



inspire
SMART VILLAGE LABS

D2.2 A common conceptual framework on social economy in Europe

Social Economy Europe (SEE)

29/04/2025



Funded by
the European Union

Document Information

Issued by:	Social Economy Europe (SEE)
Issue date:	29/04/2025
Due date:	30/04/2025
Work package leader:	Social Economy Europe (SEE)
Dissemination level:	PU - Public

Document History

Version	Date	Modifications made by
0.1	17/04/2025	Draft version by SEE
0.2	25/04/2025	Quality revision from ESN and The Wheel
0.3	28/04/2025	Updated version by SEE
1.0	29/04/2025	Final quality check by WR

Authors

Name(s)	Beneficiary
Chiara Lipari	SEE
Paula de Diego	SEE
Sarah de Heusch	SEE

If you want any additional information, or you want to consult with the authors of this document, please send your inquiries to: Chiara Lipari (chiara.lipari@socialeconomy.eu.org) and Paula de Diego (paula.dediego@socialeconomy.eu.org).

Quality Reviewers

Name(s)	Beneficiary
Inês Nunes de Freitas	ESN
CathyAnne Fox	WHEEL
Áine O'Connor	WHEEL
Thomas Bakratsas	WR
Danai Antonaki	WR

Disclaimer

Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or European Research Executive Agency. Neither the European Union nor the granting authority can be held responsible for them.

© INSPIRE Consortium, 2024 - 2027

Reproduction is authorised provided the source is acknowledged.

Executive Summary

This study, conducted under the Horizon Europe-funded INSPIRE project, examines how the Social Economy (SE) is understood and addressed across the European Union. The research was undertaken against the backdrop of the EU Social Economy Action Plan 2021–2030, which offers a common definition and strategic vision for the SE (European Commission, 2021a). Despite this EU-level framework, national interpretations of the social economy remain highly heterogeneous. The study aims to establish a pan-European conceptual framework to bolster inclusive rural development and enhance social economy services (SES). It pursues three core objectives: (1) mapping the conceptual definitions and legal frameworks for SE in all 27 EU Member States; (2) reviewing existing frameworks for evaluating the impact of SES at global, European, and national levels; and (3) developing a clustering of SE ecosystems across the EU alongside a harmonised set of impact indicators to measure SES.

The study highlights significant divergences in how countries recognise and legislate the social economy. Only about one-third of Member States have adopted an official definition of SE, and just over half have enacted dedicated social economy laws or policies (European Commission, 2021a; Monzón & Chaves, 2022). Nonetheless, many countries embed strong social inclusion goals in SE initiatives, demonstrating a shared commitment to integrating vulnerable populations. By contrast, very few national frameworks explicitly address rural or territorial development, revealing an important gap in acknowledging and leveraging the social economy's role in rural areas.

Through cross-country analysis, the research identifies five clusters of national SE ecosystems, ranging from those with comprehensive SE frameworks to those with minimal formal recognition of the sector. This clustering underscores the uneven development of the social economy across Europe and provides a basis for tailoring policy support to different country contexts. The study also finds that current practices for evaluating the impact of social economy services are fragmented and inconsistent, owing largely to a lack of unified indicators and comparable data.

The findings yield several key recommendations for policy and practice. First, there is a need to promote more coherent recognition of the social economy across Member States by encouraging common definitions and enabling legal frameworks, in line with the EU's strategic vision. Second, integrating rural development considerations into social economy policies is crucial to ensure that SE activities contribute to inclusive growth in both urban and rural communities. Third, adopting the proposed harmonised impact indicators will improve evaluation of social economy services, allowing policymakers and practitioners to better measure social impact and compare outcomes across regions. Finally, the cluster analysis of SE ecosystems offers valuable insights for peer learning and targeted interventions, enabling countries with emerging SE sectors to learn from those with more established ecosystems. These insights lay the groundwork for further research in the INSPIRE project and inform policy development aimed at strengthening the social economy as a driver of inclusive and sustainable development in Europe.

This document is structured as follows: (1) a background section outlining the conceptualisation of the social economy in Europe, its historical context, and the role of social economy services in rural areas; (2) a section defining the research problem, scope, and objectives, including key research questions and the rationale for focusing on inclusion and rurality; (3) a conceptual framework

introducing the five analytical dimensions used in the study (conceptual definitions, legal frameworks, social inclusion, rurality, and evaluation frameworks) and linking them to the research objectives; (4) a methodology section describing the narrative comparative mapping approach, data collection strategies, screening criteria, and synthesis process; (5) a results section comprising: a comparative analysis of social economy frameworks across EU Member States; a review of impact evaluation methodologies; a clustering of countries by SE characteristics; in-depth analysis of the 6 pilot countries of the INSPIRE project (i.e., France, Greece, Ireland, Poland, Romania, Slovakia); and the development of a harmonised set of impact indicators integrating social inclusion; (6) a discussion section summarising key findings and reflecting on future research directions and policy implications; (7) a conclusion highlighting the study's contributions to understanding and evaluating the social economy in Europe.

Keywords: Social Economy (SE); SE Frameworks; Social Inclusion; Rural Development; Impact Evaluation; Legal Frameworks; EU27 Member States; Impact Indicators.

Table of Contents

1. BACKGROUND OF THE RESEARCH: THE SOCIAL ECONOMY IN EUROPE.....	10
1.1 CONCEPTUALISATION AND CONTEXT OF THE SOCIAL ECONOMY IN EUROPE	10
1.2 SOCIAL ECONOMY SERVICES IN EUROPE AND EUROPEAN RURAL AREAS	12
2. DEFINING THE RESEARCH: PROBLEM STATEMENT, SCOPE AND OBJECTIVES OF THE STUDY	14
2.1 PROBLEM STATEMENT	14
2.2 SCOPE AND OBJECTIVES OF THE STUDY	15
3. CONCEPTUAL FRAMEWORK.....	17
3.1 KEY ANALYTICAL DIMENSIONS	17
3.2 LINKS BETWEEN THE ANALYTICAL DIMENSIONS AND RESEARCH OBJECTIVES.....	17
3.3 OPERATIONALISATION OF DIMENSIONS.....	18
4. METHODOLOGY	20
4.1 METHODOLOGICAL APPROACH AND RATIONALE	20
4.2 DATA COLLECTION AND SEARCH STRATEGY.....	20
4.3 SCREENING AND ELIGIBILITY.....	21
4.4 DATA SYNTHESIS.....	22
4.5 PITFALLS AND LIMITATIONS.....	23
5. RESULTS.....	24
5.1 COMPARATIVE ANALYSIS OF SOCIAL ECONOMY FRAMEWORKS IN THE EU27	24
5.1.1 <i>Overview of key dimensions (Objective 1)</i>	24
5.1.2 <i>Comparative analysis of evaluation frameworks (Objective 2)</i>	28
5.1.3 <i>Clustering of countries by SE characteristics (Objective 3)</i>	32
5.2 IN DEPTH ANALYSIS OF SOCIAL ECONOMY IN PILOT COUNTRIES	39
5.2.1 <i>France</i>	40
5.2.2 <i>Greece</i>	41
5.2.3 <i>Ireland</i>	43
5.2.4 <i>Poland</i>	45
5.2.5 <i>Romania</i>	48
5.2.6 <i>Slovakia</i>	50
5.3 HARMONISED IMPACT INDICATORS (OBJECTIVE 3)	53
5.3.1 <i>Detailed indicators at microlevel</i>	56
5.3.2 <i>Extended framework</i>	65
6. DISCUSSION	66
CONCLUSION.....	68
REFERENCES	69

List of Figures

Figure 1. Share of countries with an official SE definition (Yes vs No).	24
Figure 2. Share of countries with a dedicated SE legal framework (Yes vs No).....	25
Figure 3. Share of countries explicitly prioritising inclusion of vulnerable groups (Yes vs Not explicit).	26
Figure 4. Share of countries explicitly integrating a rural/territorial development focus (Yes vs No).	27
Figure 5. Extended framework	65

List of Tables

Table 1. Terms and Definitions.....	8
Table 2. Terminology on social economy	10
Table 3. Operationalisation of dimensions	18
Table 4. Comparison of specific frameworks and resources on SE impact measurement.	30
Table 5. Cluster 1 – Comprehensive Frameworks.	34
Table 6. Cluster 2 – Formalised but Non-Territorial.	35
Table 7. Cluster 3 – Emerging/Partial Frameworks.....	36
Table 8. Cluster 4 – Minimal Institutionalisation.	38
Table 9. Cluster 5 – Rural-Focused Outlier (Ireland).	39
Table 10. Harmonised impact indicators	55
Table 11. Indicators on the area: Added value for the local economy	57
Table 12. Indicators on the area: Employment.....	60
Table 13. Indicators on the area: Service provision	63
Table 14. Indicators on the area: Community participation and engagement.....	64

List of Terms and Definitions

Table 1. Terms and Definitions

Abbreviation	Definition
APCE	Annals of Public and Cooperative Economics
BFSE	Buy Social Future of Social Economy
BOE	Boletín Oficial del Estado (Official Gazette of Spain)
BSI	Buying for Social Impact
CEPES	Spanish Business Confederation of the Social Economy
CIRIEC	International Centre of Research and Information on the Public, Social and Cooperative Economy
COM	Communication (EU Commission documents)
COMMUNITIES	EU funding scheme identifier (HORIZON-CL6-2023-COMMUNITIES-01)
COVID	Coronavirus Disease
EC	European Commission
EESC	European Economic and Social Committee
EMES	Emergence des Entreprises Sociales en Europe (European Research Network)
ENRD	European Network for Rural Development
ESS	Économie Sociale et Solidaire (Social and Solidarity Economy, French)
EU	European Union
EURICSE	European Research Institute on Cooperative and Social Enterprises
EVPA	European Venture Philanthropy Association
GDP	Gross Domestic Product
GIIN	Global Impact Investing Network
HORIZON	Horizon Europe (EU research and innovation funding program)
INSPIRE	Name of the project discussed (related to Social Economy)
IRIS	Impact Reporting and Investment Standards
LEED	Local Economic and Employment Development (OECD programme)
NGO	Non-Governmental Organisation
NL	Netherlands
OECD	Organisation for Economic Co-operation and Development
REASER	Review of Applied Socio-Economic Research
RTES	Réseau des Collectivités Territoriales pour une Économie Solidaire (Network of Territorial Authorities for Solidarity Economy, France)

SDG	Sustainable Development Goals
SE	Social Economy
SEAP	Social Economy Action Plan
SES	Social Economy Services
SIS	Société d'Impact Sociétal (Societal Impact Company, Luxembourg)
SSE	Social and Solidarity Economy
TESSEA	Thematic Network for the Development of Social Economy Entities (Czech Republic)
UNRISD	United Nations Research Institute for Social Development

1. Background of the research: the Social Economy in Europe

This section outlines the conceptualisation of the social economy in Europe, its historical context, and the role of social economy services in rural areas.

1.1 Conceptualisation and context of the Social Economy in Europe

The social economy represents a diverse and dynamic segment of the European economic and social model. It encompasses private entities that operate according to values of solidarity, democratic governance, and the prioritisation of social or environmental goals over profit maximisation. Social economy organisations and enterprises are present in all sectors of activity: agriculture, forestry, and fishing; construction; reuse and repair; waste management; wholesale and retail trade; energy and climate; information and communication technologies; financial and insurance services; real estate activities; professional, scientific and technical services; education; health and social care; and the arts, culture and media (European Commission, 2021a). This cross-sectoral presence demonstrates that the social economy is a significant and versatile contributor to Europe's overall economic and social resilience. The social economy in Europe comprises various "families" of organisations – cooperatives, mutual societies, associations, foundations, and social enterprises – unified by a primary social purpose (European Commission, 2021a). However, different countries and traditions use diverse terminology that can have different connotations to frame these entities: some refer to the "social economy" while others use terms like the "third sector," or other terms. Below we clarify the use of these terminologies in the present study.

Table 2. Terminology on social economy

Definition	
Social Economy (according to the SEAP)	The social economy includes organisations such as cooperatives, mutuals, associations, foundations, and social enterprises. These entities prioritise social and environmental purposes over profit, reinvest surpluses into their mission, and are managed in a participatory and democratic way (European Commission, 2021a).
Solidarity Economy	The solidarity economy includes both formal and informal initiatives rooted in solidarity. It emerged in Latin America as a response to solidarity-based philanthropy and as an alternative to the institutionalised social economy. The solidarity economy emphasises grassroots initiatives with strong political and transformative aims (European Commission et al., 2024).
Social and Solidarity Economy	The concept of the social and solidarity economy was not initially academic but sought to integrate practices from the social economy, solidarity economy and social enterprises. It essentially covers organisations and initiatives that combine economic activity with social objectives, closely overlapping with the traditional concept of the social economy. It has been embraced by several international organisations (European Commission et al., 2024).
Third Sector	The third sector includes associations, foundations, cooperatives, community organisations, self-help and mutual support organisations, and other forms of civil

	society. Over time, it has expanded beyond non-entrepreneurial entities to encompass a broad range of civil society initiatives (European Commission et al., 2024).
Non-profit Sector	The non-profit sector includes organisations with an institutional structure that are private, self-governing, non-profit distributing, and reliant on voluntary participation. Key forms include cooperatives, associations, and mutual benefit societies in the EU, differing from the foundation-dominated model more common in the USA (European Commission et al., 2024).
Civic Economy	This term is widely used in UK. It includes community-led initiatives that combine entrepreneurship and civic engagement to meet local needs through collaborative, sustainable solutions. Citizens act as co-investors and co-producers, using local resources like skills, spaces, and networks to build resilience. It emphasises sharing over competition and aims to create closed-loop systems for lasting social and environmental benefits (LabGov, 2020)
Popular Economy	The popular economy - widespread in Latin America, Southeast Asia and some parts of Africa - includes a wide range of mercantile activities, like the production and sale of goods and services, and non-mercantile activities, such as domestic and community work. It is mainly carried out by individuals, families, microbusinesses, and associative organizations across multiple sectors (Servicio Nacional de Aprendizaje [SENA], 2021).

The above-mentioned terminological diversity reflects divergent national contexts and creates conceptual complexity, posing challenges to harmonisation across Europe (European Commission, 2021a).

For the purposes of this study, the definition provided by the European Commission’s Social Economy Action Plan (SEAP) (2021–2030) is adopted. This definition emphasises that social economy entities “produce goods and services while pursuing a social or societal objective and/or the general interest, and where profits are mainly reinvested to achieve these objectives” (European Commission, 2021a, p. 2). In addition to democratic and/or participatory governance, these organisations typically operate autonomously from the state and often arise from grassroots initiatives. Importantly, the SEAP highlights that the social economy functions across a broad spectrum of economic sectors.

Historically, the social economy has its roots in the mutualist and cooperative movements of the nineteenth century, developed in response to the inadequacies of both the market and the state in addressing pressing social needs. Over time, it has evolved into a key actor within the European social model. The European Union has progressively recognised its value through initiatives such as the Social Business Initiative (2011), the Proximity and Social Economy ecosystem within the EU Industrial Strategy (2020), and the launch of the SEAP in 2021 (European Commission, 2021a). The SEAP outlines a multi-dimensional framework for strengthening the social economy, recognising its contributions to sustainable development, social cohesion, employment, and regional development. In 2023, the European Council adopted a recommendation encouraging Member States to develop enabling frameworks and legal recognition for the social economy (European Commission, 2023). These efforts aim to bridge the disparity in development and institutional support observed across EU Member States.

Quantitative data underscores the growing relevance of the social economy. As of 2024, the EU-27 hosted over 4.3 million social economy entities, including approximately 246,000 social enterprises. These organisations employ more than 11.5 million people, representing a significant share of the labour market — ranging from 0.6% to 9.9% of employment across Member States (European Commission et al., 2024). In countries such as France, the ecosystem contributes up to 10% of GDP, illustrating its macroeconomic significance. Nevertheless, challenges remain in harmonising recognition and support. Legal frameworks, taxation policies, access to public procurement, and availability of patient capital vary widely. Many entities still struggle with visibility, scalability, and

navigating regulatory environments ill-suited to their hybrid missions and organisational forms (European Commission, 2021a).

1.2 Social Economy services in Europe and European rural areas

Social economy services (SES) are central to addressing pressing societal needs across the European Union. These include services in education, health and social care, cultural inclusion, environmental sustainability, and support for employment — particularly for disadvantaged groups such as the long-term unemployed, people with disabilities, migrants, and single parents (European Commission, 2021a). SES have demonstrated considerable resilience and flexibility, particularly during crises such as the COVID-19 pandemic, when social economy actors rapidly mobilised to provide personal protective equipment, food deliveries, community education, and other essential services — often in the most vulnerable regions (European Commission, 2021b). Beyond crisis response, SES play a vital role in achieving the Sustainable Development Goals (SDGs). Their contributions span inclusive education (SDG 4), decent work (SDG 8), reduced inequalities (SDG 10), sustainable cities (SDG 11), and responsible production (SDG 12) (ESS International Forum, 2021). Their value lies in their capacity to localise global objectives, anchoring sustainable development in communities through grassroots engagement. Despite this, SES continue to face structural challenges. Access to finance — particularly equity and long-term investment — remains limited, while impact measurement tools are often fragmented and burdensome. Legal inconsistencies across Member States also create barriers to growth, innovation, and cross-border operation (European Commission, 2021a; European Commission et al., 2024).

The role of SES is particularly significant in rural and remote areas, where socioeconomic and infrastructural disadvantages often intersect. These areas are disproportionately affected by demographic ageing, youth out-migration, and the withdrawal or downsizing of public services such as transport, education, and healthcare. Many rural regions across the EU suffer from an acute scarcity of essential services, placing rural citizens — especially older people, people with disabilities, and the economically inactive — at greater risk of social exclusion and deteriorating wellbeing (European Commission, 2021b). Social economy initiatives frequently respond to this service gap through innovative, community-led models of provision. These include community cafés, volunteer-run transport services, local food cooperatives, care centres, and intergenerational co-housing models. Such services not only address practical needs, but also foster social interaction, civic participation, and local economic resilience. According to the Handbook on the Social and Solidarity Economy and Rural Communities (Avisé & RTES, 2020), social and solidarity economy organisations in rural France operate in critical sectors such as social services, healthcare, retail, sustainable mobility, food systems, and renewable energy. They have become key drivers of local development, especially in areas where traditional market mechanisms have failed due to low population density and limited economic solvency. Moreover, SES contribute substantially to local job creation in rural regions. In France, for instance, 17.7% of all rural private-sector jobs are in the social economy, with micro-enterprises accounting for the majority of employers in this field. These jobs are concentrated in social services (50%), education and healthcare (16%), and emerging sectors like sustainable mobility and the circular economy, which support a just ecological transition in marginalised communities (Avisé & RTES, 2020). Empirical research also underscores the vital role of rural SES in tackling social isolation. A qualitative study by Kelly, Steiner, Mazzei, and Baker (2019) on social enterprises in the Highlands and Islands of Scotland found that such initiatives were often the only

local providers of transport, leisure, or community interaction. Participants — many of whom were older individuals or newcomers to the area — reported that social enterprises provided a sense of belonging and purpose, helping to reduce loneliness and improve mental wellbeing. However, the study also identified critical limitations: rural SES face sustainability challenges due to small populations, volunteer fatigue, and limited administrative capacity. The high cost of delivering services in sparsely populated regions, coupled with weak public transport infrastructure and limited digital connectivity, further exacerbates the risk of exclusion (Kelly et al., 2019). Notably, the study highlights how “living alone, lack of transport, boredom, and poor physical and social connectedness” were key drivers of isolation in rural contexts — conditions that SES can help mitigate, but only when properly resourced and supported (Kelly et al., 2019, p. 228). Similarly, the Handbook (Avisé & RTES, 2020) points to the strategic role of SSE organisations in providing services otherwise absent from rural communities, including mobile healthcare, intergenerational housing, short food supply chains, and third spaces for social and cultural innovation.

However, these services are not a panacea. SES in rural areas frequently operate in precarious conditions, with insufficient funding, regulatory uncertainty, and little recognition in mainstream service delivery frameworks. To harness their full potential, there is a pressing need for more tailored policy instruments, long-term funding mechanisms, and evaluative models that acknowledge the complex interplay of social, geographical, and economic variables in rural territories. As such, the fragmentation in national definitions and legal frameworks for the social economy — combined with a lack of rural-specific service indicators — hinders both the evaluation and expansion of SES across Europe. These unresolved challenges form the core rationale for the current study, which seeks to examine how social economy is conceptualised and how SES are evaluated across Member States, with a particular focus on their role in promoting social inclusion and service accessibility in rural areas.

2. Defining the research: Problem statement, scope and objectives of the study

This section defines the research problem, scope, and objectives, including key research questions and the rationale for focusing on inclusion and rurality.

2.1 Problem statement

Inadequate access to quality social services remains a pressing challenge in rural areas across Europe, which are home to nearly one-third of European citizens (European Commission, 2020). These regions frequently grapple with population decline, geographic isolation, and insufficient social infrastructure. Vulnerable groups — such as migrant workers, elderly individuals, and persons with disabilities — are at heightened risk of marginalisation due to limited access to essential services (ENRD, 2021). While social economy services (SES) have been identified as a promising pathway to foster inclusive and sustainable rural development (Junaid et al., 2025; Castillo et al., 2024; Kutsmus et al., 2024), a significant challenge persists: despite the European Commission’s Social Economy Action Plan (2021–2030) providing an overarching definition of the social economy, practical interpretations, legal frameworks, data and statistics, and levels of operational and financial support vary widely among EU Member States hindering the full development and scaling up of these services (Monzon & Chaves, 2022; OECD, 2022).

The European Commission’s SEAP established a Europe-wide conception of SE, puts forward measures to mobilise the full potential of social economy actors, and defines the social economy as a distinct ecosystem of the economy comprising organisations driven by social purpose, which the Action Plan aims to strengthen and expand across the EU (European Commission, 2021). Despite this common EU-level definition, the implementation of the social economy concept varies greatly across EU Member States, owing to different national legal frameworks and longstanding conceptual interpretations. Not all countries formally recognise or regulate the social economy in the same way. Some have enacted specific laws or legal statuses for social economy entities (for example, Spain’s Social Economy Act 2011 or France’s Loi Hamon 2014), whereas others lack dedicated legislation, relying instead on general non-profit or cooperative laws (Monzón & Chaves, 2017). These disparities mean that what qualifies as “social economy” in one country might be categorised differently in another. Overall, the divergence in national approaches means that a unified European vision of the social economy (as promoted by the Action Plan) could encounter practical challenges when translated into 27 distinct legal and policy landscapes. This underscores the need to study how each country interprets and supports the SE within its own framework. However, it is important to note that the Council Recommendations targeting this very issue are due in November 2025. These recommendations aim to guide and align national strategies towards a more coherent EU-wide approach to the social economy. Therefore, any conclusive assessment of the Action Plan’s impact on harmonising national approaches will only be meaningful after the evaluation, due in 2028. Furthermore, most existing frameworks to evaluate the impact of SES focus on broader socio-economic contexts without addressing the unique challenges faced by rural regions, such as demographic decline, fewer services, and limited employment opportunities as well as the social inclusion added value of social economy. Indicators that measure social inclusion outcomes — for instance, the empowerment of vulnerable groups, access to critical services, or community cohesion — are often scattered or incomplete in current frameworks (OECD, 2008; Colesca et al., 2023). Although frameworks such as the OECD guidelines and the EU Social Impact Measurement (EuSIM)

model propose methodologies to assess SES, their use remains limited and non-standardised (OECD, 2022; GIIN, 2023; European Commission, 2023). Consequently, the lack of clarity and comparability between Member States' legal forms, conceptual definitions, and evaluative indicators creates significant barriers in consistently evaluating and scaling SES interventions tailored to rural social inclusion (Castillo et al., 2024; Kutsmus et al., 2024). This fragmentation underscores the need for a cohesive, pan-European analysis of SE definitions and evaluation frameworks that account for both national legal and conceptual distinctions between countries, rural-specificities and social inclusion elements. At the same time, the fragmentation underscores the necessity to develop an evaluation framework to measure the impact of SES.

2.2 Scope and objectives of the study

Because the topic spans all EU Member States, the scope of this research is necessarily broad. To provide context, the study briefly examines the state of the social economy in all 27 EU countries, highlighting major developments and differences. Within this EU-wide overview, emphasis is placed on both the social dimension and the rural dimension of the social economy. The social dimension refers to the role of SE entities in promoting social inclusion, employment, and welfare services, whereas the rural dimension examines how social economy initiatives operate in and benefit rural or depopulated areas. This focus is motivated by the INSPIRE project's scope and the Action Plan's recognition that social economy actors can play a vital role in revitalising rural communities and addressing depopulation (European Commission, 2021). By considering rural contexts, the research acknowledges that challenges and opportunities for the social economy can differ between urban and rural settings — an important nuance for comprehensive understanding. Given the breadth of the subject, the overview of all Member States is necessarily concise. It identifies key elements such as whether countries have an official SE definition and legal framework, their focus on the social and rural dimensions and a clustering based on these characteristics. However, this broad research cannot delve deeply into each national context due to space and time constraints. Instead, it serves to map out and compare the general landscape of the social economy across Europe — essentially, to illustrate the variation and commonalities — with the SE concepts, legal frameworks, and social and rural dimensions as unifying threads of analysis.

The research gives a stronger focus to the pilot countries of the project. It conducts an in-depth analysis for selected countries of the project's pilot partner notably: Greece, France, Ireland, Romania, Slovakia and Poland¹. Limiting the scope of detailed analysis, the study can explore each of those contexts with greater granularity. This targeted deep-dive complements the EU-wide overview: while the latter gives the big picture, the pilot country case studies provide fine-grained understanding. Focusing on these specific countries allows the research to explore the limitations of the conceptual national legal frameworks against the SEAP definition, eventual obstacles or best practices implemented in the countries and lessons that can be learned and implemented more broadly. Additionally, this study analyses the existing impact measurement frameworks at local, national and global level, specifically focusing on indicators related to social inclusion and rural development and based on the comparative analysis of these evaluation frameworks, proposes a set of impact indicators to measure SE services. Therefore, this study (Task 2.2 of the INSPIRE project) aims to address the knowledge gaps by: (1) examining the existing conceptual and legal frameworks of SE used across all EU Member States; (2) analysing impact indicators at global, European, and national level pertinent for SES; and (3) proposing a clustering of SE across Europe, an in-depth analysis of

¹ The authors acknowledge that the project focuses on pilot areas rather than countries, although for the scope of the research national data are best suitable and are therefore the ones used.

pilot countries and an indicators set to measure SES that integrate the social inclusion dimension defined in WP1.

To effectively operationalise the concepts outlined in the research objectives and address the identified knowledge gap, the following research question was developed: *How can social economy be conceptualised and evaluated through a European framework that incorporates the social inclusion and rural dimensions?*

3. Conceptual framework

This section includes the key analytical dimensions and conceptual categories that inform the study's analysis. It outlines the five conceptual dimensions guiding the review and explains how these dimensions are linked to the study's objectives and used to analyse the SE ecosystems.

3.1 Key analytical dimensions

To guide the desk research and ensure alignment with the study's objectives, five key analytical dimensions have been identified: conceptual definitions, legal frameworks, social inclusion, rurality, and SES evaluation frameworks. Firstly, understanding the diversity in conceptual definitions and legal frameworks is essential because Member States differ significantly in defining and institutionalising the SE (Chaves & Monzón, 2019; Monzón & Chaves, 2022). These definitional and legislative variations influence the legal status, visibility, and support mechanisms available to SE entities, thus affecting their operational capacity and scope (Bassi & Fabbri, 2020; European Commission, 2021). As previously indicated, this study adopts the European Commission's Social Economy Action Plan (SEAP 2021–2030) as its definitional foundation. Additionally, the study employs concepts developed within the SEAP to define its analytical dimensions. For instance, for the "conceptual definitions" dimension, the analysis utilises the core SE principles outlined by the SEAP: (1) prioritising people and social/environmental objectives over profit; (2) reinvesting most profits/surpluses toward collective or general interests; and (3) democratic and/or participatory governance. Similarly, for analysing legal frameworks, the study identifies the presence or absence of specific core elements of SE families highlighted in the SEAP — namely, cooperatives, mutual benefit societies, associations (including charities), and foundations. These entities represent the historical and institutional backbone of SE in Europe, alongside social enterprises, which constitute a newer yet increasingly recognised category within the SE. The third analytical dimension, social inclusion, is also acknowledged by the SEAP, particularly through concepts like "social progress" and "social objectives," which will be identified and analysed throughout the study. The final two dimensions, rurality and SES evaluation frameworks, are not explicitly covered in the SEAP and have therefore been developed by the authors. Rurality is critical for the INSPIRE project's scope, while incorporating SES evaluation frameworks as a dimension highlights the growing significance of measurement in influencing funding, visibility, and policy support for social economy initiatives (European Commission, 2020; OECD, 2022; Salathé-Beaulieu et al., 2019). For this study, it is essential to understand how traditional impact indicators — such as economic performance metrics — can integrate with indicators reflecting broader social economy objectives, including social inclusion, territorial cohesion, and rural development. Applying these five dimensions together establishes the groundwork for a harmonised clustering of countries and indicators at the EU level (Objective 3). Although these dimensions currently guide the study, it is expected that additional dimensions or refinements may emerge from the analysis, enriching and potentially expanding the operational framework detailed below.

3.2 Links between the analytical dimensions and research objectives

In this study, the first four dimensions (conceptual definitions, legal frameworks, social inclusion, and rurality) primarily contribute to Objective 1 (Comparative Mapping of Concepts and Legal

Frameworks) and Objective 3 (Towards a Harmonised EU Framework). These dimensions are first explored in Objective 1, where they provide a comprehensive comparative understanding of how different countries define and legislate on SE, and thus the SE development in their territories. The focus is on conceptual definitions of SE, the diversity of legal frameworks, and how social inclusion and rurality are integrated within national SE practices. This mapping highlights the current variances across Member States and lays the groundwork for them to have a more coherent approach.

Then, moving to Objective 3, these same dimensions are synthesised to form a coherent EU-wide clustering. The objective is to identify commonalities and structural components (e.g., core attributes of SE, legal recognition, and integration of social and territorial goals) to catalogue different SE developments in Europe.

On the other hand, evaluation frameworks of SES, social inclusion and rurality are the dimensions used to comply with Objective 2 (Review of Impact Evaluation Frameworks), where the goal is to analyse the existing evaluation framework for SES, including measurements to evaluate social inclusion and rurality. While SES evaluation frameworks are a central part of Objective 2, they also inform Objective 3 by helping to define the set of common EU-wide indicators that are included in the final framework. The integration of social inclusion indicators (from WP1) is particularly important for the harmonised framework, as it ensures that the impact of the SE on marginalised groups is consistently measured across countries.

3.3 Operationalisation of dimensions

To effectively address the research objectives and bridge the identified knowledge gap, this study provides both theoretical and methodological operationalisations of each key concept. The theoretical dimension outlines how each concept is understood and identified during the screening phase, while the operational dimension explains how these concepts are translated into concrete coding categories during data collection. A detailed breakdown is presented below:

Table 3. Operationalisation of dimensions

Objective	Name of concept studied	Theoretical operationalisation	Methodological operationalisation
1. Comparative Mapping of Concepts and Legal Frameworks	Conceptual Definitions of SE	Identification of explicit mentions of SE attributes	Tagging definitions with SE attributes (e.g., democratic governance, profit reinvestment, social goals)
	Legal Frameworks	Supportive frameworks in Member States (cooperatives, associations, etc.)	Evidence of laws, policies, regulations for SE recognition and support
	Social Inclusion	How SE frameworks promote social inclusion	References to inclusion: social objectives, access to services, participatory decision-making
	Rural Dimension	How SE frameworks address rural contexts	References (explicit or implicit) to local/rural

			aspects in definitions, laws, and policies
2. Review of Impact Evaluation Frameworks	Evaluation Frameworks for the SE	Indicators used to assess SE performance	Categorised indicators: economic (jobs, finances), social (beneficiaries, inclusion), service quality (life improvement, continuity)
	Social Inclusion Outcomes	Indicators measuring social inclusion in SE interventions	Monitoring tools capturing inclusion (e.g., participation rates, service access)
	Rural Outcomes	Indicators measuring impact in rural contexts	Rural-specific metrics (e.g., territorial cohesion, rural jobs, resilience)
3. Towards a Harmonised EU Framework	Pan-European Clustering	Common SE elements across Member States	Synthesis of recurring elements: social mission, governance, reinvestment, legal forms, inclusion and rural action
	Impact Indicators	Standardised SES evaluation set	Indicators on effectiveness (beneficiaries, service sustainability), quality (user satisfaction), innovation (co-production, tailored services), and social inclusion (from WP1)

4. Methodology

This section outlines the methodological framework used to conduct the study. It includes the rationale of the methodological approach, the data collection and search strategy, screening and eligibility procedures, the data synthesis process and a presentation of the study's methodological limitations. The methodology was designed to address the research objectives by identifying, analysing, and synthesising a wide range of evidence — from conceptual definitions to legal and policy frameworks and impact evaluation indicators — pertaining to Social Economy (SE) practices.

4.1 Methodological approach and rationale

This study adopts a narrative comparative mapping approach to analyse how the SE is conceptualised, institutionalised, and evaluated across EU Member States. This methodology supports the achievement of the study's three objectives: (1) map definitions and legal frameworks (Objective 1); (2) identify existing practices for evaluating the social and economic impact of the SE (Objective 2); and (3) develop a harmonised clustering and evaluative framework at EU level (Objective 3).

This approach was chosen due to the highly heterogeneous nature of the available evidence, which includes academic literature, legal documents, policy strategies, national reports, and institutional grey literature.

The narrative comparative mapping method allows for:

- (1) The collection and descriptive synthesis of information on national SE frameworks across all EU-27 countries, focusing on the presence or absence of definitions, legal recognition, and orientation toward social inclusion and rural development (Objective 1);
- (2) The review and comparison of existing impact evaluation practices and indicators used to assess SE entities at national and European levels (Objective 2);
- (3) The identification of cross-cutting elements across countries, informing the development of a harmonised clustering and evaluative framework that incorporates both structural elements (e.g. governance, reinvestment of profits) and outcome dimensions such as inclusion and territorial cohesion (Objective 3).

The method is grounded in a desk-based review of secondary data, drawing from institutional publications (e.g., European Commission, OECD), national policy documents, peer-reviewed articles, and recognised grey literature. Where available, primary legal and policy texts were prioritised to ensure source credibility and institutional accuracy.

Thematic analysis was conducted using a structured framework organised around five dimensions: (1) definition; (2) legal and institutional recognition; (3) orientation toward social inclusion; and (4) attention to rural or territorial development; (5) evaluative frameworks. From these dimensions, some new categories appeared in the analysis process. The comparative narrative mapping enabled the development of cross-country comparison tables and typologies and supported the identification of convergences and gaps in how SE is understood and operationalised across the EU.

4.2 Data collection and search strategy

The data collection was carried out in three main phases, each expanding the scope of the review and addressing specific research objectives:

Preliminary desk review

At the outset, the research team conducted an exploratory desk review of SE-related literature across EU Member States. This phase gathered a broad range of sources on the conceptual definitions and legal frameworks of the social economy in Europe. Sources included national policy documents, EU reports, and foundational academic papers on SE concepts. Notably, no formal search string or database strategy was applied in this preliminary stage – sources were identified through expert knowledge, existing reference lists, and organisational networks. While this ensured a wide initial coverage of country-specific definitions, it also meant that the collection process was non-systematic. The outcome of this phase was a compilation of baseline materials illustrating how the SE is defined and regulated across different European contexts. These materials provided a starting point but were later recognised to have gaps in thematic coverage (particularly regarding social inclusion and rural development aspects).

Extended focused search (social inclusion and rural development)

A targeted literature search was initiated at a later stage to fill the identified gaps from the desk review. Specifically, this second phase aimed to incorporate sources that explicitly address social inclusion and local dimensions within the context of the SE. Using a more structured approach, the authors searched academic databases and relevant grey literature (such as EU initiative reports, NGO publications) with combinations of keywords related to “*social economy*”, “*social inclusion*”, “*rural*”, “*community development*”, and “*Europe*”. Boolean operators and filters were applied to narrow results to those discussing SES contributions to inclusion (e.g., integration of disadvantaged groups, employment for vulnerable populations) or rural contexts (e.g., social enterprises in rural areas, services tackling rural depopulation). The new sources identified (additional academic studies, case studies from rural EU regions, etc.) enriched the review by adding the missing dimensions of inclusivity and territorial (urban–rural) balance. This phase ensured the review’s dataset was comprehensive in covering not only what the social economy is, but also what it *does* in terms of social inclusion and rural community support.

Search for SES impact indicators

In order to address the third research objective – identifying **impact indicators** for Social Economy Services – a third phase of literature search was initiated. In this phase, the authors developed a search string to locate both academic and grey literature that propose or utilise indicators to measure the impact of SES. Search results were screened, and relevant sources were catalogued as described in the next section.

4.3 Screening and eligibility

Following the three phases of literature collection, a relevance assessment was conducted to ensure that all included sources contributed meaningfully to the study’s objectives. Given the broad and varied nature of the material — ranging from legal texts to policy reports and academic publications — different inclusion considerations were applied depending on the phase of collection.

Preliminary desk review materials

Sources gathered during the first phase, which largely focused on SE definitions and legal frameworks, were retrospectively assessed by the authors for thematic relevance. While this phase did not follow a formal screening protocol, each source’s title, abstract (if available), and content were reviewed to confirm alignment with the study’s goals — namely, the presence of a conceptual definition of the social economy, a legal or policy framework, or a country-level contextualisation of

SE. The majority of sources from this phase were retained due to their foundational relevance, though thematic gaps — particularly on inclusion and rurality — were identified. These gaps directly informed the scope and focus of the second search phase.

Extended search results (inclusion and rural focus)

A two-stage relevance assessment was applied to sources retrieved in the second phase. First, titles and abstracts were reviewed to exclude documents that used keywords like "social inclusion" or "rural development" in unrelated contexts. Then, full-text screening was conducted to verify that remaining sources addressed SE in a way that was relevant to the study — such as through rural cooperatives tackling exclusion or national strategies aimed at inclusive SE growth. Both academic and grey literature (e.g., EU reports, national plans) were included, provided the source was credible and thematically relevant. This process yielded a refined set of sources specifically addressing how SE contributes to social inclusion and territorial cohesion.

Third phase (impact evaluation)

The third phase focused on identifying indicators and evaluation frameworks for the SE. Titles and abstracts were reviewed to isolate sources proposing or analysing outcome-based measurements of SE performance, particularly in European contexts. Sources without clear methodological insights or with limited transferability were excluded. The final selection included both scholarly and institutional materials offering indicator frameworks for assessing SE outcomes such as social cohesion and territorial cohesion.

4.4 Data synthesis

The objective of the data synthesis was to extract and categorise relevant information from a range of sources to identify patterns, common themes, and relationships between the key dimensions of social economy frameworks. This involved an iterative process of data reduction, comparison, and integration. The collected materials — including academic articles, policy documents, legal texts, and grey literature — were analysed using thematic coding and comparative categorisation.

A coding schema was first developed based on the objectives of the study, with categories derived from both the conceptual framework and the operationalisation logic presented in Section 4.1. Codes were refined iteratively throughout the synthesis phase.

Objective 1: Comparative mapping of concepts and legal frameworks

The coding schema for this objective included the following categories: (1) *Definition or conceptualisation of social economy* — capturing how each source framed SE, whether it aligned with EU definitions or reflected national variation; (2) *Legal and policy frameworks* — tagging references to national legislation, regulations, and policy strategies supporting SE; (3) *Social inclusion dimension* — identifying links between SE initiatives and their integration of marginalised groups; (4) *Rural dimension* — noting explicit or implicit attention to the rural dimension; and (5) *Source type and access* — categorising the document type and whether it was academic, legal, or grey literature.

The codes were applied deductively during data extraction and revised through constant comparison between documents, allowing for emergent subcategories.

Objective 2: Review of impact evaluation frameworks

For this objective, three main coding categories were added: (6) *Social inclusion*, synthesising insights from WP1; (7) *Socioeconomic impact*, identifying metrics mainly related to the added value for the

social economy and employment; and (8) *Territorial cohesion*, including the assessment of service provision and community participation and engagement.

For Objectives 1 and 2, the coding schema was initially developed based on the study objectives and refined iteratively throughout the analysis. The coding was primarily deductive, guided by predefined categories — such as definitions, legal frameworks, inclusion dimensions, and types of impact — but also allowed for the emergence of subcategories through constant comparison.

Objective 3: Towards a harmonised framework

Objective 3 involved a more interpretive synthesis that built on the results of the earlier coding phases. Here, a comparative narrative thematic analysis was employed to integrate findings across national contexts and develop a harmonised understanding of SE conceptualisations and evaluation approaches. While coding enabled the categorisation and comparison of discrete elements, thematic analysis facilitated the identification of higher-level themes and relationships, moving beyond individual data points to capture cross-cutting patterns and shared logics.

4.5 Pitfalls and limitations

Several limitations emerged in the course of this research. First, language barriers restricted access to some national laws and NGO reports available only in local languages, potentially limiting full representation of Member State contexts. Second, the lack of standardised documentation and terminologies across countries complicated the comparative process and required interpretative judgement in categorising sources. Third, despite efforts to gather diverse types of literature, there may be selection bias due to the exclusion of non-indexed or highly localised documents. Additionally, the rural dimension proved especially underdeveloped in the documentation of many Member States, resulting in an uneven depth of analysis across dimensions. Finally, as with any narrative mapping study, subjectivity in interpretation is inherent. Although the process followed a clear analytical framework and internal consistency checks, the categorisation and synthesis of diverse materials reflect the researcher's judgement and thematic focus at the time of review.

5. Results

This section outlines the results of the study, including: a comparative analysis of social economy frameworks across EU Member States; a review of impact evaluation methodologies; a clustering of countries by SE characteristics; an in-depth analysis of pilot countries; and the development of a harmonised set of impact indicators.

5.1 Comparative analysis of Social Economy frameworks in the EU27

5.1.1 Overview of key dimensions (Objective 1)

This analysis compares Member States' national approaches to the Social Economy (SE) along four dimensions: **(1)** whether an official definition of SE exists, **(2)** the presence of a dedicated legal framework, **(3)** focus on social inclusion, and **(4)** focus on rural or territorial development.

Official definitions of Social Economy

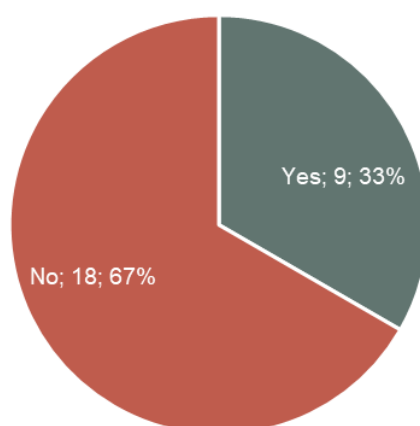


Figure 1. Share of countries with an official SE definition (Yes vs No).

Only about one-third of EU member states have formally defined “social economy” in law or policy (European Commission, 2021a; Monzón & Chaves, 2022). Pioneers include **Spain**², which in 2011 became the first EU country to pass a comprehensive Social Economy Act, followed by others like **France**³ (2014 SSE law) and **Portugal**⁴ (2013 framework law). These definitions typically enumerate eligible entities (cooperatives, mutuals, associations, foundations, social enterprises, etc.) and enshrine core principles. The remaining countries have no single, official SE definition – in these cases the concept is either absent from legislation or legislation refers only to some SE families (e.g.

² CIRIEC & European Economic and Social Committee. (n.d.). Recent evolutions of the Social Economy in the European Union. Retrieved from <https://www.eesc.europa.eu/>

CEPES. (n.d.). Spanish Business Confederation of the Social Economy (CEPES). Retrieved from <https://www.cepes.es/>

³ France. (2014). Loi n° 2014-856 du 31 juillet 2014 relative à l'économie sociale et solidaire [Law no. 2014-856 of July 31, 2014 on the Social and Solidarity Economy]. Journal Officiel de la République Française. Retrieved from <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000029313296>

⁴ Portugal. (2013). Lei n.º 30/2013 de 8 de maio: Lei de Bases da Economia Social [Base Law of the Social Economy]. Diário da República, 1.ª série, n.º 88. Retrieved from <https://dre.pt/dre/detalhe/lei/30-2013-537973>

via “third sector” or social enterprise policies). For example, **Germany**⁵ and **Austria**⁶ have no overarching SE definition at the federal level. Instead, such countries understand SE broadly as the arena of mission-driven co-ops, nonprofits and social businesses without an explicit legal definition.

Dedicated legal frameworks

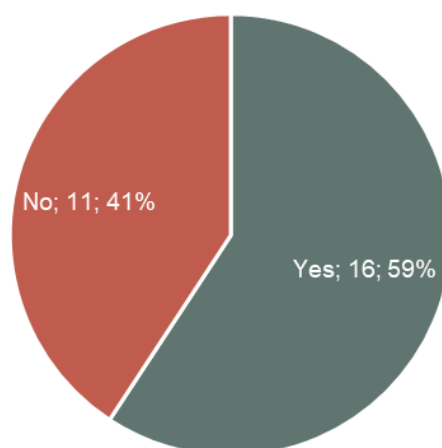


Figure 2. Share of countries with a dedicated SE legal framework (Yes vs No)

Over half of EU countries have implemented some form of dedicated **legal framework** for the social economy (European Commission, 2021a; OECD, 2022). Notably, **France**⁷, **Spain**⁸, **Portugal**⁹, **Greece**¹⁰, **Luxembourg**¹¹, **Poland**¹², **Romania**¹³ and **Bulgaria**¹⁴ all have enacted national laws or acts recognising the social economy or social entrepreneurship as an ecosystem. On the other hand, we have countries that range from broad framework laws targeting SE entities, to frameworks with narrower scopes. **Italy**¹⁵ has a well-integrated legal framework (e.g. on cooperatives, social enterprises and the Third Sector), albeit not a single “SE law.” Several newer Member States – **Slovakia**¹⁶, **Slovenia**¹⁷, **Latvia**¹⁸, **Lithuania**¹⁹, **Malta**²⁰, **Cyprus**²¹ – have passed social enterprise or similar laws in the last decade, which, while narrower in scope, constitute a legal framework for some SE actors. Similarly, other countries have narrower scopes (**Germany**²², **Denmark**²³, **Estonia**²⁴, **Croatia**²⁵, **Netherlands**²⁶, **Sweden**²⁷). In these states, the SE operates under general company, or specific cooperative, associations laws and nonprofit regulations. As in Italy, these countries do not have a recognition of social economy per se but have developed specific legal status for certain

⁵ European Commission. (2023). Social Economy Gateway: Germany country profile. Retrieved from <https://social-economy-gateway.ec.europa.eu/>

⁶ European Commission. (2023). Social Economy Gateway: Austria country profile. Retrieved from <https://social-economy-gateway.ec.europa.eu/>

⁷ France. (2014). Loi n° 2014-856 du 31 juillet 2014 relative à l'économie sociale et solidaire [Law no. 2014-856 of July 31, 2014 on the Social and Solidarity Economy]. Journal Officiel de la République Française. Retrieved from <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000029313296>

⁸ Gobierno de España. (2011). Ley 5/2011, de 29 de marzo, de Economía Social [Law 5/2011, of March 29, on the Social Economy]. Boletín Oficial del Estado. Retrieved from <https://www.boe.es/buscar/act.php?id=BOE-A-2011-5708>

⁹ Portugal. (2013). Lei n.º 30/2013 de 8 de maio: Lei de Bases da Economia Social [Base Law of the Social Economy]. Diário da República, 1.ª série, n.º 88. Retrieved from <https://dre.pt/dre/detalhe/lei/30-2013-537973>

¹⁰ Greece. (2016). Νόμος 4430/2016 – Κοινωνική και Αλληλέγγυα Οικονομία και ανάπτυξη των φορέων της [Law 4430/2016 – Social and Solidarity Economy and development of its actors]. Εφημερίδα της Κυβερνήσεως. Retrieved from <https://www.et.gr/>

¹¹ Luxembourg. (2016). Loi du 12 décembre 2016 instituant la société d'impact sociétal (SIS) [Law of 12 December 2016 on Societal Impact Companies]. Mémorial A – Journal officiel du Grand-Duché de Luxembourg. Retrieved from <https://legilux.public.lu/>

¹² Poland. (2022). Ustawa z dnia 5 sierpnia 2022 r. o ekonomii społecznej [Act of 5 August 2022 on Social Economy]. Dziennik Ustaw. Retrieved from <https://isap.sejm.gov.pl/>

¹³ Romania. (2015). Legea nr. 219/2015 privind economia socială [Law No. 219/2015 on Social Economy]. Monitorul Oficial al României. Retrieved from <https://legislatie.just.ro/>

¹⁴ Republic of Bulgaria. (2018). Закон за предприятията на социалната и солидарната икономика [Law on Social and Solidarity Enterprises]. State Gazette. (Official English translation excerpt available). Retrieved from <https://dv.parliament.bg/>

families of SE. Importantly, even among countries with SE laws, the approaches vary: some adopted a **hybrid framework** that recognises existing forms and lays out principles (e.g. France’s law defining SE entities by shared values), whereas others focus on **specific legal forms** (e.g. laws on work integration social enterprises in several countries). Overall, the existence of a legal framework tends to improve visibility and support for the SE ecosystem, but only a minority of Member States have comprehensive “framework laws” per se.

Focus on social inclusion

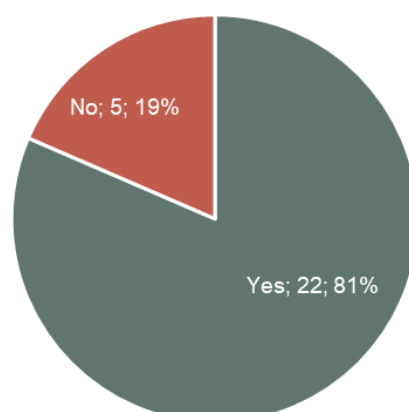


Figure 3. Share of countries explicitly prioritising inclusion of vulnerable groups (Yes vs Not explicit).

In all EU countries the **social inclusion of vulnerable groups** is recognised as being part of the social economy, to the point that sometimes SE is understood to be *only* about social inclusion. In almost every country, SE entities are understood as tools to integrate marginalised populations – for example by creating jobs for the long-term unemployed, persons with disabilities, or youth at risk. Many national SE definitions or strategies **explicitly** mention social inclusion or cohesion: Spain’s Social Economy law¹⁵ includes the insertion of persons at risk of exclusion, France’s SSE law identifies combating exclusion and inequality and **Portugal**¹⁶ and **Greece**¹⁷ likewise embed social cohesion in SE objectives. Even in countries without formal SE policies, the *de facto* role of SE organisations in service provision and work integration for disadvantaged groups is well recognised. For instance, **the Netherlands**¹⁸ and **Denmark**¹⁹ have thriving work integration social enterprises and inclusive cooperatives despite no overarching SE law, and **Hungary**²⁰ and **Lithuania**²¹ use social cooperative or enterprise models to employ disabled persons. The focus on inclusion is a common thread to the very diverse national frameworks (e.g. some countries target specific groups like people with disabilities, others stress broad poverty reduction), but the commitment to social inclusion is a recurring common understanding to all countries analysed.

¹⁵ Gobierno de España. (2011). *Ley 5/2011, de 29 de marzo, de Economía Social* [Law 5/2011, of March 29, on the Social Economy]. Boletín Oficial del Estado. Retrieved from <https://www.boe.es/buscar/act.php?id=BOE-A-2011-5708>

¹⁶ Portugal. (2013). Lei n.º 30/2013 de 8 de maio: Lei de Bases da Economia Social [Base Law of the Social Economy]. Diário da República, 1.ª série, n.º 88. Retrieved from <https://dre.pt/dre/detalhe/lei/30-2013-537973>

¹⁷ Greece. (2016). Νόμος 4430/2016 – Κοινωνική και Αλληλέγγυα Οικονομία και ανάπτυξη των φορέων της [Law 4430/2016 – Social and Solidarity Economy and development of its actors]. Εφημερίδα της Κυβερνήσεως. Retrieved from <https://www.et.gr/>

¹⁸ Social Enterprise NL. (2020). The State of Social Enterprises in the Netherlands.

¹⁹ European Commission. (2021). *Social enterprises and their ecosystems in Europe: Country fiche – Denmark*. Directorate-General for Employment, Social Affairs and Inclusion. <https://ec.europa.eu/social>

²⁰ European Commission. (2020). *Social enterprises and their ecosystems in Europe: Country fiche – Hungary*. Directorate-General for Employment, Social Affairs and Inclusion. <https://ec.europa.eu/social>

²¹ European Commission. (2019). *Social enterprises and their ecosystems in Europe: Country fiche – Lithuania*. Directorate-General for Employment, Social Affairs and Inclusion. <https://ec.europa.eu/social>

Focus on rural/territorial development

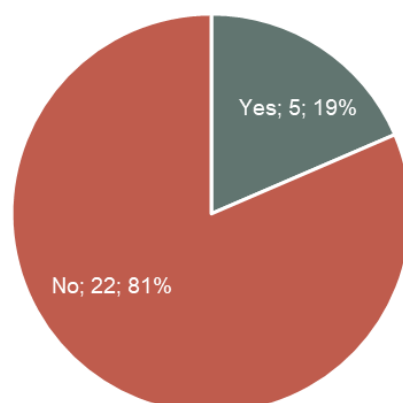


Figure 4. Share of countries explicitly integrating a rural/territorial development focus (Yes vs No).

Compared to social inclusion, a **rural or territorial development focus** is far less consistently considered in national SE frameworks. Given the variability in how rurality is addressed across Member States, the rural dimension was analysed descriptively, based on the presence or absence of references to local or territorial aspects in SE definitions, legal texts, or national policy strategies. Only a handful of Member States explicitly reference the social economy's role in addressing rural challenges or balanced territorial development. **France**²² and **Luxembourg**²³ stand out: France's SSE law includes objectives of territorial cohesion and mandates regional SSE support structures, and Luxembourg's 2016 law and subsequent measures encourage SE contributions to local sustainable development. **Portugal**'s Framework Law on the Social Economy (Lei de Bases da Economia Social)²⁴ likewise acknowledges local development (implicitly covering rural communities), and **Greece**²⁵ links SE with regional development (e.g. rural cooperatives and collective social enterprises). **Ireland**²⁶ has integrated social enterprise into its national rural policy ("Our Rural Future" 2021–2025), explicitly aiming to grow rural social enterprises. However, most countries do **not** specifically single out rural areas in their SE strategies. In countries like **Spain**²⁷ and **Italy**²⁸ rural needs are addressed implicitly via the presence of agricultural cooperatives, rural credit organisations, etc., but their SE policies use broader terms like *local development* or *territorial cohesion* without a dedicated "rural social economy" programme. In highly urbanised states (e.g. **Belgium** and **Malta**), SE discourse rarely distinguishes rural communities. Even where rural social economy activity is significant (for example, in **Hungary**²⁹ and **Romania**'s rural areas³⁰), it often isn't explicitly guided by national SE policy. Thus, while the social economy often fills critical gaps in rural service delivery and

²² France. (2014). Loi n° 2014-856 du 31 juillet 2014 relative à l'économie sociale et solidaire [Law no. 2014-856 of July 31, 2014 on the Social and Solidarity Economy]. Journal Officiel de la République Française. Retrieved from <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000029313296>

²³ Luxembourg. (2016). Loi du 12 décembre 2016 instituant la société d'impact sociétal (SIS) [Law of 12 December 2016 on Societal Impact Companies]. Mémorial A – Journal officiel du Grand-Duché de Luxembourg. Retrieved from <https://legilux.public.lu/>

²⁴ Portugal. (2013). Lei n.º 30/2013 de 8 de maio: Lei de Bases da Economia Social [Base Law of the Social Economy]. Diário da República, 1.ª série, n.º 88. Retrieved from <https://dre.pt/dre/detalhe/lei/30-2013-537973>

²⁵ European Commission. (2023). Social Economy Gateway: Greece country profile. Retrieved from <https://social-economy-gateway.ec.europa.eu/>

²⁶ Government of Ireland. (2021). Our Rural Future: Rural Development Policy 2021–2025. Department of Rural and Community Development. <https://www.gov.ie>

²⁷ CIRIEC & European Economic and Social Committee. (n.d.). Recent evolutions of the Social Economy in the European Union. Retrieved from <https://www.eesc.europa.eu/>

²⁸ Italy. (2017). Decreto Legislativo 3 luglio 2017, n. 117: Codice del Terzo Settore [Legislative Decree No. 117/2017 – Third Sector Code]. Gazzetta Ufficiale. Retrieved from <https://www.normattiva.it/>

²⁹ OECD. (2021). Social economy and social innovation in Hungary: Country fact-sheet. <https://www.oecd.org>

³⁰ Government of Romania – Ministry of Labor and Social Protection. (2020). National Strategy on Social Inclusion and Poverty Reduction 2015–2020. Retrieved from <https://mmuncii.ro/>

job creation, this role is only sporadically reflected in policy. Territorial inequality is mentioned in some national agendas, but an explicit rural SE focus is present in roughly 5–6 countries at most. This indicates an opportunity at EU level to strengthen recognition of the social economy's contribution to rural development, as rural and remote regions across Europe face unmet needs that SE organisations can address, from economic activity to lack of basic services.

5.1.2 Comparative analysis of evaluation frameworks (Objective 2)

Social impact measurement is one of the dimensions considered when developing impact assessment frameworks. In this regard, and to provide the most accurate and comprehensive framework to measure the impact of SES, two-step research has been undertaken.

The first stage consisted of analysing **general impact frameworks** and methodologies that may consider the social dimension. Methodologies such as the Theory of Change can be adapted to include the dimensions and measures needed for any level of intervention: a programme, a project, an organisation, a policy, or a strategy (UNDAF, 2016). The **Social Return on Investment (SROI)** is a well-known framework for impact assessment to measure the social impact of an organisation (UNDP, 2024). Nevertheless, this framework could be difficult to implement in a social economy organisation or enterprise due to the complexity of monetary measurement of SE's intangible added value and because the reinvesting of surpluses obtained by a SE organisation or enterprise in the social purpose is already embedded as one of the principles of Social Economy. The **B Impact Assessment (BIA)**³¹ is another one of the general impact frameworks that was analysed. It includes 5 different dimensions: (i) governance, (ii) workers, (iii) community, (iv) the environment and (v) customers. The **National Themes, Outcomes and Measures (TOMs) Social Value Measurement Framework**³² developed in the UK designed for organisations that want to embed social value into their procurement or measurement activities, provides a set of indicators in the following themes: jobs, growth, social, environment and innovation. Other impact assessment resources include dimensions such as *what, who, how much, contribution* and *risk*³³. General catalogue and repositories of metrics and indicators have also been reviewed. In this regard, the IRIS+ catalogue of metrics by the Global Impact Investing Network (GIIN)³⁴ is an internationally used repository of indicators, especially favoured by impact investors to measure outcomes in various categories (health, education, energy, etc.) having hundreds of standardised metrics (e.g. number of users, farmers trained, or tons of CO₂ reduced). The Global Reporting Initiative (GRI) standards are widely used by corporations for sustainability reporting, having standard metrics on community impacts, labour practices, and product responsibility³⁵.

Given the generality of these impact assessment resources, it was necessary to narrow the research to find more **specific frameworks and sources** for the impact assessment of social economy services. It is important to mention that the lack of data and statistics on social economy is one of the challenges mentioned in the SEAP (European Commission, 2021) to improve recognition and awareness and ensure evidence-based policy and the difficulty of quantifying in monetary terms the intangible added value of SE. Moreover, current practices are often less adapted to the needs and context of SSE entities since the conversation has largely been shaped by private institutional investors and commercial businesses. Methodological hurdles, compounded by the lack of capacity

³¹ B Impact Assessment: <https://www.bcorporation.net/en-us/programs-and-tools/b-impact-assessment/>

³² The national TOMs 2021 framework:

<https://stroud.moderngov.co.uk/documents/s2055/Appendix%20B%20%20National%20TOMs%20Framework.pdf>

³³ Impact frontiers: <https://impactfrontiers.org/norms/five-dimensions-of-impact/#five-dimensions>

³⁴ IRIS+ System | Standards: https://iris.thegiin.org/metrics/?gad_source=1&qclid=CjwKCAiA9bq6BhAKEiwAH6bqoPfdV05qWh_-Barbz-JZL99icjo0WdysyCm-icHKzZddLfBnelREKHoC18YQAvD_BwE

³⁵ Global Reporting Initiative (GRI): <https://www.globalreporting.org/>

and motivation emerge as significant barriers to the uptake of impact measurement practices among SSE actors. In addition, a one-sized approach on frameworks and measures can be inappropriate for the SSE (OECD, 2023).

When speaking about more specific frameworks, the first source analysed was the Sustainable Development Goals (SDGs)³⁶ which are widely used as a reference framework to assess and align the impact of projects and organisations with global objectives. The United Nations Research Institute for Social Development (UNRISD) has developed Sustainable Development Performance Indicators (SDPI)³⁷, an online platform and indicator set designed specifically for social and solidarity economy entities to measure progress toward the SDGs. The 61 Sustainable Development Performance Indicators (SDPIs) are divided into two tiers: (1) trend indicators and (2) context-based and transformative disclosure indicators (UNRISD, 2022). On the other hand, the practical guide entitled *“Measure, Manage and Maximise Your Impact. A guide for the Social Economy”* (OECD/European Union, 2024) introduces a three-phase Social Impact Measurement and Management (SIMM) cycle and is enriched with examples and infographics. This framework established 3 areas of impact or dimensions that are relevant for the SE: economic prosperity and employment, social inclusion and well-being and community. These impact areas are closely interconnected, and some specific impacts may therefore overlap depending on the interpretation provided by each social economy entity and its operating context. The framework defines the impact areas as follows:

- **“Economic prosperity and employment”** denotes the ways in which social economy entities work to bring traditionally disadvantaged groups to economic prosperity and employment.
- **“Social inclusion”** relates to the support provided to specific disadvantaged groups and the ways in which social economy entities help integrate them into wider societal structures.
- **“Well-being and community”** captures the nuanced ways in which the existence and activities of social economy entities transform individual well-being and community strength, especially through the internal and external relationships they develop.

Several studies have been conducted on the impact measurement of the social economy. In Spain, the study entitled *“From the economic to the social contribution of the Social Economy. Monetary assessment of the social value created for the Spanish economy”* (Castro et al, 2020) uses a counterfactual approach and microdata, to determine the contribution of social economy entities to the promotion of social and territorial cohesion. It highlights how the social economy actively engages with people facing challenges to access jobs such as people with disabilities, individuals in situations of social exclusion or at risk of it, and low-skilled workers. The analysis also highlights the strong social economy presence in intermediate cities and rural areas, underlining its capacity to generate a positive impact on economic activity, employment, and local economic competitiveness in such areas. For example, one of the main findings of this exercise is that the social economy is predominantly located in municipalities with fewer than 40,000 inhabitants, thus confirming its capacity to support relatively small local communities.

In France, the initiative ValorESS³⁸ has developed 43 indicators for measuring the social impact of SE, with a specific area on the development of services.

The frameworks and references have been analysed considering the following dimensions:

³⁶ UN. Sustainable Development Goals: <https://sdgs.un.org/goals>

³⁷ UNRISD. Sustainable Development Performance Indicators: <https://sdpi.unrisd.org/platform/how-to-use-this-tool/>

³⁸ ValorESS: <https://www.valoress-udes.fr/mesurer-votre-impact-social-les-indicateurs#>

- Economic and employment impact
- Social inclusion and well-being
- Environmental sustainability
- Community development and cohesion
- Governance

The next step of this analysis is the comparison of the different frameworks. To do so, we analyse the dimensions or areas they include and which specific indicators or variables are developed in each dimension to measure the impact of the SE that are considered relevant for our objective.

Table 4. Comparison of specific frameworks and resources on SE impact measurement.

Reference	Economic and employment impact	Social inclusion and well-being	Environmental sustainability	Community development and cohesion	Governance
United Nations Sustainable Development Goals (SDGs) Framework	8. Decent work and economic growth 9. Industry, innovation and infrastructure	1. No poverty 2. Zero hunger 3. Good health and wellbeing 4. Quality education 5. Gender equality	7. Affordable and clean energy 11. Sustainable cities and communities 12. Responsible consumption and production 13. Climate action 14. Life below water 15. Life on land	16. Peace, justice and strong institutions 17. Partnerships for the goals	
Sustainable Development Performance Indicators (SDPI)	I.A.1 Revenue I.A.2 Net value added I.A.3 Taxes and other payments to the government I.A.4 Green investment I.A.5 Community investment I.A.6 Total expenditures on Research & Development (R&D) I.A.7 Percentage of local procurement I.C.1 Average hours of training per year per employee I.C.2 Expenditure on employee training per year per employee I.C.3 Employee wages and benefits as a proportion of revenue, with breakdown by employment type and gender I.C.4 Expenditures on employee health and safety as a proportion of revenue I.C.5 Percentage of employees covered by collective agreements		I.B.1 Water recycling and reuse I.B.2 Reduction of waste generation by reused, re-manufactured and recycled I.B.3 Ozone-depleting substances (ODS) and chemicals II.A.1 GHG emissions (scope 1 and 2) II.A.2 GHG emissions (scope 3) II.A.3 Water use II.A.4 Hazardous waste treatment II.A.5 Renewable energy II.A.6 Life cycle assessment and circularity indicators		I.D.1 Number of board meetings and attendance rate I.D.2 Board members by age range I.D.3 Number of meetings of audit committee and attendance rate I.D.4 Compensation: Total compensation per board member (both executive and non-executive directors) I.D.5 Average hours of training on anti-corruption issues per year per employee II.C.1 Corporate political influence: Policies, programmes and practices II.C.2 Context-based triple bottom line (TBL) accounting II.C.3 Amount of total fines paid or payable due to settlements II.C.4 Amount of corruption-related fines paid or payable due to

	II.B.1 Fiscal disclosure II.B.2 Tax gap II.B.3 CEO–worker pay ratio II.B.4 Living wage gap II.B.5 Distribution of surplus/profits II.B.6 Gender pay gap: Equality of remuneration II.B.7 Gender diversity: Hiring at different occupational levels II.B.8 Gender diversity: Promotion at different occupational levels II.B.9 Gender equality: Proportion of women in managerial positions II.B.10 Caregiving support programmes II.B.11 Frequency/incident rates of occupational injuries II.B.12 Harassment and discrimination at the workplace II.B.13 Access to remedy II.B.14 Discrimination in hiring and promotion II.B.15 Union density and collective bargaining coverage II.B.16 Worker participation II.B.17 Contingent and subcontracted workers II.B.18 Hiring of vulnerable groups II.B.19 Long-term work contracts II.B.20 Employee turnover rate II.B.21 Responsible and ethical sourcing II.B.22 Training of vulnerable groups (applicable to SSEOs only) II.B.23 Work integration (applicable to SSEOs only)				settlements II.C.5 Public sharing of information and knowledge II.C.6 Number and percentage of women board members II.C.7 Term limits for board of directors II.C.8 Resilience II.C.9 Attendance at annual general meetings (applicable to SSEOs only) II.C.10 Democratic elections (applicable to SSEOs only) II.C.11 Legitimation of management (applicable to SSEOs only) II.C.12 Stakeholder participation (applicable to SSEOs only)
OECD, 2023: Measure, Manage	Equitable distribution of	Physical and mental health		Existence and extent of	

and Maximise Your Impact. A guide for the Social Economy

income
Household welfare
Economic empowerment of women and disadvantaged groups
Skills development
Job quality
Labour-market inclusion
Resilience to economic shocks and risks
Development of local trade and production
Systems change

Psycho-social wellbeing
Community embeddedness
Political participation, also referred to as democratic impact
Environmental quality

democratic governance practices
Participatory management
Experience and benefits of participation by disadvantaged groups
Organisational cohesion
Community cohesion
Integration of disadvantaged groups

**Called social inclusion in this framework*

Castro et al, 2020: From the economic to the social contribution of the Social Economy. Monetary assessment of the social value created for the Spanish economy	Economic activity in less developed areas	Employment provided to disadvantaged groups Reductions in inequality			
ValorESS	Training	Health and care Socio professional insertion Reductions in inequality	Sustainable production and consumption	Social cohesion Culture and leisure Development of services	

The result of this comparative analysis is quite heterogeneous considering that some resources provide specific indicators, such as SDPI or ValorESS, others provide an extensive methodology and framework but without providing specific indicators such as OECD/European Union (2024), others provide specific objectives such as the SDGs framework and others provide results based on evidence such as Castro et al (2020). Regarding the dimensions, all the analysed resources consider the dimensions of (1) Economic and social impact and (2) Social inclusion and well-being. The content on the 3 other dimensions (environmental sustainability, community development and cohesion and governance) varies amongst the resources. It is important to highlight the overlap amongst dimensions; for instance, some consider environmental sustainability as part of well-being. All these facts have been considered in the construction of the harmonised set of indicators that will be presented in the next section.

5.1.3 Clustering of countries by SE characteristics (Objective 3)³⁹

This analysis groups the EU27 Member States into clusters based on the maturity and focus of their social economy (SE) ecosystems. Clustering is guided by four key dimensions drawn from the results in Objective 1:

- 1. National Conceptual Definition:** Whether an official, national definition of the *social economy* exists.

³⁹ **Important Note:** The following clustering is specific to the present study. The results of this clustering will not affect the clustering of Tasks 2.1 and 2.3 of the INSPIRE project. The clustering in T2.1 and T2.3 will be decided according to the respective research results and will be justified accordingly.

2. **Legal/Policy Framework:** Presence of a dedicated SE law or comprehensive policy framework recognising SE entities.
3. **Social Inclusion Objectives:** Inclusion of explicit social inclusion goals (e.g. integration of disadvantaged groups) in SE policies or prevalent practices.
4. **Rural/Territorial Focus:** Degree to which SE strategies explicitly address rural development or territorial cohesion (explicit vs. implicit or none).

These dimensions reflect both formal institutional recognition and the conceptual discourse around the social economy in each country. The clusters consider important national nuances – for example, Belgium’s regional-level SE policies amid federal fragmentation, Germany and Austria’s strong cooperative traditions but lack of legal recognition, the Nordic preference for civil society/CSR terminology, Italy’s fragmented yet mature SE landscape, and Ireland’s unique rural SE strategy. Each cluster is characterised by a combination of the four dimensions. Below, we detail each cluster, including a summary of defining traits and a table of country scores on the four criteria.

Cluster 1: Comprehensive national SE frameworks

Cluster 1 countries have a fully developed SE ecosystem with both an official conceptual definition and a dedicated national law or policy for the social economy. These frameworks are comprehensive, typically recognising the full spectrum of SE entities (cooperatives, mutuals, associations [including charities], foundations, social enterprises, etc.) and enshrining core principles⁴⁰. Moreover, these countries not only emphasise social inclusion as a core objective but also integrate a territorial dimension – viewing the social economy as a tool for regional development or rural cohesion. In practice, their SE strategies or laws explicitly reference balanced territorial development or support structures at regional level. These Member States therefore enjoy high institutional visibility for SE and proactive support measures.

For example, France and Luxembourg explicitly include territorial cohesion in their SE laws and policies – France’s Social and Solidarity Economy (SSE) law (2014)⁴¹ mandates regional SSE support structures and aims to strengthen territorial cohesion, and Luxembourg’s 2016 law⁴² similarly encourages SE contributions to sustainable local development. Spain’s 2011 Social Economy Act⁴³ provides a formal definition and recognition of the social economy, with a strong emphasis on social inclusion (it requires member entities to foster employment for those at risk of exclusion), and while the law’s territorial focus is more implicit, Spain also formally recognises SE at the national level. Portugal’s Framework Law of the Social Economy (2013)⁴⁴ defines the SE ecosystem and though primarily focused on social and economic aspects; it acknowledges local development (implicitly covering rural communities). Greece, through its 2016 law on Social and Solidarity Economy⁴⁵, officially defines and supports SE entities and links them to broader regional development (e.g., via rural cooperatives and collective enterprises). All these countries have a long-standing or strong political recognition of the social economy concept, backed by legal frameworks. They see the social economy as integral to both social cohesion and territorial cohesion, making this cluster the most advanced in institutionalising the SE.

⁴⁰ For reference, see laws mentioned below or visit the EU Commission Social Economy Gateway webpage.

⁴¹ France. (2014). Loi n° 2014-856 du 31 juillet 2014 relative à l’économie sociale et solidaire [Law no. 2014-856 of July 31, 2014 on the Social and Solidarity Economy]. Journal Officiel de la République Française. Retrieved from <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000029313296>

⁴² Luxembourg. (2016). Loi du 12 décembre 2016 instituant la société d’impact sociétal (SIS) [Law of 12 December 2016 on Societal Impact Companies]. Mémorial A – Journal officiel du Grand-Duché de Luxembourg. Retrieved from <https://legilux.public.lu/>

⁴³ Gobierno de España. (2011). Ley 5/2011, de 29 de marzo, de Economía Social [Law 5/2011, of March 29, on the Social Economy]. Boletín Oficial del Estado. Retrieved from <https://www.boe.es/buscar/act.php?id=BOE-A-2011-5708>

⁴⁴ Portugal. (2013). Lei n.º 30/2013 de 8 de maio: Lei de Bases da Economia Social [Base Law of the Social Economy]. Diário da República, 1.ª série, n.º 88. Retrieved from <https://dre.pt/dre/detalhe/lei/30-2013-537973>

⁴⁵ Greece. (2016). Νόμος 4430/2016 – Κοινωνική και Αλληλέγγυα Οικονομία και ανάπτυξη των φορέων της [Law 4430/2016 – Social and Solidarity Economy and development of its actors]. Εφημερίδα της Κυβερνήσεως. Retrieved from <https://www.et.gr/>

Countries: France, Spain, Portugal, Luxembourg, Greece.

Common profile: Official SE definition (Yes); Dedicated SE law/framework (Yes); Social inclusion objectives (Yes, explicit); Rural/territorial focus in strategy (Yes).

Table 5. Cluster 1 – Comprehensive Frameworks.

Cluster Countries	1	National SE Definition	SE Law/Policy Framework	Social Inclusion Goal	Rural/Territorial Focus
France		Yes	Yes	Yes (explicit)	Yes (explicit)
Spain		Yes	Yes	Yes (explicit)	<i>Implicit</i> (limited)
Portugal		Yes	Yes	Yes (explicit)	Yes (implicit)
Luxembourg		Yes	Yes	Yes (explicit)	Yes (explicit)
Greece		Yes	Yes	Yes (explicit)	Yes (explicit)

(Note: Spain's rural focus is present but only implicit, via support to agricultural co-ops and regional development programmes, rather than a dedicated rural SE policy.)

Cluster 2: Formal recognition without territorial focus

Cluster 2 consists of countries that have made significant formal strides in recognising the social economy, usually through a national SE law or official definition, but lack an explicit rural or territorial focus in their SE policies. In these states, governments have clarified the status of social economy actors in legislation – defining eligible entities and often creating supportive measures – and social inclusion objectives are strongly featured, yet SE policy is framed mainly in socio-economic terms (job creation, social services, social cohesion) rather than place-based development.

Typical examples include several Central and Eastern European countries that adopted social economy or social enterprise legislation in the 2010s. Poland, Romania, Bulgaria, and Slovakia all introduced laws or policy initiatives to recognise social enterprises or the social economy as an ecosystem⁴⁶. This formal recognition often came as part of strategies to boost employment and social inclusion (for instance, Romania's 2015 Social Economy Law⁴⁷ defines SE entities and mandates their role in integrating vulnerable groups). Social inclusion is an important element in these frameworks – e.g., certified social enterprises must employ disadvantaged workers or provide community services – aligning with the nearly universal emphasis on inclusion across Europe. However, these policies generally do not single out rural areas or territorial cohesion explicitly. The focus remains on nationwide social objectives rather than targeted rural development.

Notably, Spain can also be considered here in terms of focus: while Spain has one of the most advanced SE laws (hence in Cluster 1 for its comprehensive framework), that law emphasises social and economic inclusion across sectors and only implicitly addresses rural needs. In the Cluster 2 countries, any rural impact of the social economy tends to be incidental. For example, Poland, Slovakia and Romania have vibrant rural cooperatives and community enterprises, but national SE strategies do not explicitly reference rural development as a distinct pillar. Thus, Cluster 2 countries have high institutional recognition of SE but a neutral or absent territorial lens.

Countries: Poland, Romania, Bulgaria, Slovakia (*with Spain as a notable case of comprehensive recognition but implicit rural focus*).

Common profile: Official SE definition (Yes); SE law/policy framework (Yes); Social inclusion objectives (Yes, explicit); Rural/territorial focus (No).

⁴⁶ See e.g., European Commission, 2021a; Monzón & Chaves, 2022; OECD, 2022

⁴⁷ Romania. (2015). Legea nr. 219/2015 privind economia socială [Law No. 219/2015 on Social Economy]. Monitorul Oficial al României. Retrieved from <https://legislatie.just.ro/>

Table 6. Cluster 2 – Formalised but Non-Territorial.

Cluster Countries	2	National Definition	SE	SE Law/Policy Framework	Social Inclusion Goal	Rural/Territorial Focus
Poland		Yes		Yes	Yes (explicit)	No
Romania		Yes		Yes	Yes (explicit)	No
Bulgaria		Yes		Yes	Yes (explicit)	No
Slovakia		Yes		Yes	Yes (explicit)	No
(Spain)		(Yes)		(Yes)	(Yes)	(Implicit)

Cluster 3: Emerging or partial frameworks

Cluster 3 includes countries with emerging SE ecosystems that have introduced partial or sector-specific frameworks (often social enterprise laws or pilot programmes) but lack a single, unified social economy definition in law. These countries do not have an overarching SE law encompassing all social economy actors; instead, they typically recognise certain forms of SE organisations through separate legislation. The result is a fragmented legal landscape: some types of social economy entities get formal support while others may not be covered, and the term “social economy” might not be widely used in policy discourse. Nonetheless, social inclusion is a prominent theme in practice – many initiatives focus on employment of vulnerable groups or provision of social services – and rural/territorial focus is minimal or absent in their strategies.

A prime example is Italy, which has one of the most mature and sizable social economies in Europe, rooted in its cooperative movement and robust non-profit sector. Italy has a rich body of laws: statutes for cooperatives (including social cooperatives), a law on Social Enterprises (2017)⁴⁸ as part of a broader Third Sector reform, and other measures. However, Italy lacks a single legal definition of “social economy”, and its various laws apply to different subsets of actors (co-ops, associations, foundations, etc.) without a unified framework. This fragmentation means many social economy actors operate under separate legal regimes, and not all identify under one SE umbrella (indeed, historically there’s a conceptual split between cooperatives and associations in Italy) (European Commission et al., 2024). Despite this, Italian SE actors collectively pursue social objectives and community aims, even if the institutional recognition remains segmented.

Other countries in Cluster 3 have similar piece-meal recognition. Cyprus and Malta recently passed social enterprise acts (e.g. Malta’s Social Enterprise Act 2022⁴⁹) to register or support social purpose businesses, but “social economy” as a broader concept is still marginal in policy. Latvia (Social Enterprise Law 2018⁵⁰), Lithuania (Social Enterprise law since 2004⁵¹, mainly for work integration), Slovenia (Social Entrepreneurship Act 2011⁵²), and Finland (no dedicated SE law, but a specific legal status for work-integration enterprises since 2004⁵³) have all established frameworks for social

⁴⁸ See e.g. European Commission et al., 2024 and Italian Third Sector Reform Law 2017

⁴⁹ Government of Malta. (2022). *Act No. IX of 2022 – Social Enterprise Act*. Government Gazette of Malta No. 20,790, 22 February 2022. Retrieved from <https://legislation.mt/eli/act/2022/9/eng>

⁵⁰ Saeima of the Republic of Latvia. (2017). *Social Enterprise Law*. Adopted on 12 October 2017, effective from 1 April 2018. Retrieved from https://static1.squarespace.com/static/5103d40fe4b065d4a1c32d90/t/5a157febec212d9bd34ff07a/1511358445125/Social+Enterprise+Law+Latvia_ENG_FINAL.pdf

⁵¹ Seimas of the Republic of Lithuania. (2004). *Law on Social Enterprises*, No. IX-2251. Retrieved from <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.294873?ifwid=46jpegrt6>

⁵² Republic of Slovenia. (2011). *Social Entrepreneurship Act (Zakon o socialnem podjetništvu)*. Official Gazette of the Republic of Slovenia, No. 20/11. Retrieved from https://social-economy-gateway.ec.europa.eu/my-country/slovenia_en

⁵³ Ministry of Employment and the Economy of Finland. (2003). *Act on Social Enterprises*, No. 1351/2003. Entered into force on 1 January 2004. Retrieved from https://emes.net/icsm-working-papers/Finland - Kostilainen_et_al.pdf

enterprises. These provide partial legal infrastructure for the social economy. Yet, like Italy, most have no official SE definition encompassing the full range of cooperatives and non-profits – for instance, Finland and Lithuania rarely use the term “social economy” formally, focusing on the non-profit sector or co-ops in isolation (European Commission et al., 2024). All these countries strongly value social inclusion in practice (e.g., Latvia’s and Slovenia’s policies stress employment of disabled or long-term unemployed persons), but do not incorporate an explicit rural development agenda in their frameworks.

Countries: Italy, Cyprus, Latvia, Lithuania, Malta, Slovenia, Finland.

Common profile: National SE definition (No – concept not formally defined); Dedicated SE law/framework (Partial – e.g., only a social enterprise law or equivalent); Social inclusion objectives (Yes, largely explicit in specific laws or implicit in activities); Rural/territorial focus (No).

Table 7. Cluster 3 – Emerging/Partial Frameworks.

Cluster Countries	3	National Definition	SE Law/Policy Framework	Social Inclusion Goal	Rural/Territorial Focus
Italy		No	Partial (multiple sectoral laws)	Yes (explicit goals)	No
Cyprus		No	Partial (Social Ent. status)	Yes (implicit)	No
Latvia		No	Yes (SE law 2018)	Yes (explicit)	No
Lithuania		No	Yes (WISE law)	Yes (explicit)	No
Malta		No	Yes (SE law 2022)	Yes (explicit)	No
Slovenia		No	Yes (SE law 2011)	Yes (explicit)	No
Finland		No	Partial (WISE status)	Yes (implicit)	No

Cluster 4: Minimal or informal frameworks

Cluster 4 is characterised by a minimal institutionalisation of the social economy. Countries in this group have no official definition of “social economy” and no dedicated SE law or strategy at the national level. The social economy in these contexts operates under general laws (e.g., ordinary cooperative law, non-profit associations law, company law) without special recognition or tailored policy support as a distinct ecosystem. Nevertheless, these countries often have rich traditions of cooperative and non-profit activity, and the absence of formal recognition does not imply absence of the social economy on the ground. Instead, the SE remains a somewhat “implicit” reality: cooperatives, mutuals and social enterprises exist and deliver social value, but are not labelled or coordinated as *the social economy* by public policy. Social inclusion efforts are present mainly through these traditional actors (e.g. work integration programmes by non-profits), albeit not framed under a unified SE. Rural focus is likewise not specifically mentioned in national strategies – any territorial initiatives happen ad hoc or via other policy domains⁵⁴.

Several Western and Northern European states fall into this category. Germany and Austria exemplify the pattern of *strong SE activity with weak recognition*. Both countries have long-standing cooperative movements and large non-profit sectors (e.g., Germany’s welfare associations, credit unions, etc.), contributing significantly to employment and service delivery. Yet Germany has no official SE

⁵⁴ See European Commission (2021, 2023); European Commission et al. (2024)

definition or law at the federal level. Until very recently, the term “social economy” was seldom used in German policy discourse; instead, policy references have been to civil society, public benefit companies, or social enterprises in narrow contexts. Only in late 2023 did Germany adopt a national strategy for social enterprises, but it is still without a legal SE definition⁵⁵. Austria similarly does not formally recognise the social economy as an ecosystem– the concept of *Sozialökonomie* is used in research and practice, but there is no consensus or legal definition of what constitutes a social economy entity⁵⁶. Austrian SE organisations (co-ops, associations, etc.) benefit from general frameworks (like public benefit tax status) but not from any dedicated SE law. In both countries, this lack of a unifying framework leads to *conceptual fragmentation*: cooperatives and non-profits operate in parallel, and policymakers historically treated them separately, rather than under a single SE policy⁵⁷.

Belgium is another nuanced case in Cluster 4: it has a vibrant social economy at regional levels and a long tradition (the term “social economy” has been used in Belgium for decades), yet no single national SE law. Belgium’s federal system delegates many relevant competences to regions – and indeed, Wallonia, Flanders, and Brussels have their own decrees and programmes to support the social economy – but there is no overarching federal definition or law covering the whole social economy⁵⁸. Wallonia has a comprehensive law for SE while Flanders focuses on cooperatives and social integration enterprises. This results in a patchwork: strong regional frameworks co-exist with federal inaction on a SE law, leading to a fragmented recognition. Belgium is considered to have “long standing recognition” culturally (the actors self-identify as social economy), but institutionally, it fits this cluster due to the lack of nationwide legal encapsulation⁵⁹.

Many Nordic and liberal market economies also appear here. Sweden, Denmark, and the Netherlands generally do not use the term “social economy” in policy. They tend to identify only specific parts of the social economy: for instance, Sweden speaks in terms of the civil society sector and work integration enterprises, and the Netherlands only emphasises corporate social responsibility (CSR) and social innovation in business, both related to the profit-driven economy and not specifically the SE. The Dutch case is illustrative – there is no specific legal form for social enterprises in the Netherlands and no SE law⁶⁰. Many Dutch firms and non-profits adhere to social economy principles but without that label, contributing instead to a strong CSR culture⁶¹. In Sweden and Denmark, cooperatives and non-profits play important welfare roles, but policy often treats them simply as part of the general non-profit sector; recent years saw interest in “social entrepreneurship” but still *no legal SE definition or dedicated law*⁶². Estonia and Czechia likewise lack any overall SE legislation – their support for social enterprise is through EU-funded programmes or NGO policy, not formal law. Croatia and Hungary have legal provisions for cooperatives and associations, but the term social economy is not commonly recognised, partly due to historical distrust of cooperatives (in Hungary, co-ops were seen as communist-era relics). Still, both have many grassroots social enterprises and non-profits working on inclusion⁶³.

Overall, Cluster 4 countries share a scenario where the social economy operates “under the radar” of national policy⁶⁴. They rely on general legal forms; any government support comes through targeted grants and programmes such as NGO grants or cooperative development programmes, rather than

⁵⁵ (European Commission, 2021)

⁵⁶ (European Commission, 2021)

⁵⁷ (European Commission et al., 2024)

⁵⁸ (European Commission, 2021)

⁵⁹ (European Commission, 2023a).

⁶⁰ (European Commission, 2023)

⁶¹ (European Commission, 2021).

⁶² (European Commission et al., 2024)

⁶³ (European Commission, 2021).

⁶⁴ (European Commission et al., 2024).

a cohesive SE strategy. Social inclusion goals are typically implicit – for example, work integration cooperatives exist in these countries and provide jobs to vulnerable groups, but such efforts are not coordinated by a central SE policy. Rural or territorial targeting is absent in the SE context; indeed, in highly urbanised Cluster 4 states (e.g., Netherlands), SE discourse rarely distinguishes rural communities

Despite low institutionalisation, the common values of the social economy: the primacy of people over profit, the reinvestment of most of the profits and surpluses in the collective or general interest and democratic and/or participatory governance, do thrive in these countries' organisations. The main differentiator is that these values are not codified or promoted by a unified public policy. This cluster underscores that a country can have a substantial social economy in practice (Germany's SE ecosystem, for instance, employs millions) while still lacking formal recognition or a strategic vision for the ecosystem⁶⁵.

Countries: Austria, Germany, Belgium, Denmark, Netherlands, Sweden, Estonia, Czech Republic, Croatia, Hungary (formerly also Ireland – see Cluster 5).

Common profile: National SE definition (No); SE law/policy framework (No); Social inclusion objectives (Yes, implicit in practice; not formally stated by policy); Rural/territorial focus (No).

Table 8. Cluster 4 – Minimal Institutionalisation.

Cluster Countries	4	National Definition	SE	SE Law/Policy Framework	Social Inclusion Goal	Rural/Territorial Focus
Germany		No		No	Yes (implicit)	No
Austria		No		No	Yes (implicit)	No
Belgium		No		No	Yes (implicit)	No
Netherlands		No		No	Yes (implicit)	No
Sweden		No		No	Yes (implicit)	No
Denmark		No		No	Yes (implicit)	No
Estonia		No		No	Yes (implicit)	No
Czech Rep.		No		No	Yes (implicit)	No
Croatia		No		No	Yes (implicit)	No
Hungary		No		No	Yes (implicit)	No

Note: Ireland belonged to this cluster until recent policy changes (see Cluster 5).

Cluster 5: Rural-focused outlier

Cluster 5 is an outlier category, currently represented by Ireland alone. Ireland historically fit Cluster 4 (no formal SE law or definition), but it has recently taken a strategic direction by integrating social enterprises explicitly into rural development policy. In the absence of a comprehensive SE framework, Ireland leveraged the social economy to serve specific community goals, notably the revitalisation of rural areas. This makes Ireland stand out as a country with high territorial focus but only nascent formal recognition of the SE.

Up until the late 2010s, Ireland lacked any national policy for the social economy. There remains no single SE law defining the ecosystem. However, in 2019, Ireland launched its National Social Enterprise Policy 2019-2022⁶⁶, marking the first time the government formally acknowledged and

⁶⁵ European Commission (2021); European Commission et al. (2024)

⁶⁶ Department of Rural and Community Development. (2019). National Social Enterprise Policy for Ireland 2019–2022. Government of Ireland. Retrieved from <https://www.gov.ie/en/publication/90b2a0-national-social-enterprise-policy-2019-2022/>

supported social enterprises (a step toward SE recognition, though focused on a subset of SE actors). In 2024, and building upon the 2019-2022 National Social Enterprise Policy, Trading for impact, a new National Social Enterprise Policy for the period 2024–2027 was launched to strengthen the role of social enterprises in addressing social, economic, and environmental challenges across Ireland. Crucially, the Irish government wove social enterprise into its flagship rural policy: “Our Rural Future 2021–2025”⁶⁷. This rural development strategy explicitly highlights the role of social enterprises and community businesses in sustaining rural towns and delivering local services. Ireland thereby made the social economy a pillar of rural revitalisation, aiming to grow rural social enterprises as drivers of jobs and social cohesion in remote communities.

This policy choice reflects Ireland’s context: many rural areas depend on community cooperatives, development trusts, and social enterprises (for example, community-owned tourism ventures or renewable energy co-ops). By formally linking SE to rural community development, Ireland recognises the social economy’s territorial impact even though it still lacks a broad SE law. Social inclusion is implicitly addressed through these rural social enterprises (many target unemployment and social isolation in villages). Institutionally, Ireland’s SE ecosystem remains in an early stage of formalisation – the 2019 policy is programmatic, not legal, and covers mainly social enterprises – but the rural focus is very pronounced and strategic.

Ireland is clustered separately because it illustrates how a country can compensate for a weak formal SE framework by adopting a clear territorial strategy for SE. It underscores that even without comprehensive laws, the social economy can be mobilised explicitly for rural development goals. Ireland’s case may evolve (ongoing efforts could lead to more formal SE recognition in the future), but as of now it remains an outlier: high rural focus, moderate inclusion focus, low formalisation.

Country: Ireland.

Profile: National SE definition (No – no official definition yet); SE law/framework (No – but has a national policy since 2019); Social inclusion objectives (Yes, explicit in policy goals); Rural/territorial focus (Yes, explicit in rural strategy).

Table 9. Cluster 5 – Rural-Focused Outlier (Ireland).

Cluster Country	5	National Definition	SE Law/Policy Framework	Social Inclusion Goal	Rural/Territorial Focus
Ireland		No	No (<i>policy only</i>)	Yes (explicit)	Yes (explicit)

It is important to note that this preliminary analysis may change in the course of the project as Member States have to provide their national SE strategy by November 2025 according to the Council Recommendation on developing social economy framework conditions.

5.2 In depth analysis of Social Economy in pilot countries

The European Commission’s Social Economy Action Plan (SEAP) defines *social economy* entities by their primacy of people and social purpose over profit, reinvestment of most profits into their mission, and democratic or participatory governance (European Commission, 2021). These principles underpin key SEAP dimensions against which national approaches can be evaluated. Below is an in-depth analysis of each of the six pilot countries – comparing their national definitions and legal

⁶⁷ Government of Ireland. (2021). Our Rural Future: Rural Development Policy 2021–2025. Department of Rural and Community Development. <https://www.gov.ie>

frameworks to the SEAP benchmark, identifying gaps and obstacles, and highlighting good practices and lessons.

5.2.1 France

National definition vs SEAP

France has a formal definition of the social economy, established in the 2014 Law on the Social and Solidarity Economy (SSE). It legally defines SSE as a mode of enterprise pursuing a social or societal purpose beyond profit (Fraisie et al., 2016; OECD, 2023). It enumerates qualifying entities (cooperatives, mutual societies, associations, foundations, and social enterprises) and enshrines SEAP-aligned principles: an explicit social mission, democratic governance (e.g., “one person, one vote”), and the obligation to reinvest the majority of profits (at least 50%) toward that mission, with asset locks to prevent private distribution (OECD, 2023). Few SEAP elements are missing – the French definition explicitly incorporates solidarity, social utility, and participatory management, closely aligning with SEAP (Fraisie et al., 2016).

Legal framework vs SEAP

France has one of the most comprehensive legal frameworks for the social economy. The 2014 SSE law is a dedicated framework law that unified prior statutes and formally recognised the SSE ecosystem across government. It covers the full range of SE actors: traditional cooperatives (governed also by cooperative law), mutual insurers, associations under the 1901 Law, foundations, and newer social enterprises (OECD, 2020; European Commission et al., 2024). The law set up supportive institutions like the Higher Council for the SSE and regional SSE chambers, strengthening visibility and dialogue (OECD, 2020). All of the key SEAP actor categories are included in France’s framework. The law and subsequent policies also address several enabling measures advocated by the SEAP: for example, France provides tailored finance (through solidarity finance mechanisms and credit unions), supports SSE visibility via an official SSE observatory, and encourages consideration of social enterprises in public procurement (through social clauses and reserved contract possibilities, in line with EU directives) (European Commission et al., 2024). France’s legal environment is largely aligned with SEAP – it not only defines and recognises SSE entities, but also promotes many SEAP themes like cooperative development, community wealth building, and multi-stakeholder governance (SSE International Forum, 2021).

Obstacles and implementation gaps

Given France’s advanced SSE framework, obstacles are less about recognition and more about practical implementation. One challenge has been fragmentation vs coordination: prior to the 2014 law, support for cooperatives, mutuals and associations was siloed. The framework law improved this, but ensuring coherent application across ministries and regions is an ongoing task (OECD, 2020; European Commission et al., 2024). Administrative burden is an issue: for instance, obtaining the ESUS accreditation (which grants fiscal advantages) requires meeting strict criteria on profit reinvestment and governance, which smaller social ventures find complex (European Commission et al., 2024). Another gap is in public procurement – even though legally permitted, many public authorities are not yet fully using the social award criteria or reserved contracts to benefit SSE entities, a point echoed in SEAP’s observation that public bodies underutilise such possibilities (SSE International Forum, 2021; European Commission et al., 2024). Access to finance, while helped by France’s solidarity finance (e.g. 90/10 social investment funds), could be strengthened to provide more patient capital for scaling SSE initiatives (Ibid, 2024). Additionally, rural inclusion needs constant

attention: the SSE in France is strong in urban areas and certain rural regions – indeed, 17.7% of rural private-sector jobs are in the SSE in France – but some remote areas still lack SSE-driven services (Ibid, 2024). Overall, France’s gaps are about making the most of a supportive framework – e.g. simplifying processes, raising awareness among public officials and investors, and ensuring smaller or newer social enterprises can avail of the advantages the law provides (Ibid, 2024).

Good practices and transferable lessons

France offers several innovations in legal and policy design for other countries to learn from. First, the 2014 SSE law itself is a comprehensive framework model, defining the ecosystem broadly and has SEAP principles in its legislation. This demonstrates how to legally codify the social economy’s identity, which improves visibility and legitimacy (OECD, 2020; European Commission et al., 2024). Second, France’s approach to institutional support stands out: the creation of a national Council and regional SSE Chambers ensures dedicated governance structures for dialogue between government and the SSE ecosystem. These bodies help coordinate policy implementation and could be replicated to improve multi-level governance of SSE (European Commission et al., 2024; SSE International Forum, 2021). Third, France integrates territorial cohesion into SSE development – the law mandates regional SSE conferences and strategies, recognising that local authorities play a key role in social economy development (OECD, 2020). This multi-level planning is a good practice for linking national strategy with local action. Another lesson is France’s cultivation of an ecosystem for financing SSE: through mechanisms like solidarity savings funds, credit cooperatives, and public investment banks focusing on SSE, France has expanded access to capital for social innovations (European Commission et al., 2024). In terms of data collection and evaluation, France has long standing statistical tracking of the SSE workforce and contribution (e.g., satellite accounts), an approach that others could emulate to measure impact (Ibid, 2024). Finally, France’s SSE experience underscores the value of legal recognition – by formally acknowledging diverse social economy actors (rather than only social enterprise niches), France strengthened cross-sector collaboration (cooperatives, mutuals, associations working together under the SSE umbrella) and boosted the sector’s profile. Such recognition, combined with support measures, is a key lesson aligning with SEAP’s call to create an enabling environment for the social economy (SSE International Forum, 2021; OECD, 2020). That said, recent developments — such as proposed legislative amendments that would eliminate key institutions like ESS France, the CRESS, and the CSESS — highlight growing political and financial pressures on the French Social and Solidarity Economy (ESS) model and underscores the need for close monitoring (ESS, 2025)

5.2.2 Greece

National definition vs SEAP

Greece legally recognises the Social and Solidarity Economy (SSE) and provides an official definition. Law 4430/2016 defines SSE as the aggregate of economic activities organised in alternative ways, based on the principles of democracy, equality, solidarity, cooperation, and respect for people and the environment. This definition explicitly mirrors SEAP values of participatory governance and social purpose. It also implicitly involves the primacy of people over profit – by emphasising social and environmental aims and cooperative principles, the Greek definition aligns with putting mission before profit. The law stipulates that SSE entities must adhere to certain criteria (e.g., one-member-one-vote governance and limited profit distribution), ensuring that profit reinvestment and stakeholder governance are part of the model (EESC, 2017; European Commission et al., 2024). The SE definition is legally codified (initially by Law 4019/2011 and then the more expansive Law 4430/2016) (European

Commission et al., 2024). One notable element is the shift from the term “social economy” in 2011 to “social and solidarity economy” in 2016, reflecting a broader ethos of solidarity (community mutual aid) beyond just enterprise. Few of the SEAP elements are missing in the definition itself. If anything, the Greek law’s definition is very values-based; it does not enumerate the classic forms (coops, mutuals, etc.) in the definition section, focusing more on the principles and types of activities. However, in practice and accompanying texts, it’s clear that cooperatives and similar entities are included (European Commission et al., 2024).

Legal framework vs SEAP

Greece has developed a dedicated legal framework for the Social and Solidarity Economy (SSE), which has evolved significantly over the past decade. The current core of this framework is Law 4430/2016, which replaced the earlier, more limited Law 4019/2011. Law 4430/2016 not only provides a broad definition of the SSE but also establishes the institutional structure and registration procedures for SSE entities (Cooperatives Europe, 2021; British Council, 2017). Under this legislation, key social economy actors are formally recognised. It designates Social Cooperative Enterprises (Koinonikí Synetairistikí Epichírisi, or Koin.S.Ep) as a principal form of SSE, divided into three categories aligned with the Social Economy Action Plan (SEAP) objectives: (1) integration cooperatives for vulnerable groups, (2) integration cooperatives for “special” groups (e.g. refugees, survivors of violence), and (3) cooperatives aimed at collective or social benefit, including the provision of general interest services and local development initiatives (Ibid, 2021; 2017). Law 4430/2016 also introduced Workers’ Cooperatives and retains pre-existing models such as Limited Liability Social Cooperatives (KoiSPE), primarily focused on mental health rehabilitation, and women’s rural cooperatives. This broad inclusion covers a variety of cooperative and social enterprise models. However, traditional associations and foundations are not explicitly designated as SSE entities unless they adopt an SSE-specific legal form or engage in enterprise activities (Adam, 2019). The framework addresses several SEAP-recommended areas. It established a Special Secretariat for SSE within the Ministry of Labour to support the ecosystem and created a dedicated registry for SSE organisations (British Council, 2017; Katomeris, 2023). Financial support mechanisms have also been introduced, including tax exemptions and access to finance, mainly through European Union structural funds. Additionally, the law facilitates the participation of SSE entities in public procurement by formally recognising them as distinct actors. Greece has made limited use of EU public procurement directives to favour social cooperatives in certain cases (Katomeris, 2020; 2023). Nonetheless, the framework shows some shortcomings, particularly in its support mechanisms.

Obstacles and implementation gaps

Despite the robust law, Greece’s SSE ecosystem faces obstacles that echo many SEAP-identified challenges (European Commission et al., 2024; Adam, 2019). One obstacle has been fragmentation and nascent development – the concept of SSE gained ground only during the 2010s amid the economic crisis, so institutions and public awareness are still catching up. Administrative challenges exist: early implementation was slow, with the Special Secretariat and SSE registry taking time to become fully operational (European Commission et al., 2024). There was also fragmentation between ministries (e.g., SSE ventures in mental health under the Health Ministry vs. others under Labour), causing some overlapping jurisdictions (Katomeris, 2023). Under-recognition by public authorities has improved but is not universal; for instance, local authorities initially had little knowledge on how to partner with or support SSE groups (European Commission, 2021). Barriers to funding have been significant: Greek SSE entities have relied heavily on European Social Fund projects and philanthropy. Traditional banks rarely lend to SSE organisations, and only recently are dedicated funds or guaranteed programmes emerging (British Council, n.d.). This makes it hard for SSE entities

to scale sustainably. Public procurement inclusion is still limited – while the law allows social clauses, many procurement officers default to conventional suppliers (Adam, 2019). Another issue is the limited scale and networking of SSE entities: many are small cooperatives or informal groups that struggle with business development and need capacity building. Reaching rural and disadvantaged communities also remains challenging – although Greece has exemplary cases (like women’s agritourism cooperatives), these successes have not spread evenly. Some remote rural areas and marginalised urban communities are not yet benefiting from SSE initiatives due to lack of support or local capacity (Katomeris, 2023). Additionally, the SSE ecosystem in Greece often notes a cultural hurdle: decades of distrust in cooperatives (dating back to failed state-controlled coops in the past) means some communities are hesitant to engage, requiring effort in community education and trust-building (Adam, 2019). Finally, policy continuity can be an obstacle – political changes or economic downturns risk deprioritising SSE. For example, while current strategies are supportive, austerity measures in the past limited available public funding for SSE, and maintaining momentum as crises evolve (e.g., the refugee crisis, pandemic recovery) is a constant implementation gap (British Council, n.d.; European Commission et al., 2024). In essence, Greece’s SSE framework is solid on paper but needs stronger practical support systems, inter-ministerial coordination, and sustained capacity-building to overcome these obstacles.

Good practices and transferable lessons

Greece’s evolving Social and Solidarity Economy (SSE) framework offers useful lessons for other countries. A key innovation is the classification of social enterprises by mission — either integrating vulnerable groups or serving broader community benefits — enabling more tailored support (European Commission, 2019). Another strength lies in Greece’s establishment of a dedicated SSE Secretariat and strategic coordination via a Deputy Minister, which has given the ecosystem greater institutional visibility (Tsilikis & Katomeris, 2022). Grassroots mobilisation during the financial crisis, such as community kitchens and time banks, laid the foundation for today’s SSE actors, showing how informal networks can evolve into formal structures (British Council, 2017). Greece has also promoted rural inclusion through long-standing women’s cooperatives that blend empowerment with cultural preservation (Duvitsa, 2023). Additionally, stakeholder involvement in developing the 2023 SSE Action Plan, including regional unions and national bodies, reflects a participatory policy model (Katomeris, 2023). Legal evolution — from Law 4019/2011 to Law 4430/2016 — has widened definitions to include worker cooperatives and reinforced democratic governance and profit reinvestment principles (OECD, 2023). These reforms align well with the EU Social Economy Action Plan (SEAP), underlining the value of iterative, inclusive policy making rooted in solidarity and local development.

5.2.3 Ireland

National definition vs SEAP

Ireland presents a contrasting case among the six countries analysed: it does not have an official legal definition of the “social economy” as of 2025, and historically, the term has seen limited use in national policy. Instead, Ireland’s policy focus has been on social enterprises, considered a subset of the broader social economy (OECD, 2023; Department of Rural and Community Development [DRCD], 2023). The first formal National Social Enterprise Policy (2019–2022) defines social enterprises as businesses whose core objective is to achieve a social, societal, or environmental impact, rather than maximising profit for shareholders (DRCD & SFF, 2018; European Commission, 2019). This definition aligns with several Social Economy Action Plan (SEAP) principles: it reflects the

primacy of social purpose and typically involves the reinvestment of surpluses to advance the enterprise's mission. However, as Ireland focuses specifically on social enterprise rather than the wider social economy, its approach lacks some of SEAP's broader structural features. For instance, democratic governance is not a formal criterion in the Irish social enterprise model. Many Irish social enterprises are structured as companies limited by guarantee, which often have self-appointing boards and no requirement for one-member-one-vote systems (NESDO, 2023). As such, SEAP's emphasis on democratic decision-making is not explicitly embedded in practice. Furthermore, Ireland's absence of a legal or policy-based definition of the social economy means there is no unified reference to all its potential actors — such as cooperatives, mutuals, charities and associations — under a common framework. Cooperatives in Ireland are governed under separate cooperative law and are generally associated with the agri-food and financial sectors rather than the social economy (Cooperatives Europe, 2021). Charities and voluntary associations, meanwhile, fall under broader nonprofit regulations (Cahill, 2021).

Legal framework vs SEAP

Ireland currently does not have a comprehensive legal framework specifically for the social economy or social enterprises. Like several other EU Member States, it lacks a standalone “social economy law” or specific “social enterprise act.” Instead, social economy initiatives function under existing legal forms — most commonly as Companies Limited by Guarantee (European Commission, 2019; Cooperatives Europe, 2021). The **National Social Enterprise Policy 2024–2027** titled Trading for Impact, was launched in July 2024. This policy builds upon the 2019–2022 framework and aims to strengthen the role of social enterprises in addressing social, economic, and environmental challenges across Ireland. It outlines five strategic objectives supported by 57 specific actions to be implemented over the policy's duration in five key objectives: building awareness of social enterprise, growing and sustaining social enterprise, supporting the green transition, national and international engagement and impact measuring (Government of Ireland, 2025). While these policy frameworks (2024–2027 and 2019–2022) outline key objectives and support mechanisms for social enterprises, they do not confer a distinct legal status (DRCD & SFF, 2018; OECD, 2023). In practice, Irish social enterprises navigate existing regulatory frameworks, such as charity law — which can provide tax advantages — or general company law (NESDO, 2023). As a result, there is no unified designation or registry for social economy actors, and legal recognition remains fragmented. Although Ireland has a diverse landscape of cooperatives, credit unions, associations, charities, and foundations, these entities are not connected by a comprehensive legal or policy framework. Some elements aligned with the EU's Social Economy Action Plan (SEAP) are addressed indirectly. For instance, Ireland facilitates access to finance through initiatives like the **DAF Growing Social Enterprise Fund**, supported by dormant bank assets, and through intermediary organisations such as Pobal⁶⁸. However, these supports are provided via programmes rather than codified in legislation. Public visibility has improved through national initiatives, including the Roadmap for Social Inclusion 2020–2025 and “Our Rural Future” (2021–2025), both of which highlight the role of social enterprise in community and rural development (DRCD, 2023).

Obstacles and implementation gaps

Ireland's main obstacles arise from a historically fragmented and under-recognised social economy landscape. Without a legal definition or framework, social enterprises long operated in a grey area between company and charity law, complicating their development (European Commission, 2019; NESDO, 2023). The lack of recognition led to limited policy support and low public awareness until

⁶⁸ <https://www.pobal.ie/programmes/daf-growing-social-enterprise-fund/>

recent years (DRCD & SFF, 2018; OECD, 2023). Access to finance has been difficult. Social enterprises often fall between charitable and commercial funding streams. Targeted supports, such as from the Dormant Accounts Fund, have only recently emerged (The Wheel, 2022; Indecon, 2020). Capacity gaps are also clear. Many social enterprises are small, community-led groups needing help with business skills and digital tools. Training programmes exist but are uneven and often under-resourced (Cahill, 2021; DRCD, 2023). Public procurement is underdeveloped. Ireland is only starting to adopt social clauses, limiting social enterprises' access to public contracts — an issue noted in the SEAP (European Commission, 2019; OECD, 2023). There is also an urban-rural divide. Rural initiatives benefit from community support, while urban social enterprises may face isolation (NESDO, 2023). Policy fragmentation remains. Support is spread across departments, with coordination only recently improving (The Wheel, 2022). Finally, there is a lack of robust data. No official registry or employment figures exist, making it difficult to assess impact and inform policy (DRCD, 2023; OECD, 2023). Overall, while social economy activity is growing, the absence of a unifying legal structure continues to limit the ecosystem's funding, scaling, and policy influence.

Good practices and transferable lessons

Despite structural gaps, Ireland offers several good practices that other countries can learn from. Notably, its decision to include social enterprise in the national rural development strategy, *Our Rural Future*, is a strong example of using social economy tools to promote territorial cohesion. This policy recognises social enterprises as drivers of rural revitalisation, local service delivery, and anti-isolation measures — goals relevant to many countries facing rural decline (DRCD, 2023; NESDO, 2023). Ireland also has a rich tradition of community-led initiatives, such as co-operative pubs, tourism ventures, and renewable energy schemes. The Community Services Programme (CSP) supports social enterprises that provide employment to long-term unemployed individuals, combining labour market inclusion with community development — a model aligned with the SEAP's goals (European Commission, 2019; The Wheel, 2022). Another transferable lesson is Ireland's focus on stakeholder engagement and capacity building. Since 2019, it has introduced training hubs, hosted awareness events such as the first National Social Enterprise Conference, and fostered peer learning — all low-cost, high-impact ecosystem-building efforts (Cahill, 2021; DRCD & SFF, 2018). This shows how progress can begin through coordination and policy visibility, even before legislative change. Additionally, Ireland's use of existing legal forms has encouraged hybrid approaches. Social enterprises often combine charitable status for tax relief with business trading models, adapting to a “patchwork” legal environment in the absence of a bespoke framework (OECD, 2023). Lastly, Ireland's strategy was built through collaboration: grassroots advocacy, research evidence, and EU policy momentum (notably the SEAP) influenced the development of the national policy. This demonstrates that political will and cross-sector partnerships can catalyse action, even without a legal mandate.

5.2.4 Poland

National definition vs SEAP

Poland has recently established a legal definition of the social economy that partly aligns with the principles of the Social Economy Action Plan (SEAP). In 2022, the Polish government adopted the Social Economy Act, which defines “social economy” and sets criteria for “social economy entities”, including a subset formally recognised as social enterprises (European Commission, 2019; OECD, 2023). The law conceptualises the social economy as activity conducted by specific entities for the benefit of the local community, with a strong emphasis on social and professional reintegration rather

than private profit (DIESIS, 2023). In practice, this legal framework includes actors such as cooperatives (particularly social cooperatives), associations and foundations with public benefit status, faith-based organisations engaged in economic activity, and work integration enterprises supporting the unemployed or disabled (OECD, 2023; Cooperatives Europe, 2021). This mirrors the SEAP's inclusive vision by covering traditional social economy forms — cooperatives, non-profits, mutuals — while highlighting societal benefit as the ecosystem's central goal. The law makes the primacy of people over capital explicit. Social enterprises must reinvest any surplus into their statutory goals; profit distribution is not permitted. Furthermore, democratic governance is encouraged through requirements that certified social enterprises allow employee participation in decision-making processes. Social cooperatives in Poland, for instance, operate according to cooperative principles such as “one member, one vote”, fulfilling the SEAP's governance criteria (OECD, 2023). Prior to the 2022 Act, Poland's approach was grounded in the *National Programme for the Development of the Social Economy*, a policy framework that lacked legal enforceability (Ministry of Family and Social Policy, 2018). The Act now provides legal clarity and comprehensive coverage of the SEAP principles, codifying social purpose, profit reinvestment, and participatory governance into national law. However, some analysts note that the Polish definition focuses heavily on work integration and social service provision, which may limit broader interpretations of the social economy that include environmental or general community development goals (DIESIS, 2023). Nevertheless, the Act's emphasis on social inclusion and community benefit remains strongly aligned with the SEAP's vision.

Legal framework vs SEAP

Poland's Social Economy Act, adopted in August 2022, represents a significant legal milestone, creating a formal and comprehensive framework for the social economy. This legislation defines “social economy” broadly and introduces a certified “social enterprise” status. Entities eligible under the law include cooperatives (especially social cooperatives), associations and foundations with economic activities for public benefit, faith-based entities engaged in social work, and vocational integration enterprises (OECD, 2023; European Commission, 2019). To be recognised as a social enterprise, an organisation must: (1) pursue a social mission; (2) reinvest any profits into statutory objectives (profit distribution is prohibited); and (3) either employ at least 30% disadvantaged individuals or deliver services for marginalised communities. These requirements only reflect the SEAP's principles of profit reinvestment. Democratic governance or stakeholder involvement is also encouraged — e.g., social cooperatives follow a “one person, one vote” rule (Cooperatives Europe, 2021). However, despite this strong legal framework, social economy recognition in Poland remains partial in practice (European Commission et al., 2024). There is greater legal and policy focus on social enterprises (especially those with a work-integration role), while the broader social economy — particularly cooperatives and associations not engaged in employment reintegration — still lacks consistent visibility and public understanding. Moreover, stakeholders suggest that access to support measures is skewed toward entities with formal “social enterprise” status, potentially excluding traditional actors who opt not to register under the new label. While the law aligns closely with the SEAP recommendations — establishing dedicated governance bodies, a social economy development fund, and social procurement mechanisms — it has also been critiqued for its emphasis on social integration over broader innovation or environmental goals, limiting the diversity of social economy models supported (Chodacz et al., 2023; OECD, 2023).

Obstacles and implementation gaps

With the Social Economy Act now in force, Poland's main challenges relate to implementation. A key issue is legal coordination: the new law must align with existing regulations on cooperatives, public benefit organisations, and vocational enterprises. Ensuring clarity for stakeholders navigating this

landscape remains a work in progress (OECD, 2023; European Commission, 2019). Criticism has emerged from civil society actors who fear the law may unintentionally sideline NGOs that do not or cannot acquire “social enterprise” status. Some worry that local authorities might prioritise certified entities for outsourcing welfare services, creating exclusion risks (DIESIS, 2023; Bendyk, 2021, as cited in DIESIS, 2023). Others argue that the law overemphasises work integration, marginalising broader social goals such as environmental sustainability or cultural innovation (Koczanowicz-Chondzyńska, 2022). Administrative capacity is another concern. The law introduced new governance bodies (e.g., the State Committee for Social Economy Development), but as of late 2023, they remained in early operational stages (Ministry of Family and Social Policy, 2018). Regional support programmes are also still scaling up, and awareness among local authorities and potential social entrepreneurs remains limited. Complex certification procedures and strict governance requirements may discourage uptake – especially since oversight rests with regional governments, raising concerns of political or bureaucratic barriers (DIESIS, 2023). Funding sustainability is another challenge. Much of Poland’s social economy support has been linked to EU funds (e.g., ESF+, React-EU), raising concerns about continuity once external funding phases out (OECD, 2023). Regional disparities also persist – well-resourced areas benefit from active OWES centres⁶⁹, while rural or remote regions often lack support infrastructure or awareness of opportunities (European Commission, 2019). Lastly, monitoring and impact evaluation remain underdeveloped. While nearly 800 social enterprises had been registered within a year of the law’s enactment, robust data systems for tracking outcomes like job creation or social reintegration are still in development (European Commission et al., 2024; Ministry of Family and Social Policy, n.d.). As such, Poland’s current challenge is less about legislation and more about building the infrastructure, capacity, and inclusive governance needed to fulfil the potential of its SEAP-aligned legal framework.

Good practices and transferable lessons

Poland’s social economy journey offers several good practices of relevance to other EU Member States. One foundational example is the *National Programme for Social Economy Development* (KPRES), first introduced in 2014 and running through 2025. As one of the earliest national strategies in Europe, KPRES laid out long-term objectives, supported multi-sector coordination, and ultimately provided the groundwork for the 2022 Social Economy Act (European Commission, 2019; OECD, 2023). This illustrates the value of strategic planning as a precursor to comprehensive legal frameworks. The 2022 Act itself is a model of legislative integration—bringing together enterprise, social services, and labour market reintegration into a single law. It introduces a two-path certification system for social enterprises: those focused on employment and those delivering services to disadvantaged communities. This dual definition accommodates different models and may be adapted by other countries shaping similar legislation (DIESIS, 2023). A notable innovation was aligning the Social Economy Act with the EU’s *Recovery and Resilience Facility* (RRF). By embedding the law in its RRF plan, Poland secured both political priority and funding for implementation—a lesson in leveraging EU instruments to accelerate national reforms (DIESIS, 2023). Another standout feature is Poland’s network of *Social Economy Support Centres* (OWES), which have been operational since the 2010s. These regionally based centres offer training, incubation, and advisory services, initially funded by EU cohesion policy. Their formal recognition under the 2022 Act ensures continuity, and the model offers a transferable approach for ecosystem building across Europe (OECD, 2023; European Commission et al., 2024). Poland’s support system also includes concrete financial incentives: partial wage subsidies, preferential loans, and tax exemptions for reinvested

⁶⁹ Social Economy support centers that offer comprehensive support services, as well as direct financial aid to social enterprises. OWES are funded by the local government on the regional level, but in order to apply for public funds they must be accredited by the Minister of Family and Social Policy. There are a number of organisations in Poland dedicated to helping specific types of social economy entities.

surpluses. These mechanisms reflect SEAP's call for enhanced access to finance and demonstrate that legal status coupled with material benefits can significantly stimulate ecosystem growth. On the governance side, the establishment of a multi-stakeholder *State Committee for Social Economy Development* ensures ongoing dialogue between government and ecosystem actors. This participatory governance structure offers an example for both EU-level and national replication (OECD, 2023). Finally, Poland's experience underscores the power of incremental development. Over nearly two decades, it progressed from EU pilot schemes (such as the EQUAL initiative) to strategic planning, and eventually to legal codification — building a resilient ecosystem through partnership and consistent policy alignment. This path highlights the value of persistence, political adaptability, and smart timing in advancing social economy agendas, even under shifting political conditions (Chodacz et al., 2023).

5.2.5 Romania

National definition vs SEAP

Romania legally defined the social economy through Law No. 219/2015, making it one of the earlier adopters of a statutory framework. The law conceptualises the social economy as comprising activities conducted independently of the public sector by entities such as cooperatives, associations, foundations, mutual aid societies, and other legal bodies pursuing a social purpose (European Commission, 2019; OECD, 2023). It introduces the terms “social enterprise” (*entitate socială*) and “work integration social enterprise” (*întreprindere socială de inserție*), providing a two-tiered recognition system. The Romanian framework aligns closely with the principles of the EU Social Economy Action Plan (SEAP). Certified social enterprises must reinvest at least 90% of their profits in achieving social objectives or reserve funds, and they are expected to prioritise social goals over profit maximisation (IES, n.d.; European Commission, 2019). While the law encourages inclusive governance — prohibiting decision-making based solely on capital shares — democratic governance is not uniformly mandated across all legal forms. For instance, cooperatives follow “one member, one vote” principles, but foundations may remain under the control of a founding board (OECD, 2023). Romania's legal definition covers most core SEAP actors: cooperatives (including credit unions and consumer co-ops), associations, foundations, and mutual aid organisations like *Casa de Ajutor Reciproc* (CARs). By unifying these under a broad social economy umbrella, the legislation ensures conceptual inclusivity. However, while the law supports democratic participation in theory, its enforceability varies depending on the entity type (European Commission et al., 2024). The legislation also emphasises social inclusion — particularly the integration of vulnerable groups into the labour market — making work integration a central theme, particularly for *întreprinderi sociale de inserție*, which must engage target groups in both employment and governance (European Commission, 2019). This may inadvertently limit broader interpretations of social economy that include environmental or cultural aims not tied directly to employment.

Legal framework vs SEAP

Romania's Social Economy Law (No. 219/2015), in effect since 2016, created a dedicated legal structure for the ecosystem. Under this framework, entities can apply for “social enterprise” certification from the Ministry of Labour if they pursue social objectives, reinvest at least 90% of profits into these aims, and ensure that, upon dissolution, assets are directed to a public benefit purpose (European Commission, 2019; OECD, 2023). A further tier — *social insertion enterprise* (*întreprindere socială de inserție*) — applies to certified organisations employing at least 30% vulnerable individuals for a minimum of eight hours per week (European Commission et al., 2024). This two-tiered approach

mirrors the SEAP's emphasis on work integration, and the law explicitly includes core actor types: cooperatives (governed separately by the 2005 Cooperative Law), associations, foundations, and mutual aid societies such as the *Casa de Ajutor Reciproc* (CARs), many of which are recognised as part of the social economy even without holding the social enterprise status (OECD, 2023; IES, n.d.). While the law established a national registry and visual identifiers (logos) for certified social enterprises, it did not create a dedicated council or inter-ministerial body. The Ministry of Labour assumed leadership, but broader coordination was lacking — an area where the SEAP calls for stronger cross-ministerial engagement (European Commission et al., 2024). Access to finance has relied heavily on EU Structural Funds, particularly via the *Operational Programme Human Capital 2014–2020*, which supported grants for social enterprise creation. However, sustainable national financing remains limited. Local authorities may offer support, such as facilities or contracts, but this is not mandatory (European Commission et al., 2024, pp. 150–152). Support services have grown through EU-funded resource centres, and credit unions or cooperative unions provide informal assistance. Still, Romania lacks a fully institutionalised support system, as found in more developed ecosystems (OECD, 2023). Visibility improved with legal recognition and the introduction of official logos for certified entities—an example of aligning with the SEAP's call for branding and public trust. However, public procurement remains underutilised. While Romania transposed EU directives permitting reserved contracts, few authorities apply social criteria in practice, signalling a missed opportunity (European Commission, 2019). Despite the law's broad inclusion of actors — such as public-interest cooperatives and mutuals — practical gaps persist. For instance, the social economy is referenced in national strategies like the *Strategy for Social Inclusion and Poverty Reduction 2015–2020* but is less embedded in other policy areas such as education or rural development. Fragmentation in implementation is evident; key ministries beyond Labour have had limited engagement, reducing policy coherence (European Commission et al., 2024). Finally, monitoring and evaluation systems need strengthening. Only certified entities are tracked in official data, leaving out many cooperatives and associations engaged in social economy activities (European Commission et al., 2024). Thus, while Romania has a solid legal foundation, further integration, coordination, and practical supports are essential for full SEAP alignment.

Obstacles and implementation gaps

Although the adoption of Law No. 219/2015 marked an important milestone, Romania has encountered several obstacles in building a fully enabling ecosystem for the social economy. Slow uptake and limited awareness were early issues. By mid-2018, only a few hundred entities had obtained social enterprise certification — a small share of potential actors (European Commission, 2019). Many cooperatives and NGOs were either unaware of the new framework or saw little value in certification, given the lack of linked incentives such as funding or tax advantages (OECD, 2023). Administrative capacity also proved a barrier. Local labour offices were tasked with certification and monitoring, but without added resources. Methodological norms were only approved in 2016, leading to delayed and uneven implementation (European Commission et al., 2024). Financing constraints persist. Romania's social economy depends heavily on EU Structural Funds — particularly the Human Capital Operational Programme — but lacks stable national instruments like a social investment fund or dedicated loan schemes. Commercial banks remain hesitant, perceiving social economy organisations as high-risk or low-return, making access to private capital especially difficult — an issue also highlighted by the SEAP. Legal fragmentation and rigidity further complicate implementation. The social economy law does not replace other existing frameworks (e.g. company law, cooperative law), and new concepts like “insertion social enterprise” remain poorly understood by some institutional actors. Some requirements — such as the 90% reinvestment rule and the obligation to enshrine social objectives in statutes — are seen as restrictive, potentially discouraging

entrepreneurs seeking flexibility (European Commission et al., 2024, pp. 152–153). Policy integration remains partial. While the social economy is referenced in social inclusion and employment strategies, it is largely absent from rural development policy. Many informal rural initiatives, such as local cooperatives or mutual associations, exist but are not well connected to state support systems. National rural or agricultural programmes have historically favoured conventional business models, limiting social economy uptake in marginalised areas such as Roma villages (IES, n.d.; OECD, 2023). Capacity gaps also affect the ecosystem. Many small cooperatives or newly established insertion enterprises lack skills in business management, marketing, or impact assessment. While EU-funded training projects have helped, support is fragmented and project-based, lacking continuity (European Commission, 2019; IES, n.d.). Monitoring and evaluation systems are still underdeveloped. Though many jobs have been created via EU-funded social enterprises, there is little longitudinal data on job sustainability or transitions into the open labour market. The absence of an impact evaluation framework makes it difficult to assess long-term outcomes — a gap in relation to the SEAP recommendations (European Commission et al., 2024).

Good practices and transferable lessons

Romania’s social economy experience highlights several good practices. One is the formal recognition and branding of work integration social enterprises (*Întreprindere Socială de Inserție*) through a national certificate and logo, helping boost public trust — similar to Italy’s “Type B cooperatives” or France’s ESUS model (European Commission, 2019). Romania also linked the social economy to wider social inclusion strategies. Its National Strategy for Social Inclusion (2015–2020) integrated the social economy into poverty reduction and inclusion policies, enabling access to EU funding for related programmes (OECD, 2023; European Commission et al., 2024). Locally, mutual aid associations and rural cooperatives have supported disadvantaged communities by offering services like small loans and elderly care. These long-standing forms act as informal safety nets, particularly in areas with limited public services (IES, n.d.). Romania’s large-scale use of EU funds to launch social enterprises in the late 2010s is another example. While not all start-ups succeeded, the initiative offered lessons on the value of mentorship and the need for sustained support (European Commission et al., 2024). The country also uses wage subsidies to encourage employment of people with disabilities, aligning with the SEAP goals for labour inclusion (OECD, 2023). Institutionally, Romania created a unit within the Ministry of Labour to manage the ecosystem, concentrating on expertise — an approach that could be replicated elsewhere (European Commission, 2019). Finally, recognising cooperatives and mutuals as part of the social economy taps into trusted community structures, broadening the ecosystem beyond newly formed enterprises (IES, n.d.).

5.2.6 Slovakia

National definition vs SEAP

Slovakia formally defines the social economy through Act No. 112/2018 on Social Economy and Social Enterprises. The law sets out a broad framework and establishes criteria for entities to be recognised as social enterprises. The definition aligns with the SEAP principles, identifying social economy actors as those pursuing a societal or public benefit, reinvesting the majority of profits for that purpose, and involving stakeholders in governance (European Commission, 2019; OECD, 2023). Although the law establishes a registration regime for social enterprises, it also reflects a broader recognition of the social economy as a diverse ecosystem. A range of legal forms — including associations, foundations, non-profits, and cooperatives — are acknowledged as legitimate actors in

this space. The legislation distinguishes two main categories of social enterprises: integration social enterprises (focused on employing disadvantaged groups) and social enterprises of general interest (providing socially beneficial goods or services). To qualify, an organisation must engage in economic activity — trading goods or services — while achieving measurable social goals such as employment or community service. At least 50% of profits must be reinvested into these objectives, with strict limits on dividend distribution. The law also caps management remuneration to avoid excessive payouts, reinforcing the primacy of social purpose (European Commission et al., 2024). Although the Act does not mandate “one person, one vote” governance, it requires mechanisms for stakeholder or employee involvement. For instance, employees in registered social enterprises must be informed and have the right to influence decisions affecting them (Ministry of Labour, n.d.). This introduces a participatory element, consistent with the SEAP’s call for democratic governance, even if not universally applied. Overall, Slovakia’s legal definition embodies the SEAP’s core elements: prioritising social mission over profit, reinvesting surpluses, and ensuring stakeholder involvement. The law has been in effect since 2018, providing a formal policy basis. While the approach is weighted towards work integration, it places slightly less emphasis on cooperative-style governance. Nevertheless, its participatory features and focus on community benefit demonstrate close alignment with the SEAP. It is also notable that the term “social economy” is used in the Act’s title, suggesting a holistic vision, though operationally the focus is on certifying social enterprises as the primary vehicles of the social economy.

Legal framework vs SEAP

Slovakia has a developing legal framework for the social economy, established through Act No. 112/2018 on Social Economy and Social Enterprises, and strengthened by subsequent amendments and emerging strategic documents. This framework is broadly aligned with the SEAP’s recommendations for enabling environments, though it continues to evolve (European Commission, 2019; Social Economy Gateway, 2024). A key feature is the certification and registry system, which enables entities that meet legal criteria to register as “Registered Social Enterprises” (RSEs). This official status, maintained by the Ministry of Labour, supports credibility and access to support measures — closely reflecting the SEAP’s call for clear identification (Ministry of Labour, n.d.). Slovakia’s law allows an inclusive range of legal forms — LLCs, cooperatives, NGOs, and even municipalities — to become social enterprises, provided they meet the social criteria. This indirectly includes traditional SE actors such as consumer and housing cooperatives, though they are not automatically classified as social enterprises unless they adopt an inclusion-focused mission. Notably, municipalities can establish social enterprises to create jobs locally, expanding the model beyond the SEAP’s typical “private, independent” scope, but still aligned with its goals (European Commission et al., 2024). Support measures include tax relief on reinvested income, VAT exemptions, and access to direct subsidies or grants — particularly for integration enterprises employing disadvantaged groups. These supports are funded through national programmes and EU sources. Slovak legislation also permits reserved public procurement for social enterprises, and several municipalities have begun purchasing services (e.g. catering, cleaning) from RSEs employing the long-term unemployed (OECD, 2023). The Act also established the Slovak Social Economy Institute, which oversees a network of eight regional centres offering consultancy and mentoring. This institutional support structure is a strong example of decentralised ecosystem building and aligns well with the SEAP’s recommendation for local-level capacity building (Social Economy Institute, n.d.). On the policy side, the Ministry of Labour, Social Affairs and Family leads the ecosystem’s development. A Social Economy Action Plan to 2030 is in preparation, which suggests increasing strategic focus and long-term planning, consistent with the SEAP’s guidance for Member States to adopt national strategies (Social Economy Gateway, 2024). The legal framework defines target groups — such as people

unemployed for over six months or persons with disabilities — ensuring clarity for Work Integration Social Enterprises (WISEs). While traditional actors like cooperatives, associations, and mutuals are not named directly, they are eligible under the open legal form model. The absence of a historic mutual sector means this omission is not a major gap. Relative to SEAP, Slovakia’s framework performs well in terms of legal recognition, financial incentives, institutional infrastructure, and links to inclusion policy. However, implementation has so far focused heavily on integration enterprises. Fewer general-interest social enterprises (e.g. in sustainability or culture) have been established, suggesting a need for broader sectoral support. Additionally, the law does not specifically address cooperative development — whereas the SEAP identifies cooperatives as foundational actors.

Obstacles and implementation gaps

As Slovakia’s social economy framework is still maturing, there are key challenges concerning scaling and inclusivity (Social Economy Gateway, 2024). Initial uptake and awareness were slow following the 2018 Act. Many potential actors, including NGOs and local authorities, were unfamiliar with the benefits of registration. Although regional centres have improved outreach, awareness remains limited — particularly among traditional businesses or the wider public, where understanding of the social enterprise model is still low (Social Economy Gateway, 2024). Narrow focus on work integration is another issue. Most registered social enterprises are integration focused (WISEs), supporting inclusion by employing disadvantaged individuals. However, this emphasis may overshadow other types of social enterprises — such as those addressing environmental sustainability or community development — which may not qualify for the same support if they do not hire target groups. Broadening the public narrative and support instruments is key to ensuring diverse models are encouraged (European Commission, 2024). Sustainability of support mechanisms is a concern. Much of the current financial support (e.g., wage subsidies) depends on European Social Fund resources and government grants. Continued operation of the Social Economy Institute and its regional centres will require stable, long-term funding. If these structures are not sustained, the ecosystem could weaken significantly (Social Economy Institute, n.d.). Measuring social impact is an emerging gap. While output data exists (e.g., number of enterprises or jobs created), more effort is needed to assess outcomes — such as transitions into stable employment or improvements in community wellbeing. A comprehensive evaluation framework is still under development, and without robust impact evidence, political and financial support may diminish over time (OECD, 2023). Administrative burden also limits participation. Smaller organisations can struggle with application and compliance processes, particularly around proving impact or reinvestment of profits. Without sufficient technical support and streamlined procedures, some may be discouraged from engaging with the framework — though regional centres are helping to address this (Social Economy Gateway, 2024). Cultural acceptance and market access present additional challenges. In areas where social enterprises are founded by municipalities, private businesses may view them as unfairly advantaged due to subsidies or public backing. Ensuring that social enterprises are seen as complementary to SMEs — not artificially supported competitors — requires careful communication. Beyond public procurement, these enterprises also face difficulties in securing customers and building demand for socially responsible goods and services (Social Economy Gateway, 2024). Reaching the most marginalised groups remains a challenge. While integration enterprises aim to employ disadvantaged individuals, some may favour those who are easier to employ. Reaching the most excluded — such as members of Roma communities in eastern Slovakia or those with very low skill levels — requires targeted design, additional coaching, and support services. Without these, there is a risk of “cream-skimming” within employment programmes (European Commission, 2019).

Good practices and transferable lessons

Slovakia has quickly developed some exemplary practices. The Social Economy Institute with its regional support centres is a standout innovation. It shows a concrete way to implement the SEAP's recommendation for accessible support services: by decentralising support to regional hubs, Slovakia brings expertise (on legal forms, business planning, and funding applications) directly to communities (European Commission 2019; OECD, 2023). Other countries could replicate this model of a central coordination body with regional outreach offices specialising in social enterprise development. Another good practice is Slovakia's method of using financial incentives tied to social outcomes. For instance, the wage subsidy scheme for integration of social enterprises effectively reduces labour costs for those companies, making it easier for them to employ people from the target vulnerable groups – this is a pragmatic approach to inclusion that balances social goals with business viability. Also, Slovakia provides a reduced tax burden for social enterprises (they can get partial income tax exemption), which is a straightforward incentive that other states might adopt to boost social economy entities' competitiveness (OECD, 2023). The two-category system (integration vs general-interest social enterprises) is also notable; it allows the framework to address different types of social enterprises without one-size-fits-all rules (European Commission et al., 2024). This targeted categorisation can be a lesson for countries designing laws – for example, setting specific provisions for work integration enterprises (like subsidies) while also accommodating enterprises that serve broader community needs (like running a community cultural centre or environmental project) possibly with different kinds of support. Additionally, Slovakia integrated the social enterprises into its Active Labour Market Policies – treating social enterprises as partners in employment policy. This mainstreaming into labour policy is a lesson: rather than seeing social economy as a niche, Slovakia uses it as a tool to achieve employment targets (for long-term unemployed, etc.). This has helped unlock funding, since labour ministry budgets and ESF funds for employment can be channelled to social enterprises (European Commission, 2019). Finally, the process by which the law came about in Slovakia offers a lesson in stakeholder engagement: there was significant consultation with existing social enterprises, NGOs, and experts (including learning from Czechia's attempts and other EU examples). The iterative design (with amendments after initial implementation to fix issues) shows a willingness to adjust – a good practice of policy learning (Ibid, 2019).

5.3 Harmonised impact indicators (Objective 3)

A total of 5 dimensions or areas were analysed to compare the SE impact measurement frameworks and resources:

1. Economic and employment impact;
2. Social inclusion and well-being;
3. Environmental sustainability;
4. Community development and cohesion;
5. Governance.

These areas often overlap making the distinction of the dimensions difficult. Considering that one of the main objectives of the INSPIRE project is to support social inclusion in rural areas, and the object of the assessment is the SES operating in rural areas, the set of impact indicators have to be able to answer the following question: *How do SES contribute to social inclusion in rural areas?*

Social inclusion/exclusion has already been analysed in the project through Deliverable 1.1⁷⁰. It has provided a comprehensive definition of social inclusion/exclusion stating that “*social exclusion in rural areas is not merely an issue of poverty but encompasses complex interrelated factors, including geographic isolation, economic marginalisation, inadequate access to education and healthcare, and limited social participation*”. This analysis provided a detailed set of indicators to measure social inclusion which are:

1. Economic security and employment
2. Health and wellbeing
3. Living conditions
4. Social participation and engagement

To measure and quantify the contribution of SES and social entrepreneurship to social inclusion in rural areas, it is important to first identify a set of indicators to be used at organisational level (micro-level). Measuring the impact and having data on specific social economy organisations and enterprises will allow us to later aggregate the data at local level for a specific rural area and compare and measure their effect on the overall social inclusion in the same area. With this framework, we will be able to identify the changes that the setting up of new SES in a rural area will bring to social inclusion (theory of change) or what would happen in terms of social inclusion if SES disappeared (counterfactual analysis).

To simplify the impact analysis at **micro level (level of SES, enterprises and organisations)**, the 5 dimensions of impact considered in the comparative analysis (see above) can be grouped into two overarching dimensions: **socioeconomic impact** and **territorial and community cohesion** (based on Castro et al., 2020). These dimensions were selected based on their relevance to the core missions of social economy initiatives operating in rural areas and their ability to capture both individual and collective outcomes in a structured way.

The **socioeconomic impact dimension** encompasses the effects that social economy services have on key measurable aspects such as (1) **employment**, (2) **individual well-being**, and (3) **environmental sustainability**. These areas are commonly used in social impact frameworks and align with the multidimensional objectives of most social economy actors — such as improving livelihoods, addressing social vulnerabilities, and promoting ecological transitions. This grouping reflects the direct outcomes experienced by individuals or households and the contribution of SES to the local economy.

The **territorial and community cohesion dimension** focuses on the more collective and spatial impacts of social economy activity, particularly relevant in rural contexts. It includes community development and cohesion (e.g., increased social capital, strengthened networks, retention of youth), and participatory governance (e.g., citizen involvement, co-management, democratic decision-making). This dimension was chosen because in rural areas, the presence and strength of community ties and collaborative governance are critical to sustaining local vitality and resilience over time.

This two-dimensional structure allows for a balanced and simplified analysis that captures both the **individual-level and the place-based benefits**, systemic contributions of social economy services. This is particularly important in rural areas where social economy services play a crucial role in the livelihood of a territory otherwise often abandoned by public services and classic enterprises.

To deepen the analysis while maintaining a simplified structure, each of the two main dimensions — socioeconomic impact and territorial and community cohesion — has been further divided into two specific areas that reflect the most relevant aspects of social economy contributions to rural contexts.

⁷⁰ Dilay Celebi Gonidis and Stefania Gourzoulidou (2025). D1.1: Measuring social inclusion and wellbeing in European rural areas: a systematic review. Available on INSPIRE website: <https://inspireproject.eu/deliverables/>

Within the **socioeconomic impact dimension**, two key areas have been identified:

- **Added value for the local economy**, which captures the economic contributions made by social economy actors to rural territories, such as supporting local supply chains, stimulating entrepreneurship, generating income, and reinvesting profits locally.
- **Employment**, which includes the creation and quality of jobs, particularly for disadvantaged or underrepresented groups, as well as work integration and opportunities for lifelong learning and skills development.

The **territorial and community cohesion dimension** are also subdivided into two critical areas:

- **Service provision**, referring to the delivery of essential and often underserved services in rural areas, such as care, education, energy, transport — areas where social economy entities often step in to fill gaps left by public actors or the mainstream economy.
- **Community participation and engagement**, which focuses on the capacity of social economy initiatives to foster civic engagement, inclusive governance, and collective ownership, strengthening the social fabric and promoting long-term community resilience.

These areas were selected based on a review of relevant literature and existing impact assessment frameworks that emphasise the multifaceted nature of social economy contributions in rural settings. The choice of areas ensures that both economic outputs and social and territorial outcomes are adequately captured. For each area, appropriate and context-sensitive indicators have been identified, ensuring consistency with recognised standards and allowing for comparability and meaningful evaluation.

The set of indicators developed by WP1 in D1.1 will allow the assessment of social inclusion at meso and macro level depending on the availability of the selected indicators. This measurement of social inclusion will provide information about how this is affected and ideally improved by the social economy services (using methods such as the theory of change or counterfactual analysis).

Table 10. Harmonised impact indicators

Dimension	Areas	Indicators
1. Social Inclusion (Macro and meso level)	Economic Security & Employment (incl. Risk of Poverty or Social Exclusion)	(11) At risk of poverty or social exclusion (AROPE)
		(12) Income distribution
		(13) Employment
	Health & Well-being	(14) Self-Reported Health Status (LEAKEN)
		(15) Life Expectancy at Birth
		(16) Healthy life years rate
		(17) Self-reported unmet need for medical care by sex
		(18) Total expenditure on main types of activities/functions of care
	Living Conditions	(19) Housing Costs
		(10) Housing Conditions
	Social Participation and Engagement	(11) Voter turnout (elections)
		(12) Electoral participation
		(13) Formal volunteering
		(14) Acquisition of citizenship
		(15) Social trust
		(16) Tolerance

		(I17) Having someone for help or to discuss personal matters
		(I18) Social contact with family and friends
		(I19) Material and social deprivation rate for persons with disabilities
2. Socioeconomic impact (Micro level)	Added value for the local economy	(I20) Revenue
		(I21) Net value added
		(I22) Taxes and other payments to the government
		(I23) Green investment
		(I24) Community investment
		(I25) Total expenditures on Research & Development (R&D)
	Employment	(I26) Number of employees by sex, age and place of residence
		(I27) Number of employees with disabilities
		(I28) Number of employees belonging to vulnerable groups and people at risk of exclusion
		(I29) Average hours of training per year per employee
		(I30) Expenditure on employee training per year per employee
		(I31) Employee wages and benefits as a proportion of revenue, with breakdown by employment type and gender
		(I32) Long-term work contracts
		(I33) Training of vulnerable groups
3. Territorial and community cohesion (Micro level)	Service provision	(I34) Work integration
		(I35) List of services provided by the organisation
		(I36) Number of users by sex, age and place of residence
		(I37) Number of users belonging to a vulnerable group
		(I38) Ratio effective and potential users
	Community participation and engagement	(I39) Average time to access the service
		(I40) Satisfaction with the service
		(I41) Community participation and engagement

5.3.1 Detailed indicators at microlevel⁷¹

This section provides the details of the suggested indicators to be measured at micro level (entity level). Definitions, measurement methodologies, periodicity and sources are provided for the 22 indicators proposed in the dimensions of socio-economic impact and territorial and community cohesion. These indicators are comprehensive enough to provide extensive data to measure the socioeconomic impact of a specific enterprise and the impact on territorial and community cohesion without being too difficult to calculate or interpret. Some of these indicators can be easily adapted to specific needs, while some of them such as work integration may not be relevant for all organisations

⁷¹ The indicators of the social inclusion dimension are not developed as they are already detailed in D1.1.

and enterprises. Indicators must be comparable, so this indicator set can be used not only to measure the impact of SES but also to measure services provided by the public sector or the mainstream economy. The dimension of territorial and community cohesion is targeted at enterprises and organisations providing services, while the indicators of the socioeconomic impact dimension could be also used by enterprises and organisations providing goods. Services are thus crucial for the territorial and community cohesion and the focus of our study.

The following indicators are intended to be measured at enterprise/organisation level. This data collection with the pertinent periodicity will allow for measuring effective impact through techniques such as the theory of change or counterfactual analysis. The reported impacts at micro level will allow for analysis of the meso and macro level social inclusion impact in a later stage by aggregating data. Before starting to calculate the different indicators, it is mandatory to collect basic enterprise and organisation information such as the sector of activity and the legal form.

In terms of sector of activity, evidence has revealed that the SE has a relevant weight in the following services: health and care, education, culture and sports, social services, energy and water, and transport and housing, so these sectors are proposed as categories plus an “other” option. Detail of the activity is not necessary at this stage, as the indicator provides the details of the services provided. In terms of legal form, SE legal forms can be listed as the following categories: cooperative, association (including charities), foundation, social enterprise, mutual and “other SE legal form”. In case other legal forms could be included in the impact analysis for comparison reasons, two additional categories may be proposed: “public entity”, and “private entity not belonging to SE”.

Socioeconomic impact

Table 11. Indicators on the area: Added value for the local economy

I20. Revenue	
Definition	Revenue is the value generated from the sale of goods or services, or any other use of capital or assets, recognised by an entity in a given reporting period. Revenue (also known as Sales or Turnover) is shown usually as the top item in an income (profit and loss, P&L) statement.
Measurement methodology	The figure for total revenues should correspond to the same data as reported elsewhere in the entity's management accounts and in its audited financial statements.
Periodicity	Annual, but other time span possible
Source	SDPI. (UNSRID, 2022)

I21. Net value added	
Definition	Value added (VA) is defined as the difference between the revenues and the costs of bought in materials, goods and services. Value added is the wealth the entity has been able to create and that can be distributed among different stakeholders (employees, lenders, authorities and shareholders). In other terms, VA is the sum of the value added to employees, to providers of loan capital, to governments and to owners (in the case of cooperatives, members). Net value added (NVA) consists of value added from which depreciation has been subtracted.
Measurement methodology	Value added can be calculated using the following:

	Direct economic value generated (revenues and other income) minus operating costs (the costs of goods and services purchased from external suppliers). This is normally referred to as gross value added (GVA). Net value added is calculated by subtracting depreciation of tangible assets from value added.
Periodicity	Annual, but other time span possible
Source	SDPI. (UNSRID,2022)

I22. Taxes and other payments to the government

Definition	The amount of taxes (encompassing not only domestic taxes, but also other levies and taxes, such as property taxes or value-added taxes) plus related penalties paid, plus all royalties, licence fees and other payments to the government (certain fees, concessions, contributions or royalty fees imposed on industries that are regulated by the government, e.g. telecommunications, mining, aviation, banking, insurance, dairy, energy and natural resources) for a given period. This figure does not include: deferred taxes as they may not be paid; amounts related to the acquisition of government assets (e.g., purchases of formerly state-owned enterprises); and penalties and fines for non-compliance issues unrelated to tax payment (e.g., environmental pollution).
Measurement methodology	An organisation can calculate this indicator by summing up all of the organisation's taxes (which can include income and property) as well as excise duties; value-added tax (VAT); local rates and other levies and taxes that may be industry- or country-specific; and all royalties, licence fees and other payments to the government.
Periodicity	Annual, but other time span possible
Source	SDPI. (UNSRID, 2022)

I23. Green investment

Definition	Green investment refers to investment that can be considered positive for the environment directly or indirectly. In other words, this indicator includes all the expenditures for those investments whose primary purpose is the prevention, reduction and elimination of pollution and other forms of degradation to the environment
Measurement methodology	To understand which types of underlying technologies are related to green investments, and as a starting point to decide which investments can be incorporated in the calculation of this indicator, the following checklist is suggested: • General environmental management (including waste management, air and water pollution abatement, soil remediation) • Renewable energy (including biofuels) • Combustion technologies for improved efficiency • Climate change mitigation (e.g. capture, storage, sequestration, disposal GHG) • Indirect contribution (e.g. energy storage) • Transportation (emissions abatement, efficiency)

	• Buildings (energy efficiency). By using this checklist, two indicators can be calculated: • the total amount of green investments over a certain reporting period. This indicator should be measured in monetary units (the costs as indicated on the corresponding invoices); and • a ratio expressing a firm's green investment in period t as a percentage of the entity's period t total assets (and/or revenue). These indicators would be expressed in percentage terms.
Periodicity	Annual, but other time span possible
Source	SDPI. (UNSRID, 2022)

I24. Community investment

Definition	Community investment refers to charitable and voluntary donations, and investments of funds in the broader community where the target beneficiaries are external to the entity. This excludes legal and commercial activities or investments whose purpose is driven primarily by core business needs or to facilitate the business operations of the entity (e.g. building a road to a factory). The calculation of community investment can include infrastructure built outside the main business activities of the organisation, such as a school or hospital for workers and their families.
Measurement methodology	Two indicators can be calculated: • the total amount of community investments over a certain reporting period. Community investments should be expressed in monetary terms and should comprise the expenditures (both capital expenditure and operating ones if applicable) incurred in the reporting period; and • a ratio expressing a firm's community investments in period t as a percentage of the entity's period total assets (and/or revenue). These indicators would be expressed in percentage (%) terms.
Periodicity	Annual, but other time span possible
Source	SDPI. (UNSRID, 2022)

I25. Total expenditures on research & development (R&D)

Definition	Total expenditures on R&D include all costs related to original and planned research undertaken with the prospect of gaining new scientific or technical knowledge and understanding (i.e. expenditures on research activities), and which are related to the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use (i.e. expenditures on development activities). This indicator requires disclosure, in monetary units, of the expenditure on R&D by the reporting entity during the reporting period. Examples of such activities may include: research to discover new knowledge; modification of formulas, products or processes; design of tools that involve new technology; and design and test of prototypes, new products and processes.
------------	--

Measurement methodology	There could be two ratio indicators: Total R&D expenditures / Total assets Total R&D expenditures / Total revenue
Periodicity	Annual, but other time span possible
Source	SDPI. (UNSRID, 2022)

Table 12. Indicators on the area: Employment

I26. Number of employees by sex, age and place of residence	
Definition	Number of employees in the payroll of an organisation or enterprise classified by sex, age and place of residence.
Measurement methodology	Composition of the staff of an organisation or enterprise classified by sex (M, F, Other); range of age (<25; 25-35; 36-45;45-55;55-65; >65) and place of residence. The ranges of age can be adapted according to the needs. The distance from place of residence is relevant in rural areas to analyse the effects on employment in surrounding areas and analyse relations between the place of residence and the place of work.
Periodicity	Quarterly or Annual, other time span possible
Source	Own work

I27. Number of employees with disabilities	
Definition	Number of employees in the payroll of an organisation or enterprise having a disability
Measurement methodology	Staff of an organisation or enterprise with any kind of disability (physical, intellectual, sensory...). The measurement should be done considering only workers with recognised disabilities. Nevertheless, other methodological approaches could be adopted.
Periodicity	Quarterly or Annual, other time span possible
Source	Own work

I28. Number of employees belonging to other vulnerable groups and people at risk of exclusion	
Definition	Number of employees in the payroll of an organisation or enterprise belonging to other vulnerable groups and people at risk of exclusion (excluding people with disabilities)
Measurement methodology	Vulnerable groups and people at risk of exclusion can include different situations. In terms of people in the labour market, the most relevant ones are: • long-term unemployed (more than 2 years unemployed) • migrants, refugees and asylum-seekers • ethnic minorities such as Roma or Irish Travellers • ex-convicts • transgender people • alcohol and drug abusers • one-parent families • people over 50

	This list is non exhaustive and can be adapted. The indicator calculates the number of workers belonging to one or more categories of vulnerable groups and people at risk of exclusion.
Periodicity	Quarterly or Annual, other time span possible
Source	Own work based on CEDEFOP, 2020 for the list of categories

I29. Average hours of training per year per employee

Definition	This indicator suggests the scale of an entity's investment in employee training (i.e., in human capital) and the degree to which this investment is made across the entire employee base, in terms of hours of training.
Measurement methodology	The first step in calculating the number of hours is to identify all the training programmes undertaken by an entity in a reporting period so that the related hours can be accumulated. These may include internal training courses, external training or education (supported by the entity), the provision of sabbatical periods with guaranteed return to employment (supported by the entity, e.g., paid educational leave provided by the reporting entity for its employees), and training in specific topics such as health and safety. Average training hours per employee = total number of training hours provided to employees/ total number of employees
Periodicity	Annual
Source	SDPI. (UNSRID, 2022)

I30. Expenditure on employee training per year per employee

Definition	This indicator suggests the scale of an entity's investment in employee training (i.e. in human capital) and the degree to which this investment is made across the entire employee base, in terms of hours of expenditures. The direct and indirect costs of training are to be considered; for example, course fees, trainers' fees, training facilities, training equipment and related travel costs.
Measurement methodology	Average training expenditures per employee = total amount of training expenses/total number of employees
Periodicity	Annual
Source	SDPI. (UNSRID, 2022)

I31. Employee wages and benefits as a proportion of revenue, with breakdown by employment type and gender

Definition	This indicator should reflect the total costs of the employee workforce for the entity in the reporting period, segmented by employee type and gender as a proportion of the total revenue.
Measurement methodology	The first step in calculating this indicator is to compute total payroll, including employee salaries and amounts paid to government institutions on behalf of employees, plus total benefits (excluding training costs, costs of protective equipment or other cost items directly related to the employee's job function). In this context, payments to the government can include contributions, pensions, employment taxes, levies and employment funds. Then, the amount of employee benefits and wages will be divided by the total revenue

	in that reporting period. The total amount of employee wages and benefits should be broken down according to the gender, type of contract (permanent or temporary) and type of employment (full time or part time)
Periodicity	Annual
Source	SDPI. (UNSRID, 2022)

I32. Long-term work contracts	
Definition	This indicator is expressed as the percentage of employees with permanent contracts.
Measurement methodology	The entity shall determine and disclose the age of the organisation and the percentage of employees who fall into each of the following categories of contract length: • 0–6 months, • 6–12 months, • 12–24 months, and • more than 24 months/permanent
Periodicity	Annual, other time span possible
Source	SDPI. (UNSRID, 2022)

I33. Training of vulnerable groups	
Definition	The percentage of people hired for job skill training purposes for future employment who belong to vulnerable groups in society. Vulnerable groups in society refer to those who are discriminated against, or disadvantaged, owing to age, sex, race, ethnicity or interpersonal relationships (such as family structure and marital status) or because of constrained access to resources (such as schools, jobs, income and housing). See I28 for more detail about the definition of vulnerable groups
Measurement methodology	Vulnerable population hired to be trained = number of employees from vulnerable populations hired to be trained/total number of employees
Periodicity	Annual, other time span possible
Source	SDPI. (UNSRID, 2022)

I34. Work integration	
Definition	The percentage of workers who receive job skill training through work integration programmes and who subsequently move on to find employment or pursue education.
Measurement methodology	The organisation shall determine and disclose the percentage of workers who received job skill training through its work integration programme(s), who subsequently went on to find employment or pursue education in the last two years. Work integration quotient = number of workers in work integration programme(s) who found employment or education in a specific two-year period/total number of workers in work integration programme(s) in a specific two-year period
Periodicity	Annual, other time span possible
Source	SDPI. (UNSRID, 2022)

Territorial and community cohesion

Table 13. Indicators on the area: Service provision

I35. List of services provided by the organisation	
Definition	Catalogue of services provided by an organisation or enterprise.
Measurement methodology	Qualitative indicator that details the services provided by one organisation or enterprise. Apart from the definition of the services, this indicator provides information about access cost, eligibility, geographical scope. The aim of this indicator is to map the services and identify any change in the provision.
Periodicity	Annual
Source	Own work

I36. Number of users by sex, age and place of residence	
Definition	Number of users of the services provided by the organisation or enterprise.
Measurement methodology	To calculate this indicator, it is important to count the users of a specific service in the case of one enterprise or organisation providing more than one service. The addition of the users will indicate the total number of users. This measurement should be broken down by sex, age and place of residence (municipality). This last variable is key in rural areas to analyse interactions and geographical accessibility.
Periodicity	Annual, other time span possible
Source	Own work

I37. Number of users belonging to a vulnerable group	
Definition	Number of users of the services provided by the organisation or enterprise that belong to a vulnerable group.
Measurement methodology	The basis of this indicator and its calculation is the same as the one above. The aim is to detect the number of users that belong to a vulnerable group or are at risk of social exclusion. The categories to be considered can be adapted to specific needs but generally can include: • people with disabilities • migrants, refugees and asylum-seekers • ethnic minorities such as Roma or Irish Travellers • ex-convicts • transgender people • alcohol and drug abusers • one-parent families This indicator is especially relevant for services in the area of education, health and care and social services.
Periodicity	Annual, other time span possible
Source	Own work

I38. Ratio effective and potential users. Scope of the service	
--	--

Definition	Number of users of the services provided by the organisation or enterprise taking into account the number of potential users (inhabitants of a determined area).
Measurement methodology	The aim of this indicator is to measure the scope of the service. This indicator can be adapted to specific needs and needs to consider if there is a specific target for the service (e.g. the target of a primary school is children below 12 years old, so to calculate the indicator the potential users should be only the inhabitants of a specific area below 12 years old). Scope of the service = number of total users of the service/ population in a determined area (adjusted if necessary).
Periodicity	Annual, other time span possible
Source	Own work

I39. Average time to access the service	
Definition	The accessibility of the service can be measured as the time length between service request and access to service by a person. That can include several considerations: waiting list time due to capacity reasons, periodicity of the service due to itinerancy between different areas etc. This indicator does not include the commuting time to reach the service as this is already measured in I.36 with the place of residence of the users.
Measurement methodology	The measure of this indicator can vary according to the nature of the service. If a waiting list is needed the average time can be calculated as: Average time to access the service = number of days between service request and service delivery
Periodicity	Annual, other time span possible
Source	Own work

I40. Satisfaction with the service	
Definition	Percentage of users that are satisfied with the service.
Measurement methodology	Survey addressed to the users with a User Satisfaction Score in which the users can rate the service from 0 to 5. To calculate the overall satisfaction with the service the below formula can be used: Percentage of users satisfied with the service = users that have rated the service with 4 or 5 score/total number of users.
Periodicity	Annual, other time span possible
Source	Own work

Table 14. Indicators on the area: Community participation and engagement

I41. Community participation and engagement	
Definition	Community participation and engagement targets the active involvement of individuals in their communities and in the service provided, actively participating in its construction and providing inputs to satisfy needs. Some services can be key for the community participation and engagement of the population in rural areas, especially when talking about SES.
Measurement methodology	Qualitative indicator:

	- Does the service provide mechanisms to allow co-construction by community and users? Y/N - If yes, please detail the mechanisms, objectives and results. Quantitative indicator: - Number or % of services co-designed with community input % of community members involved in service planning or delivery (e.g. community members on steering committees or advisory boards) - Frequency of public/community consultations or forums
Periodicity	Annual, other time span possible
Source	Own work

5.3.2 Extended framework

The two dimensions at micro level: socioeconomic impact and territorial and community cohesion have been selected because of their relevance for the rural areas. The socioeconomic impact is essential to measure the contribution of an organisation or enterprise to the local economy. This is especially important in rural areas where often the local economies lack employment and diversification of sectors and services. The dimension of territorial and community cohesion is especially relevant in rural areas and the social economy has already been recognised as key for territorial cohesion and for the provision of services in rural areas such as health and care, education, culture and sports, social services, energy and water, and transport and housing. These two dimensions are decisive to explain the contribution of one organisation or enterprise to rural development. The figure below explains how the set of indicators interacts with the other components of the analysis.

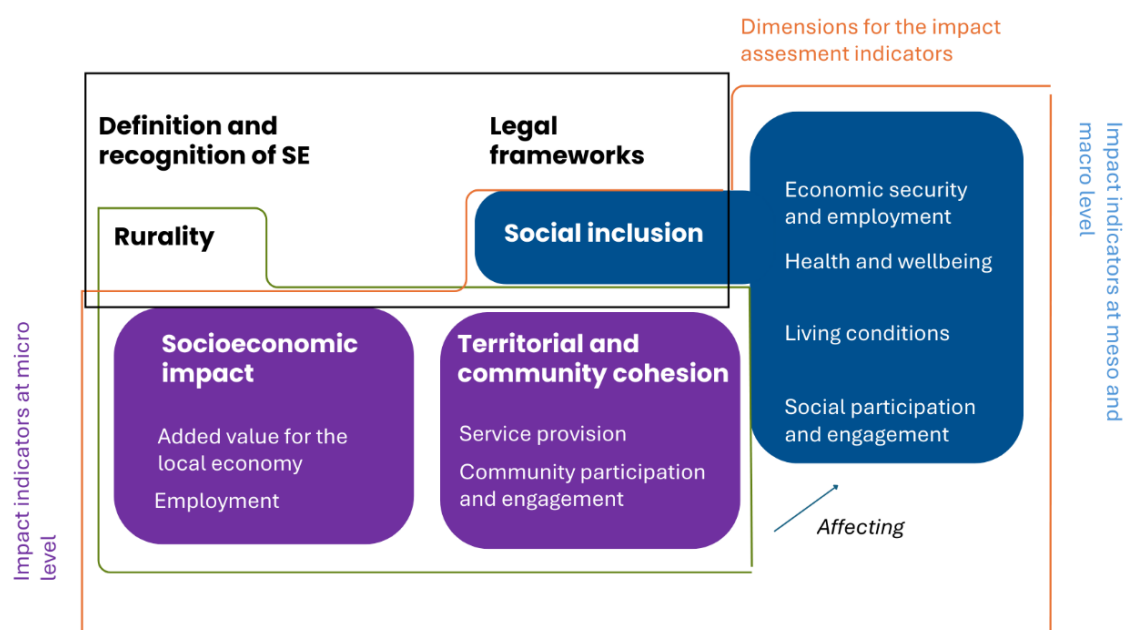


Figure 5. Extended framework

6. Discussion

The comparative framework highlights both strengths and critical gaps in the current landscape of Europe's social economy. On one hand, the near-universal emphasis on social inclusion as a core objective of SE initiatives is encouraging: it reaffirms that across diverse contexts, the social economy consistently seeks to empower marginalised groups and deliver quality services for public benefit. The common value base (reinvestment of profits, democratic governance, and people-over-profit) provides a foundation for a shared European vision of the SE. On the other hand, the study reveals pronounced fragmentation in how Member States conceptualise and support the social economy. The lack of a formal SE definition in two-thirds of EU countries and the absence of dedicated legal frameworks in many cases have resulted in a patchwork of approaches. In practice, this means that what is considered as social economy – and how much institutional support it receives – varies widely from one country to another, even though in recent years, there is an increased attention to, and development of the SE across Europe. Still, disparities between Member States can hinder cross-border collaboration and policy cohesion, as noted by recent analyses (Diesis Network, 2024). Countries with comprehensive laws (e.g., France, Spain, Portugal) show stronger institutional support, whereas others rely on implicit traditions of cooperatives and nonprofits without unifying policies (European Commission, 2021a; OECD, 2022). Notably, very few nations (apart from outliers like Ireland or France) explicitly link SE to rural development in their strategies. This is a significant gap, given evidence that social economy organisations often sustain essential services and social cohesion in rural and remote areas (European Commission, 2021b). The minimal integration of a territorial lens in most national SE policies suggests missed opportunities to leverage SE for rural revitalisation and balanced regional growth. It also indicates that the social economy's contribution to rural communities has been undervalued in mainstream policy – an area where more proactive recognition is needed. These gaps and divergences have important implications as the European policy environment evolves. Notably, the upcoming 2025 mid-term review of the EU Social Economy Action Plan by the European Council presents a critical opportunity to address the inconsistencies identified. The Action Plan (SEAP) introduced in 2021 provided an overarching definition stressing the primacy of social purpose, democratic governance, reinvestment of profits into social and/or environmental purposes, and carrying out activities in the interest of members/users ('collective interest') and/or society at large ('general interest') (European Commission, 2021a). As part of the implementation of the SEAP, the European Commission adopted a proposal for a Council recommendation on developing framework conditions for the social economy on 13 June 2023. This proposal was formally adopted by the Council of the European Union on 27 November 2023. The recommendation called on Member States to adopt or update national strategies for the social economy and to appoint national coordinators to ensure coherent, cross-government policy development in this area (European Commission, 2023a). Member States were given 2 years (deadline November 2025) to develop their social economy strategies. With this in mind, our findings suggest that this definition has yet to be adopted by most Member States, and some key elements – such as the inclusion of social innovation or the explicit mention of the social economy's role in green and digital transitions – could be clarified. Once Member States adopt such an approach to the social economy (if they do - as it is a recommendation and therefore not binding) it will still take time to implement a coherent view of social economy in line with the EC definition. More time will also be necessary for any strategy regarding the social economy to have a real impact on the ecosystem. Looking ahead, the 2025 mid-term review of the SEAP will represent a pivotal moment to evaluate the progress of this initiative and to inform any necessary adjustments to the strategy's direction moving toward 2030.

In reflecting on the key findings, it is clear that while progress has been made, significant work remains to build a truly integrated European social economy. One critical area is the development of shared evaluation metrics and data. This study found that existing impact measurement frameworks for social economy services are limited. This lack of standardised indicators makes it difficult to compare outcomes or aggregate the social impact of SE initiatives at the European level. The European Commission has acknowledged the dearth of reliable SE data as an obstacle to evidence-based policymaking (European Commission, 2021), and our research reinforces this concern. By proposing a harmonised set of impact indicators – particularly focused on outcomes like social inclusion improvements, job creation for disadvantaged groups, community engagement, and rural service provision – we contribute practical tools to this discussion. Nevertheless, adopting such indicators across Europe will require political will and capacity-building. Policymakers could incorporate our findings by establishing a common monitoring framework for the social economy, drawing on best practices from a string of resources ranging from nonprofit evaluation fields to impact investing standards (OECD, 2023). Furthermore, this discussion highlights a need for continued critical reflection on implementation gaps. Even where strong SE policies exist, there can be shortfalls in practice (for instance, lack of awareness, inadequate funding, or weak inter-ministerial coordination) that dilute impact (European Commission et al., 2024). Future research and policy should pay attention to these on-the-ground challenges to ensure that an improved conceptualisation of SE translates into real-world social value. In sum, this discussion underlines that the social economy in Europe stands at a crossroads: it is widely valued and promoted at EU level, yet still evolving and unevenly addressed at national levels. The impending policy developments (like the 2025 SEAP review) present a pivotal chance to refine definitions, close gaps in legal recognition, and institutionalise robust evaluation methods. Embracing a more unified pan-European lens – as this study has attempted – will be essential for the social economy to realise its full potential as an engine of inclusive growth and social innovation across all Member States.

Conclusion

This study makes a contribution towards understanding the social economy across EU Member States and evaluating social economy services in rural areas. Through comprehensive desk research and comparative analysis, it has mapped the diverse ways in which countries define, regulate, and measure the social economy, revealing patterns of commonality and divergence. The proposed five-cluster typology of national SE ecosystems (ranging from fully institutionalised frameworks to informal or nascent ones) offers a novel pan-European lens to categorise and compare policy environments. This clustering, alongside the inventory of legal definitions and inclusion of rural and social objectives, enriches the conceptual discourse on what constitutes the social economy in different contexts. Moreover, by reviewing impact evaluation practices and consolidating a set of harmonised impact indicators, the study addresses a gap in the assessment of social economy services, particularly in rural areas, but relevant and interesting for other settings as well. The recommended indicators — spanning economic, social inclusion, and community cohesion dimensions — provide a foundational toolkit for systematically evaluating SES outcomes in a way that is sensitive to both local (especially rural) impacts and broader social goals.

In essence, this report enhances our understanding of the multidimensional nature of the social economy across Europe and establishes an evidence-based study for comparison by highlighting where Member States converge or diverge in their conceptualisations and approaches. This study informs debates on how to achieve greater alignment — whether through updated EU policy guidance, mutual learning, or new legal initiatives at the national level. It also underscores the value of evaluating social economy services with defined metrics to demonstrate their impact on societal well-being. Ultimately, this study's contributions help pave the way for more coherent strategies to support the social economy, ensuring that its potential to deliver an economy that works for all and high-quality services is fully realised across all regions of the EU.

References

- Adam, S. (2019). *Legal provisions for Social and Solidarity Economy actors: The case of Law 4430/2016 in Greece*. International Journal of Cooperative Law, (2). Retrieved from https://www.socioeco.org/bdf_fiche-document-7758_en.html
- Aslan, M., & Rijpens, J. (2023). *Insights from social and solidarity economy data – An international perspective* (OECD Local Economic and Employment Development Papers No. 2023/02). OECD Publishing. (Key finding: only a minority of countries, including France, Greece, Poland, Romania, Slovakia, have official SSE definitions and laws)
- Ávila, R. C., & Campos, J. L. M. (2019). *The social economy in the European Union: Report prepared for the European Economic and Social Committee*. CIRIEC International.
- Avise, & RTES. (2020). *The social and solidarity economy and rural communities: Identifying and supporting rural social innovations to reinvent the local economy*. <https://www.avise.org>
- B Impact Assessment: <https://www.bcorporation.net/en-us/programs-and-tools/b-impact-assessment/>
- Barbera, F., Dagnes, J., & Salento, A. (2022). *Social enterprises and rural regeneration: Exploring hybrid organisational forms in peripheral Europe*. Journal of Rural Studies, 95, 133–142. <https://doi.org/10.1016/j.jrurstud.2022.08.002>
- Bassi, A., & Fabbri, A. (2020). Under pressure: Evolution of the social economy institutional recognition in the EU. *Annals of Public and Cooperative Economics*, 91(2), 411–433. <https://doi.org/10.1111/APCE.12264>
- Borzaga, C., & Defourny, J. (2001). *The Emergence of Social Enterprise*. Routledge. <https://doi.org/10.4324/9780203164679>
- British Council. (2017). *Social and Solidarity Economy report: Greece*. https://www.britishcouncil.org/sites/default/files/greece_social_and_solidarity_economy_report_english_british_council_0.pdf
- Buckland, L., & Hehenberger, L. (2021, May 12). Measuring social impact can help foster a stronger European social economy. *Stanford Social Innovation Review*. https://ssir.org/articles/entry/measuring_social_impact_can_help_foster_a_stronger_european_social_economy
- Cahill, J. (2021). *Consultation report on the support needs of the non-profit sector*. The Wheel. <https://www.wheel.ie/sites/default/files/media/file-uploads/2021-03/Consultation%20Report%20Nonprofit%20Sector%20Final%20V1.75%2023%20March.pdf>
- Castillo, C., Barranco, R. R., Curtale, R., Kompil, M., Jacobs-Crisioni, C., Rodriguez, S. V., Aurambout, J.-P., Silva, F. B. e, Sulis, P., & Auteri, D. (2024). Are remote rural areas in Europe remarkable? Challenges and opportunities. *Sonraku Shakai Kenkyu Janaru*. <https://doi.org/10.1016/j.jrurstud.2023.103180>
- Castillo, L., Monzon, J. L., & Chaves, R. (2024). *Social economy and policy alignment across the EU: Challenges and opportunities*. European Journal of Social Economy Studies, 5(2), 45–69.
- Castro, R.B., Santero, R., Martínez, M.I. & De Diego, P. (2020): "From the economic to the social contribution of the Social Economy. Monetary assessment of the social value created for the Spanish economy.", CIRIEC-España.
- CEPES. (n.d.). *Spanish Business Confederation of the Social Economy (CEPES)*. Retrieved from <https://www.cepes.es/>
- Cerulli, Giovanni. "Terzo settore." *Enciclopedia Italiana VII Appendice* (2007).
- Chaves, R., & Monzón, J. L. (2012). The social economy in the European Union. *CIRIEC Working Paper*, No. 2012/08.

- Chaves, R., & Monzón, J. L. (2019). *Recent evolutions of the social economy in the European Union*. European Economic and Social Committee. Retrieved from <https://www.eesc.europa.eu/sites/default/files/files/qe-04-17-876-en-n.pdf>
- CIRIEC & European Economic and Social Committee. (n.d.). *Recent evolutions of the Social Economy in the European Union*. Retrieved from <https://www.eesc.europa.eu/>
- Colesca, S. E., Pacesila, M., & Haratau, T. (2023). Sustainability of Local and Rural Development: Challenges of Extremely Deprived Communities. *Proceedings of the ... International Conference on Business Excellence*, 17, 1628–1644. <https://doi.org/10.2478/picbe-2023-0146>
- Communication from the Commission ‘Building an economy that works for people: an action plan for the social economy’, COM (2021), page 5
- Coop, D. (2023, March 6). *Diesis and LiSBA - Feasibility Study on SE & the Lithuanian ecosystem* - Diesis. Diesis. <https://www.diesis.coop/diesis-and-lisba-feasibility-study-on-se-the-lithuanian-ecosystem/>
- Cooperatives Europe. (2021). *Legal framework analysis: National report – Ireland*. Coops4Dev. <https://coops4dev.coop/sites/default/files/2022-11/Legal%20Framework%20Analysis%20Ireland.pdf>
- Cooperatives Europe. (2021). *Legal framework analysis: National report – Poland*. Coops4Dev. <https://coops4dev.coop/sites/default/files/2022-11/Legal%20Framework%20Analysis%20Poland.pdf>
- Council of the European Union. (2023, Nov 27). *Council Recommendation on developing social economy framework conditions* (C/2023/1344). Brussels: Council of the EU.
- Danish Parliament. (2014). *Lov om registrerede socialøkonomiske virksomheder* [Act on Registered Social Enterprises]. <https://www.retsinformation.dk>
- Defourny, J., & Nyssens, M. (2012). The EMES approach of social enterprise in a comparative perspective. *EMES European Research Network Working Paper Series*, No. 12/03.
- Department of Rural and Community Development & Social Finance Foundation. (2018). *Social enterprise in Ireland: Research report*. <https://www.gov.ie/pdf/40297/?page=1>
- Department of Rural and Community Development. (2023). *Social enterprises in Ireland: A baseline data collection exercise*. <https://assets.gov.ie/258465/1cb50b94-6a17-450e-bca7-dea5ff6d2864.pdf>
- Diesis Network. (2024). *Policy Recommendations for EU, national and local stakeholders on improving collaboration between social economy enterprises and mainstream businesses*. (BFSE B2B Project Deliverable)
- Diesis Network. (2024). *State of the art and gaps in social economy recognition across EU Member States*.
- DIESIS. (2023). *Poland: Country Report – SE ecosystems across Europe*. https://www.diesis.coop/wp-content/uploads/2023/12/Diesis-Mesmer-Poland_FINAL.pdf
- DIESIS. (2023). *Social Economy Country Monitor – Poland*. Retrieved from <https://www.diesis.coop>
- Dutch Ministry of Economic Affairs. (2012). Public Procurement Act.
- Duvitsa, I. (2023). *Employment in the field of social economy: Trends and prospects*. IME GSEVEE. <https://imegsevee.gr/wp-content/uploads/2023/01/uvitsa.pdf>
- ESS International Forum. (2021). *Promoting social economy at the international level as a driver for the implementation of the Sustainable Development Goals (SDGs)*. <https://www.ess-forum-international.com>
- ESS France. (2025, March 21). *Supprimer, ce n'est pas simplifier : aidons vraiment les entreprises de l'ESS !* <https://www.ess-france.org/>
- Estonia. (1996). Non-Profit Associations Act. Riigi Teataja [State Gazette]. Retrieved from <https://www.riigiteataja.ee/>

- European Commission, "European Industrial Strategy," European Union, accessed December 13, 2024, https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/european-industrial-strategy_en.
- European Commission. (2019). *Social enterprises and their ecosystems in Europe: Country fiche – Lithuania*. Directorate-General for Employment, Social Affairs and Inclusion. <https://ec.europa.eu/social>
- European Commission. (2019). *Social enterprises and their ecosystems in Europe: Country report – Greece*. <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8274&type=2&furtherPubs=yes>
- European Commission. (2019). *Social enterprises and their ecosystems in Europe: Country report – Ireland*. <https://ec.europa.eu/social/BlobServlet?docId=22456&langId=en>
- European Commission. (2019). *Social enterprises and their ecosystems in Europe: Country report – Poland*. <https://ec.europa.eu/social/BlobServlet?docId=22455&langId=en>
- European Commission. (2019). *Social enterprises and their ecosystems in Europe: Country report – Slovakia*. <https://ec.europa.eu/social/BlobServlet?docId=22453&langId=en>
- European Commission. (2019). *Social enterprises and their ecosystems in Europe: Country report – Romania*. <https://ec.europa.eu/social/BlobServlet?docId=20959&langId=en>
- <https://ec.europa.eu/social/BlobServlet?docId=20959&langId=en>
- European Commission. (2020). *Long-term vision for the EU's rural areas – towards stronger, connected, resilient and prosperous rural areas by 2040*.
- European Commission. (2020). Retrieved from: [The Open Rural Data Gap | data.europa.eu](https://data.europa.eu)
- European Commission. (2020). *Social enterprises and their ecosystems in Europe. Comparative synthesis report*. Publications Office of the European Union. <https://doi.org/10.2767/567551>
- European Commission. (2021a). *Building an economy that works for people: An action plan for the social economy (COM(2021) 778 final)*. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021DC0778>
- European Commission. (2021b). *Long-term vision for the EU's rural areas – Towards stronger, connected, resilient and prosperous rural areas by 2040*. https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/rural-development_en
- European Commission. (2021c). *The role of social economy in supporting rural development*. Directorate-General for Agriculture and Rural Development.
- European Commission. (2023). *Council recommendation of 27 November 2023 on developing social economy framework conditions*.
- European Commission. (2023). *Improving social impact measurement in the EU: Review and initiatives*.
- European Commission. (2023). *Monitoring the social economy ecosystem*. Publications Office of the European Union.
- European Commission. (2023). *Social Economy Gateway: Belgium country profile*. Retrieved from <https://social-economy-gateway.ec.europa.eu/>
- European Commission. (2023). *Social Economy Gateway: Germany country profile*. Retrieved from <https://social-economy-gateway.ec.europa.eu/>
- European Commission. (2023). *Social Economy Gateway: Greece country profile*. Retrieved from <https://social-economy-gateway.ec.europa.eu/>
- European Commission. (2023). *Social impact measurement models in the EU: An overview*. Directorate-General for Employment, Social Affairs and Inclusion.
- European Commission. (2023a). *Social Economy Gateway: Austria – Country profile*. Retrieved from https://social-economy-gateway.ec.europa.eu/my-country/austria_en
- European Commission. (2023d). *Social Economy Gateway: Netherlands – Country profile*. Retrieved from https://social-economy-gateway.ec.europa.eu/my-country/netherlands_en

- European Commission: CIRIEC, Euricse, European Innovation Council and SMEs Executive Agency, Spatial Foresight, Carini, C., Galera, G., Tallarini, G., Chaves Avila, R., Sak, B., & Schoenmaeckers, J. (2024). Benchmarking the socio-economic performance of the EU social economy: improving the socio-economic knowledge of the proximity and social economy ecosystem, Publications Office of the European Union.
- European Commission: Directorate-General for Employment, Social Affairs and Inclusion and Reimann, K., *Social enterprises and their ecosystems in Europe – Country report – Estonia*, Publications Office, 2019, <https://data.europa.eu/doi/10.2767/279418>
- European Commission: Directorate-General for Employment, Social Affairs and Inclusion, Kiss, J. and Mihály, M., *Social enterprises and their ecosystems in Europe – Country report – Hungary*, Publications Office, 2019, <https://data.europa.eu/doi/10.2767/668169>
- European Economic and Social Committee (EESC). (2017). *Recent evolutions of the Social Economy in the European Union*. CIRIEC No. CESE/COMM/05/2016.
- European Network of Rural Development. (2021). Retrieved from: [Information sources | The European Network for Rural Development \(ENRD\)](#)
- Fraisse, L., Gardin, L., Laville, J.-L., Petrella, F., & Richez-Battesti, N. (2016). *Social enterprise in France: At the crossroads of the social economy, solidarity economy and social entrepreneurship?* (ICSEM Working Papers No. 34). EMES International Research Network. <https://emes.net/icsem-working-papers/France - Fraisse et al.pdf>
- France. (2014). *Loi n° 2014-856 du 31 juillet 2014 relative à l'économie sociale et solidaire* [Law no. 2014-856 of July 31, 2014 on the Social and Solidarity Economy]. *Journal Officiel de la République Française*. Retrieved from <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000029313296>
- Francová, P., Nová ekonomika, TESSEA, Šedivý, M., Čekalová, R., Sedláček, V., Hunčová, M., & Baše, P. (2011). Study of the infrastructure of the social economy in the Czech Republic. In *Thematic Network for the Development of Social Economy*. https://www.eesc.europa.eu/sites/default/files/resources/docs/study_social_enterprise_tesseea_en.pdf
- GIIN (Global Impact Investing Network). (2023). *IRIS+ system: Metrics and guidance*. <https://iris.thegiin.org/>
- GIIN. (2023). *GIINsight: Impact investing market sizing and impact measurement trends*. Global Impact Investing Network.
- Global Impact Investing Network (GIIN). (2023). *IRIS+ system for social impact measurement*. Retrieved from <https://iris.thegiin.org/>
- Global Reporting Initiative (GRI): <https://www.globalreporting.org/>
- Gobierno de España. (2011). *Ley 5/2011, de 29 de marzo, de Economía Social* [Law 5/2011, of March 29, on the Social Economy]. Boletín Oficial del Estado. Retrieved from <https://www.boe.es/buscar/act.php?id=BOE-A-2011-5708>
- Government of Croatia. (2015). *National Strategy for the Development of Social Entrepreneurship in the Republic of Croatia 2015–2020*. Ministry of Labour and Pension System.
- Government of Ireland. (2019). *National Social Enterprise Policy for Ireland 2019-2022*. Department of Rural and Community Development, Dublin. (Ireland's first strategy acknowledging social enterprises, aiming for greater visibility, capacity and integration into rural development)
- Government of Ireland. (2021). *Our Rural Future: Rural Development Policy 2021–2025*. Department of Rural and Community Development. <https://www.gov.ie>
- Government of Ireland (2025). *Trading for Impact: National Social Enterprise Policy 2024-2027*. Department of Rural and Community Development. <https://www.gov.ie/en/department-of-rural-and-community-development/policy-information/trading-for-impact-national-social-enterprise-policy-2024-2027/>

- Government of Malta. (2001). *Cooperative Societies Act*. <https://legislation.mt>
- Government of Malta. (2022). *Draft Social Enterprise Act – White Paper*. Ministry for the Economy and Industry.
- Government of Romania – Ministry of Labor and Social Protection. (2020). *National Strategy on Social Inclusion and Poverty Reduction 2015–2020*. Retrieved from <https://mmuncii.ro/>
- Greece. (2016). *Νόμος 4430/2016 – Κοινωνική και Αλληλέγγυα Οικονομία και ανάπτυξη των φορέων της* [Law 4430/2016 – Social and Solidarity Economy and development of its actors]. *Εφημερίδα της Κυβερνήσεως*. Retrieved from <https://www.et.gr/>
- Grigore, A. A. (2013). Social economy entities: a worldwide overview. *Review of Applied Socio-Economic Research*, 6(2), 111–120. <http://base.socioeco.org/docs/scripts/redir5.pdf>
- IES – Institute of Social Economy. (n.d.). *About the social economy in Romania*. <http://www.ies.org.ro/>
- IES – Institute of Social Economy. (n.d.). *Social economy in Romania*. <http://www.ies.org.ro/>
- Impact frontiers: <https://impactfrontiers.org/norms/five-dimensions-of-impact/#five-dimensions>
- IRIS+ System | Standards: https://iris.thegiin.org/metrics/?gad_source=1&gclid=CjwKCAiA9bq6BhAKEiwAH6bqoPfDV05gWh-Barbz-JZL99icjo0WdysyCm-icHKzZddLfBnelREKhcC18YQAvD_BwE
- Italy. (2017). *Decreto Legislativo 3 luglio 2017, n. 117: Codice del Terzo Settore* [Legislative Decree No. 117/2017 – Third Sector Code]. *Gazzetta Ufficiale*. Retrieved from <https://www.normattiva.it/>
- Junaid, M., Ferretti, M., & Marinelli, G. (2025). Innovation and Sustainable Solutions for Mobility in Rural Areas: A Comparative Analysis of Case Studies in Europe. *Sustainability*, 17(3), 871. <https://doi.org/10.3390/su17030871>
- kas.de. (2022). *Social Market Economy*. [online] Available at: <https://www.kas.de/en/social-market-economy>.
- Katomeris, S. (2020). *The Social and Solidarity Economy (SSE) entities in Greece: The case of Greek Social Cooperative Enterprises*. Retrieved from <https://www.mataro.cat/sites/socialneet/imatges-i-documents/katomeris-stelios.pdf>
- Katomeris, S. (2023). *A summary of the current status of SSE entities in Greece*. <https://thesocialeconomyreview.blogspot.com/2023/06/a-summary-of-current-status-of-sse.html>
- Kelly, D., Steiner, A., Mazzei, M., & Baker, R. (2019). Filling a void? The role of social enterprise in addressing social isolation and loneliness in rural communities. *Journal of Rural Studies*, 70, 225–236. <https://doi.org/10.1016/j.jrurstud.2019.01.024>
- KLON/JAWOR. (n.d.). *Directory of Non-governmental Organisations in Poland*. Retrieved from <https://www.klon.org.pl>
- Koczanowicz-Chondzyńska, I. (2022). As cited in DIESIS (2023).
- Kutsmus, N., Прокопчук, О., & Усюк, Т. (2024). *Social inclusion and sustainable rural development: on intersection of eu policies*. <https://doi.org/10.32782/2224-6282/191-36>
- LabGov. (2020, July 1). *The civic economy: An economy of resilience*. LabGov – The Urban Media Lab. <https://labgov.city/theurbanmedialab/the-civic-economy-an-economy-of-resilience/>
- Lambriu, M. (2012). Editorial. Enterprising Differently: Markets, Policy Contexts And Social Enterprises. *International Review of Social Research*, 2(2), 81–84. <https://doi.org/10.1515/IRSR-2012-0018>
- *Legge 6 giugno 2016, n. 106 - Delega al Governo per la riforma del Terzo settore, dell'impresa sociale e per la disciplina del servizio civile universale*. Retrieved from <https://www.normattiva.it/uri-res/N2Ls?urn=nir:stato:legge:2016;106>
- Luxembourg. (2016). *Loi du 12 décembre 2016 instituant la société d'impact sociétal (SIS)* [Law of 12 December 2016 on Societal Impact Companies]. *Mémorial A – Journal officiel du Grand-Duché de Luxembourg*. Retrieved from <https://legilux.public.lu/>

- Mihaila, N. (2017). *Social Enterprises In European Union. Theoretical Aspects*. 2(1), 53–62. <https://ideas.repec.org/a/brc/brcej/v2y2017i1p53-62.html>
- Ministry of Economic Development and Technology. (2018). *Social Economy and Social Entrepreneurship in Slovenia*. Government of the Republic of Slovenia. <https://www.gov.si>
- Ministry of Family and Social Policy (Poland). (2023, October 30). *Social economy – development directions* [Press release]. Gov.pl. (Reviews first year of Poland's 2022 Social Economy Act implementation: ~800 enterprises certified as social enterprises, new funding programs launched)
- Ministry of Family and Social Policy. (n.d.). *Department of Social Economy – National programmes and strategies*. <https://www.ekonomiaspoleczna.gov.pl/>
- Ministry of Finance. (n.d.). *Social economy can create sustainable wellbeing in Finland and throughout Europe*. Retrieved from <https://vm.fi/en/-/1410877/social-economy-can-create-sustainable-wellbeing-in-finland-and-throughout-europe>.
- Ministry of Labour, Social Affairs and Family of the Slovak Republic. (2018). *Social Economy in Slovakia: Overview of Act 112/2018*. <https://www.employment.gov.sk/en>
- Ministry of Social Affairs and Health. (2015). *Social Welfare and Health Care: Reform and Implementation*. Helsinki: Ministry of Social Affairs and Health. Available at <https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/74057/URN:NBN:fi-fe201504223802.pdf>.
- Ministry of Welfare of the Republic of Latvia. (2018). *Support system for social enterprises*. <https://www.lm.gov.lv/en/social-entrepreneurship>
- Monzón, J. L., & Chaves, R. (2022). *Recent evolutions of the social economy in the European Union*. CIRIEC-España.
- Monzón, J. L., & Chaves, R. (2022). Social economy and sustainable development in Europe: Legal frameworks and policy implications. *Sustainability*, 14(8), 4478. <https://doi.org/10.3390/su14084478>
- Monzón, J., & Chaves, R. (2017). *Recent evolutions of the Social Economy in the European Union*. European Economic and Social Committee (CIRIEC report). (Comparative overview of social economy definitions and legislation across EU countries up to 2017; notes France, Greece etc. having laws, and others missing unified frameworks)
- NESDO. (2023). *Social enterprise on the island of Ireland* [Council report]. National Economic & Social Development Office. https://www.nesc.ie/assets/files/NESC_Report_161_Social_Enterprise.pdf
- Nicolaescu, V., & Nicolaescu, D. (2012). European Perspectives on the Social Economy. *Journal of Community Positive Practices*, 12(4), 726–743. <https://www.questia.com/library/journal/1P3-2938849351/european-perspectives-on-the-social-economy>
- OECD (2019), “Boosting social entrepreneurship and social enterprise development in Lithuania: In-depth policy review”, *OECD Local Economic and Employment Development (LEED) Papers*, No. 2019/02, OECD Publishing, Paris, <https://doi.org/10.1787/502fc6ef-en>.
- OECD (2023): Policy Guide on Social Impact Measurement for the Social and Solidarity Economy. Retrieved from https://www.oecd.org/content/dam/oecd/en/publications/reports/2023/03/policy-guide-on-social-impact-measurement-for-the-social-and-solidarity-economy_7e16086a/270c7194-en.pdf
- OECD, “Social Economy and Social Innovation.” www.oecd.org/en/topics/social-economy-and-social-innovation.html
- OECD. (2008). *The Social Economy: Building Inclusive Economies*. <https://www.oecd.org/regional/leed/thesocialeconomybuildinginclusiveeconomies.htm>
- OECD. (2021). *Social economy and social innovation in Hungary: Country fact-sheet*. <https://www.oecd.org>
- OECD. (2022). *Boosting social economy and social innovation: Policy recommendations and good practices*. OECD Publishing.

- OECD.(2022). *Impact measurement for the social economy*. <https://www.oecd.org/social/impact-measurement.htm>
- OECD. (2022). *OECD Guidelines on Social Impact Measurement for the Social and Solidarity Economy*. OECD Global Action.
- OECD. (2022). *Policy guide on social impact measurement for the social and solidarity economy*. OECD Publishing. <https://doi.org/10.1787/1ff5fb44-en>
- OECD. (2023). *Country fact sheet: France*. In *Legal frameworks for the social and solidarity economy*. Organisation for Economic Co-operation and Development. <https://www.oecd.org/cfe/leed/social-economy/oecd-global-action/country-fact-sheet-france.pdf>
- OECD. (2023). *Legal frameworks for social economy organisations*. <https://www.oecd.org/employment/leed/Legal-frameworks-SE.htm>
- OECD. (2023). *Mapping social and solidarity ecosystems around the world: Country fiche – Ireland*. <https://www.oecd.org/cfe/leed/social-economy/SSE-CFS-Ireland.pdf>
- OECD. (2023). *Mapping social and solidarity ecosystems around the world: Country fiche – Poland*. <https://www.oecd.org/cfe/leed/social-economy/SSE-CFS-Poland.pdf>
- OECD. (2023). *Mapping social and solidarity ecosystems around the world: Country fiche – Slovak Republic*. <https://www.oecd.org>
- OECD. (2023). *Mapping social and solidarity ecosystems around the world: Country fiche – Romania*. <https://www.oecd.org>
- OECD. (2023). *Mapping social and solidarity ecosystems: Greece country fiche*. <https://www.oecd.org/cfe/leed/social-economy/greece-country-fiche.pdf>
- OECD/European Union (2024), *Measure, Manage and Maximise Your Impact: A Guide for the Social Economy, Local Economic and Employment Development (LEED)*, OECD Publishing, Paris, <https://doi.org/10.1787/2238c1f1-en>.
- Oudeniotis, N., & Tsobanoglou, G. (2020). Social financing as a driver for sustainable local development in EU Mediterranean countries. Spain, Portugal, and Greece in perspective. *Review of Applied Socio-Economic Research*, 20(2), 26–40. <https://www.reaser.eu/ojs/ojs-3.1.2-1/index.php/REASER/article/download/58/41>
- Păunescu, C., & Evans, R. (2018). *The Role of Social Enterprises at European Level* (pp. 235–254). Springer, Cham. https://doi.org/10.1007/978-3-319-72239-9_11
- Pennerstorfer, A., & Zierer, B. (2018, October 12). *Social economy in Austria*. Socialnet. Retrieved December 11, 2024, from https://www.socialnet.de/en/international/Austria#toc_4
- Poland. (2022). *Ustawa z dnia 5 sierpnia 2022 r. o ekonomii społecznej* [Act of 5 August 2022 on Social Economy]. *Dziennik Ustaw*. Retrieved from <https://isap.sejm.gov.pl/>
- Republic of Bulgaria. (2018). *Закон за предприятията на социалната и солидарната икономика* [Law on Social and Solidarity Enterprises]. State Gazette. (Official English translation excerpt available). Retrieved from <https://dv.parliament.bg/>
- Republic of France. (2014). *Loi n° 2014-856 du 31 juillet 2014 relative à l'économie sociale et solidaire*. Journal Officiel de la République Française. (French SSE law – defines SSE, eligible entities and guiding principles like democratic governance and profit reinvestment)
- Republic of Slovakia. (2018). *Act No. 112/2018 Coll. on Social Economy and Social Enterprises*. Zbierka zákonov SR. (Slovak law establishing social economy definitions, social enterprise criteria, support measures such as tax relief and the Social Economy Institute)
- Ripess EU. (2016, Nov 7). *The new Greek law on Social and Solidarity Economy: progressing in the right direction*. RIPESS Europe News. (Analysis of Greece's Law 4430/2016, praising broader SSE approach and identifying remaining issues, e.g., need for supportive ecosystem)
- Romania. (2015). *Legea nr. 219/2015 privind economia socială* [Law No. 219/2015 on Social Economy]. *Monitorul Oficial al României*. Retrieved from <https://legislatie.just.ro/>
- Salathé-Beaulieu, G., Bouchard, M. J., & Mendell, M. (2019). Sustainable development impact indicators for social and solidarity economy: State of the art. *UNRISD Working Paper 2019-4*.

United Nations Research Institute for Social Development.
[https://www.unrisd.org/80256B3C005BCCF9/\(httpAuxPages\)/005E6476E3F151BEC125848F005E05BD/\\$file/WP2019-4---Beaulieu-et-al.pdf](https://www.unrisd.org/80256B3C005BCCF9/(httpAuxPages)/005E6476E3F151BEC125848F005E05BD/$file/WP2019-4---Beaulieu-et-al.pdf)

- Seimas of the Republic of Lithuania. (2004). *Law on Social Enterprises No. IX-2251*. <https://e-seimas.lrs.lt>
- Servicio Nacional de Aprendizaje. (2021, August). *Así vamos 2 Agosto 21*. <https://www.sena.edu.co/es-co/Documents/Asi-vamos-2-Agosto-21.pdf>
- Social Economy Gateway. (2024). *Slovakia – Social Economy Overview*. https://social-economy-gateway.ec.europa.eu/my-country/slovakia_en
- Social Economy Institute. (n.d.). *Regional support for social enterprises*. <https://socialnaekonomika.sk/institut-socialnej-ekonomiky/>
- Social Economy.pl. (n.d.). Retrieved from <https://www.ekonomiaspoleczna.pl>
- Social Enterprise NL. (2020). *The State of Social Enterprises in the Netherlands*.
- Stukalo, N., & Simakhova, A. (2018). Global parameters of social economy clustering. *Problems and Perspectives in Management*, 16(1), 36–49. (Pdf)
- Szabó, B. (2022). Management issues in social economy organizations. *International Symposium on Computer Science and Society*. <https://doi.org/10.35603/sws.iscss.2022/s04.044>
- The national TOMs 2021 framework: <https://stroud.moderngov.co.uk/documents/s2055/Appendix%20B%20%20National%20TOMs%20Framework.pdf>
- The Wheel. (2022). *Unlocking the social economy: Supporting social enterprise in Ireland*. <https://www.wheel.ie/sites/default/files/media/file-uploads/2022-09/UnlcokingTheSocialEconomyReport2022WEB.pdf>
- Tsilikis, C., & Katomeris, C. (2022). *SSE 2022 Strategic Plan in Greece: A request from Greek social economy enterprises*. EMES International Research Network. <https://emes.net/publications/conference-papers/sse-2022-strategic-plan-in-greece-a-request-from-greek-social-economy-enterprises/>
- UN. Sustainable Development Goals: <https://sdgs.un.org/goals>
- UNDAF (2016): Theory of change. UNDAF Companion guidance. Retrieved from: <https://unsdg.un.org/sites/default/files/UNDG-UNDAF-Companion-Pieces-7-Theory-of-Change.pdf>
- UNDP (2024): Appendix. Social Return on Investment (SROI) methodology and sensitivity analysis of the case studies. Retrieved from: https://www.undp.org/sites/g/files/zskgke326/files/migration/eurasia/Appendix-SROI-methodology_ENG.pdf
- UNRISD (2022): Authentic Sustainability Assessment. A user manual for the Sustainable Development Performance Indicators. Retrieved from: <https://sdpi.unrisd.org/platform/how-to-use-this-tool/>
- ValorESS: <https://www.valoress-udes.fr/mesurer-votre-impact-social-les-indicateurs#>
- Walloon Region. (2008). *Décret relatif à l'économie sociale du 20 novembre 2008* [Decree on the social economy of November 20, 2008]. *Moniteur belge*. Retrieved from <https://wallex.wallonie.be>



inspire

SMART VILLAGE LABS

GA 101136592

PARTNERS

