



European Economic and Social Committee

INT/785

Social economy enterprises/migrants

OPINION

European Economic and Social Committee

Social economy enterprises as a driver for migrant integration
(own-initiative opinion)

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1. Conclusions and recommendations

- 1.1 Recent events in the field of migration have put the system for entering the European Union under pressure and acted as a real stress test for migration, social and public security policies in the EU and its Member States.
- 1.2 The EESC considers it vital that the European institutions, together with the governments of the Member States, promote coordinated policies making for clearer, more sustainable and efficient arrangements for people from third countries to enter and settle in Europe, work, become citizens and obtain international protection. The Committee calls for particular focus on migrants who may be in danger of social exclusion such as the sick, people in mental distress or with disabilities, and the elderly.
- 1.3 The EESC has noted that social economy enterprises have managed to identify common principles of action¹ (that is inclusive, subsidiary and protects the most disadvantaged people), rising to the challenge of assisting migrants in a proactive manner and mobilising communities and the public in the areas concerned.
- 1.4 Social economy enterprises deserve greater recognition of their natural inclination to be inclusive, and the EESC therefore calls on the European Commission to give priority to this form of enterprise when shaping EU policies and programming EU funding, particularly with regard to the design of the European Pillar of Social Rights, as stressed at both the Conference on Social Economy on 16 November 2017 and the European Summit on 17 November 2017, held in Gothenburg.
- 1.5 Social economy enterprises create good quality jobs in labour intensive sectors and, particularly, in sectors with a high proportion of non-European workers. In these social economy enterprises, the participatory dimension is important due to the security and protection provided when an economic activity is set up, as they help people to leave the informal economy and undeclared work.
- 1.6 As a result, social economy enterprises have a fundamental role and are active in four key aspects of the migrant integration process: health and assistance; housing; training and education (in particular by raising awareness about the rights and duties deriving from settling in the European Union); and work and the active inclusion of migrants in the societies hosting them.
- 1.7 The EESC believes that in view of their specific tendency to gravitate towards the care sector and activities connected with the sharing economy and the circular economy, social economy enterprises can encourage and support not just the creation of new jobs, but also entrepreneurship and access to economic activities for migrants and refugees. The European Union must continue to promote social economy enterprises, since they are one of the drivers of migrants' development and inclusion, both professionally and socially. The Committee therefore

¹ On the role of social economy enterprises, see also [OJ C 117, 26.4.2000, p. 52](#).

asks the European institutions to prioritise policies geared towards social economy enterprises, a request it also made in its contribution to the Commission's 2018 work programme².

- 1.8 In the light of the evidence supporting the value of social economy enterprises in facilitating the inclusion of migrants in the labour market and society, the Committee calls on the EU, the Member States and the international community to establish employment incentives for social economy enterprises that deal with professional integration.
- 1.9 In view of the progress report on action in the area of migration, presented in November 2017, the Committee emphasises that a coordinated approach by the EU and the Member States is needed³. Specifically, without an efficient entry mechanism, migrants will obviously continue to make inappropriate use of the international protection system, as has been observed in the last few years. The Committee vigorously stresses that instances of improper use of the international protection system do not warrant the restrictions introduced by some Member States on the possibility for third-country nationals to request asylum in their country.
- 1.10 The EESC encourages the Commission and the Council to step up coordination with migrants' countries of origin and transit countries in order to open up opportunities for better living conditions. This applies particularly to people who are on the move for economic reasons or as a result of famine or climate change, whilst the EU should pursue a more stringent foreign policy towards countries where wars, dictatorships and persecution cause people to flee.
- 1.11 The Committee would in particular urge the EU to tackle the issue of migration by addressing the root causes forcing people to move: poverty, conflict, discrimination and climate change. This will inevitably require renewed commitment on the part of the European Union in the area of diplomacy and international development cooperation, including a full-scale "extraordinary plan for investment in development cooperation".

2. **General comments**

- 2.1 Social economy enterprises are key players in Europe's economy and society, reflect the rich diversity of the EU and contribute to achieving the objectives of the Europe 2020 strategy: building a smarter, more sustainable and more inclusive Europe⁴.
- 2.2 Social economy enterprises have contributed significantly to tackling the changes in society. Social economy enterprises operate in many areas of society and have set up innovative initiatives to respond to the growing need for assistance and care for people who cannot look after themselves, particularly the elderly and those with a disability. In many cases, in doing this they have managed to step up women's participation in the labour market, both by involving them directly in social economy enterprises and by setting up new services for children and

² [EESC contribution to the Commission's 2018 work programme, in particular point 2.4.6 et seq.](#)

³ *Progress report on the European Agenda on Migration.*

⁴ [OJ C 318, 16.12.2014, p. 22.](#)

families⁵. At the same time, social economy enterprises have helped to create job openings for disadvantaged people, focusing particularly on people who may be in danger of serious social exclusion such as people with disabilities or those suffering from mental distress or alcohol or drug addictions. Social economy enterprises have won their spurs as a key actor in promoting a European social model⁶.

- 2.3 One of the greatest challenges that the EU has faced in recent years is managing the increasing flow of migrants that has seen millions of people cross Europe's boundaries to escape from war, hunger, persecution and extreme living conditions caused by climate change. The situation has put Member States' entry systems and migration, social and public security policies to the test. In a sense, the EU's migration policies are being subjected to a stress test: it is important to take this opportunity to carefully study the reactions being triggered by the system and the signals that have been sent out, in order to mount targeted interventions and make EU policies more efficient and effective.
- 2.4 Integrating newcomers is a dynamic process that changes over time in tune with the economic, social and cultural landscape of the country in which these people settle. It raises questions as to how the European Union, Member States and European society, first and foremost, allow non-EU citizens to enter, settle, live and work in the EU, along with how they can obtain international protection.
- 2.5 Although they operate in different ways in different national contexts, social economy enterprises have managed to identify common principles of action (that is inclusive, subsidiary and protects the most disadvantaged people), rising to the challenge of assisting migrants in a proactive way.
- 2.6 One distinguishing feature of the work carried out by social economy enterprises is their capacity to mobilise and involve their local communities, setting up networks and partnerships that improve relations with central and local administrations and make it possible to organise assistance and inclusion programmes that are more easily accepted by the local population.
- 2.7 As a result, social economy enterprises have a fundamental role and are active in four key aspects of the migrant integration process: health and assistance; housing; training and education (in particular by raising awareness about the rights and duties deriving from settlement in the European Union); and work and the active inclusion of migrants in the societies hosting them. By doing this, social economy enterprises and civil society organisations provide places where Europeans and newcomers can meet, places where they can enter into a dialogue, thus helping to dispel prejudice and fear.

⁵ In many instances, these activities would have been carried out in the home almost entirely by female members of the family, preventing these women from participating in the labour market.

⁶ [OJ C 24, 28.1.2012, p. 1.](#)

3. **Migration in Europe: the framework in recent years**

- 3.1 Providing a framework for migration is a complex matter as the situation is constantly evolving. Wars, dictatorships, climate change, extreme poverty and deprivation have brought us to the situation that we are experiencing today.
- 3.2 According to the United Nations, in 2015 over 244 million people – that is, 3.3% of the world's population – crossed the borders of their country of origin in search of political refuge, work and more "propitious" economic and climate conditions⁷.
- 3.3 The number of people who have attempted to reach Europe has risen in recent years. In absolute terms, Eurostat data for 2015 show that there were 2.7 million third-country immigrants in the EU-28, of whom 56% were men and 44% women.
- 3.4 This extraordinary influx is primarily due to instability caused by war, both in wartorn countries such as Syria and in countries where the post-conflict stabilisation process is still facing serious problems, such as Iraq and Afghanistan. About 54% of the migrants who sought refuge in EU countries in 2016 came from these countries⁸.
- 3.5 In addition, there is still significant migration of people facing severe economic or environmental hardship in their country of origin. In many cases these are people from the African continent, a flow which has been affected by the increasing instability of the countries on the southern shore of the Mediterranean.
- 3.6 In this context, a number of shortcomings and obstacles in the framework of rules laid down by the European Union have been revealed, illustrating the poor management of the EU's external borders and inadequate entry regulation, and highlighting the need for a review of the principles and methods guiding the Member States' procedures.
- 3.7 The Committee has addressed the issue of migration policies on numerous occasions⁹ and welcomes the Commission's initiative adopting the European Agenda on Migration. In its November 2017 report, the Commission took steps to promote better coordination between the EU Member States and renew contacts with migrants' countries of origin and transit countries¹⁰. The Committee hopes that provision will be made for revising the quota system, in view of the difficulties in implementing it.
- 3.8 It is therefore important to revise the set of rules enabling migrants to enter the EU through legal channels that protect asylum seekers and at the same time give people fleeing adverse climate and economic conditions the opportunity to take refuge in Europe and contribute to the EU's

⁷ <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N17/002/18/PDF/N1700218.pdf?OpenElement>.

⁸ Eurostat data – in the Report on international protection by ANCI, Caritas Italy, Cittalia, Fondazione Migrantes and the Central Service of SPRAR (System for the Protection of Asylum Seekers and Refugees), in collaboration with the UNHCR. See also <http://ec.europa.eu/eurostat/web/asylum-and-managed-migration/data/main-tables>.

⁹ <https://www.eesc.europa.eu/en/policies/policy-areas/migration-and-asylum/opinions>.

¹⁰ See footnote 2.

growth, securing their rights. Doing this would implement the United Nations recommendations on migration, since "it is in everyone's interest for migration to happen safely and legally, in a regulated rather than a clandestine way"¹¹.

- 3.9 The Committee welcomes the conclusions of the informal summit of heads of state and government held in Gothenburg on 17 November, which addressed the topic of building a future for Europe based on fair employment and growth. The Committee also stresses the importance of the side event *What role for the Social Economy in the Future of Work?*, which opened the meeting in Gothenburg, highlighting the contribution of the social economy in supporting EU policies.
- 3.10 The agreement between the Council and the European Parliament on the 2018 EU Budget is also encouraging, since it lists among the priorities for action "boosting economic growth and job creation, strengthening security and addressing the challenges posed by migration"¹².
- 3.11 The Committee urges the European institutions to address the problems that have arisen when implementing the Dublin Regulation. On 16 November 2017, the European Parliament adopted a resolution outlining a working approach to revising the regulation, with a significant reference to the participation of all Member States in an automatic permanent relocation mechanism.

4. **Turning problems into opportunities: social economy enterprises as drivers for assistance and inclusion**

- 4.1 One of the factors preventing newcomers from embarking on the inclusion process and thus contributing to the economy and social life in their host communities is the uncertainty of their status and the lengthy process for dealing with asylum applications.
- 4.2 Compelling newcomers to rely on humanitarian assistance for years, without access to education, vocational training or opportunities to earn money, prevents them from developing as useful members of the labour market and restricts their ability to make a positive contribution to the economy and society of the host country¹³. The Committee has recently emphasised the decisive role of social economy enterprises in this direction, preventing radicalisation and promoting shared values, peace and non-violence¹⁴.
- 4.3 The Committee hopes that the debate will also address the need to assess the effectiveness of existing mechanisms allowing third-country nationals to apply to enter and settle in the European Union in order to seek work.
- 4.4 Similarly, it is crucial that the EU tackle the issue of migration by addressing the root causes forcing people to move: poverty, conflict, discrimination and climate change. This will

¹¹ [Report of the Special Representative on Migration of the Secretary General of UN](#), 3 February 2017.

¹² <http://www.consilium.europa.eu/it/press/press-releases/2017/11/18/2018-eu-budget-agreement-reached/>.

¹³ UNHCR 2003, *Framework for durable solutions for refugees and persons of concern*, May, Geneva.

¹⁴ [OJ C 129, 11.4.2018, p. 11.](#)

inevitably require renewed commitment on the part of the European Union in the area of diplomacy and international development cooperation.

- 4.5 Although somewhat limited use has been made of the Blue Card system, it can be revised to meet the need for new legal channels of entry into the EU. The Committee has in fact pointed out that a European strategy is needed to attract workers from outside Europe to ensure growth and prosperity in the EU. When doing this, account must be taken of the effects of migration on immigrants' countries of origin; the further development of these countries and of their education systems should be supported¹⁵. The Committee suggests considering extending the range of potential beneficiaries of the Blue Card, in particular catering for those who want to launch a business activity, while also increasing the focus on social entrepreneurship.
- 4.6 In many cases, civil society has taken steps to promote legal, transparent processes, working with local, national and international institutions and sending out encouraging signals. The "humanitarian corridors" project implemented in Italy by the Sant'Egidio Community, the Federation of Evangelical Churches in Italy, Tavola Valdese and the Italian Government is an important example of a pilot project. This has made it possible for more than 1 000 people, from February 2016 to the present, to request international protection and receive assistance in the management of applications before setting out for an EU country¹⁶.
- 4.7 Future immigration policies should build on these pilot projects. In particular, greater coordination among international institutions is needed, both for sustained management of these forms of entry and to avoid any discrimination between the "select few" who can use the humanitarian corridors (including extensive safeguards for the stages following reception) and the many who are excluded and continue to be victims of trafficking and illegal activities.
- 4.8 The role of social economy enterprises is crucial due to their employment and social inclusion initiatives, harnessing the potential of migrants most of whom decide to leave their country of origin in search of a better standard of living and job opportunities.
- 4.9 The key role of migrants in the EU has been acknowledged on many occasions, with calls for their creativity and innovative capacity, for example, to be enhanced. Pursuing this objective will create new jobs while also helping to make production sectors more international and creating links, including trade links, with migrants' countries of origin¹⁷. Ensuring that Europe's economy and society are better able to include migrants is therefore also crucial for making EU policies on SMEs more efficient, particularly as regards their capacity to contend with increasingly global markets, as highlighted in the EESC's opinion on this subject¹⁸.
- 4.10 Social economy enterprises have in many instances played a significant role here in recognising the positive economic and social contribution of migrants, since these enterprises create good

15 [OJ C 75, 10.3.2017, p. 75.](#)

16 <http://www.santegidio.org/pageID/11676/Corridoi-umanitari.html>.

17 [OJ C 351, 15.11.2012, p. 16.](#)

18 [OJ C 345, 13.10.2017, p. 15.](#)

quality jobs in labour intensive sectors and in the fields of technological innovation and digitisation alike. The most important activities certainly include those in the care sector and in providing access to social services, childcare and, in general, assistance to people who cannot care for themselves and are at risk of social exclusion. In many cases, these are the sectors with the highest incidence of workers from third countries.

- 4.11 In some sectors, however, such as care, farm work, construction and catering, there are still many pockets of irregular employment. It is therefore important to promote the presence of social economy enterprises, since they have demonstrated that they can play an important role in terms of inclusion and regularising employment contracts, enhancing the role of migrants and securing workers' rights in these sectors, in keeping with EU policies in this area and as a way of preventing misuse of the qualifications of self-employed workers¹⁹.
- 4.12 In the sector of home care, where the workforce is mostly made up of women employed directly by the families, conditions are often such that they prevent professional development. A recent study on the determinants of entrepreneurship for migrant women has shown that lack of recognition of their skills is one of the elements causing them to opt for self-employment²⁰. Social economy enterprises in these sectors can play an important role in regularising jobs and increasing development opportunities for migrants, provided they are supported by suitable policies.
- 4.13 Many social economy enterprises which find jobs for disadvantaged people operate in sectors which are part of the circular economy, such as waste collection and differentiated waste treatment, recovery and reuse of materials, social agriculture and park and garden maintenance. These sectors are a key source of employment, and the approach taken by these enterprises to professional integration also seems particularly effective in including migrants in the labour market.
- 4.14 In many cases, employing migrants can reverse trends towards social exclusion and cultural impoverishment in the EU, thereby revitalising traditional professions and craft trades despite problems of generational renewal²¹. Indeed, there are many small and craft businesses launched by migrant citizens.
- 4.15 In their reception projects for migrants, many social economy organisations have promoted agreements with central institutions and local administrations to deal with the problems in the system and to facilitate the distribution of newcomers across the country, introducing the concept of "distributed reception" with the aim of facilitating fair allocation mechanisms for local communities²².

¹⁹ Proposal for a Decision of the European Parliament and Council on establishing a European platform to enhance cooperation in the prevention and deterrence of undeclared work, COM(2014) 221 final; [OJ C 161, 6.6.2013, p. 14](#); [OJ C 125, 12.4.2017, p. 1](#).

²⁰ M. Corsi, M. De Angelis, D. Frigeri, working paper: *The determinants of entrepreneurship for migrants in Italy. Do Italian migrants become entrepreneurs by "opportunity" or through "necessity"?* See also ILO, Cooperatives and the world of work No 2, *Cooperating out of isolation: domestic workers' cooperatives*.

²¹ [OJ C 351, 15.11.2012, p. 16](#).

²² <http://www.interno.gov.it/it/notizie/carta-buona-accoglienza-nuovo-modello-integrazione>.

- 4.16 These projects have given priority to initiating programmes to integrate migrants, providing language courses, skills assessment and vocational training. This has helped roll out mechanisms for the recognition of study courses or previous professional experience, which help to increase newcomers' job prospects.
- 4.17 Some of these "distributed reception" programmes are contributing to the repopulation of marginal areas, especially upland areas, where the presence of migrants helps to preserve economic and service activities (starting with schools), reducing the risk that these areas will become depopulated. In any case, if the success of these measures is to be ensured, they need to go hand in hand with employment and housing policies.
- 4.18 Social economy enterprises can in these situations serve as networks with the conventional business world, enabling migrants to participate in the labour market through tailored training courses and internships²³.
- 4.19 In this way, the model created by cooperatives is certainly the one which has received most attention from researchers: there has been in-depth research into the role of cooperatives in relation to migrants. In these social economy enterprises, the participatory dimension is important due to the security and protection provided when an economic activity is set up, as they help people to leave the informal economy and undeclared work.
- 4.20 A specific analysis carried out by the International Labour Organization identified fields in which the work of cooperatives has a positive impact on the inclusion of migrants and refugees: integration into the labour market, care and assistance; education and training; support for everyday life and being independent; market access; access to finance; legal assistance and counselling; and assistance with basic needs²⁴.
- 4.21 During the first and second European Days of Social Economy Enterprises, held by the EESC in 2016 and 2017, the case studies demonstrated the interest in the subject of migrants²⁵, highlighting the introduction of vocational training courses and professional inclusion programmes, particularly for migrant women.
- 4.22 The Commission has also recognised the importance of social economy enterprises in addressing the challenge of migration by dedicating the 2016 Social Innovation Competition to ideas for receiving and integrating refugees²⁶. The Committee hopes that the Commission's focus on migration-related initiatives will continue and that they will become a priority when shaping EU policies.

23 Internal reports, *Veneto Insieme* Consortium. For further information see <http://venetoinsieme.it/>.

24 Cooperatives and Refugees literature review, ILO, 2016 (unpublished).

25 In particular the 2016 Okus Doma project and the 2017 Solidarity Salt project. (See also <https://www.eesc.europa.eu/en/agenda/our-events/events/2nd-european-day-social-economy-enterprises/>).

26 http://ec.europa.eu/growth/content/4-social-innovators-win-%E2%82%AC200000-2016-european-social-innovation-competition-0_en. See also <http://eusc-2016.challenges.org/how-is-europe-supporting-the-integration-of-refugees-and-migrants/>.

- 4.23 In addition to the important role they play in helping migrants enter the labour market and in providing education, training and assistance, many social economy enterprises are also active in projects to help many migrants – particularly refugees and asylum seekers – find housing. The property management model of social economy enterprises is now deployed on an economically significant scale in countries such as Italy, with thousands of housing units made available to inclusion projects, often helping to regenerate depressed districts or areas.
- 4.24 Finally, social economy enterprises and civil society in general perform a key role in terms of access to assistance and health services, significantly reducing the barriers in access to care. The Committee calls on the Member States to guarantee full access to healthcare and social services for all migrants, without discrimination linked to their status.

5. **Further observations by the EESC Permanent Study Group on Social Economy Enterprises**

- 5.1 Social economy enterprises are particularly willing to operate in the areas of care, management of cultural and environmental heritage and activities connected with the sharing and circular economies, and have a particular affinity with these fields. They can be a valuable ally in promoting the greening policies of the European development model, and turn these areas into a major source of jobs.
- 5.2 Social economy enterprises support and foster people's entrepreneurial tendencies and facilitate their access to business activities, regardless of whether they have the initial financial capital to start up a business. This is particularly true of cooperatives, and so it would be useful and important for programmes promoting social economy enterprises to be rolled out as part of the development cooperation programmes implemented by the European Union in developing countries.
- 5.3 In light of the evidence supporting the value of social economy enterprises in facilitating the inclusion of migrants in the labour market and society, Member States should be encouraged to establish employment incentives for social economy enterprises that act as employers. These incentives could be valid for two years from the date on which a person's status as a beneficiary of international protection is recognised.
- 5.4 It should be borne in mind that the coming years will undoubtedly see an increase in the number of migrants who are on the move due to the serious effects of climate change, which is causing an increase in desertification, famine and environmental disasters. It will force us to revisit the artificial and discriminatory distinction between refugees and asylum seekers and economic migrants, at least in cases where these migrants are fleeing famine and environmental disasters.
- 5.5 This means that we must continue to work to promote sustainable development and greening, which could also have beneficial effects on the economy, highlighting the contribution that

social economy enterprises can make in promoting growth, inclusion and well-being, as emphasised by recent Committee opinions²⁷.

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²⁷ *Parere Promuovere azioni a favore del clima da parte di attori non statali*, [GU C 227 del 28.6.2018, p. 35](#) e *parere Nuovi modelli economici sostenibili*, [GU C 81 del 2.3.2018, pag. 57](#).