

**MESMER+**  
**Mapping European Social Economy:  
Employment, Social Dialogue and the European Pillar of Social Rights**  
Project nr. 101052222

27 September 2023  
From 9.30 to 16.30  
Venue:  
WYNN'S HOTEL, Abbey Room  
35-39 Lower Abbey Street, Dublin 1, Ireland D01 C9F8

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## SUMMARY

This second European event of the [Mesmer+](#) project provided not only an opportunity to discuss research results and the policy context, but also to talk about EU-level objectives, such as the European Commission's Social Economy Action Plan (December 2021) and the European Pillar of Social Rights. A special focus of the 2<sup>nd</sup> event was on Ireland and on the participating EU Member States where social economy players have less experience and opportunities to participate formally in social dialogue at the national level.

The in-person event brought together representatives of co-partners, local stakeholders (social economy organisations such as [ISEN](#) and [SERI](#)), external experts of the Mesmer+ project and invited guests from Ireland, about 20 participants.

**Melinda Kelemen** (Senior Expert, Project Manager, Diesis Network) welcomed the participants and opened the event. Ms. Kelemen gave a brief overview on the main aims of the project. The project may pose a challenge for social dialogue experts and social partners who might not have the knowledge on social economy. In the MESMER+ project, the partners try to make connection between the social economy and the social dialogue. She also introduced the activities implemented in the first year of the project such as drafting country reports, organizing national level policy labs, dissemination at European events. She also mentioned the upcoming ones, including a comparative report, video dissemination, the European event in Skopje and final conference in Brussels. She said that the project has made already a real impact in many ways. For example, in Sweden where a discussion started about the involvement of social economy in social dialogue amongst the stakeholders, or in Bulgaria, where a joint policy recommendation has been formulated to reach the national level policy makers.

In the first session – **Policies on the Social Economy in Ireland** – **Richard Gavin** (Assistant Principal Officer, Department of Rural and Community Development) talked about social enterprises in Ireland. In Ireland, social enterprises belong to the social economy alongside cooperatives, mutual benefit societies, associations (including charities) and foundations. The state has a number of different strategies covering the social economy

including the social enterprise policy launched in 2019. He used the example of WISEs and the relationships between social enterprises and mainstream enterprises.

The Irish Government aim to increase the scale and impact of SEs in the country. the current [national social enterprise policy](#) has three main objectives:

- building awareness
- growing and strengthening the sector (the lack of availability of specific training is a practical problem)
- achieving better policy alignment with other policies from the government that should recognize social enterprises (for instance, to include SE in environmental policies and enterprises policies).

Mr. Gavin also spoke about the development of the new Irish SE policy due for publication in early 2024. The policy makers involved the most important stakeholders such as national representation and support organisations (via consultations, workshops), government and governmental organizations, OECD (independent review) and part of the activities was a baseline data collection. In the new Irish SE policy addressed several challenges such as access to business support, social impact measurement, lack of unity in sector representation, awareness, access to markets/tendering, skills, knowledge sharing and peer learning opportunities.

The presentation was followed by a lively discussion about topics like the specific governance form attached to social enterprises regarding democratic principles, who represent employers and employees in social economy in the country, childcare as a prominent sector in the SE, actions undertaking to raise awareness and working conditions in SEs.

The next speaker, **Ross Curley** (Head of Economic Development – Dublin City Council / Chairperson – Dublin City Social Enterprise Committee) explained how Dublin City Council supports SEEs. The support activities are built on the policy objectives of the current national social enterprise policy for Ireland. At local level, SEs are referenced and included in actions within various documents, policy papers, strategies, and development plans etc. It is seen as very important to develop the SE sector to help grow a just society and economy in Dublin City. The Economic Development Office (EDO) of Dublin City Council is involved in leading, collaborating on and supporting various activities. The Dublin City Social Enterprise Committee is a SE sector representative committee which supports EDO and oversees key activities such as the Dublin City Social Enterprise Awards. The Awards initiative has run for nine consecutive years and involves a competitive application process after which successful social enterprise applicants are supported with funding, mentoring and promotion. Regarding other activities, social enterprises are promoted via social media, articles on the Dublin Place Brand website and in dedicated brochures. Training programmes have been created specifically for social enterprises and resources such as the collaboratively developed Social Enterprise Toolkit. Social Enterprises can also access support from the Local Enterprise Office such as mentoring, training and grants. Dublin City Council is a longstanding member of the European Commission – European Social Economy Regions – Annual Project and Network and has been involved in and supported other Social Enterprise / Social Economy related international projects such as OECD

Respond, Rebuild, Reinvent. Finally, efforts to commission, buy from and showcase local social enterprises and the 'Buy Social' and 'SoCircular' initiatives are important tools to develop and support the sector.

In the Q+A session questions were raised about the digital accessibility of the prizes.

After the policy session, **Dr Anne Guisset** (Senior Researcher, HIVA-KU Leuven) talked about the first research results of the Mesmer+ project. She explained the challenges associated with the use of various definitions in different countries and the need for a shared glossary. Based on the nine country reports that are prepared within the project, it was already possible to identify shared elements to compare the target countries even though the social dialogue and industrial relations system differs country by country. For instance, in each country, the organisations have to prove their representativeness – different systems have different representativeness criteria. Regarding social economy, its recognition may be looked at:

- as a concept
- as a legal framework
- as a measurable reality
- as an interest represented by groups and organisations
- top-down influence from the EU or sui generis movement
- identify and self recognition

As it already can be seen, there is a well-recognized relationship in many countries between trade unions and employer' organisations and social economy due to their common historical root (trade unions) and often crossed membership (employer organisations). In a few countries SEs are representative organizations and recognized social partners. However, understanding of the SE by trade unions and employer's organisations are still not evident in most of the countries. She also referred to social economy as innovations to more traditional worker's participation, especially at the workplace level.

At this stage the research already found the following common obstacles to SE participation in social dialogue:

- diversity of actors and activities within social economy
- lack of professionalisation of representative organisation
- SE representative organisation „forgotten „ in consultation with the government
- „Neglected employers“ from the social economy: recognition but restricted access to policy and decision making processes
- challenges to organising workers in the social economy
- lack of representativity of social economy players as social partners

She also mentioned an ongoing tension between issuing specific labour regulations for the social economy or providing an equal treatment for social economy activities equivalent as other business activities providing jobs. As a conclusion, it is determining to find the appropriate social dialogue level to invest in, namely at territorial, company, sectoral or cross-sectoral level.

The last speaker for the morning was **Chris MM Gordon** (CEO, Irish Social Enterprise Network). He provided an overview on social economy in Ireland. The presentations started with a historical retrospection. Where does social economy come from in Ireland? As the speaker pointed out, many organisations do not identify themselves collectively as social economy organisations. There is no reason for them to identify as such and rather see themselves as charities and foundations. The SE, however, has long history of SE in Ireland and comes from the Irish word “meitheal”. It means a work team with a community spirit, sense of collective duty to stay together especially in rural areas. The catholic church also had a strong impact and influence on the Irish society, especially on education, health and well-being up to the 1950s. The social economy sector is picking up on these activities now. Organisations have since become less religious and more managerialised with state interventions. Not only the above areas were affected - importance of credit unions in Ireland are also significant, it helped development of finance skills within the population therefore those made a huge social impact.

Regarding the more recent times, social economy was defined after the crash of 2008 by the Irish government (2011) as a part of the economy alongside public and private sectors. Ireland somehow caught between the US’ free capitalist market and the wider EU context of solidarity which is not widely discussed in Ireland. There are diverging views and debates on the definition of social enterprises. It is not always easy to make a difference from purely privately owned companies with good intentions (Patagonia, etc.).

Regarding the policy developments, in 2013 there was a policy response to unemployment crisis, the Irish government commissioned an examination of job-creation potential of social enterprises. Followed by that, inter-departmental group on the social economy was set up (including various public administration departments). Between 2012 and 2015 action plans for jobs were drafted. In 2017, the Department of Rural and Community Development was established. These days, the number of registered companies is around 300,000 in Ireland. There are 32,841 community and voluntary sections organisations with 165,000 employees. Social economy is taking over catholic church activities in many sectors- Today 4,335 social enterprises employ 84,300 people in the country.

The discussion sessions focused on issues such as negative connotation of the word “social”, especially in Sweden. In the country, however the SE is flourishing, it is a sensitive matter to use “social” economy and “social” enterprises. The EU definition of social economy doesn’t work in Sweden. In Ireland it is to a certain extent the same, but if companies have a business-oriented perspective, the question arises about how organisations position themselves as social economy. In Sweden, there is also an ongoing discussion between the cooperative sectors and associative sectors regarding welfare. In Ireland, the issue is rather that most cooperatives are not social enterprises even though they are part of the social economy.

In the next session, “**Social economy and its visibility and representation in national IR systems in selected countries: Country insights**”, representatives of project partners from Sweden, Poland and Bulgaria gave a summary on their country situation.

### **Sweden - Gordon Hahn** (Chairman, Coompanion)

The SE is relatively large in Sweden; however, it is non-visible and non-institutionalised.

In 1998, there was a labour market regulation and in 1999 the governmental definition of the social economy has been born. Some support programs were available from the beginning of 2000s. Still the term SE is not commonly used, neither by the government nor by the sector itself. The term social economy is coming from the EU. In a sense, it is like the Irish acknowledge of the term SE. The general problem with SE in Sweden is that it never had a sectorial institutional preference: cooperative sector and non-profit sector developed separately. Also, there are differences between consumers’ and producers’ cooperatives that developed differently from one another. Mutuals are only existing in the insurance sector, only six are operating in the social economy, still the insurance mutuals in Sweden are large and stands for 40% of the insurance market. The welfare state until the 1970s took care of all the welfare. Now the social economy also runs activities in the welfare sector, but the government rather cooperates with the private for-profit sector and seldom regards social economy as an option for welfare procurement. In labour market inclusion issues and social policies both the government as well as the social economy have a say. In the Swedish IR system, the formal role of the SE is limited but attempts are made with the informal networks to create more influence on social and labour market issues. Democratic forms or governance are seldom heard in the SE social dialogue system.

One of the biggest employer’s organisations, Fremia is merged from the Consumer cooperative employer organisation (KFO) and the non-profit employer organisation (IDEA) and want to represent the voice of social economy employers in a wider policy influence as well. Trade Unions sort of distance themselves from the issue. There are problems with clear social partner roles – for example a significant social Cooperative housing institution (Riksbyggen) as well as a mutual insurance company (Folksam) both owned by employer organisations and trade unions in the country. Also, an obstacle is that cooperatives do not perceive themselves as a common sector.

Regarding the labour market, social partners (trade unions and employer organisations) play a central part. The Mesmer+ project helped to put forward the issue – social dialogue and social economy participation - to another level. Based on the policy lab outcomes that was organized in the Mesmer+ project in Sweden, trade unions, employers’ organisations and SE organisations finally open for reflections. However, the main outcome of the lab was that the employer organisations willing to represent the social economy in industrial relations and wider.

The discussion after the presentation was mainly about the role of trade unions, the relationship between cooperatives and trade unions, and the difficulty to include them into forming a common position when it comes to Cooperative business.

#### **Poland - Weronika Chodacz** (External expert, Diesis)

Social economy received a brand new and narrow definition in 2022 with a focus on social exclusion and integration. The definition excludes mutuals, farmer coops and other types of coops, also organisations focusing on local and sustainable development, if they are not involved in social or professional reintegration or the provision of social services.

In Poland there is almost no social dialogue in the social economy because the organisations do rarely consider themselves as typical workplaces. Working in social enterprises is perceived as a form of activism.

Trade unions with representation in the Social Dialogue Council do not recognize social economy and in general have no knowledge on what social economy is about. There is one trade union that organises social economy workers, but it does not reach the threshold to be representative in the Social Dialogue Council. Employer organisations do not recognize SE either and agree that there should not be a special seat for social economy representatives.

There is an absence of bipartite dialogue in the social economy sector itself. At the same time, there is a debate on the quality of employment in the SE mainly in NGOs. Employers and employees consider working in the SE as a mission, not as work.

The voice of the sector is basically the voice of employers. Employees are not heard, especially not as a separate interest.

#### **Bulgaria - Yuliya Simeonova** (Deputy Chairperson, Isturet)

Enterprises with social aims in Bulgaria have a long history and tradition, mainly in the form of the powerful cooperative movement and community cultural centers (“chitalishta”). Community cultural centers are key actors in the development of education and cultural activities.

The Bulgarian legislation emphasizes the "social and solidarity" part of the economy. The social and solidarity economy is somewhere between the NGOs sector and the business sector. The business sector includes registered social enterprises, according to the legislation, agriculture cooperatives and non-financial enterprises. The government sector that is offering social services.

Since 2019, when the Law on Enterprises of Social and Solidarity Economy was adopted up to now, 35 enterprises are registered, likely also due to the financial support available. Many employees are on part-time contracts.

According to the assessment made in the Mesmer+ project, the number of chitalishta is 7771; the number of associations and foundations performing as social enterprises (excluding chitalishta) increases over 2,000; the number of specialized enterprises and cooperatives of people with disabilities remains relatively stable 638 in September 2023. Those who self-identify as social enterprises are 4,391. Most of them (around 4000) have less than 9 employees. It is more difficult for micro enterprises to be united and organised as participants in the social dialogue. The difficulties in meeting the formal criteria for registration as a social enterprise mostly affect the NGO sector. It is not easy for non-profit enterprises to reach the volume of profits required, and to invest back in social activities.

To help the sector, an inter-institutional working group was established at the level of the Ministry of Labour and Social Policy, but this working group has only two representatives from the SE. The Social Economy Development Project aims to strengthen their information exchange, upskilling and networking.

During the last session - **Social enterprises in Ireland** – the discussion was focusing on the host country again.

**Dr Helen Johnston** (Senior Social Policy Analyst, National Economic and Social Council-NESC) started with a brief introduction to NESC. NESC is under the department of the Prime Minister and overseen by a Council comprising employers, trade unions, farmers, community and voluntary organisations, environmentalists, independents who are mainly academics, and senior civil servants. NESC is an advisory body to the Government, undertaking its work through research and dialogue. NESC's interest in social enterprise lies in a number of factors, including covering its remit of economic, social and environmental policy, as well as social enterprises receiving more attention internationally, including at European level.

The Irish definition of social enterprise is a subset of the social economy, comprising a market trading relationship, social and/or environmental objectives, reinvestment of profits, and transparent and accountable governance. Examples span a wide spectrum including Work Integration Social Enterprises (WISEs), to environmental services, to the provision of social services in disadvantaged communities and areas of low population.

The national social enterprise policy in Ireland, 2019-2022, which is currently being revised and updated, has provided for a wide range of supports for social enterprise, promoted the use of social clauses in procurement and 'buy social', as well as commissioning a national baseline data collection exercise which was published in May 2023.

In Northern Ireland, which is part of the UK, there is a push to implement the Public Service (Social Value) Act 2012 which is operational in the UK. Nevertheless, social value is taken into account in public procurement contracts. However, Northern Ireland does not yet have a social enterprise policy.

The speaker flagged the relationship with Northern Ireland as part of the Irish Government's 'Shared Island' initiative which aims to share knowledge and practices across both parts of the island. A particular dimension here is the €1b PEACEPLUS programme, funded by the EU, UK, Ireland, and Northern Ireland. This programme can provide funding and support for social enterprises across the island.

The speaker drew four conclusions: (i) the need to develop a co-ordinating framework for greater cohesion of the social enterprise sector; (ii) embedding social enterprise through greater ambition; (iii) supporting areas of growth for social enterprises such as environmental, digital and caring; and (iv) building a shared island dimension.

During the event, the baseline data collection exercise was referred to several times. **Lorraine Corcoran** (Director, Social Enterprise Republic of Ireland) gave details on the methodology and key findings. The consortium for data collection comprised Amarach Research, SERI and ILDN, but the project was structured to cater for many stakeholders. The work took place from March to December 2022, and comprised two stages: design and execution of the methodology. According to the results, a few key numbers: there are 4,335 social enterprises in Ireland with 75% operating in one of five sub sectors, but they are often involved in more than one economic activity. The leading subsector is childcare. Regarding the legal form, social enterprises tend to be company limited by guarantee (77%) and are registered as charities (88%). Social enterprises are key enablers of the Government's labour market activation programmes – 60 % of social enterprises with paid staff employ people through these programmes, especially in community infrastructure and local development. Social enterprises are long-standing in their communities, 48% is operating more than 20 years. New social enterprises are driving a green agenda. Social enterprises mostly can be classified as microenterprises (57%), employing between 1 to 9 people. 84,382 people employed in social enterprises, constituting 3.7% of the Irish workforce, 69 % of the sector workforce are women. 74,835 people actively volunteer in the social enterprise sector, including 30,324 as board members. The speaker also mentioned a few challenges during the work, such as lack of public financial data, survey fatigue - albeit the survey response rate at 17% was good - and the manual effort that was involved in completing items such as location and ensuring inclusion. The data helps evidence-based policy making in the country.

The last presentation was given by **Dr Gerard J Doyle**, (Lecturer, Technological University Dublin) on worker co-operatives. Worker co-operatives are not yet prevalent in Ireland. Semi-structured interviews were employed to gather data outlining the factors required for their implementation. As explained by Dr Doyle, the factors that hindered the development of worker cooperatives in the past are economic, political and also emanate from the social and cultural history of the country. A number of factors are required for these co-operatives to flourish. These factors count include committed individuals, a cultural change (based on self-sufficiency), increased



visibility, active social economy support organisations and greater policy support. Worker co-operatives could serve especially well in addressing precarious employment in care, cleaning, security and the gig economy.

In the closing session of the event, **Melinda Kelemen** reminded the audience about the next steps in the project and thanked all for the active participation in the event.

*09.10. 2023 by Melinda Kelemen*