



Brussels, 30.3.2026
COM(2026) 138 final

**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE
COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE
COMMITTEE OF THE REGIONS**

**Mid-term review of the action plan for the social economy: main achievements and way
forward**

{SWD(2026) 94 final}

1. INTRODUCTION

The social economy has firmly established itself as an integral part of Europe's economy and society, a major contributor to prosperity and competitiveness and a pillar of Europe's resilience.

Across the European Union (EU), **over 4.3 million associations, cooperatives, mutual benefit societies, foundations and social enterprises** pursue activities that prioritise social and environmental objectives over profit and apply participatory or democratic governance models. These organisations provide at least **11.5 million jobs**, accounting for around **6.3% of total employment**, and operate across a variety of sectors, from care services to finance, agri-food, retail and culture ⁽¹⁾.

On 9 December 2021, the Commission adopted the **action plan for the social economy** ⁽²⁾ with the aim of unlocking the potential of the social economy and amplifying its impact. For the first time, the Commission set out a vision and a roadmap, outlining a series of measures aimed at improving framework conditions, access to business opportunities and visibility of the social economy by 2030.

Since then, the geopolitical situation has changed, and a series of overlapping crises have shown how the social economy acts as a **source of resilience**, creating and retaining local jobs, mobilising communities in a spirit of solidarity, and stepping in where markets fall short to promote **inclusive growth**. It helps turn EU priorities into **effective solutions for people and places**, driving social innovation, delivering on the European Pillar of Social Rights ⁽³⁾ and the Union of Equality, and contributing to a more circular and resilient economy.

Through their bottom-up, community-rooted approach, social economy organisations **strengthen territorial cohesion** across urban and rural areas, outermost and border regions. They make a direct contribution to **poverty reduction and social inclusion**, notably by creating pathways into employment and by ensuring affordable access to services. By enabling people to organise, participate and co-create solutions, social economy organisations broaden and strengthen **civic engagement** and **democratic life**.

At the same time, the social economy supports Europe's **prosperity and competitiveness**. Social economy organisations channel innovation towards societal good, developing new ways to deliver goods and services that address social needs and contribute to the European quality of life. They foster entrepreneurship, especially among young people and disadvantaged groups. They bring these innovations to key economic sectors, such as housing and the circular economy, promoting models that anchor value locally.

Social economy organisations **boost competitiveness** by **creating quality jobs, increasing labour market participation and contributing to gender equality and a skilled workforce**. Their predominant social purpose and employee involvement in decision-making promote stable employment, worker participation and sustained training and reskilling. Work integration social enterprises, for example, combine employment with tailored support to bring people back into the labour market with the necessary skills and knowledge to transition from exclusion to sustainable employment.

The social economy also strengthens Europe's **preparedness and strategic autonomy**, contributing to greater economic sovereignty by making our industry, services and value

chains more robust, diverse and embedded within local communities. This encompasses risk-sharing solutions such as mutuals providing affordable insurance coverage to households, communities and businesses, and cooperatives promoting cleaner industries and the green transition through community energy initiatives and circular business models.

Europeans experience the added value of the social economy in their daily lives, as demonstrated by the Special Eurobarometer on the social economy in the life of Europeans ⁽⁴⁾ published in October 2025.



Most Europeans support measures to help social economy organisations thrive, including:



This report delivers on the commitment made in the action plan for the social economy to review its implementation and impact halfway through, identify remaining challenges and reaffirm the Commission’s vision for the social economy in the new geopolitical context.

Furthermore, as the Letta report *Much more than a market* stated in 2024, additional policy measures must be considered to fully realise the potential of the social economy ⁽⁵⁾. Targeted support measures and enabling frameworks are needed to account for their unique governance models, profit allocation rules and impact-oriented nature. In line with this call, this report looks forward and examines where existing tools should be strengthened and where new actions are necessary to maximise the potential of the social economy. The accompanying staff working document provides further details on the implementation process to date and the various stakeholder consultations carried out by the Commission.

2. PROGRESS AND LESSONS LEARNED DURING IMPLEMENTATION

The action plan for the social economy is structured around three pillars and comprises 63 actions. Most of these actions have been completed or are currently being implemented by the Commission, while a small number have been discontinued or reoriented in light of evidence and market developments.

This section follows the structure of the action plan from 2021, highlighting key achievements and drawing lessons where challenges persist, paving the way for new actions.

2.1. Creating the right framework for the social economy to thrive

One of the key milestones so far was the adoption of the **2023 Council recommendation on developing social economy framework conditions** ⁽⁶⁾. It provides a common framework for Member States to integrate the social economy into their policies and create supportive measures to foster a favourable environment for social economy organisations. This framework has legitimised and accelerated national reforms. Between 2021 and the end of 2025, **21 Member States had either adopted or were preparing national or regional strategies for the social economy**. Furthermore, 12 Member States had adopted or reformed social economy laws, and 2 were in the process of doing so. This represents a significant evolution in the strategic and legislative landscape and reflects the growing national-level recognition of the social economy.

The Commission's efforts have been supported by **an increasing international momentum**. EU Member States and the Commission have contributed to UN General Assembly resolutions and International Labour Organization conclusions on the social and solidarity economy, and the Commission's work informed the OECD Recommendation on the social and solidarity economy and social innovation.

The progress made to date confirms the value of a shared EU vision combined with practical support for Member States. The Commission thus organised **mutual learning workshops** on topics such as State aid, taxation, social economy strategies, socially responsible public procurement and data. The Technical Support Instrument ⁽⁹⁾ is supporting five Member States in designing their social economy strategies through collaborative and country-specific work. In addition, in 2023, the Commission published two staff working documents describing the existing tax frameworks for social economy organisations ⁽⁷⁾ and the non-discriminatory taxation of charitable organisations and their donors ⁽⁸⁾, establishing a common evidence base and point of reference across the EU.

To improve legal certainty and knowledge on **State aid** options, the Commission published a **study on the application of State aid measures to support social enterprises' access to finance and the recruitment of disadvantaged workers** ⁽⁹⁾. The findings of this study will inform the current revision of the General Block Exemption Regulation ⁽¹⁰⁾. In addition, since January 2024, public authorities can apply the increased de minimis aid ceilings of EUR 300 000 ⁽¹¹⁾ and EUR 750 000 over any period of 3 years for services of general economic interest ⁽¹²⁾. Furthermore, the 2025 revision of the Services of General Economic Interest ⁽¹³⁾ aims to make it easier for Member States to support the construction and renovation of affordable housing, an area in which social economy organisations are active.

Despite the progress made at national and international levels, there is significant **untapped potential at regional and municipal levels**, where authorities are closest to the public and the activities of social economy organisations. Although initiatives have multiplied in many regions and municipalities in recent years, the exchange of knowledge and practices between them, especially across borders, remains limited.

Furthermore, restrictive legal frameworks cause legal uncertainty and raise barriers to further support the social economy. Public authorities often lack technical capacity in areas such as State aid and socially responsible public procurement. For example, the recent evaluation of the **Directives on public procurement** ⁽¹⁴⁾ shows **varying levels of maturity in integrating social considerations into public procurement practices across Member States**. Contracting authorities often find it difficult to balance

transparency and market-efficiency objectives with strategic policy goals and are expecting clear guidance on how to achieve this balance.

In focus: The social economy and circularity

*Social economy organisations are important contributors to Europe’s transition to a circular economy. They are active at every stage of the product lifecycle, from design and collection to repair, reuse and recycling. They turn waste into resources and create local, quality jobs in the process, including by making training and employment available to people at risk of exclusion, often in close cooperation with public authorities. The **circular cities and regions initiative** ⁽¹⁵⁾ showcases how city- and region-led circular strategies, such as publicly supported reuse and repair hubs, circular construction and demolition schemes, and local textile reuse systems, can create opportunities for social economy organisations to deliver inclusive circular solutions, **including by using public procurement to create demand for these services through circular and socially responsible purchasing practices**. Their business models contribute to extending product lifetimes, reduce emissions and keep materials circulating within communities. The forthcoming **circular economy act** aims to create a single market for secondary raw materials, increase the supply of high-quality recycled materials, and stimulate demand for them in the EU, all areas in which social economy organisations are well placed to contribute.*

2.2. Opening up opportunities for social economy organisations to develop

To create opportunities for social economy organisations to start up and grow, the Commission has introduced measures to strengthen the ecosystem, promoting stronger access to finance, mobilising funding, and reinforcing capacity-building and business support.

Access to finance for social economy organisations has expanded. Building on Employment and Social Innovation (EaSI) financial instruments, **financial products under InvestEU’s Social Investment and Skills Window** were launched in 2022. Around EUR 1.2 billion in guarantees have been allocated to implementing partners for microfinance, social entrepreneurship and social impact investing, benefiting around 90,000 recipients of microfinance support and around 3,000 social enterprises, with an expected mobilisation of EUR 11.7 billion in investments ⁽¹⁶⁾. These instruments provide access to risk finance for business models that often do not fit standard risk-return profiles, together with business development services. To date, this support has already contributed to creating or maintaining around 900,000 jobs across the EU and reporting from some major micro-finance institutions shows extremely high survival rates, while reaching to the most vulnerable groups ⁽¹⁷⁾.

To further increase the social impact of these funds, the Commission is piloting blended support combining InvestEU financial instruments with grants under the EaSI strand of the European Social Fund Plus ⁽¹⁸⁾ (ESF+). ESF+ calls have also supported the development of social finance markets through better access to impact data for investment decisions, reduced transaction costs for risk capital investments in social enterprises, and reinforced EU-level networks representing microfinance and social enterprise finance providers. In parallel, several Member States have rolled out dedicated financial instruments and grant schemes under the ESF+ and the European Regional Development Fund ⁽¹⁹⁾ and some specific investments and reforms were implemented

under the Recovery and Resilience Facility ⁽²⁰⁾. Overall, under the EU's current long-term budget (2021-2027), **a total amount of over EUR 1.62 billion in grants and financial instruments is expected to be mobilised** in addition to the EUR 1.2 billion in guarantees referred to above. This fulfils the Commission's commitment to increase the EU level of support compared to the 2014-2020 period.

The Commission has also helped social economy organisations professionalise, scale their solutions and demonstrate their results. **The European Competence Centre for Social Innovation ⁽²¹⁾ has developed a dynamic knowledge hub and five communities of practice.** ESF+ calls were launched by the Commission to support social experimentation, the transfer of tested social innovations, and their scaling up, including by setting up national competence centres for social innovation. Practical tools were developed, such as a code of conduct for managing and using data in the social economy ⁽²²⁾ and a **guide on proportionate approaches to social impact measurement and management ⁽²³⁾.** **The Youth Entrepreneurship Policy Academy**, a joint initiative of the Commission and the OECD, **brought together policymakers and networks of young entrepreneurs** through a series of policy and capacity-building workshops, aiming to devise better policies for young entrepreneurs, including social entrepreneurs.

Despite this progress, social economy organisations still face greater difficulties than mainstream businesses in accessing financial resources due to their specific business models. Although market studies indicate that private social investment has grown in recent years ⁽²⁴⁾⁽²⁵⁾, the absence of a more structured and widely understood approach to channelling (patient) capital into social objectives, combined with low financial returns, has limited trust and comparability, deterring potential social investors. Innovative financing approaches have remained fragmented and on a small scale.

Besides, coverage and recognition of clear training and capacity-building pathways remain uneven across sectors and territories. Links with education and training systems are fragmented, and curricular approaches, shared competence frameworks and robust evidence on social and inclusive entrepreneurship remain the exception. Although incubation and acceleration services have expanded in recent years, tailored support for social entrepreneurship is still rare and many groups remain underrepresented and underserved. As a result, talent and innovative social business models do not always receive the right support to flourish, and the potential to deliver stronger social impact is not fully realised.

2.3. Enhancing recognition of the social economy and its potential

The Commission has increased the visibility and credibility of the social economy by establishing channels of communication with the public and promoting awareness campaigns. **The EU Social Economy Gateway ⁽²⁶⁾ provides up-to-date information on EU policies, funding and initiatives for the social economy.** Since its launch in 2023, the website has attracted over 596 000 visitors ⁽²⁷⁾ and offers useful material for social economy practitioners and policymakers.

The EU evidence base on the social economy has been expanded by a study benchmarking the socio-economic performance of the social economy across Member States ⁽²⁸⁾. It shows that the social economy generates both economic and social value, and it confirms the added value of more robust and harmonised data to assess developments over time. The Special Eurobarometer on the social economy in the life of Europeans provides a first EU baseline on public perception, awareness, engagement and

attitudes, including views on the role of public action. The Commission/OECD publication *Social Economy in Europe: Contributing to Competitiveness and Prosperity* (29) further consolidated knowledge, including on institutional arrangements, taxation and business support for the social economy in all EU Member States, as well as sectoral information on housing and care.

Yet some gaps remain, particularly regarding comparability, due to uneven coverage and methods across Member States. The lack of systematic data collection using harmonised definitions, administrative sources and expanded statistical tools, such as satellite accounts, makes monitoring progress difficult and limits the public visibility of results. While targeted research and cooperation through expert groups have helped to advance the framework for data collection and analysis, more sustained exchanges are needed to better inform policymaking. Finally, awareness and use of the EU Social Economy Gateway could increase, and stakeholders request a more systematic reporting on the implementation of the action plan.

3. LOOKING FORWARD: NEW ACTIONS TO STRENGTHEN THE SOCIAL ECONOMY

Looking ahead, the Commission intends to build on the progress made so far and tackle remaining obstacles to developing the EU social economy ecosystem. While the 2023 Council recommendation is under implementation, the level of support for the social economy continues to vary significantly among Member States and across levels of governance. Targeted EU support is still needed for social economy strategies to lead to effective measures and provide a stable framework for the growth of social economy organisations.

The next phase of implementation should therefore prioritise actions that support public administrations and enable social economy organisations to operate in the single market without barriers, strengthen access to talent, training and finance, and provide systematic, comparable evidence to inform policymaking and investment decisions and showcase the impact of the social economy.

Our vision for the years ahead is clear:

- We want a **competitive social economy**, which operates on a level playing field with other economic actors and across the single market, and contributes to a dynamic business environment that delivers sustainable prosperity and well-being for people and Europe's social market economy. This should be supported by integrated policy and legal frameworks,
- We want a **robust social economy** with access to finance adapted to its needs and fostered by recognised learning, incubation and acceleration pathways that develop both individual talent and organisational capacity.
- We want a **recognised social economy**, which is underpinned by strong evidence and visibility, enabling policymakers, markets and the public to recognise its added value, thereby scaling up its impact across the EU.

This vision is fully aligned with the approach set out in the 2021 action plan and its three pillars. Looking forward, this report is organised around three priorities and five key action areas, building upon the results of the 63 actions from 2021 and adding new measures identified through this mid-term review. It will serve as the reference for future monitoring and reporting on the action plan.

Finally, achieving this vision requires a joint effort. The Commission therefore invites Member States to fully implement the Council recommendation on developing social economy framework conditions and take into account the findings and new actions set out in this mid-term review when pursuing their strategies and policy measures.

3.1. Integrated frameworks for a competitive social economy

The Commission's ongoing efforts to improve the business environment as a whole benefit the social economy by reducing operational barriers and creating more opportunities for growth. Initiatives aimed at boosting EU competitiveness, deepening the single market and advancing the Savings and Investments Union can help integrate social economy organisations into mainstream value chains, mobilise private capital and strengthen access to finance. Simplification can also reduce the disproportionate administrative burdens and compliance costs that smaller organisations often face.

The social economy needs integrated policy and legal frameworks to scale and promote sustainable and innovative solutions. When the right conditions are in place, social economy organisations can flourish across economic sectors and territories, bringing quality jobs, products and services for everyone in the EU, including those most vulnerable. Therefore, improving the framework conditions and ensuring that policies are implemented where they matter, including in regions and municipalities, is particularly important.

Key action area 1: Strengthening multilevel governance and implementation on the ground

National authorities play a key role in putting in place the overarching strategic and legal framework for the social economy. Regional and local authorities, meanwhile, often act as a bridge between national policymaking and local implementation and are crucial for tailoring national priorities to local needs. They can directly support and partner with social economy organisations to deliver on their policy objectives.

A more coordinated and informed approach would provide these authorities with a clearer and more effective policy framework for supporting the social economy and maximising its impact and enable social economy organisations to share their successes and challenges.

The Commission will:

- **Develop a toolkit to support regional and local social economy policies.**
- **Boost its work with public authorities, stakeholder communities and networks to promote the exchange of best practices, joint projects, and effective measures for the social economy across territories,** supporting and complementing national efforts. Specific attention will be given to rural areas in the context of the EU rural action plan ⁽³⁰⁾, the rural pact, and the strategy for generational renewal in agriculture ⁽³¹⁾.
- **Publish a stocktaking report on the implementation of the Council recommendation on developing social economy framework conditions in 2028.**
- Embed the social economy in external cooperation and international dialogues by **providing specific training, skills development and social**

entrepreneurship support to public authorities and deploying projects in non-EU countries, including (potential) candidate countries, such as the upcoming Social Entrepreneurship Fund for the Southern Neighbourhood, in line with the priorities of the Pact for the Mediterranean ⁽³²⁾.

In focus: The social economy and culture and tourism

Social economy organisations are drivers of Europe's cultural vitality, creative innovation and sustainable tourism. They support the cultural and creative industries and their workforce. They preserve and promote cultural heritage, providing accessible spaces for cultural participation and community life in neighbourhoods and rural areas.

In the creative and cultural industries, the social economy promotes experimentation, collaboration and shared ownership in areas ranging from media and performing arts to design and crafts. In tourism, community-led initiatives promote sustainable activities that protect landscapes, support local businesses and ensure that the benefits remain within the community.

By linking culture, creativity and sustainable tourism, the social economy strengthens territorial identity, empowers local populations and diversifies local economies, creates jobs and contributes to a more resilient, people-centred development of Europe's regions. The Commission will support transnational partnerships to test and scale community-led sustainable tourism models based on social economy principles. In addition, the upcoming **EU Sustainable Tourism Strategy** will aim to shape a competitive, sustainable and inclusive tourism model that supports local communities.

Key action area 2: Making rules and frameworks work for the social economy

Public procurement can be used by public authorities as a strategic tool to deliver high-quality public services and pursue specific policy objectives, such as promoting employment and social inclusion, ensuring decent working conditions, improving accessibility and inclusive design for all, and creating responsible supply chains. For social economy organisations, public procurement creates routes that improve their access to markets and enable them to provide services to the community. Nevertheless, evidence shows that lowest-price practices remain the dominant norm, and social considerations in public procurement are not applied systematically or consistently.

Furthermore, **cooperation with mainstream businesses**, including through the supply of goods and services, can strengthen the social economy and help businesses meet their sustainability goals. However, social economy organisations often play a small role in supply chains due to a lack of mutual understanding, cultural and operational barriers, and insufficient strategic support to improve market access and develop new sectoral value chains.

The Commission will:

- **Explore opportunities to promote the uptake of socially responsible public procurement practices**, including the use of the best price-quality ratio and of collective bargaining, in the context of the ongoing **revision of the EU public procurement directives**, and include **guidance** on their implementation in its toolkit to support regional and local social economy policies.

- Promote a more systematic integration of social economy organisations into the value chains of mainstream businesses by inter alia **launching a call for proposals to scale up business-to-business partnerships.**

In focus: The social economy and energy

The social economy plays a role in ensuring that the transition to green energy is fair and inclusive. Energy communities and other citizen-led initiatives enable local actors to collectively own and manage renewable energy assets, from solar and wind farms to district heating systems. These organisations keep value within the community, allow citizens to actively participate in the transition and may help to reduce energy poverty, for example by improving access of vulnerable groups to affordable energy prices. They may also generate high-quality local employment opportunities in areas such as installation, maintenance and energy advisory services.

*To link climate action to tangible community benefit, it is paramount to recognise social economy actors in national energy and climate plans, facilitate their access to grids and finance, and take them into account in EU funding initiatives and programmes and plans financed by the EU and managed by Member States. The Commission will strengthen the uptake of energy communities through a Commission recommendation on energy communities and self-consumption, as part of the **citizen energy package**. Among others, the plan will promote knowledge sharing and strengthen the evidence base on energy communities, including by **supporting a dedicated community of practice for public buyers** and identifying the conditions that enable citizen-led energy initiatives. Local authorities can also play a key role as enablers of such initiatives and will be supported to deliver on this potential.*

State aid is also an important tool to help public authorities support the social economy. For example, social economy organisations that provide social and health services can encounter limitations in accessing support due to the overwhelming reliance on the *de minimis* aid ceiling, which allows public authorities to provide aid up to a certain threshold without notifying it to the Commission. While this can help small-scale services, social service providers need more substantial funding opportunities that align with public interest goals, but those are perceived as legally risky.

The Commission will:

- **Work on reviewing the General Block Exemption Regulation and clarifying relevant State aid rules** to make it simpler and easier for public authorities to finance the social economy beyond *de minimis* aid. ⁽³³⁾
- **Develop dedicated guidance to assist Member States when designing State aid measures for social support and social investment**, as announced in the communication on *Delivering on the Clean Industrial Deal I* ⁽³⁴⁾.

Finally, to boost the competitiveness and performance of social economy organisations in the single market, additional efforts are needed to ensure legal and fiscal frameworks are better adapted to the specific features of social economy business models.

The Commission will:

- **Continue to promote legal frameworks that support the social economy.** This includes promoting worker buy-out schemes through a successful implementation of the Commission recommendation on business transfers.
- **Assess the need to improve targeted legal frameworks** where appropriate, such as the European Cooperative Society statute.
- **Explore through a study whether impact-driven businesses face distinct barriers** such as recognition and access to funding, with the aim of informing possible future policy action to facilitate the measurement and communication of societal impact and other responsible business conduct.
- **Carry out an in-depth analysis of national tax measures for the social economy together with the OECD,** including tax policies that incentivise investments in social economy organisations.

3.2. Investment, skills and capacity for a robust social economy

A robust social economy needs both a well-functioning finance ecosystem and strong skills and organisational capacity. Designing clearer frameworks for social investment and strengthening skills, incubation and entrepreneurship support, as well as dedicated learning pathways for social entrepreneurship, are essential to help social economy organisations to attract talent, grow, innovate and respond to urgent social needs.

Key action area 3: Strengthening the social investment ecosystem

Due to the diversity of social economy models and the dynamic nature of social impact, social investments cannot be easily captured by fixed definitions or uniform criteria. However, the gradual emergence of shared reference points and reporting practices can reduce uncertainty for investors and intermediaries, improve comparability where necessary, and help to contain transaction costs.

To improve trust and comparability and to enable investments to be directed towards social objectives at scale, **the Commission will:**

- **Strengthen the framework for private social investment** by consolidating and systematising the most relevant standards, measurement definitions, concepts and methods. To this end, **it will, in cooperation with the OECD, explore a voluntary, market-led framework of investable objectives supported by outcome models and indicators.** This will help investors design, assess and compare investment strategies consistently and flexibly.
- **Use the upcoming review of the European venture capital funds** ⁽³⁵⁾ (EuVECA) **regime** as an opportunity to assess the effectiveness of the regulatory framework for venture and growth capital investors. Progress in this area will also benefit social impact investment, including users of the European social entrepreneurship fund ⁽³⁶⁾ (EuSEF) label.

The social economy needs financing that reflects its governance models, risk-return profiles and often small-scale needs. Gaps in the evidence base on who finances the social economy, financial product suitability and the impact on beneficiaries restrict the design and deployment of appropriate financial instruments and their scaling up. Traditional lenders remain cautious, specialist intermediaries lack visibility in the market, high transaction costs deter smaller investments and constraints on profit redistribution rules in social enterprises limit equity investments. As the EU prepares the next

multiannual financial framework, it is crucial to devise financing and technical assistance pathways that enable social economy organisations to access finance across territories and make full use of EU funds and instruments.

To better understand social economy finance and fine-tune financial instruments, **the Commission will:**

- **Prepare a report** under the InvestEU Advisory Hub **on financial intermediaries** serving social economy organisations and another one with its expert group on social economy and social enterprises (GECES) **on improving access to finance** for social economy organisations.
- **Pilot an assessment of impact and outcomes at beneficiary level of InvestEU financial instruments for microfinance and social enterprise.**
- **Explore the feasibility of replicating innovative solutions to mobilise private capital**, for example by launching a study on the potential use of dormant assets to create public guarantees and publishing a handbook for asset managers and policymakers on replicating the French 90-10 funds model.
- **Revise the European Code of Good Conduct for Microcredit Provision** so that microfinance continues to meet the needs of under-represented entrepreneurs and people in vulnerable situations. The updated Code will aim to strengthen the social dimension of microfinance, align the framework with new realities in the social economy and make certification more accessible, efficient and supportive of diverse institutional models.

In focus: The social economy and housing

Social economy organisations play a major role in providing and financing access to affordable, community-led and socially inclusive and accessible housing solutions. Models such as non-profit or limited-profit housing associations, cooperatives, foundations and community land trusts can build, promote, own or manage housing units, while reinvesting surpluses and enabling residents to participate directly in how they are governed. These organisations can help reduce ongoing housing shortages and price volatility, keeping prices affordable in the long-term. They can also develop inclusive neighbourhoods by combining housing with employment opportunities and social and community services in rural and urban areas. Including social economy organisations in housing strategies, helping them to overcome technical, regulatory and legislative barriers and facilitating their access to suitable finance, could enable them to contribute more to making the right to decent, affordable, sustainable and quality housing in every country, especially in areas under housing pressure and for vulnerable groups. The European affordable housing plan ⁽³⁷⁾ sets out a comprehensive framework for action at all levels and financial opportunities in this regard and highlights that the Commission will facilitate investments in non-profit and limited-profit housing providers.

Key action area 4: Scaling up skills, training and entrepreneurship

Social entrepreneurship is not systematically taught in formal education, and many social economy organisations, especially at the start-up and scale-up stages, still lack access to tailored skills development and organisational support. Support for inclusive entrepreneurship is inconsistent and often does not adequately reflect social economy models, particularly for aspiring entrepreneurs from under-represented groups who

encounter hidden barriers when trying to access incubation services, networks and finance.

In line with the vision outlined in the Union of Skills, **the Commission will:**

- **Promote social and inclusive business incubation models via a dedicated call for proposals, and support recognised competence frameworks for social entrepreneurship**, inter alia through mutual learning actions.
- Together with the OECD, **improve the knowledge base on social and inclusive entrepreneurship** through studies on integrating social entrepreneurship into national curricula and learning pathways, the role of social entrepreneurship in activating NEETs and formalising work, and a new edition of the Missing Entrepreneurs report.

In focus: The social economy and digital transformation

*Social economy organisations are developing and using trustworthy, inclusive digital solutions that serve the public interest and reduce the digital divide. Their governance structures make them ideal champions of responsible data stewardship, from digital platform cooperatives to social tech companies that promote accessibility, care and education. They treat data as a shared resource, ensuring that information is gathered, used and managed in a way that respects privacy, fundamental rights, transparency and the interests of the community. Furthermore, **social economy organisations help workers and beneficiaries to develop their digital capabilities and skills, promoting a digital ecosystem in which technology improves both social cohesion and competitiveness.** The Commission will strengthen the evidence base on digitalisation and artificial intelligence in the social economy to support the adoption of trustworthy, accessible and inclusive technologies, including distributed-ledger technologies, and better understand their implications for the organisations and their workforce.*

3.3. Evidence, visibility and knowledge for a recognised social economy

For the social economy to be fully recognised and valued across the EU, it needs a stronger evidence base and more accessible and comparable statistics across Member States. Furthermore, data-driven policymaking in support of the social economy requires clear accessible information, disaggregated data and regular communication, as well as a single point of entry to EU resources.

Key action area 5: Building the social economy evidence base

Currently, data on the social economy is fragmented, with differing methodologies limiting policymakers' ability to design effective measures, monitor progress and demonstrate impact. Expanding statistics and moving towards a more systematic approach to data collection will help to align concepts, improve the design and targeting of policies, and highlight for decision-makers, markets and the public the social economy's contribution to a competitive and inclusive economy.

To expand and promote data and statistical knowledge and build a social economy evidence base, the Commission will:

- **Work towards a more systematic approach to data collection**, including by supporting Member States in developing social economy satellite accounts, as well as funding national pilot projects to collect social economy data through the national statistical business registers and Structure of Earnings Surveys, making use of administrative sources wherever possible to avoid additional reporting burdens.
- **Expand the EU Social Economy Gateway to improve data sharing and increase transparency**, providing streamlined access to publications, datasets, methodologies and national portals.
- **Update the EU mapping of social enterprises** ⁽³⁸⁾.
- Publish a report from the GECES containing practical recommendations on collecting data about the social economy.

In focus: The social economy and democracy

*According to the Special Eurobarometer on the social economy in the life of Europeans, 18% of Europeans have volunteered for a social economy organisation in the past five years and 13% are members. **However, awareness of the social economy concept is moderate and varies strongly between Member States.** Social economy organisations contribute to a more democratic society as they focus on citizen engagement, community problem solving and participatory governance. They often act as ‘schools of democracy’, promoting transparency, accountability and trust in decision-making processes. The social economy can therefore contribute to and benefit from various EU initiatives on democracy and civic engagement, such as the **European democracy shield** ⁽³⁹⁾. A strong social economy can also contribute to a vibrant civic space by strengthening the capacity, visibility and cross-border cooperation of civil society organisations. In line with the **EU strategy for civil society** ⁽⁴⁰⁾, the Commission is taking steps to create more supportive environments for these organisations, many of which form part of the social economy, including measures to ensure fair taxation for charitable organisations and safeguard access to financial services.*

4. CONCLUSION: A RENEWED AGENDA FOR A STRONGER SOCIAL ECONOMY

Since its adoption in 2021, the action plan for the social economy has injected new momentum into the social economy across Europe. It has provided a coherent EU framework, mobilised a broad range of instruments and programmes, and raised the social economy’s profile in national and EU agendas. Implementing the action plan and the 2023 Council recommendation on developing social economy framework conditions has already resulted in tangible progress. More Member States are developing strategies, legal frameworks and financing streams. New support structures are emerging, and public authorities, financial actors and the public are becoming more aware of the social economy. These advances demonstrate the action plan’s relevance and confirm that targeted EU action can generate tangible benefits for social economy organisations and the communities they serve.

However, there are still significant gaps and challenges. The social economy is still not recognised or supported consistently across Member States and regions. Many

organisations still face legal uncertainty and difficulties accessing training, markets and finance. The social economy's potential has not yet been sufficiently integrated into mainstream policies. This creates an uneven playing field, which is exacerbated by its distinct business model. To ensure that the social economy can flourish across territories and sectors, the next phase of implementation of the action plan must prioritise closing these gaps.

The Commission will seek to integrate the social economy further into EU policies and programmes. To this end, it calls on the European Parliament, the Council, the European Economic and Social Committee, the European Committee of the Regions, the European Investment Bank Group and other EU agencies and bodies to collaborate to maximise the potential of this agenda.

Monitoring implementation is essential. To this end, **the Commission will maintain a coordinated and integrated approach in implementing and monitoring the action plan.** The EU Social Economy Gateway will provide regular updates on the implementation process. In addition, in line with the 2023 Council recommendation, Member States are recommended to report to the Commission on their progress in supporting the social economy in 2027 and 2032. The Expert Group on Social Economy and Social Enterprises will remain a key platform for dialogue, peer learning and co-creation.

By unlocking the full power of the social economy, we can shape a Europe that puts communities and the planet at its heart, paving the way for a fairer, more sustainable and competitive future.

-
- (¹) [‘Benchmarking the socio-economic knowledge of the proximity and social economy ecosystem’](#), 2024.
- (²) [COM\(2021\) 778](#).
- (³) [OJ C 428, 13.12.2017, p. 10](#).
- (⁴) [‘Social economy in the life of Europeans – Eurobarometer report’](#), 2025.
- (⁵) [‘Much more than a market: Speed, security, solidarity–Empowering the Single Market to deliver a sustainable future and prosperity for all EU citizens’](#), 2024.
- (⁶) [OJ C, C/2023/1344](#).
- (⁷) [SWD\(2023\) 211](#).
- (⁸) [SWD\(2023\) 212](#).
- (⁹) [‘Study on State aid for access to finance for social enterprises and for the recruitment of disadvantaged workers in the form of wage subsidies’](#), 2024.
- (¹⁰) [Commission Regulation \(EU\) No 651/2014](#).
- (¹¹) [Commission Regulation \(EU\) 2023/2831](#).
- (¹²) [Commission Regulation \(EU\) 2023/2832](#).
- (¹³) [Commission Decision \(EU\) 2025/2630](#).

-
- (14) [SWD\(2025\) 333](#).
- (15) See <https://circular-cities-and-regions.ec.europa.eu/>
- (16) These amounts are approximative, as a precise split of the amounts allocated and the investment mobilised based on approved InvestEU operations is not possible in all cases.
- (17) ADIE, the major French microfinance institutions with close to 100 000 active clients, including one third receiving minimum social benefits one fifth with no diploma, shows that 93% of clients are still professionally active 2 to 3 years after receiving a loan and 82% of the businesses created are still running (2025, [Etude Impact Adie ZRR](#)).
- (18) [Regulation \(EU\) 2021/1057](#).
- (19) [Regulation \(EU\) 2021/1058](#).
- (20) [Regulation \(EU\) 2021/241](#).
- (21) See <https://socialinnovationplus.eu/>
- (22) Available at <https://link.europa.eu/jpJ6xv>
- (23) ‘[Policy Guide on Social Impact Measurement for the Social and Solidarity Economy](#)’, 2023.
- (24) Impact Europe, ‘[The Size of Impact: Main takeaways from the European impact investing market sizing exercise](#)’, 28 November 2024.
- (25) European Microfinance Network and Microfinance Centre, ‘[Survey on Microfinance in Europe – 2025 edition](#)’, 2026.
- (26) Available at: <https://social-economy-gateway.ec.europa.eu/>
- (27) Data as of 31 January 2026.
- (28) ‘[Benchmarking the socio-economic knowledge of the proximity and social economy ecosystem](#)’, 2024.
- (29) ‘[Social economy in Europe – Contributing to competitiveness and prosperity](#)’, 2025.
- (30) [COM\(2021\) 345](#).
- (31) [COM\(2025\) 872](#).
- (32) [JOIN\(2025\) 26](#).
- (33) The Commission has started revising the General Block Exemption Regulation and will assess whether and how it should be updated, including the rules on aid for social enterprises, training and employment and recruitment of disadvantaged workers.
- (34) [COM\(2025\) 378](#).
- (35) [Regulation \(EU\) No 345/2013](#).
- (36) [Regulation \(EU\) No 346/2013](#).
- (37) [COM\(2025\) 1025](#).
- (38) The latest mapping can be consulted at <https://link.europa.eu/Wn7Nmq>

(³⁹) [JOIN\(2025\) 791](#).

(⁴⁰) [COM\(2025\) 790](#).