



HAL
open science

Social Enterprises and their Eco-systems : A European mapping report

Nadine Richez-Battesti, Francesca Petrella

► **To cite this version:**

Nadine Richez-Battesti, Francesca Petrella. Social Enterprises and their Eco-systems : A European mapping report: updated country report, France. European Commission : DG Employment, Social Affairs and Inclusion. Publications Office of the European Union, 2016, 978-92-79-61645-7. 10.2767/526313 . halshs-01461283

HAL Id: halshs-01461283

<https://shs.hal.science/halshs-01461283>

Submitted on 8 Feb 2017

HAL is a multi-disciplinary open access archive for the deposit and dissemination of scientific research documents, whether they are published or not. The documents may come from teaching and research institutions in France or abroad, or from public or private research centers.

L'archive ouverte pluridisciplinaire **HAL**, est destinée au dépôt et à la diffusion de documents scientifiques de niveau recherche, publiés ou non, émanant des établissements d'enseignement et de recherche français ou étrangers, des laboratoires publics ou privés.



Social Enterprises and their Eco-systems: A European mapping report

Updated country report: France



2016

*Social
Europe*

EUROPEAN COMMISSION

Directorate-General for Employment, Social Affairs and Inclusion
Directorate E
Unit E1

Contact: Risto Raivio

E-mail: Risto.Raivio@ec.europa.eu

*European Commission
B-1049 Brussels*

Social Enterprises and their Eco-systems: Developments in Europe

Updated country report: France

This report provides an overview of the social enterprise landscape in France based on available information as of July 2016. The report updates a previous version, submitted by ICF Consulting Services to the European Commission in 2014.

The current report has been prepared as part of a contract commissioned by the European Commission to TIPIK communication agency to update the country reports for seven countries. The research work has been conducted under the supervision and coordination of Euricse and the EMES European Research Network. The revision of the report was carried out by Nadine Richez-Battesti and Francesca Petrella, from Aix-Marseille University and LEST-CNRS. The authors acknowledge helpful research support and comments and the valuable input from various stakeholders as well as from EU level project coordinators Carlo Borzaga, Barbara Franchini, Giulia Galera and Rocío Nogales and Jacques Defourny, Victor Pestoff and Marthe Nyssens as members of the advisory board.

LEGAL NOTICE

This document has been prepared for the European Commission however it reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Citation:

"European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2016): Mapping study on Social Enterprise Eco-systems – Updated Country report on France."

***Europe Direct is a service to help you find answers
to your questions about the European Union.***

Freephone number (*):

00 800 6 7 8 9 10 11

(*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

More information on the European Union is available on the Internet (<http://www.europa.eu>).

Luxembourg: Publications Office of the European Union, 2016

ISBN: 978-92-79-61645-7

doi: 10.2767/526313

© European Union, 2016

Reproduction is authorised provided the source is acknowledged.

For any use of photo which are not under the European Union copyright, permission must be sought directly from the copyright holder(s) indicated.

Social Enterprises and their Eco-systems
Updated country report: France

TABLE OF CONTENTS

LIST OF TABLES AND FIGURES	6
LIST OF ACRONYMS	7
EXECUTIVE SUMMARY.....	8
1. BACKGROUND	12
2. SOCIAL ENTERPRISES ROOTS AND DRIVERS	13
2.1. The Social and Solidarity Economy and social enterprise: the French approach ..	13
2.2. Defining social enterprise borders in France according to the SBI definition	15
2.2.1. The EU Operational Definition of Social Enterprise.....	16
2.2.2. Concept and legal evolution in France	20
2.2.3. Fiscal framework.....	23
Foundation	23
3. MAPPING	25
3.1. Measuring social enterprises.....	25
3.2. Social enterprises characteristics.....	27
4. THE ECO-SYSTEM FOR SOCIAL ENTERPRISE IN FRANCE.....	30
4.1. Key actors in the social enterprise eco-system	30
4.2. Policy schemes and support structure	31
4.2.1. Public procurement: Social clauses	33
4.2.2. Use of EU Structural Funds.....	34
4.2.3. Initiatives by regional government and other intra-regional authorities	35
4.2.4. Other specialist support and infrastructure available to social enterprises.....	39
4.3. Key networks	39
4.4. Research, education and skills development.....	45
4.5. Financing.....	45
4.5.1. Demand for finance	45
4.5.2. Supply of finance: Social investment supported by public policy	46
4.5.3. Market gaps and deficiencies	50
5. PERSPECTIVES	52
5.1. Constraining factors and opportunities	52
5.2. Trends and future challenges.....	53
6. ANNEXES.....	54
6.1. Operational social enterprise definition.....	54
6.2. National illustrations.....	58
6.3. Reference List	61
6.4. Other annexes.....	63
6.4.1. Associations with at least one employee per main activity field .	63
6.4.2. Mapping social enterprises: table from the first report:	64
6.4.3. Data on the entire social and solidarity economy in France	65

LIST OF TABLES AND FIGURES

Table 1. The tax system in France

Table 2. Part of market resources in the budget of associations without and with paid worker(s) – percentage

Table 3. A first estimation of social enterprises in France – EU approach

Table 4. Main key actors/agencies of the social and solidarity economy eco-system

Table 5. Typology of public support measures

Table 6. Examples of regional social enterprise support initiatives ()

Table 7. Examples of social economy (support) networks, associations and pacts that engage in advocacy, mutual learning and facilitation of joint action

Table 8. Estimated scale of social enterprise in France (2011)

Table 9. The Social and Solidarity Economy Enterprises: Main figures (data from August 2016)

Table 10. The Social and Solidarity Economy Enterprises: Main figures (data from 2013)

LIST OF ACRONYMS

AVISE: Agence de valorisation des initiatives socio-économiques

BPI: Banque publique d'investissement

CAE: Coopérative d'activité et d'emploi

ERDF: European Regional Development Fund

ESF: European Social Fund

ESUS: Entreprise solidaire d'utilité sociale

FISO: Fonds d'innovation sociale

INSEE: Institut national d'études et de statistiques

MOUVES: Mouvement des entrepreneurs sociaux

NEF: Nouvelle économie fraternelle

SCIC: Société coopérative d'intérêt collectif

SCOP: Société coopérative et participative

SE: Social enterprise

SSE: Social and solidarity economy

WISE: Work integration social enterprise

EXECUTIVE SUMMARY

Background

This summary presents the main elements of the report on 'Mapping social enterprises' produced in 2016, on the basis of a previous report produced in 2014 for the European Commission.

Nadine Richez-Battesti and Francesca Petrella have been in charge of the revision process of this report, together with the contribution of national stakeholders through an online and direct consultation undertaken over the months of April, May and June 2016.

This report is part of a broader mapping of social enterprises and their eco-systems in Europe, based on the concept of social enterprise as presented in the Commission's Social Business Initiative in 2011. Focusing on France, this report also explains the national use of other broader concepts, such as the social and solidarity economy and its relation to the social enterprise concept of the SBI.

Social enterprises: roots and drivers

The Social and Solidarity Economy and Social enterprise: the French approach

Although France has been a pioneer in the development of the concept of 'social economy', the term 'social enterprise' is less frequently used than in some other European countries. The limited use of the notion of social enterprise in France can no doubt be linked to the particularity of the process of legitimisation, structuring and institutionalisation from which a new constellation, including forms of social enterprises – referred to as the social and solidarity economy (SSE) – emerged.

With the adoption of a framework law dedicated to SSE in 2014, France has given a legal ground to this term and has opted for a broad definition of SSE. Besides associations, cooperatives, mutual societies and foundations that are typically considered as the core of the social economy, the law, in its Article 1, opens up the field of the SSE to commercial companies, the purpose of whose economic activity is social utility (support to vulnerable persons, combating exclusion and inequalities, education in citizenship, sustainable development as defined in its Article 2) and whose management respects a set of conditions concerning in particular, but not exclusively, the limited redistribution of profits (reinvestment of a proportion of surpluses, more restrictive takeover conditions, etc.). A similar trend can also be observed in Spain, where the social economy (with a long-standing process of institutionalisation) has progressively opened up to the notion of social enterprise, both formally via the national law and informally via the main representatives from the sector.

In essence, while providing for a symbolic recognition of the SSE as a sector, the French legislature has also acknowledged the emergence of social enterprise as a specific dynamic within the SSE landscape. Noteworthy is that the definition of 'solidarity enterprise of social utility' (*entreprise solidaire d'utilité sociale*, ESUS) as regulated by Article 11 of the 2014 law is fully in line with the SBI definition of social enterprise.

Mapping

As it is the case in other countries, applying the European operational definition of social enterprise in France raises some issues, but there are also promising synergies in terms of common ground for future developments. Although the French statistical institute (INSEE) has built its data basis on the legal forms included in the SSE, it is difficult to extract data on social enterprises specifically. Collecting additional information is needed to distinguish, among the enterprises of SSE, those which fit the EU operational definition. This additional information is not always accessible.

When trying to apply the EU operational definition of social enterprise to the French context, the following organisations could be considered as such:

- associations with a minimum of one employee and at least 25 % of their budget coming from market resources, including WISEs with an associated legal form;
- specific cooperatives that pursue an explicit collective interest in various ways: social services provision, sustainable development, environmental protection, territorial economic development, job creation for vulnerable persons, consumer protection, etc.;
- mutual societies, since they provide social protection based on a solidarity principle;
- operating foundations that manage services of general interest;
- other entrepreneurial forms that pursue an explicit social utility and respect a set of conditions in terms of profit distribution and management and that are therefore included in the SSE. Some WISEs adopt a commercial legal form and would be included in this category.

Ecosystem of social enterprises in France

The French ecosystem is extensive and concerns not just the social enterprise sector, but SSE organisations in general. It has grown considerably in the last few years with the involvement of public authorities at the national level, but also at lower levels and with the initiative of several players as well. Note that the Ministry of Economy, Industry and Digital Technology is taking an inventory of all types of SSE key actors and support organisations, a list of which will be accessible on a website⁽¹⁾.

Key actors

Numerous actors are dedicated to the development of the SSE. Compared to other EU countries, SSE is well recognised at the institutional level. It is the result of a long path of institutionalisation, with the first important step in the 1970s being the gathering of cooperatives, mutual societies and associations at national level and the appointment of a Delegation to Social Economy in 1981. In 2000, the progressive structuralisation of the Regional Chambers of the Social and Solidarity Economy (CRESS) and the national one (CNCRESS), their contribution to the settlement of statistical observatories on the SSE, in conjunction with the National Institute of Statistics and the creation of the Superior Council of the SSE in 2010, completed the institutional ecosystem in favour of the SSE and all the organisations included therein.

A new Minister for the SSE was appointed in June 2015, followed by the creation of an inter-ministerial delegation of the SSE in December 2015⁽²⁾, which is, for the first time, located within the Treasury Department of the Ministry of Economy, Industry and Digital Technology.

In the Law of 2014, Article 7 of Section 4 explicitly stresses that regional authorities, together with the regional chambers of SSE and organisations from SSE, have to design a regional strategy for the development of SSE. Initiatives of regional governments in

⁽¹⁾ See <http://www.esspace.fr/>.

⁽²⁾ Décret n° 2015-1653 du 11 décembre 2015 instituant un délégué à l'économie sociale et solidaire.

France are numerous and significant. However, there are also regional variations in the number, dynamics and scope of government-supported initiatives in France.

In addition to institutional actors, there are a lot of organisations, civil society initiatives and networks that support the SSE at the technical, managerial, lobbying and financial levels.

Policy schemes and support structures

In general, the policy schemes and support structures (but also non-government initiatives) are geared toward specific types of entities (e.g. associations, cooperatives) or specific types of contribution related to their activity field (e.g. work integration, care services, etc.) rather than specific groups of organisations defined as social enterprises *per se*. However, some policy schemes, such as those specifically supporting work integration, are in fact addressed to organisations that can be defined as social enterprises.

The number of available public support schemes and general interest of public authorities in the development of SSE is significantly high. In particular, since the crisis, the authorities have become more active in the area of SSE, considering support for this sector as one of the policy responses to the crisis. It should be noted, though, that EU funds play a relatively small role in the French context. By contrast, at local and regional level, public policies have been developed during the 2000s within the frame of regional schemes dedicated to SSE or to innovation, with specific attention given to social innovation. France is characterised as a multi-level governance system as far as the development of SSE and social enterprises is concerned.

Networks

Support networks for the development of SSE are numerous in France. Some are professional networks dedicated to a certain activity field (such as UNIOPSS, UNA, associations for care for the elderly, for disabled persons or families in need, fighting against poverty and exclusion) to certain type of SSE organisations, such as the Federation of Work Integration Enterprises (FEI) or the Union of Workers' Cooperatives (CGSCOP). Others are supporting activity or project creation (such as SIFA, AVISE), while others are aimed at managers of SSE organisations (MOUVES, CJDES). Others contribute to the institutional structuration of the SSE as a chamber (CNCRESS, Chambre ESS France) or as an employers' union (UDES). Finally, some focus on promoting information access (ESsemble). Only the main ones are listed here. These structures have an important expressive function in order to address needs and issues related to their field or to SSE to public authorities and representatives.

Marks, labels and certifications

There are no formal social enterprise marks or reporting structures except the ESUS accreditation included in the 2014 Law on SSE.

Financing

Despite the well-established investment community associated with the broader SSE, there remain some difficulties in providing adequate levels of investment, related to weaknesses on the demand side (e.g. lack of awareness) and supply side (e.g. lack of risk-taking, high transaction costs). The first social impact contract was signed in 2016.

There are also financial tools linked with public policy (France has active funds dedicated to social enterprise, *Fonds d'innovation sociale* (FISO), supported by *Banque publique d'investissement*, (BPI)), or private initiatives such as '*Le Comptoir de l'innovation*', which supports the development of social enterprises in France.

Perspectives

The strong social economy heritage can be seen as an opportunity for the development of social enterprises in the country. The recent Law and all the related evolutions can really foster their development. Indeed, this law has consolidated the whole eco-system

Social Enterprises and their Eco-systems

Updated country report: France

supporting both traditional social economy organisations and social enterprises that were already well developed in France.

Moreover, in particular in the aftermath of the economic crisis, there has been a marked increase in the activism of the State, which can be seen in the growth in number and scale of initiatives undertaken by public authorities to stimulate the growth of the whole sector. New institutions, new available sources of finance as well as new legislative efforts have clearly benefited the sector and contributed to its higher recognition among the broader public audience. In parallel, existing support organisations have strengthened and new ones have emerged.

Therefore, the institutional and economic environment is globally favourable for the development of social enterprises.

Access to financial resources remains the biggest constraint, both at start-up and development stage. The French Law in 2014 attempted to enlarge the financing of SSE and the development of BPI, and the recent emergence of social impact contracts may facilitate the change of scale of SSE organisations. Original cooperative banks such as Crédit Coopératif and NEF, and more recently crowdfunding and other patient capital funds, may offer new perspectives. But the lack of commonly accepted measures of social impact to demonstrate the benefits generated by social enterprises limits their ability to attract additional resources. Indeed, there is a need to rethink the way in which social services and social utilities will be financed in the future. Linked to that, there is an important issue concerning the measurement of the social impact in a more accurate way. The question of the spreading or 'spin-off' of social innovation across territories and the scaling up of SSE initiatives is crucial as well.

Other barriers include the under-use of social clauses in public procurement.

Last but not least, there are also important needs in terms of education and training dedicated to the social enterprises and their organisations to increase their visibility and the understanding of their mission and functioning, which is located at the crossroads between market, redistribution and reciprocity.

1. BACKGROUND

Although France has been a pioneer in the development of the concept of 'social economy', the term 'social enterprise' is fairly new and less widely used than in some other European countries.

With the adoption of a law dedicated to SSE (see below), France has given a legal ground to this term. In 2016, there is an emerging consensus on the use of the notion of 'enterprises from the SSE' in French or 'social and solidarity economy enterprises' in English, referring to the whole universe of organisations within the social and solidarity economy as defined in the 2014 Law. The government has decided not to use the term 'social enterprises', given the conviction in France that this concept has an Anglo-Saxon connotation; this despite the concept corresponding rather well to many new social economy organisations and to the newly-recognised solidarity enterprise of social utility, as defined by Article 11 of the 2014 law⁽³⁾.

However, it is important to note that some sector organisations, mainly (but not exclusively) from the work integration field, started in the 2000s to speak about social entrepreneurs and/or social enterprises, in order to capture the evolutions of some organisations that tried to achieve more sustainable economic models with a social mission (Laville, 2001). It is important to note that, over the same period, the debate on social enterprise was enriched by discussion with respect to the introduction of a new cooperative form in the French legal system: the *société coopérative d'intérêt collectif* (SCIC). This new cooperative, which was acknowledged following an adaptation of the cooperative legislation dated 1947, was the result of a pragmatic approach. It was indeed those involved in associations and/or cooperatives who asked legislators to adapt the legislation of cooperatives to ensure that it was better adapted to their objectives and their work (Margado, 2003). These requests were the results of the profound changes that both associations and production cooperatives had undergone over the previous decades following their engagement in the production of general interest services addressed to non-members⁽⁴⁾.

The following section examines the roots and drivers of the emergence of social enterprises in the French context. In this report, we will use the term 'social enterprises', when trying to implement the concept included in the Commission's SBI communication. When used in the French context, what are known as 'solidarity enterprises of social utility' as promoted by the 2014 Law fully correspond to this concept. This is in addition to those associations and cooperatives that deliver general interest services addressed to the community or aimed at supporting fragile beneficiaries. Lastly, we will refer to 'social economy enterprises' or 'SSE organisations' when specifically describing the use of these concepts in France.

⁽³⁾ In her last speech on 17 June 2016 during the 'Scale me up' event, the Minister of SSE, Martine Pinville, used the term 'social economy'. It was the same term used in the final declaration of the European Summit of Luxembourg in December 2015 on 'boosting social enterprises'.

⁽⁴⁾ The adaptation of the cooperative form was meant to overcome the limitations stemming from both the associative and cooperative forms. These included the lack of worker participation in the decision-making processes and the low level of capital in the case of associations. As for traditional cooperatives (of the type of the *société coopérative ouvrière de production*), what emerged was their inadequacies as a single stakeholder enterprise to supply general interest services, because of the limited participation of the users in the decision-making processes and the impossibility of volunteer participation.

2. SOCIAL ENTERPRISES ROOTS AND DRIVERS

2.1. The Social and Solidarity Economy and social enterprise: the French approach

The limited use of the notion of social enterprise in France can undoubtedly be linked to the particularity of the process of legitimisation, structuring and institutionalisation from which a new constellation, including also some forms of social enterprise – referred to as the ‘social and solidarity economy’ – emerged (Fraisie *et al.*, 2016). This emergence is inseparable from the exhaustion of the state-market synergy that was a fundamental characteristic of the ‘thirty glorious years’ (1945–1975) of post-war expansion.

SSE is a compromise between different traditions. Social economy is an old concept, and in the French context it appeared in the 19th century. Its emergence was strongly influenced by utopian socialism and labour and Social Catholicism movements. In 1980, the Chart of Social Economy⁽⁵⁾ set out the thematic scope of the concept. The intended role of social economy organisations in the whole economy was sketched out. One year later the concept was officially recognised by public authorities⁽⁶⁾, also with some institutional consequences, with the Inter-ministerial Delegation on Social Economy (*Délégation interministérielle à l'économie sociale*) established within the prime minister's office⁽⁷⁾.

The social economy is recognised as a set of organisations operating without limitations in a wide range of activities under key principles such as primacy of service to members and/or to the community over financial profit, democratic governance based on the ‘one person, one vote’ principle and restrictions regarding the individual redistribution of profit. It has traditionally embraced specific legal forms: cooperatives, mutual societies, associations and foundations. As of 2013, there were 163 543 enterprises included in the category of social economy: 153 746 associations (only associations with at least one paid worker are included in these statistics), 8 510 cooperatives, 813 mutual societies and around 474 foundations⁽⁸⁾.

In the course of time, with the growth of some of its organisations and the transformation of their environment, the social economy, which sprang from a determination to bring about change, has suffered from a tendency towards banalisation. The social economy has, indeed, concentrated on the form of the enterprise, reducing the democratic dimension to a formal equality between members and accentuating a perception of success as performance on the market. Some social economy organisations have in fact encountered difficulties in the exercise of democracy, in mobilising the associates or in supporting the process of emancipation.

From the late 1980s, the concept of social economy was therefore challenged in France by the concept of the ‘solidarity economy’. The development of the solidarity economy was based on criticism, at grassroots level, of the institutionalisation of the social economy and of its tendency towards market isomorphism. Actors who wanted to rediscover a capacity for social change found their cause in the solidarity economy, which offered a more ‘alternative’ approach and claimed a political capacity of social transformation. The solidarity economy brings together all the activities contributing to the democratisation of the economy through citizen involvement, but also through the provision of services and jobs to more deprived citizens, like the emerging social

⁽⁵⁾ La Charte de l'économie sociale. Available at: http://www.insee.fr/fr/insee_regions/alsace/themes/ch_dossier/cpad11/cpad11_charte.pdf

⁽⁶⁾ Le décret du 15 décembre 1981. Available at: <https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT00000308626>

⁽⁷⁾ Mendell, M., Enjolras, B., Noya, A., ‘L'économie sociale au service de l'inclusion au niveau local: Rapport sur deux régions de France: Alsace et Provence – Alpes – Côte d'Azur’, *OECD*, 2010.

⁽⁸⁾ CNCRESS, *Panorama de l'Economie sociale et solidaire en France*, 2015.

enterprises were doing in other European countries. The characteristic of this perspective is that it considers these activities not only in terms of their legal forms (association, cooperative, mutual societies, etc.), but also through their dual economic and political dimension (Eme and Laville 2006; Dacheux and Laville 2003).

After a period of tensions between social economy organisations and solidarity initiatives, their alliance was deemed necessary by the respective actors to strengthen their position in the dialogue with public bodies. There was thus a compromise in the 2000s with respect to the term 'social and solidarity economy'. This compromise resulted from a first step of the institutionalisation process, in which the main milestones were the creation of a state secretariat for the solidarity economy, which existed from 2000 to 2002, and the appearance of local elected politicians in charge of the SSE, with the constitution of a 'Network of territories for the solidarity economy' (*Réseau des territoires pour l'économie solidaire*, or RTES). Aiming to marshall a broad coalition of actors and networks to construct the legitimacy of a new field of action for local authorities, the local politicians used the term 'SSE', influencing in turn the structuring of the territorial grouping of the actors who progressively adopted this terminology.

More recently, in line with the spread of social enterprises (and social businesses) around the world, which are increasingly seen as a legitimate form of collective action, some organisations promoted the development of profitable or cost-efficient economic activity responding to social and environmental needs in the framework of a private initiative serving the general interest. The emphasis is thus placed on the combination of economic efficiency and a social objective (e.g. double bottom-line), with the purpose of reinvesting economic surpluses into the social mission.

The Mouves⁽⁹⁾, which is a network organisation representing social entrepreneurs, came up with the following definition of social enterprise that is conceptually very close to the SBI definition: '*an enterprise with a social, societal or environmental aim and a limited profit orientation, trying to associate their stakeholders to the governance*'. This definition is just one among others and there are no broadly agreed criteria to identify social enterprises. For example, Avise⁽¹⁰⁾, another influential agency promoting social enterprise in France, insists more on '*the collective dimension of a social enterprise and therefore on their embeddedness in the social economy tradition*'.

Today, the Law on the SSE adopted in July 2014 (see below), has opted for a broad definition of social and solidarity economy. This law is the result of a long process of institutionalisation and of increased hope of recognition, sustained by the national meeting (*Etats généraux*) of 2011 and by the appointment of a Minister on SSE (*Ministre délégué*), for the first time attached to the Ministry of Economy and Finance in 2012 (until 2014)⁽¹¹⁾.

As explained, until recently, there was no broad consensus on the full list of organisations which should be ultimately considered as part of the social and solidarity economy. The adoption of a law dedicated to SSE clarifies the parameters of SSE by adopting a broad approach so, besides associations, cooperatives, mutual societies and foundations that are typically considered as the core of the social economy, the law has extended its parameters. It has done so by referring to the so-called solidarity enterprises of social utility. The innovative aspect is that this qualification also includes commercial enterprises, which seek to strengthen social utility and respect SSE principles in terms of

⁽⁹⁾ Mouves, 2013. Available at: <http://mouves.org/l-entrepreneuriat-social/definition-de-lentreprise-sociale-au-sens-du-mouves-mouvement-des-entrepreneurs-sociaux>.

⁽¹⁰⁾ Avise, 2013. Available at: <http://www.avise.org/decouvrir/entrepreneuriat-social>.

⁽¹¹⁾ Note that a new Minister for the SSE was appointed in June 2015, followed by the creation of a delegation of the SSE in December 2015¹¹ which is, for the first time, located within the Treasury Department of the Ministry of Economy, Industry and Digital Technology. Before that, until 2010, there was an inter-ministerial delegation on SSE within the social cohesion general department of the Ministry of Social Affairs, Health and Women's Rights.

democratic governance, limited profit distribution and management. With this law, it is the social and solidarity economy concept that has prevailed in France.

Today, as stressed by the key actors consulted, the official position of the French government and of the 'Europe and International Commission of the Superior Council of Social and Solidarity Economy', comprising all the SSE stakeholders' representatives, is that social enterprises correspond to the enterprises from the SSE as defined by Article 1 of the 2014 Law and translated in English as 'social economy enterprises'.

If we adopt this approach to social enterprises, we can refer to the data provided by the National Institute of Statistics and Economic Studies (*Institut national de la statistique et des études économiques*, INSEE) on the SSE. However, data on commercial enterprises that are part of the SSE were not included in the SSE estimations until now.

The timeliness, accuracy and scope of available data on the SSE in France are comparatively high. Since 2005, the (INSEE⁽¹²⁾) has been publishing annual data on the level of employment in major types of organisations considered typically as a part of the social economy sector: cooperatives, mutual societies, associations and foundations. The data is broken down to regional and local levels.

Statistics produced by INSEE are widely used by representatives of the sector and, where possible, extended, primarily by data collection. One example is the National Observatory on Social Economy (*Observatoire National de l'Economie Sociale et Solidaire*). It is a regional network of 15 offices and collaborates also with research centres and universities to provide, among others, annual updates on the number of social economy entities, employment level, characteristics of workforce (sex, age), sectors of activity, legal forms or size⁽¹³⁾. Nevertheless, the way data on the SSE have been collected and published prevents the identification of organisations that fully meet the social enterprise criteria as defined by the SBI.

As at August 2016, the most up-to-date data is for 2013, except for some specific categories presented in Table 3. According to the figures provided by the National Observatory on Social Economy, SSE sector accounts already for over 2.3 million employees (10.5 % of total employment), over 163 000 enterprises (7% of total enterprises) and over 221 000 establishments⁽¹⁴⁾ in France (nearly 10 % of all establishments) by the end of 2013⁽¹⁵⁾.

As mentioned, note that these estimations do not currently include commercial enterprises that fit the SSE criteria as included in the Law.

2.2. Defining social enterprise borders in France according to the SBI definition

This report is part of a comparative European mapping of the landscape of social enterprises and their eco-systems, building upon the social enterprise concept presented in the 2011 Social Business Initiative of the European Commission. The previously explained national context is important for understanding the potential, synergies, border cases and controversial issues when applying the operational definitional of social enterprises in France.

⁽¹²⁾ INSEE, L'économie sociale en 2013, 2015. Available at: http://www.insee.fr/fr/themes/detail.asp?ref_id=eco-sociale.

⁽¹³⁾ 'Observatoire National de l'Economie Sociale et Solidaire, Départs à la retraite des effectifs salariés de l'EES et stratégies des entreprises pour y faire face', 2011. Available at: http://www.cncres.org/upload/iedit/1/209_1499_Etude_departs_retraite_ESS_2011.pdf.

¹⁴ An establishment that produces an economic activity is an entity that is geographically individualised but legally and financially dependent from the enterprise that created it. An enterprise may therefore have more than one establishment.

⁽¹⁵⁾ 'Observatoire National de l'Economie Sociale et Solidaire' *Panorama de l'ESS*, 2015. Available at: http://www.cncres.org/accueil_cncres/observatoire_de_less.

2.2.1. The EU Operational Definition of Social Enterprise

This report draws on the organisational definition as included in the Social Business Initiative of 2011 that was further operationalised by the Mapping Study (EC, 2014).

As defined by the Social Business Initiative of 2011, a social enterprise is 'an undertaking:

- whose primary objective is to achieve social impact rather than generating profit for owners and shareholders;
- which uses its surpluses mainly to achieve these social goals;
- which is managed by social entrepreneurs in an accountable, transparent and innovative way, in particular by involving workers, customers and stakeholders affected by its business activity'.

This definition arranges social enterprise key features along three dimensions:

- The entrepreneurial dimension: indicators such as being autonomous from public authorities, being market-oriented (i.e. having more than 25 % of market resources) or having at least one paid worker are used as proxies.
- The social dimension is defined by the aim and/or product delivered and associated with a 'public benefit' dimension. The primacy of social aim should be clearly established by national legislation, by the legal forms or by relevant documents.
- The one related to the governance structure: in addition to some constraints on profit redistribution, involving stakeholders in the governance structure and in the decision-making processes is essential to be considered as a social enterprise.

Provided that the pursuit of explicit social aims is prioritised through economic activities, these three dimensions can be combined in different ways, and it is their balanced combination that matters when identifying the borders of the social enterprise.

Building upon this definition, a set of operational criteria has been identified during a previous step of this study (see Annex 1 for more details).

Application of operational social enterprise definition: determining the boundaries

This section initially seeks to apply the Operational Definition of social enterprises, and then to move to an understanding of the spectrum of organisations and enterprises that fall within this definition in France. This categorisation, based on existing literature and elaborated in consultation with key stakeholders, has been used as a guidance note for the sampling exercise.

However, this exercise reveals that there is room for interpretation of the different criteria that are at the basis of the EU definition.

Associations

On the basis of the above discussion, all associations (under the 1901 legal form) with at least one paid worker and a minimum of 25 % of market resources coming from the sales of goods and services, paid either by private or by public sources (often as a contract between a public authority and an association), could be considered as social enterprises. In 2013, only 12 % of associations have at least one paid worker, i.e. 185 378 associations. If we consider the total budget of associations with at least one paid worker, nearly 60 % come from market resources, 28.2 % come from public payments and 30.1% from private payments (INSEE, 2014). We therefore expect a majority of associations to fulfil the economic criterion. An illustration of this type of associations is given in annex 2.

Note that there are some associations without workers that have market resources, which may also be included. Not taking them into account underestimates the economic activity of associations in France.

As far as their social dimension is concerned, if we consider the fields of activities of those associations, a vast majority are oriented towards serving the community (see annex 4). Note also that, in 2013, 60 % of employees within associations are in the health and social services sector (Insee, 2014).

In terms of governance, profit redistribution is not allowed by law, while the democratic governance principle of 'one person, one vote' is compulsory. This does not mean, however, that all associations do involve their stakeholders in the decision-making process: they are often managed by a board of volunteers, each of them having only one vote.

Work integration social enterprises

The first work integration social enterprises (WISE) emerged in France in the late 1970s (Gardin *et al.*, 2013). They were progressively institutionalised in the 1990s as an instrument of employment policies. In France, the preferred term used is 'organisations for integration through economic activity' (*structures d'insertion par l'activité économique*, or SIAE). Most of them are still operating under an associative legal form, but some adopt a commercial (SA or SAS) legal form. Note that the WISEs that have not adopted a SSE legal form are not, for the time being, included in the SSE data. This might change with the production of data on the basis of the 2014 law.

Today, four main types of WISEs coexist: two productive organisations (*entreprises d'insertion* or work integration enterprises and *ateliers et chantiers d'insertion* or work integration workshops and work sites) and two structures that provide workers for other organisations (*association intermédiaire* or intermediate voluntary organisations and *entreprise de travail temporaire d'insertion* or temporary work integration enterprises). In short, work integration is aimed at enabling unemployed people with particular social and vocational difficulties to benefit from employment contracts and to facilitate their social and occupational integration.

In 2013, 127 600 persons were taken on or renewed in 3 800 work integration structures under an agreement with the State. This includes 1 898 *ateliers et chantiers d'insertion* (43 498 workers), 928 work integration enterprises (12 527 workers), 745 intermediate voluntary organisations (58 808 workers) and 253 temporary work integration enterprises (12 794 workers) (DARES, 2015). All WISEs now recognised by the SSE law could be considered to be social enterprises. Indeed, the social criteria are met, given their work integration activity; their economic dimension is fulfilled given that they have at least 25 % of their budget coming from market resources, and the participative governance dimension is fulfilled as it is required by the SSE law to be included in the SSE. An example of WISE is given in annex 2. As explained below, most WISEs are included in the SSE data: only those with a commercial legal form that was not considered as SSE before the law are not included in the INSEE data on SSE.

Cooperatives

As far as cooperatives are concerned, the exercise is complex when we consider the social dimension.

Cooperatives are also expected to follow the rule of 'one member one vote' and to fulfil the governance criteria, although not fully since they tend to be single-stakeholder.

The debate therefore concerns the way the 'general interest' or 'public benefit' is considered. Indeed, as mentioned above, cooperatives are primarily oriented toward their members and in general they pursue some collective or general interest only indirectly.

Depending on their legal form, activity field, size and explicit aim, this indirect collective interest will be more or less enhanced. As in countries that have recognised the more socially-oriented cooperatives as a new cooperative form (the social cooperative), the following types of cooperatives have a strong external or societal collective interest.

The collective interest cooperative (*société coopérative d'intérêt collectif*, SCIC) are one of the legal embodiments of the idea of a cooperative that is explicitly aimed at pursuing social objectives.

SCIC's legal form may be seen as a social enterprise, although it is rarely referred to as such in France these days. SCICs pursue an external collective interest (which has a public good dimension), in addition to meeting the internal stakeholders' interests. As explained above, their collective ownership is shared between a diversity of stakeholders (they have to integrate at least three different stakeholders: workers, users and a third category minimum, with the possibility of including public representatives in their ownership structure).

Most of the SCICs aim to contribute to the development of renewable energies, to sustainable development, to promoting fair trade, to improving access to cultural services, to education or to digital supports, etc. Beyond their sector activity, their commitment to the community and their territorial anchorage should be considered. Note also that their democratic governance, based on multi-stakeholder ownership, is therefore an important dimension to represent their explicit mission of 'general' or external collective interest and it is central for the SCIC. The cornerstone of SCICs is specifically the multi-stakeholder governance, implying the capacity to enhance co-decision by people having a different relationship to the same activity, which must be of general interest. The engagement of different stakeholders is the guarantee that the SCICs' activities are well rooted in the territory in which they operate. As mentioned earlier, SCICs have to constitute an asset lock of minimum 57.5 % of their benefits. Governance criteria are therefore fully met in the case of SCICs. An example of a SCIC in the cultural field is provided in annex 2.

Cooperatives aimed at creating jobs and economic activities (*coopératives d'activité et d'emploi* – CAE) contribute to securing activity and enterprise creation and development and job creation. CAEs are a specific type of SCOP. This cooperative provides an opportunity for an entrepreneur to have a more secure environment to launch his activity. Indeed, the CAE provides the new entrepreneur with a legal framework, a permanent contract and social protection. The cooperative also takes charge of all the administrative, accounting and fiscal elements of the activity to allow the entrepreneur to focus on his activity. The CAE is an original form between an entrepreneur status and a paid-worker one, with the explicit aim of developing economic activity and employment in the territory in which it is located. The example of Coopaname is instructive: they develop social rights (social dialogue, mutual care provision) and try to reinvent a social model of entrepreneurship combining autonomy and solidarity (see annex 2 for more details on this CAE)⁽¹⁶⁾. There are around one hundred CAEs in France.

Persons' cooperatives (including consumers' or inhabitants' cooperatives, even if there are very few of them), although created for their members, can also be included because of their contribution to improving access to quality food, health, housing, agricultural products, transports and renewable energies.

These types of cooperatives (i.e. SCICs and other persons' cooperatives) can be fully considered as social enterprises. They account for approximately 10 % of the total number of cooperatives in France. Among the other types of cooperatives (especially the worker cooperatives – SCOP), some can have a more explicit and strong social dimension and could also be considered social enterprises, but the lack of data does not allow their number and relevance to be ascertained.

⁽¹⁶⁾ See Collectif, *La Manufacture coopérative, Faire société: le choix des coopératives*, Ed du Croquant, 2014. Available at: <http://www.coopaname.coop/>.

Mutual societies

Mutual societies have been described by the European Commission as *'voluntary groups of persons (natural or legal) whose purpose is primarily to meet the needs of their members rather than achieve a return on investment. These kinds of enterprise operate according to the principles of solidarity between members, and their participation in the governance of the business. They are governed by private law.'*⁽¹⁷⁾.

We propose to include all mutual societies (health and insurance ones), since they contribute to giving access to health and social services as well as insurance for people who may be excluded by for-profit insurance companies who consider them to be high-risk clients. They are managed democratically and by members who elect their representatives, and they cannot distribute profits and assets. Note also that some mutual societies directly run health and social services.

They therefore meet the economic criteria, the governance criteria and have a public interest dimension.

Foundations

Foundations, despite their diversity in France, all meet the criteria concerning their social aim or 'public benefit' dimension. They are defined as non-profit organisations funded by donors to accomplish a mission of general interest.

The question concerns their economic or entrepreneurial dimension, since their main mission is to finance projects with a social aim. We consider as social enterprises only operating foundations that have their own economic activity, such as running a hospital, a museum or a retirement home (Fondation de France, 2015). Distributive, banking or funding foundations would not be included.

Another issue, as far as foundations are concerned, lies in their democratic governance. While their ownership structure prevents them from profit redistribution, the openness and/or involvement of a plurality of stakeholders is not guaranteed. Their objective is not to foster the participation of stakeholders. In particular, the governance of foundations is qualified as collegiate, since members of the board are appointed (Fondation de France, 2015). An experts' committee can also be constituted. But the principle of 'one person, one vote' is not applied. Again, the position will depend on the definition of what constitutes democratic governance. As mentioned earlier, in the French Law, the principle is loosely defined, since the decision-making power cannot be solely related to their contribution to the capital of the organisation.

Solidarity enterprises of social utility

The law on SSE has acknowledged solidarity enterprises of social utility which is in line with the concept of social enterprises as defined by the SBI. These organisations, whatever their legal form, pursue an economic activity with the aim of generating social utility (support to persons in a situation of fragility, combating exclusion and inequalities, education in citizenship, sustainable development) and their management meets the following criteria: to allocate their financial surpluses in priority to the social mission and to compulsory reserves, to refuse to negotiate their shares on capital markets and to implement a more equitable wage policy (with a wage scale from 1 to 10 maximum), as defined by the 2014 Law. All the solidarity enterprises of social utility are in fact counted in the SSE data, except the commercial ones that will be from 2016 data.

⁽¹⁷⁾ Source: http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=7982.

2.2.2. Concept and legal evolution in France

The main and more recent legal evolution in France has been the Framework Law on Social and Solidarity Economy⁽¹⁸⁾ adopted in July 2014⁽¹⁹⁾. The law includes two different concepts:

- firstly, the SSE as a field, as described by Article 1. This is the broad concept, which is explained in this report. Apart from the organisations traditionally considered as part of the SSE, due to their legal status (associations, mutual societies, cooperatives, foundations), the law also includes organisations which operate under commercial status, while observing in their operating rules several fundamental features such as democratic governance, social utility aims, limited distribution of profit by statutory rules, existence of collective asset locks, etc. Social utility, as defined by the law, is related to the fact that their main social mission is to support persons in a situation of fragility, combat exclusion and inequalities, promote education in citizenship, social link, social cohesion and sustainable development (see Article 2 of the Law);
- secondly, a statute of 'solidarity enterprise of social utility' or 'socially useful solidarity-based enterprise' (ESUS), concerns all legal forms of the SSE which pursues a specific social aim, as defined in Article 11 with a cross reference to Article 2 (the latter translation is used in the EN brochure published by the French ministry). The definition of ESUS is cross-cutting concerning legal forms and in line with the SBI definition. Indeed, it is expected to have a limited profitability due to its social orientation and limit the dispersion of employees' wages within the organisation. More details about the law can be found in Box 1 below.

This law also introduces some modifications to the collective interest cooperative legal form (*Société coopérative d'intérêt collectif – SCIC*)⁽²⁰⁾ adopted in 2001. This innovative status was introduced by a series of relatively simple amendments to existing co-operative legislation. It shifted the emphasis from what an organisation's corporate form is to what its objective is. Based on Article 19.5, SCICs are commercial enterprises – limited liability companies or joint-stock companies – whose objective is the production or the supply of goods and services having a general interest and offering a social benefit. The Law imposes the setting aside of at least 57.50 % of profits to the indivisible reserves and no derogation whatsoever is permitted to the above. Any declared association can be transformed into a SCIC without changing its legal status (Article 19.14 of the Law concerning companies and Article 28 a) concerning associations). Public representatives can be part of the ownership structure and, if the assembly of the members agree, take some of the share capital of the cooperative without a requirement for approval and examination in the Council of State, differing from what is required for other private companies. SCICs' multi-stakeholder ownership reflects their collective interest dimension.

Since the Law of 2014 on SSE, public representatives can own up to 50 % of the capital endowment of a SCIC (instead of 20 % as previously). The members must include at least three different categories of people (natural and/or legal), having a different relationship with the activity being carried out. Such minimum number must compulsorily include the users (clients, beneficiaries) and the wage-earners of the co-operative. Beyond the minimum of three categories, the multi-partner aspect of the SCIC is open to any natural person and any private and/or public legal person (Article 19.7 of the Law).

Note also that their governance is democratic, with the adoption of the 'one associate, one vote' principle.

⁽¹⁸⁾ French Ministry of Economy and Finance, 2013. Available at: <http://www.economie.gouv.fr/benoit-hamon-presente-projet-de-loi-economie-sociale-et-solidaire>. An updated version is available at: <http://www.senat.fr/dossier-legislatif/pjl12-805.html>.

⁽¹⁹⁾ Ministry of Finance and Economy, 2014. Law on Social and Solidarity Economy, Available at: <http://www.economie.gouv.fr/ess-economie-sociale-solidaire>.

⁽²⁰⁾ See the Law of 17 July 2001 which modifies the already existing cooperative law 47-1775 of 10 September 1947 (revised in 1992).

Box 1 – The framework law of 31 July 2014 on the social and solidarity economy

Since July 2014, and as in a number of other countries, a framework law now defines the social and solidarity economy in France. In all cases, including the French one, these laws aim to identify common points and interests among actors in different sectors of activity. The French law can be considered as a founding law that recognises the SSE principles as described below. This law has therefore been completed by several implementation decrees adopted by the government within the two years following the voting of the law. Most of them are now implemented.

The question most discussed in France during the consultations and debates was that of the scope of the SSE. The Law on the SSE is primarily of symbolic significance, in that it gives official recognition to another way of realising economic activities and provides a legal basis for the 'statutory' approach to the social economy, the conditions of which it summarises in Article I (a purpose other than the distribution of profits, democratic governance, reinvestment of profits in the activity, asset lock, etc.). The novelty lies in Articles 1 and 2, which open up the field of the SSE to enterprises whose economic activity aims to pursue social utility (support to persons in a situation of fragility, fight against exclusion and inequalities, education in citizenship, sustainable development) and whose management corresponds to social demands (reinvestment of a share of surpluses, more restrictive takeover conditions, etc.).

Article 11 defines the criteria for approval as a 'solidarity enterprise of social utility' and the organisations benefiting automatically from it (because of their legal form), which in particular opens up access to financing from employees' solidarity savings. The way in which Articles 2 and 7 are interpreted and applied will make it possible to assess in practice the degree of openness of the SSE to new forms of social enterprise, the importance – or absence – of enterprises of social utility and the possible risks of 'social washing' or 'greenwashing'.

The Law strengthens employees' power to act. Articles 11 and 12 stress employees' right to be informed in advance, in case of the transfer of a business, so as to favour the takeover of enterprises in good health; this is important in a context in which transfer of business is becoming crucial, with the retirement of the founders of many organisations.

With regard to associations, grants are legally justified by the statement that the actions and projects supported must arise from the initiative of organisations governed by private law and be justified by their general interest purpose. While the government speaks of a 'legal anchoring of subsidy' at a time when public procurements are increasing, others point out that the text merely confirms existing case law.

Article 10 characterises social innovation as the project of an enterprise or organisation aiming to offer products or services that meet social needs previously not satisfied or inadequately so, through an innovative form of enterprise, an innovative process of production of goods or services or an innovative mode of work organisation.

Finally, the Law makes reference to complementary local currencies.

The introduction, in the course of parliamentary debates, of a reference to other forms of exchanges and to a definition of the SSE as a mode of economic development partially responds to the reservations expressed regarding a law that above all makes the SSE another way of undertaking business (*mode d'entreprendre*). However, by targeting the productive dimension of specific enterprises, it keeps itself at a distance from a broad approach to the economy that integrates other forms of exchange and consumption involving the citizens as potential actors of transformation. Moreover, important questions, such as banking reform, are not addressed, although cooperative and mutual banks are important players in the sector in France.

In terms of marks, labelling and certification systems an important new system was included in the 2014 Law: the ESUS accreditation as a specific statute. It gives access to specific support and financial schemes, such as access to solidarity employee savings (solidarity finance) and fiscal discounts.

Social economy enterprises, whatever their legal form, are eligible for the ESUS accreditation if they meet different criteria (as developed in the law), which include:

- the enterprise needs to have as its main objective the aim of social utility (support to vulnerable groups, territorial cohesion or sustainable development); this objective has to be explicitly mentioned in the organisation's by-laws;
- the 'burden' created by the social utility objective needs to significantly impact upon the income statement of the enterprise;
- the enterprise needs to have a wage policy that limits the wage gap to 1 to 10 and to impede negotiation of the value of capital shares on financial markets.

Note that some SSE organizations, such as WISEs, are labelled ESUS given their activity field.

Other specific tools exist, aimed at good practice recognition and improvement that cannot be neglected.

Regarding a system for measuring and reporting the social impact, there is awareness, also among the public stakeholders⁽²¹⁾ and network organisations⁽²²⁾, that the development of such a system is essential. However, no coherent approach yet exists.

Since 1996, le *Bilan Sociétal*⁽²³⁾, the tool/procedure taking into account other elements than financial metrics in the evaluation process, has been developed by the *Centre des Jeunes, des Dirigeants, des Acteurs, de l'Économie Sociale* (CJDES). It is suitable for social economy enterprises as well as for classic for-profit enterprises. This *Bilan Sociétal* resembles an audit procedure, and involves specific qualitative analysis based largely on a questionnaire⁽²⁴⁾. The completed audit may serve as a starting point for improvement. Yet the *Bilan Sociétal* is not a label and is not used often in external communication, but more as an internal management tool.

The recent guide, 'SSE good practices', adopted in June 2016 by the Superior Council of SSE in conjunction with the 2014 Law, is aimed at stimulating SSE organisations to make internal progress. The object is to involve all SSE actors in an individual dynamic of improvement and collective convergence of the principles at the heart of the SSE identity⁽²⁵⁾. Through the implementation of collective thinking, this guide is expected to facilitate the analysis of the enterprise's day-to-day life and its relationship with the environment, and to confront its practices with the values promoted. As envisaged by the legislature, this guide will serve as an incentive for social economy enterprises to improve their practices.

Another initiative, The Chart Committee (*le Comité de la Charte*), established in 1989, controls 81 associations and foundations. Its mission is to promote, through the agreement, its grants to its members and bring more rigour to 'trust donations'. In this context, it has developed a code of conduct for associations and foundations financed by

⁽²¹⁾ The French Supreme Council for the Social and Solidarity Economy (CSESS) indicates the development of the coherent measurement system as one of the crucial aspects in its position paper presented in Strasbourg during the 'Social Entrepreneurs: Have Your Say' event which took place in January 2014.

⁽²²⁾ Clear view on the importance of social impact metric system expressed by the representative of FEI, in particular in order to justify public support measures and higher involvement of private investors.

⁽²³⁾ CJDES, *Le Bilan Sociétal*, 2014. Available at: http://www.cjdes.org/1093-Le_Bilan_Societal.

⁽²⁴⁾ CJDES, *Le Bilan Sociétal*, 2014. Available at: http://www.cress-bourgogne.org/sites/cress-bourgogne.org/files/guide_bilan_soci_tal_pme_cjdes.pdf.

⁽²⁵⁾ <http://www.esspace.fr/gouvernance.html>

public generosity. This label enables its members to include the Committee's accreditation mark on their papers.

2.2.3. Fiscal framework

The fiscal framework concerning SSE is rather complex and diverse, as is the whole fiscal system in France.

Associations

The tax system for associations relates to their 'lucrative' character, as defined by the fiscal directive of 15 September 1998⁽²⁶⁾. An association that does not develop lucrative activities is only liable for fiscal regulation in relation to its patrimonial revenues and its wage bill (wage taxes). Most associations (with the legal form of the 1901 law) fall into this category, since they are non-profit organisations. However, commercial taxes (corporation tax, VAT and the territorial economic contribution, which is the new name for the business tax) are applied to associations which develop lucrative activity as they are to any other type of enterprise. There are nevertheless tax exemptions specific to each type of tax. For instance, sport and cultural associations are exempt from VAT on services provided to their members within a 10 % limit of their total revenues from the sale of goods to their members. They are also exempt from corporate tax.

When the association develops both lucrative and non-lucrative activities and the non-lucrative ones are dominant, the association can choose between three systems to benefit from tax exemption with respect to its non-lucrative activities: a sector organisation, the creation of subsidiaries or exemption from commercial taxes if its activity revenues do not exceed EUR 61 145 per year.

Cooperatives

Collective interest cooperatives (SCIC) are liable to corporate tax, but the part of the revenue allocated to the asset lock will be tax-exempt. Their liability to VAT will depend upon their field of activity. SCICs are not exempt from the territorial economic contribution.

Foundation⁽²⁷⁾

The report from the *Fondation de France* (2015) provides a good description of the tax system concerning patronage and foundations.

Foundations are generally not subject neither to VAT nor to corporation tax for activities directly related to their purpose. Nevertheless, foundations pay taxes on income from their investments at rates more or less arranged according to their type of assets.

Taxation on donation and other fiscal advantages

Donations from individuals made to foundations and endowment funds are 66 % tax deductible to a limit of 20 % of their taxable income. The rate rises to 75 % if the donation is allocated to providing free care, meals or housing for people in difficulty.

The 2008 Finance Act also provides for a tax incentive for donations on income from savings products, in the case of an automatic payment to the beneficiary organisation performed by the manager of the savings fund. The applicable source of taxation rate is reduced to 5 %, which reduces the overall tax rate on such income from 27 % to 16 %. Note that this tax regime concerning donations is also applicable to associations of general interest.

⁽²⁶⁾ See also Goulard, G., 'Clarifier le régime fiscal des associations, rapport au 1^{er} Ministre', *La documentation Française*, 1998.

⁽²⁷⁾ For more details, see *Fondation de France, Funds and Foundations in France*, 2015, p. 14.

Social Enterprises and their Eco-systems

Updated country report: France

In addition, the law in favour of work, employment and purchasing power (TEPA) adopted by the French Parliament in August 2007 introduced the possibility of deducting 75 % of the sums paid to public utility foundations, university foundations or partnership foundations of a maximum of EUR 50 000 from one's wealth tax (ISF – *impôt sur la fortune*).

Donations and bequests to public utility foundations, to sheltered foundations and to endowment funds are exempt from capital transfer tax.

Companies can deduct 60 % of the amount of their gift from their taxes within the limits of 0.5 % of their turnover.

The description of the fiscal framework also includes the tax regulations that concern financial instruments to support the SSE. For most of the financial instruments (social innovation funds, participative loans, associative bonds, mutual certificates, etc.), the common law is implemented. However, the amendment Law of Finance of 2015 encourages private funders to finance ESUS, since individuals can either deduct from their taxable income 18 % with a maximum of EUR 50 000 euros or reduce their wealth tax of 50 % for their investments with a maximum of EUR 45 000.

Note that public grants to associations are not included in their taxable revenue for the VAT, whatever their fiscal regime.

In addition, associations and WISEs can benefit from reduced social security contributions under certain conditions, related to the type of disadvantaged workers they employ, as part of employment policies.

Table 1 below summarises the tax system in France.

Table 1. The tax system in France

Reduced social security contributions/costs	Tax exemptions and lower rates	Tax reductions to private and/or institutional donors
Associations and WISEs can benefit from reduced social security taxes for the employment of particular workers under certain conditions.	<p><i>Sporting and cultural associations</i> can be exempt from corporation tax and VAT on services provided to their members.</p> <p><i>Foundations</i> are subject neither to VAT nor to corporation tax for activities directly related to their purpose.</p> <p><i>SCICs'</i> revenue that is allocated to the asset lock is tax-exempt. The VAT rate depends upon the activity carried out.</p>	Donations from individuals to associations of public interest, foundations and endowment funds are tax-deductible to a limit of 60 % of their taxable income. The rate rises if the donation is allocated to provide free care, meals or housing for people in difficulty.

3. MAPPING

3.1. Measuring social enterprises

Since the statistical institute has built its data basis on the legal forms included in the SSE, it is quite problematic to collect additional information specifically on SSE enterprises which fit the EU definition. This additional information is not always accessible.

As far as associations are concerned, one option is to only consider associations with at least one employee (as does the INSEE for the SSE). From this group, we should collect data on their financial sources and the proportion of market resources in their budget to fit the EU operational definition. The last INSEE survey on associations (2015) has collected data for 2013 on the financial resources of associations, but we do not have access to detailed data yet. We have therefore used the data from the CES survey on associations (Tchernonog, 2012). Note that the results of these two surveys are quite similar. From this last survey, 51 % of associations with at least one paid worker have 25 % or more of their resources coming from the sales of goods or services, as shown by Table 2 below.

If we try to extrapolate from these data, we can see that 51 % of the 153,746 associations do fulfil the economic criterion. This would mean that approximately 78,410 associations would be within the scope of social enterprises.

Note also that, interestingly enough, a vast majority (65 %) of associations without a paid worker have more than 25 % of market resources (as shown in Table 2). Associations without paid workers do have in general smaller budgets and receive fewer public grants. These elements can explain why (private) market resources weigh that much in their budget. Associations with workers receive 91 % of the public grants to associations and 95 % of the public contracts. This is connected to the type of activity they are engaged in, i.e. mainly leisure and social activity. Applying this proportion, there would be approximately 740 000 associations in this situation. This result shows that many associations relying solely on volunteers develop economic activity, which is often underestimated in statistical data.

Table 2. Part of market resources in the budget of associations without and with paid worker(s) – percentage

	Associations without paid worker	Associations with paid workers	Total all associations
Market resources < 25 % of their budget	35	49	38
Market resources > 25 % of their budget	65	51	62
Total	100	100	100

Source: Tchernonog, Enquête Paysage associatif, 2012.

We should also be able to identify associations that could be considered as having a non-negligible social or 'societal' interest but, given their activity fields, most of them would fit this criterion.

Cooperatives could also be scrutinised in order to estimate their 'social aim' or external collective benefit dimension, as developed earlier. Data on their social impact and commitment to the community where they are located should be interesting to gather, but this would require a specific survey on that topic. For the purpose of this study, the following cooperatives are included: SCIC, CAE and cooperatives of persons, as developed earlier in this report, which means that around 10 % of cooperatives would be included; this is the option taken for this exercise.

Mutual societies do all fit the EU operational definition. We rely on INSEE data.

The case of foundations is complex, since we should have data concerning their economic or entrepreneurial dimension and on their governance. As far as their entrepreneurial dimension, we could choose to include only operating foundations. In terms of governance, we should need a case-by-case analysis.

Besides INSEE, we rely on other coordinated efforts to collect the data in a systematic way, in particular among certain organisations representing specific subgroups of social enterprises, such as WISEs. The federation of WISEs (previously the National Committee on Work Integration Enterprises⁽²⁸⁾) runs the National Observatory on Work Integration Enterprises collecting data on economic activities of its members. We should add to the INSEE data on SSE WISEs which have the label, but operate with a commercial legal form. Indeed, the INSEE data on SSE includes only associations and cooperatives among WISEs. Therefore, only those WISEs with a SSE legal form (mainly associations) are included in the data presented in Table 3 below. Data provides insights on key indicators such as annual turnover, number of employees per category and sex, redistribution of work integration enterprises according to specific sectors or tax contribution to the central budget.

It should be also noted that there are already some established links in terms of data collection and analysis between INSEE and some organisations representing the sector as well as AVISE, Ashoka, France Active or Mouves. Therefore, existing cooperation combined with broader consensus of different stakeholders regarding the way the social enterprise is defined in France, linked also to the recently adopted law, may result in significant improvement and extension of the available data.

There are also other data collecting exercises such as various opinion pools or incidental surveys⁽²⁹⁾.

Trying to apply the EU operational definition of social enterprise, the following organisations could be considered as social enterprises:

- Associations with a minimum of one employee and at least 25 % of their budget coming from market sources, including WISEs with an associative legal form. To give an approximation of their number, 34 % of the members of the Work Integration Enterprises Federation (FEI) – this Federation accounts for 50 % of the work integration enterprises in France – have an associative form, which corresponds to 175 WISEs.
- Specific persons cooperatives (such as SCIC, CAE) that, although primarily devoted to their members, pursue an explicit collective interest in various ways: social services provision, sustainable development, environmental protection, territorial economic development, job creation for vulnerable persons, consumer protection, etc.
- Mutual societies, since they provide social protection based on a solidarity principle.
- Operating foundations which manage services of general interest.
- Enterprises which pursue an explicit social utility and respect a set of conditions in terms of profit distribution and management and are therefore included in the SSE. Some WISEs adopt a commercial legal form and would be included in this category. In 2015, 66 % (=339) of WISEs that are members of the Work Integration Enterprises Federation (FEI) are under a commercial legal form; among those, 36 are SCOP or SCIC.

Table 3 below provides a first estimation of the number of social enterprises in France, when applying the EU operational definition. Altogether, there are nearly 82,519 social enterprises in France that are part of the SSE and meet the EU criteria. Note that the numbers provided are only approximations to be used with caution.

⁽²⁸⁾ CNEI, 2013. Available at: http://www.cnei.org/index.php?option=com_flexicontent&view=category&cid=127&Itemid=83 and FEI, 2015 Chiffres clés des entreprises d'insertion. Pdf.

⁽²⁹⁾ See for instance KPMG Barometer of Social Entrepreneurship available at: http://www.convergences2015.org/Content/biblio/BES%20C2015_2012_ENG_web.pdf.

Table 3. A first estimation of social enterprises in France – EU approach

2013	Number of enterprises	Number of paid workers (full-time Equivalent)	Share of total employment
Associations with minimum one employee and >25 % market resources Including WISEs with an associative form	78,410 (including approximately 3 160 WISEs that have an associative form)	N.A.	N.A.
Cooperatives (SCIC, CAE, persons' cooperatives and WISEs with a SCOP form)	212 SCIC (in 2013; there were 526 in 2015) 50 WISEs with a SCOP legal form Around 100 CAE Around 2 000 persons' cooperatives	N.A.	N.A.
Mutuals	813	119 090	N.A.
Operating foundations	474	59 549	N.A.
Commercial enterprises of social utility within the SSE	N.A. in 2013, since commercial enterprises were not part of the SSE (54 in 2016)	N.A.	N.A.
WISEs with a commercial form	560 (approximately)		
Total	82,519		

Source: Authors' own estimations from INSEE data and Enquête Paysage associatif

3.2. Social enterprises characteristics

Social enterprises are active in a very large spectrum of activities. The most cited fields are work integration, renewable energies, fair trade, organic food and agriculture, health, care for the elderly, fighting against exclusion, sports, education and culture.

Since it is not possible to solely extrapolate data on organisations that can be defined as social enterprise and only updated and reliable data on the ensemble of SSE organisations are available, we will rely specifically on the latter data. Indeed, development trends and findings drawn from the analysis are valid also for organisations that meet the characteristics of the social enterprise.

The data presented below concern the SSE in 2013 when possible or in 2011, depending on the availability of data. They are extracted from different sources (CNCRESS, 2014 et CNCRESS, 2015). Specific data on social enterprises are not available.

An important contribution to the economy

In 2013, SSEs counted for more than 10 % of the total employment in the economy in France with 2.3 million paid workers (9.9 % of total employment in FTE). Within the 163 543 enterprises with paid workers, associations employed 78 % of the workers, cooperatives 13 %, mutual societies 5.6 % and foundations 3.1 %.

SSEs produced 5 % of the value added (Bisault, 2014) and paid 8.5 % of the wages paid in the whole economy (INSEE, 2015).

A vast majority of enterprises (with at least one paid worker) within SSE are associations (94%), 5.2 % are cooperatives, 0.5 % are mutual organisations and 0.3 % are foundations.

Small is dominant

SSEs are composed of myriad small organisations (64 % have less than five employees; 75 % have less than 10 employees) and a very few large organisations (only 1 % have more than 250 employees).

However, we observe a concentration of employment within organisations with 20 or more employees. The weight of SSE's employment within total employment in private organisations is higher in this category of enterprises. SSE employment counts for 14.1 % of employment in private organisations with from 20 to 49 employees, 18.9 % of employment in private organisations with from 50 to 249 employees and 15.6 % of employment in large enterprises (with 250 or more employees).

A majority of women

More than 67 % of employees of SSEs are women, which is more than in the public sector (60 %) or in the private sector excluding SSEs (40 %). This can be partly explained by the sector division of employment. SSE organisations are major employers in social action, education, financial and insurance activities and in health services.

The first employer in the social sector

SSE is indeed the first employer in the social sector (62 % of employment in this sector) and in sport and leisure activities (55 % of employment in this sector). It is the second employer in financial and insurance activities (30 % of employment in this sector). SSE is also an important employer in the performing arts (27 % of employment in this sector) and in education (19 % of employment in this sector).

If we consider employment within SSE by legal form, 47.4 % of employees within associations are in the social sector, 18.5 % are in education and 12.3 % are in organisations whose sector is not identified.

For the cooperatives, financial and insurance activities concentrate the majority of employees in cooperatives (59.1 %), followed by commercial activities (19.4 %) and support to enterprises (6.3 %).

This concentration on financial and insurance activities is even stronger as far as mutual societies are concerned (65.6 % of cooperative employment); 16 % of employees are in health services and 14.1 % in social action. In 2011, health mutual societies (including provident societies) have 80 448 employees while insurance mutual societies have 39 823 employees (less than half).

Lastly, within foundations, a large proportion of employment is to be found in social action (43.9 %) and health (33.8 %).

A positive trend in terms of employment creation

During 2008–2013, the trend of job and enterprise creation within SSE has slowed down compared to 2006–2008, but is still positive (+0.8 %), while the rest of the private economy had a negative trend (-0.2 %). In three years, SSE has therefore increased its share in the total economy (in terms of jobs and enterprises) by 0.5 %.

A strong territorial anchorage

SSE is well anchored in all regions and is considered to be an important economic force for many territories. Nevertheless, there are important regional differences in terms of activity fields, legal forms and the weight of SSE in each region. For instance, in 2013, SSE counted for 7–9 % of total regional employment in Ile-de-France (although quite important in size), while it counted for 12.5–14 % in Bretagne and in Pays de la Loire (CNCRESS, 2015). In terms of legal forms, some regions such as Bretagne are known for the large proportion of cooperatives and others, such as Poitou-Charentes, for the large proportion of mutual societies on their territories. Note that data on SSE are available at the municipal, departmental and regional level.

Volunteers as an important resource

Volunteers are a major resource for most associations. To measure voluntary work is not easy (Archambault et al., 2010). Given that there is no specific accountancy dedicated to volunteers, evaluation of their numbers comes from two different sources based on surveys of the population or of associations. A vast survey on associations was produced at the end of 2014. It is the first one that covers all associations (Reynaert, D'Isanto, 2016). In 2013, 11 million people, i.e. 22 % of the population aged 16 or over, stated that they had worked as a volunteer (providing services without payment) within the last 12 months in an association or in another type of organisation. Altogether, the hours provided by volunteers are equivalent to 680 000 FTE jobs. The major part of these hours is realised in sporting and leisure activities and in cultural ones. Sports associations (25 % of associations) rely more than the other associations on volunteers, since they mobilise 25 % of volunteering hours but only 4 % of paid workers within associations.

The intergenerational renewal as a major issue

This issue concerns both paid workers and volunteers: 600 000 jobs will have to be renewed from now to 2020. Executive positions are particularly affected, since 38 % of enterprise heads and executives are 50 years old or more. Note also that 34 % of presidents are more than 65 years old (Tchernonog, 2013).

The need to improve job quality

As shown by most surveys and statistics, wages are often low, in particular in associations. Indeed, in 2009 employees of SSE organisations earned, on average, 16 % less than in the rest of the private sector and 7 % less than in the public one, when compared with their full-time equivalents (Bisault, 2011). This difference is mainly due to the situation of associations and to their financial fragility, given their large dependency upon public resources. Wages are particularly low in social action, sports and cultural activities.

Short-term contracts and other non-standard or 'atypical' contracts remain important (27 % within SSE as against 15 % in the rest of the private sector). Long-term contracts constitute 72.7 % of the labour contracts in SSE as against 85.2 % in the rest of the private sector. Note that part-time jobs are less frequent in SSE (62 %) than in the rest of the private sector (80 %) and the public sector (76 %). Nearly 30 % of employees are more than 50 years old.

However, the overall job satisfaction is higher in SSE organisations (Richez-Battesti, Petrella, 2010; Chorum, 2013) and wage inequalities are smaller (Bisault, 2011).

4. THE ECO-SYSTEM FOR SOCIAL ENTERPRISE IN FRANCE

Eco-system is a term used to describe the environment within which social enterprises operate⁽³⁰⁾. The following section outlines its main components such as the existing legal framework, specific public institutions and schemes deployed by the state, as well as key networks and support organisations. Finally, we analyse what the limits and tensions of this eco-system are in France. The eco-system described does not specifically concern social enterprises. Indeed, excepting WISEs, social enterprises are fully embedded in the eco-system that was shaped for SSE. Attention is thus paid to the SSE eco-system with a few examples of support measures addressing specifically social enterprises, although not naming them in this way.

4.1. Key actors in the social enterprise eco-system

The French eco-system is very extensive and concerns the SSE in general, since it is the SSE approach which prevails in France. Table 4 outlines the key actors/ agencies of the social and solidarity economy eco-system in France. This list is not exhaustive, since there are a large number of organisations and networks that are dedicated to SSE. Note that the Ministry of Economy, Industry and Digital Technology is taking an inventory of all types of SSE key actors and support organisations, a list that will be accessible on a website⁽³¹⁾.

Table 4. Main key actors/agencies of the social and solidarity economy eco-system

Type of institution/organisation	Name
Governmental departments or institutions designing or implementing policy, support instruments and measures for social enterprises and infrastructures at national or infra-national level	<ul style="list-style-type: none"> • Ministère de l'Économie, de l'Industrie • Délégation interministérielle à l'ESS • DGCS (social cohesion) • Dispositif local d'accompagnement (DLA) created by the State (DGEFP – training) and the Caisse des Dépôts • CGET (territoires) • DjEPVA (vie associative) • France Stratégie for studies • Le Conseil Supérieur de l'Économie Sociale et Solidaire. • La Chambre Française de l'ESS • Le Conseil National des Chambres Régionales de l'Économie Sociale; (and regional organisations)
Organisations promoting, certifying and awarding social business labels	<p>The DIRECCTE gives the ESUS accreditation The CRESS realises, updates and publishes the list of social economy enterprises as defined by the first article of the 2014 Law (subsections 1^o and 2^o of II of first article)</p> <ul style="list-style-type: none"> • <i>for others see the text below</i>
Institutions, civil society initiatives, think-tanks or other social enterprises promoting social entrepreneurship education and training, and presenting role models	<ul style="list-style-type: none"> • <i>Le Labo de l'économie sociale et solidaire (ESS).</i> • <i>AVISE</i> • <i>La Fonda</i> • <i>Le Mouvement Associatif</i> • <i>Le réseau des territoires pour l'économie solidaire (RTES)</i> • <i>Le Mouvement pour l'économie solidaire (MES) and its regional members</i>

⁽³⁰⁾ European Commission, 'Using social business to improve the European economy', 2011. Available at: http://europa.eu/rapid/press-release_SPEECH-11-779_en.htm?locale=en.

⁽³¹⁾ See <http://www.esspace.fr/>.

Social Enterprises and their Eco-systems

Updated country report: France

Type of institution/organisation	Name
Organisations that have the capacity to act as an observatory and to monitor development and to assess the needs and opportunities of social entrepreneurs/social enterprises	<p>– <i>General observatories</i></p> <ul style="list-style-type: none"> • The national observatory on SSE and regional observatories • Institut National de la Statistique et des Etudes Economiques (INSEE) • CNRS (Viviane Tchernonog, Centre d’Economie de la Sorbonne, Enquête Paysage Associatif) • Recherches et Solidarités for statistics • CHORUM (for surveys on quality of work) <p>– <i>Umbrella organisations (in conjunction with professional or sectorial dynamics):</i></p> <ul style="list-style-type: none"> • CGSCOP • Several large federations: Fédération des entreprises d’insertion, UNAPEI, FNARS, UNIOPSS, Ligue de l’enseignement) and their regional-level organisations, etc. • Other organisations: L’ESPER, la FNMF, le Centre Français des fonds et Fondations, l’AAM, COOP FR
Providers of social enterprise start-up and development support services and facilities (such as incubators)	<ul style="list-style-type: none"> • Couveuses, Boutiques de gestion, Plateformes d’Initiative Locale • Réseau Alter’Incub and Fabriques à initiative • Coopératives d’activité et d’emplois • ADIE, Cigales (that are also providers of finance) • Ashoka France
Business support	<ul style="list-style-type: none"> • Provided by various networks and support organisations as well as finance providers, within the whole financing package • Dispositif Local d’accompagnement, DLA
Facilitators of learning and exchange platforms for social enterprises/research and academic networks	<ul style="list-style-type: none"> • L’Association pour le développement de la documentation sur l’économie sociale (ADDES) • RTES • Rencontres du Mont-Blanc • EMES Network France • CIRIEC France • Réseau Inter-Universitaire d’ESS (RIUESS) • Association d’Economie Sociale (AES) • Institut Polanyi France • Institut Godin
Social enterprise (support) networks, associations	<ul style="list-style-type: none"> • AVISE • Mouvement des entrepreneurs sociaux (MOUVES) • La Fédération des Entreprises d’Insertion (FEI) • Confédération générale des Scop (et Sociétés Coopératives d’Intérêt Collectif-SCIC) • Chambre française de l’ESS • L’Union des Employeurs de l’ESS (UDES) • CHORUM
Key providers of finance	<ul style="list-style-type: none"> • Banque Publique d’Investissement • Caisse des Dépôts et Consignations • Crédit Coopératif, NEF, Crédit Mutuel et autres banques coopératives • Crédit du Nord et Société générale • Groupe Associatif France Active • Finansol • Le Comptoir de l’innovation

4.2. Policy schemes and support structure

In general, many policy schemes and support systems (but also non-government initiatives) are geared toward specific types of contribution related to their activity field

(e.g. work integration, care services, etc.) rather than specific groups of organisations defined as social economy enterprises *per se*. As a consequence, these support measures are addressed to all enterprises that fulfil criteria defined by public authorities. For instance, in the case of childcare services, all types of enterprises meeting the agreement criteria defined by law (in terms of supervision rate, staff qualifications or parental contribution varying with the revenues of the parents, etc.) can benefit from public grants. Some support measures are addressed to SSE organisations or to specific types of legal forms (e.g. associations, cooperatives), but none are specifically addressed to social enterprises since this category does not exist as such in France.

The number of available public support schemes and general interest of public authorities in the development of SSE is very large. In particular, since the crisis, the authorities have become more active in the area of social and solidarity economy, considering support for this sector as one of the policy responses to the crisis, as the creation of the delegation for SSE within the Ministry of Economy and Industry last January illustrates. It should be noted, though, that EU funds play a relatively small role in the French context. By contrast, at the local and regional level, public policies have been developed during the 2000s within the framework of regional schemes dedicated to SSE or to innovation, with specific attention given to social innovation. France is a multi-level governance system as far as the development of the SSE is concerned.

Table 5 synthesises the public support measures.

Table 5. Typology of public support measures

To all enterprises that fulfil specific criteria, from which social enterprises can benefit	To the social economy, including social enterprises	To social enterprises only
Social economy enterprises have access to regional support schemes dedicated to innovation	The ESF and the ERDF target the social and solidarity economy, including social enterprises. There are numerous, although diverse, support initiatives at regional level	Specific ERDF and ESF funding schemes are available. They support: i) pre-start support (e.g. incubators); ii) awareness raising (e.g. awards); iii) social entrepreneurship education (e.g. schools for social entrepreneurs); iv) business support (e.g. business planning, management skills, marketing etc.); v) training and coaching schemes; vi) investment readiness support; vii) dedicated financial instruments; viii) physical infrastructure (e.g. shared working space); ix) collaborations and access to markets; x) networking, knowledge sharing, mutual learning initiatives
Associations are eligible for employment subsidies if they hire unemployed or low-qualified workers		
All enterprises are eligible for public grants according to their activity field (social services, home care services, childcare, cultural activities, sport)		

Some publicly-funded schemes specifically target social enterprises, and all of these can be funded by ERDF or ESF. They concern:

- pre-start support (e.g. incubators);
- awareness raising (e.g. awards);
- social entrepreneurship education (e.g. schools for social entrepreneurs);
- business support (e.g. business planning, management skills, marketing etc.);
- training and coaching schemes;

- investment readiness support;
- dedicated financial instruments;
- physical infrastructure (e.g. shared working space);
- collaborations and access to markets;
- networking, knowledge sharing, mutual learning initiatives.

With respect to initiatives directly contributing to the supply of finance, the public investment bank (BPI) was established at the end of 2012⁽³²⁾. Its capitalisation is EUR 500 million and it is mainly aimed at supporting classic SMEs, including marginally SSE organisations. BPI offers various types of instruments including equity investment, loans and guarantees, as well as technical assistance at the pre, interim and post investment phase⁽³³⁾.

Another recent initiative worth noting is the further development of the National Social and Solidarity Economy Observatory and its production of statistical data on SSE linked with INSEE⁽³⁴⁾.

We observe also the ongoing improvement in recognition of the social and solidarity economy, notably through the integration of social and solidarity economy modules into teaching programmes at the University⁽³⁵⁾ and the recognition of RIUESS, an inter-university network of teachers and researchers specialising in SSE⁽³⁶⁾.

4.2.1. Public procurement: Social clauses

SSE organisations, including social enterprises, are facing important changes in their public financial support, the main one being the tendency to move from grants to contracts. Indeed, a large part of public funds is now allocated through public procurement. Contracting out introduced more competition within social enterprises and between social enterprises and private businesses, given the entry of private commercial providers encouraged by public authorities and/or the spread of tendering processes. Tendering processes pose a risk to SSEs, including social enterprises (Petrella and Richez-Battesti, 2012). They lead to an increased fragility of their economic model, in particular for those organisations which have been largely dependent on public resources.

In addition, along with the decentralisation process, there has been a trend of parcelling out between different public bodies at different levels and of increased uncertainty and variability of public funds. Public resources are more frequently coming from territorial or local public bodies (such as the regions or the municipalities), multiplying financial sources, often of short-term and variable nature and linked to specific projects and increasing the administrative costs for social enterprises. In short, application forms are becoming more numerous and complex, but for smaller subsidies. Moreover, changes in public instruments led to the adoption of new performance objectives in social enterprises, along with new managerial tools and indicators.

Nevertheless, integrating social and/or environmental considerations into public procurement procedures for all goods and services is seen as a potentially robust mechanism supporting social enterprises.

⁽³²⁾ Loi n° 2012-1559 du 31 décembre 2012 relative à la création de la Banque publique d'investissement [archive], *Légifrance*, 1 January 2013.

⁽³³⁾ <http://www.economie.gouv.fr/banque-publique-dinvestissement>

⁽³⁴⁾ See CNCRESS, *Atlas de l'Economie sociale et solidaire*, 3rd Edition, 2014.

⁽³⁵⁾ According to the CNCRESS, in 2012 there were 72 degree courses (undergraduate and graduate level) relating to the social and solidarity economy as compared with 26 in 2007.

⁽³⁶⁾ The Conference of University Presidents (CPU) and the Crédit Coopératif have written a guidebook on training in SSE www.cpu.fr/wp-content/uploads/2015/03/20150319-Guide-UESS-Partie-2-VF.pdf.

Despite the fact that 'social clauses' have been available in France for more than 15 years, the proportion of public procurement procedures with a 'social clause'⁽³⁷⁾ is still small. In 2014, only 6.1 % per cent of all public contracts for delivery of goods and/or services for EUR 90 000 (total excluding taxes) or above included such a clause as against 4.3 % in 2012 and 1.9 % in 2009⁽³⁸⁾, which constitutes only a fraction of the EUR 80 billion total value of public contracts. In 2009, social clauses were more frequently used by local communities, which account for 2.7 % of all contracts, than by central authorities (0.5 % of all contracts). The use of social clauses has, however, risen in 2015. For instance, more than 10 million hours of work integration have been generated by social clauses in public contracts (as against 8.4 million in 2014)⁽³⁹⁾. Note that there can be other types of social clauses than work integration requirements, such as promoting diversity or equal opportunities.

It is also important to note that 'social clauses' may still favour the typical enterprises if the goods or services offered are delivered with a sufficiently high level of positive social impact.

In general, it is believed that a more extensive use of 'social clauses' will only be possible if it is preceded by a more positive response from public authorities (e.g. mayors of cities, relevant decision-makers in central government and state agencies responsible for public procurement), as adequate instruments and procedures allowing wider usage of 'social clauses' are already in place⁽⁴⁰⁾. Let us also stress the importance of training to increase information and ease their use by territorial authorities.

Furthermore, there has been a clear view expressed by CNEI (now Federation of WISEs, FEI) and MOUVES regarding the use of 'social clauses' and more strict 'reserved clauses' conditioning access to the public contracts to explicitly selected types of legal structures. The use of the latter category is seen by some stakeholders as too radical and an unjustified interference, which could undermine cooperation between work integration enterprises and classical for-profit organisations competing for public contracts. Other stakeholders estimate that, on the contrary, they could facilitate it.

4.2.2. Use of EU Structural Funds

There seems to be no specific study providing a quantitative estimate of the amount of EU financing directed to French social economy organisations or, more specifically, social enterprises, although there are some sporadic research attempts to estimate the absorption of the third sector in general. Viviane Tchernonog⁽⁴¹⁾, for instance, conducted surveys on associations, and in these surveys EU financing represented about 1 % of their total revenue. In general, it seems that EU structural funds play relatively a small role for the French social and solidarity economy although, again, lack of recent and comprehensive data requires caution.

One of the major French organisations operating also as an intermediate institution providing access to EU funds for social economy organisations is AVISE. Two major EU funds applicable for broadly defined social economy organisations but, not less

⁽³⁷⁾ One of the common examples of the 'social clause' is additional rewarding of bidders from the construction sector who commit to delivering the project with a workforce hired from local communities or a workforce composed of the long-term unemployed.

⁽³⁸⁾ Observatoire Economique de l'achat public, 2015, commande publique et accès à l'emploi des personnes qui en sont éloignées, sous la dir. De C. Baulinet, Guides et recommandations, Ministère des finances Oct.

⁽³⁹⁾ <http://rtes.fr/Alliance-Villes-Emploi-public>

⁽⁴⁰⁾ Loquet, P., 'Les clauses sociales dans les marchés publics: la cruauté des chiffres', 2011. Available at: <http://www.alternatives-economiques.fr/doc53264>.

⁽⁴¹⁾ See for instance surveys conducted by Viviane Tchernonog from National Centre for Scientific Research - University of Paris 1.

importantly, narrowly defined social enterprises are the European Social Fund and the European Regional Development Fund. For the programme 2014–20⁽⁴²⁾:

- Under ESF, particularly relevant is theme 1 and 3: fighting against unemployment, development of entrepreneurship and promoting inclusion. Although it is not explicitly devoted to social economy enterprises, they may be eligible as long as they create new employment opportunities, provide training or promote social inclusion, e.g. by employing labour market excluded groups. The third theme has a specific objective dedicated to SSE with projects for work integration, SSE and social innovation. However, France has allocated only EUR 25 million for the SSE priority during the programme period, which is relatively little in comparison to countries such as Spain or Poland, which have allocated over ten times more.
- Under ERDF, there are a number of relevant regional programmes, with some aiming at supporting the creation of new infrastructure and growth of social economy enterprises⁽⁴³⁾.

Note that France Active is also an intermediary institution for the ESF and ERDF.

When consulted, some social economy enterprises, and associations in particular, expressed concern about substantial time lags between requests for disbursement within existing EU-funded projects and the actual transfer of financing as a reason leading to the temporary lack of liquidity with all its implications.

4.2.3. Initiatives by regional government and other intra-regional authorities

In the Law of 2014, the Article 7 of Section 4 explicitly stresses that regional authorities, together with the regional chambers of SSE and organisations from SSE, have to design a regional strategy for the development of SSE. To do so, the regional authorities may contract with departments, municipalities or public establishments for inter-municipal cooperation (*établissements publics de coopération intercommunale*) in order to develop a concerted/joined-up strategy in favour of SSE on the territory. The law plans that there should be at least every two years a regional conference on SSE to discuss the orientations, means and results of territorial policies for the development of SSE. Note also that the Law on the New Territorial Organisation for the Republic (*Loi Notre*) adopted in August 2015 has integrated the development strategy of the SSE into the development strategy scheme of the regions (*schéma régional de développement économique, d'innovation et d'internationalisation* – SRDEII).

Initiatives of regional governments in France are numerous and significant when compared with their peers in other EU Member States. However, there are also regional variations in the number, dynamics and scope of government-supported initiatives in France. Rhône-Alpes Region is an evident example of a leading and hugely important region with respect to the development of the social and solidarity economy, including social enterprises with a plethora of initiatives backed by regional authorities and the highest number of jobs in absolute terms within the social and solidarity economy, with the exception of Ile de France⁽⁴⁴⁾. For instance, the authorities have been supporting the Forum of Solidarity Employment (*'Le Forum de l'emploi solidaire'*⁽⁴⁵⁾), one of the largest employment fairs in the region established to promote employment in the sector, with the eighth such event taking place in 2015. Another regular initiative (its seventh event was in 2015) has been Solidarity Meetings (*'Les Rencontres Solidaires'*⁽⁴⁶⁾), composed of dozen of parallel organised events such as debates devoted to innovation in social

⁽⁴²⁾ See AVISE <http://www.avise.org/dossiers/financements-europeens-2014-2020>.

⁽⁴³⁾ <http://rtes.fr/L-ESS-dans-les-programmes>

⁽⁴⁴⁾ However, in 2011 Bretagne (144 000 or 13.6 %) and Pays de Loire (161 000 or 12.6 %) were the regions with the highest share of salaried jobs in SSE when compared to total employment in the region.

⁽⁴⁵⁾ Le Forum de l'emploi solidaire, 2015. Available at: <http://www.forumemploi-solidaire.org/>.

⁽⁴⁶⁾ Rencontres Solidaires en Rhône-Alpes, 2015. Available at: <http://www.rencontres-solidaires.org/index.php/events/rencontres-solidaires-2015/>.

economy, public consultations, workshops and networking events. In addition, the Region has also been providing direct financial support. One example is the iDÉcllic Solidaire⁽⁴⁷⁾, a programme targeting the social and solidarity economy organisations willing to undertake new projects or expand existing ones leading to an increase in employment. Support in the form of subvention for initial investment and/or functioning cannot exceed EUR 60 000 and must be matched with a minimum 20 % of existing capital. The list of eligible beneficiaries reflects broadly the social economy definition and includes associations, cooperatives, mutual societies and work integration enterprises. In Rhône-Alpes Region, there are also six Territorial Clusters for Economic Cooperation (*Pôle Territorial de Coopération Economique*). As at 2016, there were 34 Territorial Clusters for Economic Cooperation that were awardees of the call for projects, but in reality, there are around one hundred of these territorial clusters.

The French Region of Provence-Alpes-Côte d'Azur has established a regional development strategy that recognises the important role of the social economy. One of the key pillars of this strategy – implemented before the introduction of the 2014 Law – is the regional PROGRESS Programme oriented specifically to social economy development. It is a self-contained regional strategy supporting the development of micro projects from launching to their scaling-up. This programme involves the creation of an observatory of the social and solidarity economy and a permanent committee responsible for monitoring of the sector. The regional strategy has also supported the development of local clusters of enterprises (PRIDES) through annual agreements for the public funding of collaborative projects among the firms, on the condition that they contribute to job creation and economic development⁽⁴⁸⁾.

Frequently cited, and broadly considered as successful, even though many outcomes are yet still to be realised, has been the project launched in 2005 by the Regional Council of Languedoc-Roussillon Region, providing support services to social innovation projects. This initiative forms a cooperative group composed of local authorities and entities from the social and fair economy (for more see Table 6). Its key activities are built around the business incubator for social enterprises (start-ups and developing ones), and Realis (social economy and entrepreneurship centre), helping projects in the 'start-up' phase. This ecosystem also includes an SSE business convention (Coventis) and the Regional Agency for Innovation (Transferts LR)⁽⁴⁹⁾. This programme has benefited from EU structural funds, regional funds and private support and has received very high attention from regional social economy stakeholders. One of the important advantages of the programme highlighted by observers is its coherence with the structure of regional economy, which relies strongly on tourism and has a considerable elderly population with high demand for social care services⁽⁵⁰⁾.

At the local level, territorial authorities such as department councils or inter-communalities also carry out programmes and strategies in favour of SSE development: or instance, the Grenoble Agglomeration, which implemented an ambitious development plan for SSE. The Lille Metropole, active in supporting SSE since 2002, reaffirmed its support to SSE last June. Another example can be found with the city of Grasse (Provence), which started a local contract in favour of the development of SSE (*Contrat local de Développement de l'ESS – CLDESS*) with the support of the Provence-Alpes Côte d'Azur Region. These examples can be regarded as frontrunners, although all regions have developed specific arrangements with a view to furthering SSE development.

⁽⁴⁷⁾ iDÉcllic Solidaire, 2015. Available at: http://www.rhonealpes.fr/TPL_CODE/TPL_AIDE/PAR_TPL_IDENTIFIANT/168/18-les-aides-de-la-region-rhone-alpes.htm.

⁽⁴⁸⁾ European Commission, 2013. Social Economy and social entrepreneurship, Volume 4.

⁽⁴⁹⁾ OCDE, forthcoming.

⁽⁵⁰⁾ European Commission, 2005. L'innovation Sociale en Languedoc-Roussillon. Available at: <https://ec.europa.eu/growth/tools-databases/regional-innovation-monitor/support-measure/social-innovation-languedoc-roussillon>

Table 6. Examples of regional social enterprise support initiatives ⁽⁵¹⁾

Topic	Initiative and its features
Name of initiative	<i>L'innovation Sociale en Languedoc-Roussillon</i>
Years of operation	Initiated in 2007
Geographical scope of the initiative	Regional (Languedoc-Roussillon)
Target population	Social entrepreneurs (at start-up and development phase)
Aims and objectives of the initiative	Favourable structure of regional economy combined with active organisations of social economy. Initiative aims for overall support (networking, grant seeking and business cooperation) of social economy sector and in particular job creation and enhancement of social innovation.
Financing of the initiative	80% of its financial support comes from the Languedoc-Roussillon Region and Europe's ERDF. Moreover, the cooperative movement (either URScop or CGScop) has always funded 5–10 % of the scheme through self-financing. In the first years, <i>la Caisse des Dépôts et Consignations</i> (public fund), the State, <i>la Caisse d'Épargne</i> (private, cooperative bank) and the Macif Fund were essential financial partners of the project. The annual budget is nearly EUR 500 000 ⁽⁵²⁾ . 70 % of the funds are used to support projects and 30 % to coordinate the scheme. The average cost of an incubated project is about EUR 22 000 a year. Half of this amount is spent on external consultancy (market analysis, legal advice, etc.)
Role of EU funding (if any)	EUR 23 000 grant for 2014 and 2015, EUR 170 000 grant for the years 2011, 2012 and 2013
Form of support	Pre-start support (Social Enterprise Incubator) Awareness raising (coherent labelling) Entrepreneurship education (schools for social entrepreneurs) Provision of business support (e.g. business planning, management skills, investment readiness etc.); Assistance in research for financial support A shared working space Networking, knowledge sharing, mutual learning
Delivery/implementation mechanism	Eco-system for social innovation
Exemplariness of innovation	Coherence with structure of regional economy, concentration of various activities in one centre
Achievements of the initiative	From 2007 to 2015, Alter'Incub has received 299 applications; 148 projects have been auditioned, more than 90 have been offered mentoring and 36 social companies have been created. Regardless of their legal status, they are all characterised by a viable business model, a limited pursuit of profit, a social and/or environmental purpose and participative management Organisation of Social Innovation Conventions every year since 2009 with over 2000 participants each year.

⁽⁵¹⁾ www.alterincub.coop and interview in May 2016

⁽⁵²⁾ <https://ec.europa.eu/growth/tools-databases/regional-innovation-monitor/support-measure/social-innovation-languedoc-roussillon>

Social Enterprises and their Eco-systems
Updated country report: France

Evaluative evidence

n/a

4.2.4. Other specialist support and infrastructure available to social enterprises

There is a plethora of schemes funded from public sources. Likewise, non-publicly funded instruments have been established. Instruments include: network organisations offering various types of advice promoting social innovation, business schools offering courses on social entrepreneurship, and suppliers of finance targeting social economy organisations/social enterprises. For examples of certain types of initiatives offered by some support organisations see Table 7.

4.3. Key networks

The French eco-system is characterised by a richness of various structures and support initiatives established by SSE organisations and other government and non-government stakeholders. Different types of network/support organisations mark their presence in the sector. These are, for instance, network organisations, associations supporting particular segments of social economy (cooperatives, WISEs, SCICs) or specific activity fields such as the UNIOPPSS, union of associations for social services (care for the elderly, for disabled persons or families in need, fighting against poverty and exclusion), organisations providing financial support or advice or those which conduct independent research. Table 7 provides a snapshot of some of the most important ones. It is commonly believed that the coming years will see further development and strengthening.

In this large range of support institutions, we note two specific sources of tension within the system:

- between organisations which may sometimes have different aims and interests;
- between the most institutionalised organizations, which are well represented, and the less formal or developed organisations that are less visible and influential.




It is undisputable that the strong position of social and solidarity economy in France creates a supportive and friendly environment for both social economy and social enterprises.

The French eco-system also includes initiatives aimed at increasing cooperation between social economy enterprises and classic profit-driven companies which are, however, keen to leverage the positive social impact of their businesses. Ashoka France coordinates one such initiative, called 'Hybrid Value Chain'⁽⁵³⁾. Apart from promoting the values of social business among typical profit-seeking companies, the platform also provides business opportunities for both types of organisations, which are interested in collaboration facilitating management networking or training. The Hybrid Value Chain is not limited to the French territory and has been implemented in many other countries, some outside the EU.

Support networks for the development of SSE are numerous in France. Some are professional networks dedicated to a certain type of organisation, such as the Federation of Work Integration Enterprises (FEI), the Union of Workers' Cooperatives (CGSCOP) or the Associative Movement (*Le mouvement associatif*). Others are supporting activity or project creation (such as SIFA, AVISE), while others are aimed at managers of social enterprises (MOUVES, CJDES, etc.). Others contribute to the institutional structuration of the SSE as a chamber (CNCRESS, Chambre ESS France) or as an employers' union (UDES). Finally, some are focused on promoting information access (ESsemble). Only the main ones are listed here in Table 7 below.



⁽⁵³⁾ Ashoka France, 2012. La Chaîne de Valeurs Hybride. Available at: <http://france.ashoka.org/la-cha%C3%A9ne-de-valeur-hybride-le-syst%C3%A8me-ashoka-pour-d%C3%A9velopper-%C3%A0-grande-%C3%A9chelle-la-cr%C3%A9ation-de-valeur>.

Table 7. Examples of social economy (support) networks, associations and pacts that engage in advocacy, mutual learning and facilitation of joint action

Name of organisation	Year of establishment	Overview	Objectives	Type of support delivered
	2002	<p>Created by the Caisse des Dépôts (long-term public investor) and representatives of social economy, AVISE provides support to all types of social economy organisations. It operates across the whole country. It develops engineering and services. It fosters the emergence of activities with a social utility and the consolidation of the structures. It works in partnership with the main networks.</p> <p>AVISE works also as an intermediary organism for the European Social fund in respect to social and solidarity economy organisations., especially through the programme 'Labour and inclusion' through project calls.</p>	<ul style="list-style-type: none"> To increase the number of new enterprises in social and solidarity economy and improve the performance of existing ones by strengthening of internal capacity as well as external advocacy; Creation of new jobs. 	<ul style="list-style-type: none"> Redistributor of EU funds (in particular ESF) Network platform for public authorities, local communities, social economy entities and typical enterprises Communication activities: organisation of events, dissemination of various publications: reports, newsletters Provision of training
	2010	<p>MOUVES provides advice and support to all types of social enterprises and aims to favour their creation and development. Its creation was partly driven by the economic crisis and the need for a coordinated response.</p>	<ul style="list-style-type: none"> To develop social enterprises; Creation of new jobs. 	<ul style="list-style-type: none"> Social enterprise awareness and training; Favour social practices within traditional firms and social innovation; Develop a European network of social enterprises.
	<p>2011 (Previously: Confédération générale des scop)</p>	<p>Les Scop is a network of workers' cooperatives (sociétés coopératives et participatives) financed by member cooperatives and managed by elected representatives from Scop. The Scop network accompanies the creation and development of cooperative companies.</p>	<ul style="list-style-type: none"> Support for individual entrepreneurs in the pursuit of their initiatives Promotion of existing and creation of new SCIC (Sociétés Coopératives d'Intérêt Collectif) 	<ul style="list-style-type: none"> An introduction to creating a company Accompanying and monitoring activities over the life of the company Financing, training and inter-professional exchanges Representation among economic, political and social organisations




Social Enterprises and their Eco-systems

Updated country report: France

Name of organisation	Year of establishment	Overview	Objectives	Type of support delivered
<p>Fédération des entreprises d'insertion</p> 	1988	<p>The Fédération des entreprises d'insertion is a network of WISEs. It gathers more than 600 reintegration enterprises representing 37 000 jobs in 15 different sectors (2014).</p> <p>First Comité national des entreprises d'insertion (CNE) from 1988 to 2014.</p>	<ul style="list-style-type: none"> • The support of its members in the development of their operations • Provision of sustainable jobs for people facing social and professional difficulties 	<ul style="list-style-type: none"> • Help in the acquisition of certifications • Advice on possible financing schemes • Training and information on the sector • Networking and experience sharing • Lobbying on behalf of members
<p>Groupe associatif France Active</p> 	1988	<p>France Active is a French non-profit financial network. Since 1988, France Active has specialised in impact investing into mission-driven small and medium enterprises in France.</p> <p><u>Mission:</u> 'Support the entrepreneurs to change the world'.</p> <p>Through various financial tools such as grants, bank loan guarantees, medium-term loans and equity investment, France Active offers a large panel of financial solutions to social entrepreneurs. In addition to this, strategic advice services and networking solutions to help entrepreneurs to raise capital are available.</p> <p><u>Key Figures:</u> Every year:</p> <ul style="list-style-type: none"> – More than 7 000 projects are financed, – About EUR 250 million brought in to projects. 	<ul style="list-style-type: none"> • Provision of finance to social enterprises. 	<ul style="list-style-type: none"> • Mobilises public and private funds for further assistance to social enterprises (grants, bank loan guarantees, medium-term loans, and equity investment) • Project advisory (strategic advice services, networking solutions)


Social Enterprises and their Eco-systems

Updated country report: France

Name of organisation	Year of establishment	Overview	Objectives	Type of support delivered
<p>Centre des Jeunes, Dirigeants et Acteurs, de l'Economie Sociale</p> 	1985	Gathers together around 1000 leaders of social and solidarity economy organisations including large financial cooperatives, mutual and key reintegration enterprises as well as 10 regional delegations of social economy organisations.	<ul style="list-style-type: none"> Promotion, development and growth of social and solidarity economy. 	<ul style="list-style-type: none"> Conducts periodical research on social economy ecosystems Panels and conferences Networking platforms and exchange of views/experience Lobbying on behalf of its members
<p>Chambre française de l'ESS</p> 	2015	La Chambre française de l'Economie sociale et solidaire (2014) is the new name for CEGES (conseil des entreprises et des employeurs de l'économie sociale, i.e. the Network of Employers and Organisations of Social Economy, created in 2001). It was established by the law on social and solidarity economy, in Article 5.	<ul style="list-style-type: none"> Promotion of social and solidarity economy Representation of stakeholders of the social economy vis-à-vis public authorities 	<ul style="list-style-type: none"> Advocacy with public authorities Promotion of the model of social economy Conducts research into social economy Member of several national and European networks
<p>CNCRES</p> 	2004	It represents and coordinates the activities and interests of regional Chambers of Social Economy.	<ul style="list-style-type: none"> Supports regional structures of Chambers of Social and Solidarity Economy. 	<ul style="list-style-type: none"> Represents Regional Chambers at the national level Advocates for their interests with public authorities Promotes organisations of Social and Solidarity Economy Promotes social innovation Promotes data on SSE


Social Enterprises and their Eco-systems

Updated country report: France

Name of organisation	Year of establishment	Overview	Objectives	Type of support delivered
<p>UDES</p> 	<p>1994</p>	<p>L'Union des employeurs de l'économie sociale et solidaire federates 25 unions of employers who represent 70 000 entreprises and act in 14 occupational groups in the associations, coops and mutualist sectors.</p> <p>UDES represents 1/3 of the SSE, which employs half of the sector's employees.</p>	<ul style="list-style-type: none"> • Federate employers' unions and be a resource for employers on: <ul style="list-style-type: none"> • quality of employment; occupational health; labour laws; social dialogue practices • ■ Represent them with public authorities and institutional partners • ■ Develop partnerships with institutional actors <ul style="list-style-type: none"> ■ Dialogue with decision-makers and opinion leaders in and outside the social enterprises sector • ■ Negotiate cross-sectoral collective agreements which benefit, through its members, social enterprises employees 	<ul style="list-style-type: none"> • As an umbrella organisation, UDES offers to its members social and legal services and tools. •
<p>RTES</p> <p>Reseau des collectivités territoriales pour une économie solidaire</p> <p>Logo</p>	<p>Created in 2001 to replace the network of local authorities in favour of the solidarity economy.</p>	<p>RTES is the only network of this type in Europe. It gathers together 125 territorial authorities.</p>	<ul style="list-style-type: none"> • To promote local initiatives, to implement and transfer new strategies, especially public strategies • To be a space for coordination and exchange • To strengthen local public policies in favour of SSE 	<ul style="list-style-type: none"> • Umbrella organisation that offers to its members information, services and public tools to promote SSE at a territorial level.

Social Enterprises and their Eco-systems

Updated country report: France

Name of organisation	Year of establishment	Overview	Objectives	Type of support delivered
ESsemble 	2015	Website created by SSE organisations. It is the first practical guide to assist in acting, engaging and doing things differently Essemble.org	<ul style="list-style-type: none"> • Increase access to information about SSE 	<ul style="list-style-type: none"> • Provide practical information
ESSpace	2016	Website created by the Minister of Economy and Industry in co-construction with SSE actors to create a federative web portal for all SSE actors.	<ul style="list-style-type: none"> • To facilitate access to information about SSE 	<ul style="list-style-type: none"> • Directory of all SSE actors with a cartography of SSE organisations • Specific search engine to assist research

4.4. Research, education and skills development

In the last decade, a professionalisation movement has been observed within the SSE and within associations in particular.

Globally, expenses toward vocational training are important in SSE organisations and the education level is, on average, higher than in the rest of the economy⁽⁵⁴⁾.

Regarding vocational training, some social economy enterprises organise this by activity field. Nevertheless, there is an increasing supply of training within universities and business schools, which have created Master's degrees in social and solidarity economy⁽⁵⁵⁾, accessible for both higher and continuing education. A large proportion of researchers and masters are members of RIUESS (Réseau Interuniversitaire d'Economie sociale et solidaire)⁽⁵⁶⁾. They organize a scientific meeting every year. Some of these researchers are also members of other networks: ADDES, AES, CIRIEC, EMES (see Table 4).

Despite its limited size, by supporting the exchange of good practices between social entrepreneurs, providing advice and experimenting with the transfer of knowledge to young social entrepreneurs, Mouves contributes to skills development.

One of the main challenges as far as education is concerned is the need to integrate in the programmes not only managerial competence issues but also governance and participation issues, as these are specific characteristics of SSE and of social enterprises.

4.5. Financing

4.5.1. Demand for finance

Findings from the finance suppliers interviewed suggest that demand has been growing over the last five years and further growth is expected in the medium term. Interviewees asserted that they could only meet part of the demand (10–50 % depending on the SIFI). In most cases, external financing is sought for working capital, fixed asset acquisitions and scaling-up of operations.

The study undertaken by OpinionWay for *Le Comptoir de l'Innovation* in the period between November 2011 and April 2012, covering 62 main French social enterprises, 50 solidarity-based investors and a group of 1 041 individual representatives of the French population, came up with the following findings⁽⁵⁷⁾:

- EUR 252 000 was the average amount of financing that the 50 solidarity-based investors surveyed were willing to put in to a social enterprise;
- 67 % of social enterprises declared that their social mission would not be threatened if they had to provide their investors with a return of up to 5 %;
- 67 % of investors were ready to accept a rate of return of up to 5 %;
- 60 % of French investors would be willing to invest in a bank product that includes the funding of social enterprises.

More generally, the development of incubators and other types of actors and tools are supporting and speeding up the enterprise creation and covering the financial needs associated with the creation process, so demand for finance should not stop increasing in the coming years.

⁽⁵⁴⁾ See CNCRESS, *Atlas commenté de l'Economie sociale et solidaire*, Chapter 5, 2014, pp. 73-78, Les efforts de formation, and www.chorum-cides.fr/.../monographie-de-lemploi-de-qualite-dans-less-en-france/.

⁽⁵⁵⁾ See the guide www.cpu.fr/wp-content/uploads/2015/03/20150319-Guide-UESS-Partie-2-VF.pdf

⁽⁵⁶⁾ See www.riuess.org.

⁽⁵⁷⁾ OpinionWay, *Le financement des entreprises sociales*, 2012. Available at: http://www.opinion-way.com/pdf/opinionway_pour_le_comptoir_de_l_innovation_-_le_financement_des_entreprises_sociales_en_france.pdf.

4.5.2. Supply of finance: Social investment supported by public policy

Social finance in France began at the end of the 1980, as in other countries in Europe. But it seems to be one of the most developed in Europe⁽⁵⁸⁾. Social finance was first developed by civil society players who wished to use financial instruments differently. It is still immature but has been growing, in particular over the last 10 years. Public initiatives such as new funds/banks or tax incentives have had a very meaningful impact on the evolution of the market and the amount of available finance. There has been also some perceptible rise in interest in the sector seen among conventional banks. Altogether, there are several main types of players in the social investment market in France.

Social investment is high on the policy agenda in France. There are public or publicly supported agencies such as France Active, and public investors with eminent examples such as the Public Bank for Investment (BPI) and the *Caisse des Dépôts et Consignations* (CDC).

At national level, the French Government has recently taken the following measures/actions:

- At policy level, the 'Law on Social and Solidarity Economy' came into force in 2014. One of the principal objectives of the law is to amplify financing available for social and solidarity economy organisations, primarily through a more precise definition of the sector, the reinforcement of 'solidarity enterprises' so that it can benefit from higher financing devoted to projects characterised by 'social utility', and legal changes which will allow mutuals' investment into associations.
- New financing tools and schemes have been set up or are being considered to promote social investment:
 - There are tax incentives for social and solidarity economy/philanthropy: 50 % of donations from enterprises to non-profit organisations are exempt from corporation tax. Also, individuals can benefit from a tax credit of up to 66 % of the donated amount⁽⁵⁹⁾.
 - The Caisse des Dépôts – a public long-term investor and the most important fund in France (30 % of funds) – offers two interesting support measures to social investment:
 - Funds of funds⁽⁶⁰⁾: these funds invest in other funds, with a focus on social entrepreneurship.
 - Caisse des Dépôts and public co-investors have instituted the NOVESS Fund, endowed with EUR 100 million available for long-term leases for social economy enterprises;
 - Socially-oriented pension funds: Since January 2010, it is mandatory for each French company with more than 50 employees to provide a socially-oriented pension scheme to its employees. These pension schemes (FCPES – *Fonds Commun de Placement d'Entreprise Solidaire*) invest from 5–10 % of their funds in social economy enterprises or social funds. As at the end of 2011, socially-oriented pension schemes accounted for more than EUR 1.7 billion, from which more than EUR 110 million was invested in social funds or social economy enterprises (plus EUR 600 million from other sources). It seems to be a specificity of the French landscape in which unions have played an important role in the evolution of solidarity employee savings schemes.
 - As a part of the 'Future Investments Programme' (*Programme d'Investissements d'Avenir*), a budget of EUR 100 million has been allocated to fund enterprises of the SSE. The priority goal is to develop existing companies to promote the creation or

⁽⁵⁸⁾ Stanford Social Innovation Review, Financial Revolution? Yes we can, 2013. Available at: https://ssir.org/articles/entry/financial_revolution_yes_we_can

⁽⁵⁹⁾ Official Site of the French Administration, 2014. Impôt sur le revenu: réduction pour dons à des organismes d'intérêt général. Available at: <http://vosdroits.service-public.fr/particuliers/F426.xhtml>.

⁽⁶⁰⁾ Fonds de fonds.

Social Enterprises and their Eco-systems

Updated country report: France

consolidation of 60 000 jobs in nearly 2 000 companies through loans to be repaid by 2019 at the latest⁽⁶¹⁾.

- Launch of a Public Investment Bank (BPI⁽⁶²⁾) – part of the investment made by the BPI will be exclusively channelled to social economy enterprises. This is the case for the investment envelope oriented towards social economy enterprises and business enterprises with a social impact, for the participative and solidarity loan, which concerns all SSE networks. The National Committee of Reintegration Enterprises (CNEI), now called the Work Integration Enterprise Federation (FEI), expressed the view that loan guarantees, envisaged as one of the main instruments provided by the BPI, shall constitute meaningful support for many WISE struggling to secure their loans⁽⁶³⁾. The BPI also runs the Social Innovation Fund (FISO: *fonds d'innovation sociale*), still in a testing phase in 2015–2016. Co-financed by the regions, it provides refundable advances or a zero rate loan to support social innovation projects or social impact ones launched by small and medium enterprises or social economy enterprises (as defined by the 2014 law).
- At regional level, a few Regions are active in supporting social investment, e.g. Region Ile de France, which made EUR 2 million available to support social investment.
- Last but not least, the social impact contracts (*contrats à impact social*) were launched in March 2016⁽⁶⁴⁾ within the framework of an inter-ministry call for projects by the State Secretary in charge of SSE in France, under the auspices of a report prepared in 2014⁽⁶⁵⁾. The social impact contract is issued by a social economy enterprise, refundable *in fine* and aimed at encouraging investment to finance the development of an action with social impact⁽⁶⁶⁾. It provides a secured contract framework for such type of investment, aimed at fostering the financing of new or innovative activities with a social aim. It is aimed at combining social and financial return on investment. These social impact contracts, adapted from an Anglo-Saxon vision of financing social activity in order to limit public social expenses, provoked strong reactions in France, putting forward both the interests of such an initiative and the complexity of implementing them, as well as some vigilance issues⁽⁶⁷⁾.

The other main finance suppliers include:

- **Solidarity finance**, with its label 'Finansol', created in 1997 and used to distinguish solidarity financial products that contributed to the financing of activities generating social and/or environmental utility, but not the organisations themselves. Solidarity finance is

⁽⁶¹⁾ Faure, J., 'Preparing the ground for innovative responses to current challenges', *Peer review on Social Economy*, 2012.

⁽⁶²⁾ Banque Publique d'Investissement. Available at: <http://www.bpifrance.fr/>.

⁽⁶³⁾ Interview with the representatives of CNEI, which took place on 28 and 29 January 2014.

⁽⁶⁴⁾ Site du Ministère de l'Economie et des finances: <http://www.economie.gouv.fr/contrat-impact-social>.

⁽⁶⁵⁾ Comment et pourquoi favoriser des investissements à impact social, innover financièrement pour innover socialement, Report of the French Committee on social impact investment, September 2014, www.economie.gouv.fr/files/files/.../RapportSIIFce_vdef_28082014.pdf.

⁽⁶⁶⁾ Two types of social impact bonds are possible: type 'i', where there is a capital risk for the investor, compensated for by a higher potential financial return related to the social performance of the investment, and type 'ii', where there is no risk to capital and where the bond offers a minimal fixed return. It is a way to foster investment for organisations that provide social goods and services.

⁽⁶⁷⁾ See: Report of the French Committee on social impact investment, delivered by Hugues Sibilles, Claude Leroy Themeze (MEF), Nadia Voisin (MAEDI), rapporteur Cyrille Langendorff: « Comment et pourquoi favoriser des investissements à impact social? Innover financièrement pour innover socialement » : http://www.economie.gouv.fr/files/files/PDF/RapportSIIFce_vdef_28082014.pdf

Working Document delivered by the General Commission on strategy and work perspectives delivered by Camille Guézennec et Guillaume Malochet: « L'Impact investing pour financer l'économie sociale et solidaire ? Une comparaison internationale » : http://www.strategie.gouv.fr/sites/strategie.gouv.fr/files/atoms/files/dt_-_impact_investing_-_vu_hm_final_le_21-06vcg9h00.pdf

For critical views, see: « Quand le social finance les banques et les multinationales » : http://www.lemonde.fr/idees/article/2016/03/10/quand-le-social-finance-les-banques-et-les-multinationales_4880783_3232.html

Article from Jean Gadrey, blog Alternative économiques: « Economie sociale et solidaire : de la « carte des solutions » au péril mortel des investissements à impact social » : <http://alternatives-economiques.fr/blogs/gadrey/2016/03/14/economie-sociale-et-solidaire-de-la-%c2%ab-carte-des-solutions-%c2%bb-au-peril-mortel-des-%c2%ab-investissements-a-impact-social-%c2%bb/> and « Avis du HCVA relatif à l'appel à projets de « social impact bonds » : http://www.associations.gouv.fr/IMG/pdf/Avis_du_HCVA_relatif_a_l_appel_a_projets_SIB_02-03-2016.pdf

Social Enterprises and their Eco-systems

Updated country report: France

growing fast; around 20 % in the last few years and 14 % in 2014⁽⁶⁸⁾. This rapid growth is the result of innovative processes promoted by various players. Products are differentiated according to their origin: bank savings, savings collected by solidarity enterprises or solidarity employee savings:

- The observatory of solidarity finance, run by Finansol, collects data and produces statistics on this activity field. According to it, there are more than one million solidarity savers. From EUR 8.46 billions invested in solidarity employee savings products at the end of 2015, EUR 1.1 billion was invested in the SSE and EUR 290 million of solidarity finance was invested to support social or environmental utility projects, contributing to 31 000 jobs created or consolidated⁽⁶⁹⁾.
- There is a project to create a savings book dedicated to solidarity sustainable development and a loan fund by the CDC dedicated to the SSE (which would be called INVESS) in order to mobilise institutional investors beyond solidarity savers.
- **Le groupe associatif France Active** is the first solidarity investment society in France. This society finances investments or capital requirements for associations and solidarity enterprises of social utility, especially oriented towards job creation, through participative loans allocated under favourable conditions. In this group Sifa, in 2015, takes part in the investment of more than 900 solidarity enterprises in France (investment of EUR 21.3 million, 333 financed projects and 12 500 jobs created)⁽⁷⁰⁾.
- **Impact funds/responsible investment funds.** According to the KPMG and ALFI survey on European Investing Responsible Funds, as at 2015 there were 260 socially responsible investment funds⁽⁷¹⁾ in the country with a total capitalisation of approximately EUR 59 billion. France counts for 16 % of the total capitalisation at European level and 14 % of the total funds, being in second position after Luxembourg.
- **Venture philanthropy.** There were 17 funds in France in 2014 and the country is listed among the top three in Europe in terms of their number⁽⁷²⁾. Phitrust, AlphaOmega and the innovation fund of AG2R la Mondiale are a few examples.
- **Cooperative Banks.** They are part of SSE. France has a number of cooperative banks including Crédit Coopératif, Crédit Agricole, Crédit Mutuel or Banque Populaire-Caisses d'Épargne and now NEF (Nouvelle économie fraternelle), which offer financing to the SSE. The most common type of product is the loan. Nonetheless, no aggregate data on the scale of financing provided to social economy organisations is available. Cooperative banks play an important role in the financing of social and solidarity economy, stressing the particularly active roles of Crédit Coopératif and NEF, which provide financial support to projects according to their environmental, social and/or cultural utility⁽⁷³⁾. For example, the NEF is implementing a social entrepreneurship guarantee scheme which is funded by the European Social and Innovation Programme and which aims at supporting more than 300 social enterprises in France⁽⁷⁴⁾. Note also that the Sapin Law of the 14 June 2016 permits some savings accounts (*livrets A and Sustainable development*) to take part to the financing of SSE.
- **Conventional Banks.** Rising awareness about the concept of social economy and better performance of the sector in comparison to the rest of the economy over the last years, in particular its solid resistance to the crisis, has attracted the interest of some conventional banks. In general, there seems to be higher awareness and higher readiness of conventional banks to invest in social economy in comparison to other Member States. For

⁽⁶⁸⁾ www.finansol.org

⁽⁶⁹⁾ http://www.finansol.org/_dwl/barometre-finance-solidaire.pdf

⁽⁷⁰⁾ www.franceactive.org, rapport d'activité 2015.

⁽⁷¹⁾ Understood as those investing in (i) micro-finance funds, (ii) Social Entrepreneurship and Solidarity funds, (iii) Social impact funds, (iv) venture philanthropy. http://www.alfi.lu/sites/alfi.lu/files/European-Responsible-Investing-Fund-Survey-2015_1.pdf.

⁽⁷²⁾ EVPA, *The EVPA Survey*, 2014. Available at: <http://evpa.eu.com/knowledge-centre/what-is-vp/industry-data/>

⁽⁷³⁾ NEF, Nouvelle Economie fraternelle; d'abord Société coopérative de finances solidaire puis depuis 2015 banque Ethique Available at: <http://www.lanef.com/>.

⁽⁷⁴⁾ See http://www.eif.org/what_we_do/microfinance/news/2016/first-eu-social-finance-deal-nef.htm.

instance, BNP Paribas has a separate team specialising in social entrepreneurship and micro-finance and envisaged over EUR 200 million of investment between 2013 and 2015⁽⁷⁵⁾. Nonetheless, it is believed that the involvement of conventional banks is still way below the potential, primarily due to lack of commonly accepted metrics of social impact and perceived risk and rate of return from social investment⁽⁷⁶⁾.

- **Family offices.** There is no available data on the existing number of family offices including those which actively invest in social economy organisations/social enterprises. However, in Paris alone there are at least 24 family offices⁽⁷⁷⁾, with some already engaged in social impact investment.

Unlike in some Member States, in France social economy and social enterprises have, at least in principle, access to the whole portfolio of financial instruments starting from subventions through guarantees⁽⁷⁸⁾, grants, loans, equity⁽⁷⁹⁾, mezzanine, and relatively new channels such as crowdfunding⁽⁸⁰⁾.

Loans and subsidies are most commonly used, whereas equity seems to be a rarely available instrument, especially from private venture capital, and Initial Public Offering is largely out of the scope of consideration. There are many reasons why equity is hardly used, but one could mention the lack of understanding of this fairly nascent field among equity investors⁽⁸¹⁾. Besides, as social enterprises are mostly micro entities with limited capital requirements, this often makes them minimally attractive to venture capital, which typically seeks financial deals above a certain threshold (e.g. due to high due diligence or management costs per deal). In addition, factors such as general perception of realistic rate of return from social impact investment and level of risk do not help. In addition, certain types of legal structures, such as associations, exclude *a priori* equity investment. Generally, limited access to long-term capital and financing through equity are seen as material obstacles for the development of the sector⁽⁸²⁾. The main barriers holding up the development of social investment market include lack of information and understanding about social investment in general, including the risk and possible return. Many finance suppliers (in particular private investors) perceive investment as relatively risky, with an expected return rate that does not compensate for the level of risk⁽⁸³⁾. In this sense, public funding remains an essential source of financing social economy enterprise⁽⁸⁴⁾. Moreover, these public investors play a central role in financing

⁽⁷⁵⁾ BNP Paribas, BNP Paribas s'engage sur un objectif ambitieux de soutien à l'entrepreneuriat social et à microfinance: plus de 200 millions d'ici 2015, 2013. Available at: <http://www.bnpparibas.com/actualites/presse/bnp-paribas-sengage-objectif-ambitieux-soutien-lentrepreneuriat-social-microfinanc>.

⁽⁷⁶⁾ Opinion expressed during the interview with representative of Ministry of Social Cohesion/French Supreme Council of Social and Solidarity Economy and Euclid Network.

⁽⁷⁷⁾ Gestion-de-mon-patrimoine.com. Available at: <http://www.gestion-de-mon-patrimoine.com/liste-des-family-offices-a-paris/>.

⁽⁷⁸⁾ See for instance the instruments offered by France Active: http://www.franceactive.org/upload/uploads/File/113443_solutions_financement_franceactive.pdf.

⁽⁷⁹⁾ See for instance instruments offered by Cigales, Equisol or France Active. Available at: <http://www.atelier-idf.org/entrepreneurs/financement/>.

⁽⁸⁰⁾ See for instance *Le rapport sur le financement de l'Economie sociale et solidaire*, 2013. Available at: <http://proxy-pubminefi.diffusion.finances.gouv.fr/pub/document/18/15091.pdf>.

⁽⁸¹⁾ Blazy, C., 'Le financement des entreprises sociales. Une comparaison France - Californie', 2011. Available at: <http://mpr.ub.uni-muenchen.de/33220/>.

⁽⁸²⁾ Mendell, M., Enjolras, B., Noya, A., 'L'économie sociale au service de l'inclusion au niveau local: Rapport sur deux régions de France: Alsace et Provence - Alpes - Côte d'Azur', *OECD*, 2010.

⁽⁸³⁾ Centre d'Analyse Stratégique, 'L'entrepreneuriat social en France', 2013. Available at: <http://www.strategie.gouv.fr/content/rapport-l%E2%80%99entrepreneuriat-social-en-france>.

⁽⁸⁴⁾ For example for forms of public financial support varies from tax exemption, through the financing of the wages of employees, up to typical investment financing.

enterprises whose access is more difficult for the market, such as early-stage social economy enterprises, or to promote specific guarantee tools with a leverage effect⁽⁸⁵⁾.

In addition, other solidarity initiatives can be mentioned here:

- **The CIGALES movement**⁽⁸⁶⁾, which legally operate as investment clubs have, since the 1980s, provided an opportunity to citizens to support enterprise creation or scaling up projects by means of solidarity financial contributions and human support. There were, in 2014, 251 clubs that are still active in France, involving 3 133 citizens, with an investment amount outstanding of EUR 2.24 million and more than 200 jobs created or stabilised in more than 130 enterprises.
- Crowdfunding: the development of participative or alternative finance outside the traditional financial system is speeding up in the last few years. It opens a new way to finance projects, but it is generally a one-shot initiative and not a way to durably finance social economy enterprises. Four types of funding are possible: a participatory loan with compensation, a plate-form of donations (ARIZUKA), an equity crowdfunding (Sowefund, 1001Impact) and loans without compensation. In 2015, fundraising increased by 100 %, with one million additional funders as compared to 2014 and EUR 297 million raised⁽⁸⁷⁾. Crowdfunding is likely to play an increasing role in the development of the social and solidarity economy (for different reasons: e.g. the need for transparency, ease of access, shared risk management, communication of projects). Examples of crowdfunding websites involved in social and solidarity economy include: SPEAR, Arizuka, Finance utile, MicroDon, Octopousse, 1001Impact or WiSEED.
- Lastly, there is a new initiative, launched in June 2016: **NovESS** is the result of an alliance between public and private financial sources to meet the specific needs of SSE enterprises, in particular with the aim of scaling up. This initiative is supported by the CDC (Caisse des Dépôts) to the amount of 49 % and by private co-investors (BNP Paribas, CNP assurances, Crédit Coopératif, Ircantec, Mutuelle nationale territoriale). It is characterised by an important support and follow-up scheme of beneficiary enterprises and the implementation of a specific tool to evaluate the social impact of the funded projects, created by the bank BNP Paribas and Le Comptoir de l'innovation.

All these public and private financial tools were estimated to be worth nearly EUR 1.8 billion in 2013⁽⁸⁸⁾.

4.5.3. Market gaps and deficiencies

The eco-system has grown considerably in the last few years with the involvement of public authorities at the national level, but also at lower levels and with the initiative of several players. However, in the meantime, the institutional environment has been deeply transformed, with higher adaptation requirements for SSE players. In particular, social economy enterprises in general and especially social enterprises like WISEs and the providers of social services have to face the decrease and the transformation of public funds (move from grants to contracts, public procurements, move from national bodies to regional and local ones). Most of them have adopted managerial tools (control, quality management, accountancy) to improve their managerial professionalism. A vast majority of these enterprises have still major difficulties in mobilising private funds such as sponsorship, crowdfunding, venture philanthropy or social impact contracts, and funds in general. These difficulties are complex to overcome since they are related, among others, to a lack of competence and time from the organisations and to a lack of understanding and visibility from the private sector and investors as to their social

⁽⁸⁵⁾ 'Rapport du Comité français sur l'investissement à impact social', 2014.
www.economie.gouv.fr/files/files/.../RapportSIIFce_vdef_28082014.pdf.

⁽⁸⁶⁾ Club d'Investisseurs pour une Gestion Alternative et Locale de l'Épargne Solidaire (CIGALES). Available at:
<http://www.cigales.asso.fr/>. See also: http://www.lemonde.fr/argent/article/2014/05/26/la-premiere-banque-ethique-francaise-sur-les-rails_4426311_1657007.html.

⁽⁸⁷⁾ According to data delivered by the association "Finance Participative France".

⁽⁸⁸⁾ Report of the French Committee on social impact investment, 2014.
www.economie.gouv.fr/files/files/.../RapportSIIFce_vdef_28082014.pdf.

impact. Today, the noose tightens between the lack of both public and private funding and the need to innovate and grow to meet new and increasing social and societal needs.

Within this highly complex environment, some schemes are not well adapted to their needs. For instance, the lack of quasi-equity for associations remains a barrier for access to some types of funding, such as the ones granted by the Social Innovation Fund (FISO). Moreover, associations have to choose to some degree between sponsorship or developing their activity of selling goods and services to increase their financing, because of their legal incompatibility. Indeed, to benefit from a specific tax regime, associations have to keep their lucrative activity of selling goods and services as secondary or limited in comparison with their main activity, which has to remain non-profit (see above).

Relative to market deficiencies in terms of financial resources, there is today still a gap between supply and demand of finance. On the supply side, despite the increase in supply, the amount of available funding is lower than the level of demand, in particular at the start-up stage and for changing scale. The Law on Social and Solidarity Economy tackles to some extent this issue of insufficient finance. But some instruments are not adapted to the needs of social enterprises. On the demand side, the problem lies in the relative inexpediency between the various existing financial schemes and the capacity of social enterprises to have recourse to them (lack of information, lack of skills, lack of time, difficulty in choosing the most coherent according to their needs, too many contrasted evaluations etc.). Although it is difficult to generalise due to the lack of available data, some interviewees indeed stressed that, more than the lack of available money, the problem comes from the fact that social enterprises are unaware of available sources. In addition, it should also be noted that some social enterprises exhibit low investment readiness and are not, in general, perceived as viable investments. Information and visibility of the supply of finance need to be improved.

Note that, especially before the law, the lack of consensus regarding definition of social and solidarity economy/social enterprise creates an additional obstacle for some actors (e.g. public authorities) in terms of establishing financial support schemes. Recent evolutions may moderate this obstacle.

Last but not least, one barrier comes from the difficulty in accurately measuring the social impact more generally, i.e. the contribution of the social enterprises to the social and economic development in the long run. There were some attempts to measure the social impact of social investment, but it was concluded that it still lacks accuracy.

5. PERSPECTIVES

5.1. Constraining factors and opportunities

The strong social economy heritage can be seen as an opportunity for the development of social enterprises in France. The recent Law and all the related evolutions can really foster their development. Note also that this law has consolidated the whole eco-system supporting SSE and, among it, social enterprises that were already well developed in France.

Yet this sector has been facing both challenges and opportunities, which have translated into its dynamic evolution, especially over recent years. Restructuring of the welfare state to drive more efficiency (e.g. in the healthcare sector), along with social changes such as ageing population or persistently elevated unemployment with all their implications, has opened new niches for those social enterprises that were able to fill the gaps in service provision.

In addition, gradual changes in financing took place as well. Between 2005 and 2011, the amount of state subsidies provided to associations shrank by 17 %, whereas the value of public contracts increased by 73 %⁽⁸⁹⁾.

More recently, in particular in the aftermath of the economic crisis, there has been a marked increase in the activism of the state, as seen in the growth in number and scale of initiatives undertaken by public authorities to stimulate the growth of the social and solidarity economy. New institutions and new available sources of finance, as well as new legislative efforts, have clearly benefited the sector and contributed to its higher recognition among the broader public audience. In parallel, existing support organisations have strengthened and new ones have emerged. Six out of nine major support and network organisations⁽⁹⁰⁾ were established after 2000.

Therefore, the institutional and economic environment is globally favourable for the development of social enterprises. Within the context of transformation of public intervention and budgetary constraints, SSE is seen as a major lever for job creation, sustainable local development and economic and social value creation. The development of social finance, solidarity initiatives and alliances between public and private funds is a way to grasp private funds to support social economy enterprises. Note also that there are 'social entrepreneurs' who are willing to create businesses with a social aim, although for some of them governance issues are not always central.

⁽⁸⁹⁾ Sibille, H., Tchernogog, V., 'Inventer pour préparer l'avenir', *Le Monde*, 3 December 2013.

⁽⁹⁰⁾ For the full list, see Table 7.

5.2. Trends and future challenges

Although public schemes are quite numerous in favour of SSE, there are important territorial disparities between the development, implementation or access to public support schemes at the local level. Drawing on good practice from selected regions, a crucial challenge is therefore to ensure equal access to support schemes to all eligible organisations.

As a second challenge, we would like to stress the issue of the size of the structures of the social enterprises. Most of them are still small (fewer than 10 paid workers or even five) and are not oriented to grow, although they might need it, while others develop an explicit growth or scaling-up strategy. The challenge is therefore for social enterprises to develop adequate scaling strategies while keeping the sense of their social mission.

Finally, there are also important requirements in terms of education and training dedicated to the SSE and social enterprises to increase their visibility, the understanding of their mission and functioning at the crossroads between market, redistribution and reciprocity. It is important to develop training programmes aimed at helping employers, employees and volunteers to conciliate both economic and managerial issues with issues related to the social mission, the democratic project, governance and collective ownership.

6. ANNEXES

6.1. Operational social enterprise definition

The following table represents an attempt to operationalise the definition of social enterprise based on the Social Business Initiative promoted by the Commission.

Main dimension	General definition	Relevant Indicators (not exhaustive list) (yes/no or range from low up to very high)	Initial minimum requirements (yes or no)	Examples/boundary cases comments
Entrepreneurial/ economic dimension	Social enterprises (SEs) are engaged in the carrying out of stable and continuous economic activities, and hence show the typical characteristics that are shared by all enterprises ⁽⁹¹⁾ .	<ul style="list-style-type: none"> - Whether the organisation is or is not incorporated (it is included in specific registers) - Whether the organisation is or is not autonomous (it is controlled or not by public authorities or other for-profit/non-profits) and the degree of such autonomy (total or partial) - Whether members/owners contribute with risk capital (how much) and whether the enterprise relies on paid workers - Whether there is an established procedure in case of SE bankruptcy - Incidence of income generated by private demand, public contracting and grants (incidence over total sources of income) - Whether and to what extent SEs contribute to delivering new products 	SEs must be market-oriented (incidence of trading should be ideally above 25 %).	- We suggest that attention is paid to the development dynamic of SEs (i.e. SEs at an embryonic stage of development may rely only on volunteers and mainly on grants)

⁽⁹¹⁾ In accordance with Articles 48, 81 and 82 of the Treaty, as interpreted by the Court of Justice of the European Communities: 'an enterprise should be considered to be any entity, regardless of its legal form, engaged in economic activities, including in particular entities engaged in a craft activity and other activities on an individual or family basis, partnerships or associations regularly engaged in economic activities'.

Social Enterprises and their Eco-systems

Updated country report: France

Main dimension	General definition	Relevant Indicators (not exhaustive list) (yes/no or range from low up to very high)	Initial minimum requirements (yes or no)	Examples/boundary cases comments
		<p>and/or services that are not delivered by any other provider</p> <ul style="list-style-type: none"> - Whether and to what extent SEs contribute to developing new processes for producing or delivering products and/or services 		
Social dimension (social aim)	<p>The social dimension is defined by the aim and/or products delivered.</p> <p>Aim: SEs pursue the explicit social aim of serving the community or a specific group of people that shares a specific need. By promoting the general interest, SEs overcome the traditional owner-orientation that typically distinguishes traditional cooperatives.</p> <p>Product: when not specifically aimed at integrating disadvantaged people to work, SEs must deliver goods/services that generate a beneficial societal impact.</p>	<ul style="list-style-type: none"> - Whether the explicit social aim is defined at statutory/legal level or voluntarily by the SE's members - Whether the product/activity carried out by the SE is aimed at promoting the substantial recognition of rights enshrined in the national legislation/constitutions - Whether SEs' action has induced changes in legislation - Whether the product delivered – while not contributing to fulfilling fundamental rights – contributes to improving societal wellbeing. 	<p>Primacy of social aim must be clearly established by national legislations, by the statutes of SEs or other relevant documents.</p>	<ul style="list-style-type: none"> - The goods/services to be supplied may include social and community services, services for the poor, environmental services up to public utilities depending on the specific needs emerging at the local level - In EU-15 countries (and especially in Italy, France and the UK) SEs have been traditionally engaged in the provision of welfare services; in new Member States, SEs have proved to play a key role in the provision of a much wider set of general interest services (e.g. from educational services to water supply) - What is conceived to be of meritorious/general interest nature depends

Social Enterprises and their Eco-systems

Updated country report: France

Main dimension	General definition	Relevant Indicators (not exhaustive list) (yes/no or range from low up to very high)	Initial minimum requirements (yes or no)	Examples/boundary cases comments
				on contextual specificities. Each national expert should provide a definition of what 'public benefit' means in her/his country
Inclusive governance-ownership dimension (social means)	<p>To identify needs and involve the stakeholders concerned in designing adequate solutions, SEs require peculiar ownership structures and governance models that are meant to enhance to various extents the participation of stakeholders affected by the enterprise.</p> <p>SEs often limit the distribution of profits. The non-profit distribution constraint is meant to ensure that the general interest is safeguarded. The non-profit distribution constraint can be operationalised in different ways.</p>	<ul style="list-style-type: none"> - Whether SEs are open to the participation and/or involvement of new stakeholders - Whether SEs are required by law or do adopt (in practice) decision-making processes that allow for a well-balanced representation of the various interests at play (if yes, through formal membership or informal channels -give voice to users and workers in special committees?). - Whether a multi-stakeholder ownership structure is imposed by law (e.g. France) - Whether SEs are required to adopt social accounting procedures by law or they do it in practice without being obliged to - Degree of social embeddedness (awareness of the local population of the key societal role played by the SE versus isolation of the SE) - Whether the non-profit distribution constraint is applied to owners or to stakeholders other than owners (workers and users): whether it is 	SEs must ensure that the interests of relevant stakeholders are duly represented in the decision-making processes implemented.	<ul style="list-style-type: none"> - Ownership rights and control of power can be assigned to one single category of stakeholders (users, workers or donors) or to more than one category at a time – hence giving ground to a multi-stakeholder ownership asset. - SE can be the result of collective dynamics or be created by a charismatic leader (in principle a sole owner is admitted by some national legislations provided that the participation of stakeholders is enhanced through inclusive governance) or public agency - Different combinations concerning limitations to profit distribution envisaged (e.g. most

Social Enterprises and their Eco-systems

Updated country report: France

Main dimension	General definition	Relevant Indicators <i>(not exhaustive list)</i> (yes/no or range from low up to very high)	Initial minimum requirements (yes or no)	Examples/boundary cases comments
		<p>short-term (profits cannot/are not distributed or they are capped) or long-term (asset lock); or both short and long-term.</p> <ul style="list-style-type: none"> - Whether the cap is regulated externally (by law or defined by a regulator) or it is defined by the SE by-laws. - Whether limitations to workers' and/or managers' remunerations are also imposed (avoid indirect distribution of profits). 		<p>successful solution: capped dividends supported by total asset lock – Italian social coops, CIC, SCICs)</p>

6.2. National illustrations

We have chosen the following illustrative cases, based on different criteria as well as on the suggestions made by some stakeholders. We have included a diversity of legal forms, of activity fields, of type of organisations (support organisations and service providers) and of location (urban and rural areas) to illustrate as much as possible the diversity of social economy enterprises in France.

Illustration 1: The association 'Family Help' (Valréas)

The mission of the association 'Family Help' is to provide home care services to help families in need (in terms of housekeeping and children's education) and dependent persons (the elderly and disabled persons). Their aim is to contribute to the quality of their environment, helping them to stay at home and live at home safely and with dignity. This association is a good example of an association that succeeded, until now, in adapting to the constraints of the environment while keeping strong social, ethical and associative values. It is, however, a constant challenge. Investing in human resources, improving service quality and fostering resources pooling and partnership across social and health sectors are part of this organisation's recipe for success. A major strength of this association lies in its willingness to improve both the quality of jobs and services. The association provides good quality jobs in a field where employment quality is often poor. This non-profit organisation, created in 1961, was originally an organisation of volunteers who organised themselves to help mothers temporarily in need. With the increasing volume of activity and the change in the legislative environment (new law in 2002), it became impossible for the organisation to function as it used to do. This is why the board of directors decided to appoint a director. The director had strong experience in the financial and business world, but also had a diploma and previous experience in the social and cultural world (community centres, vocational training organisations); the director initiated a lot of changes in the governance of the organisation as well as in the internal organisation.

This association also produced a deontological chart to recall the values that it promoted: to adopt a respectful attitude towards the persons, their belongings and their privacy; to protect users and workers from abusive and unsatisfactory practices; and to implement a global and individualised service.

<http://www.aideauxfamilles.fr/>

Illustration 2: The WISE 'La Varappe'

La Varappe is an interesting example of an association that changed its structure, legal form and scale to face the evolutions of its competitive and institutional environment. La Varappe was an association first created in close cooperation with local public authorities to foster work integration in their area. Being active in competitive markets, La Varappe had to grow and change scale. In this perspective, La Varappe has chosen to adopt a commercial legal form (*société par action simplifiée*) in order to be able to attract capital to develop its activity. Today the association La Varappe is part of a holding (Optima), but it owns more than one-third of the shares of the holding. However, La Varappe has been very aware of adopting important safeguards to guarantee the pursuit of the social mission as the priority goal of the holding and to protect the association's values. The group was labelled as a work integration social enterprise and as a solidarity enterprise – a label that has now been transformed into the 'social utility social enterprise' label (*entreprise sociale d'utilité sociale*, or ESUS) defined by the SSE law of 2014. This label acknowledges that the social mission of the social enterprise, explicitly mentioned in its by-laws, is important enough to have a significant impact on the performance of the organisation and on the allocation of the surplus. In 2014, 88 % of La Varappe's workforce was composed of workers in integration. It should also be noted that at least 20 % of the benefits of the organisation have to be allocated to an asset lock.

The major strengths of this initiative come from its coherence in three main dimensions: its economic coherence comes from its multiple activities (it is quite rare for a WISE to propose temporary work, environmental jobs and energy provision); its social coherence lies in its wish and capacity to support the re-integration of almost any worker, whatever his/her weaknesses or problems; and, last but not least, its territorial coherence is linked to the fact that the organisation is locally anchored and considers territorial integration as an important element for success.

<http://www.groupelavarappe.fr/>

Illustration 3: 'A taste of illusion': a cultural collective interest cooperative

'*Un goût d'illusion*' is a collective interest cooperative (SCIC) with a commercial form (limited liability company) active in the cultural sector. It aims to support cultural and artistic projects in the performing arts. It is a support organisation that helps to professionalise and to structure cultural organisations which often lack administrative, managerial and strategic expertise. Indeed, in the cultural field, the very small size of most cultural associations and the lack of field structuration are impeding their development. The project started in Montpellier (Languedoc-Roussillon Region, South of France) with the creation in 2000 of the association « *Illusion et Macadam* », which aimed to support cultural projects, hitherto isolated and led by artists who became entrepreneurs against their own will. The objective was to mutualise competences, reduce job insecurity for artists and projects and support the necessary transformation of the sector.

The project was created as an association but, in 2010, it was decided to adopt the collective interest cooperative form, as the project had reached the limits of the associative legal form. With this new legal form, a new name was adopted: « *Un goût d'illusion* ». The new form was chosen to reinforce the collegial functioning, to make up for the lack of volunteers and to formalise the project's partnerships. The founders' wish is to become a kind of cooperative holding, with the SCIC at its heart. The adoption of such cooperative status is very innovative in this field of activity. In 2012, there were only 40 SCICs in the cultural field in France (15 % of the total number of SCICs); more than half of them (23) were created between 2010 and 2012.

The adoption of a collective interest cooperative form appears to the founders to be an innovative way of including the diversity of stakeholders' interests and issues at stake. The multi-stakeholder governance facilitates the involvement of the multiple stakeholders by formalising their partnerships and the 'network organisation' increases the initiative's capacity to adapt to new opportunities and anticipate changes in the environment. They are open to new collaborations and consider that 'the network is their trademark'. Their success comes from their adjustment capacity and their reactivity.

Today the organisation has 25 employees, a payroll of EUR 584 000 and a turnover of EUR 1.6 million. Alongside their support function, *Un goût d'illusion* also develops an important production activity. They work as a hybrid production office between an autonomous artist and a big production office, while keeping a handcrafted way of doing things, which is an innovative practice in itself in this field of activity.

<http://www.illusion-macadam.coop/>

Illustration 4: The workers' cooperative Scop Ti

Scop Ti is a workers' cooperative of 60 persons created in 2014 after four years of fighting against Unilever, which closed the tea factory in Gémenos (south of France). The workers are now organised as a workers' cooperative which uses the factory equipment. Their mission is to keep and develop an economic activity on their territory and to improve the quality of their products (tea and aromatic herbs) by using local raw materials as much as possible, sustainable production systems and organic agriculture. Their objective is to respect the consumers by selling them good quality products, to

revitalise the local industry and to contribute to sustainable economic development in the region. For example, they are trying to revitalise the local industry of lime trees and verbena in Provence, which was completely abandoned by Unilever since it was cheaper to buy it from another country.

Governance, democratic functioning and fairness are central issues for the Scop, which wants to promote another work organisational model, known as a 'social republic' where workers are sovereign (see annex 2 for more details on this Scop). All major decisions are taken by the general assembly of cooperators and by the board elected from the general assembly. Another important objective for them is to limit as much as possible the wage gap inside the cooperative. Only three levels of wages exist according to their professional category. Only one wage for the same job; wages do not depend upon whether the directors like you or not. The wage gap is now 1:1.25, when it was 1:310 when the firm was owned by Unilever.

<http://www.scop-ti.com/>

Illustration 5: The Activity and Employment Cooperative Coopaname

Created in 2004, Coopaname is an activity and employment cooperative (CAE). It gathers nearly 850 persons, craftsmen, freelance and services providers at different stages of their activity development, managed alone or within a cooperation group. It is a multi-activity structure, open to any worker who wants to join the cooperative to share its savoir-faire and knowledge and to develop in an autonomous way an economic activity, whilst being able to become a paid worker and benefit from social security protection. In doing so, Coopaname is looking to invent another relationship to work: more collective protection (in terms of employment law, vocational training, risk mutualisation and social solidarity) and an employment relationship based more on social links than on subordination or commercial relationships. The focus is put on work as a matter of priority. Exercising democracy inside the cooperative is a central governance principle and governance bodies are renewed every three years. Each paid worker is destined to become an associate of the cooperative. The direction is collegial.

To finance its support and management activity and the services that are mutualised, the cooperative debits 11.5 % of the gross margin of the activity of its members.

The cooperative works in partnership with territorial public authorities such as the municipality of Paris or the Ile de France Region, the administration (la Direccte) and different SSE stakeholders such as France Active or the Crédit Coopératif.

One of the major strengths of this project is to encourage the development of entrepreneurship while providing the advantages linked to the employee's statute with the promotion of a new statute, the 'wage-earning entrepreneur', while combining autonomy and solidarity.

<http://www.coopaname.coop/>

6.3. Reference List

- Archambault, E., Accardo, J., Laouisset, B., *Connaissance des associations*, CNIS.
- Bisault, L., 'L'économie sociale, des principes communs et beaucoup de diversité', *Insee première*, No 522, November 2014.
- Bisault, L., 'L'échelle des salaires est plus resserrée dans l'Economie sociale', *Insee Première*, No 1390, February 2011.
- Centre d'Analyse Stratégique, 'L'entrepreneuriat social en France', 2013.
- Chomel, C., 'Le cadre juridique des coopératives d'entreprises', *RECMA*, No 307, 2008, p. 10-28.
- Chorum, 'Baromètre qualité de vie au travail dans l'ESS', 2013.
- CNCRESS, *Panorama de l'ESS*, édition 2015, 2015.
- CNCRESS, *Atlas commenté de l'ESS*, 3rd Edition, Dalloz, Juris Associations, 2014.
- Collectif, *La Manufacture coopérative, Faire société : le choix des coopératives*, Ed du Croquant, 2014.
- Dacheux, E., Laville, J-L., (Coord.), 'Economie solidaire et démocratie', *Revue Hermes*, 2003.
- DARES, 'Les salariés des structures de l'insertion par l'activité économique', *Dares Analyse*, No 034, May 2015.
- Defourny, J., Nyssens, M., 'The EMES approach of social enterprise in a comparative perspective', *EMES Working Papers*, No 12/03, EMES International Research Network, Liege, 2012. Available HTTP:
http://emes.net/content/uploads/publications/EMES-WP-12-03_Defourny-Nyssens.pdf.
- Draperi, J-F., Margado, A., 'Les scic, des entreprises au service des hommes et des territoires', *RECMA*, No 40, 2016, pp. 23-36.
- El Karmouni, H., Prevot-Carpentier, M., 'L'idéal coopératif dans une organisation contemporaine: le cas de la coopérative de La Louve', *RECMA*, No 340, 2016, pp. 78-93.
- Eme, B., Laville, J-L., 'Economie solidaire (2)', in Laville, J;-L. et Cattani, A.D. (Eds.) *Dictionnaire de l'autre économie*, Gallimard, Pris, 2006.
- Faure, J., 'Preparing the ground for innovative responses to current challenges', *Peer review on Social Economy*, 2012.
- Fondation de France, *Funds and Foundations in France, from 2001 to 2014*, 2015.
- Fraisse, L., Gardin L., Laville, J.-L., Petrella, F., Richez-Battesti, N., 'Social enterprise in France: at the crossroads of Social Economy, Solidarity Economy and Social Entrepreneurship', *ICSEM Working papers*, No 34, 2016.
- Gardin, L., 'Entrepreneurs sociaux et économie sociale et solidaire, continuités et ruptures', XXXIIIes Journées de l'Association d'Économie Sociale, *Les nouvelles frontières de l'économie sociale et solidaire*, Cahiers du CIRTES, Presses universitaires de Louvain, HS, No 3, 2013, pp. 121-148.
- INSEE, *L'économie sociale en 2013*, 2015.
http://www.insee.fr/fr/themes/detail.asp?ref_id=eco-sociale
- Mendell, M., Enjolras, B., Noya, A., 'L'économie sociale au service de l'inclusion au niveau local: Rapport sur deux régions de France: Alsace et Provence – Alpes – Côte d'Azur', *OECD*, 2010.
- 'Observatoire Economique de l'achat public, commande publique et accès à l'emploi des personnes qui en sont éloignées', sous la dir. De C. Baulinet, *Guides et recommandations*, Ministère des Finances, October 2015.

Social Enterprises and their Eco-systems

Updated country report: France

Goulard, G., 'Clarifier le régime fiscal des associations : rapport au 1^{er} Ministre', *La documentation Française*, 1998.

Reynaert, L., d'Isanto, A., '9 associations sur 10 fonctionnent sans salariés', *Insee Première*, No 1587, 2016.

Richez-Battesti, N., Petrella, F. et al., 'Quelle qualité de l'emploi en ESS, une perspective plurielle', *Lest-Cnrs*, 2010.

Sandell, M. J., *Ce que l'argent ne saurait acheter*, coll. Points Seuil, Paris, 2014.

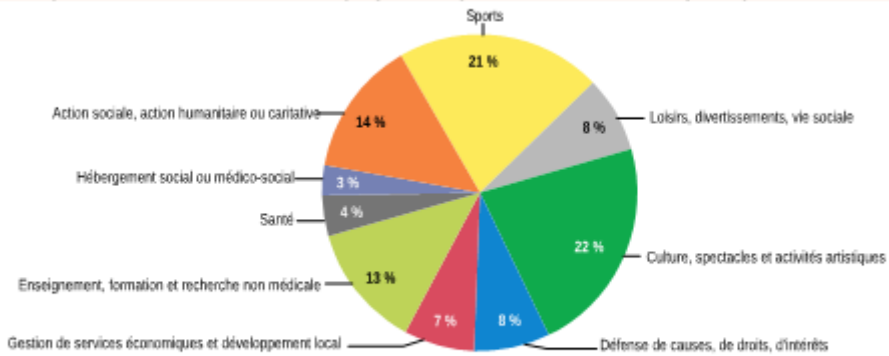
Tchernonog, V., 'Le paysage associatif français', *Dalloz-Juris Associations*, 2013.

Tchernonog, V., 'Enquête Paysage associatif', *CNRS*, 2012.

6.4. Other annexes

6.4.1. Associations with at least one employee per main activity field

3 Répartition des associations employeuses* par domaine d'activité principal



* Ayant eu une masse salariale non nulle en 2013.

Lecture : en 2013, 21 % des associations employeuses sont des associations sportives.

Champ : associations relevant de la loi 1901 et assimilées, ayant eu au moins un jour d'existence en 2013 en France.

Source : Insee, enquête Associations 2014.

6.4.2. Mapping social enterprises: table from the first report:**Table 8. Estimated scale of social enterprise in France (2011)**

Type	Total number (registered)	Lower bound		Upper bound	
		% meeting criteria	Estimated number of SEs	% meeting criteria	Estimated number of SEs
Société coopérative d'intérêt collectif (SCIC)	220	100 %	220	100 %	220
Enterprise for the reintegration of economic activity	5300	100 %	5,300	100 %	5 300
Régies de quartier	120	100 %	120	100 %	120
Associations*	190 000	0%	0	10 %	19 000
Foundations	1 376	0%	0	10 %	138
Cooperatives*	26 112	0%	0	10 %	2 611
Mutuals	7 442	10 %	744	10 %	744
Total:	230 570		6 384		28 133

Note: the data should be treated as indicative range estimates only. They are based on indicative (and often subjective) assessment of the share of social enterprises among particular groups of entities and other assumptions. The reference periods for which data is available differ and are not available on a regular basis as time series. 2011 has been selected as a reference year given that data exist for various types of organisations either for 2011 or a close period.

6.4.3. Data on the entire social and solidarity economy in France

Given the recent effort done by the National Observatory on the Social and Solidarity Economy and the French national statistical office, we include below the figures that have resulted from this counting exercise based on the French definition of the wider social and solidarity economy (table 1). A more detailed table per type of social and solidarity economy organizations is included in table 2 although data is from 2013.

Table 9. The Social and Solidarity Economy Enterprises: Main figures (data from August 2016)

	Associations	Cooperatives	Mutual societies	Foundations	Commercial enterprises	Total SSE
Enterprises	215 027	8 858	752	503	54	225 194

Source: INSEE SIRENE 2016

Table 10. The Social and Solidarity Economy Enterprises: Main figures (data from 2013)

	Associations	Cooperatives	Mutual societies	Foundations	Total SSE	Share of SSE in the total economy
Enterprises	153 746	8510	813	474	163 543	7%
Number of paid workers	1 849 717	309 062	133 960	77 562	2 370 301	10,5%
Number of paid workers -FTE*	1 539 657	290 052	119 319	69 760	2 018 788	9,9%
Gross wages (billions of euro)	42,8	11,5	4,7	2,2	61,2	8,5%

Source: Observatoire national de l'ESS – CNCRESS, from Insee Clap 2013

*FTE: Full Time Equivalent

HOW TO OBTAIN EU PUBLICATIONS

Free publications:

- one copy:
via EU Bookshop (<http://bookshop.europa.eu>);
- more than one copy or posters/maps:
from the European Union's representations (http://ec.europa.eu/represent_en.htm);
from the delegations in non-EU countries
(http://eeas.europa.eu/delegations/index_en.htm);
by contacting the Europe Direct service (http://europa.eu/europedirect/index_en.htm)
or calling 00 800 6 7 8 9 10 11 (freephone number from anywhere in the EU) (*).

(*). The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

Priced publications:

- via EU Bookshop (<http://bookshop.europa.eu>).

Priced subscriptions:

- via one of the sales agents of the Publications Office of the European Union
(http://publications.europa.eu/others/agents/index_en.htm).

