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News | 31.05.2012

European Social Entrepreneurship Funds

European Parliament strengthens Social Economy

The economic and monetary affairs committee (ECON) of the European Parliament has adopted new legislative proposals, which aim to create a new type of European investment fund providing capital to the ['social economy'](#). This would give a crucial boost to this important sector of our economy.

MEPs voted to improve the draft legislation, notably by extending the investment focus beyond small businesses to include more capital intensive projects in the social economy projects, such as social housing. These investments should be based on compliance with a broadened set of social criteria, including labour rights and health protection.

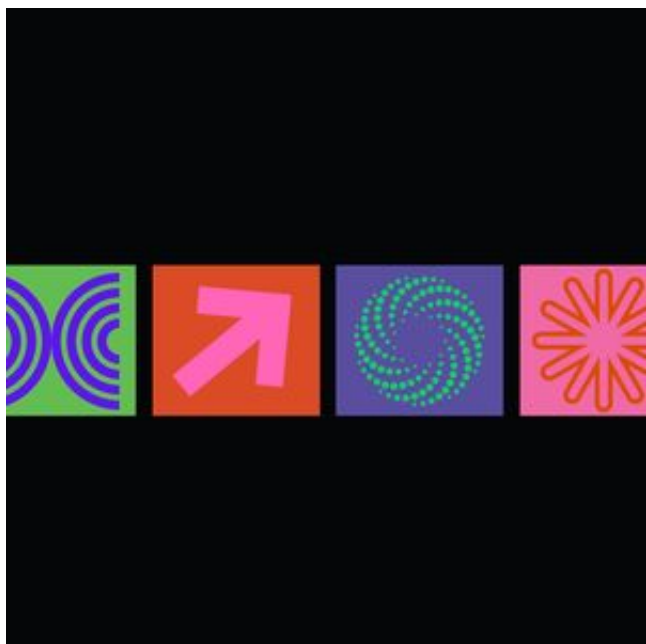
Another important Green proposal that was adopted provides for the eligibility of small investors through under the [EU framework on undertakings for collective investment in transferable securities \(UCITS\)](#). The provisions would enable investments in non-European social economy projects and, as such, will encourage investment for social economy activities in developing and emerging countries.

Another important Green proposal supported by the committee would provide for transparency on the capital ratio of up to 30%, which can be invested in economic activities not related to the social economy.

Following today's vote, the EP will now enter into negotiations with the Council to finalise the legislation and Green MEP [Sven Giegold](#), who will be part of the negotiations, is hoping the Council and the Commission play constructive roles in these negotiations to enable the legislation to be adopted as soon as possible.

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Responsible MEPs



Sven Giegold

Member

Contact person



Sven Giegold

Member

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