



Social economy and the COVID-19 crisis: current and future roles

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Abstract

The “social economy” has played an important role in addressing and mitigating the short- and long-term impacts of the COVID-19 crisis on economy and society. In the short term, social economy actors have assisted the recovery from the crisis by providing innovative solutions that are aimed at strengthening public services to complement government action. In the long term, social economy organisations can help reshape the post-crisis economy by promoting inclusive and sustainable economic models. Relying on decades of experience, its specific features and underlying principles, the social economy can inspire models of social innovation and a sense of purpose to firms operating in the market economy.



Key facts and messages

- The social economy includes associations, co-operatives, foundations, mutual organisations and social enterprises. In the EU, there are 2.8 million social economy entities, accounting for 6.3% of EU employment, but their impact goes far beyond those numbers. Social economy actors are found in most sectors of the economy—from health and education to banking and utilities. Some are small non-profits, but others are large enterprises with international outreach.
- The distinctive feature of the social economy is its focus on economic practices that are sustainable and inclusive: (i) by addressing societal (i.e. social and/or environmental) needs; (ii) by organising economic activities building on local roots, as well as using participatory and democratic governance; and (iii) by working in close co-operation with other economic actors and relevant stakeholders.
- The demand for the social economy has never been greater. Social economy organisations have been a trusted partner, operating at the forefront of the crisis to address urgent sanitary and social needs. However, they are also facing the consequences of lockdown similar to other economic actors, including falling revenues. Certain social economy legal forms (such as associations or foundations) may represent an obstacle to accessing government support measures available to firms during the crisis.
- The COVID-19 crisis calls for a re-balancing of efficiency and resilience throughout the economy. Traditionally, the purpose of the social economy has been seen to “repair” social problems (such as homelessness, labour market exclusion and other forms of social exclusion experienced by vulnerable groups). However, the social economy can develop a much larger role in the post-COVID phase to inspire transformation to a more inclusive and sustainable economy and society.
- The social economy has proven to be a pioneer in identifying and implementing social innovations and alternative ways of organising economic activities. These innovations have often been subsequently mainstreamed and adopted by the rest of the economy (such as fair trade, organic food movements or ethical finance). These innovations contributed to social and economic transformation and will be much needed in a post-COVID world.
- Social economy organisations also have the potential to expand social innovation to address pressing environmental and societal challenges. They do so by focusing on social impact and working with local stakeholders (citizens, civil society, policymakers, entrepreneurs, researchers) in collaborative ways that promote the use of new practices. Concrete policy measures, in the form of legal frameworks and resources, are needed to support these new forms of social experimentation and collaboration, with impact then scaled up.
- Recommended policy actions by national and subnational governments include:
 - Define a shared vision about the future to “build back better” and ensure that social economy organisations actively contribute.
 - Develop an action plan to achieve a transition to a more sustainable and inclusive development model, with a clear role for the social economy
 - Promote social innovation practices and co-operation, including through funds to support experimentation and innovation as is done for technological innovation
 - Continue to diversify the financial resources available to social economy organisations, through updates to legal frameworks and public programmes
 - Create and share tools to provide data on social impact that are not onerous but can document progress and identify those with highest impact.



Introduction

The COVID-19 crisis has exposed the vulnerabilities of individuals, societies and economies, calling for a rethink of how economic and social activities are organised. The crisis calls for strong responses based on solidarity, co-operation and responsibility. Social economy organisations (associations, co-operatives, mutual organisations, foundations and social enterprises), whose business models are built around such principles can help reshaping the post-crisis economies and societies. This note presents the role the social economy and its actors have played in the COVID-19 crisis. It further explains the current challenges faced by the social economy and highlights selected policy instruments and recommendations to support social economy actors in their efforts to “repair” and “transform” societies.

What is the social economy and how can it be mobilised to help the post COVID-19 recovery?

Social economy organisations put social and environmental concerns at the heart of their business model, prioritising social impact over profit maximisation. They are driven by a mission of serving the common good, protecting the general interest¹ and increasing individual and community welfare by organising their activity in a different way (Figure 1).

Figure 1. The essence of social economy organisations

Social economy organisations implement specific business models characterised by two elements: (i) they address societal needs and (ii) they are organised differently compared to mainstream economic actors



¹ Services are considered of **general interest** when they are essential to the lives of the majority of the general public and, therefore, subject to specific public service obligations (such as public transport, postal services, education and healthcare). They can be provided either by the state or by the private sector (European Commission, n.d._[33]).



Social economy business models are unique in a number of ways:

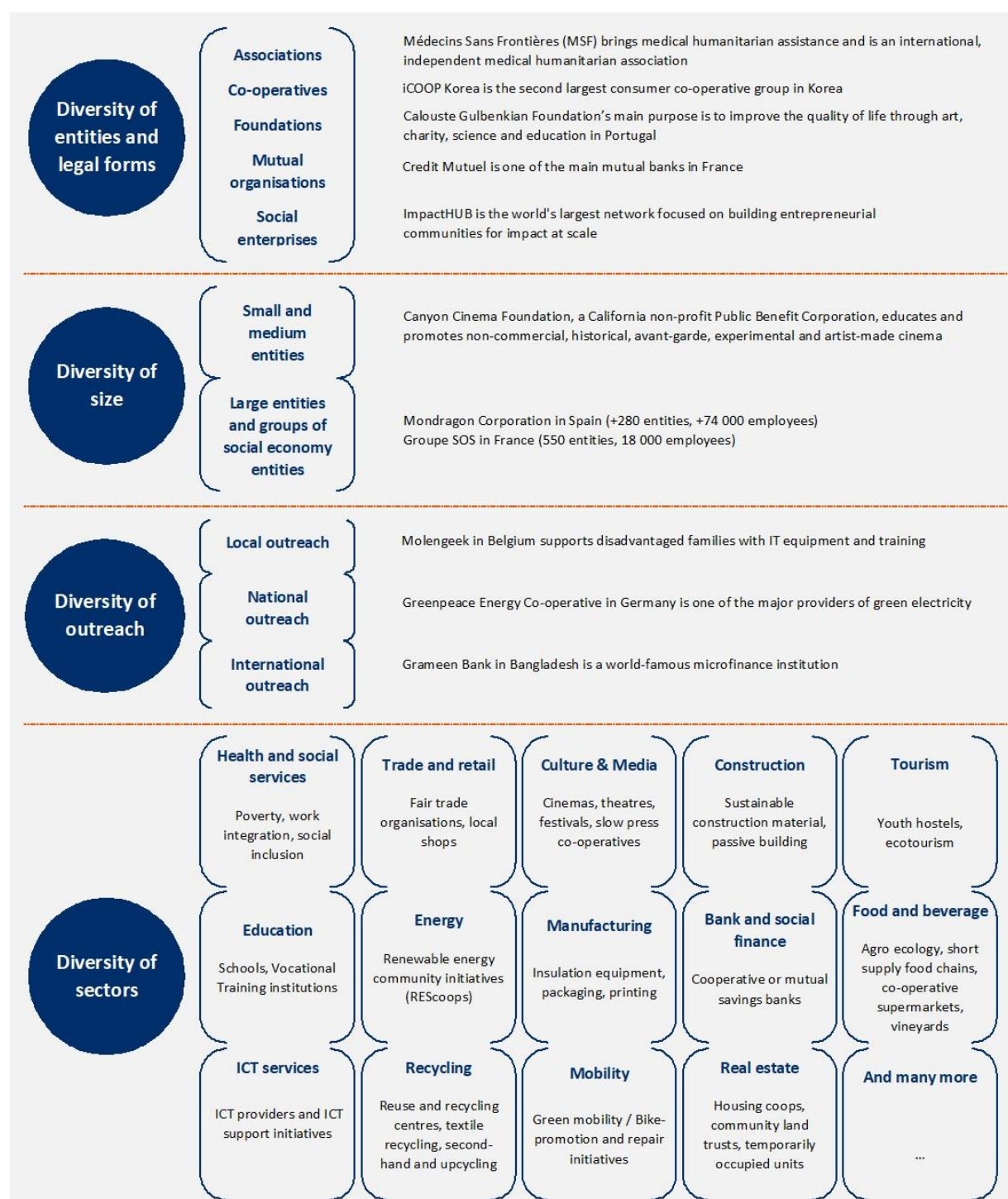
- **Mobilise multiple resources:** Social economy organisations can mobilise various types of resources (revenues from sales, public subsidies, donations, volunteering) coming from different sources (public sector, enterprises, foundations, individuals). By gathering various supporters around their projects, they strengthen their sustainability. Their capacity to mobilise financial and non-financial resources from different sources can be explained by the double mission of the social economy (economic and social) that is valued by diverse actors for the different benefits it produces (public and collective benefits, direct individual benefits, indirect benefits) (Young, 2007^[1]).
- **Apply sustainable operating practices:** Social economy organisations implement sustainable practices that are respectful of the primacy of human needs and natural ecosystems in the environment.
- **Adopt inclusive and democratic governance:** Social economy organisations involve and empower diverse stakeholders in their decision-making processes. Such governance models facilitate informed decisions about economic and social impact as well as increase the degree of democracy in society.
- **Are locally anchored:** Social economy organisations typically operate at the local level, understanding what works and what doesn't in the local context, and are particularly well-suited to respond quickly to issues that arise in their local areas.
- **Facilitate co-operation and social innovation:** Social economy organisations expand the potential for collective social innovation by collaborating with local stakeholders (citizens, civil society, policymakers, entrepreneurs, and researchers). They experiment with new and co-operative ways of working to develop place-based solutions, building on collective goals and the complementary assets of different types of actors.

While sharing common principles and practices, social economy organisations show a great diversity in terms of legal forms, size, outreach and sectors (Figure 2). The field brings together not-for-profit and for-profit entities, the former focusing more on the social component while the latter are more economic-oriented. A majority of social economy actors are small and medium-sized entities, but the field also counts numerous examples of large entities and groups of social economy organisations able to compete with multinationals in some cases. Social economy organisations are active in a wide range of sectors. While traditionally they have been involved in the provision of social services and healthcare, social economy organisations are present throughout the economy.



Figure 2. Capturing social economy diversity

The social economy field is highly diverse in terms of: entities and legal forms, size, outreach and sectors



The social economy is a significant economic and social actor in its own right, and one that has proven resilient in past crises. In the EU, there are 2.8 million social economy entities, accounting for, on average, 6.3% of EU employment (see Box 1 for further figures on social economy). The social economy was resilient in economic downturns following the Global Financial Crisis in 2008. For example, in countries such as Italy and Belgium, employment in the public and private sectors decreased sharply



during the period 2008-2010 just after the crisis, while employment in social enterprises actually grew (11.5% growth in Belgium and 20.1% growth in Italian social co-operatives) (European Union, 2016^[2]). In France, between 2000 and 2014, employment in the social economy registered significant and continuous growth (25%), while employment growth in the private sector was much lower (6%) (R&S, 2015^[3]).

The social economy contributes to social and economic resilience² given the nature of its activity and the business models that are more equipped to resist shocks. First, the activities and services that a range of social economy organisations provide – for example in the health sector, social services and work integration – mitigate the direct impacts of the crisis, especially for the most vulnerable groups, helping society to cope with the crisis. Second, some specific features of the social economy business models increase a social economy organisation's ability to overcome difficulties during a crisis, such as the inclusive and participatory governance structures, the embeddedness in local communities and economies, and the mobilisation of a range of mixed resources. These elements have been extensively discussed and analysed in several reports published after the Global Financial Crisis in 2008 (see for example (CIRIEC, 2012^[4]) (Birchall and Ketilson, 2009^[5])).

Box 1. The social economy in figures

While estimates vary, across EU28 countries, there exist 2.8 million traditional social economy organisations (SEOs), employing about 6.3% of the EU workforce (or 13.6 million jobs) according to CIRIEC (2017^[6]).

The diversity of definitions and legal frameworks, as well as different methods of data collection, makes cross-country comparisons of the weight and contribution of the social economy difficult. The economic importance of the social economy in terms of contribution to GDP is difficult to capture as many of its activities are not reflected in GDP and require other indicators to measure its impact. Besides, there is no one globally used definition but social economy organisations traditionally refer to the set of associations, cooperatives, mutual organisations, and foundations whose activity is driven by values of solidarity, the primacy of people over capital, and democratic and participatory governance (OECD, 2018^[7]). As a consequence, some countries only measure these organisations, without capturing social enterprises, while others collect very detailed datasets capturing all social economy organisations including social enterprises which may fall outside of the traditional social economy definition. The significant data gap for various countries can be partly explained by the vastly different definitions of social economy organisations, as well as reflecting various levels of acceptance or recognition and understanding of the social economy across countries (CIRIEC, 2017^[6]).

The scale of the social economy varies considerably across countries, due in part to the different degrees of its development as well as differences in measurement. The cross-country CIRIEC study shows that in 2015, while employment in the social economy accounted for between 9% and 10% of the labour force in countries such as Belgium, Italy, Luxembourg, France and the Netherlands, it accounted for less than 2% of employment in Slovenia, Romania, Malta, Lithuania, Croatia and the Slovak Republic. In Canada, social enterprises employ about 0.2% of the workforce, with significant variations across provinces (OECD, 2018^[7]). In Korea, 39 195 workers were employed by social enterprises in 2016, representing 0.15% of total employment (OECD, 2018^[7]). In the United Kingdom, social enterprises contribute GBP 60 billion to the UK economy and employ 5% of the national workforce (2017 data) (Social Enterprise UK (SEUK), 2018^[8]).

² Economic resilience can be defined as the capacity of an economy to reduce vulnerabilities, to resist to shocks and to recover quickly. It can be strengthened by exploring the role of policies that mitigate both the risks and consequences of severe crises (OECD (Caldera Sánchez, A., et al.), 2017^[35]).



This capacity to increase economic and social resilience is linked to the two main roles that the social economy plays in the economic system: repair and transform (Mertens, 2020^[9]). First, it may address social needs that are often not covered by the market economy and also complement public action. For example, in the area of work integration, the social economy creates employment opportunities for individuals who are excluded from the labour market. Second, the social economy designs, experiments and implements innovative ways to organise economic activity in a more inclusive and sustainable way, resulting in responsible practices which transform the economic system. For example, identifying and developing niche opportunities, and consequently unlocking new sectors that were subsequently taken up by traditional enterprises. While these functions have been particularly visible during the current crisis, there is a potential for the social economy to play a stronger transformational role during the recovery to help communities “build back better”.

Box 2 presents an example of a social economy initiative illustrating how social economy organisations rely on their unique features to provide rapid solutions during times of crisis. What is particularly interesting about the creation of this local production line of masks is that it initially relied on volunteers to sew the masks but this should soon transition into an economically viable project. It is envisaged that the work integration social enterprise partner will continue to be involved in the production of masks, while the initiative will also aim to create employment opportunities for individuals who lost their income due to the crisis.



Box 2. *Masques-Coronavirus.Brussels*: bringing together different social economy practices

Masques-Coronavirus.Brussels is one example of a social economy initiative that brought rapid solutions to pressing problems during the COVID-19 crisis. In the face of personnel protective equipment shortages, two social enterprises from Brussels, EcoRes and Travie, joined forces to meet the urgent demand for masks for frontline health care personnel. EcoRes is a sustainable innovation lab specialised in the circular economy³, which co-ordinated the project, while Travie is a work integration social enterprise that employs people with disabilities. With the support of the Brussels-Capital Region, a collaborative and decentralised production line of masks was established. Students from a professional fashion design school designed the mask pattern and conducted a tutorial on the design; mask kits were pre-cut and prepared by Travie; and the kits were delivered by the social enterprise Urbike to a network of volunteering citizens who sewed the masks according to quality standards. More than 2 000 people were involved and produced 240 000 reusable masks for frontline caregivers in 1.5 months.

This project, which represents both a value chain and an ecosystem in itself, demonstrates the capacity of the social economy to:

- address immediate social needs and improve quality of life for people and their communities,
- react with agility and foster solidarity in extreme situations,
- rally local actors and mobilise different resources (funding, volunteering, knowledge) from a range of actors (government, citizens, social economy organisations, professionals),
- implement innovative ways to co-operate between individuals, organisations and local governments, expanding collective social innovation at a local level, and
- design, experiment and consolidate economic activities.

The social economy is mitigating impacts of COVID-19 crisis and complementing government responses

Historically, during periods of crises, there is a rise in the value placed on co-operation and solidarity. In recent public health epidemics including the current one, financial crises including the 2007-2008 financial crisis, and natural disasters such as the 2004 tsunami, co-operatives and wider social economy organisations were key in helping to reconstruct their community. Social economy organisations are particularly successful in reaching out to the vulnerable groups and re-integrating them into the society, thus filling some of the voids left by the state and the market (see Box 3). This is because they are locally anchored and their core purpose is socially driven.

³ While there is no single accepted definition of a circular economy, it is generally understood that the “transition to a circular economy” entails a reduced demand for natural resources, and the materials that are derived from them (McCarthy, 2018^[34]). Breaking with the “Take-Make-Waste” linear economy, a circular economy is based on the principles of designing out waste and pollution, keeping products and materials in use, and regenerating natural systems (Ellen Macarthur Foundation, n.d.^[38]).



Box 3. The social economy and its role in addressing market and state failures

The COVID-19 crisis has allowed the social economy to demonstrate its true capacity and assets in addressing market and state failures.

Market failures: Economic theory dictates that, in a perfectly competitive economy, the market is the most efficient mechanism to provide goods and services. However, the market “fails” when the conditions of pure and perfect competition are not met, namely when the nature of goods and services is not exclusively private (i.e. collective goods), when the information is not circulating perfectly (information asymmetry) or when there is a concentration of actors (oligopoly, monopoly). These situations can lead to unbalanced transactions, exclusion of the most vulnerable from economic transactions or insufficient consideration of collective interest, negative externalities and insufficient attention to the interests of future generations. In some circumstances, the state provides a public solution, for example in the case of the production of collective goods (see below) (Ben-Ner, 2006_[10]). The social economy is another avenue to address market failures (Noya and Clarence, 2007_[11]). Because they are not driven by profit maximisation, social economy organisations are able to use these means to favour social purposes (e.g. non exclusion through differentiated prices, production of collective goods, increase of positive externalities and reduction of negative ones) (Borzaga and Tortia, 2007_[12]). Social economy organisations also present trust signals (social mission, inclusive governance, non-profit nature, proximity, presence of volunteers) that make them more credible or capable in the production of collective or trust goods to reduce opportunist behaviours (Ben-Ner, 2006_[10]) (Steinberg, 2006_[13]). They can also act as a counter-power by gathering the interests of the vulnerable in the market (e.g. consumer co-operatives) (Spear, 2000_[14]).

State failures: The state produces goods and services through public enterprises, administrations and agencies to correct market failures (e.g. collective goods) and/or because it results from a collective choice to keep some fields out of the law of supply and demand (e.g. depending on the country – healthcare, education, public transportation, public radio and television, utilities, banks). However, in certain circumstances, the state “fails” in assuming this production role due to: bureaucratic inefficiency, budget constraints, lack of co-ordination across different sectoral policies, and the interests of the median voter that orientates government’s choices. Social economy actors are recognised as natural partners in complementing public action, especially in the production of collective goods (Noya and Clarence, 2007_[11]). They are perceived as more flexible, proposing innovative and differentiated approaches that address heterogeneous demands, they face lower production costs, and are able to mobilise additional resources (revenues from sales, donations, volunteering, sponsorship, etc.) (Borzaga and Tortia, 2007_[12]) (Steinberg, 2006_[13]) (Young, 2008_[15]).

The social economy is also seen as favouring preventive approaches to save future costs or explicitly reduce the negative externalities⁴ of economic activities. Such costs savings often concern public expenses, for example in healthcare (by preventing disease or injury) or unemployment benefits (through the action of work integration social enterprises). The social economy permits a better allocation of resources in the provision of some services and goods. This is one of the reasons why regional development approaches and strategies are increasingly leveraging the potential of the social economy (OECD, 2020_[16]). Because of the specific features of social economy business models (Figure 1), the social economy produces additional positive effects on public expenses (e.g. savings of costs), on individuals (e.g. empowerment), on territories (e.g. co-operation in local ecosystems) and on society (e.g.

⁴ Externalities are among the main reasons governments intervene in the economic sphere. Externalities are the indirect effects that have an impact on the consumption and production opportunities of others, but the price of the product does not take those externalities into account. As a result, there are differences between private returns or costs and the returns or costs to society as a whole (Helbling, 2010_[36]).



social cohesion). **These mitigating and prevention functions make the social economy a natural and trusted partner of government and civil society more generally.** They collaborate to complement public action in specific areas (health, social services, education, fight against poverty, work integration) (Noya and Clarence, 2007^[11]) (Mendell, 2014^[17]) (OECD, 2013^[18]). This partnership is especially appreciated during times of crisis, wars or epidemics, because the social economy can act rapidly, develop partnerships in an effective manner through their networks, and act as a trusted partner.

The social economy reacted quickly to address the urgent social needs arising from the COVID-19 crisis, helping mitigate crisis effects. A recent survey of social enterprises in the United Kingdom has confirmed that, despite intense difficulties to keep operating for many social enterprises, 96% of respondents said that they are actively supporting their community, staff or beneficiaries to deal with COVID-19 on top of managing their social enterprise. The main actions of the social economy across OECD countries have included:

- **Providing a range of crucial services related to health and social services.** Since medical capacity was stretched supporting the influx of patients, organisations such as *SOS Medecins* in France were alleviating the pressure on the health service. This service provided doctor home visits for those who needed assistance and medical checks, reducing the number of unnecessary hospital visits. In the United Kingdom, during the crisis, over 30% of all National Health Services community nursing and other services were provided by social enterprises (Social enterprise UK (SEUK), 2020^[19]).
- **Adjusting their operations to serve those in need during the crisis.** Many social actors adjusted their operations to respond to immediate needs (e.g. food, health, assistance) of vulnerable and isolated communities, or ensured continuing employment for vulnerable individuals. Organisations like *La Cantine pour tous* in Quebec, Canada, which previously provided healthy food for kids in schools, has worked with partners to serve 1 500 dishes per day to relieve hunger of vulnerable groups such as the elderly during the lockdown period in Canada. *Progetto Quid* in Italy shifted its operations from sustainable fashion into production of reusable face masks, and continued to employ vulnerable women, providing them with income opportunities. Initiatives like these have supported the government with the provision of essential services (such as the provision of food, health services or social support for the elderly and isolated individuals), but these services have been provided in a socially responsible manner.
- **Developing partnerships with local authorities to help provide services and mitigate the direct impact of the crisis, especially for the most vulnerable groups.** Reliable partnerships have been built between social economy organisations and governments to help mitigate the impact of the crisis, particularly at the subnational level (regions and municipalities) which is often responsible for critical aspects of containment measures, health care, social services, and local economic development. Many municipalities were under pressure to provide assistance to at-risk groups, including a large share of the elderly population. For example, the *Swedish Association of Local Authorities and Regions* together with the *Swedish Civil Contingencies Agency* entered into an agreement with social economy organisations to help the elderly, and other at-risk groups, with grocery shopping and collection of medications during the COVID-19 crisis. This partnership helped to ensure the provision of essential services to all 290 Swedish municipalities, many of which are in rural areas.
- **Helping governments cope with the crisis with concrete bottom-up solutions.** Social economy actors are experts of what works and what doesn't at the grassroots level and are driven by the desire to improve the socio-economic system for the better, which makes them a valuable source of information. Many governments organised events to identify new solutions to COVID-19 related issues. In Germany, the *#WirVsVirus* (translated as "we against the



virus”) hackathon was held virtually on 20-22 March 2020 organised by Germany’s federal government in partnership with social economy organisations. Over 40,000 participants spent the weekend working on projects that tackled one of 48 different challenges around the COVID-19 crisis. After two days of coding and conference calls, over 1,500 projects were proposed to the jury. The social economy, like other actors, benefitted from opportunities provided by digitalisation to mobilise stakeholders and help in the provision of goods and services (see Box 4).

Box 4. Social Economy and Digitalisation

Like traditional enterprises, social economy organisations too are taking advantage of the opportunities offered by digitalisation.

Digital platforms have been crucial for the mobilisation of volunteers, identification of those in need during the COVID-19 crisis, and information sharing from local and regional authorities with locally-based organisations. The Belgian digital platform *#OurCityHelps* was shared for free with the municipalities in Belgium and identified volunteers across the country, as well as being utilised as a platform for requests for help. Digital platforms were also used to identify and finance relevant solutions. In Spain, *La Bolsa Social* (Social Stock Exchange), an equity crowdfunding platform, used its platform to create a collective and participatory investment vehicle, in partnership with the other investors, to support start-ups working on solutions to the challenges posed by the COVID-19 crisis.

Digital platforms are also used to crowdsource ideas. With more businesses and governments applying “open innovation”, not relying on their internal resources or knowledge, many of the organisations involve social economy actors in their innovation, especially when developing a new product or service around societal issues. Social economy organisations have a clear understanding of the demands and issues faced, as well as trends at the grassroots level, which makes them valuable contributors when developing a novel product or service relevant to the areas of their operations. This power of ideas has been demonstrated by numerous hackathons organised around the world, including during the COVID-19 crisis, such as the *#WirVsVirus*.

Although digitalisation brings enormous benefits, a digital divide exists, particularly among segments of the community who do not have the skills or necessary hardware. This digital divide has been put into stark relief during the COVID-19 crisis. Social economy actors have sought to address this issue. *Molengeek*, a Belgian social economy organisation, has collected and refurbished used computers from the public and private sectors, providing them to disadvantaged families to ensure children continue schooling activities.

How can the social economy help transform societies following the crisis?

Over the last two decades, the social economy has intensified its efforts to “transform” society by implementing innovative and value-driven economic practices and models that are built around a social purpose or citizen-based. Moreover, the social economy has created new alliances involving citizens, policy makers, SMEs, universities and other stakeholders, focussed on socially innovative projects that support local economies and communities. Social economy organisations have identified and developed niche opportunities, and consequently have unlocked new sectors that were subsequently taken up by traditional enterprises.

Social economy organisations have pioneered alternative ways that enterprises create, capture and share value, as well as develop collaborative, circular and inclusive practices and models. By successfully demonstrating these alternative ways of conducting economic activities, social economy



organisations inspire other economic actors to act differently, “mainstreaming” these practices. Examples of this include organic and local food or fair trade products, which are now found in mainstream supermarkets.

Social economy organisations can help transform society and the economy by:

- Exploring alternative business models and inspiring sustainable and inclusive practices:** Social economy actors have emerged in sectors where the mainstream economy was traditionally dominant. In Europe, renewable energy community initiatives (*REScoops*) are playing an important role in the energy transition by fostering renewable energy sources and promoting citizen-based energy systems. Co-operative supermarkets (such as *Park Slope Food Coop* in New York, *La Louve* in Paris or *BEES Coop* in Brussels) are member-owned food stores where consumers are also owners of their co-operative. This alters the traditional shop owner-consumer relationship and results in the promotion of local and organic food, affordable pricing for the local community, as well as encouraging local participation and empowerment. Non-profit cinemas (*Cinéma Beaubien* in Montreal or *Les Grignoux* in Liège) provide cultural offerings beyond traditional mainstream offerings by supporting art and independent films without excluding commercial (local) films to sustain the business model. Instead of focussing on profit maximisation, these organisations provide: a local cultural institution that fosters social cohesion; events that are affordable to the local community; educational activities to schools; local employment; and the promotion of local culture in their communities.
- Unlocking new sectors:** Social economy actors identify economic opportunities in niche sectors, demonstrating the sector’s economic potential and helping to structure this sector of activity. In Belgium, social economy organisations have been pioneers in developing the textile recycling sector since the 1960s, combining the development of the green credentials of this sector by selling the best pieces, and utilising the worst pieces for other purposes such as insulation, while also running a work integration programme that creates and maintains employment for vulnerable groups. These organisations work together as a federation to streamline textile collection and exchange best practice. The success of these actors in developing this sector is demonstrated by new economic actors entering this field, including private for-profit actors, strengthening the sector and intensifying competition.
- Providing services in remote areas and revitalising territories:** The values of the social economy actors, such as being locally based and serving their members or the community, make them valuable partners to revitalise territories or develop activities that are less attractive to mainstream economic actors. Electricity and telecommunications co-operatives played a significant role during the 1930s in transforming the rural economy of the United States. The co-operative group *Mondragon* has been a partner in revitalising the Basque Region and maintaining employment after the Spanish Civil War and during the second half of the 20th century. During the COVID-19 crisis social economy actors also played an important role in providing services in remote areas. For example, in Italy, some cooperatives provided free delivery services for the seniors in remote areas; in the USA, the associations supported the Government by delivering meals to students in a limited number of rural schools closed due to COVID-19 (see the OECD policy note *Policy implications of Coronavirus crisis for rural development* (OECD, 2020_[20])).

Interest in the social economy has increased in recent decades, spurred by changes in consumer habits that pay more attention to the origin and manufacturing process, and demand products which are produced sustainably and ethically. Indeed, some citizens are questioning all their economic choices, not only as a consumer but also as a saver, worker, entrepreneur or volunteer (Mertens, 2020_[9]). The social economy provides an opportunity to make alternative economic choices, be actively involved in the economic sphere and help reshape societies.



Inspiring social economy initiatives that emerged during the COVID-19 crisis confirm the capacity of social economy organisations to adopt successful alternative business models, as well as cultivate the common good, social innovation and collaboration. Social economy actors were able to rapidly mobilise local stakeholders to co-design place-based and socially innovative solutions, relying on – or sometimes developing – local value chains (see Box 2). In France, in the rural area of Auberge-Vingeanne-Montsaugonnais, one challenge was to implement solidarity channels for the most vulnerable and isolated individuals. Social economy organisations have been playing a significant role in providing healthcare, food supply and information services for these vulnerable groups, and identifying at-risk individuals. Social economy organisations have collaborated closely with local authorities, creating solutions, sharing experiences and information, demonstrating the value of these organisations' local knowledge and networks (particularly important in isolated regions), and showing the positive results of dialogue and co-development of solutions at the local level.

The social economy can benefit societies both during and after the COVID-19 crisis in four spheres:

- **Economy:** The social economy contributes to economic development, especially to local economic development, by stimulating economic activity and creating employment, particularly for vulnerable people who are often excluded from the labour market, contributing to GDP growth. Social economy organisations instil responsible practices, as well as sustainable and inclusive models
- **Society:** The social economy contributes to social cohesion, particularly at the local level, by reducing inequalities through the provision of goods and services for the less well off, and fostering social capital and a sense of community by involving citizens in their activities, in different ways (e.g. as volunteers or members of co-operatives and associations).
- **Citizens / Individuals:** The social economy is also beneficial at an individual level, as it provides basic services, often as a back-up to government services, especially for the most vulnerable groups. It provides opportunities for citizens to participate in local projects that positively contribute to society.
- **Territories:** Social economy organisations are strongly rooted in the territory where they operate, which facilitates the rapid mobilisation of local stakeholders to address urgent needs. These organisations are also significant actors in local and regional economies as they create local jobs, reduce economic and social disparities in cities and rural areas, and revitalise communities (OECD, 2020^[16]).

The social economy can reshape the post-crisis economic and social systems by inspiring socially and environmentally responsible practices among economic actors and by scaling social economy business models. Scaling strategies for social economy actors, such as co-operatives and social enterprises, increase social impact and include replicating activities in new geographical areas to reach new target populations, diversifying activities, and empowering individuals and groups to actively take part in social innovation processes.



Box 5. How can the social economy inspire the mainstream economy to achieve a sense of social purpose?

The current economic system has improved the living standards of some segments of the population, but often with detrimental ecological and social effects. There has been a call to for-profit firms to re-think their business models (de Woot, 2013^[21]) to include more socially and ecologically responsible business practices.

Corporate Social Responsibility (CSR) seeks to integrate, on a voluntary basis, social and environmental concerns in a company's activities and interactions with their stakeholders. CSR seeks to account for and remedy the negative effects of corporate activities. To be more socially responsible, companies implement more sustainable and inclusive practices. Social economy actors can inspire these practices that take into account ecological and social requirements, as well as different relationships with stakeholders via co-operation between economic players and inclusive governance, for instance.

CSR has also led to the development of principles and standards of **Responsible Business Conduct (RBC)** which argue for businesses to avoid and address negative impacts of their operations, while contributing to the sustainable development of the countries in which they operate. RBC involves integrating and considering environmental, social and human rights issues within core business activities, including throughout the company's supply chain and business relationships (see the OECD policy note *COVID-19 and Responsible Business Conduct* (OECD, 2020^[22]) prepared by the [OECD Centre for Responsible Business Conduct](#)).

Another corporate movement concentrates on the creation of **shared value** (Porter and Kramer, 2011^[23]). This approach seeks to develop opportunities to create economic value upon social and environmental challenges. Emerging economic trends, such as the circular economy (that includes green concerns), the inclusive economy (that addresses bottom-of-the-pyramid needs), and the collaborative/sharing economy (that revisits the interactions between the players of an economic transaction) are clearly part of this new approach. As illustrated above, social economy actors have pioneered activities and business models that consider the "triple bottom line" and produce social and environmental value while also creating economic value. In the last five years, the global **Social Purpose movement** provides an even more integrated approach to socially responsible and sustainable business practices whereby societal responsibility is embedded into the core of a company's business model. By placing common good and social impact at the heart of their mission and business models, social economy actors are sources of inspiration for this new trend, especially to demonstrate how to reconcile that triple bottom line but also how to revisit economic relationships and rebuild them on cooperation.

Environmental Social and Governance (ESG) criteria have also emerged and are used to assess the performance of enterprises. The criteria consider environmental issues such as climate change and resource scarcity, social issues such as a company's labour practices, talent management, product safety and data security, as well as governance issues such as leadership, relationships with main stakeholders and transparency. ESG issues are increasingly relevant for institutional investors and a number of organisations have been promoting ESG reporting. Different approaches have been developed, such as guidelines for informed business decisions and indices of sustainable investment in capital markets. These guidelines cover a variety of topics from revenue, assets, and profits to human rights, labour, the environment, and anti-corruption. Companies are offered relevant templates, training programmes, and databases to assist them in fulfilling their reporting obligations. Each initiative targets different companies: for example, the [UN Global Compact](#) and the [Global Reporting Initiative \(GRI\)](#) address companies and non-businesses, whereas the [OECD Guidelines for Multinational Enterprises](#) are addressed specifically to multinational enterprises (OECD, 2011^[24]). The [OECD Business for Inclusive Growth \(B4IG\)](#) initiative, encouraging major international businesses to tackle inequality and promote diversity in their workplaces and supply chains, is another effort to foster a sense of social purpose among firms.



Social economy actors and the COVID-19 crisis: main issues

Similar to traditional large and small enterprises, many social economy actors have been affected by the COVID-19 crisis and are having difficulty operating during this period. However, unlike many SMEs, social economy organisations often deliver essential services and help prevent future negative impacts of the crisis, working with the most deprived communities and employing those often furthest from the traditional labour market, notably disadvantaged and vulnerable groups.

Short-term future of social economy organisations

The risk of the COVID-19 crisis is that many of the social economy actors who used all their resources in the emergency response, might not be able to continue to operate in the future due to short-term liquidity issues. As shown in various surveys, the majority of social economy organisations indicate that their situation will worsen without further support from the government. Differentiation should be made between social economy organisations whose primary source of income is based on commercial revenues (sales of services or goods) and those more reliant on public grants. The latter group is least likely to report high expected drops in turnover over the coming year.

Like firms in general, certain types of social economy organisations are experiencing notable drops in activity. A survey in Korea indicates that social enterprises were expecting a worsening of their situation due to reduced cash flows (85.1% of respondents), a drop in sales (83.7%) and disruptions with personnel management (49.5%) (International Labour Organisation (ILO), 2020^[25]). In France, a recent study from the work integration enterprise association reported that 95% of their economic activity was affected by the COVID-19 crisis and that work integration social enterprises would lose around 27% of their projected revenues for 2020 (Ernst and Young, 2020^[26]). In the New Aquitaine Region of France, around 75% of social economy organisations have reduced their activity and 45% report a turnover loss of at least 50% in March and April 2020. In the same region, 70% of social economy organisations mentioned that the COVID-19 crisis endangers their viability, and that for one in every three organisations, it happened immediately (Duforestel, 2020^[27]). In Belgium, the crisis has hit the sector of work integration social enterprises hard, 85% of the workplaces have seen their activity reduced to 40% of normal capacity or lower, and 21% with no capacity whatsoever (EASPD (European Association of Service Providers with Persons with Disabilities), 2020^[28]). In the United Kingdom, 59% of social enterprises that responded, expected demand for their business to decrease due to COVID-19, with 36% expecting an increase (Social enterprise UK (SEUK), 2020^[19]).

Differentiated impact on social economy organisations

The economic impact of the COVID-19 crisis on social economy organisations varies greatly depending on a number of factors including the sector of activity, as well as the organisation's size, age, operational mode and financial structure. This diversity calls for differentiated support measures and creates a real challenge for policy makers to find relevant instruments. For example, survey data indicates that, in the New Aquitaine Region of France, social economy organisations younger than five years and having fewer than 10 employees are most affected by the crisis, while large social economy organisations cope better with the crisis (Duforestel, 2020^[27]).

The COVID-19 outbreak had a substantial impact on social economy actors, pushing them to adjust the way they operate to ensure cash flow, and to identify new opportunities (such as production of face masks) to stay afloat. Many social economy organisations had to revisit their business/operating models and for some, close down some of their activities in order to ensure the financial sustainability of their organisations. Some of the reasons why social economy actors were more impacted than firms in general by this crisis in particular given its scale and nature are:



- **Limited security cash/reserves.** Most social economy actors do not have large cash reserves due to the structure of their financial model, often only having reserves for a few months. For example, social economy organisations that are heavily reliant on public funding are unable to accumulate large cash reserves as public funds are generally dedicated to specific purposes/activities and are required to be used in their entirety. Cash reserves are often only possible when the organisation has revenue from other sources (sales and/or donations). Even when such reserves are possible, social economy actors may favour the achievement of their social purpose over significant accumulation of reserves.
- **Difficulty accessing particular skill sets.** Many social economy organisations do not require or have not developed the same advanced skill set as similar private sector organisations, such as skills for financial forecasting, internationalisation or digital communication.
- **Operating model dependent on volunteers.** Measures taken by many governments due to the COVID-19 crisis often prevented volunteers from continuing their support of social economy organisations. Social economy organisations had to find new ways to source volunteers to ensure their essential operations were maintained during the crisis and beyond.
- **Inability accessing government support programmes due to specific legal frameworks.** Social economy organisations have a variety of legal forms or status ranging from not-for-profit organisations, that may not distribute profits to their members and founders (e.g. associations or foundations,) to organisations that may distribute a portion of their profits (e.g. co-operatives or social enterprises). This diversity of legal forms and status has hampered the ability of some social economy organisations to access governmental support programmes.

How can policy makers support the social economy to play its transformational role?

Policy makers are paying increasing attention to the social economy and how to support it, especially during the COVID-19 crisis when its contribution has been essential. Governments rapidly put in place measures for all economic players, including social economy organisations, to respond to the immediate economic impacts of the crisis. However the specific measures adopted to support small and medium enterprises (SMEs) (see OECD policy note *Coronavirus (COVID-19): SME Policy Responses* (OECD, 2020_[29])) sometimes overlooked social economy actors, despite the fact that some of these actors have the relevant organisational and financial models to act as SMEs. Many countries have addressed the ineligibility of social economy organisations to specific measures by enabling their access. A number of relevant measures applied by local authorities, such as the provision of information in the early days of the pandemic, has also been detailed in the OECD note *From Pandemic to Recovery: Local Employment and Economic Development* (OECD, 2020_[30]). Specific policy measures were needed to address the needs of social economy actors and support them in providing rapid and place-based solutions to overcome the crisis.

Table 1 provides a summary of the main measures applicable to social economy organisations since the COVID-19 crisis began. The initial response in the first few weeks was focused on the survival and strengthening of such organisations. More recently, measures have focussed on supporting further development of the social economy in its transforming role.



Table 1: Summary of major policy response measures to support social economy organisations during and after the COVID-19 crisis

Measures	Urgent response phase (typically first weeks)	Consolidation phase (typically first months)	Transformational phase (during and post-COVID)
Financial support	Financial support to help social economy organisations cover their fixed costs via grants and accessible loans (part of programmes to support firms in general or the social economy in particular)	Continued easing of access to finance through credit guarantee schemes	Grants and loan access for social economy organisations with a focus on development of new business models, experimentation for social innovation and scaling
Deferral	Deferral of payments (taxes, social security contributions, etc.)		
Access to market		Public procurement to engage the social economy as a supplier under exceptional circumstances (masks, caregiving, consulting)	Public procurement schemes that integrate additional social and greening clauses
Labour market	Job retention and unemployment support schemes to allow social economy organisations to preserve workers during the crisis		
Business development support	Provision of information on the general business development support programmes available as well as guides on how to address COVID-19 as employers	Support with the development of the necessary skills to adjust operations through online capacity building, for example for teleworking or adjusting production	Development of tools to help social economy organisations evaluate their impact
Promoting cooperation	Creation of collaboration tools with social economy organisations through online discussion to inspire actions	Better coordination between various government initiatives and development of new partnerships to explore novel solutions and social innovations	Involvement of the social economy in strategic discussions to transition to a more inclusive and sustainable local development model; development of a dedicated strategy and action plan
Visibility enhancement		Improved visibility of the social economy through promotion of the sector, campaigns to buy local (and social), and better social impact measurement tools	
Safety-related	Distribution of personal protective equipment for selected sectors to social economy actors		

Source: OECD

Early stage policy responses focus on organisation survival

During the first few weeks of the crisis, government efforts focused on ensuring the survival of social economy organisations and developing new partnerships crucial for the delivery of basic services. Most countries applied an approach involving one or more of the following elements:

- **Financial support to help with fixed costs via grants and easily accessible loans.** Although many social economy actors benefited from general support measures provided to organisations, some governments implemented special access schemes to ensure that all types of social economy organisations could access support measures. For example, in the Italian region of Basilicata, a fund with a cap of EUR 350 000 per co-operative was created to support their capitalisation and maintain employment levels. In France, a number of funds were created at the subnational level to provide facilitated access to loans – in the region of New



Aquitaine, *Banque des Territoires* and *France Active* created a EUR 2 million Solidarity and Proximity Fund for social and solidarity economy organisations to provide short and medium term loans with a deferred repayment mechanism. There are also numerous examples at the national level, such as the Canada Emergency Business Account (CEBA) interest-free loan of up to CAD 40 000 for small businesses and not-for-profit organisations to help cover their operating costs while their income is temporarily reduced.

- **Deferral schemes for taxes, social security contributions and rents for public space.** Schemes which improve the cash flows of social economy organisations has been critical. Many countries allowed organisations to delay local taxes, VAT, income taxes as well as social security contributions, typically for three or six months (see the OECD policy note *Coronavirus (COVID-19): SME Policy Responses* (OECD, 2020^[29])). Governments have also provided flexibility in relation to deadlines for the submission of administrative documents and allowed deferral of tax declarations, for instance.
- **Job retention and unemployment support schemes,** were put in place by the majority of OECD governments (see the *OECD Economic Outlook 2020* (OECD, 2020^[31]) and the OECD policy note *Job retention schemes during the COVID-19 lockdown and beyond* (OECD, forthcoming^[32])), enabling organisations to implement short-time work schemes seeking to preserve jobs at organisations that experienced a temporary drop in demand for services or products. Access to unemployment benefits and related income support schemes was also adjusted in most OECD countries to provide more financial support to those who lost their job because of the COVID-19 consequences. These support programmes are typically limited in time and last for a period up to one year. In the United Kingdom, the Coronavirus Job Retention Scheme covered up to 80% of staff “furloughed” due to COVID-19 to dissuade employers from making workers redundant. In France, a temporary layoff programme allows employers to register their staff for a COVID-related temporary unemployment indemnity programme. However, the variety of legal forms of the social economy has sometimes created a need for an urgent reaction. For example, the Spanish Confederation of Social Economy Enterprises (CEPES) collaborated with the Spanish government to allow all social economy organisations to apply for the ERTES (Spanish short-term/temporary unemployment scheme) under the same conditions as other companies.
- **Provision of information on support schemes.** Governments have facilitated access to information, allowing them to better understand available support schemes and eligibility criteria. Korea has developed leaflets on health-related issues concerning COVID-19 for workers in social enterprises as well as available economic support packages and programmes for enterprises (including social enterprises) to help cover expenses. In addition, Korea also included an action plan if social economy employees contract COVID-19.
- **Tools for collaboration.** Governments have supported the development of tools to promote collaboration between the social economy and other stakeholders such as the private sector and citizens. They have also helped with tools to link volunteers with social economy organisations. Governments in Spain, Germany, Belgium, France, Canada and Slovenia have supported the development of volunteering platforms, various hackathons as a way to solve challenges created by the COVID-19 crisis, as well as support social economy actors in their digitalisation process.
- **Distribution of personal protective equipment** such as hand sanitizers and face masks to social economy organisations, prioritising those working in the health and care sectors. In some countries, social economy organisations were excluded from receiving personal protective equipment as decision makers did not associate them initially as actors of the healthcare system.



Consolidation phase policy responses focus on supporting adjustment to new operational methods

Measures and instruments in the consolidation phase promote organisational changes and offer assistance to adjust operations to the new realities. This phase is also characterised by the need to develop new skillsets (for example digital skills/ trainings) to be able to operate in the changed environment with new sanitary and socio-economic measures. This is accompanied by the need for closer collaboration between different levels of government to ensure consistency and the need to develop partnerships with social economy organisations. In order to address these issues, governments are implementing the following initiatives to support social economy organisations:

- **Continue the process of easing access to finance for the social economy**, by providing grants, loans and other financial services for the provision of funding to support social economy organisations to overcome the crisis and reshape their business models to prepare for the post-crisis environment. For example, in May 2020, the Bundestag in Germany approved a proposal to define social enterprises, develop a cross-departmental plan to promote social innovation and social enterprises, remove potential access barriers to funding opportunities, and establish a programme for research and development of social innovations.
- **Support with access to market.** Given the difficulty to sell products or services, especially for some sectors of the social economy such as hospitality or consulting, public procurement is being used as a way to engage the social economy as a supplier under exceptional circumstances. For example, Montreal has launched a dedicated CAD one million fund to finance calls for proposals from social economy organisation providing support to small enterprises in the city struggling due to the COVID-19 crisis.
- **Develop the necessary skills in social economy organisations.** The COVID-19 crisis calls for new skills that social economy actors need to operate given the new reality. This support covers a variety of areas, such as assisting organisations to better use teleworking, developing new business models, and ensuring that support and advice is available to social economy actors. All around France, *France Active* in partnership with its 40 local associations, and with support of the government, promotes the provision of loans and provides advice to social economy organisations to improve their financial management skills.
- **Better co-ordination between various governmental agencies** to avoid duplication and improve the efficiency of initiatives, including those covering social economy organisations. Since many government agencies had to develop support programmes in a very short period of time, there has been duplication of efforts which creates confusion for applicants. To address this issue, in Spain an inter-ministerial commission was set up to ensure co-ordination within the government, while an inter-territorial commission was established to support co-operation among different levels of government.
- **Improved visibility of the social economy.** Governments have a role to play in educating consumers about supporting local firms and the solidarity economy. A number of governments, especially at subnational level, have developed initiatives to promote local consumption. *Le Panier Bleu*, an initiative of the Quebec government, provides online links to local producers, encouraging Quebec residents to buy local. In Korea, the government supported the online sales of products developed by social economy organisations and promoted their private consumption.



Policy responses beyond the immediate COVID-19 crisis should leverage the impact of the social economy as a transformational force driving systemic change

One of the assets of the social economy is its potential to bring systemic change. Social economy actors are close to grassroots communities and are among the first to spot changes in society, including behavioural changes. Social economy actors have proven their ability to spot early trends such as the demand for fair trade products as well as organic and green products or support for waste recycling. They have worked to mainstream these concepts over time. The COVID-19 crisis provides an opportunity to scale-up the social economy so it can play a greater role in transforming societies. Such actions would contribute to fulfilling the Sustainable Development Goals (SDGs). There is also a high expectation by citizens that the recovery should be fairer and greener compared to the recovery following the 2008 Global Financial Crisis, but it would require better collaboration and changing priorities.

Social economy actors and policy makers will need to work together with other stakeholders (including academia, citizen-based organisations and private sector organisations) to bring about this transformation. This is especially important for the development of a strong local network, where local companies and the social economy could work together by experimenting and implementing new responsible practices. To help the social economy play its transformational role, policy makers could consider the following policy options:

- **Provide financial resources for social economy organisations that promote social innovation and to adapt business models/operations.** Policy makers should strive to create an environment that promotes social innovation and experimentation and help the most promising examples to scale up, including the internationalisation of relevant practices. This requires not only the right policy framework, but also dedicated funds which could absorb the risk of experimentation and promote collaboration and development of prototypes. While there are many resources for technological innovation, those for social innovation also merit notable investment. The Irish EUR 5 million *Innovate Together Fund* focuses on addressing critical social or environmental issues related to the COVID-19 crisis and provides grants to non-profit organisations.
- **Increase public procurement schemes with a focus on sustainable and inclusive social procurement.** Sustainable public procurement, as well as procurement with social impact, harnesses existing expenditure on public procurement and directs it towards green and inclusive growth and the attainment of sustainability objectives. This is in line with UN SDGs (goal 12.7) that promote sustainable public procurement practices. Many governments have encouraged their administrations to use it as a tool to support social economy organisations. Korea promotes its preferential procurement scheme with pre-purchase and direct contracts for relatively small amounts (under around USD 40 000) with social economy organisations. Germany has released a two-year EUR 130 billion coronavirus economic recovery programme which contains a number of measures to boost green or environmentally friendly development.
- **Develop a common vision and promote collaboration with the social economy.** Representatives of social economy organisations could be an asset in the development of a number of policies if involved from an early stage. An agreed vision of their contribution and role in development at national and subnational levels could be beneficial. This role should not be decided in isolation and a dedicated task force or a collaborative space involving policy makers, the private sector, the social economy, civil society organisations and academia could discuss their new vision, and where social economy organisations might be of most value to support that systemic change. Social economy organisations should be involved in strategic discussions to prepare for the period after the immediate sanitary crisis, such as representation at relevant meetings of the various ministries, subnational authorities or committees to see whether social economy actors could contribute to the various initiatives and bring their



knowledge and experience. Such discussions are already taking place in several countries, for example the Resilience Management Group in Belgium composed of 100 researchers and representatives of 180 enterprises have developed an action plan (Plan Sophia) involving 200 measures to help transition the country towards more sustainable and inclusive growth. The plan was presented to the federal and subnational governments with a number of its actions adopted. The city of Amsterdam, in post-pandemic recovery plan, is shifting from a traditional model to a new approach relying on “doughnut economics”⁵ that addresses poverty and social needs while also ensuring environmental sustainability.

- **Continue to increase the visibility of the social economy through development of tools to help organisations evaluate their impacts as well as share data and best practice.** The COVID-19 crisis has demonstrated the value of social economy organisations, yet relatively little data exists on the impact they have created. Supporting the development of appropriate tools and methods, as well as their adoption by social economy organisations, could help organisations better demonstrate their impact.

The way forward

The COVID-19 pandemic has driven numerous changes to economic activities and the way societies function, bringing the role of the social economy to the fore. Addressing these challenges has prompted policy makers to rethink how to better protect citizens and deliver necessary services in a more efficient manner. The crisis accelerated the emergence and increased visibility of inspiring social economy and social innovation initiatives, showcasing their positive contributions in empowering people, reinforcing place-based dynamics and reshaping enterprises and territories.

Social economy organisations have proven to be an important element in mitigating the effects of the pandemic. They not only support governments by addressing sanitary issues related to COVID-19, they are also serving as a trusted partner ensuring a better allocation of resources in the provision of some goods and services sorely needed to address immediate concerns.

The current situation offers momentum to take bold, courageous decisions to build a more sustainable and inclusive future. The COVID-19 crisis calls for a rethinking of the balance of the objectives of efficiency and resilience in different areas of economic and social systems. Post-crisis efforts can be turned into an opportunity to improve people’s lives and stimulate innovation. This is where social economy organisations can release their full potential. More precisely, the social economy can reinforce the transition towards more resilient societies through its principles (solidarity, co-operation, social impact) and practices. The social economy can inspire responsible practices among mainstream economic players, showing that it is possible to reconcile economic objectives with environmental and social requirements. The social economy also expands collective social innovation and sustains new forms of partnerships, gathering diverse actors with their respective expertise and perspectives on current challenges. The social economy provides a credible and value-driven path to transition towards more inclusive, sustainable and resilient systems in a post COVID-19 world.

A mix of policy measures is needed to help social economy organisations survive in the short term and help shape our societies in a more sustainable and inclusive way for the future. Governments

⁵ Kate Raworth’s “doughnut economics” focuses on meeting the needs of all within the means of the planet. It ensures internationally agreed minimum social standards (social foundation) are met without exhausting the planet and causing unacceptable ecological degradation (environmental ceiling) (Raworth, 2017^[37]).



can use this opportunity to develop a shared vision of their future to “build back better”, and social economy actors should have a seat at the table. An action plan to implement that vision would help set a roadmap to which social economy organisations can actively contribute. Policies which promote social innovation and co-operation can assist social economy innovations to scale up impact. To achieve this, social economy organisations will require continued and diversified financial resources, and support to professionalise as well as become digitally savvy in exploiting relevant tools (open source, co-operative platforms). Finally, the development of shared data and information on impact will help keep track of this progress and redirect efforts towards areas with the most fruitful results.



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