

# Social enterprises as an integral part of the fair, green and circular transition in Europe

## A European Green Deal favourable for social enterprises

Every day in Europe, 2.8 million social economy enterprises employing some 19.1 million people are dedicated to solving societal challenges whilst running a sustainable business. All in all, this accounts for some 6.3% of the total paid workforce in Europe.<sup>[1]</sup> Unlike traditional businesses, social enterprises create revenues and profits that are directly re-invested into up-skilling, innovative jobs and training opportunities. By working towards an inclusive and circular economy with a vision for a more cohesive society, they create social and environmental value.

We, the undersigned welcome the ambition of the European Commission to invest in a green Europe and work towards a climate neutral Europe by 2050 through the proposed European Green Deal and Sustainable Europe Investment Plan. We commend the appetite to unlock 1 trillion EUR of climate-related investment which we believe has the potential for strategic job creation with social and environmental impact. Social enterprises trading for social or environmental purposes, offer business models to achieve our shared objective for lasting sustainable development. Notably, environmental services such as re-use, recycle, repair, and innovation or impact measurement can contribute. Therefore, we call upon the European Commission to invest in social enterprises to implement the European Green deal, and encourage sustainable, inclusive public procurement opportunities.

## A Green Europe with healthier consumer habits, workers' rights for an integrated transition

As Ms. Von der Leyen's political guidelines for the next European Commission's state, "climate change, biodiversity, food security, deforestation and land degradation go together. We need to change the way we produce, consume and trade." Indeed, the way we produce has caused much harm to the environment. According to the United Nations, 90% of biodiversity loss and water stress are caused by resource extraction and processing.<sup>[2]</sup> Networks such as Caritas Europa, Euclid Network, Microfinance Centre and RREUSE's expertise cover circular economy, environmental and social impact, clustered enterprises, inclusive jobs, all key areas for consideration under the new Commission. For example, developing the second-hand market by facilitating access to re-usable goods, designing more durable and repairable products, informing consumers about the impact of their consumption and integrating the related costs can be fed into the just transition.

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<sup>1</sup> European Economic and Social Committee (2017), Recent evolutions of the Social Economy in the European Union (Available [here](#)).

<sup>2</sup> United Nations (2019), Global Resources Outlook (Available [here](#))

## A Social Europe where nobody is left behind

Finally, Caritas Europa, Euclid Network, Microfinance Centre and RREUSE affirm a new approach to this transition. We look forward to a greener Europe which requires a high level of coordination and listens to all stakeholders in the Circular Economy and Social Economy. For example, by fully integrating the European Pillar of Social Rights in Circular Economy related policies<sup>[3]</sup> and enhancing social innovation<sup>[4]</sup> in Europe we reiterate the necessity to think global, invest local, social and sustainable ensuring that nobody is left behind.

RREUSE (the network of European social enterprises active in re-use, repair and recycling), Euclid Network (the European network of social enterprises & impact-driven leaders), Caritas Europa (the network of Caritas organisations on the European continent) and Microfinance Centre (a social finance network that promotes fairness, inclusion, equality and responsible service) join forces to wish the new Commission a successful mandate in the transition for Europe towards a fair, green and circular economy. We believe the recognition of the role of social enterprises and social economy enterprises should be elaborated further in the European Green deal. Through support of the Social Economy in the green transition, Europe stands to be more inclusive, greener, sustainable and healthier. The European Green Deal and the Circular Economy Action Plan 2.0 will be perfect tools to integrate these proposals.

This statement is co-signed with



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<sup>3</sup> Prevent Waste Coalition (2019) 10 Priorities to transform EU waste policy (Available [here](#))

<sup>4</sup> 25 Social Enterprise Networks (2019) 7 Actions to enhance social innovation in Europe (Available [here](#))