



# BELGIUM

## COUNTRY SCENARIO

### 1. Main definitions and concepts used and short history of the sector and its developments

The social economy was rediscovered in Belgium in the late 80s. It was in Wallonia that the interest was at first the strongest: in 1990, the Walloon Council for Social Economy, set up by the Regional government, has forged a definition that remains the major reference: “The social economy includes economic activities carried out by companies, mainly cooperatives, mutual societies and associations, whose ethics is reflected in the following principles: purpose of service to members or to the community rather than profit, management autonomy, democratic decision-making process, primacy of people and work on capital in the distribution of income”.

The three main components of the Belgian social economy present some peculiarities linked to history and to the national context.

1. the last two decades have seen large “traditional” cooperatives, particularly in banking, insurance, and the dairy sector, joining non-cooperative multinational groups. The cooperative has sometimes remained in them a significant shareholder whose dividends are partly paid to the co-operators and partly “socialized” in the service of

a social movement or in projects of general interest. Cooperatives are still very active in pharmaceutical distribution, in the agricultural sector (dairies, purchase or processing of agricultural products) and in insurance;nj. In addition, new waves of cooperatives have emerged and are developing in the field of integration, recovery and recycling, organic farming and the pooling of agricultural equipment, construction, computer services, ethical finance, services to people, etc. It should also be noted that since 1995, the status of a company with a social purpose has been superimposed on the classic status of commercial companies (SA, SPRL, SC), but which is mainly chosen by cooperative companies.

2. In Belgium, mutual societies are closely associated with the management of health insurance and serve as an interface between the National Institute for Disability Health Insurance and the citizen. While in this function they appear almost as parastatals, they also develop, in a more autonomous way, complementary insurance and a wide range of social services, particularly in home care.
3. In addition to the emergence of new cooperatives,



it is above all in the voluntary sector that the new dynamics of the social economy are emerging: around 4,000 non-profit making associations (ASBL) are created each year, often representing citizens' initiatives that are facing today's challenges in a wide range of areas: social action, health, training, culture, recreation, environmental protection, development cooperation, etc.

This "classic" representation of the social economy is not necessarily unanimous. In Flanders in particular, the term "social economy" is often used to designate just the social integration economy which, apart from the "sheltered workshops" (beschutte werkplaatsen) for disabled people, still represents only a few thousand jobs despite its variety. Others, over the last ten years, have especially emphasized social economy activities of a commercial ones. However, faced with the practical difficulties posed by this kind of "market / non-market" duality, and because of its uselessness for the social economy, more flexible and more open approaches tend to prevail today.



## 2. Data and figures (2015)

For several years, the ConcertES platform ([www.concertes.be](http://www.concertes.be)) has been managing a database containing the main information of economic nature on all social enterprises (ES). This information comes from administrative sources (Banque Carrefour des Entreprises, ONSS, ORPSS, Centrale des bilans de la Banque Nationale, VAT, accounts of non-profit institutions) and ad hoc surveys.

*Here are the statistics for the year 2015.*

Number of employing enterprises	Number of employing enterprises	Total number	Number of jobs	Full-time equivalent
17.830	128.405	146.235	551.743	377.704,87

Sector	Number of employing enterprises	Number of jobs	Full-time equivalent
Agriculture, Forestry and Fisheries	196	894	548,95
Manufacturing industries	63	1.839	1.553,93
Production and distribution electricity, gas, steam	2	7	3,94
Production and distribution water - sanitation, gas	25	434	359,04
Adapted Work Companies ETA	67	11.339	8.093,3
Construction	50	210	160,13
Wholesale and retail trade - auto repair	217	5.378	4.267,68
Transport and storage	37	219	167,34
Accommodation and catering	313	3.066	2.070,8
Socio-professional integration	201	4.682	3.400,63
Information and communication	190	4.199	3.687,91
Financial activities and insurance	74	1.353	1.163,95
Real estate activities	174	1.482	1.178,21
Specialized, scientific and technical activities	675	14.397	12.678,62
Administrative and support service activities	534	13.297	10.676,87
Public administration and defense - societal security	149	19.744	15.935,35
Education and teaching (excluding compulsory education)	1.028	9.569	6.509,66
Compulsory education	1.426	20.414	11.090,85
Human health and social action	4.696	222.505	145.516,5
Hospitals	140	130.374	93.562,64
Arts, entertainment and recreation	2.465	18.695	13.206,22
Other service activities	4.652	31.527	24.230,6
Household activities as employers or producer	11	11	5,9
Activities linked to service vouchers	436	36.044	17.592,32
Activities of extraterritorial organizations	9	48	42,89

\* (source: <http://statistiques.observatoire-es.be>)



### 3. Legal framework and legal forms of social enterprises

The statutes of social economy enterprises are as follows:

- **Societies with a social purpose (SFS);**
- **Cooperatives recognised by the National Council for Cooperation;**
- **Associations (ASBL, AISBL and de facto associations);**
- **Public utility foundations;**
- **Private foundations;**
- **mutuals.**

Commercial enterprises (SFS, cooperatives) are defined in the code of companies. The Law of 2 May 2002 defines non-profit associations, international non-profit associations and foundations.

The Minister of Justice (Koen Geens) is currently working on the drafting of a new code of legal persons which will encompass all forms of companies, associations and foundations.

There also are accreditations granted by federal or regional public authorities such as those for integration enterprises.

### 4. Participative and/or democratic governance

Belgium organizes social dialogue through its system of social consultation. This institutional system of negotiation at different levels between the social partners makes it possible to agree on what are known as collective labor agreements (CCT). Joint committees have been set up to negotiate these CCTs in each sector of activity. The results concern working conditions as well as salary or the management of social concertation.

Social dialogue in Belgium really came into being after the Second World War. It refers to different levels of bodies and institutions as well as an interprofessional agreement. Social concertation in Belgium took place little by little in the 19th century and saw its process

speed-up during the inter-war period and finally be codified in the aftermath of the Second World War. The basic postulate is then defined: "The social consultation is intended to be a set of stable and peaceful social and economic relations, and a way to make social peace prevail so that the economy can function and that this social peace rests on an equitable distribution of the wealth produced. "

#### *Different levels of bodies and institutions*

There are several levels of bodies in the social dialogue: the inter-professional level, which groups together all salaried workers in the private sector; the sectoral level, which groups together different sectors such as metallurgy and textiles for example, and finally the level of companies. There are also consultations at regional and national level.

Various institutions are at the service of social consultation: the Central Economic Council (CCE), created in 1948 and responsible for sending to a minister or the Federal Parliament, on their own initiative or at the request of these authorities, opinions or proposals concerning the federal government's economic policy. All partners are represented in the Bureau of the CCE as well as in each commission and sub-committee: the FEB (Federation of Employers of Belgium), FGTB, CSC, CGSLB, the independents, the Boerenbond , ..

The National Labour Council, created in 1952, which brings together "representatives of employers and unions who together, exchange their opinions and interests, seek common ground and try to reach collective labour agreements (CCT) ). " A collective labour agreement is therefore an agreement concluded between the social partners. Currently there are one hundred of them.

Social dialogue is traditionally bipartite, which brings together the social partners (trade unions and employers). There is also a tripartite social dialogue that involves, this time, the government: it consults the social partners on social issues or economic, such as pensions or end-of-career issues, where the government wants to act and where the unions want to be consulted. "

#### *The inter-professional agreement*

Another aspect of social dialogue is the negotiation, every two years, of an interprofessional agreement. This is an agreement that is valid for the entire private sector and determines, for example, the evolution of wages, the number of days off, hours of work, productivity goals.



Once the agreement is concluded and ratified by the parties, then there is the global framework in which collective labour relations can evolve. “The different sectors can then negotiate within the joint committees: the institutions of social consultation at sector level, collective labour agreements which can also be adopted by a royal decree and which will have the force of law.” Once the interprofessional and sectoral levels are complete, negotiation at the level of the company to have collective agreements of companies can begin.

### *Social dialogue and social enterprises*

The link between the institutionalized parity approach and the principle of democratic management defining social economy enterprises is not always obvious, especially in companies where there is no shareholder logic and where decisions are made with all workers in direct democracy.

There are no specific legal provisions for participatory/democratic governance in Social Enterprises as such. However, in the case of social purpose companies with the legal form of a cooperative, these can be said to have governance based on democratic principles. Furthermore, in the case of associations, governance is reserved to the members, so democratic governance can be expected.



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