



# **Comparative Report on the Regulatory and legal framework of the Social Solidarity Economy (SSE) and ecosystem in the region**

## Project MedTOWN

**Legal report on Social and Solidarity Economy in 6 countries of the MedTOWN Project (Spain, Greece, Jordan, Palestine, Portugal and Tunisia).**

Comparative law study on the legal framework of the social and solidarity economy in 6 countries of the MedTOWN project.

## EXECUTIVE SUMMARY

### Comparative Study of the Regulatory and Legal Framework of the Social and Solidarity Economy in the Countries Participating in the Medtown Project.

- This report analyses the legal framework of the Social and Solidarity Economy (SSE) in 6 countries participating in the MedTOWN Project (Spain, Greece, Jordan, Palestine, Portugal and Tunisia), and the various issues related to it, such as procedures, formulas or instruments that facilitate the best implementation of SSE actions.
- The main issues to be addressed in the following report are:
  - a) Regulatory and legal framework of the SSE and its ecosystem in the countries. SSE definition, regulation and purpose.
  - b) Scope of application of the SSE regulations. Territorial and subjective. Main Actors Involved. Public and Private Sector.
  - c) Who is responsible for drafting and amending SSE regulations? Problems in the application of the SSE and its regulations.
  - d) SSE promotion measures. Recommendations and proposals for improvement and implementation of actions that facilitate SSE actions.

SSE Conclusion and policy recommendations.

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## 1. INTRODUCTION. CONTEXT OF THE PROJECT.

This report is part of the European MedTOWN Project, and its preparation has been tendered by the Department of Social Affairs and Sports of the Autonomous Community of the Balearic Islands (CAIB), through the Directorate General for Cooperation, as a service contract for the preparation of technical reports within the framework of the European MedTOWN Project.

MedTOWN is a social innovation initiative, which aims to strengthen the role of the Social and Solidarity Economy (SSE) in the co-production of public goods with local networks and communities, through research and experimentation.

The co-production of public policies seeks to empower people to achieve outcomes that increase the quality of life, both individually and collectively, by involving people in the design and delivery of services.

The MedTOWN project aims to show how participation and social innovation policies can influence and be relevant in public policies to fight poverty, inequality and social exclusion; and to explore the limits of the regulatory framework for the development of social innovation projects in the Mediterranean with the support of SSE entities.

For that purpose, MedTOWN promotes and adopts the use of social innovations as complementary currencies and promotes the role of social enterprises, cooperatives, user-driven services and other forms of SSE as types of organisations that can easily apply co-production principles because they are often democratic membership organisations.

In the MedTOWN Project, which is the subject of this report, we find different demonstration actions and pilot projects in each of the participating countries.

As of the date of preparation of this report, the Demonstration Actions to be carried out in each of the countries are the following:

Jordan: Co-production of services for and by people with disabilities through the Social Entrepreneurship Business Incubator.

Palestine: EU waste management system based on a circular economy model.

Tunisia: Co-production services for women empowerment.

Spain: Co-production of policies for the transformation and support of aid in the EU recovery strategy.

Greece: Co-production of public employment services, involving social services and SSE actors to support people excluded from the labour market.

Portugal: Co-production of active citizenship policies in Agroforest de Campolide directed at low-income neighbourhoods.

## 2. MAIN ISSUES.

In order to carry out this study, several questionnaires have been sent to those responsible for the actions in each country regarding the main issues. Therefore, the received information on the regulations and legal



context of the SSE in each country has been studied. These questionnaires and their responses are attached to this study for further reading and detailed examination.

As for the information requested and questions raised, we can highlight the following main notes from the responses obtained by local partners:

- a) Regulatory and legal framework of the SSE and its ecosystem in the countries. SSE definition, regulation and purpose.
- b) Scope of application of the SSE regulations. Territorial and subjective. Main Actors Involved. Public and Private Sector.
- c) Who is responsible for drafting and amending SSE regulations? Problems in the application of the SSE and its regulations.
- d) SSE promotion measures. Recommendations and proposals for improvement and implementation of actions to facilitate SSE actions.

a. Regulatory and legal framework of the SSE and its ecosystem in the countries. Definition of SSE, and its purpose.	
<b>Jordan</b>	<ul style="list-style-type: none"> <li>• There is no specific legislation that regulates the SSE in Jordan. There is other legislation related to the SSE (Voluntary Societies Law, Co-Operative Law, Municipalities Law, The Rights of Persons with Disabilities Act, etc).</li> <li>• There is no concrete definition of SSE.</li> <li>• The purpose of existing SSE-related regulations is to create a legal framework that supports social enterprises in order to assist and guarantee the protection of human rights for all people.</li> </ul>
<b>Palestine</b>	<ul style="list-style-type: none"> <li>• There is no specific legislation that regulates the SSE in Palestine. There is other legislation related to the SSE (Charitable associations' law, Cooperative Associations Law, Palestinian Companies Law, Non-profit Companies Law, etc).</li> <li>• There is no concrete definition of SSE.</li> <li>• The purpose of the existing regulations related to the SSE is to create a legal framework for the registration, supervision and monitoring of these organisations, as well as the control and approval of their funding.</li> </ul>
<b>Tunisia</b>	<ul style="list-style-type: none"> <li>• There is a specific ESS legislation: Law 2020/30 on the social and solidarity economy (2020). There are other related regulations that are necessary to achieve the objectives of the SSE.</li> <li>• The SSE is defined as an economic model composed by a set of activities with a social purpose and related to production, distribution, exchange and consumption of goods and services provided by SSE enterprises to satisfy collective needs and general economic-social interest, whose main purpose is not profit sharing.</li> <li>• It aims to achieve a balance between economic profitability with the values of volunteering and social solidarity, to achieve social justice and equitable wealth distribution, to regularise the informal economy and to improve the quality of life.</li> </ul>
<b>Spain</b>	<ul style="list-style-type: none"> <li>• There is a specific legislation that regulates the SSE: Law 5/11 on Social Economy of March 29, as well as other related legislations (e.g. Cooperative Laws).</li> </ul>

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	<ul style="list-style-type: none"> <li>• The SSE is defined as the set of economic and entrepreneurial activities that in the private sector are carried out by those entities that, in accordance with the following principles, pursue the general economic or social interest, or both.</li> <li>• The purpose of the law is to establish a common legal framework for all the entities that make up the social economy, with full respect for the specific regulations applicable to each one of them, as well as to determine the measures to promote them in consideration of their specific purposes and principles.</li> </ul>
<b>Greece</b>	<ul style="list-style-type: none"> <li>• There is a SSE Law: Law 4430/2016 on Social and Solidarity Economy and development of its entities and other provisions.</li> <li>• It defines the SSE as all economic activities that rely on an alternative form of organisation of production, distribution, consumption and investment relations, based on the principles of democracy, equality, solidarity, cooperation and respect for man and the environment.</li> <li>• The purpose of the Law is the creation of the Social and Solidarity legislative framework of the economy, as an alternative form of organisation of economic activities, the dissemination of the SSE in all possible areas of economic activity, as well as supporting and strengthening the productivity and entrepreneurship of collective self-management projects.</li> </ul>
<b>Portugal</b>	<ul style="list-style-type: none"> <li>• There is a SSE Law: Law 30/2013 of 8 May on Fundamental of the Social Economy. In addition, there are other regulations that regulate specific figures related to the SSE, such as Cooperatives, Associations, Foundations...</li> <li>• It defines the SSE as the set of economic and social activities that are freely carried out by entities whose purpose is to pursue the general interest of society, either directly or by pursuing the relevant interests of its members, users and beneficiaries.</li> <li>• The purpose of the Law is to establish the general bases of the legal framework of the SSE, as well as the measures to promote actions that allow the principles and purposes of the SSE to be fulfilled.</li> </ul>



b. Scope of application of the SSE regulation. Territorial and subjective. Main Actors Involved. Public and Private Sector.	
<b>Jordan</b>	<ul style="list-style-type: none"> <li>• The scope of territorial application of the SSE regulation is national and it's applied throughout the country. It applies to both the Public (Pub) and Private (Priv) Sector.</li> <li>• Pub: State Ministries. Especially the Ministry of Digital Economy and Entrepreneurship.</li> <li>• Priv: Voluntary societies, Cooperatives, Civil Society Organisations, Business Incubators, Small and Medium enterprises, Zakat Committees...</li> </ul>
<b>Palestine</b>	<ul style="list-style-type: none"> <li>• The scope of territorial application of the SSE regulations is national and it's applied throughout the territory, despite the fact that there is no reference to the SSE in state regulations. It applies to both the Public (Pub) and Private sector (Priv).</li> <li>• Pub: State Ministries. Ministry of Social Affairs, Economy, Chamber of Commerce, Cooperative Commission...</li> <li>• Priv: NGOs, Cooperatives, Non-Profit Companies, Zakat Committees, OOI (UNRWA), Donor Organisations...</li> </ul>
<b>Tunisia</b>	<ul style="list-style-type: none"> <li>• The scope of territorial application of the SSE regulation is national and it's applied throughout the country at the state, regional and local level. It applies to both the Public (Pub) and Private (Priv) Sector.</li> <li>• Pub: All public administrations for the support and supervision of the SSE such as Ministries or the Regional Commission for Agricultural Development (CRDA).</li> <li>• Private: Any legal person in the private sector related to the SSE regulations such as NGOs, Voluntary Societies, Cooperatives... It is required to be listed with the SSE company certificate.</li> </ul>
<b>Spain</b>	<ul style="list-style-type: none"> <li>• The scope of territorial application of the SSE regulations is national with subsequent regional development by the autonomous communities through laws and regulations. It applies to both the Public (Pub) and Private (Priv) Sector.</li> <li>• Pub: All public administrations. In particular, the Council for the Promotion of the Social Economy.</li> <li>• Private: The Spanish Confederation of Social Economy Entities (CEPES) stands out as a state group. It also includes cooperatives, mutual societies, foundations and associations that carry out economic activity, labour companies, insertion companies, special employment centres, fishermen's guilds, agricultural processing companies, etc. For this purpose, there are Catalogs of social economy entities.</li> </ul>
<b>Greece</b>	<ul style="list-style-type: none"> <li>• The scope of territorial application of the SSE regulation is national and it's applied throughout the country at state, regional and local level. It applies to both the Public (Pub) and Private (Priv) Sector.</li> <li>• Pub: Public Administrations, Social and Solidarity Economy Agency, Social Economy Fund, National Committee of Social and Solidarity Economy, Directive Committee (coordinator) of Social and Solidarity Economy, Universities...</li> </ul>

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	<ul style="list-style-type: none"> <li>Private: NGOs and social organisations, Social Cooperatives, Limited Liability Social Cooperatives (KOISPE), Employee Cooperatives, Other companies, not sole proprietorships, which have acquired legal personality, are related to agricultural and civil cooperative activities and meet certain conditions regarding members' participation, profit sharing, labour remuneration, social benefit objectives and networking. For this purpose, there are Certificates of social economy entities.</li> </ul>
<b>Portugal</b>	<ul style="list-style-type: none"> <li>The scope of territorial application of the SSE regulation is national and it's applied throughout the country. The focus of its application is mainly for the Private Sector (Priv) and will be applicable to all entities integrated into the social economy, regardless of the application of other corresponding sectoral regulations.</li> <li>Private: Cooperatives, mutual societies, civil associations, foundations, Santas Casas da Misericórdia, social centres... All these entities are supported by the state and local administrations.</li> </ul>

From what has been seen so far, in the different SSE regulations that has been studied, or related to the SSE, we can find a number of common points, despite the fact that not all countries have specific SSE regulations.

Firstly, it should be noted that the normative regulation of the SSE by the different States is a relatively recent phenomenon within the countries that are the focus of this study. In this sense, such regulations have been developed in the 2010-2020 decade, although **not all the countries that were studied in this report have specific legislations that regulate the SSE.**

Thus, while there are specific legislations in this regard in Portugal, Greece, Spain and Tunisia, the last of which was very recently drawn up in 2020. However, neither in Jordan nor in Palestine there are specific regulations that regulate and are specifically dedicated to the Social Solidarity Economy or the Social Economy as determined by the regulations of Spain and Portugal.

However, in all countries, both those that have specific SSE regulations and those that do not, there are **numerous regulations that are related to and have impact on the SSE sector** and that regulate matters such as Income Tax, Public Procurement, Cooperatives, Labour, Associations and Voluntary Organisations, etc...

This makes us understand that **the SSE is a transversal subject** with many ramifications that is connected to many other areas of society, such as economics, labour, solidarity and cooperation, taxation, etc... This shows us the importance of the subject that can also be observed by the **proliferation of initiatives related to the SSE in recent years.**

After studying different legislations, we can see that **there is no single agreed definition of the Social Economy or Social and Solidarity Economy, which** can lead to misunderstandings or differences between some countries and others.

However, it is also true that most of the regulatory norms regarding the purpose of the SSE tend to agree that it consists of carrying out economic activities that are governed by a series of general principles and that are not profit oriented, but that have the general collective and social interest, as well as aimed to contribute to democracy, equality, solidarity, cooperation and respect for man and the environment.



On the other hand, we can also conclude that the **specific legislations that regulate the SSE** are usually established as **very general regulations that require the subsequent development or application of their principles through other sectoral and specific regulations.**

To conclude with the first questions indicated in the tables above, and in relation to the general nature of SSE-related regulations, as just indicated, such regulations are generally applicable on a national level, with the possibility of being developed by the different regions.

The studied legislations refer to the public sector in its relationship with the SSE, mainly at the level of control and supervision, but they are mainly focused on the regulation of private actors that carry out activities that may be related to the SSE.

There is usually a coincidence in all the regulations of the different countries with regard to the actors of the public sector, mainly the state, and those of the private sector, such as cooperatives, NGOs, mutual societies and non-profit associations that have a leading role.

c. Who is responsible for drafting and amending SSE regulations? Problems in the application of the SSE and its regulations.	
<b>Jordan</b>	<ul style="list-style-type: none"> <li>• The legislative competence for the elaboration or modification of regulations related to the SSE corresponds to the <b>Central Government</b>, through the Parliament, with the cooperation of different Ministries related to the matter, especially the Ministry of Social Affairs, the final approval of the Prime Minister and the ratification of the Royal institution.</li> <li>• The control and supervision of regulations in general and also of those related to the SSE is the responsibility of the central government through the Council of Ministers.</li> <li>• Changes to SSE-related regulations are possible but it is a long and costly process that must be done at the initiative of the Prime Minister or the Parliament.</li> <li>• The main problems for the application of the SSE regulations are: 1. Lack of funds and financing, 2. Lack of coordination between actors and 3. Lack of Personnel Capacity of the Ministry of Social Affairs.</li> </ul>
<b>Palestine</b>	<ul style="list-style-type: none"> <li>• The legislative competence for the elaboration or modification of regulations related to the SSE, in theory corresponds to the Palestinian Legislative Council, but given its inactivity, the initiative is taken by each of the different Ministries related to the subject and subsequently approved by the President.</li> <li>• The control and supervision of the implementation of regulations related to the SSE is carried out by the different ministries in relation to their areas, especially the Cooperative Work Commission when it refers to actions related to cooperatives and the SSE.</li> <li>• The main problems for the application of the SSE regulations are: 1. Lack of specific SSE regulations that make its application difficult 2. Lack of Funds 3. Difficulties derived from the occupation.</li> </ul>

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<b>Tunisia</b>	<ul style="list-style-type: none"> <li>• Legislative competence for the elaboration or amendment of SSE-related regulations corresponds mainly to the central government through the relevant ministries, but also to independent administrative institutions at local level.</li> <li>• These institutions will be the ones that supervise and amend the regulations.</li> <li>• The main problems for the application of SSE regulations are the need to harmonise the different legal texts, since many of them, which contain specific regulations, are not aligned with SSE regulations. There is a need to distinguish whether the companies have the SSE company seal, because depending on this, there will be specific obligations, such as profit sharing, which would not be applicable if they did not have such qualification. All of this generates a certain insecurity and legal confusion until a more appropriate legal harmonisation is produced.</li> </ul>
<b>Spain</b>	<ul style="list-style-type: none"> <li>• The legislative competence for the elaboration or modification of regulations related to the SSE corresponds mainly to the central government, through the General Courts, and subsequently the communities may also develop state regulations.</li> <li>• Any changes to the regulations will be made by the government and relevant ministries, through specific groups linked to the SSE.</li> <li>• The main problems for the application of SSE regulations arise from the fact that, given the existence of basic state regulations and the subsequent development of the Autonomous Regions, sometimes we find conceptual differences from one region to another with regard to the type of actors, for example, the cooperatives, the concept of profit, etc...</li> </ul>
<b>Greece</b>	<ul style="list-style-type: none"> <li>• The legislative competence for the elaboration or modification of SSE-related regulations corresponds mainly to the Parliament and therefore takes place at central level.</li> <li>• The central government itself is responsible for the control and implementation of SSE regulations through the various ministries and in cooperation with regional and local authorities. The Directorate of Social and Solidarity Economy plays a key role in this task.</li> <li>• The main problems for the application of the SSE regulations are the inadequacy of state control mechanisms to properly supervise compliance with all the legislative provisions, inadequate coordination and communication of the SSE bodies with the Ministry of Labour and Social Affairs to solve problems arising from the implementation of the latest law, insufficient intergovernmental cooperation, audit and supervision functions in the state raises concerns about the preparation of the necessary services in the field of SSE... It also highlights the lack of understanding within the society about the SSE.</li> </ul>
<b>Portugal</b>	<ul style="list-style-type: none"> <li>• The legislative competence for the elaboration or modification of SSE-related regulations corresponds mainly to the Parliament and therefore takes place at central level.</li> <li>• The implementation of the SSE regulations is the responsibility of the Ministry of Employment and Social Security. It's also important to highlight the work of the</li> </ul>

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	<p>Social Economy Council and a public-private cooperative called CASES (António Sérgio Social Economy Cooperative), whose mission is to accompany, frame, supervise and promote Social Economy organisations of the country.</p> <ul style="list-style-type: none"> <li>• One of the main problems for the implementation of the SSE regulations is the recognition of the Solidarity Economy as specific and distinct from the Social Economy, and therefore the transition to a legal and institutional approach of the Social and Solidarity Economy, and not only of the Social Economy.</li> </ul>
<p><b>d. SSE promotion measures. Recommendations and proposals for improvement and implementation of actions to facilitate SSE actions.</b></p>	
<p><b>Jordan</b></p>	<ul style="list-style-type: none"> <li>• Promotion Measures: SSE enterprises have access to aid to finance the social economy (governmental or international assistance funding).</li> <li>• Recommendations:             <ol style="list-style-type: none"> <li>1- Need to better coordination of SSE policies, and a more holistic approach that recognises the concept and role of the SSE in national development plans and programmes.</li> <li>2- Monitoring and generation of SSE statistics and development of new tools to assess the contribution and impact of SSE actions.</li> <li>3- Establish relationships between SSE actors to share ideas and plans, with the aim of establishing an enabling environment for advocacy, networking and knowledge sharing.</li> <li>4- Recognition of the potential of the SSE by the State and the implementation of social, fiscal, credit, investment, acquisition, industrial, procurement and other policies at different levels of government to facilitate SSE actions.</li> </ol> </li> </ul>
<p><b>Palestine</b></p>	<ul style="list-style-type: none"> <li>• Promotion Measures: Social Enterprises have access to social funding for projects, donations and unconditional funding.</li> <li>• Recommendations:             <ol style="list-style-type: none"> <li>1- Given the lack of specific SSE regulations, there is a need to adopt legislation that regulates the SSE.</li> <li>2- Creation of a coordination and cooperation mechanism to strengthen the role of the SSEs in Palestine, so they could effectively participate in socio-economic actions.</li> <li>3- Monitoring and generation of SSE statistics and development of new tools to assess the contribution and impact of SSE actions.</li> </ol> </li> </ul>
<p><b>Tunisia</b></p>	<ul style="list-style-type: none"> <li>• Promotion Measures: The law provides adequate financing mechanisms and preferential lines of credit with financial institutions and cooperative banks, as well as the reservation of public contracts in favour of SSE enterprises.</li> <li>• Recommendations:             <ol style="list-style-type: none"> <li>1- Formulate sectoral texts and SSE regulations into a system, thus into a structured, organised, homogeneous and clear set of objectives.</li> <li>2- Adopt the necessary development regulations to implement the SSE Law.</li> </ol> </li> </ul>

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	3- Regulate the procedures and conditions for the award of the SSE company label as well as SSE Registry, SSE database, preferential financing conditions and reservation of public contracts...
<b>Spain</b>	<ul style="list-style-type: none"> <li>• Promotion Measures: Incentives for the incorporation of workers to social economy entities, through Social Security bonuses, single payment and capitalisation of unemployment benefits for the beneficiaries in favour of the initiation of SSE actions, reservation of public contracts for insertion companies and special employment centres...</li> <li>• Recommendations:                         <ol style="list-style-type: none"> <li>1- Reflect the value of the Social and Solidarity Economy as a type of enterprise with greater relevance in the configuration of public policies and support for the social base.</li> <li>2- Greater legitimacy and relevance of the Social Economy in the general socioeconomic environment.</li> </ol> </li> </ul>
<b>Greece</b>	<ul style="list-style-type: none"> <li>• Promotion Measures: The law mainly provides measures focused on facilitating financing mechanisms for SSE actions such as Strategic Plans, Social Economy Funds, cooperative banks, as well as other policies of tax benefits, social security and subsidies.</li> <li>• Recommendations:                         <ol style="list-style-type: none"> <li>1- Modernisation of the SSE to deal with new social problems, such as the aging of the population, massive immigration, etc.</li> <li>2- Cooperation of SSE SMEs to participate in large projects.</li> <li>3- Improve coordination and interoperability between agencies and ministries.</li> <li>4- Establishment of mechanisms for monitoring and measuring the impact of SSE actions.</li> </ol> </li> </ul>
<b>Portugal</b>	<ul style="list-style-type: none"> <li>• Promotion Measures: The law provides a more favourable tax regime for SSE entities, the CASES Microcredit System, exemptions from social security rebates and state aid for SSE entities operating in social areas.</li> <li>• Recommendations:                         <ol style="list-style-type: none"> <li>1- Adaptation of existing SE legislation to the new reality.</li> <li>2- Strengthen support measures for initiatives and financing of SSE entities and adopt exceptional measures to reduce taxes and social security contributions.</li> </ol> </li> </ul>

In relation to the above-mentioned issues regarding the legislation of the different countries, it is worth highlighting the similarity between Spanish and Portuguese legislation, given the similarity of the legal system, as well as the fact that both regulations were approved at a very close time.

In the same regard, we also find a strong resemblance between Jordan and Palestine in their approach to SSE regulation, despite the fact that none of them has specific regulations in this regard.

The Greek regulation is the most recent European regulation and it evolves with respect to the previously existing regulation by giving enormous importance to cooperatives, although it seems that it has not solved many of the problems for the practical implementation of the SSE.



Finally, the Tunisian regulation is the most recent of all, but it is clear that it requires the legislative development of many sectoral regulations in order to achieve the objectives of the SSE.

In the same sense, we can conclude that **all these regulations do not fully cover the SSE**, which, given the scope of the SSE, is considered practically impossible and **requires specific sectoral regulations for development.**

We found out that the competent legislative bodies are usually those at the state or central government level and it usually goes through long, costly and far from the agility processes that would require the regulatory adaptation of the SSE to reality.

There is also a lack of **greater involvement of the local administration in drawing up SSE regulations** or, at least, of participation in a relevant way in the legislative process, given its relevance and proximity to the citizens, who are directly involved in SSE actions.

**The City Council is the administration that is the closest and most familiar with the real problems of citizens', which** makes it even more important to participate in SSE actions.

That is why most of the SSE projects and demonstrative actions are carried out at the municipal level and with the collaboration of local councils.

It is easier to develop SSE projects in small local communities since there's the perception that such actions rather have achievable objectives than the implementation of large national or supranational projects.

The success of SSE projects will be easier if such projects are carried out from the grassroots of society, with citizen participation, and upwards, "*bottom-up*" effect, and not from a central administration that is more distant from citizens, directly unaware of their local problems, which is what really affects their daily life.

Regarding the **problems for the successful implementation of the SSE regulation**, the following problems coincide in most of the studied regulations:

Lack of funds and financing.

Lack of coordination between actors.

Lack of capacity of specialised staff in public administrations.

Need to harmonise the various existing sectoral legal texts with the SSE regulations since they are sometimes contradictory.

Need to clarify and teach what the SSE is since there's a lack of general understanding within society about it.

**Measures to encourage the implementation of SSE actions** are usually all related to the application of tax and employment benefits, obtaining financial aid to undertake SSE actions and facilitating access to financing. The possibility of reserving public contracts for SSE agents is also worth noting.

Finally, there are the following **recommendations made by the different local partners to improve SSE actions** and solve the problems of their implementation:

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Improve coordination, cooperation, networking and exchange of ideas among SSE actors, both public and private.

Establishment of mechanisms to control, monitor and measure the impact of SSE actions.

Formulate sectoral texts and SSE regulations to avoid legal collisions, thus into a structured, organised, homogeneous and clear set of objectives.

Adoption of development regulations necessary to implement the SSE Law.

### **3. CONCLUSIONS AND RECOMMENDATIONS ON SSE REGULATIONS**

Although the first actions and interest in the SSE emerged mainly from the 1970s onwards, **the normative regulation of the SSE by States is a relatively recent phenomenon within the countries that are the focus of this study**, since it was developed in the decade of 2010-2020.

However, not all the countries in this study have specific legislation that regulate the SSE, as is the case of Palestine and Jordan.

**SSE regulations exist mainly in more developed countries, while in less developed or developing countries there are often no regulations, probably because they are focused on other problems.**

However, in all countries, both those that have specific SSE regulations and those that do not, there are numerous regulations that, in some way, are linked and related to the SSE and have an impact on it by regulating matters such as Income Tax, Public Procurement, Cooperatives, Labour, Associations and Voluntary Organisations, etc...

Therefore, we observe that **the SSE is a transversal subject** with many ramifications that is connected to many other areas of society, such as economics, labour, solidarity and cooperation, tax system, etc...

This shows us the importance of the subject, as, moreover, it has been observed by the proliferation of SSE-related initiatives in recent years.

#### **PROPOSALS ON THE ESS REGULATION AND CHALLENGES.**

Taking into account the abovementioned information, the **following recommendations regarding the legal regulatory framework of the SSE** are proposed as general proposals:

- 1) Drafting and approval of legislations that regulate the Social and Solidarity Economy in those countries that do not have them.
- 2) Greater specification of the existing SSE standards to facilitate their enforcement and practical implementation.



- 3) Flexibility of SSE regulatory changes, as well as bureaucratic dependence on higher administrations.
- 4) Promotion of greater autonomy and participation of local entities through their inclusion in the general SSE regulations.
- 5) Inclusion of public funding mechanisms, bonuses and tax incentives in the SSE regulations for the implementation of SSE actions.
- 6) Specific contracting regulations on SSE and for local entities.

Based on the information provided by the various local partners on the existing situation in each of their countries with regard to the SSE and their SSE regulations, these are the following **challenges** to be faced to:

1. Recognition of the SSE as a special interlocutor in the context of social dialogue. The SSE has become an important civil society institution that contributes significantly to the organisation of its cooperative structure and to the development of participatory democracy.
2. The main challenge is to make the Solidarity Economy recognised in its own characteristics and specificities and in the innovations it brings, in comparison with the Social Economy. Consequently, this recognition must be translated into legislation that includes the Solidarity Economy.
3. To reflect the value of the Social and Solidarity Economy as a type of enterprise with greater relevance in the configuration of public policies and support for the social base.
4. Greater legitimacy and relevance of the Social Economy in the general socioeconomic environment.
5. To promote coordination between the different SSE actors as well as the recording and measurement of the impact and results of their actions.
6. The adoption of SSE legislation, both specific and sectoral in development of the same, to support the progress of the social economy that covers a wide range of objectives and activities, addressing the legal barriers faced by the SSE sector.

