

## The European confederation of industrial and service cooperatives

8th December 2015- EPSCO Council Social economy

## CECOP welcomes the Council's conclusions on the development of the social economy

Worker, social and producers' cooperatives contribute substantially to the economic and social dimension of the social economy

On Monday 7th of December, the European ministers in charge of employment and social affairs met to discuss the development of the social economy in the framework of the Employment, Social Policy, Health and Consumer Council (EPSCO). CECOP welcomes the <u>first conclusions adopted by Member States</u> and believes this is an important commitment toward a more sustainable economic and social direction for Europe. Worker, social and producers' cooperatives are democratic and employees-owned enterprises and are an important part of the social economy, contributing to <u>sustainable entrepreneurship</u> and <u>employment</u>, <u>industrialization and innovation</u>, <u>social cohesion and preservation of local skills and crafts</u>.

Nevertheless, **CECOP** regrets that the Council's conclusion does not mention democratic governance and control by the members, which is the DNA of the social economy. Workermembers, like other types of cooperative members, are co-owners of their enterprises, and therefore share the responsibility and management and establish the short and long term strategies, which prioritize the safeguard of their jobs and continuous innovation. This is at the heart of the sustainability and resilience of worker, social and producers' cooperatives<sup>1</sup>.

On the other hand, hundreds of cooperative enterprises from the CECOP network are the result of businesses that have been transferred to, or bought out by their employees and reestablished under the worker cooperative form since the beginning of the crisis. In France alone, there have been 224 transfers and buyouts between 2008-2014, with a clearly higher survival rate within the first 5 years than the average of French enterprises. Thus, **CECOP hails** the reference to workers buy-outs, which are saving jobs, activities and skills every year in Europe, and hope this will inspire Member States where those practices are not common to support them.

**In addition, social inclusion and people's well-being** is the core mission of over 12,000 social cooperatives in the CECOP network. Beyond the satisfaction of basic needs and work integration of disadvantaged citizens, social cooperatives are important **job providers** even in time of massive unemployment and public budget cuts.

"We hope the conclusions will encourage European Commission and Members States to extend support measures for the social economy enterprises and help them flourish in the countries where such tradition does not exist yet, and more precisely support measures and regulatory frameworks for worker, social and producers' cooperatives", indicates Bruno Roelants, Secretary General of CECOP.

Nicolas Schmit, Minister of Labour, Employment and the Social and Solidarity Economy of Luxembourg, hosting the Presidency of the Council of the European Union and of the EPSCO

<sup>&</sup>lt;sup>1</sup> More information on the study "The resilience of the cooperative model", CECOP (2012): http://www.cecop.coop/IMG/pdf/report\_cecop\_2012\_en\_web.pdf





meeting declared "social economy can bring economic answers to the EU". "We particularly hail the Council's invitation for a constructive dialogue with different stakeholders", says Bruno Roelants. Representative organizations of worker, social and producers' cooperatives in different Europen countries, together with CECOP at the European level, remain available to collaborate in designing initiatives for a favorable ecosystem strengthening the capacity of these enterprises to bring economic and social answers for a smart, sustainable and inclusive Europe.

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**CECOP – CICOPA Europe** is the European Confederation of worker, social and producers' cooperatives active in industry and services. It groups national organisations in 15 countries which in turn affiliate over 50.000 cooperative and participative enterprises in industry and services, the vast majority being SMEs, and employing 1.3 million workers across Europe. Most of them are characterised by the fact that the employees in their majority are members-owners, while some of them are second-degree enterprises for SMEs. Over 12,000 social cooperatives are specialised in the provision of services of general interest or in the reintegration, through work, of disadvantaged and marginalised workers.



