



European Council for Non-Profit Organisations  
Comité européen des associations d'intérêt général



# The European Cross-Border Associations Directive proposal

Why does it matter for national social services?

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JOINT WEBINAR | 27 March 2024, 14h-15h (CET)

# Few words about CEDAG

CEDAG - European Council for associations of general interest (*Comité européen des associations d'intérêt général*) : European network that provides a voice for the non-profit sector at the European level on specific issues which are common to all non-profit organizations and associations

## Objectives

- Structure non-profit associations in Europe as **providers** of services of general interest and **actors of the civil society**
- Bridge national association with EU institutions on topics such as social economy, social services, EU fundings, the recognition of non-profit organisations, the role of associations in civil dialogue and in civil society

# What are we talking about?

Have you ever tried to provide social services abroad? Transfer funds across borders? Transfer your organization in another country? Merge with a partner organisation on the other side of the border? Deal with administrations in building up partnership across borders? Recognize your activities in another country?

Conclusion: no standardized procedure, one answer – Good luck!

ECBA = European Cross-Border Association

- About a Directive: legislative act that sets out a goal that EU countries **must** achieve (proposal of the European Commission to Member States & the European Parliament)
- About **legal forms** of private **non-profit** associations and other non-profit organisations (foundations, mutual benefit societies, etc.)
- About **removing** legal and administrative barriers & Promoting **equity without any discrimination** at the national level between all non-profit associations in the EU
- About **fundamental rights** (freedom of association, expression and information)
- About **recognising** in a European legal text that non-profit associations (2,9 % of EU GDP) are enterprises providing economic services

# Why social services?

As services of general interest, social services support millions of people in various stages in life, such as children, the elderly, persons with disabilities, people at risk or experiencing poverty and social exclusion, homeless people, migrants and asylum seekers and other vulnerable groups. They offer care, support, guidance, education and training services, also with the aim to empower the people needing them.

Not-for-profit/non-commercial social services take various legal forms (associations, foundations, cooperatives, etc.)

Social services providers represent more than 200,000 enterprises employing over 11,5 million employees across the EU27 & UK or 6 % of the total EU workforce; most of whom are employed by not-for-profit social services

Non-profit social services are serving local communities, rooted in territories across countries

Freedom of association is a fundamental right

# What the ECBA Directive has to offer?

**Objective:** Removing legal and administrative barriers of non-profit associations having/willing to have cross-border activities to promote equality of treatment between associations in the EU

**Proposal:** Create the ECBA = a new and additional legal form at the national level in EU member States

## What is an ECBA?

Organisation based on members – natural persons or non-profit organization – (willing to) carrying out activities in at least 2 EU countries and have founding members with links to at least 2 EU countries

## How?

- A single procedure for all by respecting national legislations & other national associations
- Recognition that it is possible to provide services by not seeking profit distribution
- Recognition of non-profit associations (statutes, governance, membership, etc.) & Public benefit aim
- Reduction of legal and administrative burden in ECBA establishment/conversion and recognition (only-once, transparency & automatic/digital) with a ECBA Certificate
- Coexistence with other national associations: equal treatment and non-discrimination with comparable national non-profit associations
- ECBAs can receive and provide fundings

# What are the limitations of the ECBA Directive?

## **Are there any exclusions and limitations?**

Exclusions of trade unions, political parties, religious organisations and convicted/illegal organisations

Competencies of EU countries: taxation, labour rights, intellectual property, anti-money laundering policies, etc.

## **What can be improved and clarified?**

- Consistencies in tax advantages for all ECBAs (donations, public benefit status, etc.) at the national level
- Safeguard requirements for the provision of quality social services and other services of general interest
- Door opener for mutual benefit societies and foundations
- Inclusion of members (people & organization) from outside the EU
- Arbitrary limitations from governments

# What's next and how can you act?

## Legislative process

- March 2024: the European Parliament has reviewed and approved the Directive (1<sup>st</sup> reading)
- As for March 2024: Council of the EU where representatives of EU governments will start the discussion
- June 2024: European Elections
- Trilogue between the Council – Commission – Parliament?

## How to be involved?

- Let's get out of the Brussels bubble : Importance that national social services show and raise interest for this initiative
- [Public consultation](#) of the Commission (Have Your Say portal): deadline 8 April 2024
  - Possible support of CEDAG and Social Services Europe
  - Contributions already submitted: [ALL](#), [Social Services Europe](#), [Civil Society Coalition](#)
- Relay your concerns, liaise & support European network

THANK YOU 😊

For any questions:

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