to 2016



Source: Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 99

Therefore, the overall picture is positive, as the presence of CA. increased or did not change in most regions.

Although in some cases, such as that of Attica, the percentage of active actors is related to the population data of each region, the above distribution is probably due to other reasons such as stakeholder accessibility to information on KAO issues and financial tools, and the development of a collaborative culture in local communities⁸⁸.

⁸⁷ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 97

⁸⁸. Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p.97-98.

Employment in SCE agencies

With the increase in the number of CA the number of employees has also increased for the period 2012-2016⁸⁹.

In particular, in 2012 an Annual Work Unit was recorded (AWU)⁹⁰, in 2013, the number of AWUs rose sharply to 114,40 units, of which 6.65 relate to vulnerable population groups. The upward trend continues in the following years, with 638.85 AWUs in 2014, of which 196.50 correspond to vulnerable population groups, and in 2015 the AWUs exceed 985, of which around 311 AWUs are vulnerable. In 2016, AWUs reached 1,023, of which 385 were for vulnerable groups⁹¹.

The Report on Social and Solidarity Economy in Greece, in particular, points out that a significant percentage (30%) of the surveyed enterprises have between 2-4 employees, while 18% of them are not registered and have 10 and more workers⁹².

Turnover

Based on the figures of the Annual Report of the Special Secretariat of the SCE, the active agents managed to increase their turnover. In particular, the turnover of active CA for the year 2013 amounted to € 595 thousand. The following year it doubled, reaching €6.4 million.

⁸⁹ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p.102

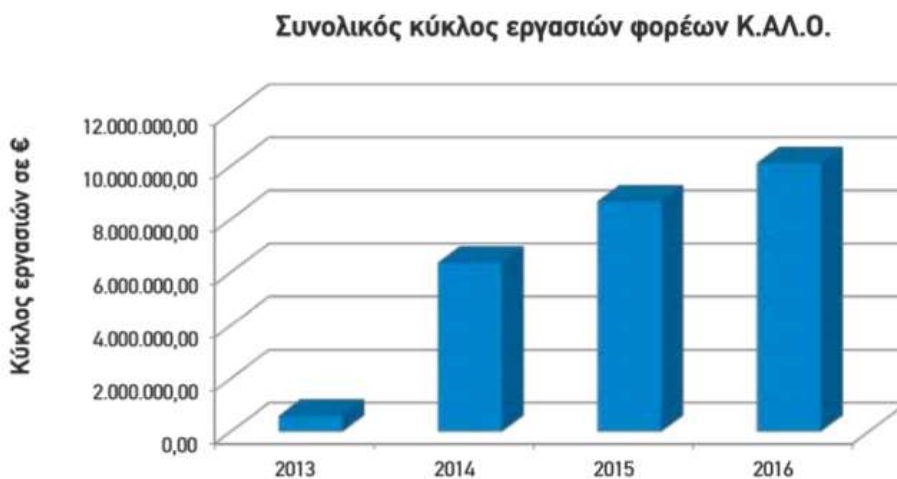
⁹⁰The number of employees is calculated in EMU (annual work units). Full-time employees correspond to one unit, and part-time or seasonal employees to unit fractions. National Institute of Labor and Human Resources, Annual Units.
http://www.eiead.gr/publications/docs/efd/etisies_monades_ergasias.pdf

⁹¹ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p.102-103

⁹² Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on the Social and Solidarity Economy in Greece, British Council, p. 64.

It subsequently amounted to € 8.7 million and in 2016 reached approximately € 10 million (Chart 4)⁹³.

Chart 4 - Total turnover of active operators in the years 2013 to 2016

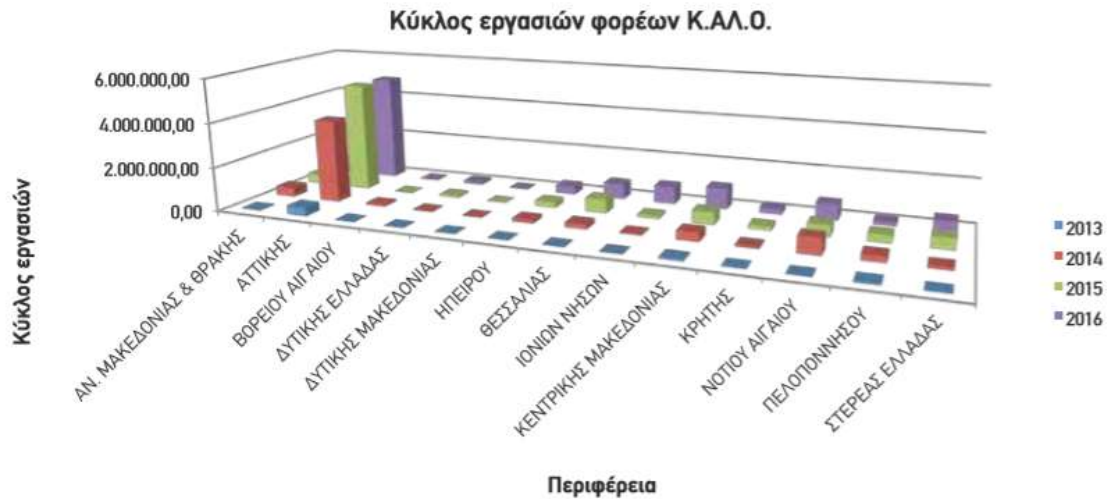


Source: Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 107

The picture presented in terms of turnover of active CA. per region is not homogeneous. In some regions it has been increased (eg in Eastern Macedonia and Thrace, Western Greece, Central Macedonia and Crete, as well as in Epirus and the Ionian Islands). In other regions, however, overall turnover declined, such as in the Peloponnese and Central Greece. In the region of Attica and Thessaly the following chart shows that turnover remains stable for the years 2015-2016.

Chart 5 - The total turnover of active operators for the years 2013 to 2016 by region

⁹³ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 106



Source: Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 108

The Report on Social and Solidarity Economy in Greece draws similar conclusions for the sample of respondents that responded to its questionnaire, finding that the majority of operators have turnover below 10,000 euros, and only 15% of respondents said they had turnover more than EUR 100,000 (Table 7). However, a significant proportion of these entities with high turnover are not registered (Table 7)⁹⁴.

⁹⁴ Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on the Social and Solidarity Economy in Greece, British Council, pp. 59-60

Table 7: Annual turnover of surveyed entities (last financial year)

	Ποσοστό ΟΛΩΝ όσων ανταποκρίθηκαν	Ποσοστό κατηγορίας Α Φορείς καταχωρημένοι στο ΜΗΤΡΩΟ του ΥΠ.Ε.Κ.Α.Α.	Ποσοστό κατηγορίας Β Φορείς μη-εγγεγραμμένοι στο ΜΗΤΡΩΟ του ΥΠ.Ε.Κ.Α.Α.
0 - €10.000	54%	55%	51%
€10.000 - €20.000	10%	12%	2%
€20.000 - €30.000	4%	4%	2%
€30.000 - €40.000	3%	3%	0%
€40.000 - €50.000	3%	4%	0%
€50.000 - €100.000	8%	9%	2%
€100.000 - €150.000	4%	4%	2%
€150.000 - €200.000	3%	1%	9%
€200.000 - €250.000	0%	0%	0%
€250.000 - €300.000	1%	1%	0%
€300.000 - €350.000	2%	0%	7%
€350.000 - €400.000	1%	1%	0%
€450.000 - €500.000	1%	1%	2%
€500.000 - €1M	2%	0%	7%
€1 εκ. - €5 εκ.	1%	1%	0%
Πάνω από €5 εκ.	1%	0%	5%

Source: Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on the Social and Solidarity Economy in Greece, British Council, p. 60

The revenue-expenditure ratio

The active operators of SCE for the years 2015 and 2016, are reportedly neither highly profitable nor loss-making businesses. The year 2016, compared to the previous year, finds the CA with higher losses as their expenses are not covered by their income⁹⁵.

More specifically, for the year 2016 totaled around EUR 10 million in revenue, excluding their expenses of EUR 919 thousand, compared to 2015, where operators' revenues accounted for EUR 8.7 million, while their expenses exceeded 148 thousand euro⁹⁶.

⁹⁵ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 109

⁹⁶ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 109

Similar conclusions are reached in the Report on Social and Solidarity Economy in Greece, which found that only 42% of the responses indicated that income-expenditure balance was achieved, while 31% had a deficit (Table 8)⁹⁷.

Table 8: Profit from damage amongst the respondent and legal entities (last financial year)

	Ποσοστό ΟΛΩΝ όσων ανταποκρίθηκαν	Ποσοστό κατηγορίας Α Φορείς καταχωρημένοι στο ΜΗΤΡΩΟ του ΥΠ.Ε.Κ.Α.Α.	Ποσοστό κατηγορίας Β Φορείς μη-εγγεγραμμένοι στο ΜΗΤΡΩΟ του ΥΠ.Ε.Κ.Α.Α.
Είχαν κέρδος/ πλεόνασμα	21%	22%	16%
Είχαν ζημία	31%	34%	20%
Ούτε κέρδος/ούτε ζημία (ισοσκελισμός εσόδων εξόδων)	42%	39%	50%
Δεν γνωρίζω/ δεν απαντώ	7%	5%	14%

Source: Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on the Social and Solidarity Economy in Greece, British Council, p. 61.

It should also be underlined that with regard to the wage costs for 2015 and 2016, the revenues of the SCEs for both years are not enough to cover the wage costs of their employees⁹⁸. Considering the observation of the Report on the Social and Solidarity Economy in Greece, according to which almost half of the employees of the SSE are involved have as their main source of income the work provided to the organization, it is clear that in

⁹⁷. Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on the Social and Solidarity Economy in Greece, British Council, p. 61.

⁹⁸ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 110

the end, due to their small turnover, the employees in these undertakings cannot live on their own⁹⁹.

The above observations lead to the following conclusions:

- (a) A significant proportion of workers are informally employed by SCEs
- (b) The SCE are not profitable or viable businesses based on the above data,
- (c) Because of the scope of CA which is still in the fetal stage of development, it is necessary to take measures to ensure their sustainable development.¹⁰⁰.

Lending

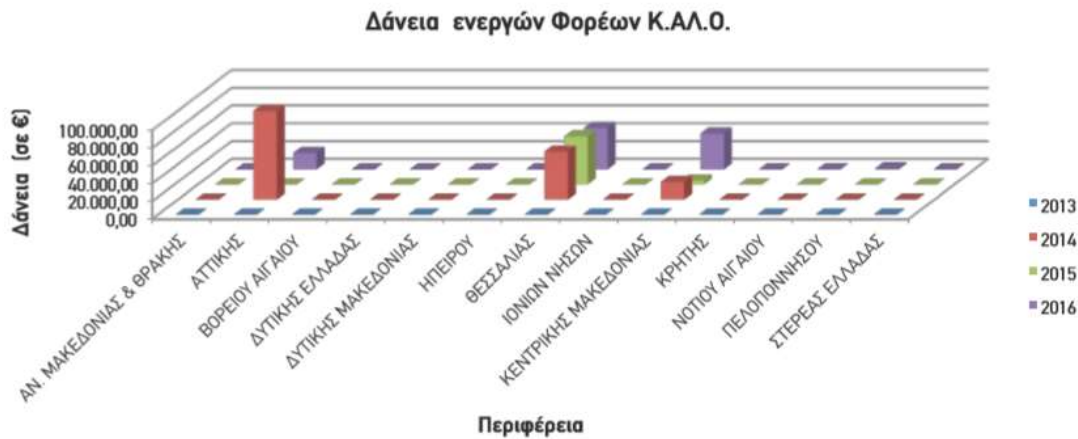
The active carriers of CA managed to secure twice as much debt in 2016 compared to 2015. However, the funds are not sufficient to lead to significant productive investment, making the need to find financing tools for their development imperative. Regarding the coverage of the borrowing needs of the players by region, the example of Thessaly stands out compared to the other regions, as there is the provision of loans to SCE deletes a fixed path. Significant fluctuations, on the other hand, occur in the regions of Attica and Central Macedonia (Chart 6)¹⁰¹

Chart 6 - Total loan funds raised by active CA by the financial institutions of the country in the years 2013 to 2016

⁹⁹Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on the Social and Solidarity Economy in Greece, British Council, p. 65.

¹⁰⁰ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 110. Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on Social and Solidarity Economy in Greece, British Council, p. 61 also stress the need for effective business consulting to improve the viability of its ventures.

¹⁰¹ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, pp. 113-114



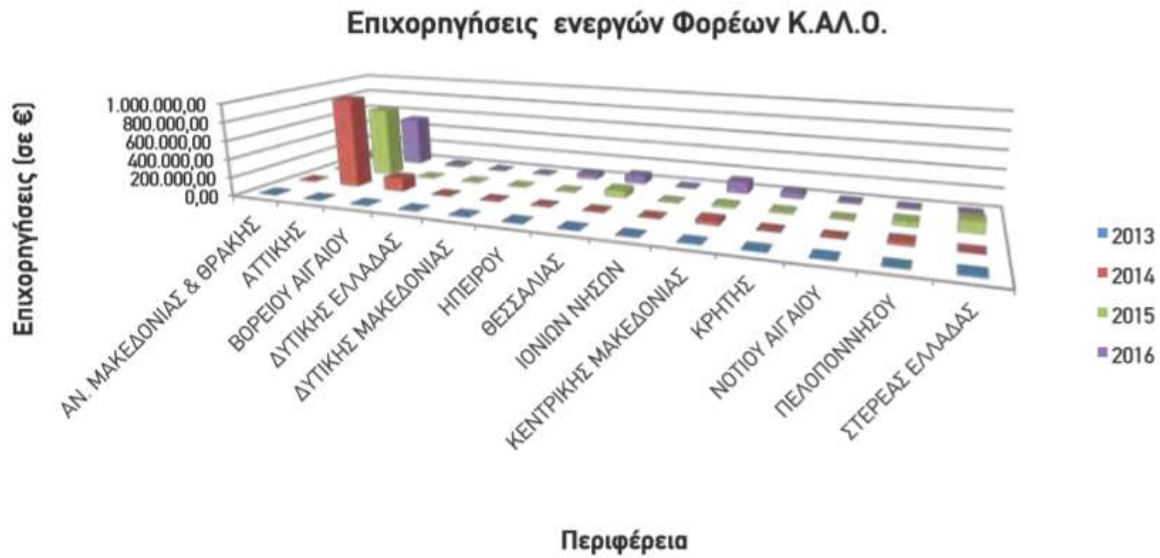
Source: Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 115

Grants

With regard to grants, it is noted that the region of Attica is distinguished by its high subsidy rates to CA. compared to other regions. But between 2013 and 2016, these grants were gradually reduced¹⁰².

Figure 7. Grants to active CA in the years 2013 to 2016 by region

¹⁰² Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 114. See Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on the Social and Solidarity Economy in Greece, British Council, p. 63



Source: Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 114

Activity sections

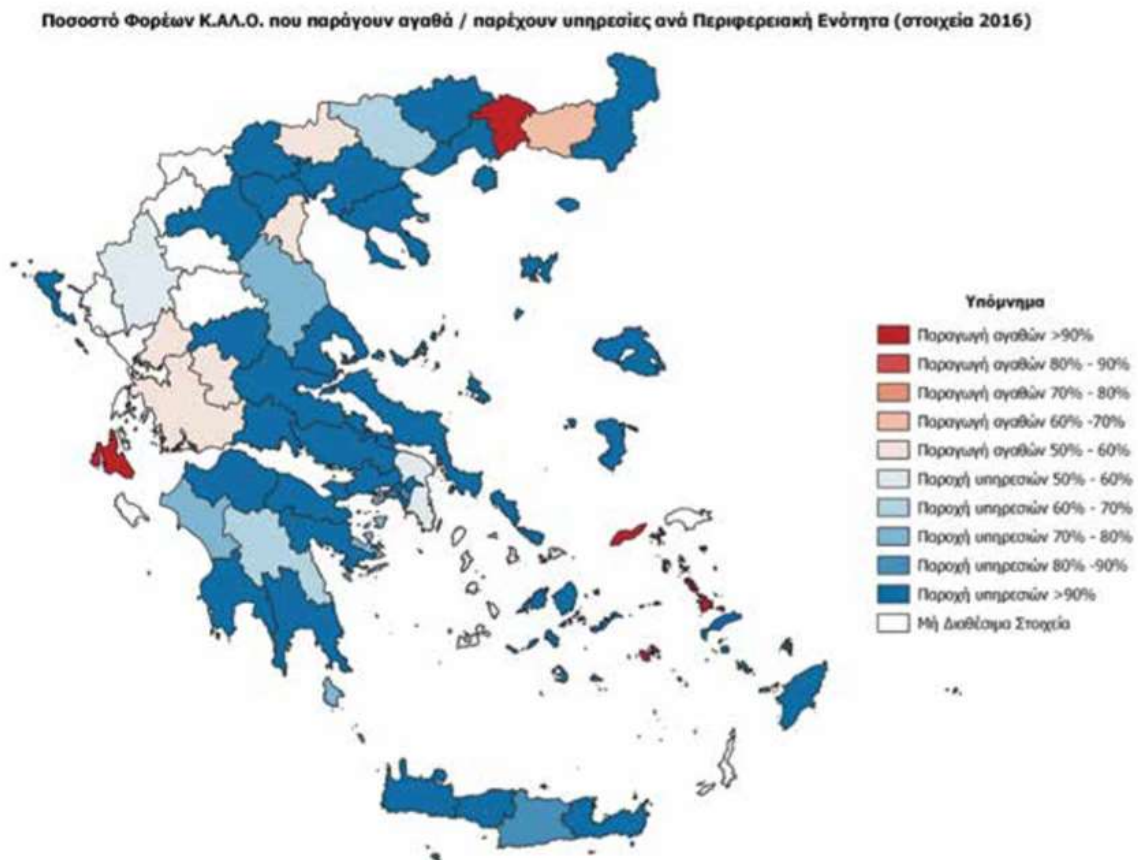
According to the Annual Report of the Special Secretariat for Social and Solidarity Economy are mainly very small businesses, employing less than 10 employees and their annual turnover not exceeding 2 million euro¹⁰³. At the same time, it is noted that they cover a wide range of economic activities from catering, education, commerce, processing to collection, treatment and disposal of waste¹⁰⁴. The majority of operators provide services, which is particularly found in urban areas. But in some areas, such as the islands of Ikaria, Kalymnos and Kefalonia, the production of goods outweighs the supply of services, while in other

¹⁰³. Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p.

¹⁰⁴. Similar conclusions are also reached by Temple, N., Barbaroussis, A., Galanos, C., Tsitsirigos, G., Bekridakis, G. (2017). Report on the Social and Solidarity Economy in Greece, British Council, pp. 58-59.

areas, such as in the Regional Unit of Arta, Kilkis and Syros, the production of goods outstrips supply services. (see Chart 8)¹⁰⁵

Chart 8 - Percentage of active SSEs that produce goods or provide services at the Regional Unity level (2016 figures)



Source: Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 124

¹⁰⁵ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 123

6. Comparative assessment of social entrepreneurship in Greece and Europe

The purpose of this section is to examine the statistical analysis of the social economy in Europe and Greece, the degree of legislative recognition of the social economy in the various states, and where Greece is placed under the recent legislative initiative of Law 4430/2016.

SCE's mapping

Monitoring and statistical analysis of SCE's progress is a particularly difficult task, as the landscape of SCE is not homogeneous. At the same time, the attitude of the states and the initiatives taken in this direction are varied: some states have taken measures to periodically map the SCE (eg Spain, France, Portugal), while in other countries any statistics are kept up-to-date or incomplete, such as in new Member States or in the Netherlands¹⁰⁶.

The compilation of statistics on the good that will be subject to common rules and methods between Member States, thereby allowing comparative study of the good as a whole, is a strategic priority for Europe. Such a mapping will help to monitor the progress of SCE's field, to record its dynamics, so that national and European policies cannot be ignored by living reality. For these reasons the EU institutions have raised as a major issue the creation of additional accounts in the framework of the existing statistical data maintained and processed by Eurostat and the national statistical

¹⁰⁶ Monzón, J.L, Chaves, R. (2017). *Recent evolutions of the social economy in the European Union*. European Economic and Social Committee, p. 65

offices of the Member States, in order to make it possible to record the contribution of CA EU economic development and social cohesion¹⁰⁷.

Significant efforts have been made in recent years by academia and governments to map the SCE, such as in France, Spain and Portugal. However, it is imperative to systematize the statistical analysis of the various actors involved in the social economy.

The statistics for the progress of SCE in Europe for the years 2014-2015 show the following:

- over 2.8 million operators belong to the SCE,
- over 13.6 million remunerated jobs have been created by the SCE, equivalent to 6.3% of the EU workforce,
- over 232 million members participate in good organizations¹⁰⁸.

In particular, the following conclusions can be drawn on the creation and maintenance of jobs on the basis of Graph 1. The picture presented is motley. Higher Employment Rates in CA. They range between 9% - 10% of the total workforce and are found in Belgium, Italy, Luxembourg, France and the Netherlands, while in newer EU Member States such as Romania, Malta, Lithuania, Cyprus, Croatia, Slovenia and Slovakia, the respective employment rates are less than 2% of the country's total labor force. In Greece, this figure is 3% of the country's total workforce, consequently falling into the second category of countries, where the employment

¹⁰⁷ Monzón, J.L, Chaves, R. (2017). *Recent evolutions of the social economy in the European Union*. European Economic and Social Committee, p. 65-66.

¹⁰⁸ Monzón, J.L, Chaves, R. (2017). *Recent evolutions of the social economy in the European Union*. European Economic and Social Committee, p. 66

rate in the CA is particularly low, which indicates that the sector of SCE is popping up¹⁰⁹.

Chart 1 - Remunerated jobs in the social economy in relation to paid employment in every European country, 2015

¹⁰⁹ Monzón, J.L, Chaves, R. (2017). *Recent evolutions of the social economy in the European Union*. European Economic and Social Committee, p. 67



Source: Monzón, J.L., Chaves, R. (2017). Recent evolutions of the social economy in the European Union. European Economic and Social Committee, p. 67

Table 10 - Remunerated jobs in the social economy as compared to total wage employment, European Union (2014-15)

Country	Employment in SE (A)	Total employment * (B)	% A / B
Austria	308,050	4,068,000	7.6%
Belgium	403,921	4,499,000	9.0%
Bulgaria	82,050	2,974,000	2.8%
Croatia	15,848	1,559,000	1.0%
Cyprus	6,984	350,000	2.0%
Czech R.	162,921	4,934,000	3.3%
Denmark	158,961	2,678,000	5.9%
Estonia	38,036	613,000	6.2%
Finland	182,105	2,368,000	7.7%
France	2,372,812	26,118,000	9.1%
Germany	2,635,980	39,176,000	6.7%
Greece	117,516	3,548,000	3.3%
Hungary	234,747	4,176,000	5.6%
Ireland	95,147	1,899,000	5.0%
Italy	1,923,745	21,973,000	8.8%
Latvia	19,341	868,000	2.2%
Lithuania	7,332	1,301,000	0.6%
Luxembourg	25,345	255,000	9.9%
Malta	2,404	182,000	1.3%
Netherlands	798,778	8,115,000	9.8%
Poland	365,900	15,812,000	2.3%
Portugal	215,963	4,309,000	5.0%
Romania	136,385	8,235,000	1.7%
Slovakia	51,611	2,405,000	2.1%
Slovenia	10,710	902,000	1.2%
Spain	1,358,401	17,717,000	7.7%
Sweden	195,832	4,660,000	4.2%
U. Kingdom	1,694,710	30,028,000	5.6%
TOTAL EU-28	13,621,535	215,722,000	6.3%

* Paid jobs, ages 15 and 65, Eurostat, 2015

Source: Monzón, J.L., Source: Chaves, R. (2017). Recent evolutions of the social economy in the European Union. European Economic and Social Committee, p. 69

Regarding to SCE bodies were able to maintain their jobs in times of crisis, the following observations are made based on Table 11: A general first conclusion is that operators have proven to be resistant to the crisis, with a very slight decrease in remunerated jobs (from 6.5% to 6.3% of all employees) and maintaining these positions in spite of the financial hardship of the season. The decrease was mainly found in cooperatives and less so in other CA¹¹⁰.

Table 11- Paid jobs in the social economy

Country	Employment in the social economy			Δ% 2010-2015
	2002/2003	2009/2010	2014/2015	
Austria	260,145	233,528	308,050	31.9%
Belgium	279,611	462,541	403,921	-12.7%
Bulgaria	(n/a)	121,300	82,050	-32.4%
Croatia	(n/a)	9,084	15,848	74.5%
Cyprus	4,491	5,067	6,984	37.8%
Czech R.	165,221	160,086	162,921	1.8%
Denmark	160,764	195,486	158,961	-18.7%
Estonia	23,250	37,850	38,036	0.5%
Finland	175,397	187,200	182,105	-2.7%
France	1,985,150	2,318,544	2,372,812	2.3%
Germany	2,031,837	2,458,584	2,635,980	7.2%
Greece	69,834	117,123	117,516	0.3%
Hungary	75,669	178,210	234,747	31.7%
Ireland	155,306	98,735	95,147	-3.6%
Italy	1,336,413	2,228,010	1,923,745	-13.7%
Latvia	300	440	19,341	(n/p)
Lithuania	7,700	8,971	7,332	-18.3%
Luxembourg	7,248	16,114	25,345	57.3%
Malta	238	1,677	2,404	43.4%
Netherlands	772,110	856,054	798,778	-6.7%
Poland	529,179	592,800	365,900	-38.3%
Portugal	0,000	0,000	0,000	0.0%
Romania	(n/a)	163,354	136,385	-16.5%
Slovakia	92,172	41,909	51,611	14.9%
Slovenia	4,671	7,094	10,710	51.0%
Spain	872,214	1,243,153	1,358,401	9.3%
Sweden	205,697	507,209	195,832	-61.4%
U. Kingdom	1,711,276	1,633,000	1,694,710	3.8%
TOTAL EU-28	11,142,883	14,137,218	13,621,535	-3.6%

¹¹⁰ Monzón, J.L., Chaves, R. (2017). Recent evolutions of the social economy in the European Union. European Economic and Social Committee, p. 67π.

Source: CIRIEC, EESC

(n/a) unavailable item, (n/p) inaccurate data

The degree of legislative recognition of SCE in the Member States of the European Union

The degree of institutional recognition of CA varies from country to country, as it depends on the individual social, economic and political conditions of each territory, as well as on the trajectory of the individual SCEs in every country. The correlation of forces on the one hand, and the fermentations between the field and the political sphere, on the other, are inextricably linked to the range and degree of recognition of the SCE at the constitutional-legislative level.

In particular, Member States - in their majority - recognize traditional SCEs, ie cooperatives, associations, foundations and mutual insurance companies. The notifying difference between national laws relates to the extent of such recognition. In only a small number of European countries is there a wide legislative recognition of SCEs and social entrepreneurship, as well as mentioning and protecting the field of SCEs at the constitutional level.

Accordingly, based on the degree of recognition of the SCE in the different legal systems, the Member States are divided into three main categories (Table 12):

(a) The first category, where countries with a common denominator are the systematic and widespread institutional recognition of SCE, such as in the case of Belgium, Italy, Portugal, Spain and France;

(b) The second category belongs to the countries where the legislator partially recognizes its scope as good without proceeding with a comprehensive recognition of the SCE sphere. Among the countries belonging to this category are Denmark, Finland, Malta and Luxembourg,

(c) The third category belongs to countries where, on the one hand, there is no institutional recognition of certain categories of SCE entities, on the other hand the SCE is not recognized as a broader sector of the economy. This category includes, for example, Germany, the Netherlands, Lithuania, Austria, Hungary and Latvia¹¹¹.

Table 12

Systematic recognition of SCE	Individual recognition SCEs	Limited to minimal recognition of CA.
<i>Spain, Italy, Portugal, France</i>	<i>UK, Finland, Denmark, Malta</i>	<i>Germany, Austria, the Netherlands</i>
widespread recognition of CA.	Absence of a framework law for SCE as a single sector	Absence of a framework law for SSE as a single sector
General laws for the recognition of SCE in its entirety	Specific laws for individual SCEs	Lack of regulatory approval of some SCE entities

Source: Monzón, J.L., Chaves, R. (2017). Recent evolutions of the social economy in the European Union. European Economic and Social Committee.

On the basis of the above categorization of the Member States of the European Union, Greece is placed in the second category, as the Greek legislature has adopted

¹¹¹ Monzón, J.L, Chaves, R. (2017). *Recent evolutions of the social economy in the European Union*. European Economic and Social Committee, σ. 33-34.

specific laws governing the individual categories of good and although recently a framework law on good has been adopted the criteria it sets are judged to be particularly stringent, with the result that they remain outside the CA. some important players in the field of CSOs, such as foundations or cooperative banks.

Establishment and operation of government bodies for the SCE

A considerable number of Member States of the European Union have provided by legislation for the establishment and operation of state bodies within the governmental machinery responsible for matters relating to the social economy. The longevity of such bodies is not guaranteed, as these state institutions are subject to changes in the political sphere, which usually lead to radical administrative restructuring by abolishing existing bodies, creating new or revising roles and changing existing and existing bodies. However, when the national legislature of a country provides for the creation of such bodies, it signals that the rulers recognize the importance of the CA. and put it high on the political agenda. This stance sets a precedent for future governments, which will be called upon to take a position and take initiatives against the CA¹¹².

Typical examples of such countries are France, where the former deputy minister of social and solidarity at the ministry of economy was previously designated. A similar case is Luxembourg, where a Ministry of Labor, Employment and Social Solidarity Economy is envisaged. Portugal also has a special CASES body, which is affiliated with

¹¹² U.N.R.I.S.D., (2016). «Promoting Social Solidarity Economy through Public Policy» in *UNRISD Flagship Report 2016*, σ. 125. Monzón, J.L, Chaves, R. (2017). *Recent evolutions of the social economy in the European Union*. European Economic and Social Committee, p. 51.

the Ministry of Labor and Social Security. Spain has a Directorate-General for the self-employed, for the social economy and for corporate social responsibility¹¹³.

Greece is also moving in a similar direction, where by Law 4430/2016 it provides in no. 36.1 the establishment of a Special Secretariat for Social and Solidarity Economy at the Ministry of Labor, Social Security and Social Solidarity, subject directly to the Minister of Labor, Social Security and Social Solidarity, responsible for Social Economy.

This Special Secretariat has its core competencies under no. 36.2, 36.3 N. 4430/16:

- (a) The formulation and implementation of government policy on Social and Solidarity Economics in a more efficient way, as it enables the development and monitoring of short and medium term policies for Social and Solidarity Economics.
- (b) The formulation of a National Strategy for the Social and Solidarity Economy;
- (c) Monitoring and co-ordinating the relevant actions to implement and ensure the consistency of the National Strategy.
- (d) The study and production of policies and the supervision of their implementation for the benefit of the citizen.
- (e) The development of co-operation in the subject areas with competent Ministries.
- (f) The specification of the National Strategy by sector, in cooperation with the relevant Ministries and bodies;
- (h) monitoring international developments

¹¹³ Monzón, J.L, Chaves, R. (2017). *Recent evolutions of the social economy in the European Union*. European Economic and Social Committee, p.51.

7. Institutional framework for the establishment of social enterprises

The purpose of this section is to examine the institutional framework for social enterprises. Before proceeding to the above, however, it must be clarified that there is no law in our country that introduces social enterprise as a distinct legal form. For

this reason we will consider what are the main legal forms that a social enterprise can take up in the Greek legal order and what are the particular features of those legal forms.

General notes

In any legal system there is usually a variety of legal forms - small or large - among which interested parties can choose to practice a certain type of economic activity. These legal forms are more or less different from each other, as they correspond to different combinations of capital and labor, are governed by distinct rules of operation and organization and cover different needs and aspirations. As in biology, diversity of traits increases the chances of survival for a population, so an economic system, made up of companies of various forms, becomes more resistant to times of crisis or instability.

Greek legal system provides for a limited number of legal forms to pursue an economic activity¹¹⁴. The question then arises, how stakeholders will choose the legal form that best serves their project's goals and needs.

Assume that the stakeholders have formed the founding group and have decided on the economic activity they will undertake. The choice of legal form then¹¹⁵ is a decision that is critical to the success of their venture because it will determine the key characteristics of their business, such as composition, management, capital structure, how to distribute positive financial results and the extent of members'

¹¹⁴ Alexandridou, E. (2016). Business law: Private and capital companies. 2nd edition, p. 19.

¹¹⁵ The creation of a founding team, the decision on economic activity and the choice of legal form does not necessarily mean that they must be done in the above order to set up a social enterprise, and in practice these steps may take place simultaneously or in a different sequence. What matters is not the order but the proper preparation for each of these steps.

liability - partners¹¹⁶. Therefore, the legal form defines the regulatory framework to which a venture will be subject. This framework will be specified by the participating members and adapted to their needs when drafting the statutes.

For this reason, this section sets out and categorizes the basic legal forms that a social enterprise can take, on the one hand, to facilitate the decision-making of interested parties, on the other, to prevent a phenomenon that is frequently encountered in practice, where Interested parties are trapped in a legal form that is judged to be inappropriate for their venture, often leading to either its dissolution or its time-consuming and costly conversion to another legal form, provided that flows by law.

The categorization of the legal forms of social enterprises

Law No. 4430/2016 "Social and Solidarity Economy and Development of its Institutions and Other Provisions" was submitted as a law by the Ministry of Labor, Social Security and Social Solidarity on 6/10/2016 and subsequently passed by the Parliament on 20/20. 10/2016, where it becomes law. The purpose of Law 4430/2016, as defined in its first article, is to create a legislative framework for social and solidarity economy (hereinafter referred to as "SCE"), as a form of alternative organization to the widest possible range of economic activities, whilst particular emphasis is placed on productive ventures, the support of which is sought by the above law.

Regarding to the structure of the law, we note: Articles 1-13 introduce provisions which are horizontal in principle to all SCEs, Articles 14-23 introduce specific provisions for social cooperative enterprises, while Articles 24-33 introduce specific

¹¹⁶ Chiantou-Pabouki, A. (1974). Factors influencing the choice of corporate type. Armenopoulos 1st, pp. 1-13; Alexandridou, E. (2016). Business Law: Private and Capital Companies. 2nd edition, pp. 19-20.

provisions for worker cooperatives. With the above provisions, the new law defines - inter alia - the sector of social and solidarity economy, identifies the organizations that it make up and introduces criteria for the recognition of a collectivity as a SCE. In particular, social cooperatives, limited liability social cooperatives and employee cooperatives are automatically considered to be SCEs, according to Art. 3.1 a-c N. 4430/2016. For other non-unilateral legal entities, however, there are certain conditions that must be met in order to acquire the status of SCE. These conditions, according to Art. 3.1 d L. 4430/2016, are “the collective and social benefit, the information and participation of the members of the body, the democratic one-person-based democratic decision-making system, the restrictions on the distribution of profits, the convergence in pay work, horizontal and non-discriminatory networking with other SCE bodies, as well as the fact that the entity has not been established or managed directly or indirectly by the NPD or OTA, a or b degree or other legal entity of the wider public sector.

These criteria reflect some of the basic characteristics of social enterprises, such as the involvement of members in decision-making and the restrictions on profit distribution, but there is no absolute match between the concept of social enterprise and the status of SCE. This is why we should not restrict social enterprise to legal forms automatically recognized as SCE entities or that fulfill the relevant requirements, but on the contrary we must consider all possible legal forms that may take on the characteristics of a social enterprise which fall into the following three categories:

- (a) The legal forms which develop the characteristics of social enterprises in practice (the de facto social enterprises)
- (b) In those legal forms where there is but no absolute identification with the basic characteristics of social enterprises (such as cooperatives)

(c) Those legal forms which are predominantly offered for creation of social enterprises.

Category A: The de facto social enterprises

The individual businesses and the capital companies are excluded from the social economy as defined in the above law¹¹⁷. They are one-personed legal entities and their primary purpose is to make a profit. However, it is not excluded that stakeholders choose one of the above legal forms for their venture, which in practice can act as a quasi-social enterprise by adopting its essential features, such as the equal participation of members in decision-making¹¹⁸.

When this does not entail a circumvention of the purpose and characteristics of a particular type of corporation, which are enforced by law, it is not excluded that it is permissible by law, but not desirable.¹¹⁹. The reasons why we would not propose to interested parties to choose among the above legal forms excluded from SSE are set out below and relate to the participants in such a venture, the venture itself and the SSE venue in general.

In particular, participants in such a venture (whether visible or invisible members) have a status of insecurity regarding their rights and obligations with respect to their

¹¹⁷ Αδάμ Σ., Καβουλάκος, Κ., Κορνηλάκης Α., (2018), *Το θεσμικό πλαίσιο της Κ.Α.Ο. στην Ελλάδα. Η εμπειρία της δημόσιας διαβούλευσης και μια κριτική αποτίμηση του Νόμου 4430/2016*, Θεσσαλονίκη: Ίδρυμα Χάινριχ Μπελ, π.50-51.

¹¹⁸ Αδαμ, Σ. (2014). Οδηγός δημιουργίας κοινωνικών επιχειρήσεων. Ίδρυμα Χάινριχ Μπέλ Ελλάδα, π. 33-34. [<https://gr.boell.org/el/2014/08/29/odigos-dimioyrgias-koinonikon-epiheiriseon>]

¹¹⁹ Κιάντου-Παμπούκη, Α. (1974). Παράγοντες επηρεάζοντες την επιλογήν του εταιρικού τύπου. Αρμενόπουλος τευχ. 1ο, π. 1-13.

business / company, since they are not based in law but in the formally agreed between them¹²⁰.

In addition, each type of company has a clear purpose and thus the business people with this type of company are able to know in advance how it works and how it is organized. Consequently, when a venture pursues a social purpose by choosing a legal form that does not promote it then the question arises as to how it will be able to communicate it in its dealings with third parties and how to ensure that a different purpose than that provided by the the law will not be temporary but it will be permanent¹²¹. At the same time, the non-recognition of the project as a SCE entity entails that this is excluded from the supportive measures introduced by Law 4430/2016 for SCE Agents ¹²².

The choice of such a legal form also has an impact on the social economy in general, as the legal forms that are inextricably linked to the SCE site are not used, thus making difficult the mapping of the site and its clustering secondarily, as in the associations of SCE carriers, such legal schemes, will not be able to participate.

On the other hand, there are some advantages to these forms, such as the older and well-known legal forms in which public services are accustomed to avoid creating significant bottlenecks in the setting up and operation of procedural matters¹²³.

¹²⁰ Αδαμ, Σ. (2014). Οδηγός δημιουργίας κοινωνικών επιχειρήσεων. Ίδρυμα Χάινριχ Μπέλ Ελλάδα, p. 34 [<https://gr.boell.org/el/2014/08/29/odigos-dimioyrgias-koinonikon-epiheiriseon>]

¹²¹ Adam, S. (2014). Social Business Creation Guide. Heinrich Bell Foundation of Greece, p.34 [<https://gr.boell.org/el/2014/08/29/odigos-dimioyrgias-koinonikon-epiheiriseon>]

¹²² For the supportive measures of Law 4430/2016 cf. Adam S., Kavoulakos, K., Kornilakis A., (2018), The institutional framework of SSE. in GREECE. The Experience of Public Consultation and a Critical Assessment of Law 4430/2016, Thessaloniki: Heinrich Bell Foundation, p.

Adam, S. (2014). Social Business Creation Guide. Heinrich Bell Foundation of Greece, p. 35¹²³. [<https://gr.boell.org/el/2014/08/29/odigos-dimioyrgias-koinonikon-epiheiriseon>]

However, in any case, the non-use of other legal forms preserves the above situation and does not contribute to its overthrow.

Category B: Cooperatives

The cooperatives, who are bearing many of the characteristics of social enterprises, do not identify with them, as they are oriented towards serving the needs of their members, and not necessarily those of the community or other groups, of third parties to the cooperative¹²⁴. Under Greek law, cooperatives are not subject to a single institutional framework, but on the contrary specific laws have been adopted that govern their various categories. A fundamental distinction between cooperatives based on their field of activity is between agricultural and urban cooperatives. The agricultural cooperatives that are governed by Law 4384/2016 are active in the field of agricultural economy. The forest cooperative organizations have now become autonomous from the above category and are governed by their own law, N. 4423/2016. On the other hand, urban cooperatives are governed by Law 1667/1986, which lays down general provisions for all cooperatives that are active in any sector of the economy other than rural (such as productive, consumer, supplier, credit, shipping and tourism). Law 4513/2018 was recently introduced, which regulates energy communities, ie the creation of energy cooperatives, in which the participation of citizens, local businesses and local authorities is encouraged.

The cooperative is offered as an appropriate legal form for interested parties wishing to set up a democratically run, co-owned enterprise with the primary aim of meeting (with this joint venture) their needs, which relate either to their business or home

¹²⁴ Defourny, J. and Nyssens, M. (2006). "Defining social enterprise", in Nyssens, M. (ed.), *Social Enterprise: At the Crossroads of Market, Public Policies and Civil Society*, London and New York: Routledge.

economy.¹²⁵ If the interested parties wish to be active in the agricultural, energy or forestry sector, then they shall refer to these respective specific categories of agricultural cooperatives, energy communities, and forest cooperatives. However, if the activity which the parties concerned wish to undertake does not belong to these areas, they may consider establishing urban cooperatives, the provisions of which apply to all other categories of cooperatives.

In particular, urban cooperatives are a legal form offered for the creation of ventures with a significant number of founding members, which is changing, as is their capital. This legal scheme is of interest to those parties wishing their business to be governed democratically by its own members on the principle of 1 member-1 vote, who also elect their governing bodies. Their capital is made up of co-operative portions with which each member participates in the fund, and optional ones, which do not correspond to votes but to certain privileges. This legal form allows interested parties to participate conditional on the distribution of surplus-profits, as well as to choose the extent of their liability, whether it be unlimited or limited for the debts of the cooperative to third parties. On the other hand, urban cooperatives are not automatically recognized as SCE entities. Consequently, in order to enjoy the supportive measures of the new law, they have to change their statutes according to the criteria set by Art. 3.1 d Law 4430/2016, in particular as to their intended purpose and the manner in which their profits are distributed. By choosing the form of urban cooperative, members may be confronted with a cautious attitude of third parties due to a negative public image created in previous years for cooperatives in terms of their political neutrality and their financial viability, and is still maintained to some degree today. However, this should not significantly deter stakeholders, as only new ventures can reverse this stereotypical perception.

¹²⁵ Κιντής, Σ. (2004). Δίκαιο Συνεταιρισμών: Αστικοί Συνεταιρισμοί, σ. 1-2.

Category C: Mostly social enterprises

This third category includes those legal forms which are considered most suitable for the creation of social enterprises. Stakeholders turn to the legal forms that fall into this category when their primary priority is the pursuit of social benefit, whereas the economic activity they undertake will serve other social groups or community needs that are not necessarily identical to and necessarily limited to those of the community members¹²⁶.

This category includes - among other things – Social Cooperative Enterprises and NGO because they have as their main characteristic the pursuit of a social purpose. Of these, Social Cooperative Enterprises for vulnerable groups, have very specific goals, which, is the integration into the economic and social life of persons belonging to Vulnerable Social Groups and Special Populations, respectively, and for Social Enterprises the socio-economic integration and occupational integration of people with severe psychosocial problems. If the above specific objectives do not coincide with those of the parties concerned, then these parties are invited to consider other legal schemes, such as the Law for Social Enterprises and societal benefits and those whose statutory purpose is not defined strictly but in general terms.

In particular, SCE is offered for the creation of ventures with a small number of founding members, who can operate in any financial sector, undertaking multiple economic activities and pursuing not only collective but also social benefits, if the products and services offered by the venture are covered not only the needs of its members but at the same time serve other social groups or meet the needs of the wider community. Choosing the legal form of the SCE are committed to making democratic decisions based on the principle of 1 member-1 vote, accepting that the

¹²⁶ Defourny, J. and Nyssens, M. (2006). “Defining social enterprise”, in Nyssens, M. (ed.), *Social Enterprise: At the Crossroads of Market, Public Policies and Civil Society*, London and New York: Routledge.

venture will have a variable number of members of capital, and that profits can only be distributed to the venture's employees. At the same time, each member is responsible for the debts of the SCE is limited and does not exceed the amount of the co-operative share, the value of which is at least 100 euros.

On the other hand, the NGO is recommended when the founding group has a very small number of members, whose composition will remain stable and have as a primary priority the pursuit of public benefit, without excluding the exercise and the financial purpose for their more effective implementation. The members of an NGO agree that they will be indefinitely liable for their debts to third parties with all their property, while any positive financial results (profits) will not be distributed among them. Regarding how it is administered, members are not required to make democratic decision

127

¹²⁷ Georgiadis, A. (2007). Legal Entity and Nonprofit: Content and Coexistence. CHID Z, pp. 193-200.

Table 9 "Urban Cooperatives, Utilities, CSR: Existing Provisions and Key Features"

The table below codifies the main provisions governing urban cooperatives, SCE and NGO and identify their particular characteristics.

<i>Legal forms</i>			
<i>Basic features</i>	Urban cooperatives	SCE	NGO
Definition	An urban cooperative is a voluntary association of persons with an economic purpose, which, without engaging in agricultural activities, aims in particular at the cooperation of its members in the economic, social, cultural development of its members and the improvement of their quality of life in general within a common business. (n 1.1 N.1667/1986)	SCEs are urban cooperatives of Law 1667/1986, for the purpose of collective and social benefit. Especially, οι SCE Collective and Social Benefits, develop 'sustainable development' activities, or provide 'social services of general interest'». (n14.1, 14.2 N.4430/2016)	Under the company contract, two or more partners have a mutual obligation to pursue a common purpose, in particular financial, through joint contributions. (n 741 AK)
Minumin members' number	15 people* * [100 people for consumption, n 1.3 N. 1667/1986]	5 people (n 15.2 N. 4430/2016)	2 partners (n 741 AK)
Membership	Individuals - Legal Persons * * following a statute (n 2.1, 2.2N.1667/1986)	Individuals – Legal people * ** LP*: to 1/3 (n 14.4 N. 4430/2016) **except from Municipalities (n 14.5 N. 4430/2016)	Individuals – Legal people
Obstacles	(a) Participation in another cooperative	a) Participation in another CSE with the	

	<p>with the same seat and purpose. (N. 2.3N.1667 / 1986)</p> <p>(b) judicial assistance (n 2.1 N.1667/1986, n 13N. 2447/1996)</p>	<p>same activity (No. 14.6 Law 4430/2016)</p>	
Parts- Contribution	<p>(a) Compulsory portion of 1 vote * (No. 3.1 N. 1667/1986) * [exception: multiple votes in joint banks no. 4.2d b Law 1667/1996 with the restrictions of no. 4.2 N.1667 / 1986] (b) Optional portions - not voting</p> <p><u>Optional Share Acquisition Ceilings</u> *: - up to 5 for urban areas, -Up to 100 for consumer combinations, - up to 1% for marine transfer combinations - up to 1501 for credit associations</p> <p>* Unlimited acquisition of optional shares for public entities and members of joint banks (n 3.3 N.1667/1986)</p>	<p>a) Compulsory portion of 1 vote (100 euros or more) (No. 16.2 Law 4430/2016) (b) Optional portions - not voting</p> <p>Optional Share Acquisition Ceilings): - up to 5 (n 16.3 N. 4430/2016)</p>	<p>Partners' contributions may consist of their work, money or other objects, as well as any other benefits. Unless otherwise agreed, the partners are obliged to equal contributions. (αρ. 742 ΑΚ)</p>
Profit distribution	<p>The profits of the association are distributed as follows (no. 9.4 Law</p>	<p>The profits of SCE are not distributed to members unless they are employees, so the</p>	<p>Non-distribution of profits to partners by way of derogation no. 762AK because of its</p>

	<p>1667/1986):</p> <p>a) reserves (10% for regular reserves, formation of special and temporary reserves by General Assembly decision)</p> <p>(b) to members *: -50% of profits depending on the member's common shares, -50% based on member's participation percentage of trading **</p> <p>c) the balance of profits for the purposes of the PM (by decision of the General Assembly)</p> <p>[* the statute may provide for different modes / rates of distribution to members]</p> <p>[** Consumer Price Limit: ¼ of profits]</p>	<p>distribution is as follows (No. 21 Law 4430/2016):</p> <p>(a) The regular reserve (5%); (b) Employees of the undertaking (35%); (c) The creation of new jobs and the expansion of productive activity.</p> <p>* [unless 2/3 of the General Assembly members decide to allocate part or all of this percentage to activities under point c]</p>	<p>non-profit nature of NGO</p>
<p>Management bodies</p>	<p>(n.5,7,8 N.1667/1986)</p> <p>* Optional recommendation for under 25 - No.8.1 Law 1667/1986. ** No 8.1, 8.2 Law 1667/96 does not apply to joint banks - no. 8.3 N.1667 / 1986</p>	<p>* Instead of AD, administrator election for SCE with 5 members (No. 19, 20 N.4430 / 2016)</p>	<p>The management of corporate affairs is, unless otherwise agreed, with all partners. Every action requires the consent of all partners (No. 748 AK)</p>

Responsibility for personal debts of Legal Representative	(a) as a whole, (b) limited (up to the amount of the common share or its multiple) or unlimited (no. 4.4 N. 1667/1986)	a) the responsibility of the SCE with her property (: therefore liability of the members up to the amount of the mandatory share ¹²⁸) (n. 16.5 N. 4430/2016)	(a) in its entirety (b) unlimited (No.258, 270 N. 4072/2012)
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8. Financing tools for social enterprises

This section examines the funding tools of SCE, which include both the social enterprises and the funding measures applicable in Greece for SCE.

General observations

The creation of appropriate financing tools for social enterprises and for NGOs in general at their various stages of development is an urgent need for their sustainability, as in most EU Member States there is an inability to meet their capital needs. This is due to a variety of reasons, such as the inability to attract investors from SCEs, the lack of incentives for interested parties to invest in social enterprises and generally SCEs, limited access or the exclusion from the dominant banking system and the usual financial tools, the lack of technical knowledge to search for and exploit available financial instruments (especially when they are in the early stages of setting up the venture)¹²⁹.

¹²⁸Βλ. Αιτιολογική έκθεση στο σχέδιο νόμου «Κοινωνική και αλληλέγγυα οικονομία και ανάπτυξη των φορέων της και άλλες διατάξεις» (2016), σελ. 6.

¹²⁹ U.N.R.I.S.D., (2016). «Promoting Social Solidarity Economy through Public Policy» in *UNRISD Flagship Report 2016*, σ. 80-81. Expert Group on Social Entrepreneurship (GECES) (2016). *Social enterprises and the social economy going forward A call for action from the Commission Expert Group on Social Entrepreneurship (GECES)*, European Commission, p. 24

For this reason, the development of public policies, which will ensure the accessibility of SSE bodies in appropriate financing tools, meeting their diverse needs, taking into account their specificities and their stage of development is extremely important for the viability of these ventures, their expansion and further development, enabling these companies to compete on a level playing field businesses.

These financial instruments may provide the direct involvement of the State in the financing of SCEs, as in the case of state grants. However, the involvement of the state in meeting the capital needs of SCE, can also be indirect through tax measures, investment incentives, socially responsible public procurement, but also by promoting the creation of credit institutions and financing tools within the SCE field itself in synergies with stakeholders, local authorities and local government¹³⁰.

In particular, the taxation rules for social enterprises and in general the CA should take into account their social mission, provide similar tax concessions to businesses themselves as a reward for the positive social impact, but also indirect tax concessions on the people investing in them. It should be noted that in most Western European countries the basic categories of SCEs are subject to a favorable tax regime. Interesting is the Quebec example and the tax credit measures¹³¹. These measures are designed to encourage investment in agricultural cooperatives and worker cooperatives by providing tax credit to those who acquire cooperative shares. Similar measures have been introduced in Spain, where a percentage of public taxes can be donated to third sector organizations¹³². Another example moving in this direction is the creation of special funds, which derive income from the

¹³⁰ Tremblay, C. (2010), «Public policy trends and instruments supporting the social economy: International experiences», CSERP, *Public Policy Paper Series*, 2, p. 24

¹³¹ Tax credit: it refers to the tax owed by the citizen to the state and not to taxable income. Tremblay, C. (2010), «Public policy trends and instruments supporting the social economy: International experiences», CSERP, *Public Policy Paper Series*, 2, p. 25.

¹³² Monzón, J.L, Chaves, R. (2017). *Recent evolutions of the social economy in the European Union*. European Economic and Social Committee, p. 53

taxation of cooperatives and from the insurance contributions of their member workers, as happened in Costa Rica.¹³³ This revenue is being channeled to support new cooperatives. At the same time, the exclusion of SCE from conventional credit institutions encourages the creation of cooperative and ethical banks and the drafting of Good Governance Practice Guidelines, such as in Brazil.¹³⁴

Another development tool for SCE players are public procurement. In 2014, Directive 2014/24 / EU on Public Procurement was adopted, which requires public authorities to take into account social and environmental considerations in the formulation of the call for tenders and their evaluation. Specifically, Socially Responsible Public Procurement (SRPP) are defined as contracts "which take into account one or more of the following social aspects: employment opportunities, decent work, compliance with social and labor rights, social inclusion (including people with disabilities), equal opportunities, designing accessibility for all, taking into account sustainability criteria, including ethical issues and broader voluntary compliance with corporate social responsibility (JV), while respecting the principles enshrined in the Treaty on European Union (TEU) and the Public Procurement Directives¹³⁵". The conclusion of such contracts can help promote sustainable development and achieve the social objectives of the EU (and of the Member States). The introduction of social criteria in the tenders for the supply of products and services to the public is thought to facilitate the participation of social enterprises and SCE the above processes and their access to markets will be promoted. However, as the above measure is not sufficient, it is useful to develop cooperation and skills among local, administrative and social enterprises so that local

¹³³ U.N.R.I.S.D., (2016). «Promoting Social Solidarity Economy through Public Policy» in *UNRISD Flagship Report 2016*, p. 126

¹³⁴ Tremblay, C. (2010), «Public policy trends and instruments supporting the social economy: International experiences», CSERP, *Public Policy Paper Series*, 2, p. 24

¹³⁵ European Commission, (2010), *Social Markets: A Guide for Incorporating Social Aspects into Public Procurement*, Luxembourg, p.7

officials know how to integrate social criteria into procurement tenders, and social enterprises to be able to know how to make a competitive offer¹³⁶.

The SCE's financial support is not only limited to the creation of tools and policy-making at national-local level, but also requires a wider mobilization at European level. To date financial support of the SCE is indirectly provided, mainly through funds dedicated to labor and social cohesion (eg ADAPT, EQUAL, European Social Fund). The consequence is the lack of specialized financing tools for the whole of SCE. The stake here is the formulation of policies that will ensure access to various forms of financing for SCE's (not only European funds but also microfinance and crowdfunding) and the distribution of European funds across the spectrum of SCE, thereby covering different sizes - categories - legal forms of venture¹³⁷.

Based on the above we conclude that public policies are called upon to contribute to the development of financial tools for social enterprises and NGOs generally. This can be achieved by familiarizing the traditional credit sector with the requirements and capabilities of social enterprises (for example, a conventional bank lends to a social enterprise with a public guarantee). At the same time, however, more innovative arrangements need to be introduced with Community-private partnerships between civil society, government and credit institutions.

Financing tools in Greece

Law 4430/2016 lays down provisions for the financial support of CA. In particular, at no. 10 provides for the creation of a Social Economy Fund, to be set up as a private legal entity

¹³⁶ European Commission, (2010), *Social Markets: A Guide for Incorporating Social Aspects into Public Procurement*, Luxembourg, p.7. Monzón, J.L, Chaves, R. (2017). Recent evolutions of the social economy in the European Union. *European Economic and Social Committee*, p. 53

¹³⁷ European Parliament, Directorate-General for Internal Policies. Policy Department A: Economic and Scientific Policy, (2016). *Social Economy Study*, p. 44

under the supervision of the Athens Ministry of Labor, Social Security and Social Solidarity. The purpose of the Fund, in accordance with the above provision, is to finance programs and actions to support the Social and Solidarity Entities by utilizing the funds available from the Public Investment budget (national and / or co-financed) and from other sources of funding. The Greek legislator further stipulates that until the above Fund is established as a public law firm, an account will be created under the name of "Social and Solidarity Finance Fund" under the supervision of the Special Secretariat for Social and Solidarity Economics, which will fulfill these goals and objectives resources. The ministerial decision on the operation of the above fund in the form of an account has not been issued until the time of writing this paper.

In addition to this fund, Law 4430/2016 provides for other supportive, financial measures under no. 5 for all SSE entities, such as access to the National Entrepreneurship and Development Fund, inclusion in entrepreneurship support programs and in the Labor Support Employment Organization support programs. Specifically for SCE and workers' associations the legislature provides for exemption from the payroll fee for the first 5 years (No. 73.2 Law 4430/16 in conjunction with No. 31.3 Law 3986/11) and a reduced fee (500e) for subsequent years (No. 73.1 L. 4430/16, No. 31.1 S. L. 3986/11).

In addition, last year's Annual Report of the Special Secretariat for Social and Solidarity Economy announced a number of actions in support of the SCE.¹³⁸ *In particular, direct grants are provided for new, established and existing SSE entities and the funding of 89 Support Centers, which will be co-sponsors of SCE. These Centers will be advisory support structures for new and existing SCE and "information points" on Social and Solidarity Economics to all concerned citizens, with the aim of disseminating SCE in the local*

¹³⁸ *Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p. 286 et seq.*

community¹³⁹. In practice, the number of 89 centers has not been fully completed, as 15 funding proposals have been accepted from the 44 proposals submitted (Table 13).

¹³⁹ Special Secretariat for Social and Solidarity Economy, (2018). Annual Report, Ministry of Labor, Social Security and Social Solidarity, p.286

Table 13 "Final List of Potential Beneficiaries of the Action" SOCIAL AND SOLIDARITY SUPPORT CENTERS".

Κωδικός Πρότασης	Π.Ε. Τόπου Υλοποίησης	Επωνυμία Φορέα	ΑΦΜ	Αποδεδειγμένη Επιχορήγηση	Τελικό Πόρισμα	Βαθμολογία
ΚΑΛΟ1-0018975	ΜΑΓΝΗΣΙΑΣ	ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΙΑ ΠΗΛΙΟΝ ΟΡΟΣ	996952289	127.000,00	Έγκριση	81,6
ΚΑΛΟ1-0018446	ΜΑΓΝΗΣΙΑΣ	ΚΟΙΝΩΝΙΚΗ ΣΥΝΕΤΑΙΡΙΣΤΙΚΗ ΕΠΙΧΕΙΡΗΣΗ ΣΥΛΛΟΓΙΚΗΣ ΚΑΙ ΚΟΙΝΩΝΙΚΗΣ ΩΦΕΛΕΙΑΣ ΠΟΡΕΙΑ ΥΓΕΙΑΣ	997709507	127.000,00	Έγκριση	24,68
ΚΑΛΟ1-0017714	ΒΟΡΕΙΟΥ ΤΟΜΕΑ ΑΘΗΝΩΝ	ΣΥΝΕΤΑΙΡΙΣΜΟΣ ΕΡΓΑΖΟΜΕΝΩΝ COMMONSPACE - Αρτυσκευαστική, Αστικός Σχεδιασμός, Χωρικές Στρατηγικές και Συμμεταχικός Σχεδιασμός	997338034	126.900,00	Έγκριση	63,4
ΚΑΛΟ1-0018092	ΛΕΥΚΑΔΑΣ	Κοινωνία των Ευκαιριών	996193729	127.000,00	Έγκριση	61,8
ΚΑΛΟ1-0018811	ΘΕΣΣΑΛΟΝΙΚΗΣ	ΚΟΙΝΩΝΙΚΗ ΣΥΝΕΤΑΙΡΙΣΤΙΚΗ ΕΠΙΧΕΙΡΗΣΗ ΣΥΛΛΟΓΙΚΗΣ ΚΑΙ ΚΟΙΝΩΝΙΚΗΣ ΩΦΕΛΕΙΑΣ ΣΤΟΧΟΣ	997078096	126.982,39	Έγκριση	59,4
ΚΑΛΟ1-0017729	ΙΩΑΝΝΙΝΩΝ	ΔΙΕΘΝΕΣ ΚΕΝΤΡΟ ΓΙΑ ΤΗ ΒΙΩΣΙΜΗ ΑΝΑΠΤΥΞΗ	997534518	127.000,00	Έγκριση	41
ΚΑΛΟ1-0018878	ΦΘΚΙΔΑΣ	ΚΟΙΝΩΝΙΚΟΣ ΣΥΝΕΤΑΙΡΙΣΜΟΣ ΠΕΡΙΟΡΙΣΜΕΝΗΣ ΕΥΘΥΝΗΣ ΤΟΜΕΑ ΨΥΧΙΚΗΣ ΥΓΕΙΑΣ ΝΟΜΟΥ ΦΘΚΙΔΑΣ	999916720	127.000,00	Έγκριση	34,8
ΚΑΛΟ1-0017747	ΧΑΝΙΩΝ	ΚΟΙΝΩΝΙΚΗ ΣΥΝΕΤΑΙΡΙΣΤΙΚΗ ΕΠΙΧΕΙΡΗΣΗ ΣΥΛΛΟΓΙΚΟΥ ΚΑΙ ΠΑΡΑΓΩΓΙΚΟΥ ΣΚΟΠΟΥ ΠΡΑΣΙΝΗ ΓΗ	997144526	127.000,00	Έγκριση	32,6
ΚΑΛΟ1-0017943	ΑΧΑΪΑΣ	ΚΟΙΝΩΝΙΚΗ ΣΥΝΕΤΑΙΡΙΣΤΙΚΗ ΕΠΙΧΕΙΡΗΣΗ ΘΕΣΠΙΣ	997238637	127.000,00	Έγκριση	32,4
ΚΑΛΟ1-0017837	ΛΕΣΒΟΥ	Ηλιακίδα ΑΜΚΕ	090389304	127.000,00	Έγκριση	29
ΚΑΛΟ1-0017676	ΗΡΑΚΛΕΙΟΥ	ΚΟΙΝΩΝΙΚΗ ΣΥΝΕΤΑΙΡΙΣΤΙΚΗ ΕΠΙΧΕΙΡΗΣΗ ΣΥΛΛΟΓΙΚΗΣ ΚΑΙ ΚΟΙΝΩΝΙΚΗΣ ΩΦΕΛΕΙΑΣ Commons@BΘ	997109145	127.000,00	Έγκριση	28,08
ΚΑΛΟ1-0017561	ΡΟΔΟΥ	Κοινωνική Συνεταιριστική Επιχείρηση Συλλογικής και Κοινωνικής Φύσεως - Ροδιακό Κέντρο Ιστορικών και Κοινωνικών Ερευνών	997339774	127.000,00	Έγκριση	21,2
ΚΑΛΟ1-0018331	ΚΟΡΙΝΘΙΑΣ	ΕΝΩΣΗ ΠΕΡΙΒΑΛΛΟΝΤΙΚΗΣ ΕΚΠΑΙΔΕΥΣΗΣ ΚΟΡΙΝΘΙΑΣ	090268861	127.000,00	Έγκριση	18,8
ΚΑΛΟ1-0018290	ΚΕΡΚΥΡΑΣ	ΚΟΙΝΩΝΙΚΗ ΣΥΝΕΤΑΙΡΙΣΤΙΚΗ ΕΠΙΧΕΙΡΗΣΗ Open Technologies	997347203	127.000,00	Έγκριση	17,2
ΚΑΛΟ1-0018075	ΚΕΝΤΡΙΚΟΥ ΤΟΜΕΑ ΑΘΗΝΩΝ	ΣΥΝΕΡΓΑΤΙΚΟΣ ΧΩΡΟΣ ΚΟΙΝΩΝΙΚΗΣ ΚΑΙ ΑΛΛΗΛΕΓΓΥΑΣ ΟΙΚΟΝΟΜΙΑΣ ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΕΙΑ	997039741	127.000,00	Έγκριση	50,4
ΣΥΝΟΛΟ:				1.904.882,39		

Source: Official website of the Special Secretariat for Social and Solidarity Economy¹⁴⁰

Specifically regarding the field of SCE itself and in creation of institutions and funding tools the following are noted. There are nine co-operative banks operating in our country (four of them operate in their geographical region, three operate at County level and two operate on a territorial level) and two credit cooperatives. They provide services mainly to small enterprises but also to individuals¹⁴¹.

At the same time, in 2017 Karditsa Cooperative Bank, Epirus Cooperative Bank, Cooperative Bank of Chania and Karditsa Development SA founded the non-profit corporation called Civil Society for Quality Assurance and Corporate Social Networking (SCE) a "Greek Social Enterprise Guarantee Fund", which will be tailored to the needs of social economy enterprises in Greece.¹⁴².

¹⁴⁰ <https://SSE.gov.gr/tropopoiisi-sympirosi-kai-katartisi-oristikoy-katalogoy-dynitikon-dikaioychon-kai-katalogoy-aporriftheison-praxeon-tis-drasis-kentra-stirixis-koinonikis-kai-allileggyas-oikonomias/>

¹⁴¹ Official website of the Union of Cooperative Banks of Greece <http://www.este.gr/el/synetairistiki-pisti-stin-ellada>

¹⁴² Official website SEE GR www.see-gr.eu/site/index.php/el/

9. Proposals for policy development to enhance entrepreneurship at national, regional and local level

This chapter contains necessary proposals for policy actions to strengthen the area of social entrepreneurship and social solidarity (SCE) at national, regional and local level.

These proposals can further form the basis for the adoption of a coherent action plan for social solidarity economy (SCE) as a key tool for the systematic integration of SCE various social-economic policies, as well as actions to achieve sustainability objectives.

Proposals' goals:

Goal 1.

Recognizing the social economy as a cross-cutting factor in the main socio-economic policies

The companies and entities of SCE operate in all economic sectors and represent an important part of the financial and corporate landscape. Therefore, the social economy must be taken into account by all public authorities in the design of their social-economic policies.

Goal 2.

Promotion of the convergence and coordination of different administrations involved in promoting the social economy by setting strategic goals and benchmarks

Various administrations at local, regional and national level are directly involved in regulating and promoting the social economy. Therefore, it would be important to create a policy framework for the social economy to enhance cohesion, complementarity and

coordination of different policies and regulations, while respecting the principle of subsidiarity.

Goal 3.

Promoting a favorable ecosystem for the development of the social economy, improving its contribution to key objectives and enabling social economy businesses to take advantage from EU funds and financial instruments.

The social economy has been one of the drivers of European integration, offering innovative solutions to meet the evolving socio-economic challenges. Appropriate actions need to be initiated to promote the development of the social economy and to unleash its potential for smart, sustainable and inclusive growth that will serve citizens.

According to these three objectives, this policy proposal includes proposals for actions of necessary policies structured in 7 pillars:

1. Create a common understanding of what constitutes social economy operators and businesses
2. Improving the visibility of businesses and actors in the social economy and their values and characteristics
3. Measuring and further documenting the impact of the social economy and the effectiveness of its contribution to social-economic development
4. Providing a favorable ecosystem for the development of businesses and social operators, supporting them in accessing and further escalating their funding, and establishing the necessary legal framework to enable them to operate fully and at a transnational level
5. Further integrate of the social economy into EU funds and programs such as the ERDF, the ESF and the Cohesion Fund
6. Strengthening the role of the social economy in EU external actions
7. Establish and strengthen a permanent and structured dialogue between the institutions and the social economy.

Priority 1-Creation of a common understanding of what social economy organizations and businesses are

It is a priority to promote a legal framework for all businesses and entities in CA.

The principles and characteristics of the social economy, as well as its main legal forms, will serve to promote a common operational understanding of the social economy that will improve visibility at national, regional and local levels, as at international level.

Public policies for promotion of convergence and cohesion between the various social economy laws, improve mutual recognition and remove existing barriers that hinder the ability of social economy businesses to take full advantage.

Priority 2- Improving the visibility of businesses and actors in the social economy and their values and characteristics

Creation of a strategic communication to improve the visibility of the social economy, including actions such as:

Encouraging entrepreneurship of the social economy by encouraging the integration of the social economy into curricula of all levels of education and training.

Supporting the promotion of social, technological and environmental innovation in education, in partnership with social economy actors and through European programs, aimed at raising young people's awareness of the use of new technologies in the creation of social economy enterprises and in new areas where they can start a new business.

Involvement of the social economy in European exchange programs, adapting the education community (teachers and students) to new fields and technological, social and environmental challenges that will shape the future of the labor market.

Collaborative projects between social economy schools and research centers to promote innovative social economy business plans for students in emerging fields.

Priority 3-Measurment and further documentation of impact of the social economy and the effectiveness of its contribution to socio-economic development

Introduction of statistics on the social economy.

Development and implement methodologies to assess the impact of social economy businesses.

Priority 4-Providing a favorable ecosystem for the development of businesses and social operators, supporting them in accessing funding and further escalating it, as well as establishing the necessary legal framework to enable them to operate fully and on a transnational level

Removing legal and administrative obstacles for businesses and operators of the social economy.

Necessary legislative reforms to increase the number of cooperatives.

Implementation of pilot projects to enhance cross-border co-operation between businesses and social economy operators.

SCE players reinvest at least the majority of their profits / surpluses to achieve sustainable growth and goals, services that are in the public interest. Therefore, it is necessary to study and legally recognize the concept of limited profitability.

Access to finance must be an essential element of any public policy aimed at strengthening the social economy.

Adapt existing financial instruments to the diversity of social economy forms.

Promote the creation of high quality jobs by businesses and social economy operators.

Creation of support, support and services at national, regional and local level for businesses and social economy operators and for social economy entrepreneurs.

Improving and enhancing the digital skills of the social economy and promoting its growth in emerging sectors.

Promotion of responsible public procurement and social parameters at national, regional and local level.

Priority 5-Further integration of the social economy into EU funds and programs such as the ERDF, the ESF and the Cohesion Fund

Assessment of the impact of the Structural Funds 2014-2020 on promoting the social economy.

Priority in using European cohesion policy funds to build local social-economic development poles through innovative partnerships involving the social economy.

Priority 6-Strengthening the role of the social economy in EU's external actions

Actions to strengthen policies to promote the social economy in the international dimension of the European Union from 2019 onwards.

Priority 7-Consolidate and strengthen a permanent and structured dialogue between the institutions and the social economy

To escalate and strengthen forums (conferences, symposia, exhibitions, etc.) for the social economy at national, regional and local level.

Facilitate a permanent political dialogue between the institutions and social economy actors at national, regional and local level.

Promote the participation of representative social economy organizations in the cross-sectoral social dialogue and support their recognition as social partners at national, regional and local level

In conclusion:

- Undertake policy measures and actions to support the development of a social solidarity economy (SCE).
- Establish a timetable for their execution.
- Provision for related budget lines.
- Develop indicators to evaluate the achievement of the objectives.

→ The proposals and actions included in this text can further form the basis for the adoption of a coherent action plan for social solidarity economy (SCE), as a key tool for the systematic integration of SCE on various socio-economic policies, as on actions to achieve sustainability objectives.

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