



# CZECHIA

OECD Global Action on Promoting Social and Solidarity Economy Ecosystems

Czechia does not have a national framework around the social and solidarity economy (SSE). The Ministry of Labour and Social Affairs oversees social entrepreneurship policy. **238 registered social enterprises** provided **5 106 jobs** for people with social and health disadvantages in 2022. **Women** represented **61%** of social enterprise employment in 2019.

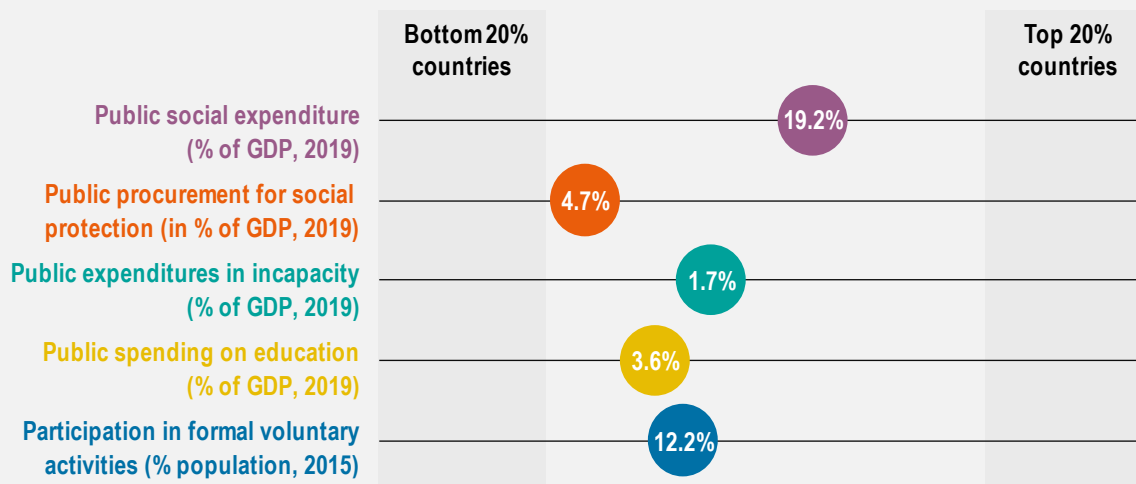
## SOCIO-ECONOMIC INDICATORS

Czechia is a unitary country and a member of the European Union. It is a high-income country with a very high human development level.

	GDP per capita	Labour force participation rate	Youth not in employment, education or training (NEET)	Poverty rate	Gini coefficient	Rural population	Stakeholder engagement for developing regulations
<b>Czech Republic</b>	USD 49 122	77.3%	11.9%	5.3%	0.255 / 1	21.3%	1.6 / 4
<b>OECD</b>	USD 53 937	73.2%	14.8%	11.0%	0.313 / 1	23.1%	2.1 / 4

Note: Data from Czechia refer to 2022, except for NEET (2021), poverty rate (2020), Gini coefficient (2020) and stakeholder engagement (2017). OECD data refer to 2022, except for poverty rate (2018), Gini coefficient (2020) and stakeholder engagement (2017). GDP per capita for OECD is an estimated value. See sources at the end of the document.

## Country position in selected social indicators



Note: For each indicator, the position of the bubble on the line represents the country's ranking compared to OECD and EU countries. Higher rankings are on the right. The panel of countries for the international ranking can vary from an indicator to another due to data availability. See sources at the end of the document.

## SOCIAL AND SOLIDARITY ECONOMY ECOSYSTEM

### Definition of the social and solidarity economy in Czechia

No official definition of the SSE is available in the country.

## Institutional frameworks



### Institutions

The **Ministry of Labour and Social Affairs** oversees policy related to the SSE, especially by supporting work integration social enterprises.



### Legal and policy instruments

*Not relevant.*



### Stakeholder engagement

**Regional public bodies** express a growing interest in the SSE and some regions provide active support, such as the Pardubice region, South Moravia, or the Královehradecký regions.

## Main figures

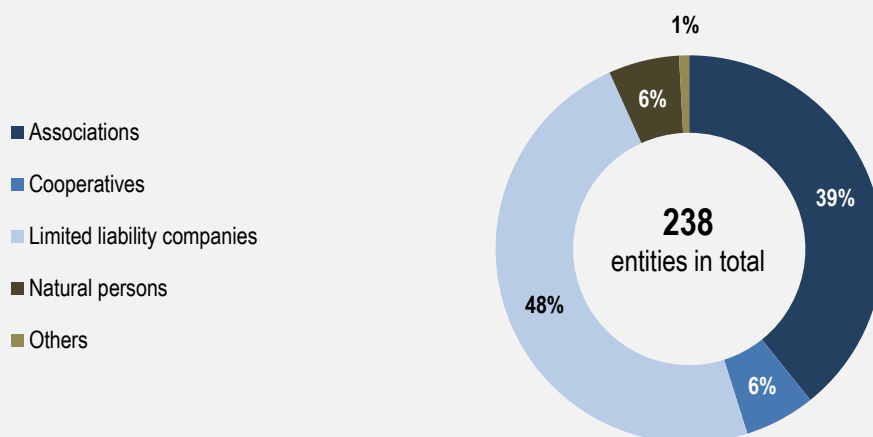
In Czechia, **238 registered social enterprises**, majority of which are limited liability companies, provided **5 106 jobs** for people with social and health disadvantages in 2022. **Women** represented **61%** of social enterprise employment in 2019, according to a smaller sample of social enterprises. Registered social enterprises generated an annual turnover of **CZK 2.7 billion** in 2022.

### SCOPE

Data are based on the Directory of Registered Social Enterprises and on a questionnaire survey circulated among social enterprises in 2022.

### SSE ENTITIES

Number of registered social enterprises (2019)



Note: The number of social enterprises, including registered and unregistered, is estimated to reach 400-600 entities. Data on the breakdown by legal forms is based on a questionnaire survey carried out on a sample of 105 social enterprises in 2022.

### EMPLOYMENT

**Total employment** in registered social enterprises in headcounts was **5 106 for people with social and health disadvantages** in 2022, which corresponds to **0.1% of total employment**.

### REACH

#### Gender equity



Women represented **61%** of social enterprise employment while their share in total economy was 44% in 2019.

#### Volunteering



There were **663** volunteers active in at least one SSE entity in 2019.

#### Economic contribution



The annual turnover generated by registered social enterprises was **CZK 2.7 billion** in 2022.

Note: Data about women representation in social enterprise employment is based on a questionnaire survey carried out on a sample of 167 social enterprises in 2019.

## Legal frameworks

Legal frameworks to support the development of the SSE can be adopted at the national and subnational levels. They can regulate the SSE as a whole, or specific legal entities of the SSE (such as associations, cooperatives, mutual societies, foundations and social enterprises).

<b>For the SSE</b>	<ul style="list-style-type: none"> <li>• <i>Not available.</i></li> </ul>
<b>For specific SSE entities at national level</b>	<ul style="list-style-type: none"> <li>• Act on Churches and Religious Communities (3/2002) – <a href="#">link</a></li> <li>• Civil Code (89/2012) – <a href="#">link</a></li> <li>• Act on Business Corporations (90/2012) – <a href="#">link</a></li> </ul>

Note: The list above is not exhaustive of all existing legal frameworks around SSE in Czechia.

## Fiscal treatment

Different fiscal treatment can be established for the social and solidarity economy as a whole, or for specific SSE entities, at the national and subnational level.

<b>Fiscal treatment of SSE entities</b>	<b>Fiscal treatment for contributors to the SSE</b>
<ul style="list-style-type: none"> <li>• Associations, foundations, religious groups, public benefit companies and non-profit legal forms enjoy a range of exemptions from income taxes.</li> <li>• All organisations that employ persons with disabilities enjoy specific income tax reductions valued up to EUR 700 or 2 300, depending on the level of disability of the employee.</li> </ul>	<ul style="list-style-type: none"> <li>• Corporations may reduce their tax base by up to 10% for gifts to corporations that use or apply the gifts for public benefit purposes as defined by the Income Tax Act</li> <li>• Individuals may reduce their tax base by up to 15% for donations to legal persons who use or will use donations for public benefit purposes as defined by the Income Tax Act.</li> </ul>

Note: The list above is not exhaustive. Information is retrieved from OECD desk research and “Relevant taxation frameworks for Social Economy Entities” published in 2023 by the European Commission.

## Social impact measurement initiatives

Driven by a mission of social purpose, SSE entities are increasingly requested to demonstrate the positive value that they generate through their activities. Social impact measurement enables them to assess their positive contribution to society. A diverse range of possible initiatives are available to governments and practitioners to foster a social impact measurement culture.



### Evidence-based initiatives

- [Evaluation of Social Entrepreneurship \(Hodnocení sociálního podnikání\)](#) (2018) △ Median, Ministry of Labour and Social Affairs
- [Directory of social enterprises](#) (2022) △ Ministry of Labour and Social Affairs



### Guidance-based initiatives

- [List of impact indicators for social businesses](#) △ Ministry of Labour and Social Affairs

Note: Evidence-based initiatives help produce and disseminate impact evidence to raise awareness on the social and solidarity economy as a whole, and to reduce the cost of accessing data for single and particularly small-sized entities. Guidance-based initiatives deliver guidance on social impact measurement approaches, which are tailored to the specific needs of the social and solidarity economy.

## FURTHER READING ON THE SSE IN CZECHIA

[Ceské Sociální Podnikání](#) | [European Commission: Social Enterprises and their Ecosystems Czech Republic Country Report](#) | [EU Social Economy Gateway - Czech Republic](#)

## DATA SOURCES

- Socio-economic data refer to 2022 unless stated otherwise, and relate to data downloaded as of 17 July 2023. Datasets used: GDP per capita, current PPP: OECD national accounts statistics, <https://doi.org/10.1787/na-data-en>; Labour force participation rate (15-64 year old): OECD Employment and Labour Market Statistics, <https://doi.org/10.1787/data-00310-en>; NEET (15-29 year olds, all levels of education): OECD Education at a Glance 2022, <https://doi.org/10.1787/19991487>; Poverty rate (after taxes and transfers, poverty line 50%): OECD Social and Welfare Statistics (database), <https://doi.org/10.1787/data-00654-en>; Gini coefficient (disposable income, post taxes and transfers): OECD Income Distribution Database, <https://www.oecd.org/social/income-distribution-database.htm>; Rural population (OECD): OECD, CFE Regions and Cities databases, <http://oe.cd/geostats>; Stakeholder engagement for developing regulations: OECD Better Life Index, <https://www.oecdbetterlifeindex.org/#/111111111111>; Public social expenditures: OECD Social Expenditure Database (SOCX), <http://dotstat.oecd.org/Index.aspx?QueryId=26920>; Share of public procurement for social protection (in % of total general government procurements): OECD (2022), "Government at a Glance - 2021 edition", <http://dotstat.oecd.org/Index.aspx?QueryId=107598>; Public spending on incapacity: OECD (2022); Public spending on incapacity (indicator), <https://doi.org/10.1787/f35b71ed-en> (Public spending on incapacity refers to spending due to sickness, disability and occupational injury); Spending on education (primary to tertiary level, in % of GDP): OECD Education Statistics (database), <https://doi.org/10.1787/c4e1b551-en>; Participation in formal voluntary activities (% of people): Eurostat table [ilc\_scp19], based on the 2015 EU-SILC ad-hoc module.
- SSE data were collected through OECD questionnaire circulated in May 2022. The data were provided by the Ministry of Labour and Social Affairs based on based on Vyhodnocení dotazníkového šetření sociálních podniků v ČR 2019 and Vyhodnocení dotazníkového šetření sociálních podniků v ČR 2022.
- Further information on the methodology followed in the country fact sheets can be found [here](#).

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