



Social Services Europe

**SSE Contribution to the EC Call for Evidence for a
Commission Proposal for a Council Recommendation on Social Economy Framework Conditions**
(Final Version of 30 September 2022)

Social Services Europe (SSE) welcomes the European Commission proposal for a Council Recommendation to be presented in 2023. SSE contributes to this recommendation due to our extensive knowledge of the realities and needs of not-for-profit social services providers within the social economy. SSE also highlights that more than a third of the (estimated) 13.8 million paid jobs in the social economy are provided by social services.

Therefore, SSE recommends the following:

- **Promote socially responsible public procurement (SRPP)** when public procurement is deemed the right way to proceed for the commissioning of services, e.g., for reserved markets to boost employment for disadvantaged workers. Ideally SRPP should be the approach to guide all procurement of services or goods. Additional training and awareness raising activities should be provided in EU Member States (MS) to ensure commissioning authorities are able to implement SRPP in their calls for tenders and undertakings.
- **Promote legal and political recognition for alternative instruments to public procurement** (respecting the general principles of EU law). As noted above public procurement is not always the correct funding mechanism through which to finance social service provision.
- **Revise State Aid rules to ensure more accessibility to not-for-profit social services within the social economy.** In the context of the upcoming revision of EU State Aid rules, SSE calls for a significant increase of the threshold of de minimis aid and of the threshold for services of general interest (SGEI) to reduce bureaucracy and improve legal certainty for more contracts. MS should ensure a clear connection at national level between the necessity to improve access to funding and to improve existing State Aid rules.
- **Promote and reinforce structured dialogue** in all sectors of the Social Economy, including the social services sector. SSE calls for cooperation at the national level between local and regional authorities and social economy organisations, including not for profit social service providers to be strengthened through regular dialogue, as well as cross-border and transnational cooperation.
- **Nominate social economy ambassadors** as quickly as possible to support social economy organisations, including social service providers, to facilitate access to EU and national funding and to consult with authorities.
- **Ensure investment for the sustainability and impact of not-for-profit social services within the social economy.** Multiple options for funding should be developed beyond public procurement including but not limited to grants and favourable financing options through loans and guarantees. The recommendation should also ensure all actors in the social economy sector, and particularly not-for-profit social services providers are able to put in place the necessary digital and green transitions.
- **Provide training and awareness raising activities** on all relevant areas such as taxation frameworks and State Aid as well mapping and exchange of good practice at all levels.

- **Encourage that any future guidance addresses social economy organisations** and not-for-profit social services providers, respecting their objectives, service mission and the non-distribution constraint for any profits or surplus their economic activities might produce.
- **Address low wages and precarious working conditions in the sector through the proposed national social economy strategies.** Due to underfunding and the negative perception of the sector there are serious challenges in recruiting and retaining staff, resulting in significant challenges in having a qualified and a gender-balanced staff. The result is that a shortage of highly skilled staff can hamper the ability to provide quality services for users and all those in need.

[Social Services Europe](#) (SSE) is a **network of eight European umbrella organisations** – [Caritas Europa](#), [CEDAG](#), [E.A.N.](#), [EASPD](#), [EPR](#), [Eurodiaconia](#), [FEANTSA](#) and the [Red Cross EU Office](#).

