



European Commission

Directorate General Employment, Social Affairs, Skills and Labour Mobility (EMPL)
Directorate General Financial Stability, Financial Services and Capital Markets Union (FISMA)
Directorate General Internal Market, Industry, Entrepreneurship and SMEs (GROW)



**Groupe d'experts de la Commission
sur l'entrepreneuriat social (GECES)**



6th meeting – Tuesday 18th November 2014
Auditorium del Massimo
Via Massimiliano Massimo, 1, 00144 Roma - Italy



MINUTES of the MEETING

Adoption of the GECES'5th meeting (10 June 2014) [minutes](#) and of the [agenda of the day](#).

SBI: Follow up (State of play + social innovation report) **Session I**

The European Commission highlighted the upcoming mid-term renewal of the "private" experts (those not representing Member State governments) of the GECES. The renewal process will be carried out through a call for applications similar to the [initial call for applications](#) for GECES in 2012. The call for applications is planned to be published in February/March 2015. This will offer interested stakeholders/stakeholder groups an opportunity to send an application, which will then be considered in accordance with the selection criteria.

The Commission mentioned the forthcoming publication of the report "[Social Innovation – A Decade of Changes](#)" report (*hyperlink to updated report added in December 2015*) by the [Bureau of European Policy Advisers \(BEPA\)](#), today known as the European Political Strategy Centre, EPSC.

For further information, please refer to the [SBI Website](#) as well as the [overview and status of actions of the Social Business Initiative](#).

Note: the order of the sessions was inverted due to timing issues (delay of Presidency conference closing), in order to allow for interpretation for the plenary part of the GECES meeting. The above items were hence covered at the end of the meeting, in plenary setting.

Presentation of the 3 workshops **Session II**

The European Commission briefly presented the concept and timings of the three workshop sessions. Ahead of the GECES meeting, participants had selected two out of three workshop topics to follow during subsequent parallel sessions.

Workshop 1 – Mapping results – What have we learnt?

Session III

This workshop focused on the pan-European mapping of social enterprises, "[*A map of social enterprises and their eco-systems on Europe*](#)" commissioned by the European Commission and drafted by ICF Consulting Services. The purpose of the workshop was to discuss the key findings of the report as well as policy implications and recommendations. An Executive Summary of the report had been shared with GECES participants ahead of the meeting.

To kick off the workshop sessions, ICF Consulting Services (ICF) presented the main findings of the report, focusing on social enterprise eco-systems and barriers for the development of social enterprises. In addition, ICF highlighted some challenges encountered when conducting the research and preparing the report. After that the Quality Check Team (QCT, involving some GECES members), in charge of reviewing draft versions of the report and providing comments for improvement, briefly presented their view of the report and its limitations. ICF and the QCT also presented proposed policy recommendations stemming from the report findings, to be discussed by the workshop participants.

Several GECES members stated that the report provided a valuable comparative overview and a good starting point for discussions at national level, cross-country benchmarking and exchange of good practices, as well as for future research efforts. On the other hand, some GECES participants raised reservations regarding the quality and/or usefulness of the report, e.g. in terms of the following:

- incomplete statistics and limitations due to the definition (of social enterprise) used;
- relative importance of barriers and key elements of social enterprise eco-systems;
- at the time of the workshop, limitations due to the availability of the executive summary of the report only.

The Commission emphasised that the executive summary (and forthcoming country reports and synthesis report) was not all-encompassing and should be seen as a starting point for developing a more comprehensive map of social enterprises in Europe to serve as evidence for future policy. GECES participants can play a key role in this process. The Commission would welcome comments on the report via the [online feedback form](#) dedicated to this. GECES participants were also encouraged to disseminate report materials among their respective audiences.

In terms of future actions, the following areas were discussed during the sessions:

- possible research to complete the picture, including statistics, analysis of qualitative data;
- further work on the definition of social enterprise as well as relevant indicators;
- better conceptualisation of the social enterprise eco-system: possible GECES proposal for a more complete and operational description of the social enterprise eco-system;
- prioritisation of policy recommendations stemming from the report findings.

Finally, workshop participants called for clarity regarding next steps, in particular how the Commission will use the mapping report findings and more broadly, who will be the main interlocutor(s) in terms of social enterprise policy within the Commission.

Workshop 2 – Social impact measurement – how to turn G7 work and GECES report into practical guidance?

Session III

The European Securities and Markets Authority (ESMA) opened both sessions explaining the background and context to the current consultation on detailed rules for social impact measurement, conflicts of interest and information to investors. While the workshops concentrated on social impact measurement, contributions on the other issues as well as feedback on any other matters relating to EuSEF (European Social Entrepreneurship Funds) were also welcomed.

Concerns in both sessions centred on the need for proportionality and flexibility in any finished rules. There was concern that too much detail too early could stifle what is a positive initiative. There was surprise by some delegates, particularly in the first session that the consultation would lead to European rules. This may have reflected an understandable lack of familiarity with the inter-relation between level 1 and level 2 text.

Some concerns were raised by GECES members concerning the use of the GECES report and the subsequent silence by the Commission on the implementation of the points underlined in the report (vital in order to put theory into practice). GECES members asked the new Commission and interested Commissioners for continuity of the work.

Workshop 3 – Making the new public procurement rules work in practice

Session III

This workshop served to discuss the new EU public procurement rules from a social entrepreneurship perspective. The aim of the workshop was to gather feedback and input from GECES members regarding the opportunities they see stemming from the new legal framework, the existing challenges as well as possible avenues for action during the transposition phase, in particular.

Drawing upon the discussion, the main feedback from the two sessions of the workshop centred on the following themes:

- There is an interest in the sharing of good practices between Member States. Some good practices were mentioned, such as national helpdesks for officials responsible for procurement procedures, learning platforms and trainings for officials at national/local level;
- The difficulties of small entities should be tackled alongside with what is being done for SMEs in general, e.g. funds for guarantee of participation in procedures, easier access to labels;
- Lobby efforts should be directed at national governments during the transposition phase;
- The importance of follow-up on transposition and of showing the results of implementation;
- Requests for guidance by the Commission on the inclusion of social considerations in procedures.

The operational conclusions of the discussions and results of the workshop were:

- A report on transposition led by government experts of the GECES, with an analysis of important articles, to be presented in a political paper at the next GECES meeting;
- Participants also called for a peer review on the use of social clauses in public procurement.

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| Presentation of the results of the 3 workshops and follow up Session V |
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The rapporteurs of each workshop fed back the following main findings and conclusions harvested from the sessions:

Workshop 1:

- The mapping report is not a finished product but rather a starting point for developing a more complete overview of social enterprises and their eco-systems across Europe;
- Further research/efforts would be needed, e.g. in terms of statistics, qualitative data, the definition of social enterprise as well as and key elements of the eco-system for social entrepreneurship;
- An [online feedback form](#) is available on the Commission's website to gather comments on the report;
- GECES participants are encouraged to provide input so as to improve and/or expand information;
- Moreover, GECES participants have a key role to play in terms of disseminating the report among their respective audiences;
- Some participants expressed an interest in developing a more complete and operational description of the social enterprise eco-system. This would be welcomed by the Commission;
- Similarly, further work could be done to refine policy recommendations stemming from the report;
- The report can be useful as a basis for exchange and learning. Member States who are interested in (a) specific aspect(s) such as legal forms may find relevant information in the comparative overview and country reports;
- For the Commission, the report and subsequent feedback serve as evidence for possible future policy actions in this area.

Workshop 2:

- There is a danger that creating detailed rules so early on could deter investment managers from launching EuSEF;
- Any methodology that is used for social impact measurement must be sufficiently flexible and proportionate to take account of this new and developing sector;
- The EuSEF framework must give sufficient legal certainty and clarity for participants to have the confidence to engage with the new funds;
- Social impact measurement needs to be equally relevant to all stakeholders, i.e., investors and social enterprises being invested in, not just for the fund managers;
- Any new rules must be simple to use;
- Reporting requirements need to be realistic, i.e., proportionate;
- More work is needed to promote the awareness of EuSEF and the importance of social impact measurement;
- Social impact measurement needs to be seen as a positive aspect of the regulation which will help all parties develop and improve their working methods, and not just as an administrative burden;
- Thought needs to be given to the wider applicability of social impact measurement as developed here, for example, in public procurement;
- The Commission's commitment (made by DG EMPL at previous GECES meeting in Heraklion, June 2014) to create the knowledge centre to capture work and experience in this area must be honoured.

The ESMA consultation closed on 10 December 2014.

Workshop 3:

- There is an interest in the sharing of good practices between Member States;
- The difficulties of small entities should be tackled alongside with what is being done for SMEs in general, e.g. funds for guarantee of participation in procedures, easier access to labels;
- Lobby efforts should be directed at national governments during the transposition phase;
- Follow-up on transposition and of showing the results of implementation is important;
- There were requests for guidance by the Commission on the inclusion of social considerations in procedures;
- GECES participants discussed a report on transposition led by government experts of the GECES, with an analysis of important articles, to be presented in a political paper at the next GECES meeting;
- Finally, participants called for a peer review on the use of social clauses in public procurement.

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Session VI

A GECES member involved in the [Social Entrepreneurship Network \(SEN\)](#) announced that the SEN final conference would take place on **28 January 2015 in Brussels**.

The next GECES meeting will take place on **26 June 2015 in Brussels**.

Brussels, 20 January 2015

*Minutes written by the European Commission, amended further to GECES members' comments (as appropriate), and implicitly agreed by all attendees
(Agreement via exchange of emails between 23 December 2014 and 16 January 2015)*