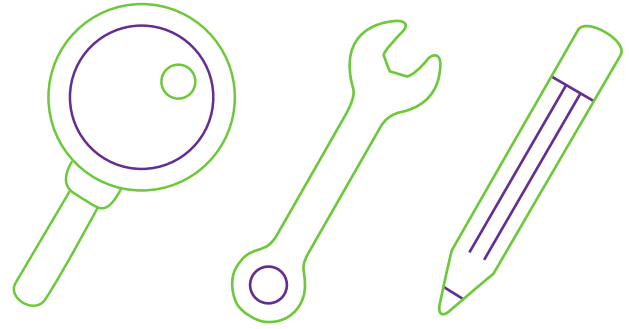


N°02

SEPTEMBER 2014

SOCIALLY
RESPONSIBLE
PROCUREMENT

avise



Les Repères de l'Avise

**Access by work
integration social
enterprises to public
procurement in Europe**

CONTEXT, ISSUES
AND GOOD PRACTICE

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"Access by work integration social enterprises to public procurement in Europe"

Les Repères de l'Avisé, Socially responsible procurement N°2

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INTRODUCTION

The socially responsible procurement market is growing rapidly in the European Union (EU). New "public procurement" directives have been put forward by the Commission and were adopted in January 2014 by the European Parliament to simplify and modernise legislation on this matter. Many discussions have been held about criteria for choosing the successful tenderer, rules regarding subcontracting and access by Work Integration Social Enterprises (WISE) to public procurement contracts¹.

Debates and parliamentary schedule obligations aside, we believe that it is particularly important to give recognition to the stakeholders, resources and tools that facilitate access by WISEs to public procurement contracts in the member states of the EU.

Even though European regulation, which is supposed to be incorporated into national law in no more than two years, allow for the implementation of social criteria in public procurement², providing tools for contracting entities and for social economy structures remains a major issue to boost commercial cooperation between procurers and WISEs.

How do the various networks of social enterprises in Europe organise themselves to help their members to cooperate with public stakeholders? Which tools are available for sourcing integration opportunities? How do procurers and socially responsible suppliers come together in EU countries?

Thanks to these questions, we have been able to take stock of recent initiatives to facilitate access by WISEs to public contracts.

The diversity of experiences presented in this publication demonstrate that more attention has been given to the social impact of public procurement in recent years, even if there is more to be done.

This publication aims to highlight these particular experiences as well as French practices, in order to make comparisons, challenge and inspire European initiatives that support WISEs' access to public procurement opportunities.

¹ See in particular

http://ec.europa.eu/internal_market/publicprocurement/modernising_rules/reform_proposals/index_en.htm

² See the guide by the European Commission "[Buying social!](#)"



WORK INTEGRATION SOCIAL ENTERPRISES IN THE EUROPEAN UNION

Enterprises that provide workplace training (EFT) in Belgium; type B social cooperatives in Italy; community enterprises in the UK; integration enterprises in Spain and Portugal ... In the European Union, there are over forty kinds of social utility organisation that seek through business activity to foster integration for people in difficulty. A specific term to describe them has emerged, namely Work Integration Social Enterprises (WISE). What do they have in common? How are they created? What issues do they have to deal with?

Definition and characteristics of a WISE



"Work Integration Social Enterprises are autonomous economic entities, the basic aim of which is to help people facing severe difficulties in the work market to integrate the traditional economy. (...) They are integrated via productive work and with customised help or training that provides them with a qualification," says the European research network EMES³.

These enterprises, which have often chosen to conduct their business within the market system, are not characterised as much by what they produce, as by the way they do it, and by the specific feature of their workforce⁴.

In that perspective, creating jobs for people in difficulty becomes the main purpose of the company⁵.

This purposefully broad definition can be applied to forty initiatives in the European Union. Patrizia

³ See in particular *Work integration social enterprises in the European Union : an overview of existing models* by Catherine Davister, Jacques Defourny and Olivier Grégoire http://www.emes.net/uploads/media/PERSE_04_04_Trans-ENG.pdf

⁴ See Scalvini F. (2006) "La cooperazione sociale di inserimento lavorativo", *Impresa Sociale*

⁵ The European project, WISE (Work Integration Social Enterprise), highlighted this matter. For more information, read the benchmark study www.isede-net.com/sites/default/files/social_economy/WISE%20report.pdf

Bussi, coordinator in the European network of social integration enterprises (ENSIE), believes that this term may "*unite all European integration structures, despite their great diversity*".

The EMES researcher, Marthe Nyssens, highlighted a number of different WISE profiles. To compare them, the network suggests five criteria to understand the reality of the situation more clearly.

FOCUS

5 CRITERIA

to understand what a WISE is, according to EMES

1. The workers' status: formal employment contracts, work placements etc.
2. The methods/form of socio-professional training: "on the job" or through formal training
3. The main characteristics of the target public: people with a disability, the long-term unemployed etc.
4. The distribution of the resources used: monetary and non-monetary resources
5. The modalities of integration: permanent or temporary jobs

Condition of integration in WISEs

Marthe Nyssens, researcher at EMES, identifies **four large groups of WISEs**:

- **WISEs that offer temporary or "transitional" jobs**, supported by short-term subsidies, and which account for the largest number of organisations in Europe. A person in difficulty may, through productive work and training leading to qualifications, increase his or her "employability" over a given period of time. This integration method can also be found in enterprises that provide workplace training (EFT) in Belgium or work cooperatives in Finland. In France, this model is more akin to integration enterprises.
- **WISEs whose aim is to create permanent self-financing jobs**, ie economically viable, even if subsidies may be awarded at the start, as is the case for German or British social enterprises or in integration enterprises in Belgium.
- **WISEs that aim to assist professional integration, thanks to a permanent subsidy**. These organisations exist in most countries and aim to reconcile the gap between the level of productivity required by the traditional work market and the abilities of people suffering from a disability. The term often used is "sheltered workshops", such as those found in Portugal, Denmark, Ireland, or social workshops like those in Belgium.
- **WISEs that aim to foster social integration through productive work**, like certain social enterprises that operate in recycling and recovery in Belgium, and occupational centres in Spain. In France, this model is similar to centres for adaptation to working life (CAVA). These WISEs target people who are particularly far from the job market.

"Different integration modalities can coexist within the same organisation, which makes it difficult to classify all the different variants," states Marthe Nyssens, before clarifying somewhat: "these categories have the advantage of demonstrating the wide range of different kinds of European integration models that operate through economic activity".

Legal framework of WISEs

In the 1970s, the first WISE initiatives were prompted by social workers, charity workers and trade unionists. At that time, public policy did not necessarily provide suitable tools to deal with the problems of long-term unemployment and social exclusion. "Pioneering" structures were often created autonomously, on the margins of legal frameworks, with the aim of working in the general public interest or promoting social cooperation. In EU member states, "they often helped to renew public policy in the fight against social exclusion"⁶.

In the 1980s, a second generation of WISEs grew in a more favourable framework. EU countries started to develop "active" policies to find solutions to unemployment, in addition to so-called "passive" policies that aimed to provide an income for people in difficulty. The aim of these policies was to "integrate the unemployed into work through help and guidance programmes, professional training, employment subsidies or programmes to reduce unemployment"⁷.

In many countries, WISEs were just starting to be recognised by the authorities: either by

⁶ See in particular [Entreprises sociales d'insertion et politiques publiques: une analyse européenne](#), M. Nyssens, J. Defourny, L. Gardin and J-L. Laville, 2012

⁷ See in particular [Entreprises sociales d'insertion et politiques publiques: une analyse européenne](#), Marthe Nyssens, Jacques Defourny, Laurent Gardin and Jean-Louis Laville, March 2012

providing them **subsidies** at a national as well as a regional level (like in Spain, Finland, France, Ireland, Poland or in Portugal), or by a **specific legal status**, allowing WISEs to incorporate social issues as a goal for the company. These two possibilities are not mutually exclusive: the social integration enterprise may have to adopt a particular legal status to obtain a specific subsidy.

Since the 2000s⁸, this recognition process has gained momentum. After the impetus given by Italy in 1991 (when the parliament adopted the status of "social cooperative"), legislation on specific kinds of legal status has appeared in eleven countries in the EU to promote a social purpose for business activity (company with a social aim in Belgium, community interest company in the United Kingdom etc.).

"At the same time, a whole series of national and regional accreditation schemes have been developed to recognise integration modalities through economic activity," says Marthe Nyssens. The French system, whereby companies and the public authorities form agreements, has equivalents in other EU countries. In Belgium, for example, national accreditation schemes give integration enterprises the opportunity to get some subsidies. This mechanism also exists in Finland and in Ireland.

Patrizia Bussi, however, added the following proviso: *"WISEs are at different stages of development in the EU. In some countries, such as Hungary or Romania, integration enterprises are still working towards gaining legal recognition, and do not have access to public procurement contracts"*.

⁸ See "Les profils d'entreprises sociales d'insertion" in "Entreprise sociale et insertion: une perspective internationale". Full references in the bibliography.

Economic models for WISEs

Three groups of WISEs

EMES identified 3 large groups of WISEs according to the resources that they use:

- **WISEs mainly financed by selling** goods and/or services (temporary work integration enterprises in France, integration enterprises in Belgium and Spain, worker cooperatives in Britain and Finland)
- **WISEs mainly financed by public subsidies**, which is notably the case of integration organisations in Germany
- **WISEs that rely greatly on donations and have considerable recourse to volunteers**, as in community enterprises in Britain

Most resources come from the sale of goods and services

In reality, WISEs are able, to a large extent, to obtain their resources from a mix of sources to attain their objectives. However, the sale of goods and services accounts on average for 53% of the total resources of WISEs, compared with 38% for direct and indirect subsidies⁹.

"The fact that the majority of funding for WISEs comes from the sale of goods and services shows the importance of being integrated into the market, to attain economic balance," states the sociologist, Laurent Gardin¹⁰.

⁹ See in particular the PERSE project by EMES, www.emes.net/what-we-do/research-projects/work-integration/perse/

¹⁰ *Entreprise sociale et insertion: une perspective internationale*. Full references in the bibliography.

Great disparities in Europe

There are, however, disparities between countries within the member states of the European Union.

In Italy, for example, sales account for over 70% of the resources of social cooperatives: this can be explained by the development of industrial activities that have enabled them to create a high level of cooperation with the private sector.

In some countries, socially responsible public procurement is more developed thanks to the implementation of social integration clauses in markets, such as in France, Belgium, Italy and Spain, and more recently in Austria.

Access to public procurement opportunities is considered by Marthe Nyssens to be a key issue for WISEs in taking into account the social impact of procurement.

Given the steady decrease of public subsidy, socially responsible procurement becomes a keystone in boosting the model of Work Integration Social Enterprises.

A close look at two Work Integration Social Enterprises

The work of EMES has revealed that European WISEs are usually positioned in the following sectors: manual work (construction, carpentry, etc.), sorting and recycling of waste, maintenance of public spaces or green zones, packaging and wrapping products. They cover a large range of situations.

We take a close look at two cases: the first case is that of Italian cooperatives, that form a historic point of reference in the European Union; the second is that of enterprises that

provide workplace training in Belgium, one of the models closest to the French integration enterprise.

Italian cooperative

In 1991, Italy recognised the status of "social cooperative", giving great impetus to the recognition of WISEs.

Indeed, as Marthe Nyssens explains, *"the development of type B cooperatives, positioned in the sector of integration through economic activity, took place within the cooperative mode"*. They are non-profit organisations specialising in agriculture, maintenance of green spaces, cleaning services, IT, etc. At least 30% of employees in these organisations must be on an integration scheme for the organisation to be defined as a type B social cooperative.

In the Abele Lavoro consortium based in Turin, the integration scheme starts with the signature of a tripartite contract between the person in difficulty, the cooperative and the social services department that referred the person.

The social support and training usually last 2 years and then the employee becomes a member of the cooperative.

Georges Tabacchi, president of the consortium, admits that *"the big difference between this and the French model is that social cooperatives are often an end in themselves; it is not just a stepping stone to help the person into the traditional job market"*. This option - among others - may, however, be offered by some cooperatives.

Città e Salute, based in Milan, for example, enables disabled people within the organisation on an integration scheme to become a part of the organisation at the end of their training, to become a member or to receive assistance finding employment in the traditional job market.

It is estimated that there are 10,000 social cooperatives currently operating in Italy. 30,000 disadvantaged people work in type B cooperatives, it is thought.

"For the moment, only those leaving prison, people with a psychiatric or physical disability, minors and people suffering from an addiction can be employees in an integration enterprise in Italy," points out Georges Tabacchi, who is campaigning for schemes with other kinds of profile to be started.

Enterprises that provide workplace training, in Belgium

Enterprises that provide workplace training (EFT), in French-speaking Belgium, are the WISEs that come closest to the French work integration model, according to Marthe Nyssens. *"The big difference is that the people in difficulty working there are on a work placement, and they receive a refund of their expenses rather than a salary,"* she points out.

EFTs are, according to the Belgian social and solidarity economy inter-network, INTERFEDE, *"training organisations whose aim is to provide learning in real-life work situations within the enterprise or on a worksite. This training results in the production, whether commercialised or not, of various goods and services".*

The Contrepoint EFT, located in La Louvière, specialising in building professions, offers its work placement students training courses in 2 phases: the first is the "transition" phase, and includes remedial courses and learning on educational worksites. The second is the "stabilisation" phase, which takes place on real worksites, before the actual work starts.

If EFTs want to work on public work contracts, they must first, like any other company, obtain "accreditation", in order to ensure the services will be carried out correctly. Contrepoint received the necessary permit as a construction

company and was therefore able to help construct social housing in La Louvière (insulation and partition walls), as part of a sub-contract connected with an operation that included a social integration clause.

There are over 200 EFTs in Wallonia, in most cases adopting the legal status of a non-profit organisation (ASBL).

The EFT has an official status granted by the region regarding specific criteria laid down by law in 1999.

FIND OUT MORE

- Interview with Marc Goessels, director of Contrepoint, in the guide entitled "[Economie sociale et territoire](#)" by Saw-B
- Video of the EFT [La Calestienne](#) or a [generation presentation on EFT](#)
- On www.socialement.responsable.org:
[The full interview with Patrizia Bussi \(fr\)](#)
[The full interview with Marthe Nyssens \(fr\)](#)



EUROPEAN DIRECTIVES TO FOSTER SOCIALY RESPONSIBLE PUBLIC PROCUREMENT

Until now, the legal foundations for entering into public work contracts in the European Union were provided in the directives [2004/17/EC](#) and [2004/18/EC](#). They have now been revised, modernised and simplified in a new directive that came into force in 2014¹¹. These legal foundations form a solid basis to aid understanding, among other things, of the community approach to socially responsible procurement.

Social clauses as a condition for execution and reserved contracts

Two articles of directive [2004/18/EC](#), regarding the coordination of procedures for entering into public contracts for providing work, supplies and services, lay down the possibilities available for the contracting entities for developing social criteria in their public procurement contract.

Article 19 - contracts reserved for organisations for the disabled¹²

Member states may **restrict procedures for entering into public contracts to sheltered workshops or limit the execution thereof to sheltered employment programmes**, if the majority of workers concerned are people with a disability who, because of the kind and severity of their disability, cannot carry out a professional activity in normal conditions. The procurement notice should mention this provision.

Article 26 - social clauses as a condition for executing the contract¹³

¹¹ The European Parliament adopted new "public contract" directives in January 2014. They came into force since they have been published in the EU Official Journal (March 2014).

¹² In France, this possibility is explained in [article 15 of the Public Contract Code](#)

The contracting entities may demand special conditions with regard to the execution of contracts as long as they are compatible with Community law and that they are indicated in the procurement notice and in the specifications document. The conditions under which the contract is executed may in particular refer to **social and environmental considerations**.

The possibilities recorded in these two articles remain open in the new directive. Article 70 mentioned for example "environmental, social or employment-related considerations" as "special conditions" a contracting authority could lay down.

The European Commission also stipulates that the social criteria must *"offer scope for taking account of social considerations, provided in particular they are linked to the subject-matter of the contract and are proportionate to its requirements and as long as the principles of value for money and equal access for all EU suppliers are observed"*¹⁴.

¹³ In France, this possibility is explained in [article 14 of the Public Contract Code](#)

¹⁴ For a more in-depth look, here is a presentation of the source: the guide "[Buying Social](#)", published by the European Commission

Social clauses as a criterion for granting contracts

The Court of Justice of the European Union (CJEU) has made several pronouncements in favour of taking into consideration a social criterion in public procurement, ("[Gebroeders Beentjes BV vs. the State of the Netherlands](#)", 1988 ; "[Commission vs. France](#)" 2000 ; "[Concordia Bus Finland Oy Ab](#)", 2002).

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The possibility of using criterion for granting a contract to fight unemployment¹⁵

[...] the criteria on which the contracting entities can base their decision to grant contracts are either solely the lowest price, or, if it is granted to the proposal offering the best value for money, a number of variable criteria depending on the particular contract, such as price, the length of time to complete the contract, the cost of use, profitability, technical value.

[...] However, this provision does not totally prevent the contracting entities from using a condition linked with fighting unemployment as a criterion, provided that this condition respects all the fundamental principles of Community law, and in particular the principle of non-discrimination [...]

Source: jurisprudence of the CJEU, "[Commission vs. France](#)" 2000

Application of the directives in various EU countries



The European Network of Social Integration Enterprises [ENSIE](#) has already had the opportunity of working on the issue of access to public procurement by social organisations in various EU countries.

In 2011, it produced a [summary of existing legislation](#). It also contributed to the [consultation](#)

[of the Commission on the modernisation of the EU policy on public procurement](#).

Patrizia Bussi, coordinator in the ENSIE network, sums up as follows: "*the public authorities can use different kinds of social clauses - which differ from one country to another - in their procurement contracts. For example, it is now possible for each EU state to restrict an opportunity to sheltered workshops or sheltered employment programmes. The clause may also be considered a subject-matter of the public contract, a condition for execution or even a technical specification connected with award criteria for this market - depending on the national legal framework. France, which uses these four opportunities, may be considered a good example to follow. There are other examples of good practice in Belgium, in Italy and in Spain, in particular. Interesting experiments have also been conducted in Luxemburg, Portugal, and Austria carried out its first experiment two years ago. In the UK, "social value" is referred to for public procurement opportunities*".

EU states may therefore operate different practices with regard to social clauses.

According to Marthe Nyssens, a researcher at [EMES](#), "*public authorities have experienced difficulties in interpreting European directives. National legislation in fact reflects different positions. The pre-eminence of cost restraints limits even further the ability to take into account ethical, social and environmental criteria in public procurement*".

In order to increase the visibility of opportunities offered by "public procurement" directives, the European Commission published a guide in 2011 called [Buying Social](#), the aim of which was to "*raise the awareness of the adjudicating public authorities with regard to the potential benefits of public procurement tenders with social responsibility clauses*".

¹⁵ In France, this possibility is explained in [article 53 of the Public Contract Code](#)

Advice by the European Commission for a responsible procurement strategy



"By purchasing wisely", wrote the European Commission in its guide, *Buying Social*, "public authorities can promote employment opportunities, decent work, social inclusion, accessibility, design for all, ethical trade, and seek to achieve wider compliance with social standards". **It includes social responsibility clauses as a concept in the broader sense.**

The contracting entities can, at certain stages of the conclusion of the contract, take into account social responsibility clauses, namely the promotion of "employment opportunities for the long-term unemployed and for older workers... for persons from disadvantaged groups": in other words, include social integration clauses in public procurement contracts.

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8 PIECES OF ADVICE FROM THE European Commission

The European Commission puts forward, in its guide *Buying Social*, a few suggestions to implement a socially responsible procurement strategy.

1. Include social responsibility clauses when defining objectives and priorities for public tenders
2. Take the legal and institutional framework into account
3. Demonstrate a high level of political commitment and leadership for implementing this approach
4. Adopt a progressive approach and establish a strategic schedule
5. Create a work group dedicated to social procurement
6. Increase awareness of public tenders by involving different stakeholders
7. Ensure that practices for concluding contracts are open to organisations such as small and medium-sized enterprises, social economy enterprises etc.

8. Establish the means for assessing the results by way of fixed objectives and standards.

Source: This advice is part of a selective, non-exhaustive summary of pages 15 to 20 of the guide **Buying social, A Guide to Taking Account of Social Considerations in Public Procurement.**

A community approach undergoing change¹⁶

At the start of 2011, the European Commission launched a huge consultation to assess and modernise European laws on public procurement contracts.

After gathering statements and analyses for the [Green Paper entitled "Consultation on the modernisation of EU public procurement policy"](#), the institution wrote in 2012 [a proposal for a new directive](#).

This new directive, entitled [Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC Text](#), was adopted after debate at the European Parliament in January 2014. It was published in the Official Journal of the European Union in March 2014.

This modernisation initiative also forms part of the guidelines laid down in "[The Single Market Act](#)" adopted in April 2011 by the Commission, which stated that "*the revision should underpin a balanced policy which fosters demand for environmentally sustainable, **socially responsible** and innovative goods, services and works*".

¹⁶ For more information, see

http://ec.europa.eu/internal_market/publicprocurement/modernising_rules/reform_proposals_en.htm

According to Marc Tarabella, co-president of [the "Social Economy" intergroup](#) at the European Parliament, the notion of the most economically advantageous tender, ie, the one that provides the best value for money, will be strengthened thanks to the new directive (to the detriment of the lowest price).

The contracting entities *"can and do set specific requirements which take into account the environmental and social impact of different tenders in awarding their contracts"*.

Marc Tarabella has also taken great care to maintaining contracts restricted to organisations that employ disadvantaged people, in the latest version of the text.

"Public contracts may be a tool for changing the practices of countries, and new opportunities are appearing within the framework of the new European directive," explains Patrizia Bussi.

"We will have to wait and see to what extent the opportunities contained within the article dedicated to sheltered contracts will be transposed into the national legal framework for public contracts. In its current form, this article does indeed open up markets reserved for "economic operators whose main objective is the social and professional integration of disadvantaged people." Potentially, access by WISEs to public procurement contracts could be extended in years to come," adds Patrizia Bussi.

FOCUS

"PUBLIC PROCUREMENT" DIRECTIVE 2014 - RESERVED CONTRACTS

Greater possibilities for social integration enterprises

[Article 20](#) - Member States may reserve the right to participate in public procurement procedures to sheltered workshops and economic operators whose main aim is the social and professional integration of disabled or disadvantaged persons or may provide for such contracts to be performed in the context of sheltered employment programmes, provided that at least 30% of the employees of those workshops, economic operators or programmes are disabled or disadvantaged workers.¹⁷

¹⁷ Article 20 as mentioned in the new directive

3

HOW CAN WE FACILITATE ACCESS BY WISEs TO PUBLIC PROCUREMENT CONTRACTS?

In the following pages, you will have access to our themed files giving details of stakeholders, resources and tools that facilitate access by social integration enterprises to public procurement contracts.

FILE #1

Developing cooperation between Work Integration Social Enterprises

Some WISEs, such as Italian cooperatives, have chosen to group together to increase their business impact. In some countries, such as the UK, the public authorities have tackled the issue of boosting access to public procurement contracts. WISE networks and federations have their role to play here: either by bringing business to their members, or by coordinating the offer of goods and services WISEs provide in their territory.

Example of the National consortium of social enterprises in the UK

Reaching critical mass for taking on public procurement contracts

The *Public Services (Social Value) Act* has been in force in the UK since 2013. This law obliges public procurers to take "social value" into consideration¹⁸ when defining their needs. Since the current trend in the country is to outsource public service work, access by social enterprises to contracts could improve in years to come.

¹⁸ The law does not take a prescriptive stance on what constitutes "social value". Social Enterprise UK defines it as the additional benefit (social, environmental, etc.) to society from the conclusion of a contract, beyond simply acquiring goods and services. See in particular www.socialenterprise.org.uk/news/new-guide-the-public-services-social-value-act

It is in this favourable legal context, that the project by the National Offender Management Service (NOMS)¹⁹ came about to co-finance, with the European Social Fund (ESF), the creation of the National Consortium of Social Enterprises (NCSE). Its aim is to increase opportunities for social enterprises to win public contracts by enabling them to group together and by helping them to develop their technical skills.

This consortium groups together three bodies: Social Enterprise UK, the national network of WISEs (Social Firms UK) and 3SC, a British third sector organisation whose role, mainly in London, is to increase the prospects for social integration enterprises seeking to win public sector business. The main role of the NCSE, as laid down by the NOMS, is to increase the ability of social enterprises to reintegrate ex-offenders, as well as other individuals farthest from employment, by consolidating organisations through public contracts.

¹⁹ This is the equivalent of the French youth legal protection Department



To do this, the consortium set itself as its first target the incorporation of 1,000 social enterprises in 2014, in order to cover all business sectors, thereby addressing the needs of procurers. The NCSE will then have reached critical mass and will become *"an operational supplier for all kinds of contracts where these organisations can make a difference"*, expects Philippa Harris, in charge of the project at Social Firms UK.

To complete its mission, the consortium is mobilising social enterprises at local level. Events have been organised, to train them to measure their social impact, to provide a forum for discussion on the role of the consortium, and to bring together potential partners. *"It is essential to develop cooperation between NCSE members, given that the supply of goods and services of one will complement that of another,"* explains Philippa Harris. An on-line self-diagnostic site ("[Infomine](#)") that gives social enterprises access to documentary resources regarding consolidation and economic development has been set up by Social Firms UK for this purpose.

The aim of the NCSE is to become the special entry point to bring together socially responsible suppliers and public procurers, who wish to incorporate social criteria into their public procurement contract.

To find out more: www.socialfirmsuk.co.uk

Other initiatives in Europe

IN BELGIUM

"Public contract" collective platforms to increase WISEs skills when bidding to calls for tender

Since 2005, the network bringing together social economy initiatives, SAW-B, has been operating two platforms in Wallonia. They unite several WISEs in the same business sector: building and construction or parks and gardens.

The members of these platforms meet three to four times a year to discuss their experiences with public contracts, to look at opportunities for working together with a view to strengthening their position for larger tenders, and more generally, to discuss the various aspects of their business. The SAW-B association regularly trains public procurers, so it can also give regular feedback on their needs, helping to bring together supply and demand for socially responsible goods and services.

IN ITALY

Consortiums to coordinate the supply of goods and services by cooperatives

Consortiums are a common form of organisation for social cooperatives in Italy, often small in size, strongly positioned in a specific area or region, and specialising in particular field. To change scale, they seek to develop the principles of a *"broader pooling of resources"*²⁰. So, consortiums enable the sharing of resources (such as marketing and accounting jobs). They also coordinate several suppliers, and provide a single point of contact for a region to bid to calls for tender, which requires a range of different skills.

Today, around 250 level-two cooperatives (cooperatives combining several cooperatives) are part of the Federsolidarieta network.

www.federsolidarieta.confcooperative.it/default.aspx

²⁰ See in particular Jean-Louis Laville and Laurent Gardin, "Les coopératives sociales italiennes", *Nouvelles pratiques sociales*, vol. 12, n° 1, 1999, p. 63-81.
<http://id.erudit.org/iderudit/301437ar>

IN THE CZECH REPUBLIC

A network of social enterprises to communicate and find areas for working together with local authorities

The primary aim of the TESSEA project is to form a network of social enterprises, NGOs and citizens to deal with the issue of recognition acknowledgment of the third sector in the Czech Republic.

Since 2011, it has attracted 240 members, the majority of which are work integration and sheltered work social enterprises. Run by the NGO, People Planet Profit (P3), this network gives members a high level of visibility in the public arena through the production of a large number of audiovisual media.

Conference cycles are organised once or twice a month to tell local authorities and administrations about the importance of incorporating the work of WISEs in the network into their socio-economic strategy.

The recent public contract for maintenance of green spaces in the district of Prague 2, allocated to a company in the third sector, is often cited as an example of a project to be widely imitated.

www.ceske-socialni-podnikani.cz

IN FRANCE

Cooperation between work integration organisations (SIAE) may entail setting up business hubs, so that they can grow and build up local partnerships.

The Coorace network supports, for example, the creation of [economic solidarity groups \(GES\)](#), the aim of which is to pool resources and coordinate the supply of goods and services to facilitate, among other things, access to public procurement contracts. The experiences of solidarity groups and SIAE in replying to public contract tenders are also worth to be noted²¹.

²¹ See, in particular, the experience related by the Maison de l'Emploi in Paris, www.maison-emploi-paris.fr/wp-content/uploads/2012/12/Bilan-Clauses_T3_Oct2012_4p.pdf

FILE #2**Providing tools for procurers to foster the incorporation of social criteria into public contracts**

In order to develop cooperation between public authorities and WISEs, *"we must do everything possible to raise awareness and provide more training for contracting authorities, and provide them with simple tools so that they can correctly draw up calls for tender,"* asserts Patrizia Bussi, from the ENSIE network. In the EU, WISE federations are often called upon to provide expert advice and support for contracting entities.

**Example of SAW-B in Belgium
Facilitating the incorporation of social clauses into public contracts**

The Belgian social economy federation, SAW-B, has been helping public stakeholders to integrate social clauses since 2005.

"At the time, very few social mechanisms were involved in the conditions for the execution of contracts," says Jean-Luc Bodson, project manager in this not-for-profit organisation (ASBL).

To rectify this underuse of social clauses, the Wallonia region awarded a grant to SAW-B to **organise training courses for local contracting entities**. Until 2011, around ten meetings were held per year to present the scheme²² and the solutions provided by Belgian WISEs. The major challenge was then to counter preconceived ideas (fear of the risk of unsuccessful contracts, ignorance of local structures etc.). Despite this initiative, local authorities in Wallonia found themselves in difficulty: *"once procurers saw the specifications document, they didn't feel*

²² The Belgian social clauses are very similar to the schemes in the French public contract code. For more information, see, in particular ["le guide pédagogique et juridique des clauses sociales en Belgique"](#), to which SAW-B contributed.

comfortable with implementing the social clauses," explains Jean-Luc Bodson.

SAW-B then took the initiative of setting up a **help-desk** and received a mission to do this from the local authorities minister to reply to questions from procurement department officers. The federation helps them to calibrate the clause and to draw up the scheme for the different contract documents. This service met with great success, and for over two years, it has been offering assistance **for procurers in analysing business prospects**. Using a file that includes all upcoming scheduled contracts sent by a given local authority, SAW-B studies opportunities for implementing social clauses and then meets all the people involved in these operations for a discussion. Around thirty analyses were completed last year in Wallonia.

SAW-B has also helped provide tools **for public procurers in the Brussels Capital region**. In connection with recent changes in the law, to help ensure that social clauses are incorporated more effectively into public contracts²³, the federation has proposed to create a dedicated position of "social clauses transversal coordinator", the equivalent in France of the position of facilitator. Thanks to this initiative, the number of public contracts including social clauses has quadrupled in just a few months.

According to Jean-Luc Bodson, *"the challenge over coming years is to reach a sustainable procurement strategy, in which the social economy occupies the place that it deserves"*. The first step has already been taken in the Brussels Capital region with the appointment of "social clause advisors" within the contracting entities to liaise with the "social clause coordinator". The Wallonia region is very interested in this initiative.

To find out more:

www.saw-b.be/spip/-Marches-publics,65-

²³ Read the analysis of SAW-B here: www.saw-b.be/spip/Une-nouvelle-circulaire

Other initiatives in Europe

IN THE UNITED KINGDOM

Teaching guides to raise the awareness of public procurers.

According to Nick Temple, director of Business & Enterprises within Social Enterprise UK, the Social Value Act *"has undoubtedly changed the nature of some dialogues and created entirely new ones. Again, not all of these have been about provider-commissioner conversations, but also about social enterprises advising and informing their peers, and those inside public bodies doing likewise"*. Some social enterprises have used the text to open up *"new doors and prompted some new conversations"*²⁴.

To inform all those involved in the chain for preparing public contracts, Social Enterprise UK has written several guides. It has published [a brochure](#) to help local authorities to incorporate "social value" into their public contract. Social Enterprise UK invites them to think about the subject well before sending out any calls for tender. Examining existing contracts and carrying out an analysis of the needs may provide opportunities for examining the social impact of any purchases.

Another tool was created, [The social enterprise guide](#), to *"give practical advice on how to work with WISEs"*.

Organising meetings with procurers or a forum of local suppliers to discuss the needs of the local authority, increasing the amount of information available to WISEs on upcoming opportunities, are a few of the main ideas mentioned in this publication.

www.socialenterprise.uk

IN POLAND

A training programme for civil servants

In Eastern Europe, initiatives are starting to be taken with regard to incorporating social criteria into public contracts, even if many countries are still at the stage of legally recognising WISEs. In Poland, a training programme to inform 1,000 local and national civil servants has been launched for 2014. Its aim is to tell them about the actual legal framework, to help them guide the writing of specifications documents for contracts including social criteria.

www.ekonomiaspoleczna.pl

IN FRANCE

In 2012, the association [Alliance Villes Emploi](#) published the **"Jobs and Skills Guide for facilitators of social clauses in public contracts"**, in which facilitators are defined as follows: *"the facilitator helps to develop and implement social clauses in public contracts in his or her region. The facilitator provides support for partners and for all public stakeholders [...]"*, points out the association [Alliance Villes Emploi](#).

To date, there are 316 professionals of this kind in France. The main tasks that a facilitator can take on include promoting the scheme through awareness raising events, organising local partnerships to carry out integration initiatives, advising clients, providing information and assisting companies, and assessing the scheme. **To capitalise on good practice and to raise the awareness of instructing parties**, in 2012 Avisa published a [web file](#) on implementing social clauses.

²⁴ See the column of Nick Temple in the Guardian, <http://www.theguardian.com/social-enterprise-network/2013/sep/24/impact-of-social-value-act>

FILE #3

Promoting Work Integration Social Enterprises on the Internet

In various countries of the EU, the internet plays a key role in announcing goods and services provided by WISEs: interactive databases, resource centres and directories have been set up by the networks and federations to provide greater visibility for these organisations. One of the main things holding back the implementation of socially responsible procurement policies, pointed out by the contracting entities, is the difficulty in identifying social utility suppliers. The Internet could then be a relevant solution for providing a tool for sourcing WISEs in their region.



Example of the website of the Feclei federation in Spain

A resource centre for local authorities in the autonomous community of Castile and León. The website dedicated to social clauses of the Federation of Integration Enterprises in Castile and León (Feclei) aims to provide information and tools for implementing the scheme for public contracts.

"Its aim is to be the point of reference for political representatives and administrations. They must be able to see that there are many good practices in Spain and that our autonomous community can also incorporate social clauses," explains Sara Peña Carballada, coordinator of Feclei.

The web-based tool is used to help good practice to be widely viewed. The website provides an accurate technical summary for public procurers.

Models of clauses, legal framework, standard specifications documents, etc.: everything is presented there, examined and complemented with downloadable documents. Lists of good practices also help with coming up with tools and inspiration for reserved contracts, adjudication criteria and the application conditions of contracts. *"We have taken on a specialist who has carried out a study on the region,"* adds Sara Peña Carballada.

The website also presents a range of integration companies in the region. There are around ten at the moment. Arguments in favour of using their services, like the quality with which the services are executed, and the added social value are also shown with diagrams, which are for the most part based on the cost/benefit assessments of the clauses. This pragmatic web tool has helped three social integration enterprises since 2010 to access public contracts for cleaning and maintenance of green spaces, and providing meals for the elderly.

This website complements all the actions taken by Feclei to encourage local authorities to make use of social clauses. A large awareness raising project for elected representatives is still required against the backdrop of the economic crisis to show the socioeconomic added value of work integration social enterprises in the region. These enterprises also benefit from being referenced twice on the Internet. Feclei is a member of Faedei (the federation of local integration associations), which provides a national directory of organisations in various Spanish communities. The visibility of Spanish work integration enterprises is therefore optimised.

To find out more:

www.feclei.org/clausulas/index.htm

www.faedei.org/es/empresas-asociadas

Other initiatives in Europe

IN THE UNITED KINGDOM

A social e-commerce platform

"*Just buy*" is a website providing information on the goods and services supplied by WISEs. This directory created by Social Firms UK - the umbrella organisations of work integration and sheltered workshops - includes around one hundred organisations. It targets public procurers as well as private players, who can search by geographical area or by area of business. Social Firms UK also offers a telephone helpline to deal with the complex needs of procurers and operates a market place. The Social Enterprise UK network has also launched a promotion campaign called "*Do a great deal! Buy Social*".

www.justbuy.org.uk

www.socialenterprise.org.uk/policy-campaigns/campaigns/buy-social#find

IN AUSTRIA

A database by business sector

The social enterprise network BDV Austria offers a "Datenbank" on its website that lists over 190 WISEs. The objectives of the tool are clearly stated: "increase the visibility of social enterprises in the public space and offer a platform to search the goods and services offered by these organisations". The tool offers sixteen different business sectors, presented in the form of pictograms, in which the procurers can find suppliers: design, transportation, recycling, construction and building, laundry etc.

www.bdv.at/datenbank/

IN BELGIUM

A directory to identify organisations that meet the needs of public contracts

This not-for-profit organisation, SAW-B, brings together social economy initiatives (ES) in Wallonia and the Brussels-Capital region, and provides a directory of 800 organisations, "PréférencES". This tool identifies enterprises that provide workplace training (EFT), integration enterprises (EI) and sheltered

workshops (ETA) that are "public contract"²⁵ accredited in the building sector for public works contracts. For the moment, about twenty of them have class 1 accreditation, which gives them the right to reply to calls for tender of no higher than €135,000. This accreditation is not necessary for service contracts, and several hundred social enterprises can reply to public contract tenders that include social clauses. Searches can also be done by legal form, province or business sector. This is a tool to complement the training courses run by the network and all the publications that it produces. www.saw-b.be/spip/spip.php?page=annuaire-es

IN FRANCE

To better publicise the goods and services economic integration organisations offer in France, Avise has been operating the website www.socialement-responsable.org since 2008. This resource centre provides a national directory of SIAEs as well as tools and good practices to improve the social impact of professional procurement. Web platforms including a directory have also emerged at regional level to facilitate the sourcing of social and solidarity enterprises: [BOSS](#) in Brittany, [ZIG et ZAG](#) in Alsace and [Pro-Conso-solidaires](#) in the Rhône-Alpes region... Most of them are part of the "socially responsible procurement network". A [presentation kit](#) is available on line.

²⁵ If Belgian social enterprises want to work on public work contracts, they must first, like any other company, obtain "accreditation", the aim of which is to offer the necessary guarantees that the services will be carried out correctly.

FILE #4**Putting procurers and work integration social enterprises in touch with each other**

Various events are organised in EU countries to help bring together procurers wishing to act in a more socially responsible way and responsible suppliers. These events may entail local awareness raising activities, such as those organised in Belgium, to develop the exchange of knowledge between organisations and to foster cooperation. There are also fairs, such as those in Scotland and Spain, to present the goods and services that WISEs offer. To complement web tools, these events often provide a suitable framework for developing business flows and act as a tool to consolidate client portfolios of WISEs.

**Example of Ready for Business in Scotland****A programme to develop partnerships between procurers and social enterprises**

"Developing markets for third sector providers" is one of the key programmes of the Scottish government's policy on the social economy for the 2011-2014 period. This is a "unique opportunity to develop and embed a number of leading market development solutions, including the Public Social Partnership (PSP) model, Community Benefit Clauses (CBC) and the use of Social Value throughout public sector commissioning and procurement in Scotland," explains Roddy Stewart of Ready for business²⁶. The consortium commissioned by the government to run the programme brings together important stakeholders in the social and solidarity economy, such as Social Firms Scotland (a network of work social integration enterprises) and in the private sector such as KPMG.

²⁶ See <http://readyforbusiness.org/2014/06/more-support-for-enterprises/>

What are the main aims? Developing *Public Social Partnerships (PSPs)*, a tool which aims to boost strategic relationships between public authorities and social enterprises, and increasing the number of *Community Benefit Clauses (CBCs)* - contract clauses that aim to take into consideration social criteria in calls for tender.

The aim is to set up projects that entail the creation of a space for dialogue, between public procurers and social enterprises, to identify opportunities for cooperation and to create a network that brings together various players. According to Roddy Stewart, the main thrust of the scheme has involved raising the awareness of managers and procurement staff. A series of "local engagement events" has therefore been organised. This has enabled managers of social enterprise networks to chat with local authorities and better understand their actual needs.

The consortium now runs themed conferences and tailor-made workshops. In 2013, it was a partner of the *Social Enterprise Exchange*, an event at UK level to raise the prestige of social enterprises to help them grow their business. The last conference held was host to around one hundred organisations, which came to present their ranges of products and to attract public authorities as well as large companies.

Social enterprises can also access the website Ready for Business, which regularly monitors calls for tender that may be of interest to them.

To find out more:

www.readyforbusiness.org

<http://socialenterpriseexchange.com>

Other initiatives in Europe

IN SPAIN

"Inserciona", a national fair to boost business flows between WISEs and public procurers

"Inserciona" is the national event to provide visibility and foster business relations for Spanish WISEs.

The Faedei (Federation of local integration enterprise associations) started up this initiative. Fairs were also held in 2011 and 2013, respectively in Barcelona (Catalonia) and Irun (Basque country). The main aim of "Inserciona" is to *"make public administrations in a position to offer reserved contracts or incorporate social clauses in their calls for tenders"* explains Faedei. At the last event, the goods and services offered by 200 integration enterprises were presented, and business meetings were organised in the sectors of construction and renovation, maintenance and cleaning, the hotel and catering business, etc. Workshops also took place on the social responsibility of companies, for example, and on emerging markets.

www.fae dei.org/es/introduccion

IN BELGIUM

Meetings in the regions to foster the exchange of knowledge and to develop partnerships

As part of its mission to increase public procurers' awareness of social clauses in Wallonia, the network of social economy initiatives, SAW-B, organised a large number of events between 2005 and 2011, bringing together elected representatives and procurement officers to present the scheme to them and the WISEs in their region. These events acted as levers to foster partnerships, because *"some procurers do not even know the social economy organisations in their district,"* points out Jean-Luc Bodson, project manager at SAW-B.

The network now aims to organise events three times a year to maintain the dynamic.

www.saw-b.be/spip/index.php

IN FRANCE

Events to facilitate business flows between procurers and WISEs mainly take part at regional level.

So, at a themed day-long event on socially responsible procurement in October 2013, the Aquitaine Region Group of networks for Integration Through Work (GARIE) organised a "speed dating event" to bring together "as many partners as possible in the shortest possible time".

In November 2013, the socially responsible procurement and solidarity forum was held in the Provence-Alpes-Côte d'Azur region, run by the Provençal agency for the alternative and solidarity economy (APEAS). The event whose aim was to bring together 300 professionals, was designed to be "an event to enable procurers and suppliers to meet". Themed spaces were set up to match supply with demand, and presentations from various sectors were done to convince other players to spread good practice.

In the Midi-Pyrénées region, a similar format was set up by the Agency for the development and promotion of the solidarity economy (ADEPES) through a regional forum of the ESS, bringing together 80 exhibitors. In 2013 it was called "Let's buy responsibly!"

Other events have been scheduled in many regions, prompted notably by those involved in the "socially responsible procurement network".

www.iae-aquitaine.org/

www.achetons-solidaires-paca.com/

www.achetons-responsables-mp.com/

To take it further

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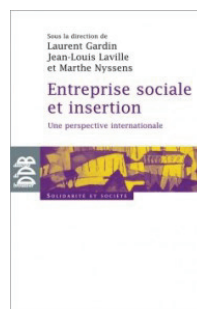
To follow the news on proposals for "public procurement" directives:

http://ec.europa.eu/internal_market/publicprocurement/modernising_rules/reform_proposals_en.htm

All resources of the ENSIE network on access by social enterprises to public contracts:

<http://web.ensie.org/Ensie/AboutENWISE/March%C3%A9publics/tabid/2409/Default.aspx>

A close look at

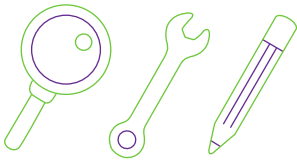


Entreprise sociale et insertion : une perspective internationale

The aim of this document [in French] is to analyse the specific features of integration initiatives in various countries and to compare them with the "social enterprise" model developed by the search network, EMES.

The document is divided into several parts: international markers (conceptualizations and profiles of social integration enterprises), transverse issues (types of hybridisation of resources, governance, institutionalisation), national examples (Belgium, France, Quebec, Switzerland).

Entreprise sociale et insertion: une perspective internationale, under the direction of Laurent Gardin, Jean-Louis Laville and Marthe Nyssens, éditions Desclée de Brouwer, 2012, 328p.



Les Repères de l'Avisé

Avisé is the French national body promoting social enterprises and social innovation. It was cofounded in 2002 by the long term public investor Caisse des Dépôts and representative players from the social economy. Avisé's aim is to increase the number and performance of social enterprises which generate employment and social innovation.

This publication is also available in french on the website www.avise.org.

SOCIALLY RESPONSIBLE PROCUREMENT

You will find more information
about socially responsible procu-
rement and work integration social
enterprises on the website :
www.socialement-responsable.org

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