



mesmer+

Mapping European Social Economy:
Employment, Social Dialogue
and the European Pillar of Social Rights

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Abbreviations

CFDT - Confédération Française Démocratique du Travail
CGT - Confédération Générale du Travail
CNEL - National Labour and Economic Council (Italy)
CRESS - Chambre régionale de l'économie sociale et solidaire - Regional Social and Solidarity Economy Chamber (France)
DRCD - Department of Rural and Community Development (Ireland)
ICOS - Irish Co-operative Organisation Society (Ireland)
GDS - Groupe de Dialogue Social / Social Dialogue Group (France)
IR - industrial relations
LEEF - Labour Employer Economic Forum (Ireland)
NCTC - National Council for Tripartite Cooperation (Bulgaria)
SAW-B - Solidarité des Alternatives Wallonnes et Bruxelloises
SD - social dialogue
SE - social economy
SSE - social and solidarity economy
SEAP - European Social Economy Action Plan
UDES - Union des Employeurs de l'Economie Sociale et Solidaire (France)
WISE - work integration social enterprise

Introduction

With its 2.8 million enterprises and organisations that provide over 13.6 million paid jobs (Monzón and Chaves 2017), accounting for 1% to 10% of the total workforce across EU member states, the social economy (SE) is increasingly recognised as a major player in the EU economy.

It gained prominence as a solution to social and economic challenges as indicated in various supportive and strategic documents such as the resolution of the United Nations General Assembly promoting the social and solidarity economy for sustainable development (2023), the International Labour Organisation resolution concerning decent work and the social and solidarity economy (2022), the EU Care Strategy (2022) and the EU Industrial Strategy (2020), to name only a few. Especially at times of economic and social crises, the SE has proven its resilience, creating and maintaining employment while addressing societal challenges such as social exclusion (OECD 2020). The SE shows the centrality of SDG 8 in achieving an economic model that respects environmental constraints while promoting inclusion, high-quality jobs and well-being. Similarly, the European Pillar of Social Rights Action Plan points to the SE's potential to create high-quality jobs and contribute to fair, sustainable and inclusive growth (European Commission 2021a). To develop the SE's

potential, the European Social Economy Action Plan (SEAP) (European Commission 2021b) was adopted in December 2021, followed by a Council recommendation to member states in November 2023. The SEAP and the Council recommendation aim to provide an empowering framework for social economy initiatives in the EU. Such support from the EU institutions allows the dissemination of knowledge on the functioning and impacts of the social economy among the general public, public authorities, social partners and other stakeholders. The actions included in the SEAP aim to boost its transformative power from the EU level while the Council recommendation targets initiatives to be taken by the member states to develop and foster conducive policy and legal conditions for the social economy to thrive. In this regard, both the SEAP and the Council recommendation deal with the development of adequate policy, legal and taxation frameworks, as well as knowledge sharing, awareness raising, and promotional tools.

What is striking is the lack of reference to social dialogue in the SEAP, even though its job creation potential is emphasised. In the *Council Recommendation of 27 November 2023 on developing social economy framework conditions* (2023), social dialogue is nevertheless mentioned as part of one of the recommendations aimed at “fostering access to the labour market

and social inclusion through the social economy”. To achieve this aim, the Council recommends the member states to “promot[e] social dialogue in the social economy to ensure fair working conditions, including fair wages, respecting the autonomy of social partners” (p. 9). This recommendation built on the opinion of the Committee of the Regions, which views social dialogue as an instrument of economic democracy through which:

“Social economy entities can promote fair working conditions by involving employees in their governance and decision-making. Promoting social dialogue in the social economy can improve the working conditions of employees. Member States can foster and build on this aspect of the social economy and make use of its know-how by involving social economy entities in the design and implementation of active labour market policies. Member States can also explore possibilities to facilitate the participation of social economy employers in social dialogue.” (p. 3)

This statement from the Committee of the Regions, mentioned in the Council Recommendation, presents a double perspective linking social economy and social dialogue. The first dimension is the reference to social dialogue as a way to involve employees at workplace level, and as a way to achieve fair working conditions as they seem to be promoted by SE entities. The second dimension refers to the involvement of SE representatives in the design of labour market policies through social dialogue mechanisms.

Social dialogue indeed refers to the governance of employment relations, usually through the social

partners’ involvement, in regulating, interacting with each other, and/or being consulted in the making of policies related to labour and employment as well as other socio-economic domains. Yet, recognition and representation of SE actors and interests within social dialogue is neither easy nor is it self-evident, as shown by the results of the first MESMER project (2011-2013).¹ The first MESMER project investigated the social economy from the perspective of social dialogue, arguing that social dialogue is the most suitable tool for promoting better living and working conditions and a key instrument to enhance participatory and democratic governance. The project tried to identify paths which allow stakeholders (especially social economy and trade union representatives) to collaborate to build a market economy that also promotes social development. The results presented the possibility of integrated solutions to face the complexities of economic and legislative constraints, with the collaboration of trade unions and public authorities. Ten years later, these considerations need to be updated in the light of the recent policy developments with regard to both social economy and social dialogue.

Objectives and methodology

The second MESMER project (MESMER+) aims to provide an up-to-date² critical description and understanding of the representation and participation of the social economy in the social dialogue institutions as organised in eight member states (Belgium,

¹ See the final report of the project (2013): www.diesis.coop/wp-content/uploads/2018/03/MESMER-final-publication.pdf

² Empirical data for this research were collected between January and November 2023.

Bulgaria, France, Ireland, Italy, Poland, Spain, Sweden) and one candidate state (North Macedonia). Two research questions address this research objective:

- + **RQ1** *How inclusive are social dialogue institutions towards social economy players?*
- + **RQ2** *How are social economy players making their voice heard within national industrial relations systems?*

Nine country reports, policy lab summaries and policy briefs³ were delivered in the framework of the MESMER+ project⁴ offering rich empirically-driven research results. These reports were framed to form a coherent package of information, allowing the development of this mapping report which explores the interplay and articulations between the organisation of the social economy and the organisation of social dialogue. Prototypical situations (= common, typical scenarios or practices that serve as illustrative examples) found in the countries investigated are detailed in the various chapters of the mapping report to explain the nature of the dimension identified in the articulation between social economy and social dialogue. When certain

countries are mentioned throughout the elements presented in the various sections, it is because the arguments described have been identified in the case studies. These arguments may also be applicable in other countries.

The objective of this mapping report is to provide a mapping of social economy organisations' involvement within social dialogue institutions and practices both within the social economy entities themselves, and also alongside the traditional social partners in established social dialogue bodies at sectoral and interprofessional levels in the countries targeted by the project. In this context, the idea is to look at available interstices and room for manoeuvre that social economy actors use to articulate economic alternatives and practices carried out by social economy entities with the structure of social dialogue, which was originally grounded in the capitalist organisation of the economy based on a conflictual relationship between workers and employers. From a theoretical perspective, it is to be seen how the recognition and institutionalisation of the social economy movement unfolds in the institutional structure of social dialogue, and whether it induces gradual institutional change in social dialogue practices and institutions.

3 <https://www.diesis.coop/mesmerplus/>

4 These results were made possible thanks to the expertise, work and involvement of a network of national experts in the field. The quality of the work they provided was decisive in the drafting of this mapping report, and they are hereby thanked for it. The background of experts varies from one country to another, in terms of disciplines and organisational affiliation, which may have indirectly influenced the collection and analysis of data. However, a clear framework has been applied (common templates and protocols were developed and communicated during the early stages of the research). These potential biases do not undermine the relevance of the dimensions identified as prominent in the analysis of the relationship between social dialogue and social economy.

The mapping report is structured into five chapters, each delving into distinct dimensions that highlight the intersections between social dialogue and the social economy.

Chapter 1 sets the scene by exploring the nature of industrial relations and structure of social dialogue across the countries investigated. It examines the

organisation and features of social dialogue, with the aim of understanding how variations in its implementation shape opportunities and challenges for social economy entities in their representation.

In Chapter 2, the focus shifts to the recognition of the social economy within each of the nine countries covered by the project. This section outlines official definitions, legal frameworks, and the existence of measurement pertaining to the social economy. Additionally, it investigates the structure of the social economy landscape, including the legal statutes of social economy entities and their representation through professional organisations.

Chapter 3 provides an overview of the current state of social dialogue organisation within the social economy, both at the workplace and sectoral levels (*social dialogue in the social economy*). It also examines the representation and participation of social economy actors in interprofessional social dialogue institutions (*social economy in social dialogue*), including consultation, collective bargaining and policy-making. This third chapter ends with the identification of discrepancies between the structures of social dialogue institutions and the principles of the social economy.

Chapter 4 investigates the unique relationship between social economy organisations and social partners (trade unions and employers' organisations). This section delves into the organisation of social economy entities into representative organisations and explores any challenges and opportunities that arise when social economy organisations take on the

role of social partners, especially that of employers' organisations.

Chapter 5 synthesises some country-specific recommendations as well as transversal recommendations to foster the articulations between social dialogue and the social economy in each of the countries examined.

In the conclusion of the mapping report, the synthesis of findings from the five chapters forms the basis of an analytical framework for examining the articulations between social dialogue and the social economy, providing valuable insights into this dynamic interaction. Indeed, the qualitative and exploratory nature of the data collection at national levels does not allow the development of a systematic comparison of the nine countries investigated on all identified dimensions. The analysis is rather based on a thematic approach to the country reports so as to provide some structure – through the development of an analytical framework – to the articulation between social dialogue and the social economy. As a mapping exercise, this report aims to provide some analytical benchmarks to feed the discussions on social dialogue and the social economy, as well as connected topics such as the potential of the social economy to supply high-quality jobs, the working conditions within social economy organisations, employee participation in the social economy, and the relationship between social economy actors and social partners.

/01

Industrial relations, social dialogue and social partners' involvement

Industrial relations (IR), social dialogue, and the involvement of social partners are presented in this first chapter as they form the backdrop with which actors in the social economy must contend when it comes to appropriating social dialogue structures, applying them to their practices, and organising their representation within the industrial relations system. This system traditionally refers to how trade unions and employers' organisations interact, as well as their involvement in designing socio-economic policies in relation to the state.

There are two sections in this chapter. Section 1.1 outlines the main features of industrial relations cultures and social dialogue structures in the countries covered in MESMER+. Section 1.2 examines the rules of representation and representativeness that apply to social partners, implying that these rules and practices condition the arrival of other representative organisations, such as those representing the social economy, in social dialogue.

1.1 INDUSTRIAL RELATIONS CULTURES AND SOCIAL DIALOGUE STRUCTURES

Industrial relations are a “distinct institutional domain” (Dunlop 1993) as well as an academic field targeting “trade unions, employer organisations and public authorities [that] play a role in the governance of the employment relationship” (Eurofound 2022a). In addition to these central stakeholders, industrial relations systems comprise processes, context and outcomes that together form this specific institutional domain. Industrial relations systems are to be found at various levels of societies: at the international, European, national, sectoral, territorial, regional, local and workplace levels. Public authorities and politics in general play a pivotal role in organising and preserving or transforming industrial relations systems. The state can act as an arbitrator, amplifier, resources provider or legal protagonist with regard to demands and claims from the world of work (Bevort et al. 2012).

Current industrial relations regimes find their roots in industrial conflicts between trade unions and employers in the 20th century. This origin shaped, and

still contributes to shaping, how social dialogue bodies are structured and work. However, **contemporary circumstances, such as the call for economic resilience in the post-COVID period and the emphasis on improving social and living conditions, present an opportunity for social economy actors to engage with the IR systems of European Union member states.** This first chapter aims to provide insights into the features of the IR systems in each of the nine countries covered by MESMER+. It shows that industrial relations systems across Europe offer a rich landscape reflecting historical developments, economic shifts, and the complex interplay between trade unions, employers, and governmental influence. While some countries maintain more centralised and partnership approaches, others have moved towards decentralisation or experienced periods of tension and reform.

Social dialogue is a governance instrument emerging from industrial relations systems. Social dialogue is institutionalised in a system of consultative, bargaining, policy-making and management institutions in which the social partners act as authorised representatives. From the perspective of the actors involved, social dialogue implies the search for a conflictual cooperation between representatives of employers and representatives of workers in order to reach compromise and make decisions (Visser 1996). According to Eurofound, the European Foundation for the Improvement of Living and Working Conditions: “Social dialogue can be defined as negotiations, consultations, joint actions, discussions and information-sharing involving employers and workers. Well-functioning social

dialogue is a key tool in shaping working conditions, involving a variety of actors at various levels. It balances the interests of workers and employers and contributes to both economic competitiveness and social cohesion” (Eurofound 2022b). Such a definition recognises a variety of practices to be included in social dialogue. Social dialogue outcomes depend on the kind of practices: collective bargaining can lead to binding collective labour agreements, consultation processes are aimed at collecting (joint) opinions and pieces of advice, discussion and information-sharing can be influenced by lobbying activities, etc. All these outcomes represent different types of social dialogue involvement in policy-making processes.

A synthetic presentation of the main features of industrial relations cultures and social dialogue structures in the nine countries covered by MESMER+ is provided below.

Belgium’s current IR system is directly rooted in the social pacts and protection mechanisms established since the World War II occupation period. Key features include social partners’ involvement in public policy, a dual system of employees’ representation at the workplace (trade unions and works councils), broad collective bargaining coverage, and highly developed unions. Social dialogue remains relatively stable and is based on a neo-corporatist system involving professionalised organisations on both worker and employer sides.

The involvement of social partners in policy-making predominantly occurs through formal or informal consultation mechanisms. These consultative bodies,

operating at both national and subnational levels, adhere to distinct legal frameworks governing their thematic scope and consultation processes. For instance, the Central Economic Council, established by statute in 1948, plays an advisory role vis-à-vis the federal government concerning issues related to the national economy. Conversely, regional socio-economic councils, established by decree, typically hold advisory roles as regards regional competences, resulting in a broader scope of consultation beyond economic and employment matters.

Collective bargaining in Belgium operates hierarchically, with national interprofessional agreements laying down the framework for sector-level negotiations, and serving as the primary level for collective bargaining. Sectoral collective agreements, negotiated in joint committees, further define the framework for negotiations at the company level.

The main features of the social dialogue structure in Belgium encompass collective bargaining, consultation, and tripartite concertation. Collective bargaining allows social partners to negotiate autonomously through bipartite dialogue, resulting in collective agreements covering topics such as minimum wages and working conditions. Consultation entails bipartite dialogue on various topics between social partners, resulting in advice to governments. Tripartite concertation encompasses various formal and informal exchanges between social partners and governments.

Social partners are also represented on the governing boards of social security institutions, vocational

training organisations and public employment services. They are also represented on the supervisory boards of other bodies such as the National Bank of Belgium.

Industrial relations in **Bulgaria** demonstrate the tension between its communist legacy and neoliberal reforms. Social dialogue and bargaining at the national level suggest a centralised structure, but privatisation processes drive decentralisation and deregulation. This is reflected in the move away from national towards sectoral and company-level bargaining, along with a gradual lessening of state involvement.

In Bulgaria, social dialogue operates within a well-defined legal framework, fostering cooperation among stakeholders and facilitating the resolution of labour disputes. At the company level, social dialogue predominantly occurs on a bipartite basis, involving the employer and existing trade union organisation(s). Additionally, at the sectoral or branch level, Bulgaria maintains 51 sectoral or branch councils for social cooperation. These councils involve representatives of sectoral or branch employers' organisations and trade unions, enabling tripartite dialogue on various relevant topics.

Furthermore, the district level features work district councils for tripartite cooperation, established since 2010. At the municipal level, there are 82 councils for social cooperation focusing on activities such as education, health care, culture and local governance. Regarding collective bargaining, Bulgaria primarily engages in bipartite negotiations between trade unions and employers' organisations or municipalities

acting as employers. Currently, only bipartite collective bargaining at the sectoral and enterprise levels is well-established.

The main structure for social partners' involvement at the national level is the National Council for Tripartite Cooperation (NCTC), established in 1993. This autonomous body comprises representatives of the government, workers' organisations and employers' organisations. It addresses a wide range of issues related to labour relations, social security and living standards, all of which hold national significance. In 2020 the tripartite cooperation at national level was expanded. Since then the social partners have also participated in the management and supervision of several bodies in the areas of employment, migration, social and health insurance, health and safety at work, vocational education and training, etc. established on a tripartite basis, as well as in the monitoring committees of EU-funded programmes.

In **France**, the historical backdrop of adversarial relations between trade unions and employers has prompted robust state intervention to maintain stability. The French industrial relations model is characterised as polarised and state-centric. A distinctive feature of the French IR system remains the consistent involvement of the state in social dialogue. Social democracy holds a fundamental and constitutionally valued status in France. Within the realm of labour regulations, social democracy entails that public authorities consider the perspectives of social partners, fostering genuine dialogue for consultation and collective determination of applicable norms. This commitment is embodied in

the principle of workers' participation.

France's industrial relations system has undergone numerous reforms since the latter half of the 20th century. From 2000 to 2020, several reforms aimed to structure the involvement of social partners in collective bargaining and policy-making. While industry-level agreements, often referred to as branch agreements, enjoy widespread coverage, recent legislative changes have elevated the importance of company-level agreements in certain domains.

Collective bargaining enjoys remarkably high coverage, standing at 98%. In addition to collective bargaining, social dialogue practices in France encompass a range of diverse activities, including consultation, negotiation, and joint decision-making between social partners and public authorities. At the regional or local level, efforts are under way to develop tripartite social dialogue.

At the interprofessional level, social dialogue plays a critical role in shaping policies related to employment, vocational training and working conditions. Representative organisations of employees and employers are consulted prior to the enactment of laws, underscoring the tripartite nature of social dialogue. For instance, the 2007 law on the Modernisation of Social Dialogue mandates consultation with national-level representatives of trade unions and employers' organisations before proposing reforms in the fields of industrial relations, employment and vocational training. Additionally, the law of 5 March 2014 establishes a national governance body with regional bodies for consultation between

public authorities and economic and social actors on vocational training and employment.

The governance of social protection in France is also heavily influenced by the social partners. They are involved in the management of certain social security provisions, such as public health insurance, unemployment benefits and social welfare boards. They also play a central role in the supplementary private health insurance system and pension plans, as well as in the system of vocational training.

Ireland's industrial relations landscape is characterised by a longstanding tradition of voluntarism, emphasising self-regulation between employers and worker representatives with minimal direct intervention from the state. The primary role of the government lies in providing a framework for dispute resolution through institutions such as the Workplace Relations Commission and the Labour Court. Ireland's membership of the European Union since 1973 has led to a shift towards more consensus-driven employment relations, aligning with broader EU practices, although the spirit of cooperation enshrined in the EU information and consultation directives does not fully align with Ireland's traditional adversarial collective bargaining processes.

While collective bargaining in Ireland remains somewhat limited in overall coverage, there are variations across sectors. In some sectors, sectoral bargaining plays a significant role in establishing terms and conditions. At the workplace level, structures for social dialogue can vary. In some instances, formal systems like joint consultative committees exist,

while in others, dialogue between management and employee representatives may be more informal.

The Labour Employer Economic Forum (LEEF), established in 2017, serves as a crucial platform for tripartite dialogue, bringing together representatives from the government, trade unions and employers' organisations to address economic and employment matters impacting the labour market. Collective bargaining in Ireland remains somewhat limited in its coverage, but EU directives have led to the coexistence of traditional adversarial collective bargaining processes with EU-influenced structures focused on information sharing and consultation with employees.

Italy's industrial relations system places a high value on worker participation, a principle enshrined in the country's constitution. Collective agreements in Italy have a universal effect, meaning that they are binding even for employers and workers who are not affiliated with the unions or employers' organisations that negotiated them. The system, while not directly regulated by law, maintains a high degree of central coordination in collective bargaining due to tripartite and bilateral agreements. Social partners in Italy play a prominent role in policy-making through ongoing consultations, negotiations, and collaborations with the government. This collaborative approach extends beyond the individual company level, influencing policies that impact entire sectors and the broader economy. Social partners actively participate in policy development, implementation and evaluation, ensuring that both employer and worker perspectives are taken into account. This tripartite approach is a

hallmark of the Italian industrial relations system.

The involvement of social partners in policy-making occurs through various mechanisms, including consultations, participation in advisory bodies, collective agreement negotiations, policy advocacy, the design of skills and training programmes, and collaborative crisis management. The Italian legislature has progressively allowed union participation in the management of the country's major institutions of public social security.

Collective bargaining in Italy takes place at two primary levels: industry-wide agreements establish the general framework, while decentralised agreements at the company and territorial levels offer greater flexibility for local adaptation and the potential for productivity-linked wage increases.

The National Labour and Economic Council (CNEL) serves as the central institution for tripartite social dialogue in Italy. This umbrella organisation brings together representatives of all social partners to promote dialogue and collaboration with the government and parliament. The CNEL plays a consultative role for various governmental bodies, holds legislative initiative power, and contributes directly to the development of economic and social legislation.

North Macedonia's industrial relations landscape reflects its transition from a socialist to a market-driven economy, marked by significant changes in workers' influence and democratic practices within enterprises. This shift, initiated around the year

2000, coincided with the privatisation of state-owned enterprises and the adoption of neoliberal policies, reshaping the economic landscape and impacting industrial relations practices. In terms of industrial relations culture, North Macedonia maintains a state-centred model characterised by relatively strong centralised bargaining institutions, which rely heavily on state regulation for coordination. Despite widespread collective bargaining coverage, the system lacks the robustness seen in models based on social partnership or organised corporatism. Tripartite social dialogue structures have shown progress, notably through the establishment of Economic and Social Councils at national and local levels in 2005. However, bipartite discussions and the application of labour laws, particularly in the private sector, require further improvement.

Regarding social dialogue organisation, North Macedonia has made strides in establishing and strengthening tripartite dialogue structures, with notable advances at the national and local levels. However, the absence of workers' councils at the workplace level means that collective representation primarily occurs through trade unions. Despite efforts to enhance worker representation, labour legislation lacks clear provisions for the election of employee representatives for information and consultation purposes. Additionally, neither labour laws nor collective agreements address employee participation in enterprise management or decision-making processes.

Overall, North Macedonia has a supportive legal framework for social dialogue (supported by its

adhesion to frameworks from the EU and the ILO), including additional bodies for social partner's involvement such as the National Council for Safety and Health at Work (an advisory and consultative body of the government, responsible for occupational health and safety). However, the actual participation of social partners in policy formulation and decision-making remains limited in practice. Strengthening data capacities and fostering a systematic understanding of social dialogue structures are essential for further advancing industrial relations practices in the country.

Poland's industrial relations landscape has undergone significant transformation since the transition from a communist to a liberal system, which is particularly evident in the privatisation of state-owned enterprises in the 1990s. This transition marked a pivotal shift in the country's economic structure, influencing industrial relations practices and the role of social dialogue.

The legal recognition of social dialogue in Poland dates back to 1993 but it was not until 2001 that enforcement came when the parliament adopted the Act on the Tripartite Commission for Social and Economic Affairs, a development long advocated by trade unions and employers' organisations. However, despite its formal existence, the social dialogue system faced a long crisis characterised by a lack of autonomy and trust among social partners. This crisis prompted a reform of the social dialogue framework in 2015, aimed at addressing these shortcomings. The introduction of the Social Dialogue Council in 2015 as part of this reform represented a significant step forward, providing an advisory role in the early

stages of legislation. The Social Dialogue Council is a tripartite body aimed at fostering cooperation between the government, trade unions, and employers' organisations. While this represents a positive step towards inclusive policy-making, further efforts are needed to address the underlying issues of autonomy, trust, and effective participation within the social dialogue system. Indeed, social partners continue to face marginalisation by the government, with limited influence over policy-making processes. The law of 2015 also introduced provisions allowing workers not employed under an employment contract to join trade unions, enhancing their ability to participate in social dialogue processes. However, challenges persist in the enforcement of employment standards in the labour market, highlighting ongoing issues with labour rights protection.

Collective bargaining agreements serve as crucial instruments for regulating the dialogue between employers and employees, delineating the terms and conditions of employment, including wages, and outlining mutual obligations. The Labour Code further allows for the establishment of supra-company collective labour agreements, bilateral agreements negotiated between supra-company trade union organisations representing employees and employers' organisations. Surprisingly, this provision has yet to be used, which perhaps indicates a broader decline in collective bargaining activity within the country. With an already low collective bargaining coverage, bipartite agreements often serve as a mere facade, lacking substantive impact.

Spain's industrial relations landscape reflects its development as a neo-corporatist state with a strong associational governance trend. Like other EU member states, Spain's system was influenced by EU integration. Recent trends, particularly in the last five years, include elements of liberalisation, re-politicisation, and a strengthening of trade union capabilities. This revitalisation of social partners, notably since 2018, has significantly enhanced their ability to influence both bipartite and tripartite social dialogue. Even major employers' organisations have acknowledged the value of this revitalisation and the ability of both sides to reach agreements that have the potential to be translated into law.

Collective bargaining takes place at national, industry and company levels, with a national agreement generally providing a framework for lower-level bargaining. An important distinction exists within Spain's social dialogue structure. Bipartite agreements primarily focus on employment issues that "ascend" from negotiations at the company level to sectoral and national levels. Tripartite agreements have expanded far beyond traditional concerns of working conditions and salaries, often extending into the realm of economic governance.

After a period where tripartite dialogue diminished and the scope of bipartite agreements shrank following the 2007-2008 financial crisis, Spain has witnessed a steady recovery since 2013. This recovery has led to a total revitalisation of social dialogue mechanisms. Most laws are now subject to consultation with social partners. Mechanisms like the "Big Table" bring together the government, trade

unions and employers to address issues ranging from the COVID-19 pandemic response to the Ukraine crisis, as well as broader policy design. The major actors of the industrial relations system have been increasingly involved both in the governance of key agencies and institutions and in policy design in all fields (social affairs, tax, culture, education, etc.).

In **Sweden**, industrial relations are characterised by a strong tradition of cooperation and consensus-building between powerful labour unions, employers' organisations and the government. This collaborative approach emphasises social and economic stability. A key feature of the Swedish model is the emphasis on resolving issues through bipartite collective bargaining agreements, minimising the need for direct government intervention in core labour market issues. The social partners enjoy a high degree of autonomy, shaping the labour market through agreements and applying legislation. This system can be classified as organised corporatism.

Recent trends highlight a move towards greater decentralisation, allowing for flexibility in wage negotiations at the company level. Despite this shift, the overall coverage of collective agreements remains remarkably high, estimated at around 88%.

In Sweden, reliance on tripartite committees, high-level groups, and similar multi-stakeholder forums within the labour market is notably less frequent than in many other countries. However, while tripartite social dialogue is not the primary approach for traditional labour market concerns, it does play a role in broader policy development.

Examining industrial relations systems across Belgium, Bulgaria, France, Ireland, Italy, North Macedonia, Poland, Spain and Sweden reveals contrasts in social partner autonomy, centralisation levels, state involvement, and the policy roles social partners play.

A striking distinction emerges in the **degree of autonomy granted to social partners** in regulating employment relations. Belgium and Sweden emphasise a high degree of autonomy, with powerful unions and employers' organisations shaping labour markets through collective agreements with minimal direct state intervention. In Ireland, industrial relations rely on social partners' self-regulation. In contrast, Bulgaria, North Macedonia and Poland, shaped by their transition from socialist systems, have seen a decline in social partners' autonomy amidst deregulation and the influence of neoliberal policies. France, with its historical tradition of adversarial relations between labour and employers, has a stronger tradition of state involvement. The state's role in industrial relations ranges from minimal intervention in Ireland's voluntarist system to a historically strong role in France. Many countries, including Belgium, Sweden, Italy, North Macedonia, Spain and Poland, occupy the middle ground, where the state provides frameworks for social dialogue and dispute resolution without excessive intervention.

The balance between centralisation and decentralisation also varies significantly. Bulgaria exhibits tension between centralised structures inherited from its past and a strong push towards decentralisation and deregulation. This trend is also evident, though to varying degrees, in North

Macedonia and Poland as they navigate their post-communist transitions. France, while historically centralised, is witnessing some decentralisation. Sweden also demonstrates a recent emphasis on company-level flexibility within collective bargaining.

Across the nine countries, there is a division in the **use of tripartite structures for policy-making**. France, Ireland, Italy, North Macedonia, Spain and Poland have established formal platforms for tripartite social dialogue. Belgium, Sweden and Bulgaria primarily rely on bipartite mechanisms for core labour market issues, although they sometimes use tripartite approaches for broader policy development. Interestingly, Belgium and France demonstrate notable social partner involvement in managing social security systems.

The historical legacies of these countries have profoundly shaped their industrial relations systems. Belgium's system reflects the social pacts of the post-World War II era. Bulgaria, North Macedonia and Poland continue to grapple with the impact of their transition from communist regimes. Spain's system bears the marks of its post-dictatorship era, while Bulgaria, Ireland, North Macedonia, Poland and Spain's systems have been influenced by convergence with broader EU practices.

Several additional key observations emerge. Firstly, diverse industrial relations models exist, including Ireland's voluntarism, Belgium's social partnership, France's state-centric approach, Sweden's organised neo-corporatism and the transitional systems evolving in former communist countries. Secondly, a common

trend towards decentralisation and deregulation is evident, and is particularly pronounced in Bulgaria and North Macedonia. Lastly, collective bargaining coverage varies greatly, with high coverage in Italy, Belgium and France contrasting with Ireland's limited coverage. Poland raises concerns about social partner marginalisation by the government.

The state of play of industrial relations across the nine countries reveals a mixed landscape as regards the social economy's recognition and participation in social dialogue. Obstacles include the potential impacts of decentralisation and deregulation on social economy participation in broader policy discussions, the possible marginalisation of social partners in some systems, and the challenge of navigating state-centric industrial relations systems where the social economy model may not fit neatly into existing frameworks. Additionally, limited collective bargaining coverage and a focus on traditional labour market issues in certain countries might hinder social economy entities from fully integrating into existing social dialogue structures or, on the contrary, may allow them to implement their own practices without being constrained by existing agreements.

However, significant opportunities also exist. The presence of formal tripartite dialogue platforms in several countries provides a potential avenue for raising the profile and potential of the social economy regarding several social and economic challenges. Industrial relations systems that emphasise social partnership, cooperation, and a focus on broader economic and social policy create a more conducive environment for social economy contributions.

Furthermore, as social dialogue is revitalised in certain countries, it presents a unique opening for social economy representative organisations to gain recognition as vital partners in shaping a more inclusive and sustainable economy.

1.2 SOCIAL PARTNERS' REPRESENTATIVENESS: RULES AND CRITERIA

A key dimension of the social dialogue landscape is the criteria for the representation of social partners, which can potentially and formally restrict access to other actors aspiring to play a role in social dialogue structures. Official recognition as a social partner within a country's industrial relations system is crucial for trade unions and employers' organisations. Representativeness criteria play a pivotal role in determining which organisations gain legitimacy, the right to participate in negotiations, and the ability to reach binding agreements. This section explores the varying representativeness criteria across the nine countries, their potential for inclusiveness or exclusion, and how they shape social dialogue dynamics.

Social partners are trade unions and employers' organisations that are officially recognised as sufficiently representative to engage in social dialogue. It happens that some trade unions and employers' organisations are not recognised as social partners. Therefore, such organisations focus their activities on servicing their members and can also engage in lobbying activities and consultative processes to defend their interests outside social dialogue institutions.

Representativeness in governance systems used to be based on a set of criteria that assess the legitimacy of an organisation to perform its representation mission and to participate in institutionalised governance processes by engaging its constituents. In social dialogue institutions for instance, organisations designated as social partners must prove that they are representative according to criteria set out in the law. Such criteria may deal for instance with a threshold regarding affiliation numbers, or with the ability to represent various sectors. Representativeness is quite stable thanks to the use of criteria (which can

however be challenged or subjected to reforms). It provides legitimacy to organisations recognised as representative on the basis of such criteria. It provides them with the right to participate in discussions and negotiations with other representative stakeholders. Representativeness also provide representative organisations with the ability to reach consensual decisions that will not only apply to their respective constituencies but that may be extended to a broader population according to the extent of the coverage of each industrial relations system.

1.2.1 Membership density: A starting point

The membership density of trade unions and employers' organisations presents a complex picture across the nine countries.

High union density	Moderate union density	Low union density	Employers' organisation density
Belgium and Sweden boast high trade union densities (50% and 70% respectively). Belgium's and Sweden's high density is bolstered by their (quasi) Ghent system.	Italy maintains a moderate trade union density (33.4%), although this figure includes retired workers, potentially inflating the representation of active workers.	Bulgaria, France, Ireland, North Macedonia, Spain and Poland exhibit significantly lower trade union densities, with France standing out at just 10.8%. In Bulgaria, the legacy of the socialist past, and in Poland, the fragmentation of unions, likely contribute to this low density. These lower figures raise questions about the ability of unions to effectively demonstrate representativeness and influence policy.	Interestingly, employer organisation density sometimes exceeds trade union density. Spain demonstrates a significant gap (77% vs. 12.5%), while countries like France also show higher employer organisation density. This could reflect varying employer strategies and the perceived benefits of collective representation, highlighting potential power imbalances within social dialogue.

1.2.2. Legal criteria for representativeness

Legal frameworks governing representativeness vary significantly, impacting on who gains a seat at the social dialogue table and ultimately shaping policy outcomes. Several key criteria emerge:

Membership thresholds	Sectoral and geographical coverage
<p>Many countries, including Bulgaria, France (for employers), Italy and North Macedonia, rely on membership thresholds to assess both trade union and employers' organisation representativeness. Variations exist in these thresholds, impacting the inclusiveness of the system. For example, France's 8% threshold for employers' organisations may be easier to achieve than the stricter criteria found in North Macedonia. It is also worth mentioning that depending on the country, it may be that the social partners themselves are in charge of reforms determining the representativeness criteria for participation in social dialogue.</p>	<p>Several countries also factor in sectoral and geographical coverage when determining representativeness (e.g. Belgium, Bulgaria and North Macedonia). This aims to ensure representation across diverse economic sectors and regions. However, it can be challenging for niche or geographically concentrated organisations to meet these criteria.</p>

Countries like France, Italy and North Macedonia have undergone reforms concerning representativeness criteria in recent years. France's 2008 reform moved away from mutual recognition for unions, introducing stricter thresholds. Its 2014 laws addressed employer representativeness standards, aiming to move beyond mutual recognition. Italy's 2014 reforms aimed to strengthen social dialogue through revised representativeness rules focused on collective bargaining participation. In North Macedonia, the 2005 Law on Labour Relations significantly reformed the system and introduced criteria with thresholds for trade unions and employers. These reforms highlight the ongoing evolution of systems and a recognition of the need to adapt criteria to changing economic and

social landscapes. In some countries, like Bulgaria, representativeness criteria for trade unions and employers' organisations are verified every two years by the Ministry of Labour and Social Policy.

1.2.3 "Mutual recognition" and its challenges

The concept of "mutual recognition," where social partners acknowledge each other's legitimacy without strict legal criteria, has been partially present in several countries. France historically relied on this approach for both unions and employers (before the reforms of 2008 and 2014), while in Belgium it reinforces the position of established social partners. However, there is a growing trend away from sole reliance on mutual recognition towards more strictly

defined criteria to broaden participation and address imbalances. The Spanish situation highlights the specific challenges for employers' organisations in this regard, with questions raised about legitimacy by regional bodies and the growth of new employers' organisations.

The interplay of membership density, coverage, and the evolving role of mutual recognition has significant implications for the inclusiveness of social dialogue institutions, specifically towards social economy organisations. Indeed, the representativeness criteria shaping social dialogue participation have far-reaching implications for the inclusion of diverse voices and sectors, particularly for social economy organisations. Strict thresholds, narrow definitions of representativeness, and mutual recognition can hinder these organisations from fully engaging in social dialogue. Finally, as will be further discussed in Section 3.3, social partner representation is also based on a confrontational, bi-tripartite model of social dialogue in which social economy organisations may struggle to find their place.

/02

Social economy - uneven development and recognition

Social economy representation within social dialogue institutions is linked with the organisation and recognition of the social economy landscape in each country.

Different dimensions explaining the various degrees of recognition of the social economy are explored in this Chapter 2: (1) history and recognition in national contexts; (2) official definitions; (3) measurement; (4) representative organisations; (5) legal frameworks; (6) policy support; and (7) dedicated representation bodies.

2.1 Social economy history and recognition in the national contexts

The social economy movement is connected with the history of the industrial revolution. But, as an alternative and – originally disparate – economic movement, it somehow escaped the regulation of

employment relations by governance instruments specific to the industrial relations systems. The level of social economy recognition in each country varies. In a comparative endeavour, Chaves (2012) assesses the level of recognition of the social economy in each European country (on the basis of three categories ‘no or little’ / ‘moderate’ / ‘high or institutionalised’). In the framework of MESMER+, the main focus is on countries with a moderate level of recognition. It is assumed that this level of recognition offers relevant opportunities to identify obstacles and leverages regarding the recognition of the social economy within the social dialogue. For the sake of contrasted comparison, two countries with a high recognition of the social economy (France and Spain) and one candidate country with a minimal recognition of the social economy (North Macedonia) are also included in the country selection.

No/little recognition	Moderate recognition	High/institutionalised recognition
North Macedonia	Belgium, Bulgaria, Ireland, Italy, Poland, Sweden	France, Spain

Research activities undertaken in the framework of the MESMER+ project bring some nuances to this typology, acknowledging that the recognition of the social economy is a multifaceted state depending on several factors (such as historical roots, conceptual understanding, political support, EU influence).

2.1.1 Historical roots and traditions

The origins and evolution of the social economy across Europe reveal diverse paths shaped by unique national histories and socioeconomic contexts. These diverse paths can be categorised as follows:

- ✦ **Long-standing traditions:** In countries like Belgium, Bulgaria, France, Italy, North Macedonia and Sweden, early forms of social economy initiatives often focused on solidarity and mutual aid outside traditional employment relationships. These encompassed cooperatives, mutual societies, community associations, and, in the case of Bulgaria, community cultural centres (*chitalishta*). Over time, some countries, like Belgium, shifted their emphasis towards using social enterprises to combat unemployment through “work integration social enterprises” (WISEs), which gained increasing regional government support. From then on, the social economy, including beyond WISEs, has been more and more in the spotlight, and has recently gained the support of Belgian (regional) governments.
- ✦ **Post-WWII transformations:** The post-World War II era marked significant changes for the social economy in several countries. For instance, in Sweden, the government played a central role in providing comprehensive social services, including

healthcare, education and social security. The social economy played a complementary role in delivering many of these services. For example, cooperatives and non-profit organisations provided healthcare and eldercare services. Meanwhile, Italy witnessed a flourishing cooperative movement and the pivotal rise of social cooperatives in the 1970s and 80s, spurred by citizen-led responses to unmet social needs. Spain similarly saw the social economy’s importance grow, as it was leveraged to tackle unemployment, promote self-employment, and foster local development.

- ✦ **Socialist legacy:** Bulgaria, North Macedonia and Poland carry influences of their socialist past. Forms of cooperation, community-based initiatives, and mutual aid prevalent during these periods provide a foundation for their emerging focus on “social enterprises”. This historical legacy continues to shape their approach as they seek to address socioeconomic challenges within a modern context, often fuelled by aspirations for closer alignment with EU norms.
- ✦ **Divergent terminology and focus:** Ireland and Sweden present unique cases where strong traditions related to social economy values and principles exist despite less emphasis on the overarching concept of the “social economy.” Ireland’s historical *Meitheal* practice of community collaboration aligns with social economy principles, even if the specific term is not widely used and is considered as an “EU term”. Policies supporting community enterprises reflect this connection. Similarly, Sweden’s rich history of cooperatives and non-profits aligns with a strong welfare state. While the formal “social economy” label carries less

weight, EU influence is increasing awareness of the sector's potential contributions.

2.1.2 Recognition of the concept

The extent to which the “social economy” is recognised and supported varies significantly:

- ✦ **Champions:** as in Chaves’s typology, France and Spain stand out as global leaders. France’s highly institutionalised recognition includes a dedicated ministry and a unifying 2014 framework law. Spain also demonstrates strong recognition, co-sponsoring a UN resolution on the social economy together with France and having regional-level support frameworks;
- ✦ **Evolving recognition:** Italy, Belgium, Bulgaria and North Macedonia exhibit a growing recognition of the social economy. Italy acknowledges the sector’s diverse roots and contributions, while Belgium highlights its capacity for job creation and social integration. Bulgaria, with recent support initiatives, and North Macedonia, aiming for a Social Entrepreneurship Law, demonstrate increasing attention;
- ✦ **Lack of use and awareness:** Ireland and Sweden use the concept less formally. However, existing practices of cooperatives and social enterprises, as well as the involvement of social economy entities in specific sectoral dynamics (also encouraged by public authorities), signify the presence of the social economy, even if the overarching term is less well-established.

Political recognition does not necessarily reflect the actual level of development of the social economy

in the country. For example, in Bulgaria, the social economy is perceived as an underdeveloped sector, while there are policy initiatives and frameworks that aim to foster its development. Meanwhile, in other countries such as Belgium, France, Ital, and Spain, social economy activities are well-established, and policy frameworks focus mainly on regulating and supporting existing initiatives.

2.1.3 Political support

Political support plays a crucial role in the social economy’s development and integration into social dialogue. It can take various forms and degrees:

- ✦ **Dedicated efforts:** Bulgaria, France, Italy and Spain show distinct efforts to promote the social economy. This includes the past ministerial role in France, Italian governmental support across sectors, Spanish pacts for the social economy, and Bulgarian action plan initiatives. These efforts and initiatives generally show that public authorities identify the social economy as a good instrument to fight unemployment, to improve working conditions, and to strengthen local/rural development. In Belgium, such efforts are undertaken by regional public authorities. Furthermore, countries like Belgium and Spain emphasise strong local and regional anchorage, resulting in different developments and policy frameworks across regions;
- ✦ **Challenges and varied focus:** In North Macedonia and Poland, political recognition for the social economy is evolving – and even gaining momentum as mentioned in the case of North Macedonia – with nascent support structures developing. Poland’s focus on social and professional integration

highlights a specific element of the social economy which helps its recognition while jeopardising the overarching recognition of the social economy's interprofessional principles and values;

- ✦ **Lack of formal structures:** Ireland and Sweden currently lack formalised political structures dedicated to the social economy. In Sweden, the social economy also lacks large welfare actors, which exist in other EU countries because of a large welfare state system. In Ireland, the research findings point to social enterprises being undervalued by a majority of state agencies, policy-makers and political parties. Policy-makers tend to afford them a residual role in providing services to marginalised communities and providing employment to those most distant from the labour market. Yet, policy support for community enterprises in recent years (Ireland) and efforts to involve social economy actors in the policy-making process of economic and social policies through informal networking with social economy actors (Sweden) suggest a degree of engagement.

2.1.4 Interplay of EU Influence and national trajectories

The European Union's increasing promotion of the social economy and social dialogue creates a multifaceted landscape of initiatives and recommendations to foster social economy recognition. While the EU offers enabling frameworks, directives and funding, its influence on national social economy recognition and policy frameworks varies, revealing a dynamic interplay with distinct national pathways.

- ✦ **Top-down influence:** EU as a catalyst: In countries like Bulgaria, North Macedonia and Poland, the EU plays a pivotal role in driving the social economy agenda. Bulgaria's EU accession fuelled the adoption of European standards, including revised social entrepreneurship models and attention to labour legislation. Similarly, North Macedonia's EU aspirations align it with EU norms for both social dialogue and the social economy landscape. EU-focused initiatives such as the Social Economy Action Plan, funding opportunities, and the potential for future integration provide a strong top-down influence in shaping national trajectories;
- ✦ **Bottom-up influence:** Countries shaping the global conversation: Conversely, France and Spain demonstrate strong proactive leadership in the social economy sphere, extending their influence beyond their borders. Spain and France's championing of the social economy has taken them to the international arena, in their collaboration for a UN resolution in 2023 (resolution of the UN General Assembly "Promoting the Social and Solidarity Economy for Sustainable Development). Spain, with its robust tradition of social economy development, also exhibits agency in pushing policy ideas and advocacy both regionally and within EU and international spheres. These countries illustrate a bottom-up dynamic where national experiences inform the broader EU agenda;
- ✦ **Hybrid dynamics and gradual shifts:** Several countries exhibit more nuanced and evolving dynamics. Ireland, though internally focused on social enterprises rather than the broader EU concept of the social economy, indirectly responds to EU-level emphasis through policy

shifts like establishing a dedicated department: the Department of Rural and Community Development was established in 2017 to formulate policies and provide support for the social enterprise sector. Sweden, with its strong but autonomous social dialogue framework, shows gradual but limited recognition of the social economy sector mirroring the EU focus, even if the policy frameworks continue to regulate social economy entities in a fragmented way, independently from any reference to a broader phenomenon. Italy presents a complex picture where national traditions and policies intertwine with EU-level influence.

2.2 SOCIAL ECONOMY OFFICIAL DEFINITIONS

The Social Economy Action Plan (SEAP) adopted by the European Commission on 9 December 2021 provides an operational definition of the social economy which reflects the theoretical understandings of the concept to be found in the literature (such as

Defourny and Nyssens 2017; Monzón and Chaves 2012; Moulaert and Ailenei 2005). The definition provided in the Social Economy Action Plan starts by emphasising the cross-sectoral approach of the social economy. Entities working with the social economy principles are to be found in a large variety of sectors. Then the social economy is based on three core principles: "(1) the primacy of people as well as social and/or environmental purpose over profit, (2) the reinvestment of most of the profits and surpluses to carry out activities in the interest of members/users ("collective interest") or society at large ("general interest") and (3) democratic and/or participatory governance" (European Commission 2021b p.5).

All countries examined in the MESMER+ project have a definition for the social economy or social enterprises. However, the significance and practical application of these definitions vary greatly from one country to another as detailed in the table below.

<p>Belgium</p>	<p>Belgium lacks a single, unified definition of the social economy at the national level. Instead, regional definitions exist that reflect varying perspectives. These range from a focus on social and work integration activities for vulnerable groups to broader views encompassing alternative economic models across sectors.</p>
<p>Bulgaria</p>	<p>The Bulgarian National Concept for the Social Economy defines it as: <i>"Both part of the real economy and civil society, it involves economic activities carried out by individuals, associations, or other organised entities for public benefit. Profits are reinvested to achieve social goals."</i> It is important to note that awareness of the social economy concept and its diverse forms remains limited in Bulgaria.</p>

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France	<p>The law of 31 July 2014 defines the “social and solidarity economy” as a mode of enterprise and economic development adapted to all areas of human activity, to which private legal entities adhere, fulfilling the following cumulative conditions: A purpose pursued other than solely profit-sharing; Democratic governance, defined and organised by the statutes, providing for information and participation, whose expression is not only linked to their capital contribution or the amount of their financial contribution, of partners, employees, and stakeholders in the achievements of the enterprise; Management in accordance with the following principles: profits are mainly dedicated to maintaining or developing the enterprise's activity; obligatory reserves constituted, non-distributable, cannot be redistributed.</p>
Ireland	<p>For the purpose of the National Social Enterprise Policy (2019-2022), the following definition was adopted: <i>A social enterprise is an enterprise whose objective is to achieve a social, societal or environmental impact, rather than maximising profit for its owner or shareholders. It pursues its objectives by trading on an ongoing basis through the provision of goods and/or services and by reinvesting surpluses into achieving social objectives. It is governed in a fully accountable and transparent manner and is independent of the public sector. If dissolved, it should transfer its assets to another organisation with similar mission.</i></p>
Italy	<p>Italy lacks a specific legal definition for "social economy". However, the Third Sector Reform Law (2016) defines the third sector and "third sector entity" (<i>ente del terzo settore - ETS</i>). This new status applies to non-profit organisations registered in the National Register of the Third Sector (RUNTS). Social economy organisations often fall within this third sector.</p>
North Macedonia	<p>The National Strategy on Social Enterprises (2021-2027) and the draft Law on Social Enterprises (2023) align with the EU Social Business Initiative. They define a social enterprise as: <i>"A social economy operator having a primary social impact goal. It provides a wide range of products and services with social value to address socioeconomic and environmental challenges."</i></p>
Poland	<p>The Social Economy Act (2022) defines social economy as social enterprises' activity. These entities “conduct economic activity or paid public benefit activity; Prioritise the employment and professional integration of vulnerable groups; Operate on a non-profit basis and manage earnings in a participatory manner”.</p>

<p>Spain</p>	<p>The national law (2011) defines the social economy as: "<i>Economic and entrepreneurial activities within the private sphere, carried out by entities pursuing the collective interest (economic or social) of their members or the general public</i>".</p>
<p>Sweden</p>	<p>Sweden lacks a widely adopted and recognised definition of the social economy. However, an official definition exists (Ministry of Culture, 1999): "<i>Social economy refers to organised activities that primarily have societal purposes, are based on democratic values and are organisationally independently from the public sector. These social and economic activities are mainly conducted in associations, cooperatives, foundations, and similar forms of associations. Activities within the social economy have the benefit of the public or members, not profit, as the main driving force.</i>"</p>

While the terminology and emphasis may vary, all the countries examined have formulated definitions that directly or indirectly address the concept of the social economy. The broader European approach aligns with Belgium’s regional definitions, while Italy encompasses social economy activities within its well-defined third sector and cooperative frameworks. Strikingly, even countries where the “social economy” concept has limited traction, such as Ireland and Sweden, possess definitions – often influenced by the EU’s focus on the sector.

From the perspective of social dialogue, the existence of these definitions marks a crucial first step. It signifies a degree of political recognition for the social economy, laying a conceptual foundation for potential engagement with key social dialogue actors such as trade unions and employers’ organisations. Official definitions also elicit reactions from various stakeholders, particularly due to the implications of the definition for the scope of the social economy. For instance, in Poland, there is concern that this

definition limits the scope of the social economy, potentially restricting funding and access to public procurement for organisations outside this specific framework. Government representatives in the regions grant recognition to social enterprises.

2.3 SOCIAL ECONOMY MEASUREMENT AT NATIONAL LEVEL

In addition to formal definitions, the ability to measure the social economy’s weight in a country’s economic and social life, particularly in the labour market, is another driver of its recognition and potential for participation in social dialogue. This requires statistical data collection, which is based on operational translations of the social economy definitions in force in different countries. This includes paying attention to the different legal statutes of social economy entities (see next section). However, the countries investigated are not equal in their use of statistics to estimate the weight and contributions of social economy entities at the national level. The availability and quality of statistical data on the social economy

vary significantly across the countries surveyed. In this regard there are three categories of countries:

✦ **Countries with established measurement:**

Belgium, France, Italy and Spain demonstrate robust statistical monitoring of the social economy. This includes tracking employment figures, organisational numbers and economic contributions. Where reliable data exist, the social economy often emerges as a significant employer. In Belgium, it accounts for 12% of the workforce, while in Spain, the sector generates over two million direct and indirect jobs. Available data in countries usually point to a growing social economy sector. However, it is important to note that statistical growth may reflect increased measurement efforts rather than solely an expansion of the sector itself;

✦ **Countries with emerging measurement:** Bulgaria, Ireland, North Macedonia and Poland possess some statistical data on the social economy, but their measurement systems are still developing. Data collection often focuses on specific legal forms associated with social economy entities. North Macedonia highlights the complexity of measuring the social economy where various legal forms can encompass social enterprise activity. The lack of precise alignment with the EU's operational definition creates estimation difficulties;

✦ **Countries with limited data:** Sweden faces a notable lack of official statistics and comprehensive databases on the social economy, hindering accurate measurement of its scope.

Countries approach social economy measurement in various ways. A common starting point is tracking

organisations with recognised legal statuses, such as cooperatives, associations, mutuals and social enterprises. While this provides a baseline, it may not capture the full scope of the social economy as other forms of economic activity can align with social economy principles. On the contrary, it can overstate it because not all organisations identify themselves as belonging to the social economy. Ireland's inclusion of volunteering in its measurement highlights the importance of considering unpaid contributions alongside formal employment. France's regional social economy monitoring demonstrates that decentralised data collection can complement national-level efforts, potentially providing a more granular picture of the sector's activities.

The ability to measure the social economy's contributions is crucial for its recognition and potential participation in social dialogue.

Robust measurement expands knowledge about the social economy's realities, including specific needs and challenges. This knowledge base can inform social dialogue discussions, for instance with the identification of sectoral dynamics where the social economy is an important player.

2.4 SOCIAL ECONOMY (REPRESENTATIVE) ORGANISATIONS

The MESMER+ project focuses on social economy organisations as the stakeholders representing social economy interests to the general public, public authorities and institutions, including social dialogue. Social economy organisations are understood as umbrella organisations of various social economy entities. Social economy organisations may vary in the

definition and circumscription of the interests they defend. For instance, they can represent some legal forms of the social economy exclusively, such as the cooperatives or the mutuals. They can also represent social economy entities that belong to specific sectors. As traditional partners – trade unions and employers’ organisations – social economy organisations’ constituencies may vary according to their level of action: sectoral, interprofessional, regional, national. Social economy (representative) organisations can be categorised into different types:

✦ **Sectoral organisations:** Some social economy organisations are recognised as social partners (on the employers’ side), such as the sectoral federations of social cooperatives in Italy. Prominent federations are for instance Confcooperative, Legacoop and AGCI, which represent cooperatives in various industries, including agriculture, services, healthcare, manufacturing, housing, distribution and social cooperatives. These organisations actively participate in social dialogue on behalf of their member organisations to ensure that the unique needs and interests of social economy organisations within specific sectors are considered. In the past in Belgium, federations of consumers cooperatives also participated in some social dialogue institutions (such as the Central Economic Councils) on the bench of trade unions. In Belgium as well, sectoral employers’ organisations representing WISEs, as well as interprofessional “social profit” employers’ organisations, count as formal social partners at the national level and in the regions. Some of the sectoral employers’ organisations representing WISEs are members of

these interprofessional organisations for the social profit sector. These representative organisations from the social profit sector are considered as social partners but do not claim to represent the social economy. On the contrary, they are not always comfortable with being assimilated into the social economy (with variations from one regional organisation to the other in this regard). Reciprocally, some social economy federations do not consider that they are represented by social profit sector organisations within the social dialogue framework. Also representing multiple sectors is UDES in France, an umbrella organisation that brings together 23 groups and employers’ unions representing associations, mutuals and cooperatives, as well as 16 professional branches and sectors. It is the only multiprofessional organisation in the social and solidarity economy active in social dialogue at this level. The existence of sectoral employers’ organisations in the social economy does not automatically indicate that they are involved in social dialogue, as exemplified in Sweden: Fremia, Arbetsgivaralliansen and Svensk Scenkonst, which are employers’ organisations that are involved in industrial relations and sectoral social dialogue, do not have room for highlighting social economy specific needs.

✦ **Social economy federations/social enterprise federations:** “Pluralist” organisations (e.g. ConcertES in Belgium and ESS France in France) represent a diverse membership bringing together the diversity of social economy entities (cooperatives, employee-owned companies, mutual societies, work integration social enterprises, non-profit organisations etc). They often embody the social

economy as a movement for alternative economic activities. Similar organisations exist in countries like Bulgaria (Association of Social Enterprises) and Spain (CEPES). Some of these organisations, such as CEPES, are highly developed and structured into regional branches.

- ✦ **Organisations representing the diversity of legal statutes associated with the social economy:** In most of the countries, organisations representing specific segments of the social economy (cooperatives, mutuals, associations, etc.), mainly structured according to legal statutes, can be found. Some refer to a definition of “social enterprises” but don’t always identify as part of the social economy (examples in Ireland and Sweden). Others represent historic forms like consumer cooperatives linked to ideological pillars (like the federations of consumers’ cooperatives in Belgium).
- ✦ **Support organisations or support networks:** These organisations focus on tasks like communication, research and advocacy. Examples are found across countries: SAW-B in Belgium, the Bulgarian Association for Social Entrepreneurship, Mouvement Impact France, Irish Social Enterprise Network, Social Enterprises Network Mk in North Macedonia, Coompanion, Skoopi and FAMNA in Sweden. In Italy, national and local consortia of social cooperatives play critical roles in supporting development.
- ✦ **Resource centres:** These act mainly as incubators to support social economy entities but in some cases can act as leading umbrella organisations for the social economy such as the National Resource Centre for Social Enterprises in North Macedonia and Social Economy Centres in Poland. There are

resource centres in other countries (Belgium, France, Italy, Spain...) but they do not act as leading organisations with a representation function in the social economy.

This overview does not capture all the interest organisations present in the social economy landscape in the countries examined, but highlights the diverse landscape of social economy (representative) organisations across Europe. A crucial finding for MESMER+ is that **not all social economy organisations perceive their primary role as representing social economy interests within formal or informal social dialogue**. It is therefore important to identify organisations that (could) have a mandate to represent the social economy in social dialogue, either formally or informally. This is the case in countries like Belgium, France, Italy, Spain and Sweden, where sectoral federations act as employers in certain sectors. **These sectoral federations appear best positioned to take on a representational role in social dialogue**. This may be due to their more clearly defined membership and sector-specific focus, allowing for the stronger articulation of needs. However, these representative organisations often struggle to represent the specificities of the social economy in their representative mission towards social dialogue institutions. When the organisations mentioned in country reports as representative of the social economy in the countries investigated are mainly support, expertise, or networking organisations, this potentially indicates a gap in the structuring and representation of social economy interests in the political sphere, including in social dialogue institutions.

Social economy (representative) organisations face different challenges:

- ✦ **Coordination of members:** There is a challenge in coordinating members in order to exercise some policy influence. This is due to the diversity of actors and interests within the social economy, as well as the different levels at which social economy organisations operate (local, regional, national);
- ✦ **Coordination and unity:** The multiplicity of actors and interests within the social economy creates a challenge in establishing a unified voice. This potential fragmentation makes it difficult for social economy organisations to advocate effectively for well-defined interests in social dialogue, especially where clear representation mandates from their members are lacking;
- ✦ **Competition:** In some cases, multiple social economy organisations compete for recognition as the designated social economy representatives in dialogue with public authorities or consultative bodies. This competition could hinder the social economy's ability to present a cohesive front;
- ✦ **Variations in "representative" organisations:** No single model exists for which organisational type of representative organisation best represents social economy interests in dialogues with governments or traditional social partners. There is also a lack of consensus as to what the best representativeness criteria for these organisations could be;
- ✦ **Constituency levels:** It is essential to acknowledge that social economy organisations operate across multiple levels – local, regional and national. This has implications for how social dialogue is structured and how social economy interests are

aggregated or reconciled across different levels of governance.

2.5 SOCIAL ECONOMY LEGAL FRAMEWORKS

The recognition of the social economy by the state can take different forms: (1) recognition by the legislative branch of the state that produces laws and decrees that identify criteria and provide definitions through which specific economic or social entities can be recognised. In the social economy domain, national or regional laws provide a legal framework for the social economy, including general definition, perhaps specific definitions identifying different types of entities (cooperatives, work integration social enterprises etc.) as well as support and financial tools available; (2) political recognition by the governments, which entails forms of recognition based on soft law mechanisms: guidelines, strategies, plans providing official recognition without anchoring it in a legal framework (for instance in Ireland, the National Social Enterprise Policy for Ireland 2019-2022).

2.5.1 Legal recognition

All the countries examined with the exception of Ireland and Sweden have adopted some kind of **comprehensive legal framework that defines principles and recognises the social economy** as a distinct economic model. These frameworks often aim to create a unified space for diverse social economy entities and formalise their role as social partners.

All these frameworks are relatively recent, with the Walloon (Belgium) decree for social economy dated 2008 and the first comprehensive national legal framework adopted by Spain in 2011. The Spanish law

is described as a “reduced one”, originally comprising only nine articles (now having 13 plus seven additional dispositions) and must therefore be regarded as the “icing on the cake” of the institutional architecture of the social entrepreneurship policy system in Spain. The Spanish law had three explicit objectives: (1) The establishment of a common legal framework for all entities of the social economy, since in Spain the legal framework had been developing for the last 30 years; (2) “The second objective of the law is to recognise the social economy as a political actor, through its intersectoral representative entities, that is to say as a social interlocutor participating in the processes of developing public policies at the national level likely to concern the activities of social economy enterprises” (Chaves et al. 2011); (3) It sets out several development policies to support the social economy. These objectives are to some extent shared by the French law on social and solidarity economy adopted in 2014 and described as a breakthrough in the social economy’s quest for recognition.

Other countries have adopted comprehensive legal frameworks for the social economy more recently:

- In Bulgaria, the Social Enterprise Act, enacted in 2018, establishes a distinctive “social enterprise product” brand to enhance the recognition and differentiation of products based on their social value. It outlines the registration criteria for social enterprises, divided into two categories: Classes A and A plus. Currently, only 35 enterprises are registered with the Ministry of Labour and Social Policy under this act. However, a significant number of enterprises have yet to complete the registration

process. Furthermore, re-registration is required every three years;

- In North Macedonia in 2015, a draft law on social enterprises was proposed, but it faced challenges and was ultimately not adopted due to a lack of knowledge about social enterprise practices that could inform the drafting process. Currently, there is no officially adopted legal framework regulating the social economy and social enterprises, but a new law is anticipated by the end of 2023;
- In Poland, the Social Economy Act was enacted in 2022, influenced by the European Union, after a lengthy process that began in 2005. The driving force behind this legislation was to address discrimination and disadvantages in the labour market.

In some of these legal frameworks, for certain activities deemed to be of public utility, particular types of social economy entities, such as various forms of work integration social enterprises (WISEs), are acknowledged under specific legal frameworks through accreditation. Legal provisions are in place to outline their obligations and the financial support or benefits they may receive. However, there are risks associated with these accreditations, including an increased administrative burden for social economy entities and the potential for “social washing”, as observed by some stakeholders for instance in France or in certain regions of Belgium.

2.5.2 Legal forms and statutes of social economy entities

Social economy entities that use social economy principles as the basis of their economic activities

traditionally take the following organisational and legal forms according to the Social Economy Action Plan: cooperatives, mutual benefit societies, associations (including charities) and foundations. The SEAP also acknowledges that “social enterprises” (which may also be called “social economy enterprises”, “social and solidarity enterprises”, or “the third sector” depending on national contexts) are part of the social economy. Social enterprises offer goods and services in an entrepreneurial and often inventive manner, using their social and/or environmental objectives as the driving force behind their commercial operations. The profits generated are primarily reinvested to further develop their societal (social/environmental) purpose. The way they are organised and owned is guided by democratic or participatory principles and prioritises social progress.

Looking at the national social economy landscapes of the nine countries covered in MESMER+, most of the social economy entities overlap with the statutes included in the SEAP. While collectively known as “social economy entities”, these entities can adopt other labels like “social enterprises”, “social and solidarity enterprises” or “third sector” depending on the national context. However, what is striking at the national level is that there is no guarantee that all the organisations corresponding to these legal forms properly apply the principles enunciated in the definition of the social economy. The prevalence of specific legal forms that together form the social economy varies by country, often shaped by historical factors and the sectors in which social economy entities operate. Examining national situations:

- ✦ Associations are prevalent: Associations are a very common legal form for social economy entities, for instance in Belgium, Bulgaria and France. These offer flexibility in purpose and serve a broad range of social aims;
- ✦ Cooperatives are significant in specific sectors: Cooperatives play a significant role in the social economy landscapes of Belgium, Ireland, Italy, North Macedonia, Poland and Sweden. They often focus on work integration, agriculture, or social services, offering member-driven models of economic activity;
- ✦ Foundations can be important players: Foundations figure prominently in Belgium and Italy, among other countries. These structures can be well-suited for resource mobilisation to support social initiatives, but the extent to which they embody democratic governance can vary;
- ✦ Mutual benefit societies: Mutual societies, providing pooled resources and shared benefits to their members, are important components of social economies in specific countries such as Belgium and Bulgaria;
- ✦ Commercial companies with a social purpose: France’s recognition of “solidarity enterprises of social utility” (ESUS) within its social and solidarity economy framework is noteworthy. This signals an openness towards blending commercial approaches with social aims, although it raises questions about maintaining social economy distinctiveness. Tensions may arise from attempts to include for-profit companies with social goals under the social economy umbrella (as seen in France). With this kind of legal provision, the lines between social economy entities and their for-profit counterparts

can sometimes blur. This dynamic reflects both the evolving nature of “social enterprises” and the risk that adopting a particular legal form does not automatically translate to social economy values in practice. It confirms that legal forms offer a starting point for understanding social economy entities, yet do not always guarantee full alignment with social economy principles.

The legal forms and statutes adopted by social economy entities have significant implications for employment relations and the potential for meaningful social dialogue. It is important to recognise that working conditions and employee participation can differ significantly within the different forms of entities to be found in the social economy. As observed in some countries, associations might lack robust structures for an employee voice, while mutual societies often prioritise the interests of members, fostering a stronger sense of participation. Among the diversity of organisational forms, worker cooperatives possess a unique potential to develop their own models of workplace democracy, directly aligning governance with employee ownership. This can create opportunities for innovative participation mechanisms and strong alignment between employee interests and the enterprise mission.

Importantly, legal statutes do not automatically guarantee good employment practices or full democratisation processes at the workplace. Entities within the same legal category might exhibit widely differing approaches in this regard. The diversity of employment practices within the social economy can pose challenges for social dialogue, especially

where worker representation structures are weak or fragmented. Social economy representatives need to acknowledge and address these internal disparities to be credible partners in dialogue with social partners. **It is therefore vital not to assume homogeneity across the social economy when it comes to employment relations and social dialogue.** Policy-makers and social partners need to consider the specificities of legal forms and ensure that mechanisms exist to promote good labour practices and worker voice across all its entities. However, **since social dialogue structures are often defined by the nature of an enterprise’s economic activity rather than solely its legal status, this further complicates the organisation of transversal social dialogue within the social economy.**

2.5.3 Legal constraints and challenges

While social economy entities offer innovative solutions to social and economic problems, they often navigate a complex legal landscape. Besides the comprehensive legal frameworks recognising the concept of the social economy, the regulation of organisations that are included in the concept of social economy also falls under other legal frameworks depending on their legal statutes (not especially connected to the social economy as a whole). Here are several challenges they face regarding this situation:

> Multiplicity of legal frameworks

Beyond comprehensive social economy frameworks (if any), organisations within this sector also fall under other legal regimes based on their specific legal status (associations, cooperatives etc.). This patchwork approach can create inconsistencies and make it more

difficult to implement a unified social economy policy across different legal forms. Countries like Bulgaria, France, Italy, North Macedonia, Poland, Spain and Sweden all illustrate the ways in which various laws intersect with and shape social economy activity.

This complexity is illustrated by several examples:

- ✦ **Associations:** Laws pertaining to associations or non-profit organisations often shape the operation of social economy entities (Bulgaria, Italy, North Macedonia, Poland). These laws might govern issues around governance, permissible activities and tax treatment;
- ✦ **Cooperatives:** Specific laws for cooperatives might exist at the national or regional level, as they do in Italy, North Macedonia, Poland, Spain and Sweden. These laws define cooperative principles and membership rights, and often focus on particular cooperative sectors (e.g. agriculture);
- ✦ **Work integration social enterprises (WISEs):** Countries like Bulgaria, North Macedonia, Poland, Spain and Belgium at the regional level have laws specifically dedicated to WISEs. These laws might set out requirements for employing individuals facing labour market disadvantages and may offer access to targeted support programmes;
- ✦ **Company law:** Where social economy entities adopt the form of a company, they are subject to commercial or company law (France, North Macedonia). This means that they must adhere to regulations designed for conventional businesses, which might not always be well suited to their social aims.

Implications and challenges linked to the multiple frameworks:

- ✦ **Inconsistency:** Different legal frameworks can create inconsistent treatment of social economy entities in areas like taxation, public procurement, eligibility for support and reporting requirements;
- ✦ **Restricted access:** Organisations might find it difficult to access benefits designed for specific legal forms, even if their activities strongly align with social economy objectives;
- ✦ **Bureaucratic burden:** Navigating multiple legal regimes can create administrative complexity for social economy entities, particularly smaller ones with limited resources;
- ✦ **Limited policy coherence:** Fragmented legal landscapes hinder the development of a unified, holistic social economy policy, making comprehensive support more difficult.

➤ **Challenges in accessing common law mechanisms**

Social economy entities sometimes struggle to access the same legal rights, support and subsidies as conventional businesses. France's experience during the COVID-19 crisis highlighted this, as some social economy entities had issues accessing state support designed with traditional companies in the policy-makers' mind. Similarly, in Bulgaria, calls for change emphasise the need for specific incentives to unlock the potential of social enterprises.

➤ **Adapting existing legal frameworks?**

The EU Council recommendation on the social economy acknowledges that fully realising its potential

requires both adapting existing legal structures and implementing targeted public policies. Various stakeholders advocate legislative changes to better support the social economy. Key areas where change is often needed include:

- ✦ **Reforms in public procurement:** Procurement processes often disadvantage social economy organisations. Reforms focusing on social value and inclusive bidding practices are advocated for example in Bulgaria, Ireland and Sweden. In Poland, unfavourable contracting conditions for public services put social economy entities in a precarious financial position, highlighting a need for social clauses in tenders. A counterexample favourable to the social economy is to be mentioned in Italy, where representative organisations of the social economy were consulted during a reform of the legislative framework governing public procurement. The new Public Contract Code came into effect on 1 April 2023, and introduced significant reforms in public procurement. One notable aspect is the emphasis on social and occupational inclusion. Specifically, articles 57 and 61 of the code require tender notices to include specific clauses that guarantee inclusiveness and a safer working environment for employees of economic operators and subcontractors. This measure aims to promote social cooperatives and enhance their participation in public contracts;
- ✦ **Acknowledging social economy struggles in a competitive landscape:** Competitive tenders, particularly in a context of shrinking subsidies, can place social economy actors, such as associations, at a disadvantage against commercial firms,

sometimes creating pressure to reduce labour standards, which is against social economy principles. For instance, in all countries examined, several social enterprises employ disadvantaged groups, such as people with disabilities. These individuals often have lower labour productivity and face increased responsibilities. Concrete measures are needed to ensure the competitiveness and sustainability of social economy entities while allowing them to pursue their social mission;

- ✦ **Tailored legislation:** Stakeholders in Sweden highlight the need for laws specifically designed to fit the needs of the social economy, recognising their unique operating models and financial constraints. Policy lab results in Bulgaria call for a strengthened legal framework recognising social economy contributions and ensuring equitable treatment in funding, taxation and procurement.

However, while acknowledging the constraints and challenges linked with the multiple legislative frameworks that apply to social economy entities, it is important to note that improving legal frameworks alone does not automatically improve social dialogue. Beyond legal frameworks, challenges include poor law quality, insufficient capacities among actors, potential misuse of new laws, and political roadblocks. Therefore, a multi-pronged approach is crucial, combining legal reform with capacity building and efforts to strengthen trust and collaboration across stakeholders.

2.6 POLICY SUPPORT FOR SOCIAL ECONOMY DEVELOPMENT

Countries across Europe employ various policy instruments to support the development of the social economy. These tools can be broadly categorised as “soft instruments” that focus on awareness-raising, capacity building, network development and financial support. They enable an increased understanding of the social economy concept among policy-makers, the general public and potential entrepreneurs. They also play a role in offering training, mentoring and networking opportunities for social economy actors to strengthen their operations and impact. Finally, they facilitate market access for social economy products and services, including potential linkages with public procurement. Different kinds of instruments can be found in the investigated countries:

- ✦ **Strategies and action plans:** National and regional governments often develop dedicated social economy strategies or action plans. Examples include Belgium’s AlternatifES Wallonia Strategy (2019-2024), Spain’s regional “pacts” and framework agreements involving government, social economy organisations, and often trade unions, highlighting tripartite collaboration (e.g. the Andalusian Pacts for Social Economy) and Bulgaria’s Social Economy Action Plan 2022-2023. These documents outline policy priorities and may coordinate actions across various government departments;
- ✦ **Social economy centres:** Some countries such as Poland have established social economy centres to provide support services, increase visibility and foster competitiveness. Bulgaria’s network of social and solidarity economy centres, supported by

the “Development of the social economy” project under the National Recovery and Resilience Plan, is a prime example. North Macedonia’s National Resource Centre on Social Entrepreneurship and regional centres are another illustration of this concept;

- ✦ **Support through local and national public departments:** In Ireland, the Department of Rural and Community Development (DRCD) provides funding and logistical support for social enterprises through a range of local and national organisations. In Sweden, there is a regulation securing a cooperative start-up and development structure, Coompanion, which has had state funding last 20 years to provide cost-free advice for social economy start-ups.

While policy support for social economy development is evident across Europe, implementation complexities exist in certain contexts:

- ✦ **Federal or decentralised countries:** In countries like Belgium and Spain, the federal or decentralised structure leads to a diversity of policy frameworks and potential asymmetries. This necessitates coordination efforts between different levels of government, particularly in building bridges between subnational social economy initiatives and organisations and the federal level;
- ✦ **Uneven development:** Development of the social economy can be uneven, not just between countries, but also between a single country’s regions. This underscores the importance of a tailored, subnational approach to social economy policy that considers regional specificities;
- ✦ **Employment and social dialogue:** As in the Social

Economy Action Plan and the related Council recommendation, **there are national focuses on policy instruments emphasising social economy job creation potential. However, and strikingly, less attention is paid to considerations of labour relations and the role of social dialogue in shaping the quality of employment within the social economy sector**, particularly in countries with neo-corporatist and strong social partnership traditions.

2.7 SOCIAL ECONOMY DEDICATED BODIES

Countries take a variety of approaches to shaping social economy policy and regulatory frameworks. The existence of dedicated policy bodies for the social economy has significant implications:

- ✦ **Formal advisory role:** Formal spaces created by these bodies can facilitate civil dialogue between social economy actors, government and, in some cases, traditional social partners. These forums, by recognising the unique needs of the social economy, promote its voice in policy development and potentially in broader social-economic dialogues (as in Spain). For instance, the involvement of social economy organisations in drafting policies and regulations varies substantially between countries. Where dedicated consultative bodies or councils exist (Belgium, France, Italy, Spain), social economy organisations often play an active advisory role. In other instances (Bulgaria, Ireland, North Macedonia), involvement might be more ad-hoc or focused on specific policy areas;
- ✦ **Professionalisation and legitimacy:** Participation in these bodies dedicated to the social economy

often contributes to the professionalisation of the social economy representative organisations. Organisations gain experience in advocating policy priorities and build legitimacy as recognised interlocutors with public authorities. However, the manner in which representative organisations of the social economy are selected varies: some may be appointed by government (North Macedonia's proposed council), while others emerge from internal negotiations and agreements between existing social economy representative organisations.

An overview of institutional bodies dedicated to the social economy in the nine countries covered in MESMER+ is given below.

Belgium: The social economy is primarily represented within dedicated consultative bodies at the regional level. These bodies are often part of regional socio-economic councils' structures and include diverse social economy representative organisations. While social partners may have seats in these councils, their participation in SE policy-making can be inconsistent.

Bulgaria: An inter-institutional working group at the Ministry of Labour and Social Policy includes employers, trade unions, civil society, academics, state bodies and social enterprises in discussions around specific cases in various formats. Noteworthy is the cooperation between trade unions and social enterprises in conducting studies and advocating for the sector. Additionally, councils like the National Council of Disabled People work with social partners.

France: The French Social and Solidarity Economy Chamber and its regional branches (CRESSes) play key roles in representing and promoting SSE entities at the national and local levels. These bodies contribute significantly to policy development.

Ireland: Since 1999, the community and voluntary sector have had a voice in policy-making, influencing agreements and government policies. More recently, a dedicated Implementation Group, formed in 2019, oversees the National Social Enterprise Policy. This group includes representatives from various government departments, social enterprise stakeholders and academia. While there is support for including social enterprises in national social and economic discussions, there is no consensus on having a single, unified representative body.

Italy: The National Council for the Third Sector, created by the Third Sector Code (legislative decree 117/2017), serves as an advisory body to the Ministry of Labour and Social Policies. It includes numerous third sector representatives in addition to government institutions, including the social economy, furthering consultation and dialogue with public authorities on relevant matters.

North Macedonia: While there is limited formal structure, in practice, social enterprise representatives are involved in socio-economic policy-making, particularly in areas of social services, inclusion of marginalised groups, and social exclusion. However, the draft Law on Social Enterprises envisages an expert advisory body with broad representation, signalling a trend towards the greater formalisation of SE policy input.

Poland: Consultative bodies at the national and regional levels include representatives of social economy entities alongside administration, social partners and academia. However, these bodies focus primarily on issues directly affecting the social economy, and the social economy “sector” itself is considered weak in its ability to influence policy.

Spain: Dedicated “tables” and councils for institutionalised civil dialogue for the social economy are a distinctive feature. Besides, the Council for the Promotion of the Social Economy is a high-level body for civil dialogue. While the law recognises social economy representation rights in policy-making through this council, true social partnership in social dialogue is still a work in progress.

Sweden: Some social economy organisations influence policy through industry and employers’ organisations in meetings with politicians. However, this influence often stops short of direct policy-shaping power. Formally there is no consultation body for the social economy connected to social dialogue, although since 2018 there is a gathering called *Nationellt organ för dialog och samråd mellan regeringen och det civila samhället* (NOD). NOD is established with the aim of facilitating collaboration between public actors and civil society and providing methods to promote dialogue.

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Social economy representation in social dialogue structures

Social dialogue institutions play a pivotal role in shaping the landscape within which social economy entities operate, influencing norms and regulations in the labour market, as well as broader economic and social policy domains. In the context of the MESMER+ project, the intricate relationship between social dialogue and the social economy takes centre stage. This chapter delves into this relationship, examining how social economy entities are integrated into social dialogue structures.

The chapter is organised into four main sections, each shedding light on different aspects of social dialogue within the social economy ecosystem. **Section 3.1** focuses on the existing forms of social dialogue within the social economy. It explores how entities and organisations within the social economy engage in consultation and collective bargaining practices. It also provides examples of institutionalised bodies (working groups, advisory groups etc.) specifically dedicated to social economy representation within sectoral social dialogue institutional frameworks. Moving beyond the confines of workplace and sectoral levels, **Section 3.2** investigates the representation of social economy organisations in broader social dialogue institutions (e.g. at interprofessional level or

in consultative processes involving social partners in broader policy-making). It assesses the extent to which these organisations have access to policy-making processes comparable to traditional social partners. Building upon the insights from Sections 3.1 and 3.2, **Section 3.3** uncovers the misfits and discrepancies between the characteristics of the social economy and the institutional structures of social dialogue. It highlights the challenges and misalignments that arise when attempting to integrate the unique features of the social economy into established social dialogue frameworks.

3.1 SOCIAL DIALOGUE IN SOCIAL ECONOMY ENTITIES AND SECTORS

Across Europe, social dialogue plays a crucial role in shaping labour relations, working conditions and economic policies. Just like commercial enterprises, social economy entities have to deal with the management and regulation of employment relations. However, the democratic governance models that characterise the social economy as well as the mechanisms of workers' participation that are implemented do not fit the classical confrontational model of collective bargaining. How does the social dialogue dynamic work within the unique context

of the social economy? This section delves into the ways the different countries covered in MESMER+ structure social dialogue for social economy entities, offering a rich tapestry of approaches, challenges and opportunities.

This section 3.1 starts with very synthetic presentations of key features in the nine countries. These nine syntheses allow sense to be made of the complexity of each national situation, as they reveal that there is no one-size-fits-all model for social dialogue in the social economy. The diverse levels of recognition and institutional frameworks provide a nuanced understanding of the factors facilitating or hindering the effective inclusion of the social economy within this crucial sphere of labour relations.

Depending on the availability of data provided by the country reports, elements of answers are given to the following questions:

- How is social dialogue organised in the social economy? Are there dedicated channels of participation, or do they fall under existing structures?
- To what extent does social dialogue in the social economy influence policies affecting the sector? Are social economy voices heard in broader labour market discussions?
- What issues are typically addressed within social dialogue concerning the social economy? Do negotiations focus on traditional concerns like wages and working conditions, or do they address sector-specific challenges and alignment with unique social economy values?

In **Belgium**, sectoral social economy employers' organisations and their trade union counterparts are well represented in dedicated joint committees (sectors of work integration, and sector of socio-cultural activities), enabling frequent communication and negotiation on topics like wages, working conditions, unfair competition, and specific challenges posed by target groups and funding constraints. This approach to organising sectoral social dialogue for the work integration social economy aligns well with the pyramid structure of social dialogue but hinders the specificities of social economy principles and organisational models. The "narrow" sectoral interpretation reducing social economy to work integration sometimes creates tensions as social economy principles are not fully reflected in existing social dialogue structures. Another key issue revolves around how social economy entities are classified within sectoral joint committees, as standards for wages and working conditions differ between committees. It is not always a clear-cut determination, and entities and companies are sometimes reclassified from one joint committee dealing with work integration activities to other ones dealing with other sectors and vice versa. This can lead to strategic manoeuvring, undermining the alignment of social dialogue with social economy values.

Bulgaria: The social and solidarity economy in Bulgaria is represented in the social dialogue institutions through the participation of nationally representative social partners. These organisations and associations include trade unions, employers' organisations and the government in its role of employer, that are active in the social economy sector. There is no social

dialogue segment that represents exactly and only the social economy, but the issue falls within the scope of the social commission within the National Council for Tripartite Cooperation. At the national level, there is an interinstitutional working group under the Minister of Labour, including employers, trade unions, civil society networks and the academic community, focused on social economy issues.

In **France**, A key milestone was the creation of the ***Groupe de Dialogue Social*** (GDS) in 2001, encouraging collaboration within the sector, followed in 2006 by the definition of a multiprofessional social economy field covering 14 sectors. The multiprofessional social dialogue level is in some senses a unique feature of the French social dialogue system compared to the eight other countries. Within the social dialogue framework, the GDS aims to organise collective bargaining (within existing limitations), while Regional Social Dialogue Spaces (ERDS) bridge GDS agreements with the territorial level and initiate local social economy development projects.

Then, the 2014 Law on the Social Economy set out the organisation of “social and solidarity economy” (SSE) representative bodies, with the High Council of the SSE carrying a national mandate to ensure dialogue with authorities. The French SSE Chamber is tasked with national-level representation and promotion, and regional SSE Chambers (CRESSes) serve similar functions at the local level, also supporting networking within the ecosystem. The SSE Law of 2014 strengthened the visibility of SSE organisations in dealing with public authorities, creating a supportive framework. However, this influence on social dialogue

organisation remains limited. Representative social economy organisations feel that the law did not adequately structure the SSE regarding its social dialogue framework.

Social economy representative organisations are also involved in the design of some (not all) policy reforms affecting social dialogue. For instance, the social dialogue underwent a government-led restructuring in 2014, which aimed to reduce the number of industry branches and redefine the scope of agreements. This effort involved social partners, including those representing the social economy.

Despite this progress, the absence of institutionalised social dialogue at the workplace level remains a concern, even in large social economy structures like major associations. Trade unions stress however that social dialogue implementation problems in the social economy dialogue are also met in other sectors, and quality varies across the types of social economy entities. Notably, specific SSE categories like mutual societies can have a more structured social dialogue than others, such as associations.

In **Ireland**, at the sectoral level, organisations such as the Irish Co-operative Society Organisation (ICOS) or the Irish League of Credit Unions help shape national policies affecting their respective areas within the social economy.

Italy's large cooperative sector, a major part of its social economy, enjoys its own distinct industrial relations system, in place since 1990. This is due to two key factors: (1) the unique cooperative model,

which emphasises worker participation through share ownership and association rights, creating a balance between work, participation, and market responsiveness; and (2) strong representativeness: federations of cooperative enterprises command widespread support in Italy. As a result, social economy organisations have their own specific social dialogue and collective bargaining process. This means, for example, that the general collective agreement for the agricultural sector does not apply to cooperatives working in agriculture, because they have their one collective agreement for the agricultural cooperative sector, the National Collective Labour Bargain for employees of cooperatives and agricultural consortia (*Contratto Collettivo Nazionale di Lavoro per i lavoratori dipendenti delle cooperative e consorzi agricoli*). The social dialogue for the social economy follows the same rules as all the other social dialogue procedures for all the productive sectors, with an additional focus on:

- ✦ Inlusiveness: to ensure that social dialogue within social economy organisations includes diverse voices and represents the interests of all workers;
- ✦ Promotion of cooperative principles;
- ✦ Education and training to build the capacity of their members and employees to participate effectively in social dialogue.

The 2018 Industrial relations protocol in the cooperative enterprise system (*Accordo interconfederale sulle linee guida per la riforma delle relazioni industriali*) agreement revitalised this system. It focuses on worker participation, productivity, workplace welfare, and ensuring that contractual structures reflect the

values of the cooperative model. It confirms that collective labour agreements for cooperatives are distinct from those in other sectors.

A recent instrument fosters the social dialogue in social economy organisations: the bilateral pension funds for supplementary pension scheme of workers in the social economy. These funds can be customised to meet the unique needs of workers in the social economy sector.

North Macedonia's social economy is still developing, with entities facing challenges in maintaining participatory governance and effective social dialogue both at workplaces and in specific sectors. Most social economy entities fall under established collective agreements, and the specific needs of small and micro-organisations in the social economy remain largely neglected. The lack of a specific regulatory framework and supportive ecosystem further hinder involvement in industrial relations. Besides, membership of trade unions and employers' organisations remains limited, and reliance on external capacity-building programmes (from the EU or ILO) is prevalent.

The draft Law on Social Enterprises (still to be adopted) foresees the establishment of a National Council for Social Entrepreneurship as an expert, multisectoral advisory body, to create policies for the development of social entrepreneurship, to analyse the needs for development of social entrepreneurship, and to include local authorities in determining and implementing policies for the development of the social economy.

Poland: The social economy in Poland struggles to define its role within social dialogue. Social enterprises often lack the financial resources to actively engage in social dialogue processes and tend to define themselves by their social mission rather than as workplaces. This creates hurdles for bipartite dialogue, where negotiations between employers and workers typically take place. Trade unions representing employees within parts of the social economy (such as in some NGOs) are emerging, but lack resources to advocate better employment terms within the social economy.

An additional challenge is the expenditure structure commonly imposed within competitions for public tasks: administrative and management costs are capped, limiting social economy enterprises' ability to secure qualified staff and offer decent working conditions.

Spain's social economy lacks a unique mode of participation in social dialogue. Entities generally fall under regular rules for companies or, in the case of worker cooperatives, rely on specific supreme court rulings to clarify the role of trade unions in negotiations. The State Council for the Promotion of the Social Economy exists, but its role is primarily advisory, and it remained inactive for a decade before being revitalised by the current Ministry of Employment and Social Economy.

Sweden: While collective labour agreements negotiated by social partners apply to social economy entities in Sweden, some employers' organisations (such as Fremia and Arbetsgivaralliansen) have a specific focus on the social economy.

Trade unions are increasingly aware of the unique needs of the social economy sector, with dedicated efforts by organisations like Fremia and Coompanion to advance specific collective agreements. However, there is still room for greater understanding and recognition, as the dominant reference point remains the regulations governing the private sector.

Across the countries investigated, there is a wide spectrum of approaches to organising social dialogue within the social economy that could be explained through four categories:

- ✦ **Social economy-focused with dedicated social dialogue spaces:** France and Italy stand out with dedicated bodies for social economy concerns within social dialogue. France's *Groupe de Dialogue Social* and Regional Social Dialogue Spaces, as well as the multiprofessional level of social dialogue in the social economy, and Italy's longstanding cooperative sector agreements underscore sector-led participation. In these countries, social economy organisations active in these dedicated bodies count as formal social partners in their own right. In France and Italy, there is a strong sectoral voice of social economy (employers') organisations and dedicated social dialogue structures facilitate the negotiation of issues specific to the social economy sector. In France, topics like training rights and formalising social dialogue are addressed, while Italy's agreements promote cooperative model values alongside productivity and welfare;
- ✦ **Social economy-focused with mainstream integration:** Countries like Sweden and Belgium exhibit a model where established sectoral

structures dominate. While Sweden has some employers' organisations specialising in the social economy, and Belgium's work integration sector engages in joint committees, the primary focus is on alignment with mainstream social dialogue mechanisms. In this category, social economy principles are not recognised at the sectoral level. It is the nature of the economic activities that prevail in collective bargaining. Due to the organisation of sectoral social dialogue following economic activities, social economy entities do not always feel represented by the social partners active at the sectoral level. This approach to organising sectoral social dialogue for the work integration social economy aligns well with the pyramid structure of social dialogue but hinders the specificities of social economy principles and organisational models. Despite the lack of recognition of social economy principles, the existence of a sectoral social dialogue for the social economy allows employees in the social economy to be considered as full-fledged employees;

- ✦ **Limited formal structures:** Poland and North Macedonia show fewer formal structures for social economy participation. Social economy entities may be covered by broader agreements, but bipartite dialogue within social economy enterprises or sectors where the social economy is more represented remains nascent. In Ireland, sectoral representative organisations from the social economy participate in policy-making processes but are not actively engaged in sectoral social dialogue, which remains fairly limited and based on a voluntarist approach within the Irish model;

- ✦ **Hybrid participation:** Bulgaria and Spain use a mix of mainstream participation of social economy entities in social dialogue and special social economy councils for broader consultation.

3.2 SOCIAL ECONOMY REPRESENTATION IN INTERPROFESSIONAL SOCIAL DIALOGUE: CONSULTATION, COLLECTIVE BARGAINING, POLICY-MAKING

Understanding how the social economy engages in interprofessional social dialogue, encompassing consultation, collective bargaining and policy-making, involves examining four possible engagement stages: (1) absence of participation; (2) participation through traditional social partners; (3) specific types of participation; (4) inclusion. Each stage is elucidated through examples from the countries examined.

1. Absence of participation of the social economy

Ireland: Organisations representing social enterprises are not involved in the Labour Employer Economic Forum (LEEF), and there has been no willingness from the social partners, or from the government, to involve the sector. This is complicated by the dilemma of determining who represents social enterprises at the national level. Without an agreed coherent national policy for social enterprises coordinated by the public department responsible for its implementation (DRCD) across all government ministries and agencies, social enterprises will not be included in any national-level social dialogue. The Community Platform has argued for a more inclusive social dialogue, beyond just employers' and trade union organisations. But there is doubt whether these organisations would

agree to include social enterprise representatives in any national-level social dialogue.

North Macedonia: No social economy organisations are involved in the officially established social dialogue at the national or local level. The current Strategy for Social Enterprises does not foresee any measures to promote the participation of social enterprises in social dialogue, nor does it include activities to strengthen the capacities of the National Network of Social Enterprise and empower its participation in policy advocacy and lobbying, or its recognition as a potential social partner.

Poland: Insufficient resources make it difficult for social economy organisations to engage responsibly in dialogue processes, which requires the involvement of qualified staff and additional administrative expenditure. Factors undermining the presence of the social economy in the tripartite dialogue include its small contribution to GDP, resulting in its rare inclusion in dialogue processes not directly relevant to the sector.

Spain: The social economy is not represented in any of the social dialogue bodies conducting collective bargaining, except for company-level negotiations in social economy companies. Additionally, the representative organisations of the social economy lack a capillary structure at the state level with the capacity to participate effectively and as a right in the social dialogue. Social dialogue institutions are not inclusive of social economy organisations.

Sweden: The involvement of the social economy sector in industrial relations and social dialogue in Sweden is still limited. Employers' organisations representing the social economy lack the capacity for social economy-specific policy influence. Social enterprises have limited or no ability to influence industrial relations or social dialogue. Industrial relations and social dialogue in Sweden are based on the existence of a conflict between capital and labour, as well as between owners and workers. This conflict is less present in the social economy, leading to little room for its involvement in social dialogue.

2. Social economy participation to social dialogue through traditional social partners

Bulgaria: The National Council for Tripartite Cooperation provides a platform for dialogue on social and solidarity economy issues. Topics related to the social and solidarity economy are included in the social dialogue by the nationally representative social partners according to the criteria laid down in the Labour Code. However, there is no special participation of organisations as enterprises of the social economy. Instead, their voice is heard through the social partners, who include issues of labour, employment, social insurance and living standards in the agenda of discussions and proposals. The first important milestone in this regard came in 2011 with the recognition of the role of the social and solidarity economy by the social partners and participants in the social dialogue, culminating in the approval of a document called the National Concept for Social Economy. While the adoption of this document marks an important beginning for the advancement

of the social and solidarity economy, its content as a legal framework is deemed insufficient, as it merely acknowledges the potential of social enterprises and recognises the need to adapt national legislation to European legislation.

In several countries, such as **France**, social economy employers' organisations can engage with interprofessional employers' organisations to have an indirect influence in interprofessional social dialogue. For instance, UDES in France can and does, to a certain extent (without a deliberative voice), engage with interprofessional social partners (MEDEF, CPME, U2P) in the negotiation of National Interprofessional Agreements.

Spain: The current interpretation of the legal framework does not allow social economy companies to be represented through their most relevant representatives at any level above the company. Consequently, if social economy companies want their voice heard at the sectoral, regional or interprofessional level in relation to bipartite negotiations and agreements, they must join mainstream employers' organisations. This is sometimes the case, but it does not happen systematically.

3. Specific types of participation (playing with the margins, identifying the interstices)

Belgium: Interprofessional social dialogue bodies are not monolithic institutions; they comprise various technical and advisory sub-bodies, sometimes open to organisations from civil society or other representative organisations, such as those representing the

interests of the social economy. Additionally, Belgium has a distinct "social profit sector", formerly known as the "non-profit sector", which encompasses diverse fields and sectors, including education and socio-cultural activities. While it is organised separately from the social economy, there can be overlaps between the two. Representative organisations from the social profit sector participate as social partners at both interprofessional and regional levels of social dialogue. In policy-making, social profit representative organisations active in work integration sectors are actively involved and consulted. Social profit agreements are negotiated for the interprofessional social profit sector through tripartite agreements involving trade unions and UNISOC or its sister organisations (BRUXEO, UNIPSO, VERSO) in the regions, along with government representatives. Over the years, the social profit sector has gradually gained representation on the employers' bench in social dialogue bodies at regional and federal levels, with varying integration processes across regions and federal levels, aiming to maintain parity. While the social profit sector is usually not formally represented in social security governing bodies, representative organisations receive substantial information and are occasionally invited by social partners as "guest experts".

France: The multiprofessional social dialogue level introduced in 2014 marks a significant development in the representation of the social economy in France. This framework allowed the recognition of UDES (Union des Employeurs de l'Économie Sociale et Solidaire) as a legitimate social partner for national-level dialogue, granting it numerous

prerogatives associated with representative status, including presence in institutionalised bodies and participation in consultations. Collective bargaining at the multiprofessional level is facilitated through the Social Dialogue Group (GDS, Groupe de Dialogue Social), which serves as a forum for debate, proposals, and recommendations regarding cross-sectoral social dialogue in employment and training. It plays a crucial role in social deliberation, preparing for the negotiation of multiprofessional agreements within the social and solidarity economy. These agreements must be translated and implemented by the 16 branches that together constitute the multiprofessional level of the SSE. Consequently, the visibility of the social economy through UDES has significantly improved, particularly in relation to other social partners and government authorities. However, the formal recognition of multiprofessional collective bargaining in the labour code was not granted, limiting its potential impact. The absence of specific regulations for multiprofessional collective bargaining and the lack of creation of multiprofessional union representativeness suggest that the multiprofessional space was not envisaged as a distinct area for collective bargaining. While constituting progress, this limitation hampers the potential impact of multiprofessional bargaining and the role of the social economy therein. At the multiprofessional level, actors are not fully recognised social partners based on the legal representativeness threshold (UDES does not currently reach the 8% employer representation required for representativeness). They are recognised by the state, and UDES is acknowledged as a social partner through an agreement with trade unions that recognise it as an employers' organisation. Thus, they

do not fall under the same representativeness criteria as other social partners.

4. Inclusion of the social economy in consultative advisory bodies

Italy: The main tripartite social dialogue institution in Italy is the National Labour and Economic Council (CNEL), which serves as the umbrella institution at the national level. It encompasses representation from all social partners and aims to promote and foster social dialogue among representatives of various interests, as well as between these representatives and the government and parliament. The CNEL comprises 64 members (councillors), including six representatives from non-profit organisations and associations of social promotion, representing the social economy.

Spain: The Economic and Social Committee was included in the law in 1980 but was only established in 1991. Presently, it has four representatives from the social economy in the third Group out of a total of 20 representatives.

Challenges are attached to these multifaceted types of representations. For instance:

- ✦ **Being recognised but unnoticed** (little influence): One challenge pertains to the ability of social economy organisations to garner attention in policy discussions concerning broad socio-economic issues. In the cases where robust connections with ministerial cabinets and administrations exist, particularly regarding specific social economy matters like work integration, these organisations

struggle to gain recognition in broader socio-economic debates. Their contributions often remain unnoticed in wider societal and socio-economic discussions;

✦ **Exclusion of various bodies** (e.g. social security management, public employment services) if the legal frameworks specifically mention which organisations are appointed as members of these bodies (rather than being based on representativeness criteria). This is for instance the case in France: in the governance of social protection, UDES is excluded from relevant bodies due to legal constraints dictating the composition of governing bodies. The law enacting the composition of social protection governing bodies, while including interprofessional organisations, does not account for multiprofessional ones, hindering the social economy's direct participation in vital discussions. The social economy faces a critical juncture as it endeavours to expand its influence in various areas of governance, particularly concerning social security and employment policies. For instance, the transformation of the national public employment service, "Pôle Emploi", into "France Travail" symbolises the social economy's efforts to secure representation, notably through entities like UDES. The challenge lies in positioning the social economy as indispensable in addressing work and employment-related issues, both in diagnosing current problems and in crafting solutions. However, despite the social economy's relevance, questions persist about its impact within the broader ecosystem, and social economy representative organisations need to forge alliances to enhance their representation. Traditionally confined to

a consultative role in such governance bodies, social economy organisations must manoeuvre to exert substantial influence in decision-making processes where actors possess deliberative voting power. Being included in governance bodies as a participant with a non-deliberative voice is already perceived by social economy representatives as a first step allowing them to exert their influence.

The integration of social economy organisations into social dialogue structures presents a complex landscape with significant cross-national variation. While some countries offer consultative roles or limited participation, others completely exclude the SE sector from formal social dialogue. A key challenge lies in the potential disconnect between the social economy's formal representation and true influence. Even when included in advisory bodies or discussions, social economy organisations might struggle to exert meaningful impact on broader socio-economic policies. Further, legally established governing bodies such as those in social security management might exclude social economy representation if it is not explicitly mentioned, highlighting the need for policy amendments to ensure that the sector's voice is heard. These findings illustrate the ongoing struggle of the social economy to find its place within traditional social dialogue frameworks. Efforts to create innovative participation models, like France's multiprofessional approach, signal a desire to adapt existing systems. However, such models often face limitations due to legal constraints or a lack of full recognition and influence. The way forward likely involves a combination of advocacy for policy changes, capacity-building within the social economy sector,

and continued efforts to demonstrate the unique contributions social economy organisations can make to social dialogue and the resolution of economic and societal challenges.

3.3 MISALIGNMENTS BETWEEN SOCIAL ECONOMY'S FEATURES AND SOCIAL DIALOGUE STRUCTURE

The social economy's focus on social purpose, innovative governance models and multi-stakeholder structures can create tensions with traditional social dialogue frameworks. Some key areas of misalignment were identified across the MESMER+ country studies:

- ✦ **Innovations at the workplace:** Social economy entities often pioneer democratic practices at the workplace, but these innovations often lack scaling-up endeavours, wider recognition or formal institutional support. **In all the nine countries, it seems that there are few audible requests from social economy representative organisations on institutionalising other models of social dialogue.** Instead, those social economy entities that wish to implement their own democratic practices regulate their internal organisation at workplace level without scaling-up initiatives. Alternatively, adapting existing social dialogue frameworks to diverse contexts is seen as feasible, including by trade union representatives, with flexibility to accommodate enterprise or sector-specific needs. This approach also prevents sidelining the social object of social dialogue and, while acknowledging the room for improvement, emphasises the importance of maintaining the existing framework, avoiding the potential risks of

creating additional structures;

- ✦ **Blurred lines between workers' and employers' sides:** Social dialogue typically involves two sides representing workers' and employers' interests, with public authorities sometimes included in tripartite bodies. However, for social economy organisations, it is sometimes unclear which side to align with, as they share characteristics with both workers (primacy of people over profit) and employers (social economy entities conduct economic activities). Some social economy representative organisations position themselves between trade unions and employers, challenging the relevance of the traditional bipartite or tripartite model of social dialogue. The current structure of social dialogue institutions is rooted in an industrial dispute framework, which may not align with the collaborative and governance models of the social economy movement. Despite its limitations, the existing traditional social dialogue structure is accepted by major political actors and social partners, facilitating the translation of agreements into laws or policies. However, this "path dependency" hinders the establishment of more inclusive social dialogue institutions and serves as an argument against legal reform that could potentially weaken existing capacities. In Belgium, certain social economy representative organisations are hesitant to demand increased participation of the social economy in the current interprofessional social dialogue. Similarly, in Sweden, the traditional structures of industrial relations, which do not include the social economy, present barriers to its increased participation in social dialogue in order to protect existing institutions and a robust and

autonomous industrial relations system;

- ✦ **Activism and social mission beyond workers/ employers' dynamics:** Even within the social economy, employment relationships and power dynamics exist. The democratic principles of the social economy do not automatically translate into workplace democracy or the absence of tensions requiring social dialogue mechanisms. Associations, in particular, despite their social aims, might lack structures for addressing workplace issues and tensions. In Poland, social economy actors often define their activities in terms of activism rather than work, thus not considering themselves as "workplaces". This can further complicate the establishment of traditional bipartite social dialogue processes. It is important to critically examine the internal power dynamics within social economy entities while advocating their broader inclusion in social dialogue, taking into account these country-specific contexts;
- ✦ **Statutes vs. activities:** Social dialogue often operates within sector-specific structures (branches), whereas social economy organisations are defined primarily by their legal status (associations, cooperatives etc.). Managing this complexity, as in France where professional branches do not neatly align with legal statutes, is an ongoing challenge for representative social economy organisations. This misfit highlights the need for flexible social dialogue frameworks that can accommodate the diverse nature of the social economy;
- ✦ **Weak social dialogue:** In countries like North Macedonia and Poland, the primary challenge lies in the overall weakness of social dialogue

institutions. Strengthening those institutions, while ensuring adequate social economy representation, is seen as essential. Recommendations from North Macedonia include enhancing capacity within Economic and Social Councils for more inclusive tripartite/bipartite dialogue, and ensuring effective social enterprise representation within these bodies;

- ✦ **Social dialogue inclusiveness:** Social dialogue traditionally encompasses services, industry, and both public and private sectors. However, certain sectors, such as the private services sector and smaller firms, can sometimes be overlooked by social dialogue institutions. Moreover, economic and societal shifts continually raise challenges by creating "grey zones" – forms of work that fall outside traditional industrial relations governance. Platform work exemplifies this, while voluntary work within the social economy represents a longstanding grey zone. The inclusion of social economy organisations in social dialogue intertwines with this broader issue of representing diverse companies or organisations as well as worker statuses within social dialogue. Similar challenges of recognition faced by the social economy are encountered by seasonal, interim, and other workers. There is a pressing need to broaden representation in social dialogue to encompass a wider range of workers and economic models.

/04

Relationship between social economy actors, trade unions and employers' organisations

4.1 UNDERSTANDING AND RECOGNITION OF THE SOCIAL ECONOMY BY TRADE UNIONS AND EMPLOYERS' ORGANISATIONS

The understanding and recognition of the social economy by trade unions and employers' organisations vary across countries, reflecting distinct historical, institutional and cultural contexts. **In many countries, social economy organisations are not considered as formal social partners**, a term typically reserved for trade unions and employers' organisations. However, there are exceptions, such as in Belgium, Italy and France, where social economy sectoral organisations assume (sectoral) employers' representative roles and engage in collective bargaining with trade unions.

Lack of recognition by trade unions and employers' organisations is a common challenge. There is a significant gap in understanding and acknowledging the social economy's role beyond work integration activities. In several countries, social partners have limited knowledge of the social economy sector, hindering its recognition in social dialogue. This limited knowledge of the social economy by social

partners is observed both in countries where the social economy's recognition is weak (such as North Macedonia and Poland) but also in countries where the recognition of the social economy is more established (such as Belgium and France). There is also sometimes an unwillingness to recognise the social economy as a social partner, driven by concerns about complicating negotiations and diluting the effectiveness of social dialogue. The existing structure of social dialogue is often protected by vested interests, making it difficult to introduce new partners without resistance.

To address these challenges, recommendations coming from several country reports mention the **need to raise awareness of the social economy among traditional social partners.** Suggestions include better information, engaging in dialogue, and fostering partnerships between trade unions, employers' organisations and social economy organisations. Educational initiatives aimed at policy-makers, employers' organisations and trade unions can also foster understanding and garner greater support for the social economy.

Stakeholders in some countries propose that **the social economy could be represented or at least have influence through existing social partners.**

For example, in Bulgaria, agricultural cooperatives are members of sectoral organisations, enabling them to voice concerns and participate in negotiations. However, this approach is not always effective, as demonstrated in Spain, where the participation of relevant social economy enterprises in sectoral negotiations remains limited.

There is **potential for collaboration between social economy entities and social partners in improving working conditions and addressing the low quality of employment**, for instance in countries like Poland. In countries where the legal framework allows it at the workplace level, individual social economy employers can negotiate collective agreements with trade unions, although deviations from central agreements are uncommon.

Finally, the involvement of social partners in the design and adoption of policy frameworks concerning the social economy varies across countries and regions within countries, feeding the uneven understanding of the social economy by social partners. For instance, in Spain, regional social economy agreements are sometimes signed by trade unions (as in Andalusia), and sometimes not (as in Murcia, although trade unions are indirectly represented through regional councils involved in the negotiation of the agreement). This variation highlights the diverse approaches to social dialogue and the social economy within countries, underscoring the complexity of these dynamics.

4.2 TRADE UNIONS AND THE SOCIAL ECONOMY: COMMON HISTORICAL ROOTS AND TENSIONS

The alliance between genuine social economy entities and trade unions holds significant potential for providing high-quality jobs with good working conditions, aligning with the goals and targets set out in the European Pillar of Social Rights and the Social Economy Action Plan. However, paradoxically, there appears to be a **historical underinvestment by trade unions in the social economy.**

Trade unions and the social economy have a longstanding history of collaboration and mutual support in pursuing social inclusion, the democratisation of the economy, and the defence of workers' interests across European labour markets. This historical linkage remains visible today, with examples of intertwined relationships between trade unions and social economy entities still observable. For instance, in Sweden, a trade union owns a mutual insurance company and a cooperative housing company, demonstrating the ongoing connection between these sectors. Similarly, in Belgium, the pillarised organisation of Belgian society brings together trade unions and cooperative movements under the same pillars (such as socialist and Christian pillars).

Trade unions have deep roots in the workers' movement, shaping democracy and labour market regulation based on an employee perspective. **In most countries, both trade unions and social economy actors share a common view of democracy, including the importance of social and economic**

democracy. However, cooperation between trade unions and the social economy remains limited. While both movements defend the principle of democracy at the workplace, differing practical and philosophical dimensions result in distinct models of participation. Despite unions' support for employee participation in companies, there remains a gap between advocacy for this principle and its actual endorsement regarding specific democratic participation practices implemented within social economy entities. Besides the lack of knowledge and engagement of trade unions towards the social economy, **there is also a perceived risk that the creation of a workers' union specific to the social economy might potentially marginalise workers.** From the trade union perspective, equal treatment for all workers, whether they belong to the social economy or not, is paramount. Trade unions typically advocate against different rules affecting the employment relationship based on whether employees work in the social economy. However, the specific needs and claims of workers in the social economy sometimes seem to be badly understood by trade unions. Therefore, the creation of dialogue structures that include workers' concerns and support the employee voice in the social economy is sometimes suggested (Poland). Another suggestion is the introduction of specific clauses within collective labour agreements related to employees in social economy enterprises (Bulgaria). Additionally, identifying and acknowledging the benefits of increased employee engagement and the positive effects on mental health within the social economy are notable and warrant attention (Sweden). In none of the countries investigated are there distinct trade unions specifically tailored to the social

economy. Hence, it is a challenge for existing union structures to address social economy-related issues and train trade union representatives in this field. Organising workers in some branches of the social economy is not easy, for instance in work integration social enterprises in several countries that grapple with an internal imbalance of power between workers from target groups (often socially excluded) and employers at the workplace level. Progress has been made, but there appears to be room for further advancement in this regard. Some trade unions, such as in France, have developed initiatives to reach out to workers within the social economy, particularly those involved in workers cooperatives. For example, the CGT trade union has developed a section dedicated to "salaried employers", while ongoing work within the CFDT trade union focuses on the inclusion of trade union delegations within cooperatives. Additionally, SudAsso, a union platform for employees within associations, is beginning to open its doors to salaried employers. However, affiliating a worker from the social economy to a trade union, especially from a cooperative, is not always straightforward. In this regard, addressing potential confusion between employee/stakeholder and employer roles within social economy structures is essential.

The involvement of trade union representatives may even induce tensions in social economy entities, such as workers' cooperatives in Belgium, France or Spain. In Spain, a recent legal battle highlights the challenges faced by worker members of cooperatives seeking to affiliate with a trade union to defend their professional interests. The supreme court ruling in 2019 acknowledged the strong labour

component of the relationship between worker members and their cooperative, underscoring the need for union assistance in defending worker members of cooperatives labour-related interests. The recommendation from the Spanish case study emphasises the importance of reinforcing collaboration between social economy actors and trade unions on bilateral issues, particularly their role in worker cooperatives.

Finally, **trade unions can also play a supportive role in the development of the social economy** and its participation in social dialogue. In France and Ireland, for instance, innovations in the field of social economy often originate from individuals closely associated with trade union structures or linked to the trade union movement. Additionally, in France, the emergence of organised employers' organisations resulted from pressures exerted by social economy workers and employees. Similarly in Spain, trade unions have facilitated the creation of social economy organisations in the agricultural sector. Furthermore, in Spain, the new Social Economy Integral Law includes some articles aimed at fostering collaboration between trade unions and social economy representative organisations to detect instances of social washing, such as false cooperatives, and effectively address them.

4.3 ORGANISING SOCIAL ECONOMY ENTITIES INTO SOCIAL ECONOMY REPRESENTATIVE ORGANISATIONS

Organising social economy entities into representative organisations presents several challenges.

Firstly, the diverse nature of these entities (most

social economy entities are micro, small or medium enterprises as underlined in Belgium, North Macedonia, Poland and Spain) mirrors the struggles of small businesses in the mainstream economy to unite under representative bodies. Encouraging associativeness among these enterprises, especially in sectors or regions where organisational participation is low, is a significant hurdle. Stakeholders from various countries suggest implementing mechanisms to incentivise the formation of representative organisations, particularly among micro- and small-scale social economy entities.

Secondly, transitioning from a social economy advocacy movement to a structured interest organisation that could be active in social dialogue poses another significant challenge. As social economy entities move from being movements advocating alternative business models to vested interest organisations involved in social dialogue, they encounter difficulties in structuring organisations alongside existing social economy movements and support networks. In countries where structured organisations exist, achieving cohesion between members remains elusive. Reconciling divergent visions among members to establish a cohesive identity and shared view on how the social economy should position itself towards social dialogue further complicates matters.

Thirdly, the fragmentation of the social economy at both the operational and policy levels compounds these challenges.

✦ Often, some representative organisations do exist

in the social economy but represent some specific segments of the social economy such as mutuals or cooperatives (see Chapter 2 Section 2.4). The diverse nature of social economy entities (legal statutes, sectoral anchorages etc.) hampers the formation of unified national representative organisations, impeding their collective voice in policy discussions. In countries where representative organisations are not sufficiently resourced and structured, governments and policy-makers reach out directly to social economy entities, which contributes to reinforcing the fragmentation of social economy voices. To overcome some aspects of this fragmentation, one solution is for the different representative organisations to collaborate, as is the case in Sweden where there is cooperation between the seven social economy organisations. Most of these organisations represent different sectors of the social economy. One of them, Fremia, has opted to emphasise representing employers' interests in the social economy and to expand its representation of the social economy across various policy areas;

- ✦ Fragmentation and an unclear division of competences related to the social economy among public departments exacerbate these challenges (Belgium, Ireland). In Belgium, even if regional governments have appointed dedicated ministers to oversee the social economy and related accreditations, some social economy-related issues fall under the jurisdiction of other ministers (for instance short food supply chains), causing uncertainty about the competent authority. In France and Spain, the presence of a dedicated national ministry or specific state delegate for the

social economy is acknowledged as a recognition and lever to structure the sector;

- ✦ Additionally, there is a pressing need to clarify the separation of interests within social economy entities into workers' and employers' interests.

Finally, the issue of funding exacerbates these challenges, with social economy organisations often receiving less funding and resources than traditional social partners for their representation missions and involvement in social dialogue. For instance, in Spain, a significant disparity in public funding exists between traditional employer associations and social economy representative organisations. In Poland, only specific actors in the social economy landscape (social economy centres that receive grants from the government and auditing unions which subsist on membership fees) have enough resources to participate in dialogue processes.

Addressing these challenges requires a multi-faceted approach to foster the **professionalisation of representative organisations**. Firstly, **capacity-building** initiatives are essential to enhance the advocacy, negotiation, leadership and communication skills of social economy entities and existing representative organisations, enabling them to organise effectively and participate more actively in social dialogue. Secondly, improving **expertise** on the state of play of the social economy, including among social economy players, is crucial. This reinforcement should include research initiatives, statistics and mapping exercises to identify social economy actors and their affiliations with existing employers' organisations. Thirdly, the **collaboration**

between different social economy organisations which represent different parts of the social economy could be strengthened. These organisations could collaborate more closely and demand to be included as representatives of the social economy, in social dialogue and in policy-making processes with the governments. Finally, there is a need to organise and to foster **internal democracy** processes in social economy representative organisations. Members need to give clear mandates to these organisations in order to define their political voice.

4.4 SOCIAL ECONOMY ORGANISATIONS EMBRACING THE ROLE OF EMPLOYERS ORGANISATIONS

Social partners traditionally embody the employer-worker divide which results from the social division created by industrial society (Lipset and Rokkan 1967). Social partners and their role in shaping and participating to social dialogue is the result of the institutionalisation of this employer-worker or capital-labour division.

The absence of representation or weak representation of social economy employers' organisations presents a significant barrier to its integration into the social dialogue system. Leveraging social economy entities to adopt the employer role could offer a solution. Trade unions predominantly represent employees' interests and may influence policies affecting the social economy, but their primary focus remains the well-being of their members rather than the unique characteristics of the social economy. Consequently, within the current institutional framework of social dialogue, the employer side holds greater promise

for social economy entities and representative organisations to champion and uphold the unique attributes of the social economy.

This transition highlights **the struggles that social economy organisations face in adopting the employer role** and engaging in social dialogue effectively. A notable challenge exists in reconciling social values with managerial responsibilities in many social economy organisations (as is observed in France and Poland). For instance, while these entities embrace democratic governance, translating values into operational practices poses difficulties. Moreover, addressing conflicts such as wage disputes and volunteer compensation exposes internal tensions within social economy organisations. The response to these challenges varies, highlighting the need for organisations to align their actions with their professed values regarding work and employment.

When social economy organisations take up the role of employers, there are further complications. **In some countries (France, Spain, Sweden), these organisations may be overlooked and neglected in the consultation processes.** They are for instance frequently excluded from consultations on legislation, leading to amendments in laws like the Labour Reform in Spain, which overlooked the impact on cooperatives due to the absence of social economy representatives in negotiations. The social economy is also often forgotten in Swedish industrial relations, requiring diligent efforts from social economy employers' organisations to assert their members' interests during negotiations.

Despite these hurdles, there are positive outcomes

and recommendations for enhancing the role of social economy organisations in representing employers' interests. When structured and empowered, **social economy employers' organisations can facilitate a more fluid dialogue with union representatives** compared to mainstream employers' organisations (France). Additionally, enhancing the role of social economy employers as democratic employers is strongly advised, underscoring participatory management as a cornerstone of the social economy's principles (Poland). By doing so, social economy employers organisations offer a more diverse representation of the employer side in social dialogue and its function within the economy. This diversified perspective enriches the discourse within the social dialogue system, fostering a more comprehensive understanding of the dynamics and challenges faced by employers, particularly those operating within the social economy.

/05

Recommendations to strengthen the articulations between social economy and social dialogue at national level

The integration of the social economy into national social dialogue systems faces diverse obstacles but also offers promising pathways for development. Below is a synthetic country-by-country set of recommendations:⁵

Belgium

- ✦ **Federal-level engagement:** Social economy stakeholders should build bridges with the federal government, moving beyond the regional social economy approaches and acknowledging the potential for the social economy to contribute to solving issues handled at the federal level.
- ✦ **Clarify criteria** for selection and advocate balanced representation across social economy stakeholders in consultative bodies.
- ✦ **Unity and diversity:** Forge alliances within the social economy while addressing the potential

overrepresentation of certain sub-sectors, like work integration.

- ✦ **Understand and adapt:** Educate traditional social partners on the social economy's full scope. Emphasise that adjustments to existing frameworks, rather than entirely new structures, can improve inclusion.

Bulgaria

- ✦ **Empower micro-enterprises:** Support the organisation and representation of small social economy entities' issues in social dialogue, which can contribute to social partners' unity and influence.
- ✦ **National and local collaboration:** Build mechanisms for social economy participation in social entrepreneurship policy design alongside social partners at both the national and local levels.
- ✦ **Regional development:** Position social economy principles as drivers of economic development,

⁵ More country specific recommendations can be found in the country reports: <https://www.diesis.coop/mesmerplus/>

particularly in rural areas, through collaboration with municipalities, unions and community organisations.

France

- ✦ **Optimise multiprofessional social dialogue:** Leverage the multiprofessional social dialogue level for broader social economy understanding, while addressing shortcomings like the activity-based, rather than legal status-based, organisation of branches for the social economy.
- ✦ **Territorial models:** Explore how Regional Spaces for Social Dialogue (ERDSs) can enhance social economy territorial involvement.
- ✦ **Adequate funding:** Secure funding comparable to conventional economic ecosystems, especially for Regional Social Economy Chambers' activities and territorial job creation initiatives.
- ✦ **Involving funders:** Improve tripartite/quadrupartite models in territorial dialogue to include funders, tackling issues like refusal to finance agreements reached.

Ireland

- ✦ **Raise awareness:** Promote wider recognition and acceptance of the term "social enterprise".
- ✦ **Social value in public procurement:** Advocate the inclusion of social value elements in tender assessments to give social economy entities an advantage.
- ✦ **Unified representation?** Carefully consider the pros and cons of a single national social economy representative body, given the diversity of sectors

in which social economy entities operate.

Italy

- ✦ Encourage the establishment of **cooperative platforms** that promote collaboration between social economy organisations and traditional enterprises.
- ✦ Support **research and development** activities aimed at identifying innovative industrial relations practices that align with social economy principles.
- ✦ Continue to develop and apply **innovative instruments** that already exist within the social dialogue framework, like bilateral pension funds, to enhance the attractiveness and competitiveness of the social economy sector.

North Macedonia

- ✦ **Overcome barriers:** Support social economy entities in addressing registration hurdles, financial sustainability, human capital development, and political recognition to increase their competitiveness and voice.
 - ✦ **Formalise local connections:** Clarify the legal/institutional frameworks connecting national and local Economic and Social Councils, which include social economy representation. Enhance employer participation in these local structures.
 - ✦ **Build inclusive social dialogue:** Implement measures to facilitate social economy participation in social dialogue at all levels. Consider dedicated forums or working groups within existing structures.
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Poland

- ✦ **Engage with social partners:** Encourage social economy entities to indirectly influence social dialogue through collaborations with traditional social partners.
- ✦ **Raise awareness:** Promote social dialogue among social economy entities and the involvement of the social economy in dialogue processes at local and regional level.
- ✦ **Participatory governance:** Promote best practices in participatory governance within social economy to strengthen internal social dialogue.

Spain

- ✦ **Civil dialogue vs. social dialogue:** Clarify distinctions between institutionalised civil dialogue (where social economy has recognition) and bipartite/tripartite social dialogue (where they lack full partnership).
- ✦ **Leverage strengths:** Continue building on the social economy's growing societal awareness, legal framework, and positive performance metrics to bolster its case for social dialogue inclusion and identify the needs of the social economy attached to social dialogue.
- ✦ **Expand institutionalised civil dialogue:** Strengthen the social economy ministry's ability to communicate the social economy's needs and ensure mechanisms for social economy voice across policy domains.

Sweden

- ✦ **Raise awareness** to increase recognition and

acceptance of social economy and social enterprise terminology.

- ✦ **Clarify selection criteria** for a social economy council advisory board and invite social economy stakeholders to the governmental structures for social dialogue.
- ✦ **Regional focus:** Channel efforts into regional social economy involvement in policy-making, as the national model is rigid.
- ✦ **Local and sectoral connections:** Link social dialogue with localised and sector-specific perspectives of social economy actors.
- ✦ **Broaden civil dialogue:** Advocate a wider civil dialogue that includes social economy concerns beyond traditional social dialogue topics.

In exploring nine countries in the MESMER+ project, **transversal recommendations** and promising initiatives have been identified, signalling avenues for bolstering social economy within social dialogue structures. These recommendations can serve as a source of inspiration for shaping future (EU) policy pointers. They cover a wide spectrum of strategic domains and actions:

- ✦ **Develop skill-building initiatives** for social economy entities and organisations: Create programmes focused on negotiation, conflict resolution and effective social dialogue for both employers and employees within the social economy sector;
- ✦ **Invest in awareness and education:** Implement educational programmes to raise awareness and understanding of the social economy, its principles, and the value of social dialogue. Target

these programmes at a wide range of stakeholders including social economy entities and organisations, social partners and policy-makers. Implement targeted awareness-raising initiatives about the social economy for policy-makers, employers' organisations, trade unions and other stakeholders involved in social dialogue;

- ✦ **Enhance governance and capacity** within the social economy: Provide focused training in governance models, leadership, and knowledge sharing within the social economy. Support collaboration among social economy organisations to address knowledge gaps and capacity needs;
- ✦ **Promote structured consultations:** Encourage policy-makers to establish regular consultations with social economy organisations, providing a platform to address challenges and seize opportunities collaboratively;
- ✦ **Ensure inclusive social dialogue:** Facilitate the meaningful (direct or indirect) participation of social economy actors in bipartite and tripartite social dialogue at all levels, including forms of territorial and civil dialogue;
- ✦ **Support inclusive collective bargaining:** Develop a framework for inclusive collective bargaining processes designed for the social economy, recognising the diversity of entities within the sector (including micro and small enterprises);
- ✦ **Establish safeguards and promote best practices:** Issue guidelines on inclusive collective bargaining in the social economy, promote best practices, and create safeguards to prevent "social washing";
- ✦ **Establish monitoring and evaluation:** Develop a framework to monitor and evaluate the

effectiveness of policies related to social dialogue, collective bargaining, and industrial relations within the social economy context;

- ✦ **Advocate broader recognition** of the social economy as an employer and of its employers' organisations at national and EU levels, emphasising its significant role in employing people and highlighting the need to acknowledge this reality across member states.

Crucially, these recommendations are framed as broad guidance for member states and future EU policy directions, with the acknowledgment of the need for nuanced discussions at both national and EU levels to tailor these recommendations to specific contexts and needs. The organisation of social dialogue falls within the remit of member states, which calls for flexibility in recognising and accommodating diverse national traditions and approaches, remaining keenly aware of the contextual nuances shaping social dialogue implementation across member states.

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Conclusion

In this comprehensive mapping report, the first two chapters meticulously depicted the landscape of industrial relations, social dialogue systems, and the social economy across the nine diverse countries in the MESMER+ project: Belgium, Bulgaria, France, Ireland, Italy, North Macedonia, Poland, Spain and Sweden. Following this, chapter 3 delved into the institutional and representation links between social economy entities and the structures of social dialogue, unveiling notable discrepancies. Chapter 4 further unravelled the intricate relationships between social economy organisations and traditional social partners such as trade unions and employers' organisations. Conclusively, chapter 5 offers both country-specific and transversal recommendations aimed at enhancing social economy participation within the realm of social dialogue. Building upon this groundwork, the conclusion of this mapping report provides a comprehensive analytical framework elucidating the intricate connections between social dialogue and the social economy (6.1). Furthermore, answers to the primary research questions are synthesised in section 6.2, contributing valuable insights to the discourse on this complex intersection.

6.1 ANALYTICAL FRAMEWORK TO UNDERSTAND THE ARTICULATIONS BETWEEN SOCIAL DIALOGUE AND THE SOCIAL ECONOMY

In addition to offering a nuanced portrayal that addresses the research questions, the primary contribution of this mapping report lies in the development of an analytical framework. It is important to note that **this report does not aim to typologise selected countries based on the research questions; rather, it serves as a stepping stone for further exploration.** The analytical framework provided offers a structured approach, outlining key dimensions and pertinent questions serving as a guide to understanding the intricate interplay between the social economy and social dialogue. Through the incorporation of this framework, this report strives to pave the way for future research endeavours in this area of inquiry, encouraging the paying of attention to the following dimensions and sub-dimensions.

INSTITUTIONAL CONTEXT OF SOCIAL DIALOGUE

Quality of social dialogue institutions: Assess the stability and functionality of social dialogue institutions within a country, including the autonomy and influence of social partners on collective labour law and policy-making. Evaluate the impact of weak/strong social dialogue structures on the incentive for social economy organisations to engage in social dialogue.

Multilevel organisation of social dialogue: Examine the (mis)alignment between the multilevel organisation of social dialogue and the landscape of social economy representative organisations. Identify gaps and levels of investment by social economy representative organisations, considering participation in civil dialogue institutions and territorial dialogue.

Collective labour agreement coverage: Analyse the coverage and extension mechanisms of collective labour agreements negotiated at sectoral and interprofessional levels by social partners. Assess whether these agreements apply to social economy entities and the implications for the social economy entities.

Representation in social dialogue: Evaluate the density, recognition, internal democracy, mandates and resources of employers' organisations and trade unions compared to social economy representative organisations. Examine the autonomy of social partners and the involvement of the state in determining participation in social dialogue.

Alignment of social economy features and dialogue structure: Investigate perceived misalignments between social economy characteristics and the structure of social dialogue from the perspectives of social economy players and social partners.

INVOLVEMENT AND RECOGNITION OF THE SOCIAL ECONOMY

Consultation with public authorities: Determine the topics and policies on which social economy representative organisations or entities are consulted by public authorities. Investigate whether consultation is limited to dedicated social economy policies or encompasses broader labour market and social-economic policies.

Involvement in (semi-)public bodies: Assess the involvement (or absence of) of social economy players in the management of (semi-)public bodies alongside social partners, such as social security institutions and public employment services.

Organisation of social dialogue in the social economy: Investigate the organisation of social dialogue within the social economy, including innovations at the workplace, dedicated channels of participation and integration into existing sectoral and interprofessional structures.

Engagement in interprofessional social dialogue: Examine the involvement of the social economy in interprofessional social dialogue, encompassing consultation, collective bargaining and policy-making, considering the broader context of labour relations and social partners' involvement.

Relationship between social economy and social partners: Investigate the connections and interactions between social economy organisations and social partners; assess social partners' awareness of social economy principles and features; explore social partners' perspectives on the representation of the social economy within social dialogue; examine potential collaborations and partnerships between social economy organisations and social partners.

ORGANISATIONAL DYNAMICS AND IDENTITY OF THE SOCIAL ECONOMY

Identity and missions of representative social economy organisations: Explore how social economy representative organisations define their identity, missions and vision for involvement in policy-making, social dialogue, civil and territorial dialogue, and relationships with social partners and the state. It is important to identify organisations that (could) have a mandate to represent the social economy in social dialogue, either formally or informally, and to identify their strengths, weaknesses and struggles to develop adequate capacity-building.

Definition of social economy workers' and employers' interests: Assess the clarity and adequacy of representation of the interests of workers and employers within the social economy. Investigate whether definitions and interests of workers and employers in the social economy are advocated by representative social economy organisations or within existing social partners' organisations.

Data on employment characteristics: Analyse data on social economy shares of employment and employment characteristics, considering sector, legal statute of entities, type of employment contract, job quality and working conditions. Explore the implications for social dialogue mechanisms.

ORGANISATIONAL DYNAMICS AND IDENTITY OF THE SOCIAL ECONOMY

Issues addressed in social dialogue and implications for the social economy: Identify the issues typically addressed within social dialogue concerning the social economy, including traditional concerns like wages and working conditions, as well as specific challenges and alignment with unique social economy values.

Policy influence and scope: Evaluate the impact of consultations with social economy organisations on shaping not only policies affecting social economy entities but also broader labour market discussions.

Legal framework and consequences: Examine the legal statutes associated with social economy entities and the applicable legal framework. Assess the consequences for workers and employers in these different types of social economy entities.

Strengthening the representation of the social economy in social dialogue structures is a lever that can help realise the full potential of social economy principles in fostering a more inclusive labour market and ensuring equal opportunities for all. The integration and representation of social economy principles and organisations into social dialogue also offer a promising avenue for addressing the persistent challenges in achieving gender equality and social inclusion within the labour market, aligning with initiatives with the European Union's objectives to narrow gender gaps and promote equal participation. Women, who constitute the majority of social economy workers, continue to face barriers to equitable power distribution, as well as pay and pension gaps. Embracing diverse categories of workers and business models not only fosters social dialogue inclusivity but also amplifies the representation of vulnerable groups, including women, in social dialogue.

Moving forward, prioritising the integration of social economy perspectives and voices into social dialogue mechanisms will be instrumental in promoting a more just and inclusive society for all, while also enhancing the inclusiveness of social dialogue institutions to encompass a broader variety of workers and business models, not limited to the social economy but reflecting the multifaceted reality of today's world of work.

6.2 MAPPING THE INTERPLAY BETWEEN SOCIAL ECONOMY AND SOCIAL DIALOGUE

MESMER+ has investigated the interaction between social dialogue and the social economy. Guided by two central research questions, this exploration has been

informed by thorough data collection and analysis, revealing a nuanced and detailed picture across the chapters of this mapping report. In summary:

+ RQ1 *How inclusive are social dialogue institutions towards social economy players?*

The inclusiveness of social dialogue institutions towards social economy players varies significantly among countries, reflecting diverse approaches and structures. While recommendations advocate the involvement and participation of social economy entities in social dialogue, challenges persist. These include the need to adapt social economy representation to existing structures, particularly in collective bargaining practices.

In some countries, dedicated spaces have been established within social dialogue frameworks to address social economy concerns. This not only enhances the quality of dialogue for the social economy but also increases the ability of social economy representative organisations to influence relevant policies. However, tensions often arise as social economy principles may not fully align with the existing structures and processes of mainstream social dialogue. Moreover, in countries where formal structures for social economy participation are limited, there is a risk of overlooking the voices of workers within social economy models. This can lead to a failure to address the specific challenges faced by social economy entities and workers. Despite these challenges, some countries have adopted hybrid models that combine mainstream participation with specific social economy bodies. These models

facilitate broader consultation and collaboration, potentially bridging the gap between social economy players and traditional social dialogue institutions.

Overall, there is no one-size-fits-all model for social dialogue in the social economy. Variations exist not only in the definitions and interpretations of the social economy across countries but also in the structures and mechanisms for inclusion within social dialogue institutions. While most countries acknowledge the overarching definition of the social economy, aligning with that of the Social Economy Action Plan, there are variations in operational definitions. Some countries adopt a narrower approach, restricting the social economy to specific sectors that are well-defined within the framework of social dialogue. Consequently, differences not only arise in the definitions and interpretations of the social economy but also in the structures and mechanisms for its inclusion within social dialogue institutions.

✦ **RQ2** *How are social economy players making their voice heard within national industrial relations systems?*

The representation of social economy players within national industrial relations systems encounters distinctive challenges due to the traditional structures of social dialogue. These structures, rooted in frameworks designed for industrial disputes, may not fully accommodate the collaboration and governance models inherent in the social economy. Social economy organisations often find themselves in a dilemma as they share characteristics with both workers and employers, leading to uncertainty about which side to align with in traditional bipartite or tripartite dialogue models.

When social economy organisations do engage in social dialogue, they frequently encounter difficulties in asserting their specific needs and concerns. The current structures may not afford sufficient space for highlighting the uniqueness of the social economy or addressing its distinct challenges. Additionally, the involvement of workers and employees within social economy entities varies widely. While some cooperatives demonstrate democratic initiatives and robust employee representation, others, such as associations, may lack adequate mechanisms for employee participation at the workplace level. Acknowledging that social economy entities are workplaces involving conflicts between workers and employers is crucial to taking the voices of social economy workers into account.

Furthermore, policy instruments and strategies aimed at supporting the social economy sometimes overlook the importance of improving social dialogue within the social economy entities. Initiatives targeting training, skills development, and labour market policy-making often fail to specifically address the needs of the social economy.

To address these challenges, a multifaceted approach is likely to be necessary. This could involve advocating policy changes that better accommodate the unique characteristics of the social economy, building capacity within social economy organisations to engage effectively in social dialogue, and demonstrating the valuable contributions these organisations can make to resolving economic and societal challenges through collaborative dialogue. By addressing these issues, the social economy sector can play a more active and influential role within national industrial relations systems.

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<https://www.diesis.coop/mesmerplus/>**

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