



# IRELAND

OECD Global Action on Promoting Social and Solidarity Economy Ecosystems

Ireland does not have a national framework around the social and solidarity economy (SSE). Among the SSE components, recent developments have focused on social enterprises under the SSE. The Department of Rural and Community Development oversees social entrepreneurship development through the **National Social Enterprise Policy**. Ireland was estimated to host **4 335 social enterprises**, employing **84 382 people**, or **3.7%** of the total Irish workforce in 2022.

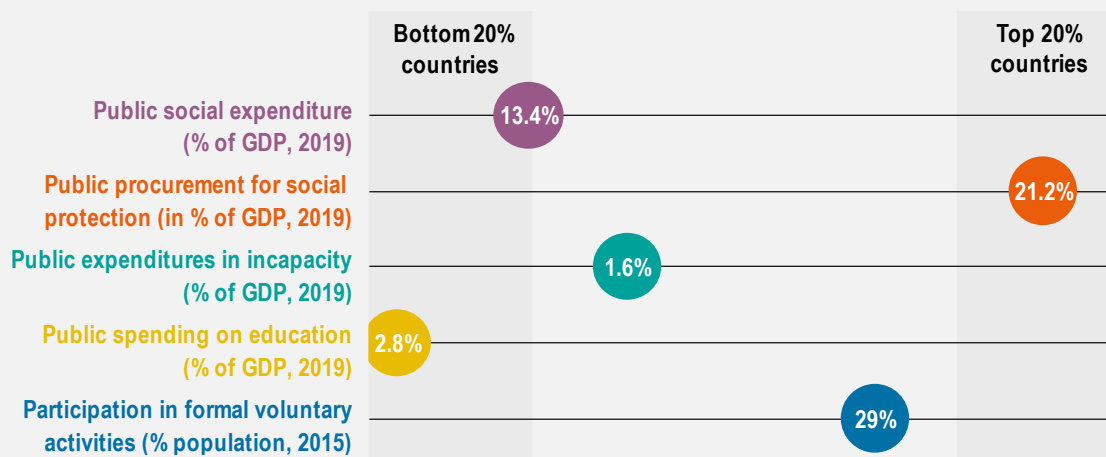
## SOCIO-ECONOMIC INDICATORS

Ireland 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
Ireland	USD 126 217	76.5%	11.8%	7.7%	0.282 / 1	56.8%	1.3 / 2
OECD	USD 53 937	73.2%	14.8%	11.0%	0.313 / 1	23.1%	2.1 / 4

Note: Data from Ireland 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 one 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 Ireland

The social and solidarity economy (or social economy) is not defined in any legal or official text in Ireland. The country has an operational definition of the term "social enterprise":

A **social enterprise** is an enterprise whose objective is to achieve a **social, societal or environmental impact**, rather than maximising profit for its owners or shareholders. It pursues its objectives by trading on an ongoing basis through the **provision of goods and/or services**, and by reinvesting surpluses into achieving social objectives. It is **governed in a fully accountable and transparent manner** and is **independent of the public sector**. If dissolved, it should transfer its assets to another organisation with a similar mission

Note: For more information, refer to the [National Social Enterprise Policy 2019-2022](#).

## Institutional frameworks



### Institutions

SSE policy in Ireland is cross-departmental with many stakeholders involved including Department of Enterprise, Trade and Employment (for cooperatives), the Department of Finance and Central Bank (for credit unions) and the Department of Finance and Department of Social Protection (for social finance). The **Department of Rural and Community Development (DRCD)** oversees social entrepreneurship development in Ireland and has launched initiatives that can help the SSE development. Charities Regulatory Authority is also involved as many social enterprises are registered as charities.



### Legal and policy instruments

Ireland does not have a comprehensive framework around the SSE. The **National Policy for Social Enterprises (2019-2022)** aims to create an enabling environment for social enterprises to grow, both in terms of scale and impact. In 2021, the **Social Enterprise Awareness Strategy** was also published. In 2022, the government announced its intention to modernise the legislation governing cooperatives. The **Strategy to Support the Community and Voluntary Sectors 2019-2024** and the **National Volunteering Strategy 2021-2025** should contribute to SSE development. There are also **different acts on SSE constituents** such as credit unions and cooperative societies.



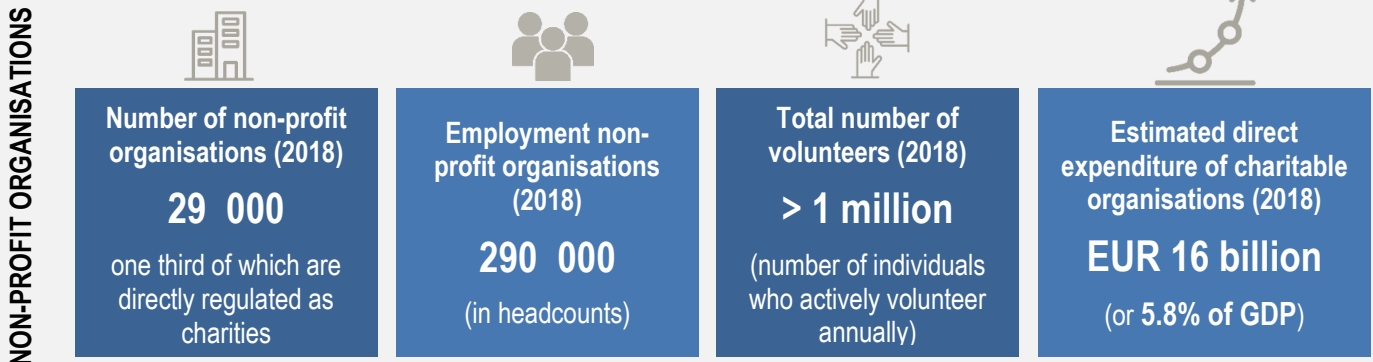
### Stakeholder engagement

DRCD collaborates with other ministries and local stakeholders through the **National Social Enterprise Policy Implementation Group (NSEPIG)** to support the implementation of the National Social Enterprise Policy. **Rethink Ireland** provides publicly backed cash grants and business support to social innovation through specific funds.

## Main figures

In Ireland, there were **29 000 non-profit organisations** that employed **290 000 people** in 2018. As of 2022, Ireland was estimated to host **4 335 social enterprises**, employing **84 382 people**, accounting for **3.7%** of the total Irish workforce. **Women** represented **68.8%** of the social enterprise workforce.

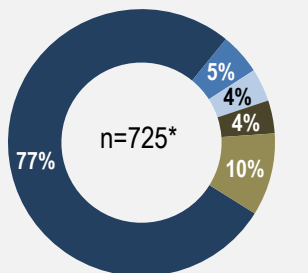
**SCOPE** The first section presents data that cover non-profit institutions, namely entities in the third sector that are neither part of government nor of the private sector. The second section presents data on social enterprises based on the recent data collection exercise published by Ireland.



Note: The data above have been provided by the Department of Rural Community and Development based on the Five-Year Strategy to Support the Community and Voluntary Sector in Ireland 2019-2024. See sources at the end.

## SOCIAL ENTERPRISES

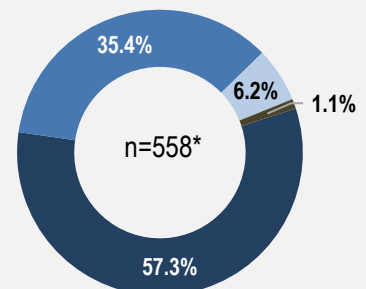
### Social enterprises by legal forms (2022)



- Company Limited by Guarantee
- Do not know
- Cooperative (Industrial and Provident Society)
- No Legal Form (Unincorporated Association)
- Others

### Employment size of social enterprises (2022)

As of 2022:  
**4 335** social enterprises  
**84 382** people working in social enterprises  
 or  
**3.7%** of the total Irish workforce



- Microenterprise
- Small enterprise
- Medium enterprise
- Large enterprise

Note: Others include hybrid (3%), company limited by share capital (2%), designated activity company limited by guarantee (2%), sole trader (2%), and designated activity company limited by shares (1%).

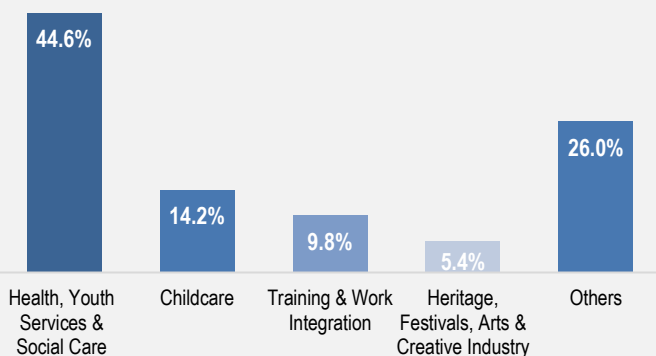
Note: The data above on social enterprises are retrieved from the Social Enterprises in Ireland – A Baseline Data Collection Exercise published in 2023 by DRCD. See sources at the end.

\*A total of 725 surveys were completed in 2022 as part of the data collection exercise. The respective sample sizes are provided in the graphs for each.

**SOCIAL ENTERPRISES**

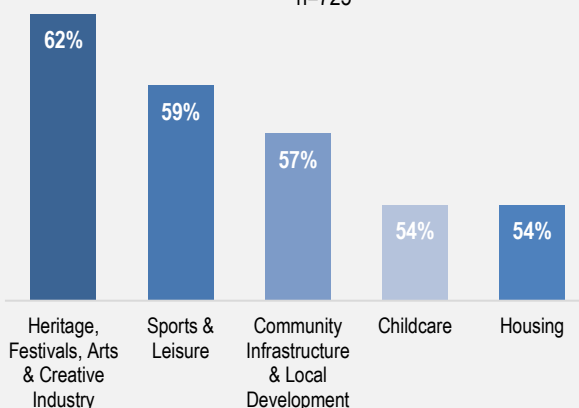
**Sectors of activity by employment\*\*\***

n=558



**The most common sectors of activity**

n=725



\*\*\*Others include consultancy and support services; community infrastructure and local development; housing; environmental services; sports and leisure; food, catering and hospitality; other (e.g. animal rescue and care, timebanks); retailing, transport; financial services; and manufacturing.



Women represented **68.8%** of the workforce in social enterprises in 2022.



An estimated **44 501** active volunteers and **30 324** board members participated in Ireland's social enterprise sector.



Social enterprises' total income was **EUR 2.34 billion**, representing **0.63%** of Ireland's GDP.

Note: The data above on social enterprises are retrieved from the Social Enterprises in Ireland – A Baseline Data Collection Exercise published in 2023 by DRCD. See sources at the end.

**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**

- *Not available.*

**For specific SSE entities at national level**

- Cooperative Societies Bill (2022) – [Link](#)
- Companies Act (2014) - [Link](#)
- Charities Act (2009) - [Link](#)
- Credit Union Act 1997 (Regulatory Requirements) Regulations (2016) – [Link](#)
- Credit Union Act (1997) – [Link](#)
- Friendly Societies (Amendment) Act (1977) - [Link](#)

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

**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**

- The Revenue Commissioners decide if an organisation is a charity for tax purposes and whether it qualifies for a tax exemption. The tax regime with relevance to the activities of the charities includes several types of tax reductions affecting income tax, corporation tax (in the case of companies), capital gains tax, Deposit Interest Retention Tax (DIRT), capital acquisitions tax, stamp duty, and dividend withholding tax.
- Charitable entities are not exempt from Value Added Tax (VAT).
- Charities can benefit from tax relief for individual donations to eligible charities and other approved bodies.

**Fiscal treatment for contributors to the SSE**

*Not available.*

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.





### Policy framework

- [National Social Enterprise Policy for Ireland](#) (2019-2022)  Government of Ireland



### Guidance-based initiatives

- [The Social Enterprise Toolkit, Chapter 8 Social Impact](#) (2017)  Socent.ie with support from Dublin City Council
- [My Journey: Distance Travelled Tool](#) (2018)  Department of Rural and Community Development and Pobal

Note: Policy frameworks create enabling conditions and set targeted incentives to conduct social impact measurement. 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 IRELAND

[Department of Rural Community and Development: Social Enterprises in Ireland – A Baseline Data Collection Exercise](#) | [Forfás: Social Enterprise in Ireland-Sectoral Opportunities and Policy Issues](#) | [Social Enterprise and Entrepreneurship Task Force: Unlocking the Potential of Social Enterprise and Entrepreneurship](#) | [Clarke and Eustace: Exploring Social Enterprise in Nine Areas in Ireland](#) | [Clann Credo: The Economic and Social Contribution of Clann Credo – the Social Investment Fund](#) | [European Commission: Social Enterprises and Their Ecosystems Ireland Country Report](#) | [EU Social Economy Gateway Ireland](#)

## 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/#/11111111111111111111>; 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 on non-profit organisations were provided by the Department of Rural and Community Development (DRCD) of Ireland based on the [Sustainable, Inclusive and Empowered Communities - A five-year strategy to support the community and voluntary sector in Ireland 2019-2024](#). The data on social enterprises were retrieved from the [Social Enterprises in Ireland – A Baseline Data Collection Exercise](#) published in 2023 by DRCD.
- Further information on the methodology followed in the country fact sheets can be found [here](#).

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Local Employment and Economic Development (LEED) Programme  
Social Economy and Innovation Unit



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