

Social Economy, Trend or Reality.

The Event¹

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The CEFEC 2012 International Conference “Social Economy, Trend or Reality”, organized by The Regional Association for Adult Education Suceava, ended on Saturday, 22nd of September 2012. The European Network of Social Firms Europe CEFEC celebrated 25 years of uninterrupted activity in the field of social economy. This year, we had approximately *150 participants from 15 countries*: Austria, Belgium, Switzerland, Finland, Germany, Greece, Italy, Japan, Lithuania, Poland, Portugal, Republic of Moldova, Romania, Ukraine, and Great Britain. AREAS had the honor to host a representative of the European Commission, Mrs. Oana Ciurea, desk officer at DG Employment and a representative of the Ministry of Labor, Family and Social Protection Romania, Mrs. Cristina Filip, the counselor of the minister Mariana Campeanu. The Ministry of Labor, Family and Social Protection of Republic of Moldova was represented by Mrs. Djulietta Popescu, interim chief of the Directorate of Social Policy.

The *CEFEC 2012 Conference* was organized in partnership with the Institution of the Prefect of Suceava County, County Council of Suceava, Suceava City Hall, “Ștefan cel Mare” University from Suceava, CFCECAS Romania, Die Querdenker Austria and the Social Psychiatry Association from Romania. Among *the collaborators who supported the organization* of the CEFEC Conference, we mention: Pro Mente Upper Austria, FDSC, Alba County Council, Structural ConsultingTM Group, SEVA Association, Hachi Motors, FARA Foundation, Natanael Farm, ACDC Association, CENRES Suceava, KULT-ART Association, CEM “Origini Verzi”, Bucovina Institute, Europe Direct Nord-East Centre, ADR

¹ 25-th Anniversary Annual European Conference, “Social Economy, Trend Or Reality,” Suceava, Romania: 20th - 22nd September 2012.

Nord-Est, Cozonac Bujor Suceava, Civitas Foundation, Produs în Bucovina Association.

General conclusions

After 3 days of plenary sessions and interactive workshops, in which participants from abroad and from Romania took part, an academic session at “Ștefan cel Mare” University and, a premiere for Suceava, the Social Economy Fair where social economy enterprises from Romania, Ukraine, Republic of Moldova and Austria participated, we can present the following conclusions:

- In Romania, it is necessary *a legislation in the field of social economy*, favorable to the inclusion on the labor market of disadvantaged persons;
- In the current draft legislation it is stipulated that institutionalized young people and adults are not considered as beneficiaries of social economy;
- *Scientific research should increase substantially* and be directed to several areas of interest of social economy;
- The necessity of *creating in Romania social economy structures within public institutions* (for example, sheltered workshops could be transformed into such structures) and to transfer support services from public institutions to private organizations working in this field, for increasing access to the labor market of vulnerable persons;
- Need for *specialized consultancy services* and oriented to the labor market integration of vulnerable people;
- For a better integration of vulnerable people on the labor market, it is necessary to establish *effective communication channels* between users and promoters of social economy;
- At the level of organizational forms, we find a variety of structures involved in social economy projects (companies, different types of NGOs or public institutions). There isn't a legal framework (like in Western European countries: Austria, Germany, etc.) for social economy type structures – there are only legislative initiatives. The vast majority of social economy type structures are functioning as NGOs: associations, foundations, cooperatives, mutual societies or as firms, having advantages and disadvantages from an operational point of view.

CONCLUSIONS FROM THE WORKSHOPS

*A1. Public-private dialogue and partnership: a must for social economy development?*²

Description: the workshop started with discussions about entrepreneurial initiatives and types of support that can be given to potential entrepreneurs. The moderator presented details about the project entitled *Social and labour market inclusion through social enterprises*, which aims to create a functional and integrated social economy and social inclusion model destined to support people with disabilities and people under social risk. There were also discussions about the limits and legislative opportunities for social economy in Romania and it was mentioned that social economy includes, but it is not limited to activities involving vulnerable groups.

*B1. Types of organizations and institutions that are more likely to embrace the objectives of social economy.*³

Description: information on the dimension and importance of social economy entities in the national economy. There were presented general information about the actors of social economy: NGOs with economic activity, credit unions (for employees and also for retirees), cooperatives, data which represented the number of entities, specific activities, revenues, surplus, assets, employability. At the end, the workshop participants were asked to present examples of social economy models from their own country.

*C1. Big Impact with Low Resources.*⁴

Description: presentation of the project and the social business Agro Plus (in Stejarisu, Romania); more than 20 people were qualified in agricultural production, masonry, carpentry, but there were also qualified electricians, installers, roofers, tillers, blacksmiths. The old German school has been renovated and used for workshops (in the beginning), now there are 4 guest apartments for tourists. The project “Combating poverty” started in 1990.

² *Moderator:* Dan Barna, manager Structural Consulting Group – 17 participants from: Romania, UK, Republic of Moldova, Austria, Greece, Italy, Portugal, Japan, Belgium.

³ *Moderator:* Mr. Adrian Secal, Civil Society Development Foundation, Romania – 17 participants from: Romania, Republic of Moldova, Greece, UK, Austria, Lithuania.

⁴ *Moderator:* Mr. Herbert Paulischin, CEFCECAS, Romania – 16 participants from: Romania, UK, Finland, Austria.

*A2. European networking for social firms: role, challenges and opportunities.*⁵

Description: presentation of the Linz Appeal, part B. There were discussions about the CEFEC conference and the Lithuanian group said that this conference has been focused more on people with disabilities and maybe it should focus also on other vulnerable groups. The moderator asserted that the social firms from different countries help people with different disabilities. For example, 70% of the persons that were incarcerated have mental health problems, but not all of them want to be helped. Social economy can function if the conditions are created and also, people with disabilities have to be able to obtain jobs not just in social firms, but also in other enterprises.

*B2. The principles governing the activity of the enterprises of social economy (with examples of good practice): total commitment to local development, giving priority to the cohesion and stability of the people.*⁶

Description: the representatives from Greece presented their situation and affirmed that establishing new social firms is very hard now because of the economic crisis and this situation is even harder because there isn't a good cooperation among the existing social firms. Nevertheless, there are laws that support people with disabilities to be hired in private firms. So, for first two years the state has to pay their salary. In Switzerland, there are approximately 20-30 social firms, but only 5 or 6 can be truly named social firms. There is a competition between private and social firms because the private ones consider that the social firms are in advantage because they benefit from different funds. But this is not the real situation because the social firms become independent in a few years.

*C2. Social Economy Model for Romania (frameworks).*⁷

Description: presentation of the emergence of the social economy concept in Romania; description of the funds available for projects related to social economy; presentation of legal forms of organization; description of the CIVITAS project entitled "Fructele tradițiilor / The Fruits of Traditions". With this project they developed the concept of community enterprise, in which the community assumes

⁵ *Moderator:* Christiane Haerlin, BAG - Society of Social Firms Germany, member of Social Firms Europe CEFEC, Germany – 26 participants from: Republic of Moldova, Romania, UK, Greece, Finland, Japan, Austria, Poland, Portugal

⁶ *Moderator:* Mr. Tom Zuljevic-Salamon, Die Querdenker, Austria – 27 participants from: Republic of Moldova, Romania, UK, Greece, Poland, Portugal, Switzerland.

⁷ *Moderator:* Mr. Marton Balogh, General Director of Civitas Association, Romania – 13 participants from: Republic of Moldova, Romania, Greece, Germany.

its functioning, so that it generates profit (the Local Council offered them the building and CIVITAS the equipment).

*A3. Innovation and development: social economy in the near future.*⁸

Description: presentation of different definitions about social economy; presenting some aspects about Plymouth Mind. The moderator stated that all the processes get in the way of providing the best services and we forget that the most important thing that we have to ask is about what the service users want. He explained the STEPS model developed in Scotland and based on the needs of the beneficiaries. He brought forward a new concept (*The Open Book of Social Innovation*, written by Robin Murray, Julie Caulier-Grice, and Geoff Mulgan): “Communities researching themselves”, to identify their own needs and solutions to those needs. This is based on the premise that people are best placed to identify their own needs. Networking is something the social economy sector does well, or needs to, if it is going to survive in the 21st Century.

*B3. Job creation through social entrepreneurship: examples of jobs, domains and legal provisions – Social economy as an alternative to the creation of employment.*⁹

Description: presentation of the project “Perspective. Patient and Public Engagement for the Future”. The aim of the project is to establish an employment agency model for service users and carers which will safeguard both their interests and will be run as a social enterprise. The moderators presented a Pilot undertaken at a health centre; the service users and carers completed 156 questionnaires to evaluate the services offered at the health centre. The co-ordinator produced a report following the evaluation outlining the views of the public on the new facility. The results: the evaluation has been produced by the service users and carers on time and on budget; the commissioning organisation were able to provide an independent evaluation for their services; patients and public accessing the health centre were able to offer their views on the new health centre.

*C3. Successful stories of social entrepreneurship.*¹⁰

Description: discussions about what they developed in Câmpulung-Moldovenesc – greenhouse, a social centre with multi-functional destination for

⁸ Moderator: Mr. Graham Nicholls, Plymouth and District Mind Association, UK – 27 participants from: Republic of Moldova, Romania, Greece, UK, Austria, Lithuania, Germany.

⁹ Moderators: Mrs. Grete Smith and Mrs. Christina Lyons, University of Central Lancashire, United Kingdom – 41 participants from: Switzerland, Romania, Republic of Moldova, Greece, UK, Finland, Italy, Portugal, Japan, Austria, Germany, Lithuania, Belgium.

¹⁰ Moderator: Mrs. Alina Ciupercovici, “Orizonturi” Charitable Foundation Câmpulung-Moldovenesc, Romania – 38 participants from: Romania, Japan, Portugal, Lithuania, Belgium, Italy.

helping people in need (housing, day centre, sheltered employment workshops). They hope that after these social enterprises develop, they can reinvest the profit in creating new social firms. The participants from the workshop identified the main benefits of a social firm: more jobs for people and reducing the unemployment rate among people with psychiatric disabilities; developing a social network in the community which will address the problem of social inclusion of this group; reducing discrimination; integration and active participation in the community. The moderator explained that, unfortunately, they can barely pay the salaries of employees with the products they sell and that they would need the help of investors, sponsors and volunteers to better develop these social enterprises.

THE SOCIAL ECONOMY FAIR

During the Congress, A Social Economy Fair was organized with the help of our partner, CFCECAS. For the three days, 21 workshops and social economy enterprises exhibited promotional materials and products, such as: handmade jewelry, organic products (syrup, jam, tomato paste, honey, etc.), wood toys, and flowers.

CONCLUSIONS FROM THE UNIVERSITY ACADEMIC SESSION

There were participants from the Universities of Suceava, Bucharest, Iași, Cluj, Timișoara and members of Social Firms Europe CEFEC from Austria, Greece, Italy and Romania.

Main Themes and Topics:

- Austrian's Rehabilitation system for vulnerable people;
- Aspects of social economy in Greece and Italy;
- The difference between social support in Alba, Cluj and Suceava counties;
- The relation between support services and social affairs and the opportunity for public institutions from Romania to develop social-economic structures;
- The antinomic status of social economy between business and social services;
 - Integration of Romania institutionalized persons on labor market;
 - Methods for assessing work potential of persons with disabilities in Romania and other countries.

Conclusions:

- In Romania a new legislation, more inclusive regarding vulnerable persons who could benefit from social economy. It was stated that in the current project of Law, youth and adults who currently are in institutions are not included as beneficiaries;

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- Scientific research should be substantially increased and directed towards more areas of interest in the social economy;
- The necessity to create in Romania the possibility to set up structures of social economy within the public institutions. As an example, sheltered workshops could be transformed in such structures;
- The necessity to transfer support services from public institutions to private organizations working in the field, in order to increase the access of vulnerable people to the labor market;
- The need of support services specialized and directly oriented toward integration of vulnerable people on labor market;
- For better integration of vulnerable people in the labor market, setting effective communication channels up, between users and promoters of social economy, is required;
- In Romania is it necessary, besides the individual assessment system of assessing the degree of disability, to be developed an evaluation system for establishing the person's potential.