



FRANCE

OECD Global Action on Promoting Social and Solidarity Economy Ecosystems

France adopted the **Law on the Social and Solidarity Economy (SSE)** in 2014 and appointed a **State Secretary** in charge of the SSE since 2020. In the country, about **212 000 SSE entities** provide nearly **2.6 million jobs**, which accounts for **10.4% of national employment**.

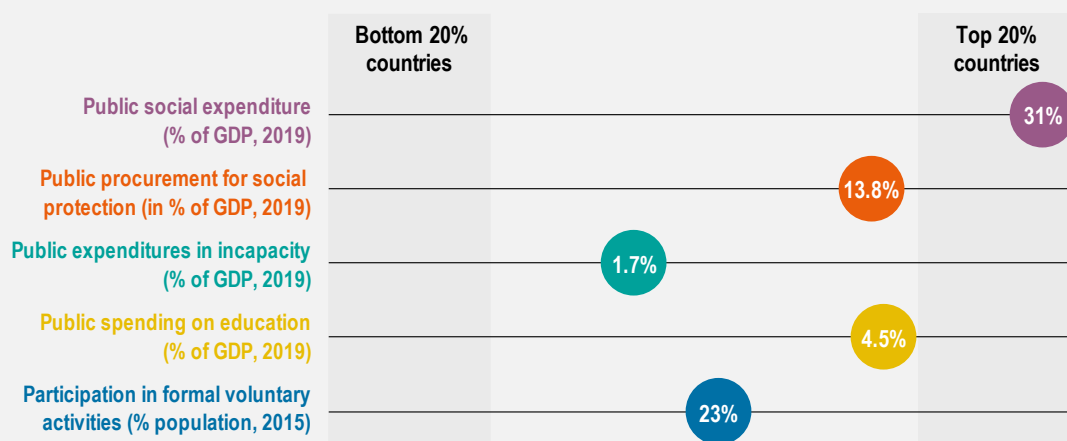
SOCIO-ECONOMIC INDICATORS

France 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
France	USD 55 043	73.6%	15.1%	8.4%	0.292 / 1	27.8%	2.1 / 4
OECD	USD 53 937	73.2%	14.8%	11.0%	0.313 / 1	23.1%	2.1 / 4

Note: Data from France refer to 2022, except for NEET (2021), poverty rate (2019), Gini coefficient (2019) 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 France is a provisional value, for OECD is an estimated value. Share of rural population in France 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 France

The social and solidarity economy is a **form of entrepreneurship** and economic development adapted to all areas of human activity.

It includes **private legal entities** meeting the following **cumulative conditions**:

1. A **goal** other than the mere sharing of profits;
2. A **democratic governance**, the extent of which is not solely linked to the capital contribution or to the amount of the financial contribution of the members, employees and stakeholders;
3. A **management** in accordance with the following principles:
 - The **profits are mainly devoted to the objective of maintaining or developing the activity**;
 - The **compulsory reserves** constituted, which may not be shared out, **may not be distributed**.

It is made up of:

1. **Cooperatives, mutual benefit societies or unions** under the mutual benefit code or **mutual insurance companies** under the insurance code, **foundations or associations**; and
2. **Commercial companies** which fulfil the cumulative conditions, seek to be socially useful and apply specific management principles.

Note: The official definition provided has been translated into English by the authors. For the complete definition, please refer to the [Framework Law on the Social and Solidarity Economy \(2014\)](#), Articles 1-2.

Institutional frameworks



Institutions

Since 2020, a **State Secretariat on Social and Solidarity Economy** has been established to govern public policy in supporting the development of the SSE in France. The State Secretariat is under the Prime Minister's Office since July 2022. Within the Ministry of Economy, Industry and Digital Technology, a delegation for SSE exists under the Directorate General of the Treasury since 2016.



Legal and policy instruments

The French Law on the Social and Solidarity Economy, adopted in 2014, provides an enabling and encompassing regulatory framework to better support traditional SSE entities and new social enterprises.



Stakeholder engagement

Article 5 of the Law on SSE established ESS France in 2016, which is recognised as the French Chamber of the Social and Solidarity Economy and federates national SSE entities representing the different statutory forms of the SSE, regional SSE chambers and any other legal entities of the SSE ecosystems.

Main figures

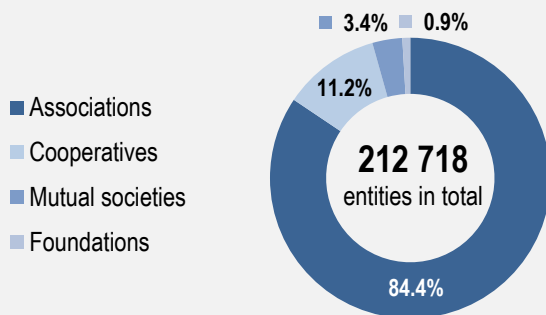
In France, **212 000 SSE entities** provide nearly **2.6 million jobs**, accounting for **10.4% of national employment**. Employer SSE entities mostly include **small and medium-sized entities**, with about three quarters of them having less than 10 workers. **Social services** accounted for the highest share of SSE employment with **39.2%**. **Women** represented **66.9% of SSE employment** in 2018.

The statistical scope was co-defined in 2008 by the French National Institute of Statistics and Economic Studies (INSEE) and organisations representative of the social and solidarity economy. The scope includes cooperatives, mutual societies, associations and foundations established on the French territory, including overseas territories, except those specific legal entities, such as public administrations. Since 2014, commercial entities can be recognised as part of the SSE if they comply with pre-defined criteria. Yet, data on these entities being not reliable enough, estimates are provided.

SCOPE

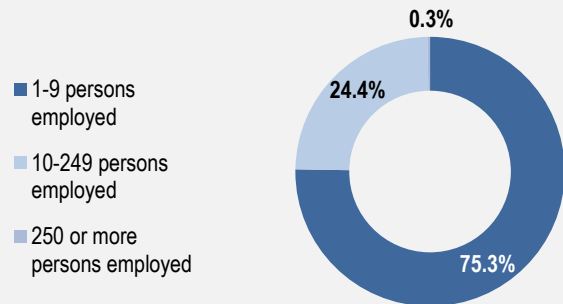
SSE ENTITIES

Number of SSE entities (2018)



+ 2 000 Solidarity Enterprises with Social Utility (ESUS)
500 commercial companies of the SSE

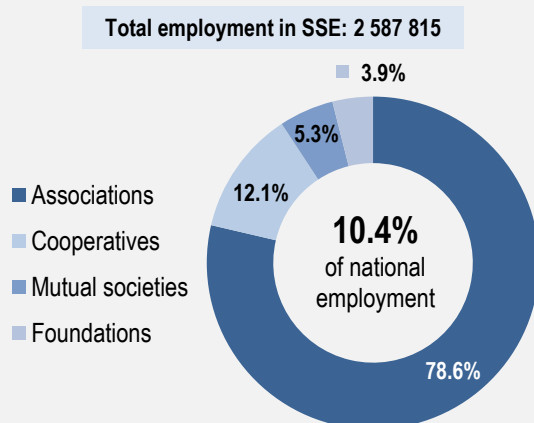
Breakdown of SSE entities by size of employment (2018)



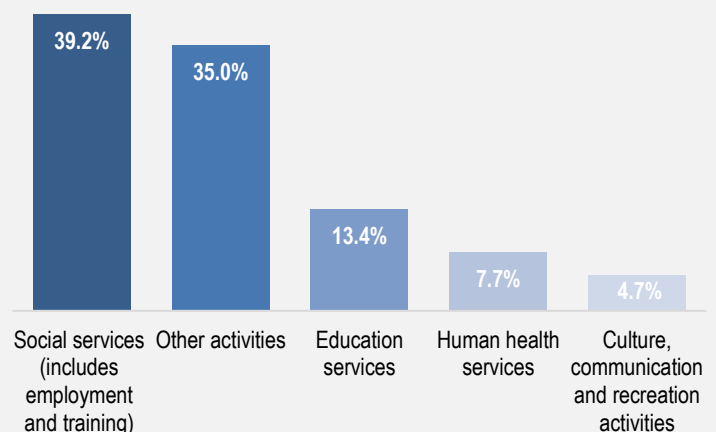
Note: The number of SSE entities includes only employer firms. Number of Solidarity Enterprises with Social Utility and commercial companies of the SSE are estimates. The number of entities with no employment is estimated at >1.5 million and includes mainly associations relying on volunteering but also some cooperatives and foundations.

Employment in the SSE (headcount, 2018)

EMPLOYMENT

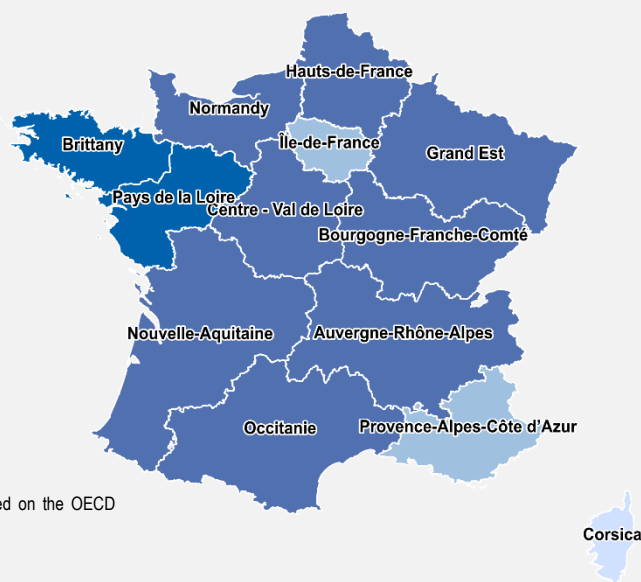
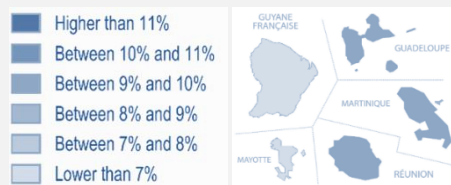
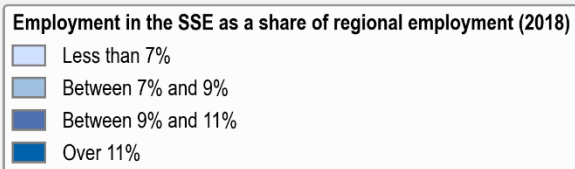


Sectoral employment (2018) (Main broad sections of ICNP/TSO)



Note: Employment data does not include data about commercial companies of the SSE due to lack of reliable data.

Note: Sectoral employment graph presents the top 5 sectors in terms of employment. Other activities include agriculture, forestry and fishing; manufacturing; accommodation, catering and food services; financial and insurance services; and non-classified activities.



Note: Share of SSE employment in regional employment has been calculated based on the OECD Regional database. See sources at the end.

REACH

Gender equity



Women represented **66.9%** of SSE employment while their share in total economy was 49% in 2018.

Volunteering



There were **22 million** of volunteers (18+ years old) who contributed at least one hour of volunteering in 2017, which stood between **1.32-1.46 million FTE**.

Economic contribution



The SSE value added generated was **EUR 89.9 billion** in 2012, namely **5% of the total economy**.

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).

For the SSE

- 2014 Framework Law on the Social and Solidarity Economy (Law n° 2014-856) – [Link](#)

For specific SSE entities at national level

- 1901 Law on Associations - [Link](#)
- Mutuality Code (latest revision in 2022) - [Link](#)
- 1947 Law on the Status of Cooperatives (Law n° 47-1775) - [Link](#)
- 1987 Law on the Development of Philanthropy (n° 87-571) - [Link](#)
- 2011 Law on Social, Educational and Cultural Provisions (Law n° 2001-624) including the establishment of collective interest cooperative company (SCIC) - [Link](#)

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

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.

Fiscal treatment of SSE entities

- Foundations are not subject to corporation tax and value added tax (VAT) for activities directly related to their purpose, while sports and cultural associations can be exempt from corporation tax and VAT on services provided to their members.
- Collective interest cooperative companies' (SCICs) revenue that is allocated to the asset lock is tax-exempt and their VAT rate depends on the activity carried out.
- Associations and Work Integration Social Enterprises (WISEs) can benefit from reduced social security taxes for the employment of workers under certain conditions.

Fiscal treatment for contributors to the SSE

- Legal entities can donate tax-free up to 10% of their previous year's profit or up to 3% of their personnel costs during the current year to eligible non-profit organisations (NPOs) and foundations.
- Donations to associations are eligible for an income tax reduction of 66% to 75% of the amount paid, depending on the association chosen, within the limit of 20% of taxable income.

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

- [Social Return on Investment case study on Passeport Avenir](#) (2016) △ Avise with support from the Ministry of Economy and Finance and the EU
- [SSE and value creation](#) (2017) △ Avise, Fonda, Labo de l'ESS with funding from Ministry of Ecological and Solidarity Transition and EU



Guidance-based initiatives

- [Measuring social impact. After the time for speeches, now is the time for action](#) (2011) △ Higher Council for the Social and Solidarity Economy and Working Group on Social Impact Measurement
- [Indicators to evaluate the performance of work integration social enterprises](#) (2012) △ National Federation of Social Reintegration Associations with support from the Ministry of Labour, Employment and Inclusion and EU
- [Brief details of social impact assessment](#) (2013) △ Avise, Essec Business School, Mouves with support from the Ministry of Employment and the EU
- [Dossier Impact Social](#) (2016) △ Avise with support from the Interministerial delegation for the social and solidarity economy and the EU
- [Alter'guide Evaluating the social utility of the social solidarity economy](#) (2018) △ Corus'ESS with funding from Nord-Pas de Calais Region and Lille Metropolitan area

Note: Evidence-based initiatives help produce and disseminate impact evidence to raise awareness on the social and solidarity economy 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 is tailored to the specific needs of the social and solidarity economy.

FURTHER READING ON THE SSE IN FRANCE

[ESS France](#) | [Panorama national de l'ESS : ce que l'ESS apporte à la société](#) | [Atlas commenté de l'ESS](#) | [National Observatory for the SSE](#) | [French Treasury webpage on the SSE](#) | [Labo de l'ESS](#) | [Avise national resource centre on social impact evaluation](#) | [EU Social Economy Gateway - France](#)

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. French SSE data are based on Insee Flores 2018 and statistical scope of the SSE. The data were provided by the Ministry of the Economy, Finance and Industrial Sovereignty of France and the national SSE observatory run by ESS France. Women employment data is provided by the national SSE observatory run by ESS France. Estimation of volunteering comes from [Prouteau \(2018\), Le Bénévolat en France en 2017. État des lieux et tendances](#). Data on the SSE value added comes from [Insee Première n° 1522 \(2014\)](#).
- Further information on the methodology followed in the country fact sheets can be found [here](#).

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.



OECD
Global Action
Promoting
Social & Solidarity
Economy Ecosystems

Centre for Entrepreneurship, SMEs, Regions and Cities
Local Employment and Economic Development (LEED) Programme
Social Economy and Innovation Unit



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