

2nd Transnational Research Output of WP1: *“Stimulate Trans-locally: A transnational Research Network on the study of Youth Employment policies in the Mediterranean European Economic Area”*

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The present report constitutes integral part of a number of outputs designed to connect the creation of new knowledge for the NEET phenomenon with the implementation of innovative solutions. All those outputs are delivered in the framework of the project “A Place for Youth in Mediterranean EEA: Social and Sharing Economy for NEETs” (YOUTHShare) which is funded by Iceland, Liechtenstein and Norway through the EEA and Norway Grants Fund for Youth Employment.

The EEA and Norway Grants represent the contribution of Iceland, Liechtenstein and Norway towards a green, competitive and inclusive Europe. By focusing on the most disadvantaged parts of Europe, where the Gross National Income (GNI) per inhabitant is less than 90% of the European Union average, the EEA and Norway Grants aim to reduce economic and social disparities while strengthening the bilateral relations between the donor and Central, Southern European and Baltic countries.

Since 1994, more than €6 billion have been donated by EEA and Norway Grants in fields ranging from Research, Innovation, Education, Environment, Climate Change, Low Carbon Economy, Good Governance, Fundamental Rights, Justice, Home Affairs, Civil Society, Culture, Social Inclusion, Poverty Reduction and Youth Employment.

The Fund for Youth Employment, launched by EEA and Norway Grants in 2017 and supported with €60 million, currently funds, alongside YOUTHShare, 26 projects, implemented by 200 institutions from 26 European countries. Target of the projects and the Fund itself is to promote sustainable and quality youth employment in Europe; A much needed intervention given that in 2018 approximately 15 million young people, aged 20-34, were Neither in Employment, nor in Education and Training (NEET) in the EU-28 in 2018. The highest rates across Europe are endemic in the focus countries of the YOUTHShare project with more than a quarter of young people out of the labour market in some cases. The Fund, through the 26 large-scale projects aims, through innovation and transnational cooperation, to help directly 25000 young people to find jobs or create new ones and many millions indirectly by shifting policy paradigm.

Research and innovation has always been at the core of the intervention of the Fund for Youth Employment. Informed policy change is essential for the effective integration of young NEETs in the labour market and finally for the organisation of more inclusive societies. Social and sharing economies constitute social innovations that offer actual prospects for the NEETs as long as they are guided by policy transformations.

The YOUTHShare project through the *Transnational report on the impact of employment policies on Social and Sharing Economies* contributes in the vision and embarks on the mission of the EEA and Norway Grants Fund for Youth Employment.

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## List of Abbreviations

Abbreviation	Full name
CCI	Cooperative Credit Institutions
CEPES	Confederación Empresarial Española de la Economía Social
CNLAMCA	National Liaison Committee for Mutual, Cooperative and Associative Activities
CNMC	National Commission on Markets and Competition
CONSCISE	Contribution of Social Capital in the Social Economy
CoBC	Cooperative Bank of Cyprus
CSR	Corporate Social Responsibility
EaSI	Employment and Social Innovation
ELSTAT	Hellenic Statistical Authority
ERDF	European Regional Development Fund
ESF	European Social Fund
ETS	Third Sector Entities
EUROSTAT	European Statistical Authority
EuSEF	European Social Entrepreneurship Funds
GDP	Gross Domestic Product
GP	General Purpose
GTO	Greek Tourism Organization
ICT	Information and Communication Technologies
ILO	International Labour Organisation
LQ	Location Quotient
MED EEA	Mediterranean European Area
NEET	Not in Employment, Education or Training
NPOs	Non-Profit Organizations
NRSSE	National Register of Social and Solidarity Economy
R&D	Research and Development
SBI	Social Business Initiative
SC	Social Cooperatives
SCE	Social Cooperative Enterprises
SEPs	Sharing Economy Platforms
SI	Social Inclusion/Integration
SSE	Social and Solidarity Economy
UAR	Unit of Administrative Reform
WISE	Work Integration Social Enterprise

## Summary

This research report is produced in the framework of the YOUTHShare project “A Place for Youth in Mediterranean EEA: Resilient and Sharing Economies for NEETs” and more specifically in the context of Work Package 1 (WP1) “Stimulate Trans-locally: A transnational Research Network for the study of Youth Employment policies in the Mediterranean European Economic Area”. The YOUTHShare project (<http://www.youthshare-project.org/>) aims at reducing youth unemployment and inactivity across regions of the Mediterranean EEA, especially in the coastal and island regions of Greece, Italy, Spain, and Cyprus. YOUTHShare project highlights new pathways that may offer concrete solutions and switch the policy focus into people usually ignored, more specifically on:

- ❑ the extremely high number of NEETs between 25-29 years old at risk of social exclusion (very indicative cases of such negative trends can be found in regions of Greece and Italy),
- ❑ the not registered NEETs (as in the case of Cyprus),
- ❑ the inactive young women that hardly receive any benefit (as in the case of Spain & Italy), and
- ❑ the increasing share of refugees or migrant NEETs (as in the case of Italy & Greece).

In addition to the analysis of rich empirical data selected through a large scale primary research in all four countries, below we examine a variety of statistical (secondary) data sources that reveal the contemporary labour market difficulties that the above mentioned target groups face. The methodology and findings presented in the report in hand are highly interrelated with the ones in the other two transnational research reports prepared in the framework of WP1. These are the: i) *The 1st Transnational report on the impact of employment policies on young NEETs* and ii) the *3rd Transnational Report on the impact of education and training initiatives on young NEETs*. Taken together, those three Transnational Reports contribute highly towards achieving YOUTHShare’s basic Outcome for an 'Increased capacity on evaluating the effects of employment initiatives for NEETs of the target groups in the collaborating research institutions'.

At the time of this writing, the coronavirus (COVID-19) pandemic is escalating within MED EEA regions and across the globe. In Italy and Spain, the toll stands at more than 7000 confirmed dead, already (March, 22, 2020). The pandemic is expected to have a highly negative impact upon society and the economy, in general, and upon NEETs, in particular. The already weak economic situation in those countries is expected to deteriorate, turning thousands of new young people into NEETs, in a few months’ period. Increasing precariousness is also an unavoidable expected result of this socio-ecological crisis, that will openly challenge the resilience of many sectors and regions in the study countries. Hopefully, the results of this evolving crisis will not be as dystopian as described in some of the worst case scenarios. In any case, we consider the extensive documentation of the situation of NEETs and Social and Sharing Economies in MED EEA as an equally important contribution of the three transnational research reports before this new coronavirus-induced crisis further expands. It is crucial to have documented the starting point as well the impact of existing policies of this very liquid epoch – before youth employment and activation deteriorates, as it is most likely, after the first semester of 2020.

All three Reports are based on a common methodological framework and present their findings in a similar way. Most importantly, they complete each other towards the understanding of the studied phenomena and contribute towards achieving YOUTHShare's objectives. The objectives of the YOUTHShare project and of the Report on hand are thoroughly discussed in *Chapter 1*. In relation to the context of the next chapters, *Chapters 2 and 3* offer an analysis of the Social and Sharing Economies, the first through literature review and the latter through quantitative and spatial analysis of their main characteristics and trends in the target regions and countries, according to most recent reliable data. *Chapter 4* comprises an in-depth analysis of qualitative data collected during 2019 in all target countries and has as its main objective to bring to the front the implemented practices and beliefs of individuals involved in social economy. Finally, *Chapter 5* presents an impact assessment of contemporary policies regarding Social and Sharing Economies and focuses on their effectiveness upon youth unemployment. The main findings of the report reveal:

- (a) A varying performance in terms of social economy expansion and influence within the case study regions. For example, Spain and Italy, due to different economic history and path dependence, appear to be stronger representatives of the sector in comparison with the other study countries where social economy remains a weak part of their economies.
- (b) The resilient character of social economy entities during the recent crisis, as the sector created more jobs and had higher survival rates when compared to those of mainstream businesses.
- (c) Despite the above positive results, employment in social economy entities remains insufficient and cannot provide a credible solution to unemployment and social inequalities;

Regarding the Sharing Economy, the main findings of the report indicate:

- (a) The uneven expansion of the Sharing Economy within the study regions. Despite these uneven regional trends, Sharing Economy is generally expanding as an incremental number of users and platforms gives rise to increasing revenues and employment.
- (c) Its debatable, though, contribution to employment which is often accompanied by a questionable linkage with precarious working conditions.

In addition to the findings above, the impact of Social and Sharing Economies upon youth unemployment was also examined through the effectiveness of policy making toward these sectors. Regarding "Social economy", public policies recognize that **employment creation and entrepreneurship through it is the best way of tackling poverty and making local communities more self-sufficient in terms of incomes**. The study also found that **social economy has the potential to re-stabilize bottom-up structures and initiatives**, which may be critical for the future engagement of long-term unemployed people. However, **public employment promoting structures remain marginal for disadvantaged groups of people, such as NEETs**. Regarding the **regulatory framework of the "Sharing economy"**, it is still trying to catch up with its rapid and sudden growth. Based on the research on short term rentals operated through sharing platforms, it seems that **the countries analysed in this Report do not have in place coherent regulatory systems**, or, if they do, these have not been successfully promoted. It also seems that **short term rentals have not yet been able to increase employment opportunities at a large scale** and they

rather represent a way out for self-employment only, while the people engaged in the particular activity do not prioritise social objectives that “Sharing Economy” promotes.

Drawing upon the findings of the report in hand, our main policy recommendation is that the cohesive strategies and integrated policies that MED EEA regions and countries need **should promote feasible employment growth and support quality employment through appropriate regulations that prevent excessive precariousness and increase welfare and security**. Such strategies should also be more inclusive by taking into account the interests of various social actors, including the youth’s opinions, by promoting affordable housing and a spatial re-organization of activities within and across the regional space. After all, Social and Sharing Economies are not a viable solution to youth unemployment and inactivity if the younger individuals that participate in such economies do not receive living wages and decent employment arrangements.

## 1 INTERWOVEN RELATIONS: NEETs, EMPLOYMENT POLICIES AND SOCIAL AND SHARING ECONOMIES

*"Political thinking can begin only where the individual ends. Alternatively, more precisely, it begins only once the individual acquires another relation to itself and others, as a citizen among citizens, no longer as a mere human being, or even the member of a nation" (Gerber, 2019)*

### 1.1 The objectives of YOUTHShare project and the 2nd Transnational Report

This research report is produced in the framework of the YOUTHShare project *"A Place for Youth in Mediterranean EEA: Resilient and Sharing Economies for NEETs"* and more specifically in the context of Work Package 1 (WP1) *"Stimulate Trans-locally: A transnational Research Network for the study of Youth Employment policies in the Mediterranean European Economic Area"*. The YOUTHShare project (<http://www.youthshare-project.org/>) aims at reducing youth unemployment and inactivity across regions of the Mediterranean EEA, especially in the coastal and island regions of Greece, Italy, Spain, and Cyprus. Many of the latter regions, in addition to youth unemployment, face insularity-related pressures and the refugee crisis. That poly-parametric problem needs transnational cooperation in research and empirically-grounded solutions based on innovation and know-how transfer.

YOUTHShare identified three discrete levels that call for new knowledge and radical action. Adopting a holistic methodology, which evolves from the local to the global, the project pursues a determined intervention along three scales:

- ❑ It *Stimulates on a trans-local scale*, by mobilising and engaging NEETs in resilient niches of the local economies;
- ❑ It *Builds on a European level*, by coupling local resilient capacities with appropriately adapted best practices implemented across the EU (e.g. alternative or targeted ways for re-engaging NEETs);
- ❑ It *Spreads Globally*, through boosting the unexploited potential of NEETs in MED EEA, expanding the potential of the latter in Social and Sharing Economies.

The Youthshare project has established a transnational Research Network (<http://www.youthshare-project.org/about-the-research-centre/>) and an Employment center (<http://www.youthshare-project.org/employment-center/>), for that purpose, aiming at an informed bottom-up agency and institutional engagement for NEETs in the southern regions and countries of the EU. That engagement allows us to develop a suite of tools and best practice that can be implemented by other institutions. Among these, there are toolkits for counselling and training, enhancing better employment opportunities. Finally, the project empowers a selected group of NEETs through work-based training and start-up empowerment in the Social and Sharing Economies and various other resilient sectors. We aim to present viable and replicable solutions



that reduce both youth disengagement and economic disparities in the target regions by advancing young NEETs skills in trans-locally resilient sectors, such as agri-food production and the pertinent circular economies.

YOUTHShare researchers collaborated in the frame of the transnational Research Network to produce three research reports, one of which is the report on hand. The researchers of the three collaborating Universities (University of the Aegean in Greece, Neapolis University of Pafos in Cyprus and Catholic University of Saint Anthony in Spain) along with the experts of the Italian Educational Institution (Sistema Turismo) work together for the development of this unique transnational Research Network.

YOUTHShare project highlights new pathways that may offer concrete solutions and switch the policy focus into people usually ignored, more specifically on:

- ☐ the vast amount of NEETs between 25-29 at risk of social exclusion (very indicative cases of such negative trends can be found in regions of Greece and Italy),
- ☐ the not registered NEETs (as in Cyprus),
- ☐ the inactive young women that hardly receive any benefit (as in Spain & Italy), and
- ☐ the increasing share of refugees or migrant NEETs (as in Italy & Greece).

In particular, our target groups are the following:

- ☐ **Low-skilled women, preferably between 25 and 29** years old. This part of the ‘economically disengaged’ population is amongst the most vulnerable parts of contemporary NEETs as, among others, women receive a few benefits from the weak social welfare systems of the MED EEA.
- ☐ **Migrants, especially asylum-seekers and refugees between 25 and 29** years old that live in the Detention Centers of the coastal and insular MED EEA regions or have recently arrived there. This group is part of a highly increasing NEET population that faces harsh living conditions and very few, if any, employment opportunities.

Along with analysing a rich empirical material selected through a large scale primary research in all four countries, below we scrutinise a variety of statistical (secondary) data sources that reveal the contemporary labour market difficulties that the above target groups face. These sources include but are not limited to the following:

- ☐ Eurostat Labour Force Survey data analysed on a NUTS II level for all four countries,
- ☐ Eurofound, ILO and OECD reports and other reports of relevance, and
- ☐ OECD, World Bank and other databases of relevance.

Finally, our analysis focuses on the potential of Social and Sharing Economies across the economy as a whole but pays specific attention to the hidden potential of several target sectors, namely: agri-food, circular economy, the tourism sector and other sectors of relevance. The methodology and findings presented in the report on hand are highly interrelated with the ones of the other two transnational research reports authored in the frame of WP1. These are the: i) *The 1st Transnational report on the impact of employment policies on young NEETs: tackling youth*

*disengagement through understanding the flexibilization- regional resilience nexus and ii) the 3rd Transnational Report on the impact of education and training initiatives on young NEETs.*

Taken together, the three Transnational Reports highly contribute towards achieving YOUTHShare's Outcome for an "Increased capacity on evaluating the effects of employment initiatives for NEETs of the target groups in the collaborating research institutions". Hopefully, the three reports are useful for the other objectives of the project as well. As always, the authors of the reports welcome any feedback and are open to constructive criticism.

## **1.2 Introductory remarks: Social and Sharing Economies as means for tackling youth disengagement**

For centuries people were interacting and transacting with each other through exchanging goods or sharing non-rival goods (Belk, 2010; Sundararajan, 2016; Følstad et al., 2018). However, during the past several decades, in response to the weak economic environment and depressed labor markets, alternatives of capturing value and consumption modes that dispute sole ownership as the dominant means of obtaining product benefits have emerged. The financial crisis of 2008 (coupled with the proliferation of technology that gave new horizons to the meaning and the substance of 'sharing', as well as with the promise of sustainability and the ability to produce more things with fewer resources) stimulated the re-birth of *Social and Sharing Economies* (Bina, 2013; Spash, 2012; Hajer, 1995; Krueger et al., 2018).

Within this international economic crisis and international welfare state recession context, the familiar from the past but forgotten concepts of the Social and Sharing Economies have been recalled and regenerated gradually in several developed countries. Social and Sharing Economies, promoted by public policies, have emerged and have been established, obtaining a leading role in the worldwide economic and political scene, as alternative modes of production and innovative consumption ways. The benefits of globalization, the positive effects of which are growing interrelationships, interdependence, and interactions between different global actors and environments, free movement, the global market for consumers and others, through worldwide well-being aims, have developed *the concepts of Social and Sharing Economies into ideas firmly grounded, nowadays.*

On the one hand, cooperative, not-for-profit, and voluntary rather than paid activities within communities constitute the basis of the Social Economy concept. More particularly, in transition economies, the concept of Social Economy has evolved as a reaction to global problems, such as global financial crises, migration, shortage of resources, hunger, social inequality, environmental pollution, and others. Many social initiatives have also appeared through the scope of de-growth, oriented to non-market exchange and social currencies. Their generating impulse has been the self-employment activity, an alternative to unemployment, and the not-for-profit profile/character of commercial ventures as a reaction to the public investing ignorance in this sector (Molina et al., 2018).

On the other hand, the emerging *Sharing Economy* phenomenon is distinguished by principles based on non-ownership and redistribution of goods or intangible assets, such as money, space,

or time. The whole idea is fueled by new information and communication technologies, making this form of consumption highly accessible, flexible, and easy to share (Botsman & Rogers, 2011; Kathan et al., 2016). *The Economist* announced “the rise of the Sharing Economy” in 2013 and, today in 2019. The Sharing Economy appears to be much more ingrained than just a bubble or a frail, temporary trend. The term ‘Sharing Economy’ has also been added to the *Oxford English Dictionary* in 2015, a sign that as Botsman (2015: 59) points out in a *Fast Company* article: “the Sharing Economy as an idea is here to stay”.

Within this context, both Social and Sharing Economies are seen as in-depth socio-economic trends, more like social movements (Molz 2013; Schor, 2014; Følstad et al., 2018), with substantial potential for impact on society, on economic activity and of course on the employment of individual citizens and especially of young people and NEETs (i.e. Not in Employment, Education or Training). This Transnational Report focuses explicitly on the measuring of this *potential impact of Social and Sharing Economies into the employment of NEETs*.

### 1.3 A brief overview of the Transnational Report

In what follows, after presenting a literature review leading to the formation of a conceptualization framework (*Chapter 2*), we offer a thorough quantitative analysis of Social and Sharing Economies expansion in the target regions and countries between 2008 and 2018 (*Chapter 3*). Then, we present an in-depth analysis of a rich qualitative material. This material, collected during 2019 in all target countries brings to the front the beliefs and agency of various actors, namely young NEETs, individuals involved in Social Economy, and employment advisors or other key informants (*Chapter 4*). Finally, we present an impact assessment of contemporary employment policies by mainly focusing on the effectiveness of relevant policies for the Social and Sharing Economies in the Southern regions of the EU. In doing so, we also analyze services and innovations related to these latter type of economies in the study area (*Chapter 5*).

## 2 NEETs AND THE SOCIAL AND SHARING ECONOMIES: A LITERATURE REVIEW AND A BACKGROUND

### 2.1 Who are the NEETs?

The socio-economic reforms that have gradually been implemented over the past few decades have accelerated amidst the recent recession (2008-2012) that severely hit Europe and the globe, and have had significant consequences on the economy, production, and society. New types of work and growing youth unemployment are some of the main characteristics of contemporary labour markets. Young people are those who have been more strongly affected than the overall population by the economic crisis (Bruno et al., 2014), and faced significant problems with getting new jobs or maintaining work placements. Meanwhile, they were subjected to escalating flexibility and precariousness. Youth unemployment and the number of early school dropouts rose significantly among certain socio-spatial entities, increasing political awareness of youth vulnerability and marginalization. In 2005, having observed high rates in school dropout, the European Commission aimed to reduce early school leavers significantly (European Commission, 2005a; 2005b). Moreover, the fact that youth unemployment reached its highest level in 2013 since the establishment of the EU (Eurofound, 2016) forced relevant institutions and researchers to analyze and better monitor the youth's 'absence' from social structures and promote policies that may harness youth vulnerability.

Within the context of the aforementioned socio-political change, the 'NEET' acronym has been widely used for more than two decades now to define and classify all those people that are 'Not in Employment, Education or Training'. Although the later classification may refer to individuals of various age groups, it is the young people under a NEET situation that have become the focal point of international studies and policies. The term was introduced to the UK back in 1999, as both a theoretical concept and an empirical category that more accurately captures youth marginalization by simultaneously accounting for both the young unemployed and inactive population (Thurlby-Campbell and Bell, 2017). As it will be discussed below, the human geography of contemporary NEETs is characterized by significant heterogeneity, and should be analyzed extensively to produce effective approaches aiming to reduce or even eliminate the phenomenon and the social exclusion it may cause, and promote a more just society for all.

The Europe 2020 strategy is the European Union's intervention for promoting growth in terms of a high-employment economy delivering social and territorial cohesion (European Commission 2010a; 2010b). Policies at the trajectory of improving education or training – which aims to reduce the number of early school dropouts and employability by providing guidance to youth and assisting the most vulnerable groups like the long-term unemployed or the discouraged workers – should be established (Alfieri et al., 2015). However, in order for adequate policies to be implemented, it is crucial to examine the dialectics of the interaction between the agency of the young people and the influence they get from the socioeconomic environment. Hence, the question of whether self-determination and agency or structure is the key factor to successful policy outcomes for NEETs remains to be answered.

### 2.1.1 Defining young NEETs

The study of NEETs in Britain and, eventually, in Europe started back in 1988, when the regime of the UK social services changed, limiting social provisions for those under the age of 25, thus leaving most of young people below 18 without access to unemployment benefits (Furlong, 2006). Due to these changes many researchers, some of whom were funded by the UK government, tried to find new ways to estimate the youth's vulnerability in the labour market. A brief genealogy of the concept reveals that the term was formally introduced to the UK by the end of the 1990s in order to create an indicator for those aged 16-18 who are neither in education nor in training or employment (Furlong, 2006, Eurofound, 2012: 19; Drakaki et al., 2013; Eurofound, 2012: 19). More specifically, the term first appeared in the '*Bridging the Gap*' governmental report published in 1999. There had been, however, a few other attempts to classify the NEET situation before the term was formally introduced. For example, 'Status A' or 'Status Zero' were introduced back in the mid-1990s to categorize those people that could not fit into any of the 'main categories' in regards to their labour market status: employment, education, or training (Istance et al., 1994). From the very first moment, NEETs have been considered not only as a useful classification but also as a metaphor through which the factors that contribute to youth vulnerability and heterogeneity could be estimated and the design of adequate intervention policies could be facilitated (Social Exclusion Unit, 1999: 6-9; Papadakis, 2013: 215).

In 2008, based on the decisions of the European Commission's Standing Committee on Indicators and Targets in Education and Training (SGIB) in Bled (Slovenia), the definition was broadened to include young people aged 15–24 (Papadakis, 2013: 17; Drakaki et al., 2014; Eurofound, 2016: 1; Vancea and Utzet, 2018). Later on, the definition changed once again to include people up to 29 years old. The severe effects of the economic crisis and the subsequent recession that took its toll on youth, along with the fact that people above 24 were still making their transition from tertiary education to the labour market, led to a further broadening of the age groups that may witness a NEET situation (Salva – Mut et al., 2018).

The term '**NEETs**' refers to young people that are not in employment, education or training. More specifically, a young NEET individual is someone who faces the two conditions described below (Eurostat, 2019a):

- Someone who is not employed; or
- Someone who receives no formal or non-formal education or training in the four weeks preceding the survey.

Based on the above conditions, the basic indicator used to measure the expansion of NEETs is the **NEET rate** calculated by dividing the total number of NEETs in an age group with the total population of that same group (OECD 2018; Eurostat 2019a). NEET figures, either absolute numbers or rates, are not a simple subgroup of youth unemployment due to the fact that some NEETs can be unemployed while others may be inactive. Some key definitions are provided below for reasons of analytical clarity:

**Employed** individuals are those who have been in paid work for at least one hour in the reference week of the survey or were temporarily absent from such work. An **unemployed**, then, is someone

aged 15 to 74 – or 16 to 74 in the case of Italy, Spain, the United Kingdom, Iceland and Norway- that is out of work during the reference week; someone who is available to start working within the next two weeks or someone who has already found a job that is about to start within the next three months. It is also someone who has actively been seeking employment for the last four weeks. The unemployment rate is then calculated as the number of people unemployed as a percentage of the total labour force (Eurostat, 2019a). Thus, the **youth unemployment rate** is the number of unemployed aged 15-24 expressed as a percentage of the total labour force in that specific age group. As already mentioned, unemployed young people are those who report that they are without work while being available to work and have taken active steps to find one in the last four weeks (OECD, 2019b). Notably, the latter figure can include individuals who are in education or attend any kind of training, while at the same time searching for a job.

An individual is **economically inactive** if he or she is not part of the labour force. The **labour force** is, in turn, the sum of employed plus unemployed individuals within a specific geographical area. Taken together, these two groups of the population represent the current supply of labour for the production of goods and services that take place in a country or region through market transactions in exchange for remuneration (ILO, 2019). Thus, economically inactive people are neither employed nor unemployed and should not be conflated with those that are searching for a job.

In general, the **inactive population** may include pre-school or schoolchildren, students, pensioners and housewives or housemen, namely, people who do not work at all, are not available or do not search for work – or those who may be of working age (Eurostat, 2019a). Young people in education include those who attend part-time or full-time education.

**Box 2.1:** Key definitions and terminology framing NEETs

### 2.1.2 Different groups of NEETs – recent trends in the MED EEA

Though a seemingly unified classification representing youth under a vulnerable status, the NEET indicator is characterized by great heterogeneity (Furlong, 2006; Eurofound, 2016: 32; Salva-Mut et al., 2018). Such a heterogeneity poses a challenge to the indicator's validity and becomes very crucial when appropriate policies need to be designed (Drakaki et al., 2014). Young NEETs are divided into at least 7 subgroups, namely:

- ❑ **Re-entrants**, who will soon re-enter employment, education or training. They are people who have already been involved in social structures (e.g. recently attended an education or training program).
- ❑ **Short-term unemployed**, who are seeking employment, are available to start within two weeks and have been unemployed for less than a year. Their level of vulnerability is considered as moderate.
- ❑ **Long-term unemployed**, who are seeking employment, are available to start within two weeks and have been unemployed for more than a year. This is a subgroup that faces high social exclusion.
- ❑ **Unavailable due to illness or disability**, who are not seeking employment or are not available to start a job within two weeks. Illness or disability are among the usual conditions that do not permit involvement in paid work.

- ❑ **Carers**, who are unavailable because of family responsibilities; they are not seeking or are not available to start a new job because they are caring for children or adults, or have other family responsibilities. This group also includes people who cannot accept a job offer or actively search for work due to that they are unable to pay for child or adult care, or others who have voluntarily left the labour market to undertake family responsibilities.
- ❑ **Discouraged workers**, who have stopped seeking for work due to the fact that they believe that there are no job opportunities for them.
- ❑ **Other inactive**, who do not belong to any of the above subgroups. It is a very heterogeneous group including a great variety of individuals, ranging from the most vulnerable to some very privileged ones. Therein, some people are out of the social structures seeking specific opportunities or people who live in an alternative way, such as artists, that are absent from the labour market or education.

Youth unemployment is typically more severe in periods of socio-economic crisis and recession. Some scholars stress its cyclical character (Clark and Summers, 1978; O'Higgins, 1997 as cited in Artner, 2013), while others support that it is a structural problem also affected by factors such as wages, education, experience and others (Freeman and Wise, 1980; Rice, 1986; Ghellab, 1998; Carmeci and Mauro, 2003; Caroleo and Pastore, 2007, as cited in Artner, 2013). For instance, people with lower education than those with higher education are not 'highly competitive' when applying for a job while others – mostly young- with too little or no experience cannot enter the labour market easily. O'Higgins (2001) stresses, among others, the cyclical character and the qualification deficit as the main reasons for youth unemployment. Artner (2013: 184) underlines the failure of contemporary socio-economic structures in creating enough jobs for the youth and calls for a "*more demand-oriented strategy based on social partnership by including workers' and employers' organisations in tackling the problem*". Also, high and persisting unemployment leads to discouragement and, eventually, to labour market inactivity. In this way, former members of the labour force are becoming part of the inactive surplus labour, while at the same time the unemployment rate remains unchanged or even decreases (OECD, 2019a).

Youth unemployment has highly increased since 2008 across all EU, especially in the Mediterranean South of the EU. For instance, in Spain, a member of EU15, unemployment rates were close to 40% for almost all years between 1986 until 1998. It was only until the recent recession when Greece and Italy – and later on the new members of Eastern Europe, such as Croatia or Bulgaria- that surpassed Spain (Artner, 2013). However, during the years of the recent economic downturn, especially by 2012, youth unemployment in Spain, Greece, Italy, Portugal and Ireland was not higher than it used to be by the end of the 1990s or so (Artner, 2013).

Overall, NEETs is a useful categorization that captures youth social exclusion and marginalization, including both the unemployed as well as inactive individuals. It should be noted that the number of young NEETs is unavoidably higher than that of the youth in unemployment due to the fact that NEETs include the inactive population. Despite of that, there may be cases in which the young NEET rate can be lower than that of the youth unemployment. This is so, due to the fact that the denominator of the youth unemployment rate (youth labour force) is smaller than the,

unavoidably higher, denominator of the NEETs rate (total youth population) (Thurlby-Campbell and Bell, 2017).

## 2.2 An overview of the Social Economy

### 2.2.1 Social Economy: the revival of a forgotten concept

*Social Economy* – just like the *green* or the *creative economy*- suggests different ways of understanding and practicing the economy (Daya, 2014). The concept of Social Economy is not a new one. It was quite prominent in Europe during the first third of the 20th century, after the first appearance of the term in 1830 (Akbar & Mandurah, 2014). However, with the post–World War II economic expansion, during 1945-1975, the coalescence of the private capitalist and the public sector (Carpi, 1997) established the Welfare State, which prevailed over the concept and aims of Social Economy at that time. The primary duty of the Social Economy in its birth was to harmonize economic growth with social welfare. The repairing capacity of the new model of mixed economy systems, against the failure of the previous economic system, focused on income redistribution, resource allocation, and anti-cyclical policies, where the main social and economic factors were the employers' federations, trade unions and public authorities (Monzon & Chaves, 2008). Even though the consolidation of mixed economy systems and the triumph of the Welfare State did not completely halt the spread of co-operatives, mutual societies, and associations, the Social Economy faded away during that period.

The crisis of the Welfare States since the mid-1970s came along with the revival of interest in the Social Economy (Monzón & Chaves, 2012). The need for solutions became urgent when facing issues such as expanded unemployment, social exclusion, welfare in the rural and disadvantaged urban areas, health coverage problems, population gaps in education and other concerns, which the private capitalist agents or the public sector had inadequately addressed. During that period, the business sector of the Social Economy underwent substantial flourishing, with the burst of organizations, cooperatives, mutual societies and associations that were dealing with social or merit goods' production, social integration and social services or provision of community care (Monzón & Chaves, 2012). However, the sector of the cooperatives and mutual societies experienced a severe downturn in the last years of the 20th century, after the collapse of the Soviet Bloc.

During the recent economic recession, economic alternatives, such as Social Economy, saw a renewed interest (Daya, 2014) possibly because of the interest in promoting/producing social value and in confronting social problems. Within this context, the Social Economy can now be conceived as the 'third system' of the economy (Pearce & Kay, 2003), lying between the first system that represents the profit-driven private sector (which aims at maximizing profitability) and the second system that represents public sector (which aims at redistributing the profits).



## 2.2.2 Definition(s) of key concepts in Social Economy

The concept of Social Economy lacks an internationally accepted definition of the distinguishing features of the various companies and organizations that comprise the sector. For example, the identification of Social Economy, as it is known today, began in France in the late 1970s, when organizations representing cooperatives, mutual societies and associations created the National Liaison Committee for Mutual, Cooperative and Associative Activities (CNLAMCA) (Monzon & Chaves, 2008). In 1980, the CNLAMCA published a definition of Social Economy as *“the set of organizations that do not belong to the public sector, operate democratically with the members having equal rights and duties and practice a particular regime of ownership and distribution of profits, employing the surpluses to expand the organization and improve its services to its members and society”* (Monzon & Chaves, 2008: 554). Furthermore, according to the same source, in 1990 the report of the Walloon Social Economy Council described the Social Economy sector as *“the part of the economy that is constituted of private organizations that share four elements. Specifically: a) the objective is to serve members of the community, not to make a profit; b) autonomous management; c) a democratic decision-making process; and d) the pre-eminence of individuals and labor over capital in the distribution of income”* (Monzon & Chaves, 2008: 554). Interestingly, both definitions mentioned above try to describe the Social Economy regarding values, operational characteristics, and objectives of organizations.

Moreover, according to Dees (1998: 1) social entrepreneurship *“implies a blurring of sector boundaries [...] in addition to innovative not-for-profit ventures, [...] social entrepreneurship can include social purpose business ventures, such as for-profit community development banks, and hybrid organizations mixing not-for-profit and for-profit elements”*. Besides, the CONSCISE (The Contribution of Social Capital in the Social Economy to Local Economic Development in Western Europe) Project in 2003 defined social enterprises as those *“organizations which are not-for-profit, seek to meet social aims, have assets and accumulated wealth held in trust for the benefit of the intended beneficiaries of the enterprise’s social aims, are composed of organizational structures which encourage full participation on a cooperative basis and are active in the community”* (Gliedt & Parker, 2007: 539-540). Both definitions bring forth the discussion on a for-profit or not-for-profit nature of the organizations, without, however, assuming the same position.

Despite the differences in the definitions mentioned above, there is a diachronic interconnection between the Social Economy and the concepts of social value and social capital -as well as with the notion of sustainability; (Mair & Marti, 2006 and Monzon & Chaves, 2008). On the one hand, according to Bilis & Bilis (2019), social value is the quantification of the relative importance that people place on changes they experience in their lives, mostly captured in market prices, measured from the perspective of those affected. Social value is interrelated with resource investments, by changing the way value is accounted for, pursuing universal equality and a more sustainable environment. On the other hand, the term social capital is omnipresent and consists of resources within communities which are created with the presence of high levels of trust, reciprocity, and mutuality, shared norms of behaviour, shared commitment and belonging both formal and informal social networks, and sufficient information channels. These resources may be used productively by individuals and groups to facilitate actions to benefit individuals, groups

and the community more generally (Kay, 2006). Therefore, social capital is formed by intangible assets that exist between individuals and organizations within a community. The absence of social capital in (local) communities can potentially lead to a disadvantaged community/neighbourhood. Summarizing the above, we could support the position that increased social value comprises the end goal of any activity classified within the Social Economy sphere, while increased social capital comprises a fundamental condition to achieve the former.

### 2.2.3 Types of entities in the Social Economy

Organizations belonging to the sphere of Social Economy are organized into two groups: *social enterprises* and *social businesses* (Figure 2.1). On the one hand, *social enterprises* are those organizations that use trade and business principles in pursuing social aims (Kay, 2006). According to the center for Community Enterprise, through the scope of the differentiation into for-profit and not-for-profit owner foundations, the targets of a social enterprise can be both the achievement of social, communal, cultural, environmental ideals and revenue earning at the same time, by applying commercial strategies, while maximizing social impact alongside profits for external shareholders. The MaRS Centre (MaRSdd), conceives social enterprise as the application of business solutions to solve social problems and states that the goal for social enterprise is to become sustainable and to do so, it is necessary to endorse/foster innovation. Social enterprises generate social capital in their area, mostly by using social capital. Michelini (2012: 21) suggests that a social enterprise is "*the tangible outcome of social entrepreneurship*", which is intuitive since it separates the activity from the entity, which may be applied to a variety of organizations with different sizes, aims, and beliefs. Austin et al. (2006) define social entrepreneurship as "*innovative, social value-creating activity that can occur within or across the non-profit, business, or government sectors*" (Chell et al., 2010: 486). Mair and Marti (2006: 39) argue that "*social entrepreneurship can take place on a for-profit basis, surpassing the focus on the not-for-profit nature of social entrepreneurial activities*". They also recognized the difference between entrepreneurship in the business sector and social entrepreneurship, in its emphasis on social wealth creation.

On the other hand, a social business is defined as a business whose purpose is to solve social problems in a financially sustainable way. According to Yunus' definition (Yunus et al., 2010), a social business is designed to deliver social value exclusively. It aims to overcome costs through its profits, making itself sustainable and enabling it to continue "to help the lot of the poor" without relying on investor or donor support.

The confusion between social enterprise and social business is due to their similar missions: to solve social problems through business means. According to some scientists, the primary distinction is that a social enterprise can be either for-profit or not-for-profit, encompassing activities that are both socially and financially motivated (Mair and Marti, 2006), whereas, as outlined by Yunus, a social business is a for-profit organization.

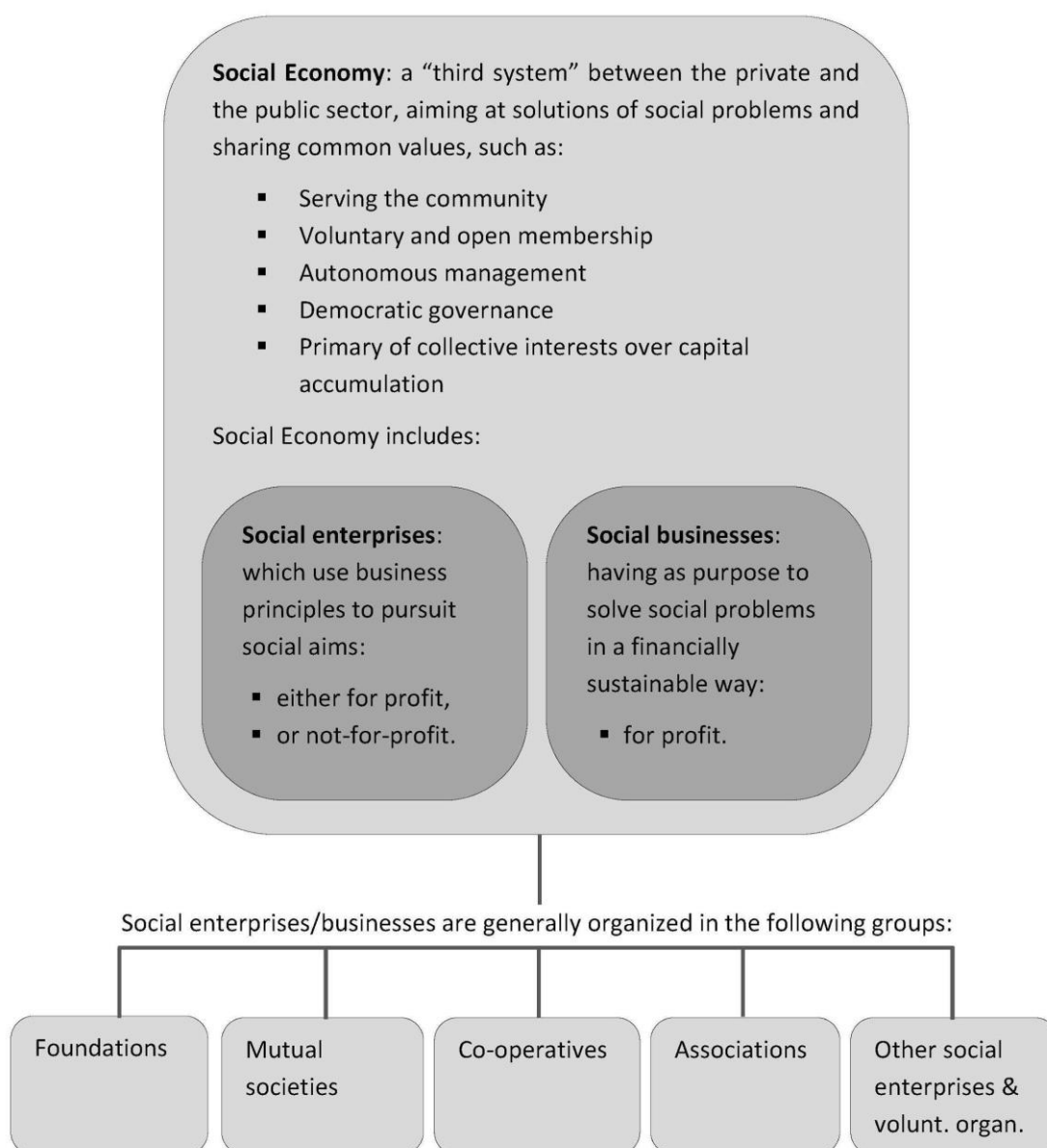


Figure 2.1: Key definitions and groups involved in the Social Economy; source: Monzon & Chaves, 2008; Chell et al., 2010, compiled by the authors

Organizations, i.e. physical actors of social enterprises and businesses, may assume one out of several different legal forms. Generally, five major groups of activities/companies can be identified: (a) *foundations*; (b) *mutual societies*; (c) *co-operatives*; (d) *associations*; and (e) *other social enterprises and voluntary organizations* (Figure 2.1). Concerning the last group, while voluntary organizations operate without making use of the market, social enterprises engage in trade activities. According to the European Commission, Social Economy organizations are based on voluntary participation and membership and are guided by their social objectives rather than a need to make a return on capital (Liger et al., 2016).

Besides, the Social Economy consists of various types of firms – such as profit-maximizing firms, for-profit firms practicing Corporate Social Responsibility (CSR), socially responsible firms, enterprising non-profits, and purely non-profit organizations (Chell et al., 2010). Below, we adopt

a working definition that comprises the most common features of the different definitions mentioned above; we understand Social Economy entities as entities that: i) prioritize social needs over profit maximization, ii) try to integrate marginalized and disadvantaged people, and iii) have a viable business plan which includes socially beneficial outcomes.

## 2.3 An overview of the Sharing Economy

### 2.3.1 Diverse definitions of the Sharing Economy

A great deal of global interest has been drawn to the extensive international expansion of the phenomenon of the Sharing Economy. The widespread establishment of platform-based businesses across the world appears to be one of the fastest and most significant economic internationalization developments to date. It has already penetrated all industry segments, holding an essential share in each of them, too (Figure 2.2 and Figure 2.3). This development was boosted – just like the Social Economy reviewed above- by the 2008 international financial crisis. As addressed by *The Economist* (2013a), the wave of peer-to-peer sharing services in response to the financial crisis may be seen as a “post-crisis antidote to materialism and overconsumption”. However, sharing, as a business model, based on access facilitation has been part of the business landscape for decades. Although Berry and Maricle (1973) argued the benefits of sharing for businesses and consumers in the 1970s, this model has gained a substantial foothold in the business landscape only in the recent economic history (Kathan et al., 2016).

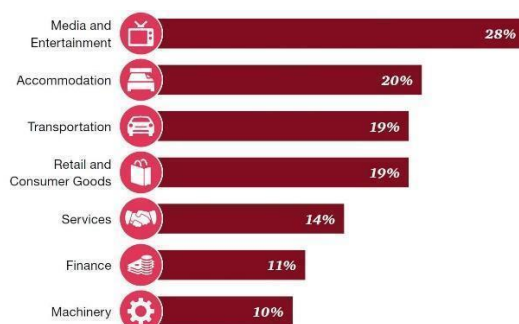


Figure 2.2: Sharing Economy usage within the different industry segments; source: Beutin, 2018: 9.

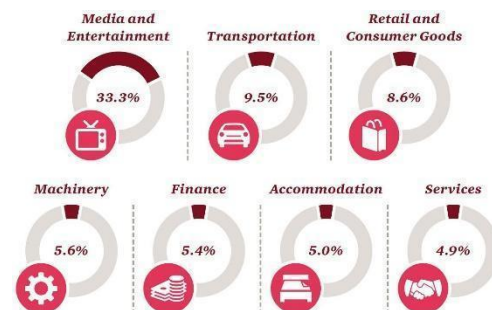


Figure 2.3: Average frequency of Sharing Economy usage within the different segments per user; source: Beutin, 2018: 10.

It is crucial for the understanding of the Sharing Economy concept, to delve into its relation to sustainable development. It is well-known that in 1987 the ‘sustainability revolution’ started to speed up, following the publication of ‘*The Brundtland report*’ by the World Commission on Environment and Development. The most widely approved definition of *sustainable development* was conceived then as “...development that meets the needs of the present without compromising the ability of future generations to meet their own needs...” (United Nations, 1987: 6). Since then, the concept of *sustainable development* has been broadly used and given a crucial position in the international political agenda. Nevertheless, the achievement of a sustainable future seems more

distant with each passing day. The idea of *sustainable development* is, hence, based on the separation between economic growth and the actual resource use.

In the endeavour to achieve sustainable development, the Sharing Economy can be regarded as a good practice and a business model in the right direction. According to Kathan et al. (2016), the Sharing Economy is a long-term amendment of consumption habits that widely affects production, promotion and consumption procedures, through a broader propensity towards a more *sustainable* concept of *access over ownership*. The ambition of wealth and material property are being replaced by the goal of improvement of quality of life, liberated from the 'emotional baggage of ownership' as status symbols, especially by young people. In this viewpoint, the Sharing Economy constitutes a part of the endeavour of markets to surpass traditional economic models and ideals beginning from a *de-growth*-oriented foundation. The changeover to a *post-growth* economy brings out the tensions between *conventional* and *alternative* economies. The de-growth conception of economy strays away from growth orientation and GDP fixation, by aiming at more equitable and resource-efficient co-use of infrastructures, goods, services, and knowledge, with the "*redistribution of wealth and the need to live within the boundaries of the Earth's ecosystems*" (Krueger et al., 2018: 269).

Because of this relation of Sharing Economy to sustainable development and the positive connotation of the word 'share', more and more companies and organizations are claiming to be part of Sharing Economy, while creating the general impression simultaneously that this is a trend worth watching for stakeholders/ participants, policymakers, media, and consumers. Moreover, as the idea of Sharing Economy becomes more accessible and attractive, established companies look for a way to be part of it. A nebulous, perhaps even misapplied term like Sharing Economy might allow the embodiment in its community of various existing enterprises and activities. As a result, many companies are part of the Sharing Economy only because they say they are—it is a self-identification, not a definition (Schor, 2014). This self-identification obscures the real nature of the business model while engendering a set of preconceptions that could get in the way of any deep understanding. Too often, Sharing Economy business models have little to do with sharing, while, as discussed above, the relation of Sharing Economy to sustainable development turns into a controversial one.

The literature on the Sharing Economy is exploratory, and definitions still emerge. The concept of Sharing Economy is viewed more as a general one, particularly as a set of terms, rather than as a specific definition or economic discipline. Each of these terms reflects the particular preoccupations of its user, while, at the same time, the general public has a very vague idea of what Sharing Economy means or includes. Olmstead and Smith (2016) support that "*while the term 'Sharing Economy' might mean something specific to those who follow the subject or are deeply embedded in the technology industry, the public as a whole has a very tenuous grasp of what the Sharing Economy stands for*" (Gobble, 2017: 60).

The above may explain to a degree the wide variety of available definitions (Table 2.1), as well as the existence of several similar terms (Bardhi and Eckhardt, 2012; Botsman and Rogers, 2011). Each term brings to the foreground a particular dimension, all of which construct the full meaning of the concept. For example, the term *Sharing Economy* brings forth the sharing dimension, while the term *access-based economy* stresses access over ownership. The term *platform or peer-to-*

*peer economy* underlines the internet-based technology that allows peer-to-peer transactions, and the term *gig economy* highlights the separation of work from time and space, while the term *collaborative consumption* turns the focus on the distribution of the value and usage of capital assets.

Table 2.1: Diverse definitions of the Sharing Economy; Source: Reproduced from Curtis & Lehner (2019: 567), compiled by the authors.

Source	Definition
Aloni (2016)	<i>"... an economic activity in which web platforms facilitate peer-to-peer exchanges of diverse types of goods and services"</i>
Barnes & Mattsson (2016)	<i>"... involves access-based consumption of products or services that can be online or offline"</i>
Cheng (2016)	<i>"... describes the phenomenon as peer to peer sharing of access to under-utilized goods and services, which prioritizes utilization and accessibility over ownership, either for free or for a fee"</i>
Habibi, Davidson & Laroche (2017)	<i>"... non-ownership forms of consumption activities such as swapping, bartering, trading, renting, sharing and exchanging"</i>
Hamari (2016)	<i>"... the peer-to-peer-based activity of obtaining, giving or sharing the access to goods and services, coordinated through community-based online services"</i>
Heinrichs (2013)	<i>"... individuals exchanging, redistributing, renting, sharing and donating information, goods and talent ..."</i>
Shaheen, Chan, Gaynor (2016)	<i>"... a popularized term for consumption focused on access to goods and services through borrowing and renting rather than owning them"</i>
Schor (2014)	<i>"... a range of digital platforms and offline activities centered on the highly contested concept of sharing ..."</i>

Concerning the term **Sharing Economy**, to share, according to the Oxford English Dictionary, means *"have or give a share of"*, or *"have or use jointly with others"*. Hence, Sharing Economy is commonly associated with altruism, charity, non-monetary reciprocity, the idea of 'trust' and is expected to aim at sparing resources, thus empowering the communal spirit, reducing costs, facilitating the access of lower-income groups to goods, increasing investments, fighting unemployment and generating more freedom. Sharing – interpreted as an act of division into equal parts, as an act of distribution, as a form of collective ownership, as an act of communication, or as a form of individual expression online – turns out not to be viable as a business model, at least if one is to judge by the long list of failed startups in Kessler's catalogues. Since it is clear that market economies are profit-driven and depend on private property, 'sharing' and 'economy' are words that do not relate to each other.

This remark elucidates the weak affiliation between sharing and gift or solidarity economies since activities involving both monetary and non-monetary compensation is included in the general concept. In practice, the rhetoric, depending on the country that refers to, is implemented in

different ways and appears mostly orientated towards specific population segments, proving to be insufficient across its original ecological philosophy. A range of practices with both monetary and non-monetary transactions is deemed as Sharing Economy practices, diminishing the primary template of the altruistic, pro-social and non-reciprocal (Belk, 2014) translations of the term. At this point, it is quite questionable whether the concept arose to describe a specific ongoing/existing phenomenon or the birth of the idea of Sharing Economy was invented through the intention to cause directed social and economic mobility towards/interest in an idle, disorientated market.

As far as the term **access-based economy** is concerned, as most firms in the Sharing Economy charge for their services, Bardhi and Eckhardt argue that the designation 'sharing' should be replaced by 'access'. These consumption practices are characterized by 'access over ownership' and not a transfer of ownership.

Regarding the term **Platform Economy** or **peer-to-peer economy**, this term is based on the fact that *technology improvement* consists of the most crucial expanding factor of the Sharing Economy, with mobile devices rapidly becoming the primary devices through which people manage their lives online. In some discussions, this mediating technology is considered as an *algorithm* (Möhlmann & Zalmanson, 2017), while in others as a *platform* (Scholz, 2016), and in many more as mere *technologies*. For Botsman, each of these terms refers to something different, even if they are often used interchangeably (Sutherland & Jarrahi, 2018).

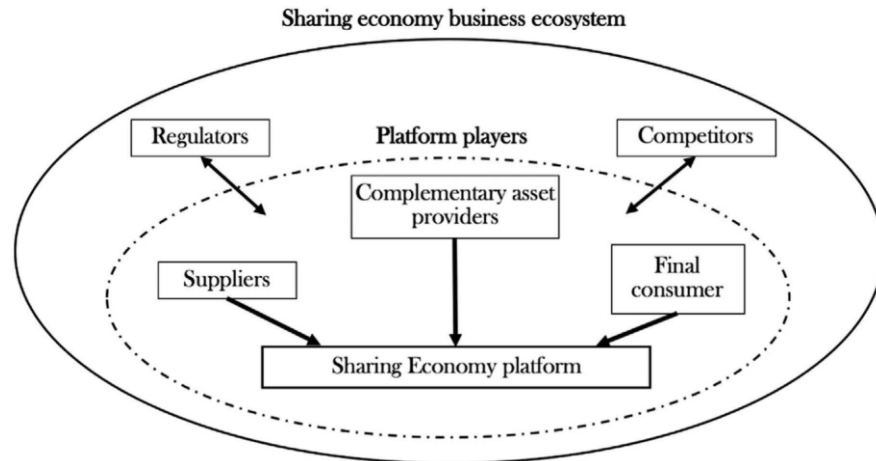


Figure 2.4: The Sharing Economy business ecosystem; source: Parente et al. 2018: 60.

The importance of this peer-to-peer technology to the existence, and, of course, to the sound operation of Sharing Economy is presented in the work of many social scientists, who develop a *business ecosystem* approach to assess the complex phenomenon of Sharing Economy. Ecosystems consist of all relevant stakeholders of a business and are characterized by nonlinear ways of connecting assets to consumer-participants (Adner and Kapoor, 2010), in contrast with the single-directed connections between stakeholders of traditional global value chains. Within this context, all players (suppliers, consumers, and complementary asset providers) are connected

through a Sharing Economy platform, which is the one that ultimately allows the interaction of these players and gives substance to the Sharing Economy business model (Figure 2.4).

Many other international organizations have given similar stress to the platform and the peer-to-peer basis of the Sharing Economy. For example, the Organization for Economic Co-operation and Development describes the Sharing Economy as "*new marketplaces that allow services to be provided on a peer-to-peer or shared usage basis*" (Teffer, 2017). The US Department of Commerce imported the term *digital matching firms* to describe "*companies that use Internet and smartphone-enabled apps to match service providers with consumers, help ensure trust and quality assurance via peer-rating services, and rely on flexible service providers who, when necessary, use their own assets*" (Gobble, 2017: 59).

As far as the term **Gig Economy** is concerned, this term stresses *flexibility* and the *freelancing character* of Sharing Economy. Nowadays, work is being formulated by cognitive complexity demands, team-based activities, social and technological skills, and flexibility; being more agile and less reliant on geography (Constantinescu & Devisch, 2018). Patterns of work are very much defined by the *lean enterprise* practice, taking form in organizations that are more competitive, customer-driven and agile, on the one hand, and the separation of work from time and space, on the other hand (Hochschild, 1997). The classic work life – in a defined working space depending on the fear of employer's evaluation and competitive working relations among employees – seems to have evolved into the freelancer's independent work life. The recently introduced independence in work-life underestimate the factors of spatiality, the exclusiveness of individual work and the quest for stability in working relations. The idea of an open community approach to work, with individual work in a shared environment, has meant to seed collaborative character in working interactions and to proliferate communal social networks between members. The co-working worldwide surge that is based on inventiveness, agility, and ventures, is also called *co-working movement* and has been adjusted to the need for new, non-traditional economic notions, like 'start-ups', 'social innovation' or 'Sharing Economy' (Botsman & Rogers, 2011).

Apart from the terms above, which are the most popular, Sharing Economy was also portrayed by Scholz (2016: 2) as an "**on-demand service economy** that is spreading market relations deeper into our lives, set out to monetize services that were previously private". Finally, the term **collaborative consumption** turns the focus on the distribution of value and usage of capital assets as well as on the reuse of assets through platforms (such as eBay and thredUP) (Gruszka, 2017). For example, the communication: *A European Agenda for the Collaborative Economy* defined the concept as "*business models where activities are facilitated by collaborative platforms that create an open marketplace for the temporary usage of goods or services often provided by private individuals*" (European Commission, 2016b: 3).

This crowded landscape of terms should not lead to the conclusion that all of them contribute equally to the concept of Sharing Economy. The above analysis showed that the fundamental pillars of Sharing Economy are: (a) the *access over ownership* concept; (b) the existence of an *internet-based peer-to-peer technology* (i.e., of a platform); and (c) the *separation of work from time and space* (Constantinou et al., 2017) (Figure 2.5).



Also, based on the above analysis, we may conclude that the definition of the term “Sharing Economy” remains blurred, mostly depending on each person's experience or participation in such practices. Similarly, there is not a public consensus regarding the validity of Sharing Economy. On the one hand, supporters build an idealistic visionary potential of collaborative societies. On the other hand, critics have been questioning its altruistic aspect/aspiration and its revolutionary nature. The need for a globally-applicable definition of the concept is also being questioned, due to the context-complexity and multi-levelled stakeholders, as well as to the fact that new forms of Social Economy are still emerging worldwide, many of whom are negotiating its former boundaries (Cairns & Stirling, 2014; Gruszka, 2017). In our opinion, to understand the whole idea of Sharing Economy it may be helpful to conceive it as a cluster of technologies, workers, consumers, participants, governors, and developers, i.e., as a *system* of different actors, possibly each of them being in a different environment. Thus, we believe that the definition below, which highlights the complexity mentioned above, interrelationships and interactions between the different actors and environments can be regarded as broadly-accepted:

*“The Sharing Economy system is predicated on some kind of scalable technology, which brings large networks of people together and matches them to the goods or services they need” (Sutherland & Jarrahi, 2018: 2).*

The activities studied under the Sharing Economy are usually based on digital applications, include profit-driven and not profit-driven businesses, provide tangible or intangible services in freelancing or not platforms, and others. This broad diversity in activities, media, practices or targets of businesses and organizations that form ‘Sharing Economy’ needs to be organized/structured in classes, to understand the used terms (Figure 2.5). Thus, this sub-section presents the internal structure of the Sharing Economy, according to the available literature.

A basic typology of the Sharing Economy is based on the *for-profit vs not-for-profit* products and services that are offered. According to Sutherland & Jarrahi (2018), the latter can be further organized, based on offered type of products/ services, on (a) *goods*, such as ‘Babyloania’; (b) *services*, such as ‘Fiverr’ and ‘SweepSouth’; (c) *workspace* or *land*, such as ‘Deskcamping’ and ‘LandShare’; and (d) *loans* or *funding capital*, such as ‘Prosper’ and ‘Indiegogo’.

A similarly essential typology of Sharing Economy is based on the segmentation of shared objects based on *tangible vs intangible objects*. Tangible objects may include *goods, assets* or *resources*. Intangible objects may include *time banks, crowdfunding*, and *knowledge-sharing*. The most popular intangible asset of the Sharing Economy movement, which gathers knowledge, experiences, skills, and their global redistribution through social network-based online services – is known as *knowledge Sharing Economy* (Zhang, et al., 2018). Another vital exchangeable intangible asset through the Sharing Economy process, which is interconnected with the idea of sustainable development, is the *energy sharing practice*.

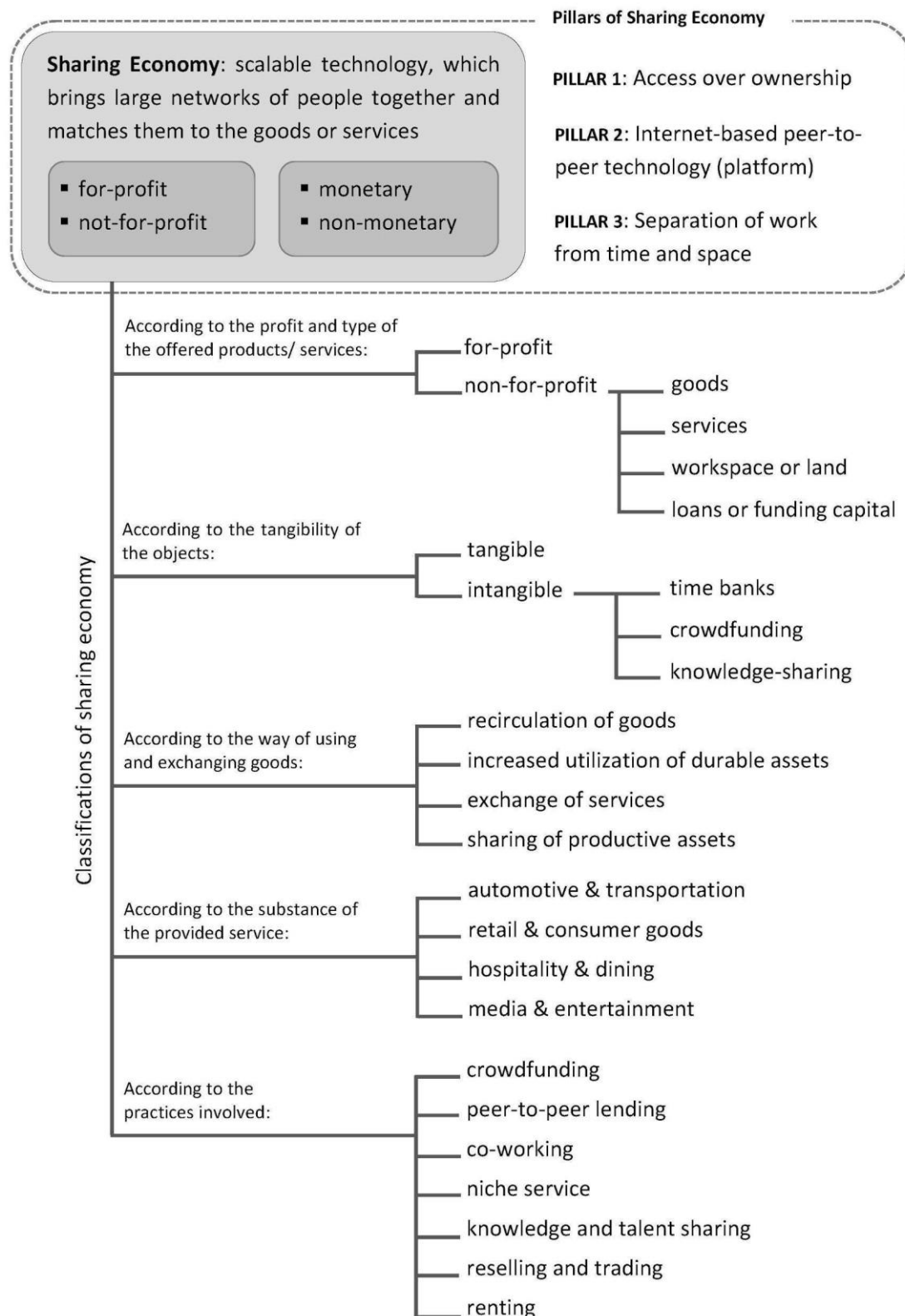


Figure 2.5: Key definitions and pillars of the Sharing Economy, and categorization, according to services provided or goods used exchanged; it is based on: Constantinou et al., 2017; Gobble, 2017; Sutherland & Jarrahi, 2018, compiled by the authors.

According to the way of using and exchanging ‘goods’, based on the non-ownership aspect of the term, J. Schor & Attwood-Charles (2017) suggest four categories of Sharing (Collaborative) Economy. The suggested categories are: (a) *recirculation of goods*, performed through ‘eBay’ and ‘Craigslist’; (b) *increased utilization of durable assets*, functioning well among the better-off possessing e.g. space or means of transport to be used more intensively via car- or lodging-sharing platforms, as well as bringing non-monetized initiatives usually on neighbourhood level to the fore; (c) *exchange of services*, originating from time banks, yet both monetary and non-monetary in character; and (d) *sharing of productive assets*, such as hackerspaces, maker spaces, co-working spaces, open and peer-to-peer educational platforms (Gruszka, 2017).

According to the substance of the provided services, the Sharing Economy is organized in the following sectors: (a) *automotive and transportation*; (b) *retail and consumer goods*; (c) *hospitality and dining*; and (d) *media and entertainment*. More recently, this account has been extended to encompass novel collaborative financial models as well as sharing competencies and work capacity (Følstad et al., 2018).

As far as the practices are concerned, Sharing Economy can be organized as below: (a) *crowdfunding* (an example service that connects people who need money to those who are willing to provide); (b) *peer-to-peer lending* (in this platform allows entrepreneur to lend and borrow money without the hassle of having to go through a traditional bank); (c) *co-working* (the idea of sharing the same office, cost of renting, office utilities as well as other office supplies with a host of other professionals); (d) *niche service* (it allows people to earn passive income while meeting the needs of people, such as require certain personalized services); (e) *knowledge and talent sharing* (people with particular knowledge base have the opportunity to offer their skills in return for payment); (f) *reselling and trading* (buying and selling of goods without a face-to-face interaction); and (g) *renting* (apartment/ house renting by connecting owners to such people as are searching to make use of such items at the time).

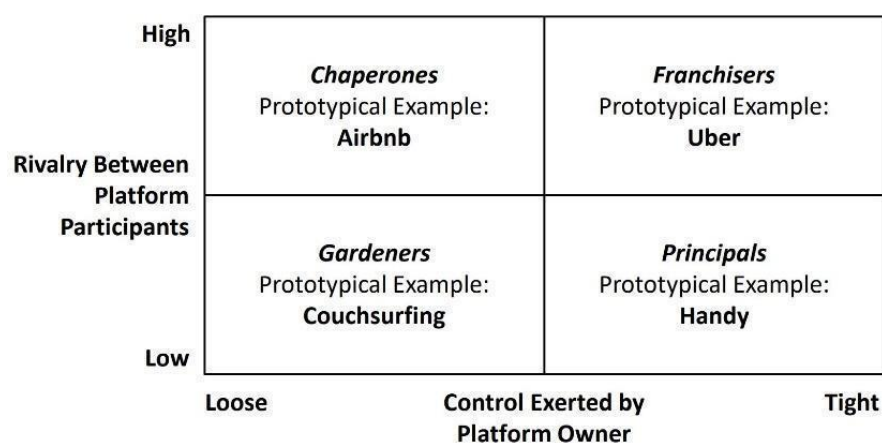


Figure 2.6: The four Sharing Economy models, according to Constantinou, et al. 2017: 232.

Along with the examination of organizational and market mechanisms that Sharing Economy platforms adopt to gain competitive advantages over incumbents, it is excluded that these mechanisms are based on two directions: *tight* or *loose* control over participants, and intense or *low rivalry between participants*. This grouping results in four Sharing Economy model, namely

the *Franchiser*, the *Principal*, the *Chaperone* and the *Gardener model* (Figure 2.6), as shown by Constantinou et al. (2017: 232). Each model focuses on a different value proposition and strategic intent, but they all employ the growing fluidity of organizational boundaries.

### 2.3.2 Similarities between different Sharing Economy practices and emerging questions

Despite the wide medley of Sharing Economy practices, it appears that they share some similarities in the way that these entrepreneurial or communal structures have evolved around platform systems and between traditional and new institutions. Traditional models of sharing are more time-intensive and rely on stronger social ties, while new forms of sharing are less time-intensive and function among loosely connected individuals. While all traditional institutions operate without the internet, all new institutions are built around it. These issues are described as relations between actors and materialities, considering both the rigidity of technological/material things and the purpose of human actors (Constantinescu & Devisch, 2018): *generating flexibility, match-making, extending reach, managing transactions, trust-building, and facilitating collectivity*. While analyzing the main and common components of Sharing Economy practices, Botsman and Rogers (2011) track down four principles of collaborative consumption: *trust between strangers, idle capacity, critical mass, and belief in the commons*.

What is less clear is how these new innovative objectives are formulated once they arrive into an existing social and economic milieu, and how they interact with local competition and regulators, taking into consideration how Internet-based firms create and capture value. The way Sharing Economy firms implement internationalization strategies—more specifically concerning local adaptation, internalization, and competitive dynamics, and, therefore, the outcome of the engagement between these new forms of the economy with the traditional ones may be proven unsuccessful. The emerging question derives from the possible diversity in implementing Sharing Economy in different geographies/areas/ economies and how they are modified/transformed by directed policies, consumption habits and the profile of the population and traditional social structures.

## 2.4 Linking Social and Sharing Economies with Youth Employment

### 2.4.1 Global labor markets for youth, flexibilization, and social security

One of the essential intentions of Social and Sharing Economies is the improvement of living conditions for the whole population, as well as a contribution to addressing economic recession and unemployment. Moreover, the primary concern of policymakers is steadily focused on *youth*, the latter representing the majority of stakeholders, active workers or users that are involved Social and Sharing Economies (Burstion-Marsteller et al., 2015; Huws & Joyce, 2016). Based on the above, this sub-section focuses on the examination of the effectiveness of those Economies. We are especially interested in their efficiency as means of reducing unemployment, more generally, and youth unemployment, in particular. Undoubtedly, the Sharing Economy has a growing share within general economic activity. A survey of 3,000 Americans (Burstion-Marsteller et al., 2015)

revealed that 44% of the population are active users of collaborative platforms. Another report by Huws and Joyce (2016) revealed similar results (42%) for the UK. Moreover, the share of the population that works on online sharing platforms is smaller, but still very significant, especially when the dynamics of the Sharing Economy are taken into account. More specifically, the above surveys showed that 21% of the adult population in the US and 8% in the UK have worked at least once in a Sharing Economy job.

There is a lack of appropriate comparative data for Continental Europe, since workers in Sharing Economy platforms are not recorded by official statistics, such as the Labor Force Surveys. De Groen and Maselli (2016) believe that this deficiency is based on three reasons. First, those platforms are mostly privately held and, thus, need to report less than publicly listed corporations. Second, since the workers are not employees, the platforms are not obliged to report the number of active workers at all, and there is no standard definition of who is a worker for such firms. Third, those platforms are mostly new and have not been properly categorized and recorded by statistical agencies so far. However, all existing trends show that the Sharing Economy plays a vital role in today's employment, and it is expected to strengthen its presence even more in the future.

Those platforms allow individuals around the world to offer services in their free time, to stay productive, to earn additional income, or even to pass from unemployment to employment. As far as employment is concerned, a very recent study by Mao et al. (2019) examined how 'Airbnb' expansion affects the local unemployment rate and deduces that 'Airbnb' expansion reduces the unemployment rate for at least two reasons. First, the option of relying on 'Airbnb' to generate income reduces the labor supply; i.e., some individuals who were actively searching for a job before the arrival of 'Airbnb' can list and manage their listings. Second, 'Airbnb' might increase labor demand, more particularly in industries that provide complementary services. More specifically, the study found that a 10% increase in the number of listings leads to a 1.2% decrease in the local unemployment rate, i.e. 0.4% because of the increase in employment and 0.8% due to the reduction in the labor force (Mao et al., 2019).

However, for other researchers, it is still controversial or debatable whether Sharing Economy indeed contributes to a significant rise of the actual employment and, when it does so, whether this raise leads to improvement of working conditions or to people's increased quality of life that work on Sharing Economy. Some evidence and arguments coming from both positions are discussed in the following sub-sections.

In rich countries, platforms like 'Uber' and 'Airbnb' allow those with assets (for example, cars and houses for the specific platforms) to connect with those who want temporary access to them. Both sides benefit, either by making money or gaining access to something more cheaply than they could find before. This fact is exceptionally beneficial, first, to those that gain access to a cheaper service and, second, to those that offer this service and gain profit. However, this situation is surely not beneficial to those who have already offered the same or a similar service before the recent advent and proliferation of these platforms and Sharing Economy generally; for example, taxi drivers and hotels/motels/tourist apartment owners are the workers and entrepreneurs that were struck by 'Uber' and 'Airbnb' respectively.

Specialized studies (Fang et al., 2016; Zervas et al., 2016; Farronato and Fradkin, 2018; Mao et al., 2019) have addressed the impact of 'Airbnb' on the hotel industry, and, more specifically, to the impact on hotel business. Mao et al. (2019) have found that the growth of 'Airbnb' in a county negatively affects the local hotel business in multiple dimensions. More particularly, 10% increase in listings in a month leads to a drop in 2.7% of the occupancy rate of local hotels, and room demand drops by 4.7%, room supply drops by 0.3%, total room revenue drops by 5.8%, revenue per sold room drops by 1.1%, and revenue per available room drops by 5.4% in three months in the county. In the above case, the negative effect is most pronounced in economy hotels, i.e. in these services that are most similar to those offered by 'Airbnb' (Mao et al. 2019). The same conclusion is also reached by Fang et al. (2016), who stress that employees in low-end hotels would lose their jobs, while 'Airbnb' houses do not need to hire any workers. Therefore, the marginal effect of 'Airbnb' decreases along with the replacement of low-end hotels.

However, other researchers believe that, in total, there may be an increase in employment. For example, Fang et al. (2016) suggest that the entry of 'Airbnb' benefits employment, as it generates new jobs in other sectors than those in the hotel industry – that is, it creates jobs in restaurants, as more tourists are attracted because of the lower accommodation cost. Based on the discussion above, it seems quite challenging to come into a general conclusion on the impact of the Sharing Economy on employment. This is because: (a) any increase of employment, due to the growth of the Sharing Economy, may be balanced out by counter effects on other traditional sectors of employment; or (b) any decrease of employment in a specific sector may be balanced out by corresponding increase in other sectors of the economy.

The above complex situation is prevalent in places where traditional (non-sharing) and new (sharing) services are offered in parallel. However, in developing countries, sharing assets may not challenge or replicate existing services, but may allow utterly new access to those who couldn't previously afford it. *HelloTractor* (tractor sharing for smallholder farmers) is a good example of the latter occasion. In such cases, the positive effect of the Sharing Economy on employment is more evident.

Even in cases where public statistics show a net increase of the total employed population, one should continue to be critical when interpreting this increase, as there is always the occasion this to be witnessed due to the transition of workers from informal to formal employment. This is especially possible in places, in which major legislative reforms have recently occurred to tackle the widespread of the newly developed Sharing Economy practices. One such reform has recently undergone in Greece with regards to the operation of the 'Airbnb' platform. After the tremendous increase in the number of 'Airbnb' houses over the last years (for example in some areas of Athens there up to 650% increase – Karaiskaki, 2019), the government has recently proceeded to reform the relevant legislative framework. Also, on the Greek islands, thousands of tourist apartments illegally operated by locals for years – an operation that was successful because of the significant social capital of these small societies- have recently been 'legalized' (with or without the quotation marks) through or because of the 'Airbnb' platform. Owners found in that platform an opportunity to offer formally and legally (paying the small fee of 3% to the platform, plus taxation) a service that has informally been offering for years. In such circumstances, it is debatable whether the numerical increase in employment equals a respective increase in true employment.

Due to the internet-based platforms of the Sharing Economy, workers from all around the world can offer their services worldwide. Applications like 'Taskrabbit' and 'Upwork' can allow every skillful or creative person with spare time to access the global marketplace and make income. This access to the global marketplace can offer significant benefits to workers living in countries with high rates of unemployment or low wages.

However, today, the percentage of the population that relies on online platforms for their entire income is small. In the UK, 5% of the collaborative workers reported obtaining all their income from work in sharing platforms, 24% more than half and 48% less than half of their income. The remaining 23% of the workers indicated that they did not want to tell (Huws & Joyce, 2016; De Groen and Maselli, 2016). The Sharing Economy allows people to obtain an additional income without feeling obliged to work a certain number of days per week or a certain number of hours per day. This flexibility, which also expands to the place of work and the working conditions, makes the Sharing Economy a desirable employment option.

On the other hand, Reich (2015) claims that behind the 'revolutionary profiles' and flexibility promoting the status of Sharing Economy platforms lies a cluster of contract workers who are not offered the protection that is offered to ordinary employees or is not backed up by a union. "A downturn in demand, or sudden change in consumer needs, or a personal injury or sickness, can make it impossible to pay the bills. It eliminates labor protections such as the minimum wage, worker safety, family and medical leave, and overtime. Moreover, it ends employer-financed insurance – Social Security, workers' compensation, unemployment benefits, and employer-provided health insurance ..." (Reich, 2015). In other words, while Sharing Economy practices may comprise a sound option for gaining additional income, they may seriously degrade working conditions in the long term.

#### **2.4.2 A note on the ease of access to employment for disadvantaged youth**

A significant advantage of Sharing Economy is the ease of access to platforms and the flexibility that these platforms provide to their users. In particular, the ability to switch roles (turning from a consumer to a producer and the vice versa) and the friendly use of platform systems encourage users to dispose of their assets quickly and efficiently -even a hobbyist can become a producer when using these platforms (Sutherland & Jarrahi, 2018). This situation leads to the creation of a population of *working consumers* and *consuming producers*, in turn leading to the development of a peer-to-peer economy.

The idea of users' autonomy as well as the openness throughout the network is especially critical to certain people. Individuals, operating in indigent areas, appear often detached from outside communities and even experience mistrust within their own factions. The billowing question is how unemployed or low-income people who derive from economically distressed areas do surpass these obstacles during the procedure of employment and how the accessibility factor of the Sharing Economy contributes to them. In respect to these questions, Dillahunt infers that Sharing Economy platforms could provide opportunities to build reputations and link to external networks to those with little to no job history, or to those who are un(der)employed, straitened, or tangled in underprivileged communities/ networks (Ravenelle, 2017). The hurdles towards

employment mentioned above may be transcended with elements of balanced reciprocity, collective efficacy, and income generation through *linking* and *vertical capital*, further to support critical mass and belief in the commons.

International literature provides some evidence on the relation between the Sharing Economy and the age and education of employees therein. With regards to their age, two surveys –one in the US (Burston-Marsteller et al., 2015) and the other in the UK (Huws & Joyce, 2016)– have identified that one-half of these employees are under 35 years old. Additionally, two specialized studies, the first on 'Uber' drivers in Cairo (Rizk et al., 2017) and the second on 'Airbnb' in the US (Mao et al., 2019) confirm the above conclusion. Moreover, the study of Hall & Krueger (2015) on 'Uber' drivers in the US found that almost one-half of the drivers (49.2%) is under 40 years of age, a number which is considerably higher than the percentage of conventional drivers (28.4%) that is under 40 years of age (De Groen and Maselli, 2016). All the above confirm our empirical belief: the Sharing Economy attracts young people.

Contrary to the above, it is still debatable whether the Social Economy attracts high- or low-skilled employees. For example, the study of Mao et al. (2019) on 'Airbnb' found that the decrease in unemployment is most visible in less-educated groups (non-high school graduates) and least in better-educated groups (those with a bachelor's or advanced degree). The researchers believe that their observation is consistent with the fact that Airbnb-related jobs are relatively low tech and do not require room providers to have high levels of education. However, the exact opposite situation is recorded in both studies (Rizk et al., 2017; De Groen and Maselli, 2016) that are focused on 'Uber' drivers, where more than half of those surveyed are university graduates. Based on both our intuition and on our personal experiences with Social Economy, we believe that the above findings suggest that, most jobs in Social Economy do not require advanced skills or university education, apart from a basic understanding of internet technologies and an access to internet (something that may have excluded those belonging to the lowest-income groups). Therefore, it is the university graduates that entered first in the Sharing Economy, most probably because of their advanced access to information and their relative ease with technology. However, additional research should be conducted to fully understand the employees' age and educational characteristics in the Sharing Economy as well as the driving forces of these preferences.



### 3 STUDYING NEETs VIS-A-VIS THE SOCIAL AND SHARING ECONOMIES: A SECONDARY DATA ANALYSIS ACROSS THE SOUTHERN MED EEA REGIONS

A fundamental step for the research on Social and Sharing Economies is the quantification of these sectors within the studied regions. In the current chapter, the secondary data collection and comparative analysis of the ventures that form the Social and the Sharing Economies in Greece, Spain, Italy, and Cyprus, complete the notional outcomes of the extensive literature review of the previous chapter. An introductory socio-economic analysis of these Mediterranean countries, drawn upon the Europe 2020 indicators, is considered necessary, and precedes the secondary data analysis, for the better comprehension and interpretation of the spatial diversities within the expanding tendencies in each country. The data collection is implemented either through the formal national database of each country or through transnational pertinent European reports. The comparative analysis is conducted by the synthesis of the numbers of entities and employees, the rates and location quotient indicators. The visualization of the results is implemented through tables, figures, and maps at the NUTS2 level of analysis. The discussion on the findings results in a preliminary stage of conclusions, which is completed in the following chapters.

In order to achieve both the quantitative research goals of this Chapter as well as the qualitative goals of Chapter 4 we employ an integrated methodology. Specifically, we explore the evolution, the type and the functions of the socio-spatial structures (Figure 3.0). Apart from exploring social structures, we also pay particular attention to spatial structures. We acknowledge that space is not just a container of socio-economic developments or a passive outcome of social relations, but that it plays a crucial and active role in constituting social processes and relations (Graham and Healy, 2007; Thrift, 2009). Thus, we take into account the role of broader spatial, socio-economic and political structures, especially in the EU and in the target countries. These structures are mainly related to the evolution and present situation of spatial and social inequalities, their causal conditions and evolution over time, along with the investigation of their causes with particular emphasis on power relations and asymmetries.

Then, we proceed by lowering the scale of our research focus, investigating the specific forms that various phenomena and processes of interest take within broader structures and contexts. These phenomena are mainly related to sectoral and employment structures, forms and practices and to local labor market structures, that is, to sectoral structures of interest. They are also related to Sharing or Social Economies in the target countries and areas, to broader and most important regional and local employment and labor market structures that operate in ways that produce the NEETS problem and exacerbate precarity, inequalities, and exclusions. Here, the investigation of the educational and training schemes' role and structures along with the broader and regional/local social, economic and employment policy structures aim at a more profound knowledge about the specific mechanisms producing exclusions and precarity. The attention and the research of spatial and social structures in different scales are significant for the present Project which concerns social categories such as women and migrants who have a long history of structured discrimination and exclusion.

The next field of research is related to agency, that is, individual agency and, more importantly, collective and institutional agency across different spatial scales and levels. While researching individual agency, we pay particular attention to people's life histories and trajectories who fall into these categories –that is, of young women and migrants– and to processes of individual decision making in different instances of their lives. We also investigate everyday survival strategies and their future aspirations and prospects. As far as the collective agency is concerned, the research focuses on collectivities and organizations which are directly or indirectly related to young women and migrants and how their past and present activities are related to the promotion of NEETS inclusion to the labor market and social life. Finally, another critical field of investigation is the role of institutional agency. By institutional agency, we mean actions and practices of formal and informal, governmental or non-governmental organizations and agencies, linked with socio-economic and labor market policies. We pay distinctive attention to employment and labor market policy agencies and how differently such policies across space and time and in different scales have been implemented.

Finally, research focuses on cultural structures, meanings, discourses, ideologies, representations of such discourses about the work ethic, discourses about flexibility and precariousness and discourses about gender and migration within labor markets. We carry out an in-depth investigation of discursive dimensions of the labor process and precariousness extremely important as they contribute extensively to constructing specific versions of social realities and to producing, reproducing and legitimizing domination and inequality. This investigation moreover studies the public discourses' role in gender and migration and how these discourses produce social relations of exclusion.

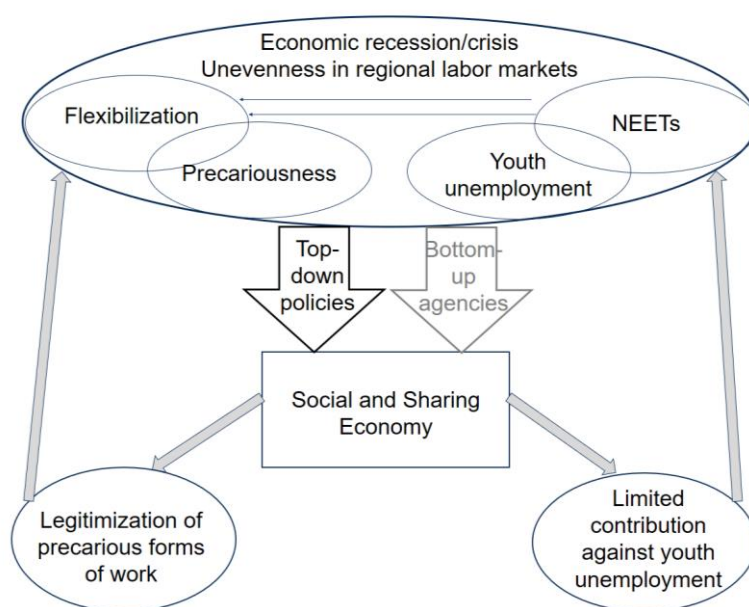


Figure 3.0: Main hypothesis schema: A tentative mechanism explaining the phenomena at hand.; source: compiled by the authors.

To sum up, we adopt a multi-methodological strategy (Brannen 2005; Schuyler House 2010), that is, for combining a series of different primary and secondary, quantitative (statistical analysis of secondary data, impact studies, survey research, and other) and qualitative methods (in-depth interviews, narrative-life history interviews, discourse analysis, and other.). The main reason for this choice has to do with triangulation and enhancement of research validity and reliability and, most importantly, addressing quantitative and qualitative aspects of the phenomena and processes at hand. This strategy is appropriate for the deep comprehension of the totality and complexity of young women and migrant NEETS exclusion from the labor markets and the prospects for reversing this situation (Danermark et al. 2002; Porter 2007) with the contribution of the Social and the Sharing Economies.

### 3.1 An introductory socio-economic analysis of the study regions

Europe 2020 is the EU's way to strengthen its economy for the current decade and prepare its structure for the challenges of the next decade, through smart, sustainable and inclusive growth. The strategy is aiming at high levels of employment, productivity and social cohesion in the Member States while reducing the impact on the natural environment. To achieve this objective, the EU has adopted eight ambitious targets in the areas of employment, research and development (R&D), climate change and energy, education, and poverty reduction that should have been reached by 2020 (Figure 3.1). These have been translated into national targets to reflect the situation and possibilities of each Member State to contribute to common goals.



Figure 3.1: Europe 2020 strategy thematic areas; Source: Eurostat, 2017: 16.

According to the Eurostat Statistical book, entitled *Smarter, greener, more inclusive? Indicators to support the Europe 2020 Strategy* 2017 edition, the development of these indicators since 2008 (the starting year for monitoring the strategy) has shown a rather miscellaneous portrayal. The areas of climate change and energy, as well as education, have shown significant progress. On the contrary, R&D investment, employment and poverty alleviation are still far from fulfilling their targets. According to Eurostat, the EU's employment target can still be reached if the growth recorded over the past few years continues. More particularly, the socio-economic indicators of

the study regions, related to the Europe 2020 Strategy, are indicated/collected/highlighted to show a complete image/ profile of the environment in which the Social Economy sector has been developing in the specific areas and to proceed to further analysis of the secondary data.

**Greece** surpassed its targets in tertiary education and early leavers from education and training in 2017 (Figure 3.2 and Table 3.1), by 11.7% and 4.0% respectively. In contrast, in the same year, Greece was the EU country with the lowest employment rate and the greatest distance to its employment target. Moreover, the number of people living at risk of poverty or social exclusion increased by about 743,000 between 2008 and 2016, increasing the distance from the national target to almost 1.2 million people.

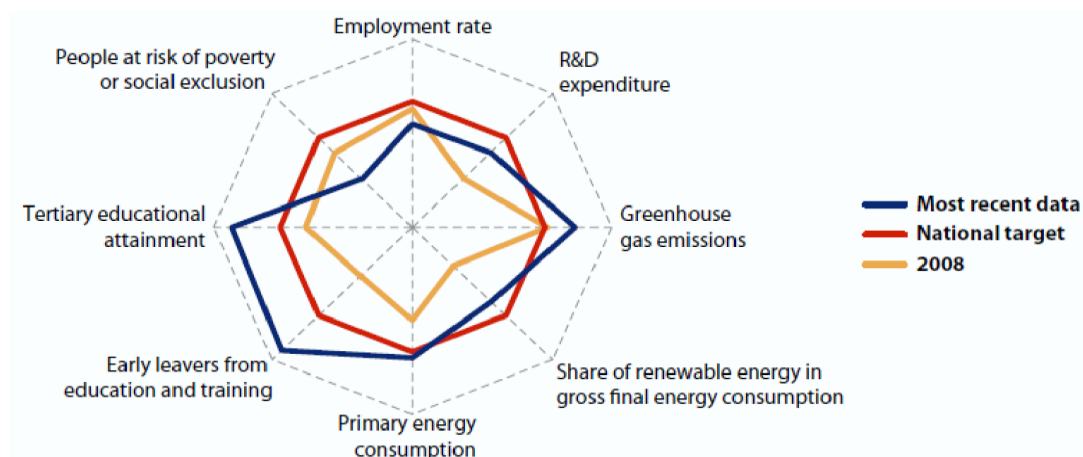


Figure 3.2: Change in national targets in Greece since 2008\*; source: Eurostat, 2018: 165.

\*Most recent year for which data are available; see the Table below.

Table 3.1: National Europe 2020 indicators: most recent data and targets in Greece

	Data	Year	Target
Employment rate age group 20–64 (%)	57.8	2017	70
Gross domestic expenditure on R&D (% of GDP)	1.01	2016	1.2
Greenhouse gas emissions in non-ETS sectors (% change since ESD base year)	-25.7 (*)	2016	-4
Share of renewable energy in gross final energy consumption (%)	15.2	2016	18
Primary energy consumption (million tons of oil equivalent)	23.5	2016	24.7
Early leavers from education and training (% of population aged 18–24)	6.0	2017	10 (**)
Tertiary educational attainment (% of population aged 30–34)	43.7	2017	32
People at risk of poverty or social exclusion (thousands)	3,789	2016	2,596

(\*) Provisional data, (\*\*) National target: less than 10%; source: Eurostat, 2018: 165

**Spain** made substantial progress towards its 2020 national target by reducing the school drop-out rate by 13.4% between 2008 and 2017 (Figure 3.3 and Table 3.2). In contrast, in 2017, the share of 30 to 34 years old with tertiary education was almost the same as in 2008, leaving a distance of 2.8% to the national target of 44 %. Since 2008, the number of people at risk of poverty or social exclusion has risen sharply. Despite improvements in 2015 and 2016, Spain needs to lift some 3.4 million people out of risk of poverty to meet its 2020 objective. Although the country's employment rate has picked up since 2014, in 2017 it was still 8.5% behind its national target, the second-largest gap in the EU.

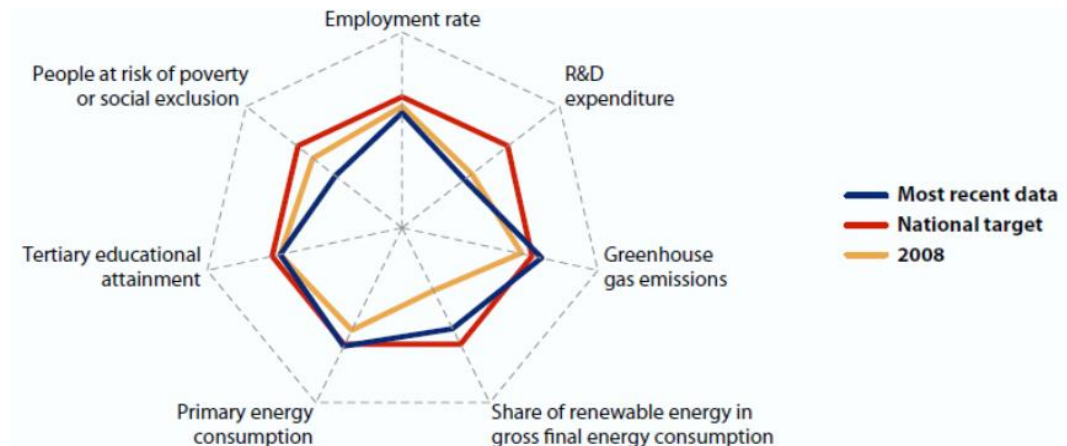


Figure 3.3: Change in national targets in Spain since 2008\*; source: Eurostat, 2018: 166.

\*Most recent year for which data are available; see table below.

Table 3.2: National Europe 2020 indicators: most recent data and targets in Spain

	Data	Year	Target
Employment rate age group 20–64 (%)	65.5	2017	74
Gross domestic expenditure on R&D (% of GDP)	1.19	2016	2
Greenhouse gas emissions in non-ETS sectors (% change since ESD base year)	-16.2 (*)	2016	-10
Share of renewable energy in gross final energy consumption (%)	17.3	2016	20
Primary energy consumption (million tons of oil equivalent)	117.2	2016	119.8
Early leavers from education and training (% of population aged 18–24)	18.3	2017	15 (**)
Tertiary educational attainment (% of population aged 30–34)	41.2	2017	44
People at risk of poverty or social exclusion (thousands)	12,827	2016	9,386 (***)

(\*) Provisional data, (\*\*) National target refers to school drop-out rate, (\*\*\*) National target: reduce the number of people at risk of poverty or social exclusion by 1,400,000 to 1,500,000 people (compared to 2008); source: Eurostat, 2018: 166.

Italy had exceeded its goals in early leavers from education and training and tertiary education by 2017 (Figure 3.4 and Table 3.3). The country had the second-lowest share of tertiary graduates in the EU in 2017 (26.9 % of 30 to 34-year-old). However, it is still 4.7% below its national target on employment, despite the gradual increase in the employment rate over the past three years. The number of people at risk of poverty and social exclusion has increased considerably between 2008 and 2016; Italy needs to lift more than 5.2 million people out of the risk of poverty to reach its national target by 2020.

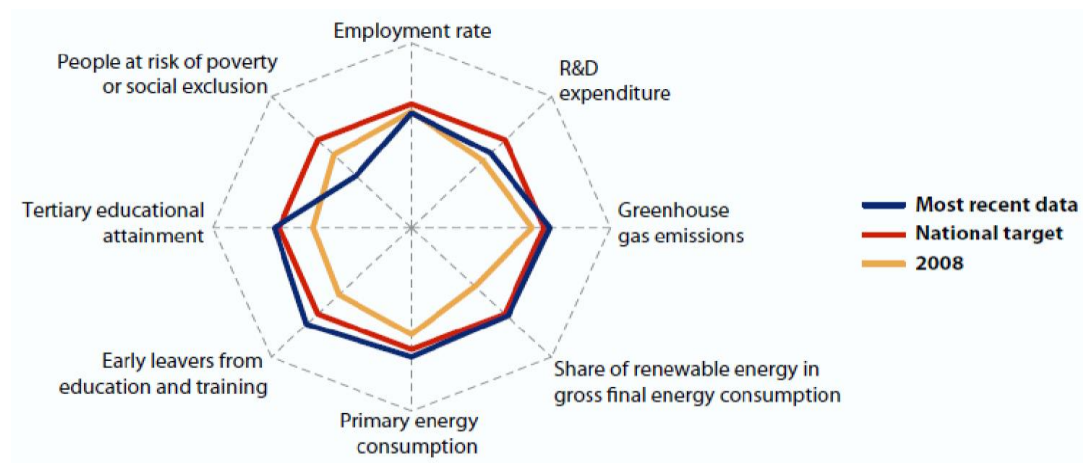


Figure 3.4: Change in national targets in Italy since 2008\*;source: Eurostat, 2018: 169.

\*Most recent year for which data are available; see table below.

Table 3.3: National Europe 2020 indicators: most recent data and targets in Italy

	Data	Year	Target
Employment rate age group 20–64 (%)	62.3	2017	67 (*)
Gross domestic expenditure on R&D (% of GDP)	1.29 (**)	2016	1.53
Greenhouse gas emissions in non-ETS sectors (% change since ESD base year)	-17.0 (**)	2016	-13
Share of renewable energy in gross final energy consumption (%)	17.4	2016	17
Primary energy consumption (million tons of oil equivalent)	148.4	2016	158
Early leavers from education and training (% of population aged 18–24)	14.0	2017	16
Tertiary educational attainment (% of population aged 30–34)	26.9	2017	26 (***)
People at risk of poverty or social exclusion (thousands)	18,137	2016	12,882

(\*) National target: 67–69 %, (\*\*) Provisional data, (\*\*\*) National target: 26–27 %; source: Eurostat, 2018: 169.

**Cyprus** exceeded its national target in tertiary educational attainment by 9.8 % in 2017 (Figure 3.5 and Table 3.4). In the same year, the country also surpassed its target in early leavers from education and training by 1.4%. Although Cyprus' employment rate has been growing since 2013, in 2017, it was still 4.3% below its 75 % national target. Moreover, the country needs to lift 80,000 more people out of the risk of poverty and social exclusion to meet its 2020 commitment.

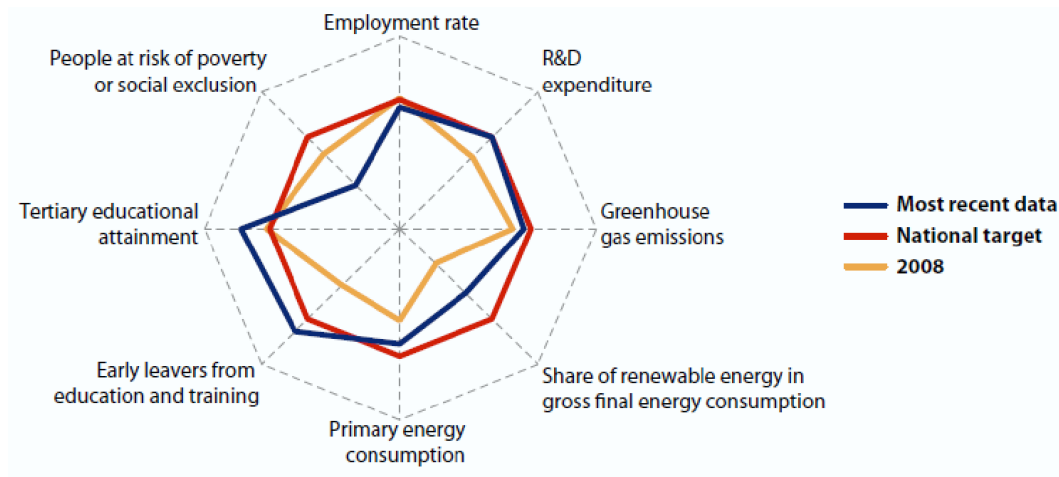


Figure 3.5: Change in national targets in Cyprus since 2008; source: Eurostat, 2018: 170.

\*Most recent year for which data are available; see table below.

Table 3.4: National Europe 2020 indicators: most recent data and targets in Cyprus

	Data	Year	Target
Employment rate age group 20–64 (%)	70.7	2017	75 (*)
Gross domestic expenditure on R&D (% of GDP)	0.5 (**)	2016	0.5
Greenhouse gas emissions in non-ETS sectors (% change since ESD base year)	0.2 (**)	2016	-5
Share of renewable energy in gross final energy consumption (%)	9.3	2016	13
Primary energy consumption (million tons of oil equivalent)	2.4	2016	2.2
Early leavers from education and training (% of population aged 18–24)	8.6	2017	10
Tertiary educational attainment (% of population aged 30–34)	55.8	2017	46
People at risk of poverty or social exclusion (thousands)	234	2016	154

(\*) National target: 75–77 %, (\*\*) Provisional data; source: Eurostat, 2018: 170.

The above brief review on the socio-economic environment of the study countries indicates the commonalities and the differences that characterize the four Mediterranean EEA countries. Specifically, it is indicative that the number of people, living at risk of poverty or social exclusion during the recent economic crisis, has risen in all four countries yet the four countries stipulate uneven employment rates between them. Spain and Italy have experienced a gradual increase in employment rates, still, far from their national targets, Cyprus is showing a steadily growing rate, whereas Greece is holding the lowest employment rate among the European countries. The general framework of each country is a critical shaping factor for the rates and ways of evolution of Social and Sharing Economies within the country.

### 3.2 Social economies in the study regions

This section focuses on contemporary Social Economy in Greece, Spain, Italy, and Cyprus by presenting several quantitative aspects of the sector's economic expansion per country (e.g. number of enterprises, total employment, and other). The particular legal framework that shapes and defines Social Economies in each of the study countries is analytically presented in chapter 5 (chapter 5.1). Although a sound *transnational* analysis of Social Economy would require a thorough comparison of the data vis-a-vis each country's legal framework, our choice is to focus on the size and expansion of Social Economy and leave the institutional contextualization to be discussed in the concluding sections.

Data used was collected from the European Database of Eurostat, as well as national data sources. The collection and analysis of data refer to the most recently available, comparable data for the study regions: for Greece and Italy is the year 2016, whereas for Spain it is the year 2018 and for Cyprus is the year 2019 (Table 3.5). At the end of this section (3.2.5), we proceed to transnational analysis to highlight profound differences or disparities between the studied countries and regions. Towards this, we map and analyze the regional differences, using the Location Quotient Indicator as our primary analytical tool.

Table 3.5: Secondary Data collection for the study regions, compiled by the authors.

Countries	Greece	Cyprus	Italy	Spain
Regions	13	1	22	19
National Data Source	<ul style="list-style-type: none"> <li>• Helstat</li> <li>• Special Secretariat for Social and Solidarity Economy (SSE) of Hellenic Ministry of Labor and Social Affairs</li> </ul>	<ul style="list-style-type: none"> <li>• ACS</li> </ul>	<ul style="list-style-type: none"> <li>• Istat</li> </ul>	<ul style="list-style-type: none"> <li>• Spanish Ministry of Labor Migrations &amp; Social Security</li> </ul>
Data Source	Eurostat, European Commission, Eurobarometer			
Time	2016	2019	2016	2018



### 3.2.1 Social Economy in Greece

The Annual Report (2018) of the Special Secretariat for Social and Solidarity Economy (SSE) at the Greek Ministry of Labor and Social Affairs, reporting data for 2016, reveals significant expansive tensions in the sector. Specifically, the total number of active Social and Solidarity Economy entities and the number of employees, have both increased over the previous years, (Tables 3.6 & 5.3). However, the Greek SE's figures remain low when compared to the total number of enterprises and employees across the economy.

Table 3.6: Social enterprises per region and per sector in Greece; source: Special Secretariat for SSE (2018), compiled by the authors.

Region/sectors/ number of entities	A	B-C	D-E	F	G-I	H-J	K-L	M-N-O	P-Q	R-S	TOTAL
Anatoliki Makedonia, Thraki	2	2	0	1	6	1	0	5	3	2	22
Attiki	1	5	4	8	38	17	0	21	33	38	165
Voreio Aigaio	1	0	0	0	0	0	0	1	2	1	5
Dytiki Ellada	0	1	0	0	3	2	0	2	3	3	14
Dytiki Makedonia	0	0	0	0	0	0	0	1	0	0	1
Ipeiros	0	0	0	0	2	1	0	2	1	1	7
Thessalia	0	0	0	1	3	2	0	8	6	10	30
Ionia Nisia	0	0	1	1	1	1	0	1	0	1	6
Kentriki Makedonia	0	1	2	0	17	0	0	10	4	13	47
Kriti	0	0	0	1	8	0	0	2	5	3	19
Notio Aigaio	1	0	1	1	2	1	0	5	5	5	21
Peloponnisos	0	1	0	1	6	3	0	5	2	6	24
Stereia Ellada	2	0	0	1	4	0	0	2	2	3	14
<b>Greece(2016)</b>	<b>7</b>	<b>10</b>	<b>8</b>	<b>15</b>	<b>90</b>	<b>28</b>	<b>0</b>	<b>65</b>	<b>66</b>	<b>86</b>	<b>375</b>

The largest concentration of social enterprises in Greece is observed (Figure 3.6) in Attiki (Attica), where 44,0% of all social enterprises operate. The region of Kentriki Makedonia (Central Macedonia) with 12,5%, follows next; and Thessalia (Thessaly), with 8,0%, the regions of Peloponnisos (Peloponnese) (6,4%), Anatoliki Makedonia (Eastern Macedonia) and Thraki (Thrace) (5,9%) and Notio Aigaio (Southern Aegean) (5,6%). There is a smaller concentration of social enterprises in the regions of Kriti (Crete), (5,1%), Sterea Ellada (Central Greece) and Dytiki Ellada (Western Greece) with rates of 3,7% each. In the rest of the country, the presence of social enterprises is significantly limited. More specifically, in the regions of Ipeiros (Epirus) and Ionia Nisia (Ionian Islands), the presence of social enterprises corresponds to 1,9% and 1,6% respectively, while in Voreio Aigaio (Northern Aegean) aggregates to 1,3% and in Dytiki Makedonia (Western Macedonia) less than 1%. According to the annual report (2018) by the Special Secretariat for Social and Solidarity Economy, the allocation of social enterprises seems to continue to be highly related to the population characteristics of the regions, especially in the Attiki region probably because of the possibilities and opportunities offered in Athens, the capital of the country (located in Attiki) and which is the most populated area with a great variety of economic activities and the most accessible to information on the sector.

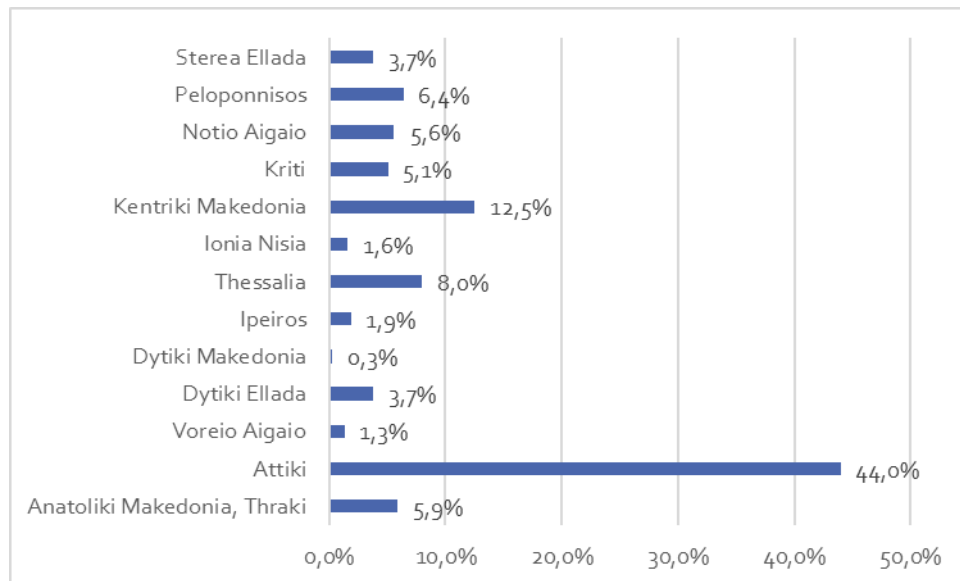


Figure 3.6: Percentage (%) of social enterprises per region in Greece; source: Special Secretariat for SSE (2018), compiled by the authors.

The secondary data analysis of Social Economy in Greece points to weak Social Economy entities' rates, though with higher numbers regarding Social Economy employment (Table 3.7). Social Economy employment is being calculated through the Annual Work Units of Employees, so there is not an independently verified number of employees or information on the type of employment through the specific data source. The number of employees for the present annual report is estimated by multiplying the Unit (that we have data on) by 12 (months). Additionally, the annual report lacks data regarding employees in each enterprise.

Table 3.7: Employees (Annual Work Units) in social enterprises per region and per sector in Greece; source: Special Secretariat for SSE (2018), compiled by the authors.

Region/sectors/number of employees	A	B-C	D-E	F	G-I	H-J	K-L	M-N-O	P-Q	R-S	TOTAL
Anatoliki Makedonia, Thraki	0,0	0,0	0,0	0,0	252,0	0,0	0,0	36,0	4,0	111,4	403,3
Attiki	0,0	24,0	3,6	1888,8	1583,8	339,0	0,0	1011,1	1008,0	1296,0	7154,3
Voreio Aigaio	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Dytiki Ellada	0,0	0,0	0,0	0,0	12,0	0,0	0,0	0,0	168,0	0,0	180,0
Dytiki Makedonia	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Ipeiros	0,0	0,0	0,0	0,0	108,0	0,0	0,0	166,8	0,0	0,0	274,8
Thessalia	0,0	0,0	0,0	12,0	12,0	0,0	0,0	295,8	279,4	144,0	743,2
Ionia Nisia	0,0	0,0	0,0	684,0	38,6	0,0	0,0	0,0	0,0	108,0	830,6
Kentriki Makedonia	0,0	12,0	12,0	228,0	234,0	0,0	0,0	144,8	48,0	132,0	810,8
Kriti	0,0	0,0	0,0	0,0	84,0	0,0	0,0	24,0	72,0	48,0	228,0
Notio Aigaio	264,0	0,0	12,0	0,0	48,0	288,0	0,0	60,0	12,0	109,9	793,9
Peloponnisos	0,0	0,0	0,0	25,4	8,5	24,0	0,0	12,0	84,0	264,0	418,0
Sterea Ellada	0,0	0,0	0,0	180,0	0,0	0,0	0,0	66,0	0,0	42,0	288,0
<b>Greece(2016)</b>	<b>264,0</b>	<b>36,0</b>	<b>27,6</b>	<b>3018,2</b>	<b>2380,9</b>	<b>663,0</b>	<b>0,0</b>	<b>1816,6</b>	<b>1675,3</b>	<b>2255,3</b>	<b>12136,9</b>

More specifically, the majority of employees are in entities in Attiki (Attica), by holding 58.9% of social enterprises employees of Greece, with the regions of Ionia Nisia (Ionian Islands) (6.8%), Kentriki Makedonia (Central Macedonia) (6.7%), Notio Aigaio (Southern Aegean) (6.5%) and Thessalia (Thessaly) (6.1%) following with much lower rates (Figure 3.7). The overall numbers of employees in each Greek region point to significant rates in Ionia Nisia, where the social enterprises employees constitute 0.9% of employees in that region, and in Notio Aigaio 0.5% (Figure 3.8).

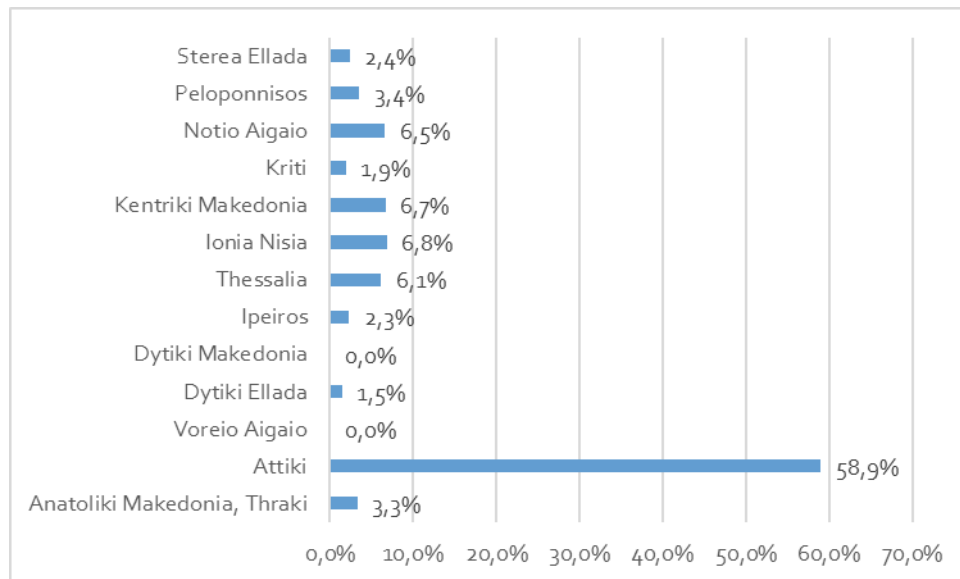


Figure 3.7: Percentage (%) of employees in social enterprises per region in Greece; source: Special Secretariat for SSE (2018), compiled by the authors.

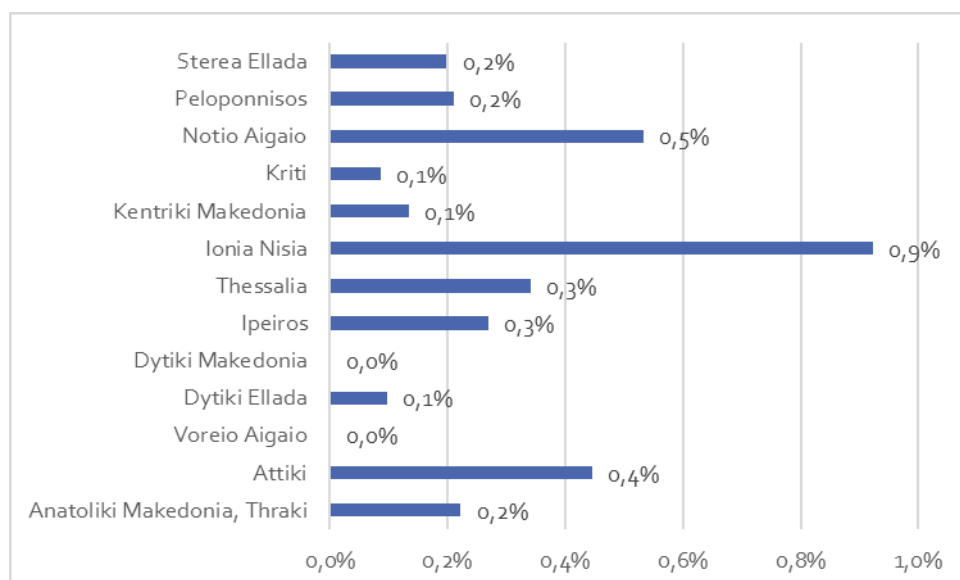


Figure 3.8: Percentage (%) of employees in social enterprises as a share of total employees in Greek regions; source: ELSTAT, Special Secretariat for SSE (2018), compiled by the authors.

Through the rating of Greek social enterprises per economic sector (Annex of Economic Sectors), it is clear that sectors of wholesale, retail trade and accommodation (G-I) prevail (i.e. higher number of entities which are active in these specific sectors). The sector of arts, entertainment, recreation and other service activities (R-S) follow right after. Construction (F) and the sectors of wholesale, retail trade and accommodation (G-I) are the dominant sectors regarding employment rates (Figures 3.9 and 3.10).

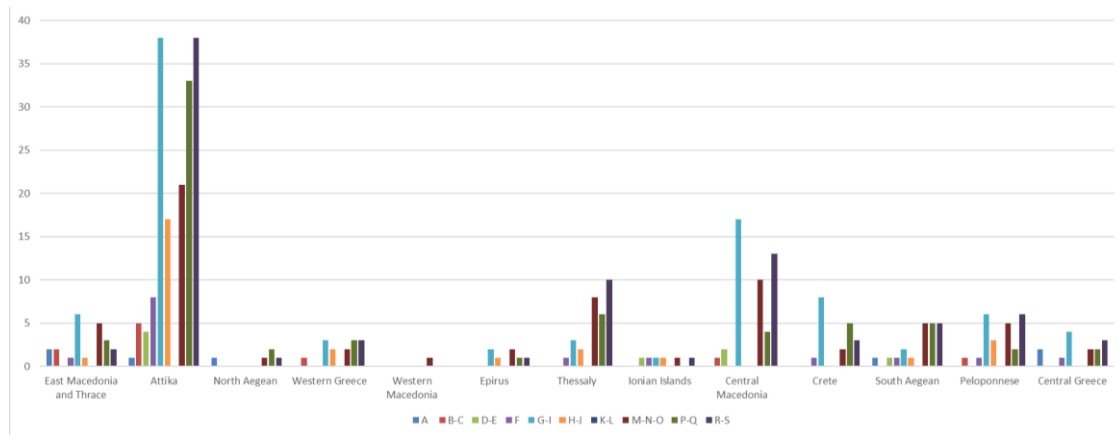


Figure 3.9: Number of social enterprises per region and per sector in Greece; source: Special Secretariat for SSE (2018), compiled by the authors.

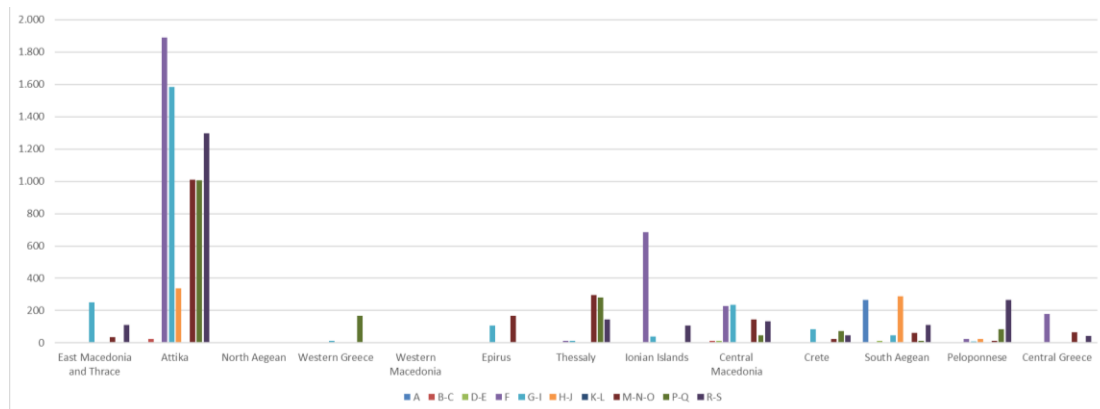


Figure 3.10: Number of employees in social enterprises per region in Greece; source: Special Secretariat for SSE (2018), compiled by the authors.

### 3.2.2 Social Economy in Spain

The Social Economy database of the Spanish Ministry of Labor Migrations & Social Security, (Sociedades Cooperativas and Sociedades Laborales, data of 2018) reveals that the field of Social Economy has been thriving in Spain, during the last decade. The total number of active social enterprises, including number of employees, shows that they comprise a significant part of the Spanish economy (Table 3.8). While the economy has suffered considerably since the financial crisis, statistics show that the Social Economy sector has not only been stable during the years of the crisis but has experienced significant employment growth.

Table 3.8: Social enterprises per region and per sector in Spain; source: Spanish Ministry of Labor Migrations & Social Security, compiled by the authors.

Region/sectors/number of entities	A	B-C	D-E	F	G-I	H-J	K-L	M-N-O	P-Q	R-S	TOTAL
Andalucía	2.550	4.575	81	1.961	6.398	1.477	349	2.341	3.113	781	23.626
Aragón	309	691	4	340	1.211	241	90	329	313	170	3.698
Principado de Asturias	117	331	16	173	634	244	32	400	237	139	2.323
Illes Balears	34	76	12	95	298	70	21	117	247	44	1.014
Canarias (ES)	139	214	4	150	796	163	72	350	192	113	2.193
Cantabria	20	120	0	73	196	76	9	152	177	65	888
Castilla-la Mancha	783	2.272	24	714	2.008	343	141	449	530	216	7.480
Castilla y León	2.594	1.136	21	467	1.573	282	164	493	396	172	7.298
Cataluña	487	2.050	36	881	2.922	1.055	233	1.567	2.418	728	12.377
Comunidad Valenciana	755	1.850	180	826	2.755	670	393	1.159	1.053	423	10.064
Extremadura	427	782	16	229	1.443	213	46	225	354	83	3.818
Galicia	583	791	21	393	1.416	361	85	506	711	284	5.151
Comunidad de Madrid	55	727	15	728	1.934	775	203	1.321	1.792	428	7.978
Región de Murcia	559	929	24	697	2.260	338	93	670	1.048	250	6.868
Comunidad Foral de Navarra	140	469	12	293	796	116	39	237	347	85	2.534
País Vasco	142	2.239	61	759	1.397	661	104	1.345	1.547	366	8.621
La Rioja	23	217	0	56	114	14	28	28	27	28	535
Ciudad Autónoma de Ceuta (ES)	0	18	0	6	17	2	0	4	1	2	50
Ciudad Autónoma de Melilla (ES)	0	1	0	1	9	0	0	0	3	0	14
Spain (2018)	9.717	19.479	527	8.837	28.187	7.111	2.110	11.720	14.534	4.385	106.607

The largest concentration of social enterprises in Spain is located (Figure 3.11) in Andalucía, where 22.2% of all social enterprises operate. The regions of Cataluña with 11.6% and Comunidad Valenciana, with 9.4% follow with lower rates. The regions of Comunidad de Madrid (7.5%) and Castilla-la Mancha hold the percentage of 7.0%. There is a smaller concentration of social enterprises in the regions of Castilla y León with rates 6.8% and Región de Murcia with 6.4%. In the rest of the country, the presence of social enterprises is significantly limited. In Spain, as in Greece, the allocation of social enterprises seems to be highly related to the regional characteristics of the population, especially in Andalucía.

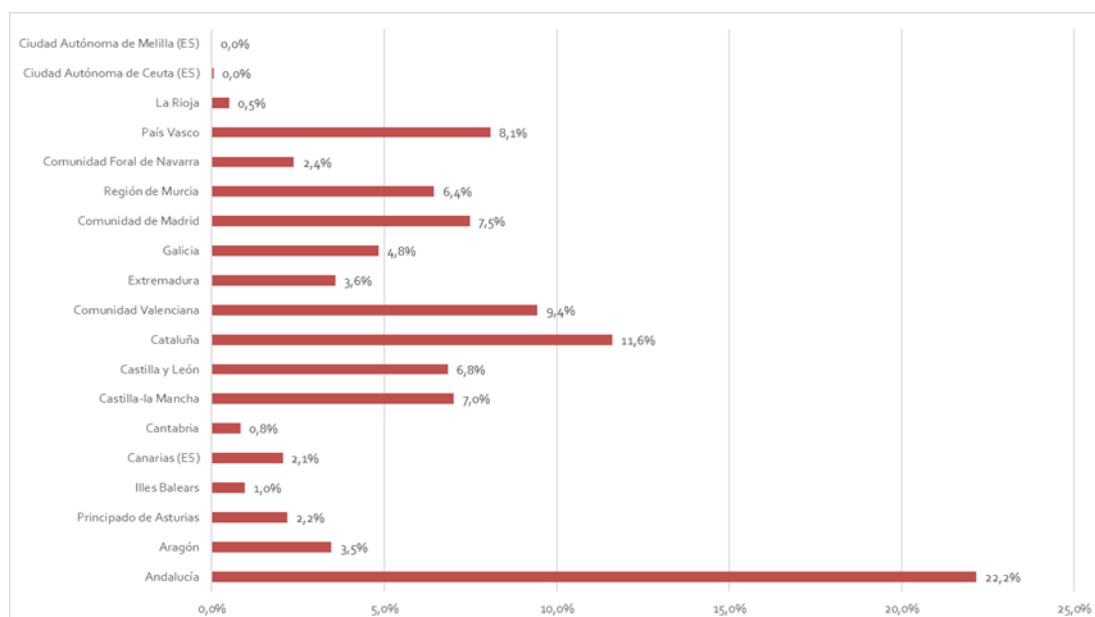


Figure 3.11: Percentage (%) of social enterprises per region in Spain; source: Spanish Ministry of Labor Migrations & Social Security (2019), compiled by the authors.

The analysis of the secondary data of the Social Economy in Spain ended up in higher numbers regarding the employment rates in social enterprises (Table 3.9).

Table 3.9: Employees in social enterprises per region and per sector in Spain; source: Spanish Ministry of Labor Migrations & Social Security, compiled by the authors.

Region/sectors/number of employees	A	B-C	D-E	F	G-I	H-J	K-L	M-N-O	P-Q	R-S	TOTAL
Andalucía	44.032	37.605	674	10.727	73.288	8.146	16.237	15.672	52.682	3.574	262.637
Aragón	2.270	5.357	57	1.657	6.713	1.291	3.830	2.237	3.160	1.011	27.583
Principado de Asturias	671	2.171	31	709	3.715	1.390	2.045	5.685	2.432	513	19.362
Illes Balears	128	554	41	693	2.029	318	411	583	3.075	201	8.033
Canarias (ES)	1.194	3.048	4	826	7.731	1.819	2.519	2.469	3.970	816	24.396
Cantabria	40	3.045	0	318	1.451	259	143	783	1.556	246	7.841
Castilla-la Mancha	9.427	16.964	282	3.256	10.909	1.672	7.805	2.621	3.855	1.113	57.904
Castilla y León	8.672	11.877	125	1.839	8.330	1.125	5.092	2.668	3.511	624	43.863
Cataluña	3.784	17.095	516	3.826	39.346	9.072	3.518	11.440	63.070	4.631	156.298
Comunidad Valenciana	30.299	14.702	417	4.097	73.984	4.096	11.686	9.463	13.618	1.949	164.311
Extremadura	3.413	5.727	63	1.330	6.919	824	2.072	1.142	4.398	502	26.390
Galicia	4.207	12.155	67	2.945	7.077	1.833	882	2.207	6.657	1.494	39.524
Comunidad de Madrid	165	4.573	47	4.687	16.959	4.781	1.813	9.971	41.332	2.267	86.595
Región de Murcia	23.705	7.820	42	4.084	22.103	1.602	3.695	5.349	13.890	1.143	83.433
Comunidad Foral de Navarra	1.578	11.712	17	1.957	10.575	715	2.483	1.455	7.395	299	38.186
País Vasco	830	38.137	462	3.681	29.899	4.048	1.971	8.941	48.844	1.450	138.263
La Rioja	43	1.730	0	233	1.156	115	642	153	524	63	4.659
Ciudad Autónoma de Ceuta (ES)	0	64	0	35	142	25	0	13	1	7	287
Ciudad Autónoma de Melilla (ES)	0	2	0	2	50	0	0	0	49	0	103
<b>Spain (2018)</b>	<b>134.458</b>	<b>194.352</b>	<b>2.845</b>	<b>46.869</b>	<b>322.456</b>	<b>43.225</b>	<b>66.904</b>	<b>83.099</b>	<b>274.690</b>	<b>21.998</b>	<b>1.190.896</b>

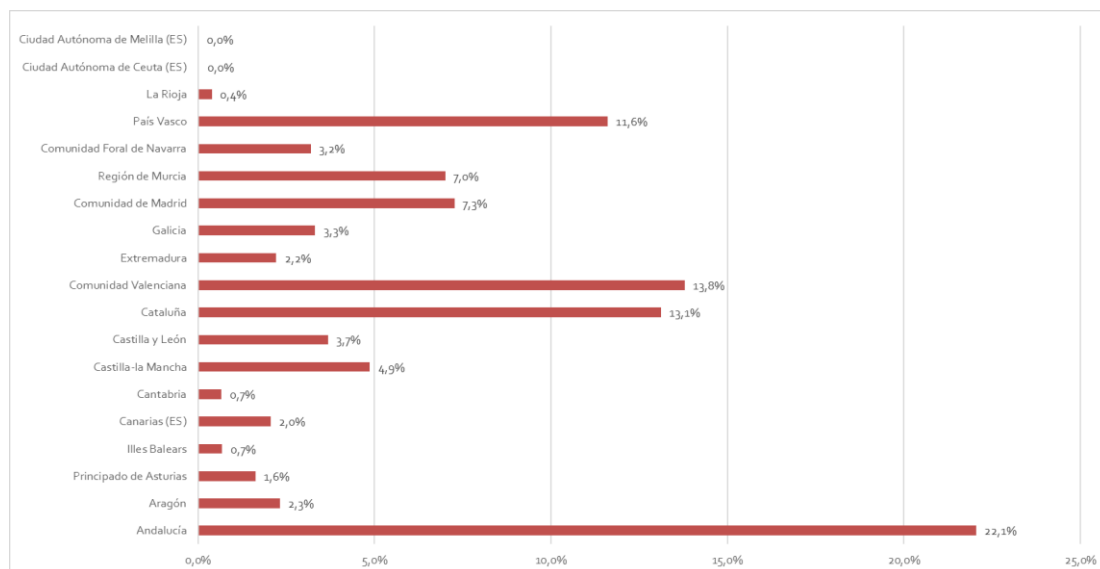


Figure 3.12: Percentage (%) of employees in social enterprises per region in Spain; source: Spanish Ministry of Labor Migrations & Social Security, compiled by the authors.

More specifically, the highest rate of employees is located in the entities of Andalucía, by holding the 22.1% of the social enterprises employees of Spain, with the regions of Comunidad Valenciana (13.8%), Cataluña (13.1%), and País Vasco (11.6%), following with lower rates (Figure 3.12). Regarding the overall numbers of employees in Spain, there are some significant rates in Region de Murcia where social enterprises employees constitute 17.4% of employees in that region, while in Comunidad Foral de Navarra and País Vasco 16,6% and 13,7% respectively (Figure

3.13). The above high rates may be interpreted as successful implementation of Social Economy practices against unemployment, in regions with a low presence of enterprises and employment rates.

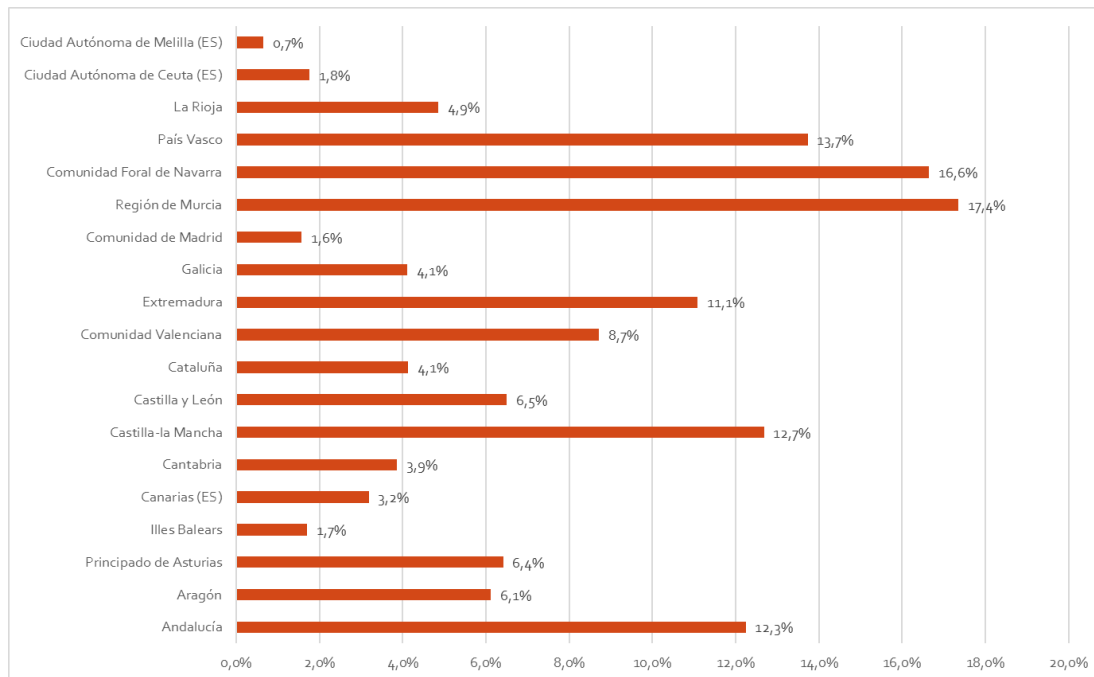


Figure 3.13: Percentage (%) of employees in social enterprises as a share of total employees in Spanish regions; source: Eurostat, Spanish Ministry of Labor Migrations & Social Security, compiled by the authors.

Through rating of the Spanish social enterprises per economic sector (Annex of Economic Sectors), it is clear that the sectors of wholesale, retail trade and accommodation (G-I) prevail, while the sectors of mining, quarrying, and manufacturing (B-C) follow right after. The sectors of wholesale, retail trade and accommodation (G-I), as well as those of education, human health and social work activities (P-Q), dominate when it comes to employment rates (Figures 3.14 and 3.15).

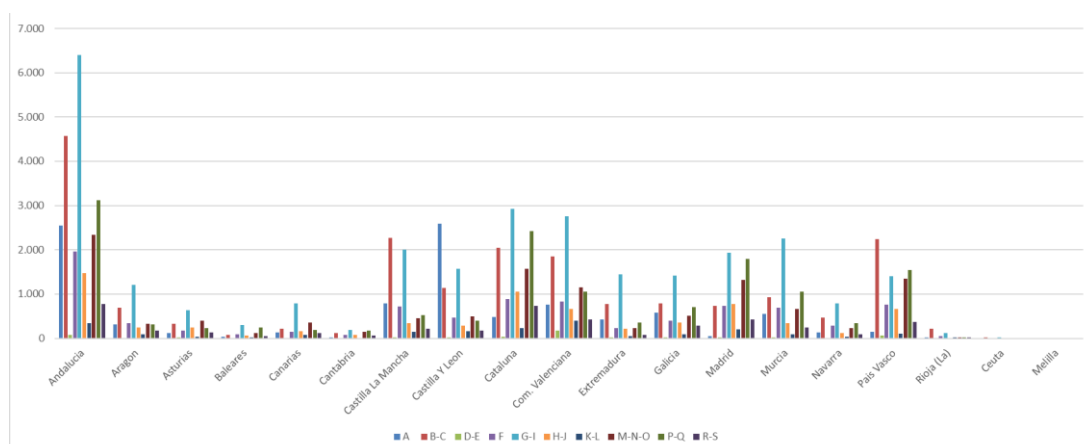


Figure 3.14: Number of social enterprises per region and per sector in Spain; source: Spanish Ministry of Labor Migrations & Social Security, compiled by the authors.

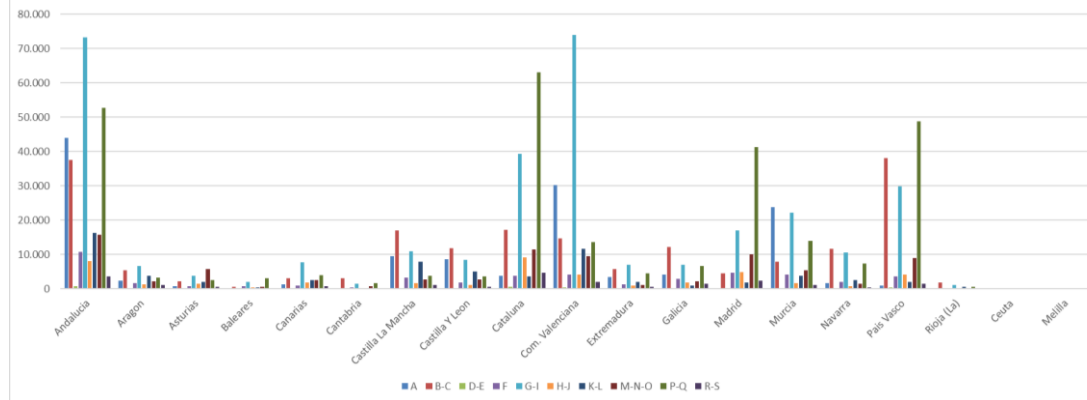


Figure 3.15: Number of employees in social enterprises per region and per sector in Spain; source: Spanish Ministry of Labor Migrations & Social Security, compiled by the authors.

### 3.2.3 Social Economy in Italy

The Social Economy database within the Italian National Institute of Statistics, with data referring to Società Cooperativa Esclusa and Società Cooperativa Sociale of the year 2016, shows that the field of Social Economy has been thriving in Italy during recent years. The total number of active social enterprises, combined with the number of employees, shows that they are a significant part of the Italian economy (Table 3.10).

Table 3.10: Social enterprises per region and per sector in Italy; source: IStat, compiled by the authors.

Region/sectors/ number of entities	B-C	D-E	F	G-I	H-J	K-L	M-N-O	P-Q	R-S	TOTAL
Abruzzo	139	13	111	138	166	44	245	223	100	1.179
Basilicata	96	9	152	180	105	8	175	152	91	968
Calabria	129	24	182	193	176	26	311	379	109	1.529
Campania	437	40	1.389	522	1.090	77	883	1.134	377	5.949
Emilia-Romagna	523	39	439	380	688	235	687	643	415	4.049
Friuli-Venezia Giulia	104	8	34	108	86	35	156	158	79	768
Liguria	72	10	153	155	157	25	199	222	102	1.095
Lombardia	485	55	963	608	1.563	608	1.728	1.458	486	7.954
Marche	161	8	129	202	174	56	234	222	143	1.329
Molise	51	1	27	42	44	9	65	86	24	349
Piemonte	223	35	278	244	387	139	579	540	159	2.584
Provincia Autonoma di Bolzano/Bozen	53	85	139	97	56	62	93	104	61	750
Provincia Autonoma di Trento	50	6	58	116	30	49	67	108	26	510
Puglia	530	67	1.011	607	989	91	918	862	398	5.473
Sardegna	202	21	262	420	218	26	327	504	266	2.246
Sicilia	520	56	1.021	1.124	736	105	792	1.516	381	6.251
Toscana	230	27	499	376	454	106	574	472	274	3.012
Trentino Alto Adige	103	91	197	213	86	111	160	212	87	1.260
Lazio	465	57	1.263	996	1.872	127	1.879	979	529	8.167
Umbria	92	3	65	91	100	17	143	138	50	699
Valle d'Aosta/Vallée d'Aoste	33	3	22	12	20	4	26	29	26	175
Veneto	323	23	267	253	583	129	475	610	209	2.872
<b>Italy (2016)</b>	<b>4.918</b>	<b>590</b>	<b>8.464</b>	<b>6.864</b>	<b>9.694</b>	<b>1.974</b>	<b>10.560</b>	<b>10.539</b>	<b>4.305</b>	<b>57.908</b>



The largest concentration of social enterprises in Italy is observed (Figure 3.16) in Lazio and in Lombardia, where 14.1% and 13.7% of all social enterprises operate. In lower rates are the regions of Sicilia with 10.8% and Campania with 10.3%, followed by Puglia (9.5%) and Emilia-Romagna (7.0%) follow. There is a smaller concentration of social enterprises in the regions of Toscana with rates of 5.2% and Veneto with 5.0%. In the rest of the country, the presence of social enterprises is significantly limited. As in the cases of Greece and Spain, the presence of social enterprises relates to the population characteristics of the regions, especially in Lazio.

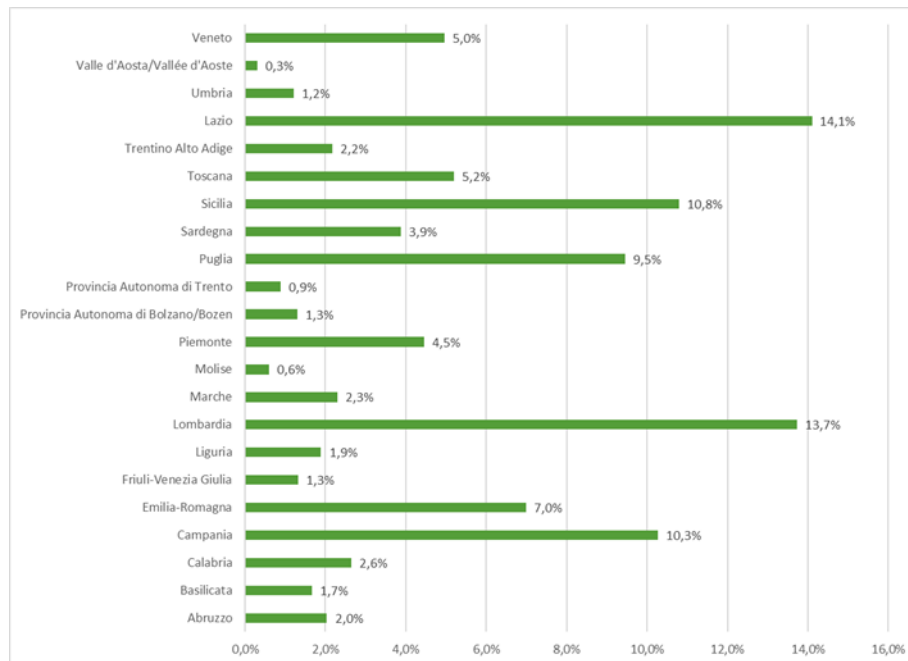


Figure 3.16: Percentage (%) of social enterprises per region in Italy; source: IStat, compiled by the authors.

Analysis of secondary data of Social Economy in Italy also points to higher employment rates in social enterprises (Table 3.11). More specifically, the highest employment rate is located in Lombardia (up to 19.1% of Social Economy employees of Italy) followed closely by the region of Emilia-Romagna (17.2%). The regions of Lazio (11.1%) and Veneto (8.9%) share lower rates of Social Economy employment (Figure 3.17). By comparing the rates of employees in Social Economy versus the total number of employees in the region (Figure 3.18), we observed that As far as the general numbers of employees in Italy are concerned, the region of Emilia-Romagna plays a vital role in the general employment rate and in that region Social Economy employees constitute 11.9% of the employees; in Umbria 8.6%, Basilicata 8.1% and in Friuli-Venezia Giulia 8.0% (Figure 3.18). The aforementioned high rates may be interpreted as a successful implementation of Social Economy practices against unemployment, especially in regions with low presence of enterprises and employment rates.

Table 3.11: Employees in social enterprises per region and per sector in Italy; source: IStat, compiled by the authors.

Region/sectors/ number of employees	B-C	D-E	F	G-I	H-J	K-L	M-N-O	P-Q	R-S	TOTAL
Abruzzo	2.630,54	248,66	302,22	1.055,29	1.794,81	647,46	2.472,55	2.677,84	730,66	12.560,03
Basilicata	827,35	220,24	482,78	464,97	564,97	124,75	1.386,05	3.816,25	362,60	8.249,96
Calabria	709,95	190,43	527,26	1.107,63	1.027,76	512,31	3.742,44	3.775,83	623,59	12.217,20
Campania	3.456,82	239,03	3.791,29	2.951,47	18.468,54	1.892,04	10.904,69	14.159,97	2.942,22	58.806,07
Emilia-Romagna	19.577,92	3.337,12	7.769,19	52.105,15	26.212,47	4.756,50	42.737,90	42.263,10	3.188,68	201.948,03
Friuli-Venezia Giulia	1.178,11	48,23	282,23	1.238,52	2.367,19	2.226,56	12.807,29	9.353,41	804,68	30.306,22
Liguria	705,36	96,34	353,80	3.866,02	4.526,07	87,97	4.250,78	8.227,61	884,19	22.998,14
Lombardia	8.910,98	2.789,64	4.184,47	11.003,91	59.019,15	17.904,91	52.112,34	60.406,81	7.619,67	223.951,88
Marche	3.265,46	197,86	320,36	1.777,05	1.882,61	1.766,23	3.718,65	9.604,22	1.149,86	23.682,30
Molise	254,19	11,74	86,83	226,40	721,74	87,59	475,85	1.658,86	162,83	3.686,03
Piemonte	2.518,37	725,05	992,25	7.330,02	11.607,18	3.080,83	15.474,92	35.817,78	1.748,68	79.295,08
Provincia Autonoma di Bolzano/Bozen	1.783,24	375,82	115,07	2.624,71	494,83	1.972,59	1.607,29	1.384,02	277,60	10.635,17
Provincia Autonoma di Trento	1.284,10	427,51	713,66	5.330,56	961,12	3.112,92	3.118,74	6.311,74	342,71	21.603,06
Puglia	2.866,17	352,91	2.563,79	4.646,13	9.946,89	6.617,62	13.807,28	14.324,52	2.946,71	58.072,02
Sardegna	1.875,15	251,88	920,55	2.325,89	2.127,73	226,36	3.361,80	11.164,51	1.700,68	23.954,55
Sicilia	3.526,64	300,17	2.437,35	6.091,94	4.901,68	2.403,52	5.680,31	19.694,66	2.231,15	47.267,42
Toscana	2.708,16	1.128,87	1.712,16	14.488,33	12.462,22	3.102,06	16.877,85	21.261,36	2.538,73	76.279,74
Trentino Alto Adige	3.067,34	803,33	828,73	7.955,27	1.455,95	5.085,51	4.726,03	7.695,76	620,31	32.238,23
Lazio	3.052,61	1.268,60	3.397,30	6.799,90	41.968,50	3.979,82	38.541,48	26.228,04	5.472,66	130.708,91
Umbria	1.174,99	100,80	352,48	4.122,36	2.644,86	251,10	4.759,99	5.775,64	1.062,71	20.244,93
Valle d'Aosta/Vallée d'Aoste	209,90	35,42	80,75	49,59	137,80	159,37	208,09	945,10	147,25	1.973,27
Veneto	12.011,61	980,24	1.556,98	4.728,66	17.396,80	22.388,18	11.751,80	27.139,85	6.036,20	103.990,32
<b>Italy (2016)</b>	<b>74.527,62</b>	<b>13.326,56</b>	<b>32.942,77</b>	<b>134.334,50</b>	<b>221.234,92</b>	<b>77.268,79</b>	<b>248.029,99</b>	<b>327.991,12</b>	<b>42.974,06</b>	<b>1.172.630,33</b>

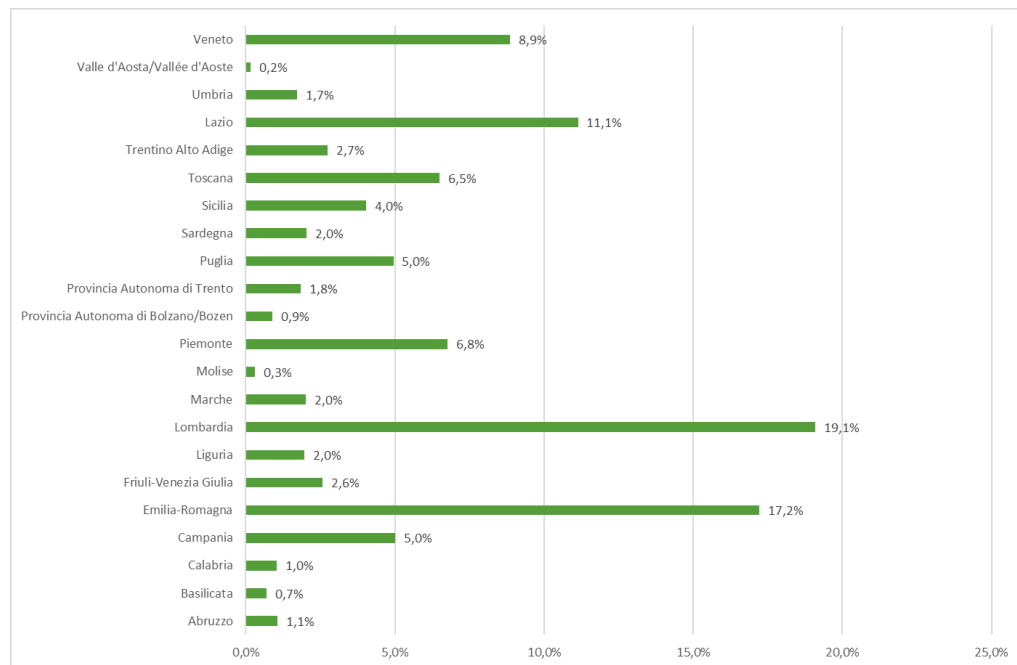


Figure 3.17: Percentage (%) of employees in social enterprises per region in Italy; source: IStat, compiled by the authors.

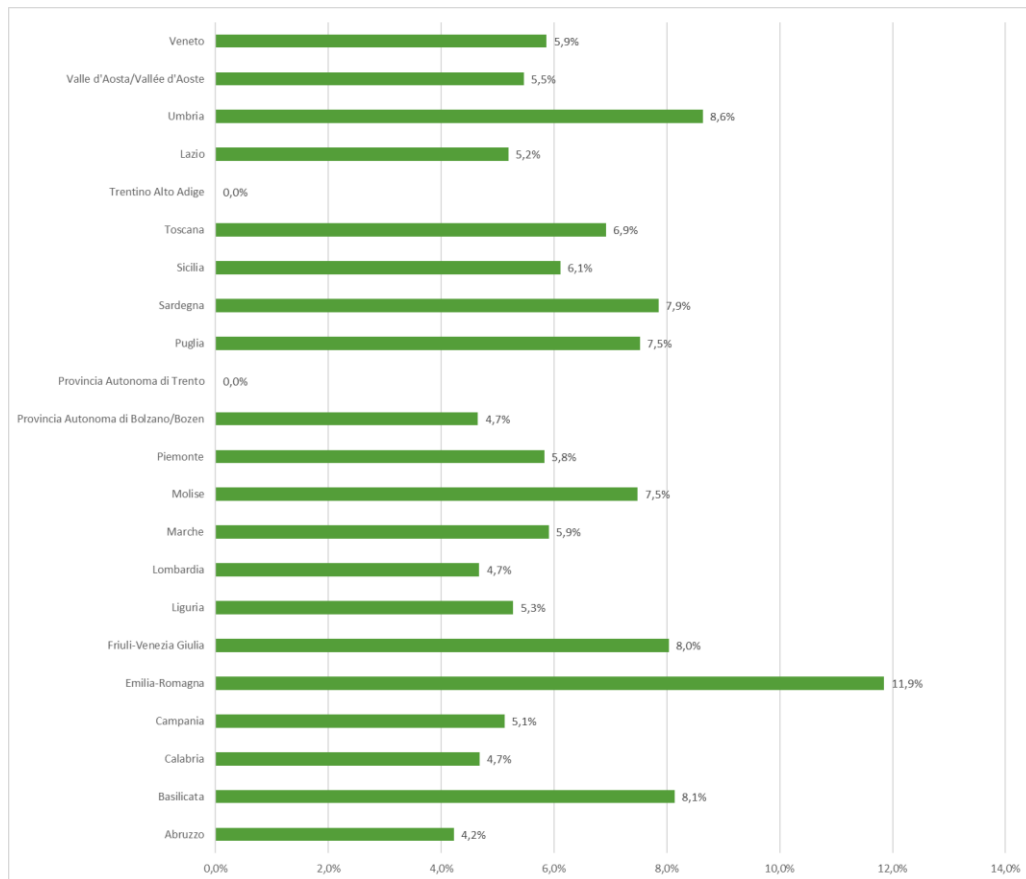


Figure 3.18: Percentage (%) of employees in social enterprises as a share of total employees in Italian regions; source: Eurostat, IStat, compiled by the authors.

An analysis of the Italian social enterprises per economic sector (Annex of Economic Sectors), indicates that the sectors of professional, scientific and technical activities, administrative and support service activities, public administration and defense (M-N-O) prevail, using 'number of enterprises' as a criterion. The sectors of transportation, storage, and information, communication (H-J) follow right after. The sectors of education and human health and social work activities (P-Q) and of transportation, storage, and information, communication (H-J) dominated using 'employment rates' as a criterion (Figures 3.19 and 3.20).

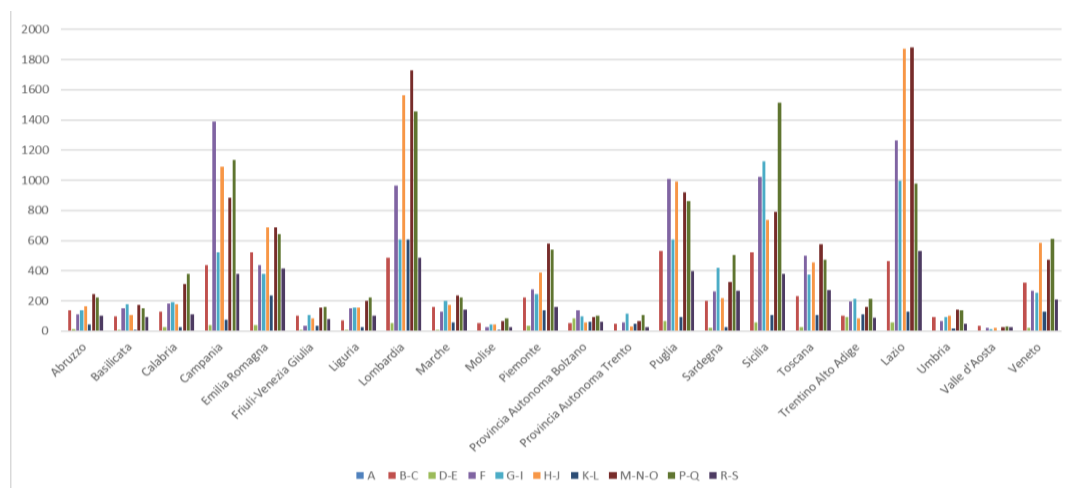


Figure 3.19: Number of social enterprises per region and per sector in Italy; source: IStat, compiled by the authors.

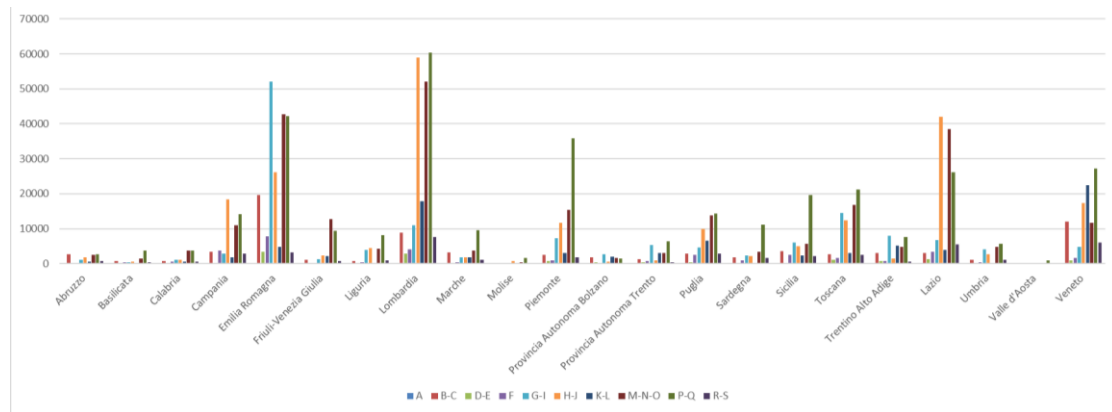


Figure 3.20: Number of employees in social enterprises per region and per sector in Italy; source: IStat various reports, compiled by the authors.

### 3.2.4 Social Economy in Cyprus

Cyprus does not have a clear legal framework in place for SE. The collection of secondary data regarding Social Economy in Cyprus herein is based on quantification data of 'Cooperative Societies'. Cooperative Societies encompass the only type of enterprise that strictly lies within the Social Economy spectrum in Cyprus though other enterprises, often registered as companies, may also have a strong social profile or a clear social mission. Their identification and classification is not easily achieved.

The Cooperative Movement in Cyprus has more than 100 years of service and contribution to its members and society in general. In the early 1990s, there were 500 Cooperative Societies in operation (ACS, 2017); however soon after their total number started to decline. The cooperative movement comprised various sectors; except for the Manufacturing sector, all others shrunk or annihilated. For example, the Credit sector is no longer in service, though, in 1999, it included 471 Cooperative Credit Institutions (CCIs). Its eradication started in 2004 when Cyprus became a member of the EU and to harmonize with the European acquis; the CCIs were reduced to 192 in 2009 and 96 in 2012. This reduction was performed with aims to increase their efficiency, economy of scales and capital adequacy. The economic crisis of 2008 had a very severe impact on the banking system and the economy of Cyprus. Several principal measures were taken to remediate, including the further merging of the remaining 96 CCIs to 19. In 2017, the remaining 19 CCIs were merged with the Cooperative Bank of Cyprus (CoBC). As a final straw, the Hellenic Bank of Cyprus acquired the CoBC leading to the disappearance of the cooperative credit sector and privatization.

The number of Cooperative Societies in the Consumers and Supply, Agro-food and Services sectors has been in constant decline in the past three decades as well, as it is reflected in the rapid drop in sales volumes. The reasons are complex and have socio-economic and cultural origins. For example, the decline in the Agro-food sector is connected to the decline in rural population observed throughout Cyprus. The manufacturing sector is an exception to the decline since it has experienced growth in the past decade.

In 2019 only 73 cooperative societies remained, 22 fewer than two years ago. In addition to the merging and subsequent privatization of cooperative credit institutions that contributed to this decline in numbers, the active societies of the Agro-food sector were reduced by five. On the contrary, the Consumers and Supply sector increased their societies by 2 and the Manufacturing and Services sectors by 5 combined. Hence, we have seen an increase by three when we compare the data from 2017 and 2019 for cooperative societies and a small increase in the total number of employees from 327 to 350. Currently, each of the three sectors includes on average 20 societies and the Services sector the remaining 13. It should be noted that there is a certain number of inactive societies in all sectors. Finally, when comparing the geographical location of these societies, almost half are located in the Limassol District and the remaining distributed throughout the country.

The Cooperative Movement, though hit by the international economic crisis of 2008 and the urbanization observed in recent decades, shows some faint preliminary indications of recovery, which will be verified only upon collection of detailed analytical data. There are, however, certain Cooperative Societies that are financially robust and serve as successful role models to the rest. These societies are (ACS, 2017):

In the Agro-food sector:

- ❑ Cooperative Society of Banana Producers of Pafos Ltd (2000). Its role involves the collection of fruit from its members and their distribution to the local market.
- ❑ Cooperative Society for the Supply of Agricultural Products of Pareklisias Ltd (1967): Its role involves the collection of agricultural products from its members (farmers in the Pareklisia village) and their distribution to the local market.
- ❑ Cooperative Society for the Supply of Carobs of Pafos Ltd (1946): Its role involves the collection of the carob production of its members and its distribution.

In the Manufacturing sector:

- ❑ Cooperative Organization for Production and Supply of Vine Products (SODAP) (1946): Its role involves the collection of grapes from farmers and subsequent usage for wine production, followed by distribution to the local and foreign market.
- ❑ Cooperative Society of Rose Producers of Agros Ltd (1961): Its role involves the collection of roses from its members and the collective production of rose water-a fundamental ingredient in Cypriot traditional food and beverage production. Recently the cooperative has explored alternative uses of rose extract in other foods, beverages and cosmetics.
- ❑ Cooperative Society of 'Producers Group of Koumandaria' Ltd (2012): Its role involves the collection of grapes of its members and production of amber-coloured sweet dessert wine, called Koumandaria. A denomination of Origin protects the wine; hence the cooperative's members are localized based on the restrictions of the declaration. The Guinness Book of World Records categorizes Koumandaria as the oldest named wine in the world.

In the Consumers & Supply sector:

- ❑ Pancyprrian Cooperative Society of Hairdressers Ltd (1966): Its role involves the distribution of high-quality hairdressing products at fair prices.
- ❑ Cooperative Consumer Store of Agia Marina Chrysochous Ltd (1959): Its role involves to provide its members with a variety of consumer products.
- ❑ Cooperative Supply Union of Famagusta – Larnaca Ltd (1955): Its role centers around providing its members with bulk gas.

In the Services sector:

- ❑ Pancyprrian Cooperative Health Fund Ltd (1961): Its role centers on providing healthcare services to cooperative employees, provided membership.
- ❑ Pancyprrian Cooperative Fund for the Welfare of Cooperative Employees Ltd (2004): Its role is to provide welfare services to cooperative employees, provided membership.

Table 3.12: Social enterprises per sector in Cyprus; source: ACS, compiled by the authors.

Region/sectors/ number of entities	A	B-C	D-E	F	G-I	K-J	K-L	M-N-O	P-Q	R-S	TOTAL
CYPRUS (2019)	15	14	0	0	20	0	0	0	0	9	58

The rating of the Cypriot social enterprises per economic sector (Annex of Economic Sectors) shows an apparent prevalence of the wholesale, retail trade and accommodation (G-I) sectors, using ‘number of entities’ criterion (Table 3.12).

### 3.2.5 A transnational analysis of Social Economies in the study regions

National Secondary data of the MED EEA Social Economy highlight the diversity of implemented policies amongst studied countries. Implemented national policies refer to the relevant legal framework to the Social Economy of each country, in other words, the collection of all applied laws and regulations. These data point at severe disparities in the number of entities, employees and kind of sectors of Social Economy activity at a regional and national level. A summarized depiction (Figures 3.21 and 3.22) indicates the dominance of Spain in both number of social enterprises and number of employees.

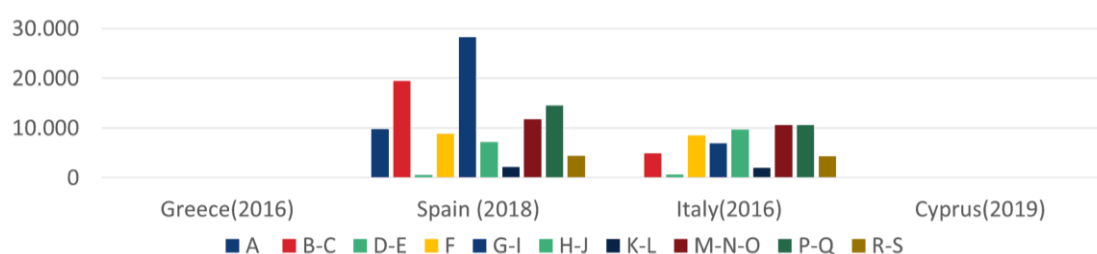


Figure 3.21: Number of social enterprises per sector in Greece, Spain, Italy and Cyprus; source: Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, IStat, ACS, compiled by the authors.

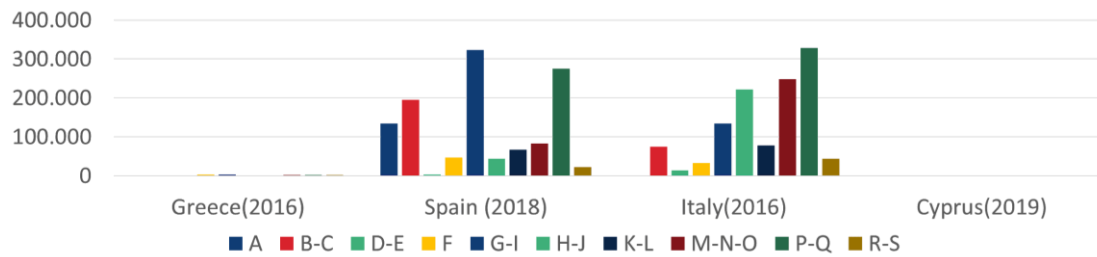


Figure 3.22: Number of employees in social enterprises per sector in Greece, Spain, Italy and Cyprus; source: Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, IStat, ACS, compiled by the authors.

To better evaluate and understand regional differentiation, we chose to utilize the Location Quotient (LQ) Indicator in addition to absolute numbers and rates at both national and transnational levels. The Location Quotient Indicator (LQ) is used in studying the geographical concentration of a phenomenon, with **over-concentration** defined in values over 1.25 and **under-concentration** in values below 0.75. The LQ indicator at the transnational level is calculated by the Social Economy (entities and employees) regional rates compared to the sum of the Social Economy entities and their employees of the 4 countries.

The LQ calculation at the national level (Figures 3.23 and 3.24) identifies over-concentration of entities in Region de Murcia and Pais Vasco (Spain), over-concentration of employees in more regions and high rating of the LQ of both entities and employees in many regions of the country. In Italy, the SE's appear to be concentrated mostly in the South. In Greece, most of the Social Economy entities are located in Attiki (Attica) though there is a higher rate of the Social Economy employees in Ionia Nisia (Ionian Islands); the rest of the country indicates under-concentration of the phenomenon. Cyprus constitutes one region; therefore, the LQ is 1. In general, there is not always coherence between the LQ Indicator regarding the numbers of entities and employees. This suggests that in one region there may be a high rate of Social Economy employees compared with the overall number of employees in the same region, and a low rate of the Social Economy compared with the overall number of enterprises in the same region or vice versa.



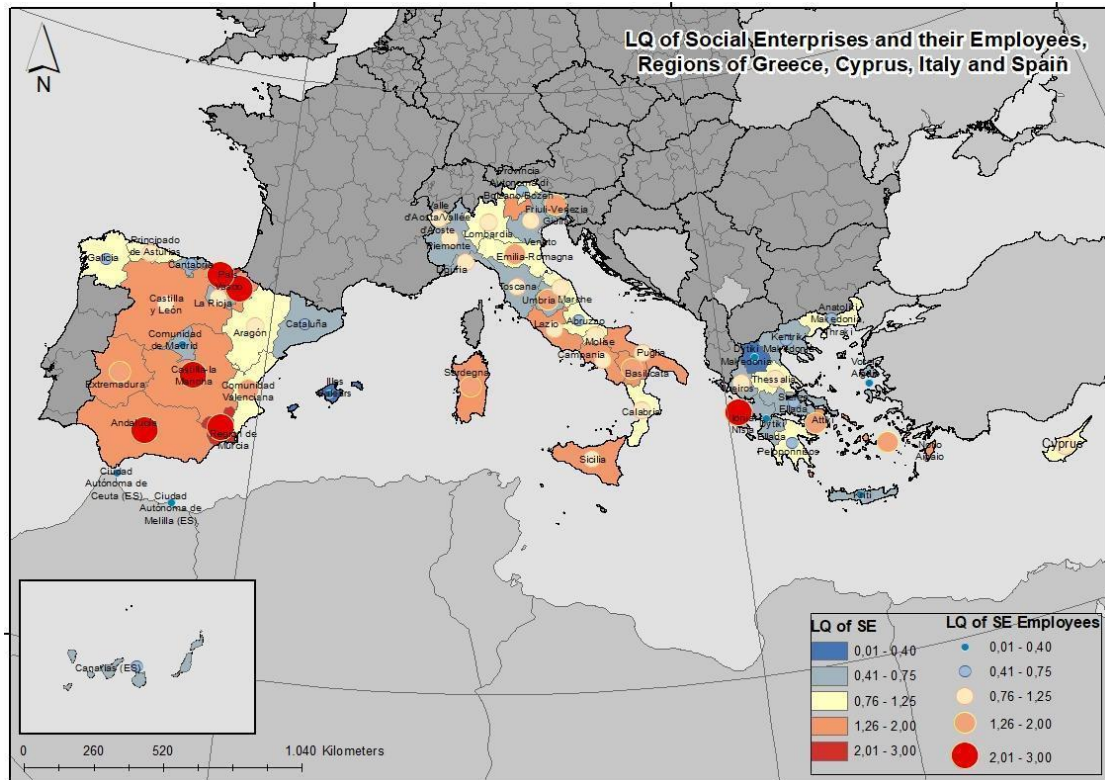


Figure 3.23: LQ of social enterprises and their employees in Greek, Spanish, Italian regions and Cyprus; source: Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, IStat, ACS, compiled by the authors.

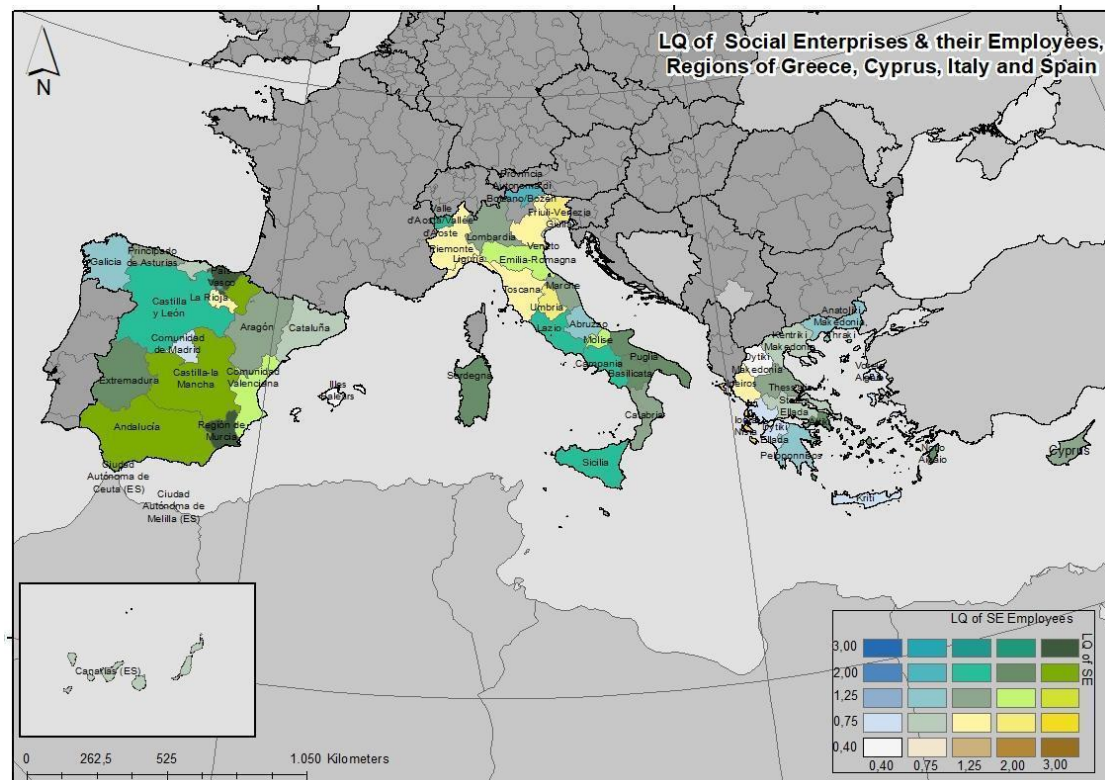


Figure 3.24: LQ of social enterprises and their employees in Greek, Spanish, Italian regions and Cyprus (Bivariate map); source: Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, IStat, ACS, compiled by the authors.



The LQ calculation at transnational level (Figure 3.25) brings out the over-concentration of the phenomenon, in many regions of Spain (Región de Murcia, País Vasco, Andalucía, Extremadura, Castilla la Mancha) and high rating of the LQ of the entities and their employees in many of the rest of the regions of the country. In Italy, the LQ of Social Economy keeps lower participation in the sum of entities within all the studied countries, apart from the Emilia Romagna region, where there is an over-concentration of Social Economy employees. The participation of Greece and Cyprus according to the number of entities and employees is distinctively low in the transnational phenomenon of Social Economy.

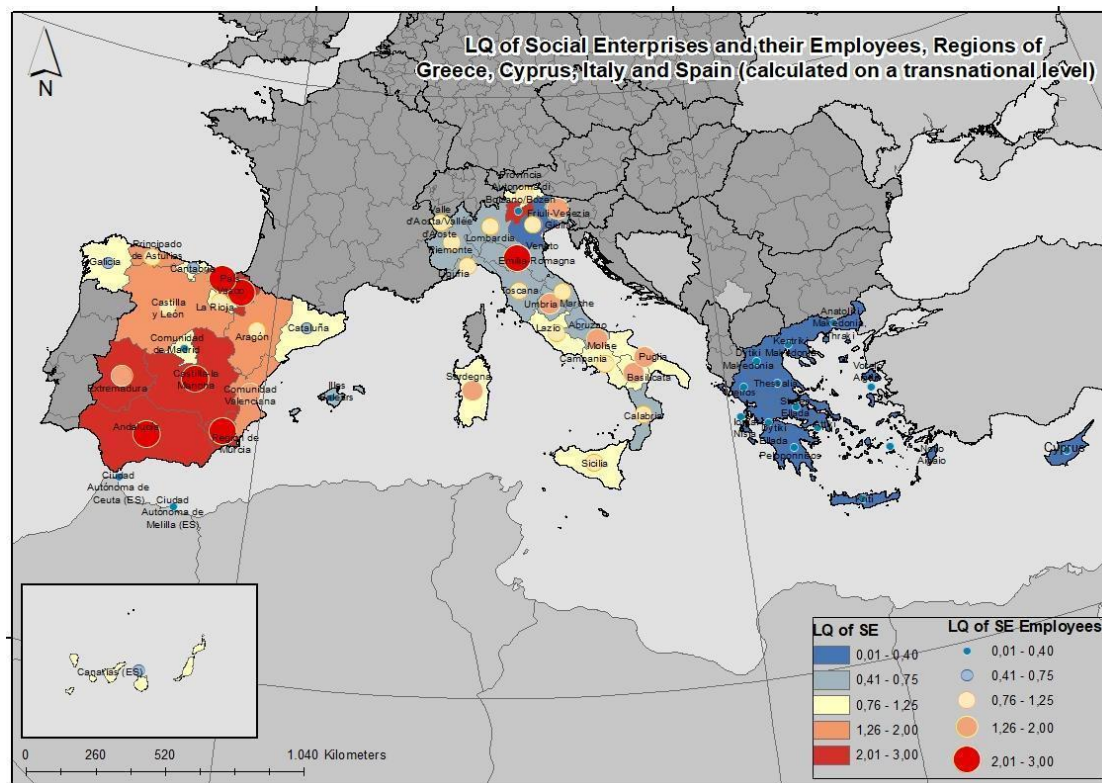


Figure 3.25: LQ of social enterprises and their employees in Greek, Spanish, Italian regions and Cyprus, calculated at a transnational level; source: Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, IStat, ACS, compiled by the authors.

The share of Social Economy entities compared to the total enterprises per country (Figure 3.26) and per region (Figure 3.27) indicates that Social Economy constitutes a significant part of the economy in Spain, with the highest rates in the Regions of de Murcia and País Vasco. The portion is lower, but still significant in Italy, whereas in Greece and Cyprus it appears that the Social Economy remains a minor/weak part of their economies.

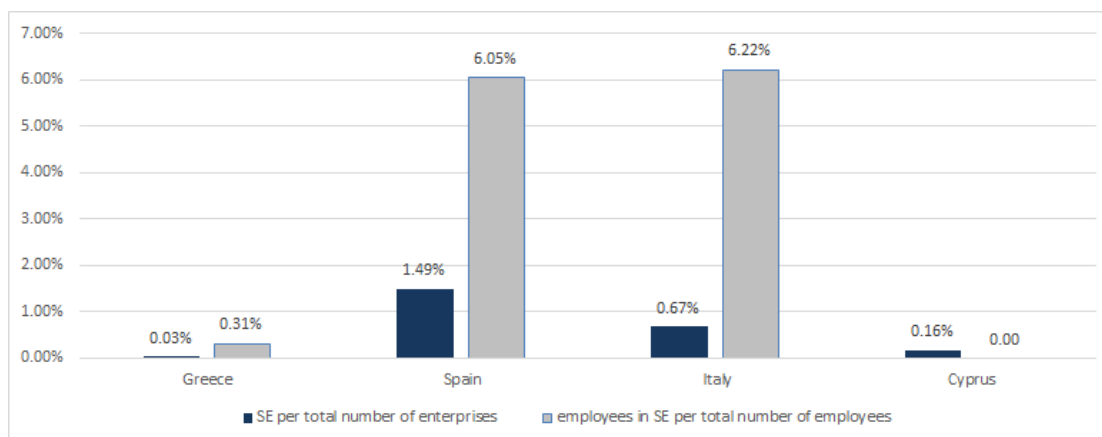


Figure 3.26: Percentage (%) of social enterprises and social enterprises employees per total in Greece, Spain, Italy and Cyprus; source: Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, IStat, ACS, compiled by the authors.

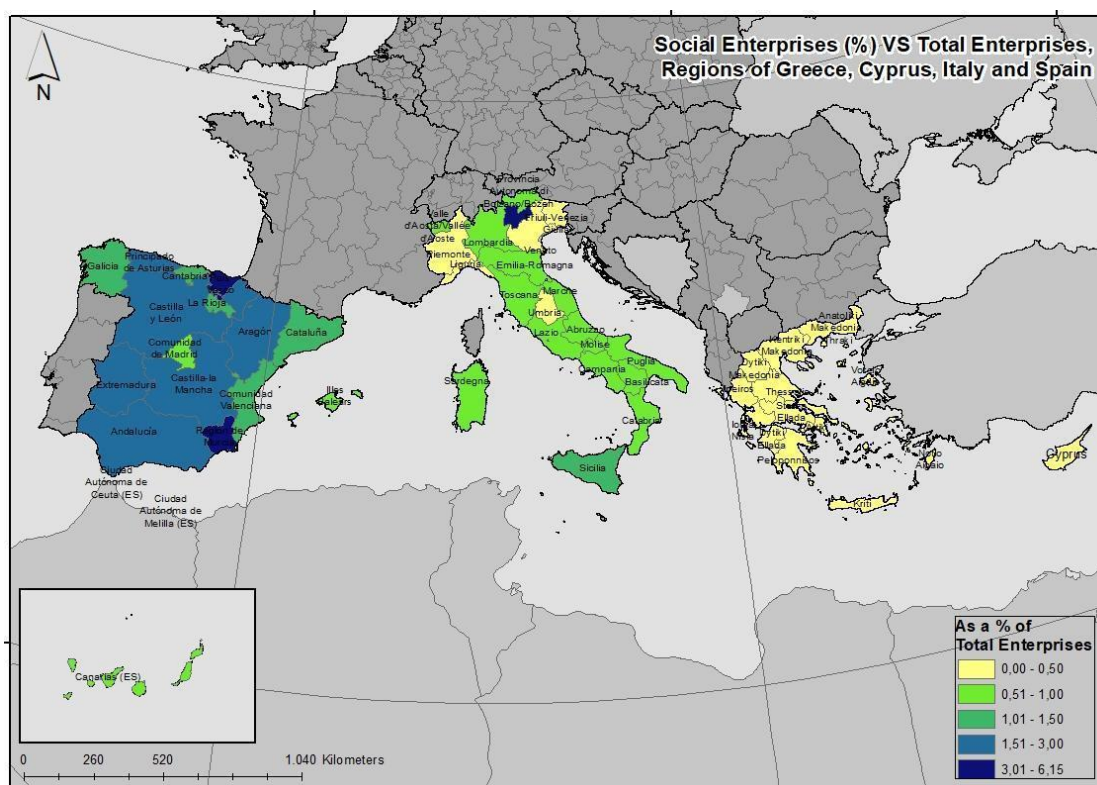


Figure 3.27: Percentage (%) of social enterprises VS total number of enterprises in Greek, Spanish, Italian regions and Cyprus; source: Eurostat, Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, IStat, ACS, compiled by the authors.

In a similar analysis, the percentage of the number of employees in Social Economy compared to the total number of employees per region (Figure 3.28) indicates that the employment rates of Social Economy constitute a significant part of the employment in Spain, with the highest rates in many mostly Southern regions (Region de Murcia, Pais Vasco, Andalucia, Extremadura, Castilla la Mancha, Comunidad Valenciana). In Italy, the portion is lower in general, but it is still important,

The activities of the examined Social Economy of the studied regions are categorized in economic sectors, according to the NACE Statistical Classification of Economic Activities in the European Community Rev.2 (2008). They have been grouped commonly to be comparable at the national and regional level (Figure 3.29). The estimation of the prevailing economic sector occurred through the percentage of social enterprises per sector against the total number of social enterprises in each country.

In Greece, the social enterprises mostly operate in the sectors of wholesale, retail trade and accommodation (G-I), and the sector of arts, entertainment, recreation and other service activities (R-S) follow right after. In Spain, social enterprises mostly operate in the sectors of wholesale, retail trade and accommodation (G-I), and the sectors of mining, quarrying, and manufacturing (B-C) follow right after. In Italy, social enterprises mostly operate in the sectors of professional, scientific and technical activities, administrative and support service activities, public administration, and defense (M-N-O), and the sectors of transportation, storage, and information, communication (H-J) follow right after. In Cyprus, social enterprises mostly operate in the sectors of wholesale, retail trade and accommodation (G-I).

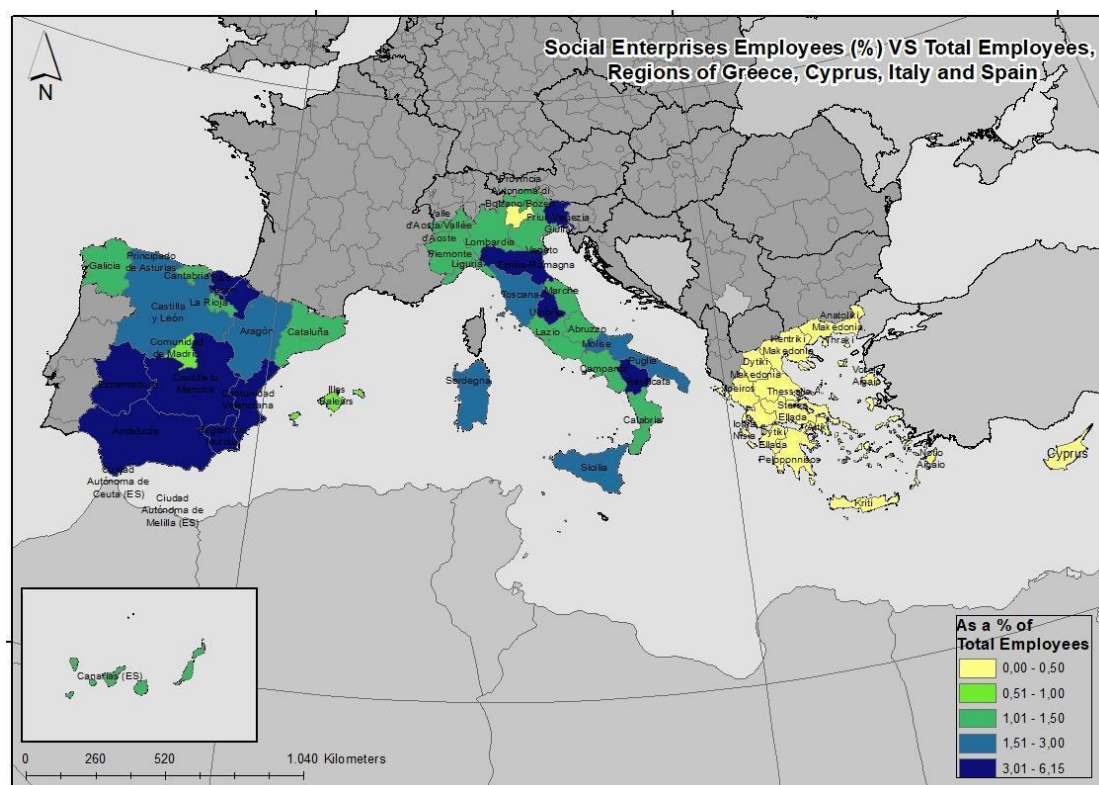


Figure 3.28: Percentage (%) of employees in social enterprises vs total number of employees in Greek, Spanish, Italian regions and Cyprus; source: Eurostat, Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, IStat, ACS, compiled by the authors.

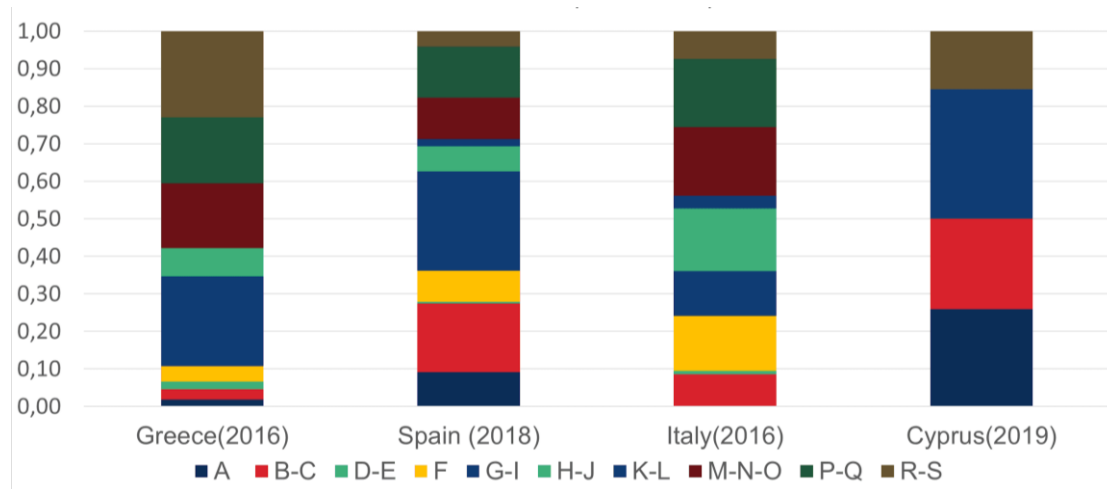


Figure 3.29: Social enterprises' rates per sector in Greece, Spain, Italy and Cyprus; source: Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, Istat, ACS, compiled by the authors.

Whether the most robust sectors of operation of social enterprises coincide with the ones of the 'conventional' enterprises are under examination and will be further clarified when the regional diversity of data is taken into account (Figures 3.30 and 3.31). This coherence would clarify the interconnectivity of Social Economy with the spatiality of economic activities or their independence. The Social Economy primary economic sector of each country is evaluated per region. The evaluation includes the percentage of Social Economy entities operating in the specific sector per region (Figure 3.32) to obtain a better understanding of the spatial sectoral dispersion of the phenomenon.

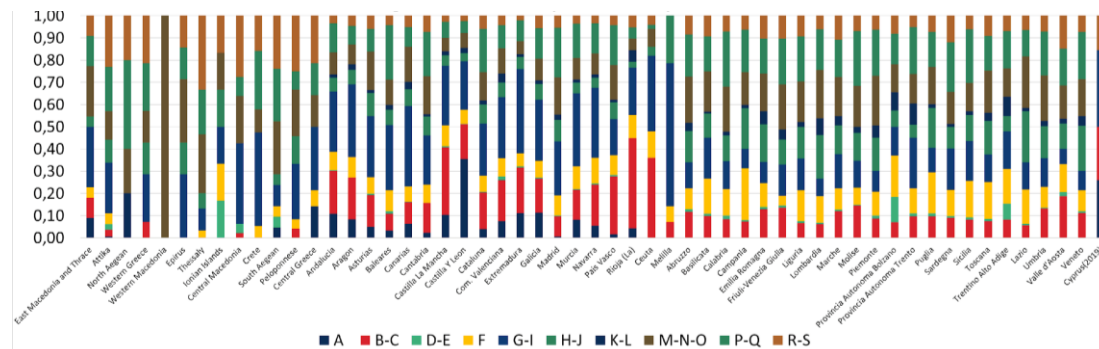


Figure 3.30: Social enterprises' rates per region and per sector in Greece, Spain, Italy and Cyprus; source: Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, Istat, ACS, compiled by the authors.



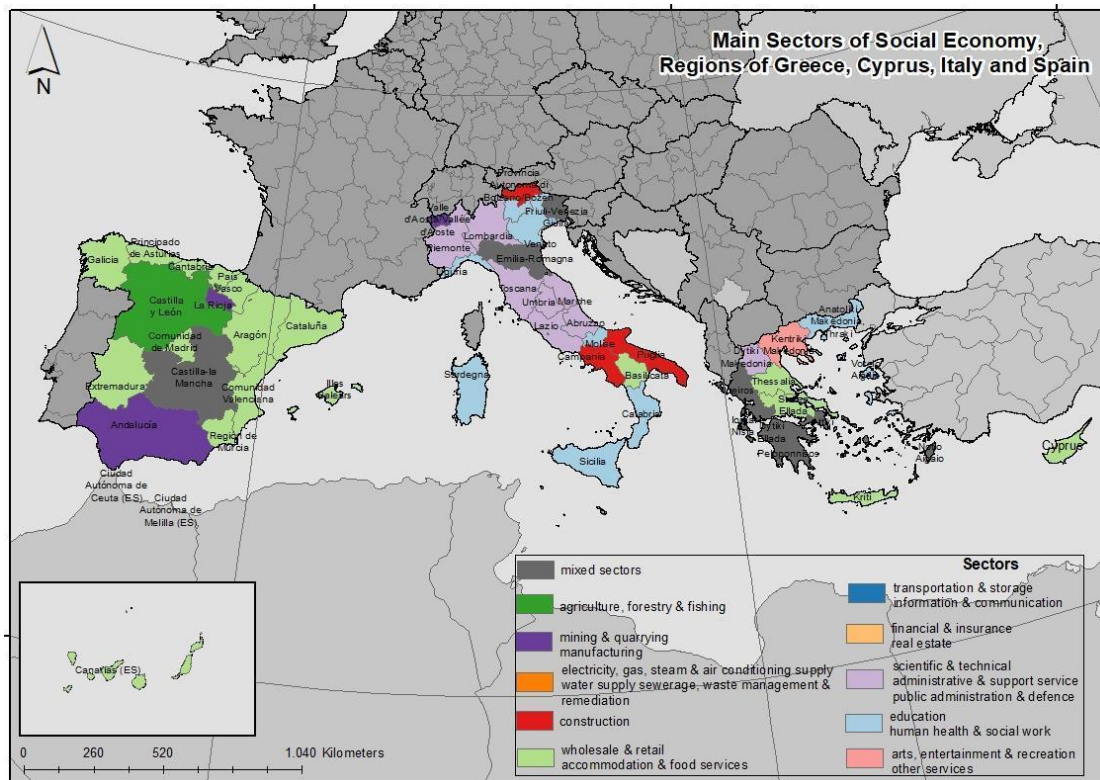


Figure 3.31: Main Economic Sectors of Social Economy in Greek, Spanish, Italian regions and Cyprus; source: Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, IStat, ACS, compiled by the authors.

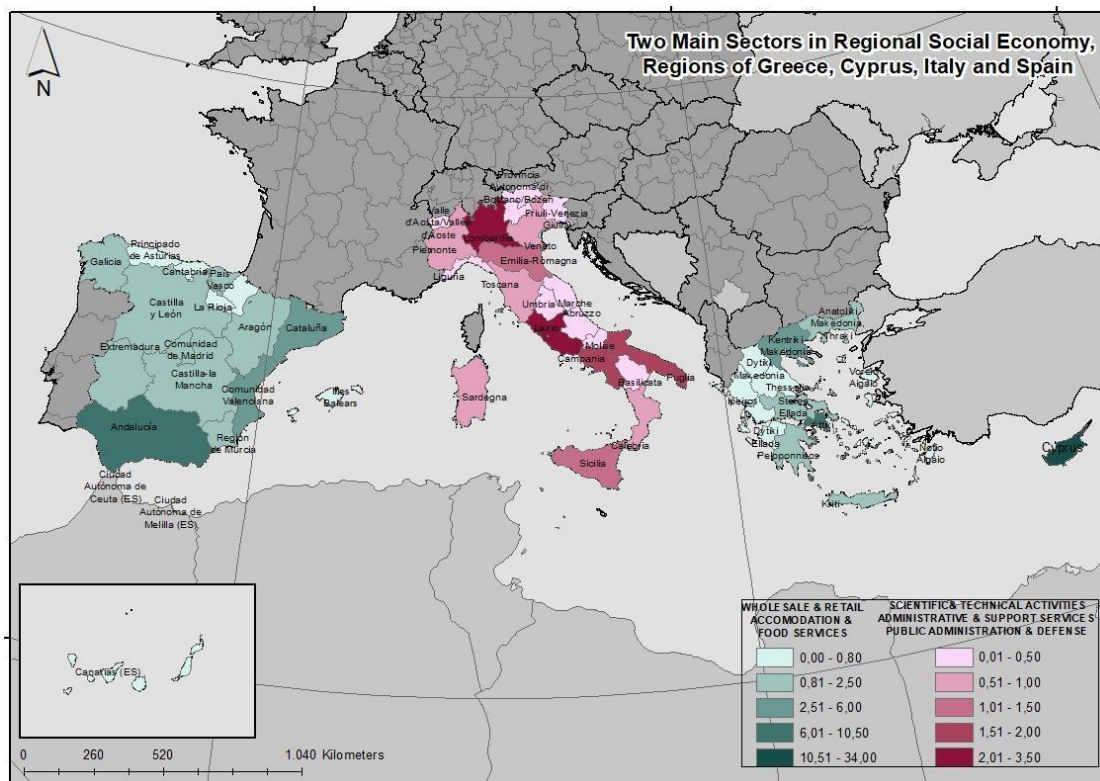


Figure 3.32: Percentage (%) of National Main Economic Sectors of Social Economy in Greek, Spanish, Italian regions and Cyprus; source: Special Secretariat for SSE (2018), Spanish Ministry of Labor Migrations & Social Security, IStat, ACS, compiled by the authors.

### 3.3 Sharing Economies in the study regions

In this section, we perform a two-tier analysis of the Sharing Economies within the study regions. Initially, (Sections 3.3.1-3.3.4) there will be a presentation of the Sharing Economy within each study region, followed by a detailed analysis of the data. However, because: (a) there is a lack of national databases of active Sharing Economy platforms or their effects on each country's economies, and (b) each state presents its peculiarities and particularities due to different legislative contexts, there is difficulty in the direct comparison between states. Therefore, the second tier of our analysis (Section 3.3.5) is based on statistical data found in transnational studies and European Commission's reports.

#### 3.3.1 Sharing Economy in Greece

The terms used in Greece are 'Economia diamirasmou' (Sharing Economy) and 'sinergatiki Economia' (collaborative economy), and they are used mostly under the same concept of activities supported by new technologies and the Internet (open source software & hardware) with the scope of sharing capital assets (including human capital). It is a fast-growing type of economic activity, and there is an open public debate on its merits and its pitfalls, especially, for the tourism industry. For example, amidst the crisis that began in 2008, a large number of private houses were shared through popular platforms in an attempt to cover some of the high property taxation. Currently, the collaborative economy is lightly regulated or completely unregulated. The Ministry of Economy launched an initiative for a legal framework (under discussion since 30/9/2016) on how to put forth laws that govern such activities, which to date fall under grey economy, using an official narrative that such a framework can provide a boost to the wounded economy.

Several groups of citizens, enterprises, networks, and organizations have discovered the merits of self-organization and the potential of social solidarity in Sharing Economy. All types of stakeholders are involved, including government and local authorities, non-profit organizations, businesses, social innovation, grassroots initiatives, groups, individuals, and others. All involved are trying to put their mark on this newly emerged and currently very fluid ecosystem (Sharing and Caring Consortium, 2018).

Greece is listed below average in terms of the number of platforms per 1 million populations (0.84), with 14 collaborative economy platforms, when compared to the other EU Member States, (Table 3.13). However, regarding revenues and their comparison to the national GDP (0.2%), the country demonstrates promising potential by ranking within the EU average. The 2016 collaborative economy revenue was about EUR 343 million. Greece is also above the EU average, considering the collaborative economy's contribution to total national employment (0.27%). Currently, there is no data regarding investment figures.

Table 3.13: Sharing Economy platforms in Greece; source: European Commission, 2018.

Name of the platform	Website	Country of origin
<b>Transport</b>		
Carpooling	<a href="http://www.carpooling.gr/">http://www.carpooling.gr/</a>	EL
Nestcargo	<a href="http://www.nestcargo.com/">http://www.nestcargo.com/</a>	EL
ParkAround	<a href="http://www.parkaround.com/">http://www.parkaround.com/</a>	EL
<b>Accommodation</b>		
Incredibblue	<a href="http://incredibblue.com">incredibblue.com</a>	EL
<b>Online skills</b>		
Doctoranytime	<a href="http://Doctoranytime.gr">Doctoranytime.gr</a>	EL
Douleftaras	<a href="http://Douleftaras.gr">Douleftaras.gr</a>	EL
Giaola	<a href="http://Giaola.gr">Giaola.gr</a>	EL
Jamjar	<a href="http://Jamjar.gr">Jamjar.gr</a>	EL
Nannuka	<a href="http://Nannuka.gr">Nannuka.gr</a>	EL

The collaborative transport sector sees the operation of mostly domestically originated and operating platforms, which coexist with the U.S. platform Uber. The domestic platforms are mainly orientated in facilitating ride-sharing options and parking services. The revenue derived from the transport sector was EUR 49.4 million in 2016 with 1,785 employees. Uber is currently the third biggest collaborative economy platform in Greece.

The collaborative accommodation sector in Greece, represented by its three platforms (one national, two international), has generated revenue of EUR 160 million in 2016 and provided 7,858 jobs. The tourism industry in Greece is a prevailing sector in the country's economy. The appearance and expansion of collaborative economy accommodation platforms resulted in a broad argument and public discourse regarding them being a substitute for traditional forms of providing accommodation services or have a supplementary effect. The argument focuses mostly on issues relating to health, safety, and quality and the discussion is ongoing.

The collaborative online skills sector operates seven platforms, provides 3,085 jobs and in 2016 had revenue of EUR 133.3 million. The services and goods offered by these platforms range from provision of medical consulting to household chores, to other P2P or B2P services. All but one platform uses an on-demand professional services business model.

One in four citizens in Greece is familiar with the term collaborative economy. However, only 8% of the total population has been actively engaged in it, despite the long-lasting economic recession, which could be considered fertile ground for Sharing Economy activities. Nevertheless, the Greek Government has been proceeding with the regulatory framework on Sharing Economy within the transportation and accommodation sectors, the two that are most active in Greece,

mainly due to excessive media coverage. Primarily, the consolidation of the regulatory system aims at transportation systems that are exclusively operated by licensed individuals or entities and at the reevaluation of the loose taxation system of the accommodation sector.

Greece follows the international trends of growth in using collaborative platforms according to the relevant survey of the European Commission; from 9% in 2016 to 22% in 2018, and has now converged to the corresponding EU-28 average. Growth in the use of collaborative platforms in Greece is observed in all categories of users, regardless of gender, age, education, and other characteristics. Notable features include higher participation of females in the total use of services via collaborative platforms (a finding not observed in the EU-28 average) and the rapid rise of users in the age group 15-24 years (from just 5% in 2016 to 38% in 2018). Regarding services, the main sectors in Greece and the EU-28 average are accommodation and transport, with Greece exceeding the EU-28 average in the first sector and lagging in the second. The majority of users in Greece and the EU employ services offered via collaborative platforms as a complement to ones offered via traditional channels (57% and 60%, respectively), and only a smaller share of users have substituted services via traditional channels with services via collaborative platforms (37% in Greece versus 32% in the EU) (Athanassiou & Kotsi, 2019a).

Figure 3.33 presents the evolution of active short-term rentals in Greece during the first half of 2018. The top six regions correspond to 87.5% of overall active listings, with the total number of listings increasing from 40,944 in February to 69,213 in June. In the remaining regions, the overall number of active rentals increased from 5,834 in February to 9,974 in June. The increase in the number of active listings from January to June 2018 appears to not only reflect the seasonality of short-term rental activity but also to be connected to the trend of increasing the number of rentals in the market. A small decrease is observed in February, compared to January, with increases registered in all subsequent months. The increase from January to June 2018 amounted to 66.5%, as rentals reached 79,187 in June, compared to 47,558 in January. As expected based on the seasonality of tourism activity in the main summer vacation destinations of Greece, the island regions recorded significant increases, amounting to 123.4% in the Ionian Islands, 99.1% in the South Aegean and 73.6% on Crete (regions with high activity) and above 150% in the North Aegean (a region with lower participation). In the category of regions with lower activity, a substantial increase was observed in East Macedonia & Thrace (111.7%). The lowest increases were registered in Western Macedonia (21.1%) and Attica (28.2%), with Attica leading as to the number of active rentals in January (12,376), but being replaced as the leader by the South Aegean islands in June (16,821) (Athanassiou & Kotsi, 2019b); for more details about short-term rentals' sprawl in Athens see also Gourzis, Alexandridis, Gialis & Caridakis, 2019.





Figure 3.33: Active short-term housing rentals (number) in Greece by region, January-June 2018; source: Athanassiou & Kotsi, 2019b: 53.

\* For the North Aegean region, data for January and February do not include the island of Lesbos.

### 3.3.2 Sharing Economy in Spain

In Spain, the growth rate of the Sharing Economy seems unstoppable, and it is introduced in traditional sectors such as the manufacturing sector, the provision of professional and financial services and more substantially, in the tourism sector as well as in the accommodation and transport subsectors. This trend is not devoid of obstacles, due to the pressures that traditional competitors and public administrations have been trying to place on it, due to its rapid development. The main stakeholders are the national and local governments, traditional companies, customers, employees, the young generation and new players. In the case of Spain, the Sharing Economy emergence happened during the last financial crisis, which has reduced people's buying power worldwide. Although the collaborative economy indeed lacks a holistic general legal framework in Spain, there have already been several legal initiatives, thus

establishing a starting point for a legal framework to regulate collaborative economy initiatives, such as:

- ❑ Court decisions that have been limiting the activity of specific companies (e.g. the Uber case, which should be coupled with decisions coming from the European Court of Justice; BlaBlaCar, Cabify).
- ❑ Court decisions that deal with the rights of 'self-employed' workers in the collaborative economy (e.g. Deliveroo).
- ❑ Administrative directives at the local level are limiting the number of residences that can be used as tourist accommodation through platforms (e.g. in Barcelona); court decisions regarding the impact on multi-family buildings and concerning the hosts' role as collaborators of the public administration (tax collection, registering their license number).
- ❑ Incoming taxation rules for the collaborative economy (Sharing and Caring Consortium, 2018).

The ratio of collaborative economy platforms per EUR 1 million inhabitants is below the EU average (1.40). However, its contribution to overall national employment (0.18%) and its national GDP in 2016 (0.24%) are within the EU-average, with 81 platforms (Table 3.14) activating in the country and revenue of EUR 2.7 billion for 2016. The 16 out of the 81 collaborative economy platforms in Spain are international platforms, and the rest are domestic.

Accommodation constitutes the most advanced sector (used by 12% of panel respondents), followed by the ridesharing services (6.5% of respondents). Crowdfunding, ride-hailing, and online skill services are less popular, at 5%, 4% and 3.5% of respondents, respectively. The finance sector includes 32 platforms, the transport and accommodation sectors, 21 and 19 platforms, and there are 25 online skills domestic platforms represented on the Spanish collaborative economy market. However, the highest employment rate was achieved by the online skills sector (16,293 persons employed), followed by the accommodation sector (16,164 persons employed), with revenue of more than EUR 1 billion each. In contrast, transport (3,854 persons employed), with revenue of EUR 118 million and finance platforms (3,418 persons employed), with revenue of EUR 454 million have a smaller impact with regards to employment and revenue.

The investments regarding the accommodation sector (EUR 23 million) are the most significant compared to the ones in the online skills (EUR 18 million), transport (EUR 10 million) and finance (EUR 5 million) sectors.

What is quite apparent regarding the business models applied through the collaborative economy transactions is the typical P2P vehicle renting of the transport sector, represented by a share of about 29%, home renting of the accommodation sector, accounting for not more than 35% of concerned platforms. The online skills sector, on the other hand, is almost exclusively populated by platforms operating to broker and mediate on-demand household services.

Spanish collaborative economy has been evolving during the previous years, mostly because of the development of telecommunication networks and the growth in mobile phone use. Additionally, there have been developed alternative channels after the burst of the economic

crisis, more specifically, in the finance sector, which may be connected with the growth of the collaborative economy.

According to the Spanish regulatory framework, collaborative economy stakeholders have to act within a more specific legal context. Regarding the accommodation sector, most regions require peer providers to obtain authorizations or licenses before letting their property, whereas, in the transport sector, the P2P version of the ride-hailing platform Uber (UberPop) was banned in 2014. Regarding the online skills sector, collaborative economy workers are obliged to confront the same requirements as traditional providers. The Spanish government has been working on implementing specific tax regulations for owners and users of collaborative platforms, in addition to some initiatives to inspect the collaborative economy which have appeared in the regional and local level.

Table 3.14: Sharing Economy platforms in Spain; source: European Commission, 2018.

Name of the platform	Website	Country of origin
<b>Transport</b>		
Amovens	<a href="https://amovens.com">https://amovens.com</a>	ES
Aparc&go	<a href="https://www.aparcandgo.com/">https://www.aparcandgo.com/</a>	ES
AreaVan	<a href="http://www.areavan.com/">http://www.areavan.com/</a>	ES
Deliberry	<a href="https://www.deliberry.com/">https://www.deliberry.com/</a>	ES
Delsuper	<a href="https://www.delsuper.es/">https://www.delsuper.es/</a>	ES
Eccocar	<a href="https://www.eccocar.com/">https://www.eccocar.com/</a>	ES
Glovo	<a href="https://glovoapp.com/es">https://glovoapp.com/es</a>	ES
Koiki	<a href="http://www.koiki.eu/es/">http://www.koiki.eu/es/</a>	ES
LetMeSpace	<a href="https://www.letmespace.com/">https://www.letmespace.com/</a>	ES
Mambo Car	<a href="http://mambocar.com/">http://mambocar.com/</a>	ES
Shipeer	<a href="https://www.shipeer.com/">https://www.shipeer.com/</a>	ES
Socialcar	<a href="https://www.socialcar.com">https://www.socialcar.com</a>	ES
WeSmartPark	<a href="https://barcelona.wesmartpark.com/es">https://barcelona.wesmartpark.com/es</a>	ES
<b>Accommodation</b>		
Alterkeys	<a href="http://alterkeys.com">alterkeys.com</a>	ES
Bemate	<a href="http://bemate.com">bemate.com</a>	ES
Bydays	<a href="http://bydays.com">bydays.com</a>	ES
Entrepaticulares	<a href="http://entrepaticulares.com">entrepaticulares.com</a>	ES
Hundredrooms	<a href="http://hundredrooms.com">hundredrooms.com</a>	ES
Idealista	<a href="http://idealista.com">idealista.com</a>	ES

Knok	knok.com	ES
MyTwinPlace	mytwinplace.com	ES
Niumba	niumba.com	ES
only-apartments	only-apartments.es	ES
Rentalia	rentalia.com	ES
<b>Finance</b>		
Arboribus	Arboribus.com	ES
Bestaker	Bestaker.com	ES
Comunitae	Comunitae.com	ES
Creoentuproyecto	Creoentuproyecto.com	ES
Crowdcube	Crowdcube.es	ES
Crowdfunding Safari	Safaricrowdfunding.com	ES
Finanzarel	Finanzarel.com	ES
Goteo	Goteo.org	ES
Invercrowd	Invercrowd.com	ES
Lanzanos	Lanzanos.com	ES
Loanbook Capital	Loanbook.es	ES
MicroInversores	Micro-inversores.com	ES
MyNbest	Mynbest.com	ES
RealFunding	Realfunding.org	ES
SociosInversores	Sociosinversores.com	ES
StockCrowd IN	Stockcrowdin.com	ES
The Crowd Angel	Thecrowdangel.com	ES
Verkami	Verkami.com	ES
WorldCoo	Worldcoo.com	ES
<b>Online skills</b>		
BluebottleBiz	Bluebottlebiz.com	ES
Chefly	Chefly.co	ES
Clintu	Clintu.es	ES
Crono Share	Cronoshare.com	ES
Etece	Etece.es	ES
FamilicaFacil	Familicafacil.es	ES

Geniuzz	Geniuzz.com	ES
Gudog	Gudog.com	ES
Habitissimo	Habitissimo.es	ES
Heygo	Heygo.com	ES
Hogarsoluciones	Hogar-soluciones.es	ES
Lancetalent	Lancetalent.com	ES
Nidmi	Nidmi.es	ES
Top Ayuda	Topayuda.es	ES
Trabajofreelance.com	Trabajofreelance.com	ES (INT)
Tumanitas	Tumanitas.com	ES
Vibuk	Vibuk.com	ES
Wayook	Wayook.es	ES

The source of information used to estimate the indicators below is the 'CNMC Households' Tracking Survey'. The survey is the result of retrieving information directly from a representative sample of households and individuals residing in Spain. It is a longitudinal survey aimed at individuals of 10 years old or older, residing in family homes throughout Spain. It aims to gather information on the availability of services and equipment, consumption and spending patterns and also on habits and perceptions of residential consumers. The information gathered spans several of the sectors supervised by the CNMC: energy (electricity and natural gas), telecommunication and audiovisual services and the postal sector. The company TNS Investigación carries out the fieldwork and data processing which feeds the survey: every six months, the households complete postal/web questionnaires regarding the availability of the services and their use and perceptions of them and, every quarter, they send in bills for telecommunications services. This information, once processed, makes up the CNMC Households' Tracking Survey (CNMC, 2018a).

The frequency of users of collaborative economy platforms (websites or apps) is very low except for those who sell or rent products which they do not use (Figure 3.34).

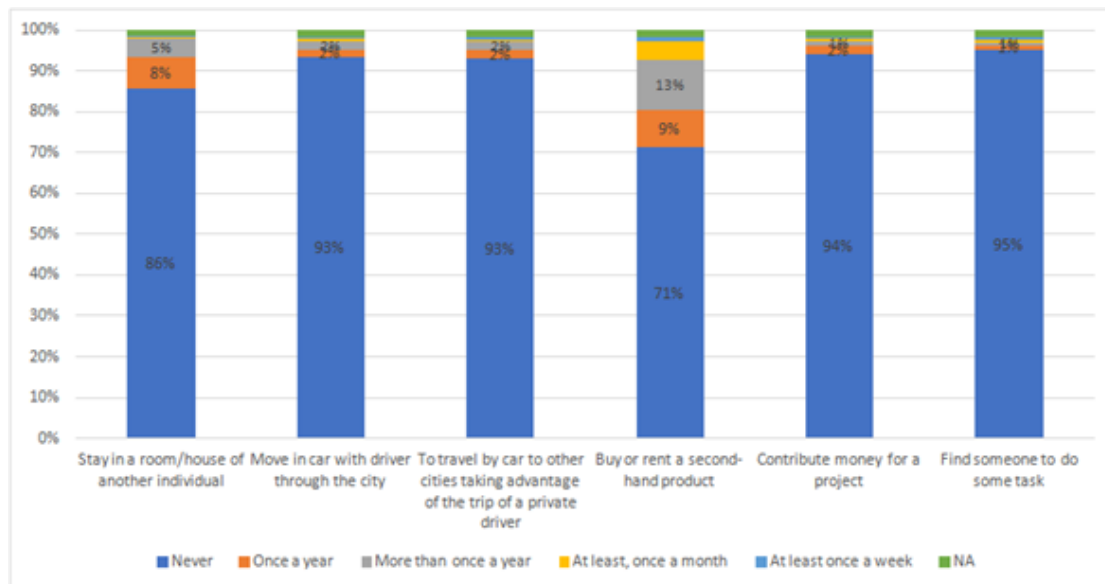


Figure 3.34: Frequency of use of collaborative economy platforms (websites or apps), II 2018; source: CNMC, 2018b, compiled by the authors.

The main reason to use collaborative economy platforms (websites or apps) is the advantageous price (Figure 3.35). The second reason is that the services of these platforms best fit the users' needs and schedules.

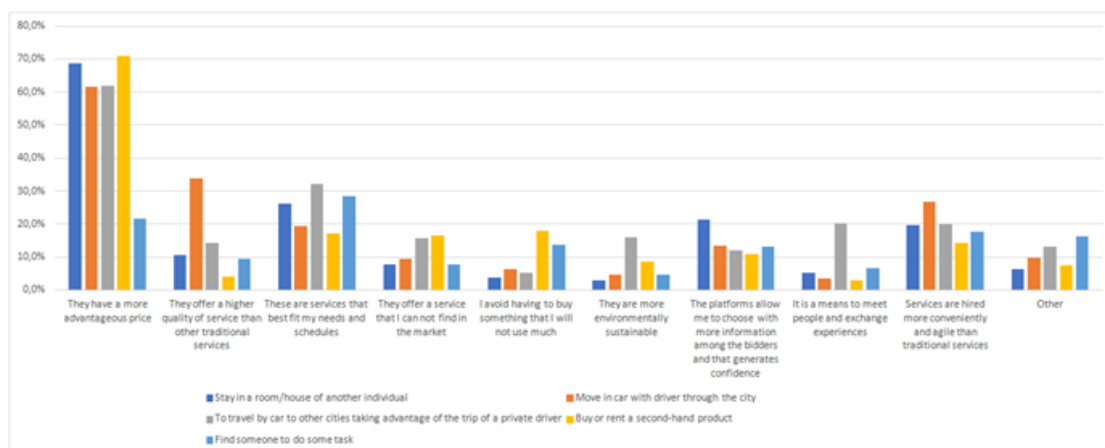


Figure 3.35: Reasons to use collaborative economy platforms (websites or apps) (percentage of people), II 2018; source: CNMC, 2018b, compiled by the authors.

In general, the users are satisfied with the services of Sharing Economy. However, only one third of the users are satisfied with services regarding finding someone to do some task (Figure 3.36).

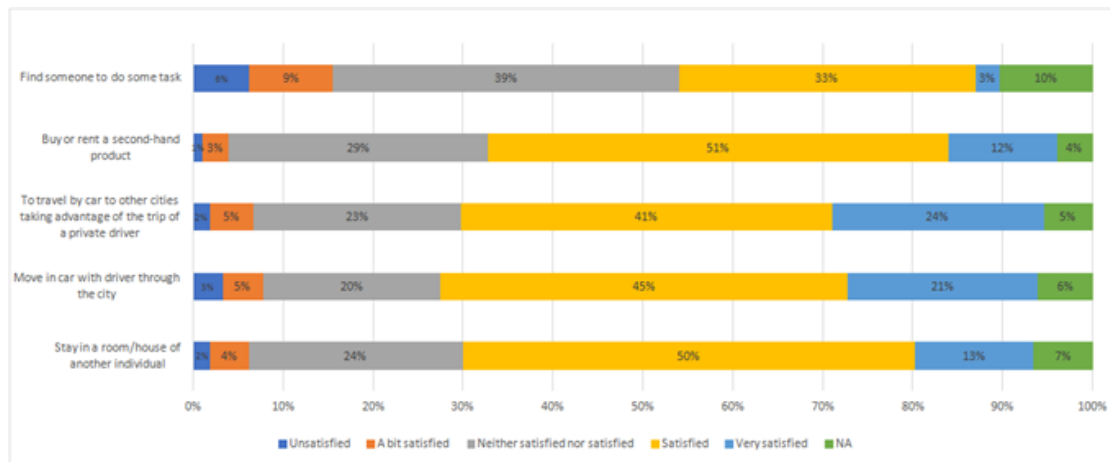


Figure 3.36: Satisfaction with the Sharing Economy services, II 2018; source: CNMC, 2018, compiled by the authors.

The percentage of users that offer collaborative economy platforms (websites or apps) is deficient except for those who sell or rent products which they do not use (Figure 3.37).

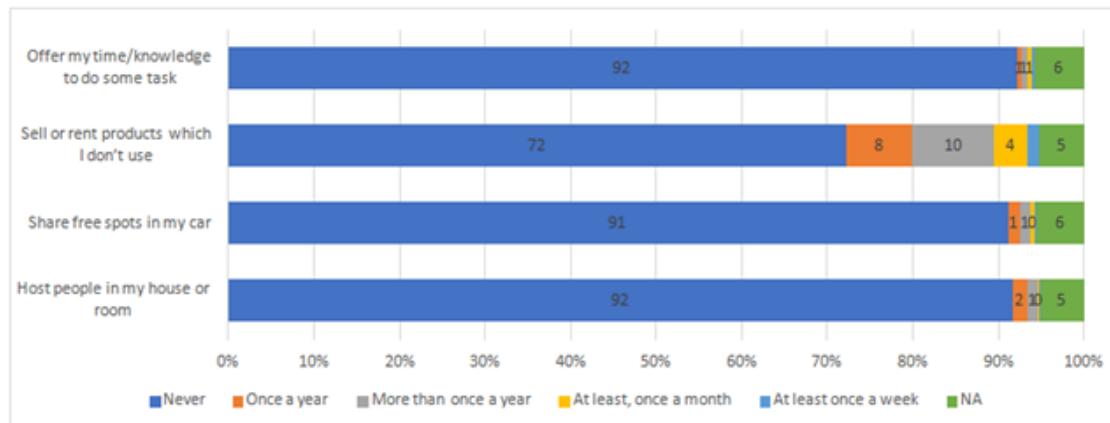


Figure 3.37: Frequency of offered services in collaborative economy platforms (websites or apps), II 2018; source: CNMC, 2018b, compiled by the authors.

The main reasons for users to offer Sharing Economy services (websites or apps) are to share free spots in their car and selling or renting products which they do not use (Figure 3.38), thus allowing them to increase their income by taking advantage of the resources available (65% both).

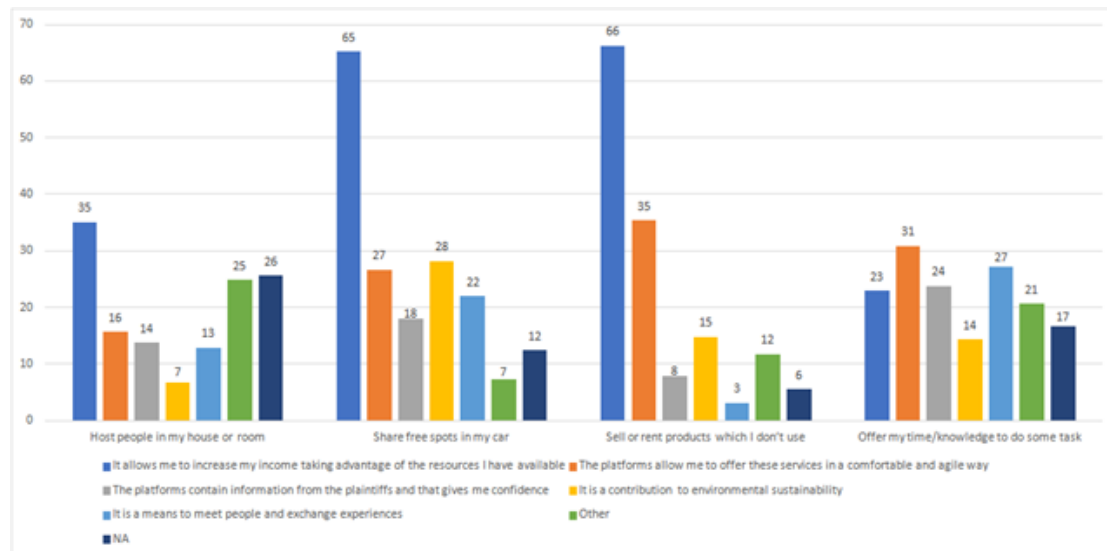


Figure 3.38: Reasons for offering Sharing Economy services (websites or apps), II 2018; source: CNMC, 2018b, compiled by the authors.

### 3.3.3 Sharing Economy in Italy

Social mutualism in Italy has significant historical experiences such as the Workers' Mutual Aid Societies founded in the second half of the XIX Century. At the turn of the millennium, other experiences emerged under the pressure of the financial crisis and cuts in spending on institutional welfare. They include ethical purchasing groups, free software communities, co-housing, self-revitalization projects of old/abandoned buildings, Fab Labs, co-working spaces, time banking, social cooperatives, ethical finance, urban vegetable gardens, and self-organized gyms. These bottom-up initiatives aim to develop new social relationships together with alternative forms of economy and cooperation. According to Carlini (2011), they have brought forward the 'economy of us' with a set of experiences based on social bonds. Groups of people seek community-based solutions to economic problems based on principles of reciprocity, solidarity, and sociality; for several virtuous examples grouped by their primary target: purchasing, collective finance, housing, sport, culture, health, and well-being, according to the report of Sharing and Caring Consortium (2018).

Italy's ratio of collaborative economy platforms per 1 million inhabitants (1.01) falls below the performance indicators for the other Member States, with 70 platforms, demonstrating a revenue of EUR 1.4 billion and an employee count of about 14,000. Its collaborative economy's contribution to overall national GDP (0.08%) and overall employment in 2016 (0.06%) are below the EU average. Of 70, 13 are international platforms, and the rest are domestic, most of which originate from **Northern Italy** with relative initiatives related to the promotion of the Sharing Economy.

The finance sector includes 35 platforms (Table 3.15), accounting for around EUR 526 million (3,000 persons employed), the online skills sector 16, with volume of EUR 46 million (621 persons employed), the transport sector 14, counting revenue of EUR 76 million (1,641 persons



employed), and the accommodation sector 5, by generating EUR 734 million (with 8,800 persons employed).

The investments in the finance sector are prevailing (EUR 8.7 million), followed by its accommodation (EUR 1.7 million) and transport (EUR 1.2 million) counterparts.

Table 3.15: Sharing Economy platforms in Italy; source: European Commission, 2018.

Name of the platform	Website	Country of origin
<b>Transport</b>		
Auting	<a href="http://auting.it/">http://auting.it/</a>	IT
clacson	<a href="http://www.clacson.com/">http://www.clacson.com/</a>	IT
iGoOn	iGoOn	IT
Park Sharing Sparky		IT
scooterino	<a href="http://scooterino.it/en/">http://scooterino.it/en/</a>	IT
takemythings	<a href="http://www.takemythings.com/">http://www.takemythings.com/</a>	IT
Toctocbox	<a href="http://www.toctocbox.com/">http://www.toctocbox.com/</a>	IT
Traslochino	<a href="http://www.traslochino.it/">http://www.traslochino.it/</a>	IT
UP2GO	<a href="http://www.up2go.it/">http://www.up2go.it/</a>	IT
Viaggiainsieme	<a href="http://www.viaggiainsieme.it/">http://www.viaggiainsieme.it/</a>	IT
zego	<a href="http://www.zegoapp.com">www.zegoapp.com</a>	IT
<b>Accommodation</b>		
Sailsquare	<a href="http://sailsquare.com">sailsquare.com</a>	IT
<b>Finance</b>		
Assiteca Crowd	<a href="http://Assitecacrowd.com">Assitecacrowd.com</a>	IT
Be Crowdy	<a href="http://Becrowdy.com">Becrowdy.com</a>	IT
BookaBook	<a href="http://Bookabook.it">Bookabook.it</a>	IT
borsadelcredito	<a href="http://Borsadelcredito.it">Borsadelcredito.it</a>	IT
Cofyp	<a href="http://Cofyp.com">Cofyp.com</a>	IT
Crowd4capital	<a href="http://Crowd4capital.it">Crowd4capital.it</a>	IT
Crowdarts	<a href="http://Crowdarts.eu">Crowdarts.eu</a>	IT
crowdfundme	<a href="http://Crowdfundme.it">Crowdfundme.it</a>	IT
Cubevent	<a href="http://Cubevent.com">Cubevent.com</a>	IT
De Rev	<a href="http://Derev.com">Derev.com</a>	IT
ecomill	<a href="http://Ecomill.it">Ecomill.it</a>	IT

Eppela	Eppela.com	IT
equinvest	Equinvest.it	IT
Finanziami il tuo Futuro	Finanziamiiltuofuturo.it	IT
fundera	Fundera.it	IT
Investi-re	Investi-re.it	IT
Kendoo	Kendoo.it	IT
mamacrowd	Mamacrowd.com	IT
Mecenup	Mecenup.it	IT
musicraizer	Musicraizer.com	IT
Muum Lab	Muumlab.com	IT
nextequity	Nextequity.it	IT
opstart	Opstart.it	IT
prestiamoci	Prestiamoci.it	IT
produzionidalbasso	Produzionidalbasso.com	IT
schoolraising	Schoolraising.it	IT
smartkia	Smartkia.it	IT
sportsupporter	Sportsupporter.it	IT
startsup	Startsup.it	IT
Triboom	Discover.triboom.com	IT
unglue	Unglue.it	IT (INT)
WeAreStarting	Wearestarting.it	IT
Withyouwedo	Withyouwedo.telecomitalia.com	IT
woopfood	Woopfood.com	IT
<b>Online skills</b>		
Animali alla pari	Animaliallapari.net	IT
baucoin	Baucoin.com	IT
Croqger	Croqger.it	IT (INT)
Curioseety	Curioseety.com	IT
Go Pillar	Gopillar.com	IT (INT)
Guide Meight	Guidemeright.com	IT
MarioApp	Marioapp.io	IT
Oxway	Oxway.co	IT

Supermanny	Supermanny.it	IT
Tabbid	Tabbid.com	IT
Vicker	Vicker.org	IT
Zestrip	Zestrip.net	IT

The success of the Sharing Economy platforms and the new business models in Italy may be attributed to the economic crisis and the 'saving' factor or to the fact that they are perceived as being innovative and intelligent, with the 46% of total users of Sharing Economy platforms being young people (between 18 and 34 years old). The delay in the digitalization of the Italian economy and society is a determining factor in the development of Sharing Economy at a lower rate compared to other countries, with Italy ranking 25th out of the 28 EU Member States in 2016. Italy lacks a legislative framework which regulates Sharing Economy activities, even though there have been regulative proposals, known as 'The Sharing Economy Act' aiming at the definition of the sector and the fiscal regulation of Sharing Economy platforms.

The platforms that offer collaborative services in Italy are not easy to censure, even if the mapping activity carried out by collaboriamo.org, for the years 2014, 2015, 2016 and 2017, are quite significant. Collaboriamo.org, is a platform that offers content and services for the collaborative economy, through an analysis of the reports published so far it is possible to know the trend of the collaborative economy in Italy. The picture that emerges from the recent survey on collaborative platforms in Italy, although not much different from that outlined last year, allows us to identify some interesting points for reflection. In particular, the main results of the analysis are the critical elements for understanding the impact of Sharing Economy on society. These elements, described below, also characterized the presentation of the survey during Sharitaly. First of all, it is worth reflecting on the impact on growth. As in previous years, the number of active collaborative platforms also increased in 2016 (+ 10% compared to 2015). However, the mortality rate remains high, with 11% of the platforms active in 2015 currently inactive. Compared to 2015, all sectors register an equal or higher number of active platforms; transport, the exchange/rental/sale of objects and tourism continue to represent the areas where the highest number of collaborative companies are concentrated. The growth of platforms dedicated to business, culture and training services should be noted. The number of community users is also growing. Accurately, today 31% of the sharing platforms reach more than 30 thousand users. Despite this, the market is still not very mature, with a limited number of transactions, not sufficient to guarantee an adequate economic return. In addition to this, there is difficulty in finding financing, which leads most entrepreneurs to invest, especially initially, their capital. The ecosystem in which new platforms are inserted still appears to be rather weak and highlights many platform relationships only with customers and suppliers and not a concerted interconnection.

A second element to analyze is the impact on employment. More particularly, the founders of the Italian collaborative platforms are mostly men, graduates, with an average age of 39 years and very often with previous entrepreneurial experiences. They are also people who often launch a service while maintaining previous job positions, thus reducing the risks associated with the start-

up of a new business but, at the same time, subtracting time and vital energy to grow the platform. As for the collaborators, in line with what emerged in previous years, there are few platforms with more than 15 employees; on average, there are companies with 6 employees. It is also interesting to explore the perception that collaborative platforms have an impact on users' lives. Among the main benefits of the collaborative economy, the platforms declare to generate above all, in order, a relational, organizational, economic and, finally, environmental impact. The economic and organizational impact is substantial in the personal services sector, where most of the platforms mainly offer money exchange. The relational impact is robust in transports where carpooling is prevalent hence a strong interconnection component, and the environmental impact is strong in the sector of exchange/sale/rent objects where platforms dealing with item reuse prevail. In the face of these statements, however, it must be emphasized that the platforms which have a methodology that allows for measuring impacts are still very few. The impact of Sharing Economy on policy is still fluid, as companies acknowledge the lack of laws dedicated to this type of financial activities. Italian collaborative platforms recognize the importance of a self-regulation system (e.g. a code of ethics) and a distinction between professional and non-professional operators to identify the limits of the financial and legal spheres.

The criteria to evaluate the economic impact remain the volume of transactions (for 36% of the platforms remains the only criterion), followed by subscription, sponsorship and advertising on the platform. This data occurred from various editions of the same survey with the most recent referring to 2016. Investments continue to remain low, as the vast majority of platforms do not invest more than 50 000 EUR per year, and mainly involve human and technological resources. With these criteria in mind, it will be interesting to evaluate in the coming years the process of maturing of the platforms and the systems around the Sharing Economy (Collaboriamo 2014, 2015, 2016, 2017).

In Italy, as in the rest of Europe and the world, men and women attend collaborative economy platforms equally, with a slight prevalence of females by 2%. Women-orientated services are focused in clothing, search for a job or a babysitter, apart from generic market places. Sports platforms and even those aimed at the world of transport are more frequented by men. In line with international trends, Sharing Economy is not a phenomenon that only concerns very young groups, the age groups of 25-34 and 35-44 years are the most active, 30% -40% of users, equally distributed amongst men and women (Collaboriamo, 2014).

### 3.3.4 Sharing Economy in Cyprus

For Cyprus, the concept of the collaborative economy is not new. However, there is no officially accepted terminology to describe the phenomenon or statistics and reports regarding the national state of the collaborative economy in the country. The lack of data regarding the collaborative economy in Cyprus implies the impotence of any specific information. However, an overview of societal trends on the island indicates that the concept of the collaborative economy is growing steadily. For example, an increasing number of people are using online platforms to buy, sell or swap products (i.e. [www.bazaraki.com](http://www.bazaraki.com)). Perhaps the most established example of the collaborative economy in Cyprus is property rentals which are related to the most important economic sector that is tourism. The creation of such platforms tends to be driven by private

initiatives, as the government of Cyprus and formal authorities have not officially addressed the growth of the collaborative economy on the island. A legal framework surrounding the concept is missing, except for activities relating to self-catering accommodation, i.e. AirBnB. Only, in January 2020, the House of Representatives passed a relevant law. According to it, self-catering accommodations will have to be registered in a state-run database, ensuring that the government approves the advertised property and that any revenue from these services is taxed.

The performance of Cyprus, regarding the number of platforms in the country per 1 million populations (2.34) is below the EU-28 average, with its four platforms and revenue in the amount of EUR 37.2 million in 2016 (Table 3.16). Cyprus ranks respectably in the level of revenue compared to national GDP (0.21%) as well as collaborative employment among total national employment (0.14%).

Table 3.16: Sharing Economy platforms in Cyprus; source: European Commission, 2018.

Name of the platform	Website	Country of origin
<b>Accommodation</b>		
Cyprus 24	cyprus24.net	CY
<b>Online skills</b>		
Bartercard	Bartercard.com	CY (INT)

Relevant platforms and associated data are listed in the following overview. Unfortunately, no investment figures could be retrieved due to lack of data.

Cyprus' economy is strongly connected with the tourism industry; therefore, the accommodation sector prevails against the others in terms of the number of platforms (2), the turnover generated in 2016 (EUR 37 million), and the 581 jobs created in this sector. Collaborative finance platforms are absent in the Cypriot market. Cyprus' collaborative transport sector, as well as the collaborative online skills sector, are shaped by a monopoly, providing one job, by generating revenue of about EUR 17,494, and five jobs by generating EUR 234,553 in 2016, respectively. Except for the recent law on self-catering accommodation, there have been no additional attempts by the Cypriot government to establish a set of regulations. It should be noted that the purchasing mobility of Cypriots is below the EU average concerning online purchasing patterns.

The lists of domestic Sharing Economies platforms which are presented in the following tables per country should not be taken as fixed and completed, as new platforms emerge while some stop their operation over time.

### 3.3.5 A transnational analysis of Sharing Economies in the study regions

Sharing Economy data for the study regions were collected from recent European Commission Reports and the EU H2020 Research Project Report because there is a lack of a national database of active Sharing Economy platforms and their effect on each country's economies.

The study by Stanoevska-Slabeva, Lenz-Kesekamp & Suter (2017) offers a general overview of the European Sharing Economy activity/mobility. It is based on the selection of 124 online sharing platforms, and 130 community-based Sharing Economies platforms (SEPs) in Europe, whose further categorizing is presented in Table 3.17. The grouping highlights the diversity in business models and services while providing a general inspection of all sectors.

*Table 3.17: Overview of Categories of SEPs Considered in the Platform Analysis; source: Stanoevska-Slabeva, Lenz-Kesekamp & Suter, 2017.*

Category	Description
Food	SEPs that offer food sharing in different forms: e.g., hosts who prepare meals to share with peers or platforms that enable the distribution of surplus fruit and vegetables.
Goods	Includes SEPs renting or borrowing of all kinds of objects, usually consumer goods such as books, clothes, garden tools and other.
Learning	SEPs that enable students or teachers to share learning materials as well as online instructions led by peers.
Logistics	SEPs supporting crowdsourced delivery services enabling last-mile delivery.
Money	SEPs facilitate crowdfunding of consumer loans, business loans, or equity. Also comprises crowdfunding of creative projects or P2P insurance models.
Services	Includes a range of on-demand services for household chores, computer design or programming and administrative tasks.
Space	Refers to SEPs intermediating sharing of space, e.g. storage and office space, vacation rentals and even gardening plots.
Transportation	SEP is supporting car-sharing and ride-hailing services built to transport people.

Country orientated information refers to active Sharing Economy platforms in the study regions that are provided through the study of the European Commission (Study to Monitor the Economic Development of the Collaborative Economy in the EU, 2018). This European Commission Report uses the term of Collaborative economy – note that the term is often referred to as Sharing Economy – and is defined as business models meeting all the following criteria simultaneously:

- ☐ Business transactions take place between three parties: the service provider, the online platform and the customer.
- ☐ Service providers offer access to their goods, services or resources temporarily.
- ☐ The goods, services or resources offered by the service provider are otherwise unused.
- ☐ The goods, services, and resources are offered with or without compensation (i.e. for-profit or nonprofit/sharing).

The data analysis in this study measured the level of development of the collaborative economy of the EU-28 Member States across the sectors of transport, accommodation, finance, and online skills, based on quantitative indicators and data collected during the study (Tables 3.18 and 3.19). The study involved: (a) domestic and international platforms (651 collaborative economy domestic platforms and 42 internationally platforms originating from outside the EU, mainly from the United States, and operating in international markets); (b) the size of the collaborative

economy relative to the total EU economy was estimated to be EUR 26.5 billion (0.17% of EU-28 GDP in 2016); and (c) it is estimated that about 394,000 persons are employed within the collaborative economy in the EU-28 (0.15% of EU-28 employment).

Compiling the results of the study involved domestic and international platforms, the size of the collaborative economy relative to the entire EU economy was estimated to be EUR 26.5 billion (0.17% of EU-28 GDP in 2016). Similarly, it is estimated that about 394,000 persons are employed within the collaborative economy in the EU-28 (0.15% of EU-28 employment). The largest collaborative economy markets are France (EUR 6.560 billion), UK (EUR 4.637 billion), Poland (EUR 2.736 billion) and Spain (EUR 2.524 billion). These top four countries also offered the most jobs in collaborative economy (approx. 74,600, 69,400, 65,400 and 39,700 respectively) in 2016. The seven largest collaborative economy markets in the EU (France, UK, Poland, Spain-ES, Germany, Italy-IT and Denmark) represent about 80% of the total collaborative revenues of the EU-28 in 2016 (Figure 3.39). In general, the level of the development of the collaborative economy in the EU-28 varies significantly (Figure 3.40). On the one hand, in Greece collaborative economy plays a significant role in the overall economy performing above the EU-28 average, whereas, on the other hand, in Cyprus it plays a relatively minor role in the overall economy.

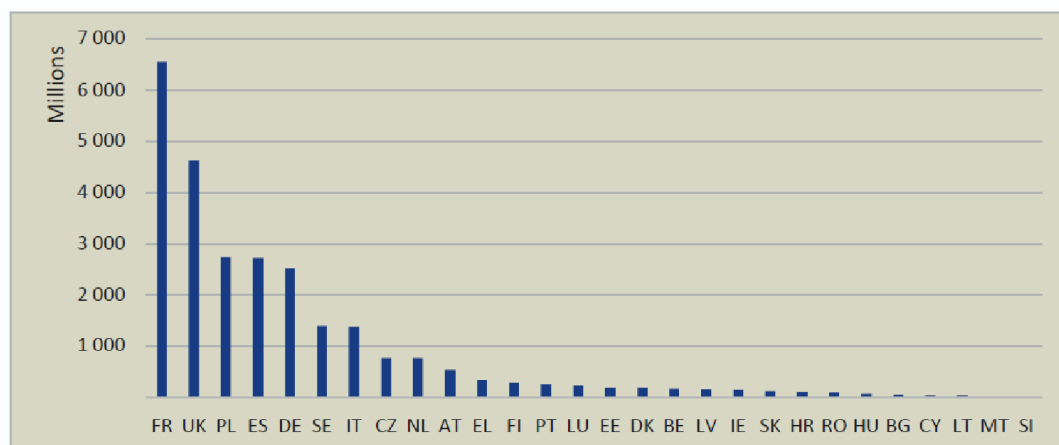


Figure 3.39: Collaborative market revenues in the Member States in 2016 (EUR million); source: European Commission, 2018: 30.

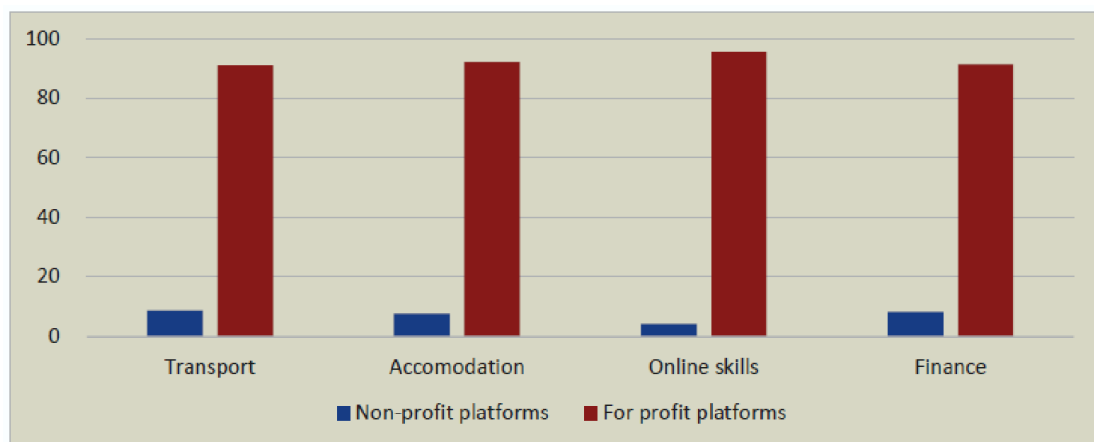


Figure 3.40: Share of for-profit and not-for-profit collaborative platforms per sector (%; 2016); source: European Commission, 2018: 34.

Collaborative economy platforms include either for-profit or non-profit entities in different sectors, as illustrated in Figure 3.41. Non-profit platforms represent 9% of all platforms operating in the Member States in the transport sector, 8% in the accommodation and the finance sectors, and 4% in the online skills sector.

Figures 3.41 and 3.42, below, describe the absolute number of Sharing Economies platforms per sector in study regions and the percentage per sector in EU-28. A total of 169 out of 651 platforms were identified in the study countries (26% in EU-28). The more detailed results (Tables 3.22 and 3.23) show a high level of activity in Spain (81 domestic for-profit sharing platforms, 12% in EU-28) and Italy (70 domestic for-profit sharing platforms, 11% in EU-28), with a low level of activity by platforms in Greece (14 domestic for-profit sharing platforms, 2% in EU-28) and Cyprus (4 domestic for-profit sharing platforms, 0.6% in EU-28). Most platforms in study regions and EU-28 operated in the finance sector (62 and 268 respectively, percentages of 37% and 41% in total), followed by the online skills sector (46 and 179 respectively, percentage of 27% in total in both cases-study regions and EU-28) and the transport sector (36 and 142 respectively, percentage of approximately 22% in total in both cases). Fewer domestic platforms operated in the accommodation sector (25 and 62 respectively, percentages of 15% and 10% in total), which could be explained by Airbnb's significant dominance in all Member States.

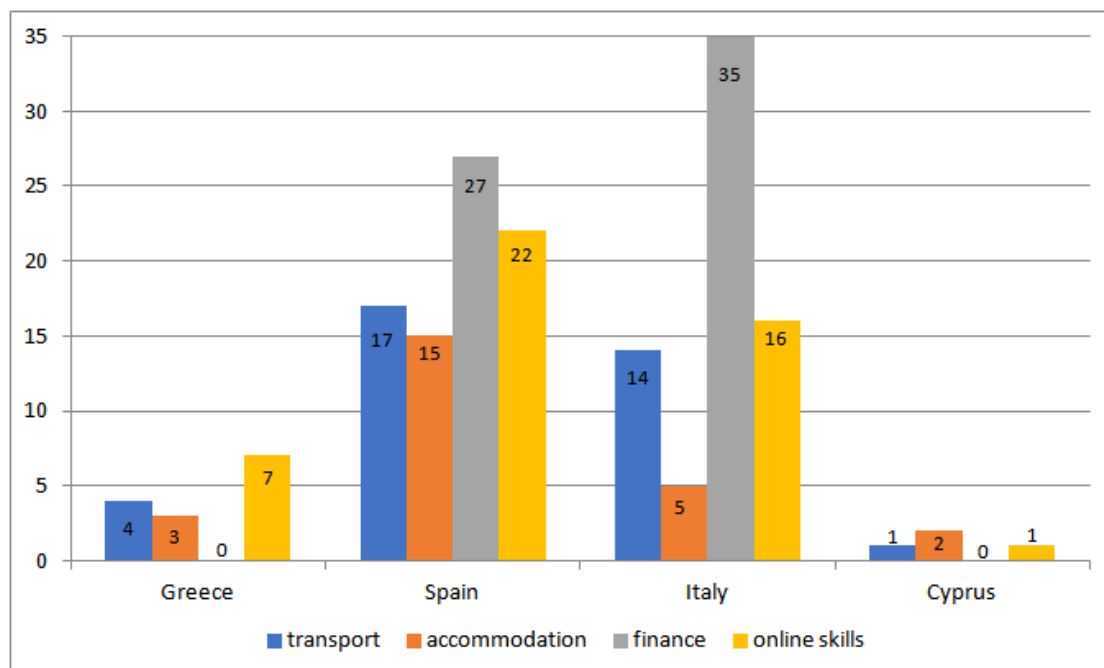


Figure 3.41: Sharing Economy platforms per sector in study regions; source: European Commission, 2018, compiled by the authors.



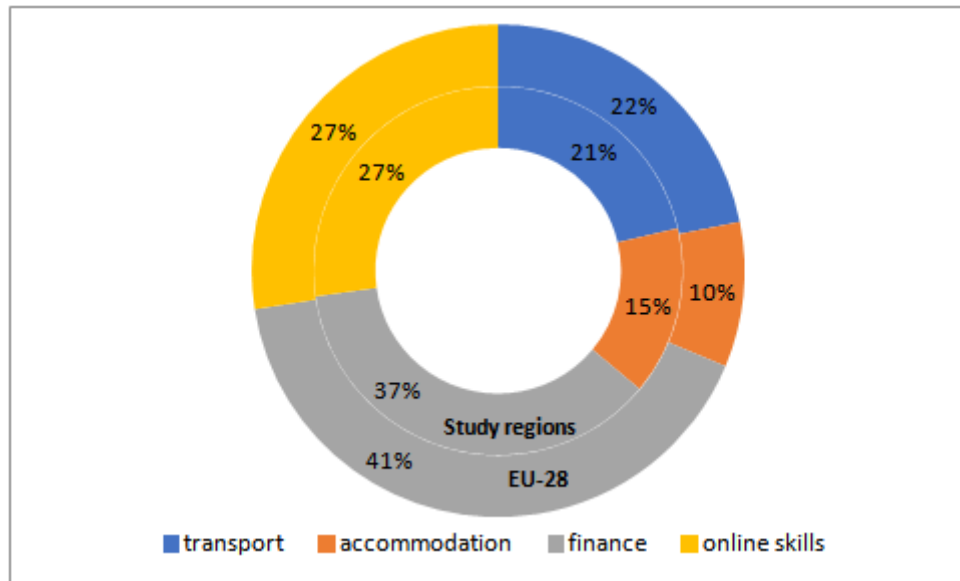


Figure 3.42: Sharing Economy platforms (%) per sector in study regions and in EU-28; source: European Commission, 2018, compiled by the authors.

Figure 3.43 presents collaborative employment per sector in study regions. Similarly, to market revenues below, Spain had a leading role in collaborative employment with approximately 40,000 persons employed, 10% in EU-28 (Tables 3.20 and 3.21). Italy was the second-largest market for collaborative employment (with 14,000 persons employed, 3.6% in EU-28), followed by Greece (12,700 persons employed, 3.2% in EU-28). Cyprus had the smallest collaborative economy, employing about 587 employees with a negligible percentage of 0.1% in the EU-28. The percentages of persons employed in Sharing Economy enterprises per sector are different in study regions and EU-28 (Figure 3.44), especially in accommodation sector (50% in study regions compared to 29% in EU-28) and in the transport sector (11% in study regions compared to 32% in EU-28).

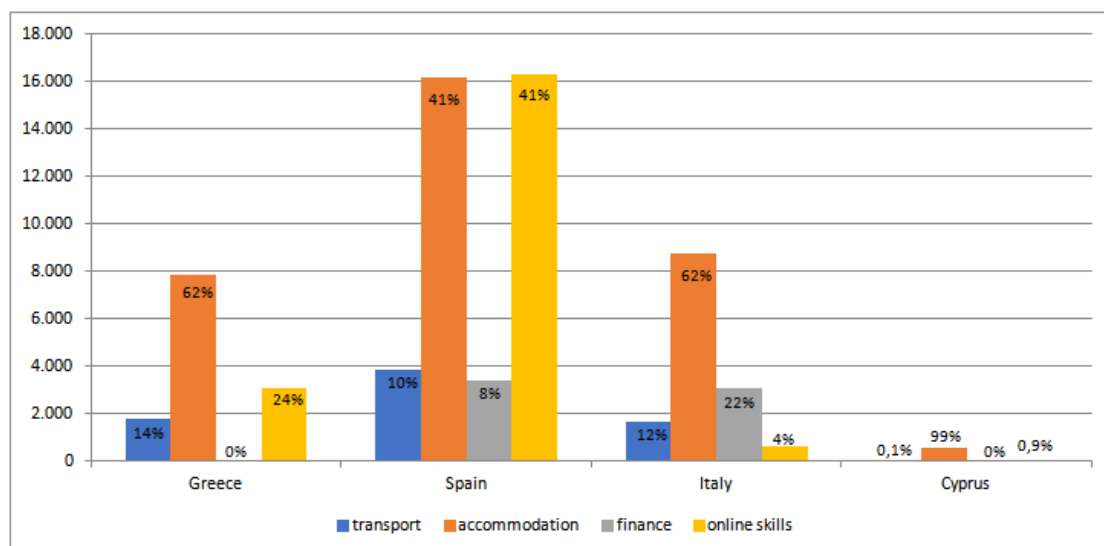


Figure 3.43: Individuals (%) employed in Sharing Economy enterprises per sector in study regions; source: European Commission, 2018, compiled by the authors.

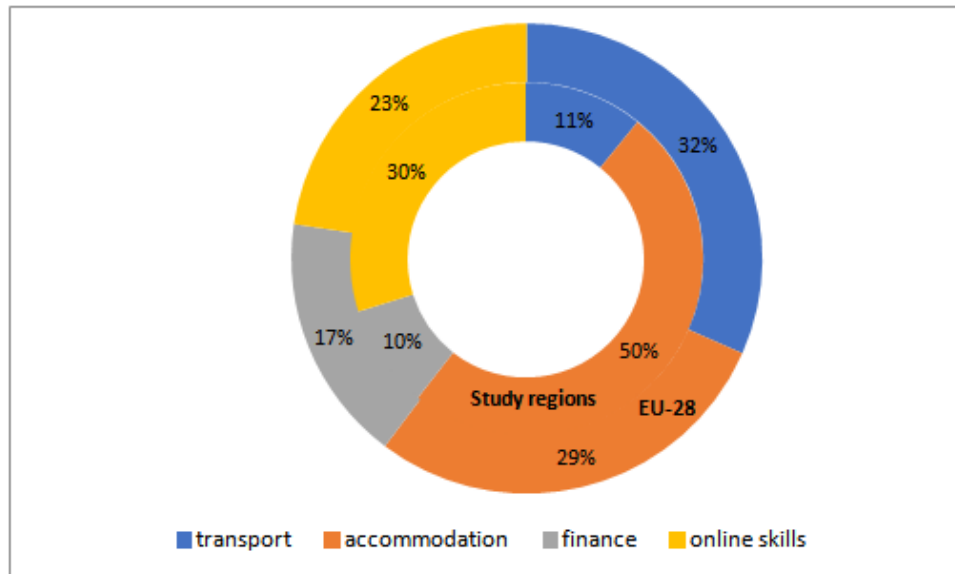


Figure 3.44: Individuals (%) employed in Sharing Economy enterprises per sector in study regions and EU-28; source: European Commission, 2018, compiled by the authors.

Similarly to the number of active platforms and collaborative employment, the collaborative economy in Spain enjoys one of the largest market share in the EU in absolute revenue numbers (EUR 2.7 billion – mainly from accommodation and online skills sector, percentage in total country of 10.3% in EU-28, (Figure 3.45 and Tables 3.22, 3.23). Italy follows with approximately EUR 1.4 billion (5% in EU-28) mainly from the accommodation sector (EUR 0.7 billion, 50% in the whole country). The level of market revenues was the lowest in Cyprus (EUR 0.6 million, percentage of only 0.1% in EU-28).

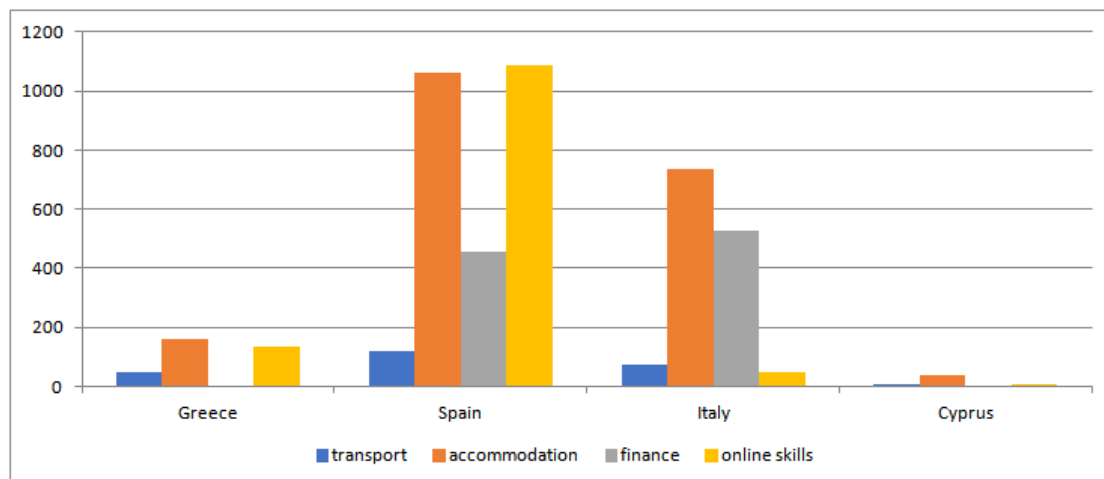


Figure 3.45: Sharing Economy platforms' revenue (million euro) per sector; source: European Commission, 2018, compiled by the authors.

In general, larger economies both offer higher possibilities for domestic platforms and attract non-EU platforms to operate in the EU. At the same time, more than half of the Member States (Greece is between them) showed very modest performance in collaborative activity, which does not necessarily mean that the share of the collaborative economy in these markets was of low importance. The performance of the Sharing Economy enterprises in the EU varied a lot,

depending mainly on market size and the business environment. The study regions-countries must concentrate 17% of the total Sharing Economies platforms revenues in EU-28 according to Table 3.23 and Figure 3.46. More specifically they concentrate approximately 27% in the accommodation sector – mainly due to the percentage of 14.6% in Spain and 10.1% in Italy- and 23% in online skills due to 19% in Spain.

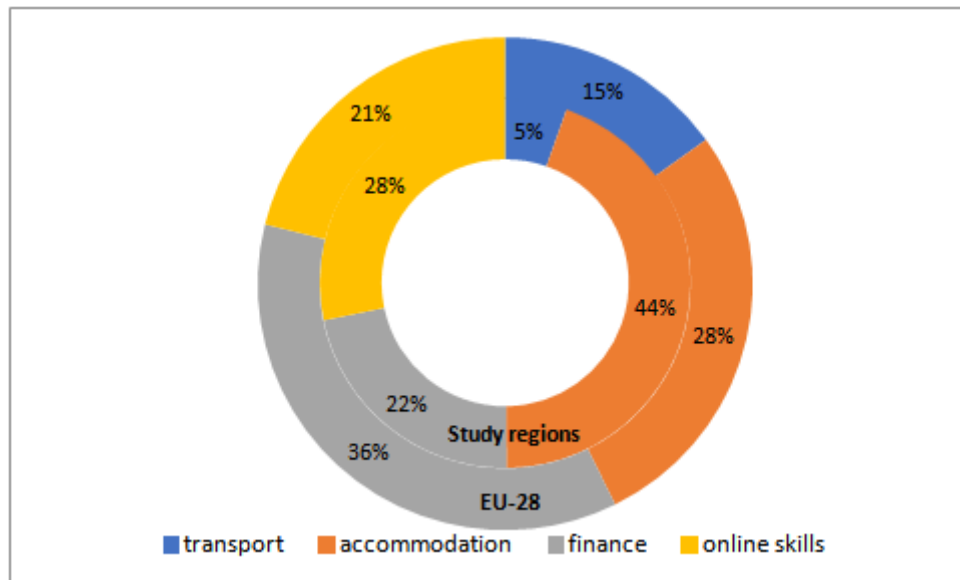


Figure 3.46: Sharing Economy platforms' revenue (%) per sector in study regions and EU-28; source: European Commission, 2018, compiled by the authors.

Table 3.18: Sharing Economy platforms (and %) per sector in study regions and EU-28; source: European Commission, 2018, compiled by the authors.

	Greece	% per sector in Greece	Spain	% per sector in Spain	Italy	% per sector in Italy	Cyprus	% per sector in Cyprus	Study regions	% per sector in study regions	EU-28	% per sector in EU-28
transport	4	28.6	17	21	14	20	1	25	36	21.3	142	21.8
accommodation	3	21.4	15	18.5	5	7.1	2	50	25	14.8	62	9.5
finance	0	0	27	33.3	35	50	0	0	62	36.7	268	41.2
online skills	7	50	22	27.2	16	22.9	1	25	46	27.2	179	27.5
total	14	100	81	100	70	100	4	100	169	100	651	100

Table 3.19: Sharing Economy platforms (%) in study regions per sector in EU-28; source: European Commission, 2018, compiled by the authors.

	% of Greek platforms in EU-28	% of Spanish platforms in EU-28	% of Italian platforms in EU-28	% of Cypriot platforms in EU-28	% of study regions platforms in EU-28
transport	2.8	12	9.9	0.7	25.4
accommodation	4.8	24.2	8.1	3.2	40.3
finance	0	10.1	13.1	0	23.1
online skills	3.9	12.3	8.9	0.6	25.7
total	2.2	12.4	10.8	0.6	26

Table 3.20: Individuals employed in Sharing Economy enterprises (and %) per sector in study regions and in the EU-28; source: European Commission, 2018, compiled by the authors.

	Greece	% per sector in Greece	Spain	% per sector in Spain	Italy	% per sector in Italy	Cyprus	% per sector in Cyprus	Study regions	% per sector in study regions	EU-28	% per sector in EU-28
transport	1,785	14	3,854	9.7	1,641	11.7	1	0.2	7,281	10.8	124,800	31.6
accommodation	7,858	61.7	16,164	40.7	8,756	62.2	581	99	33,359	49.7	113,300	28.7
finance	0	0	3,418	8.6	3,061	21.7	0	0	6,479	9.7	67,300	17
online skills	3,085	24.2	16,293	41	621	4.4	5	0.9	20,004	29.8	89,500	22.7
total	12,728	100	39,729	100	14,079	100	587	100	67,123	100	394,900	100

Table 3.21: Individuals employed in Sharing Economy enterprises (%) of study regions in EU-28; source: European Commission, 2018, compiled by the authors.

	% of Greek persons employed in EU-28	% of Spanish persons employed in EU-28	% of Italian persons employed in EU-28	% of Cypriot persons employed in EU-28	% of study regions persons employed in EU-28
Transport	1.4	3.1	1.3	0	5.8
accommodation	6.9	14.3	7.7	0.5	29.4
finance	0	5.1	4.5	0	9.6
online skills	3.4	18.2	0.7	0	22.4
total	3.2	10.1	3.6	0.1	17

Table 3.22: Sharing Economy platforms' revenue (million euro) per sector and percentage in the study regions and EU-28; source: European Commission, 2018, compiled by the authors.

	Greece	% revenue per sector in Greece	Spain	% revenue per sector in Spain	Italy	% revenue per sector in Italy	Cyprus	% revenue per sector in Cyprus	Study regions	% revenue per sector in Study regions	EU-28	% revenue per sector in EU-28
transport	49	14.3	118	4.3	76	5.5	0.02	0	243	5.4	4,000	15.1
accommodation	160	46.8	1,063	39	734	53.1	37	99.3	1,994	44.5	7,300	27.5
finance	0	0	454	16.7	526	38.1	0	0	980	21.9	9,600	36.2
online skills	133	38.9	1,088	40	46	3.3	0.23	0.6	1,267	28.3	5,600	21.1
total	342	100	2,723	100	1,382	100	37.25	100	4,484	100	26,500	100

Table 3.23: Sharing Economy platforms' revenue (%) in EU-28; source: European Commission, 2018, compiled by the authors.

	% of Greek platforms revenue in EU-28	% of Spanish platforms revenue in EU-28	% of Italian platforms revenue in EU-28	% of Cypriot platforms revenue in EU-28	% of study regions platforms revenue in EU-28
transport	1.2	3	1.9	0	6.1
accommodation	2.2	14.6	10.1	0.5	27.3
finance	0	4.7	5.5	0	10.2
online skills	2.4	19.4	0.8	0	22.6
total	1.3	10.3	5.2	0.1	16.9

This information, issued by Eurostat, is part of the results of the survey conducted in 2018 on ICT (Information and Communication Technologies) usage in households and by individuals.

Approximately 1 in 2 individuals aged 16 to 74 arranged accommodation from another private individual via a website or with an app in the Luxembourg (44%), as did about 1 in 4 individuals in Ireland, Malta (26% both), United Kingdom (25%), Spain (24%) and 1 in 5 individuals in Italy (19%). In contrast, Cyprus (3%) registered the lowest proportion among the Member States for which data is available, followed by Greece (8%) among others (Figure 3.47).

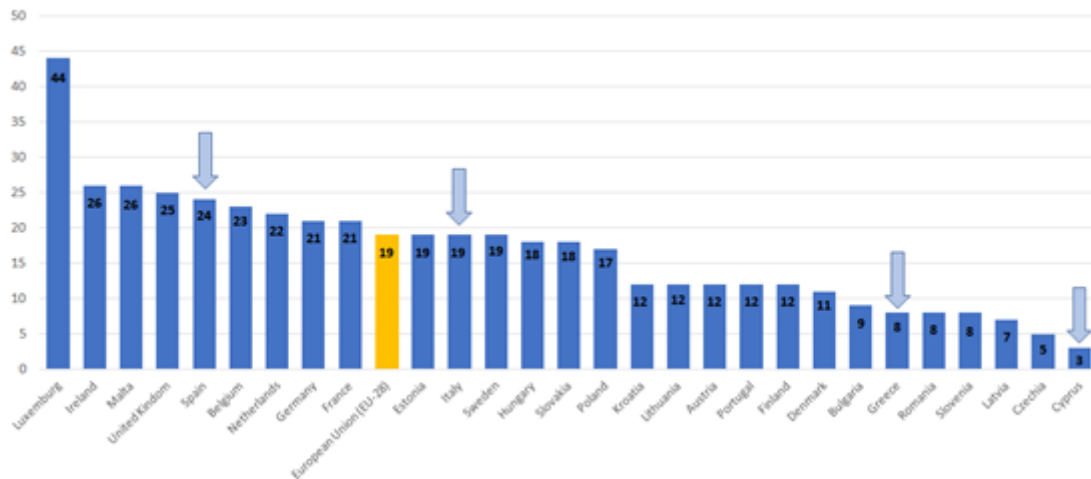


Figure 3.47: Individuals arranging accommodation online from other individuals, EU-28, 2018 (% of all individuals); source: Eurostat, compiled by the authors.

Estonia registered the highest share of individuals who arranged transport services from another private individual via any website or app (23%), ahead of Luxembourg and Malta (16% both) and Spain (12%). At the opposite end of the scale, Cyprus holds the lowest shares (0%), Greece (4%) and Italy (5%) among the study regions (Figure 3.48).

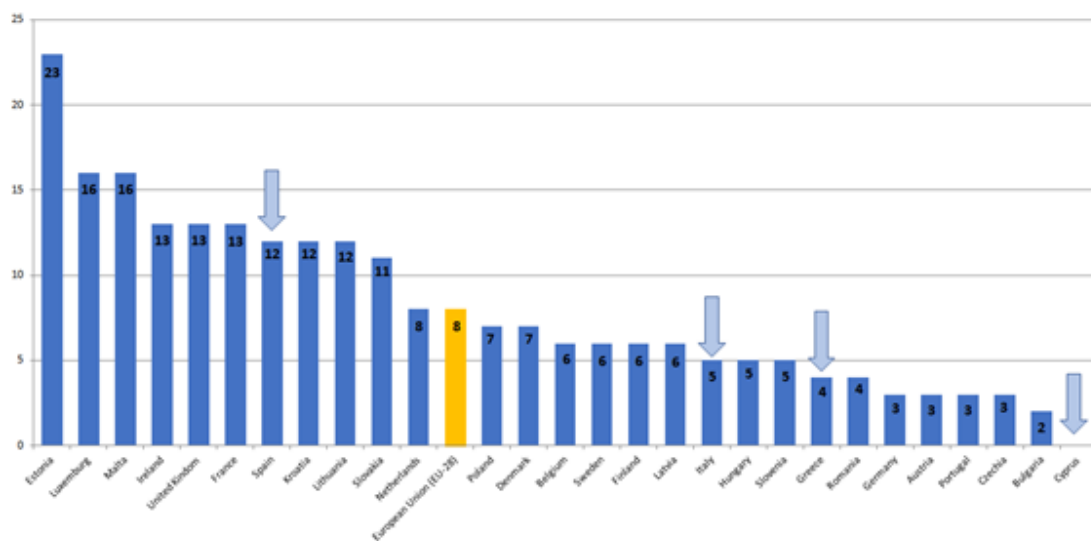


Figure 3.48: Individuals arranging transportation services online from other individuals, EU-28, 2018 (% of all individuals); source: Eurostat, compiled by the authors.

According to the 2018 survey results, 19% of individuals in the EU arranged accommodation (room, apartment, house, holiday cottage, and other) via websites or apps from another private individual for private purposes in the preceding 12 months (Figure 3.49). Most of them used dedicated websites or apps, but other websites or apps (including those of social networks) have also had a share in facilitating those activities. These peer-to-peer services are part of the so-called 'collaborative' or 'Sharing Economy'.

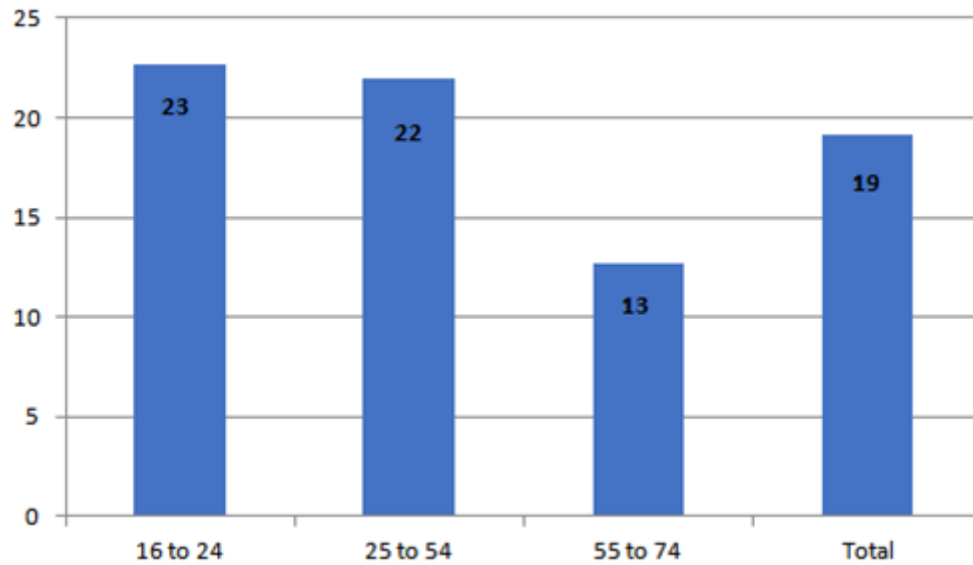


Figure 3.49: Individuals arranging accommodation online from other individuals, by age group, EU-28, 2018 (% of all individuals); source: Eurostat, compiled by the authors.

Arranging transport services online is less widespread, used by around 10% of individuals in the EU; mainly via dedicated websites or apps (Figure 3.50). Booking from another private individual for accommodation and transport services tends to be more popular among the younger generation (23% and 19% respectively of those aged 16-24) but in the case of accommodation arranging from another private person was also common among individuals aged 25-54 (22%). Regarding the study countries, Spain has the highest percentages in both cases (accommodation and transport services), Italy has near the average of the EU-28 Member States whereas Greece and Cyprus have the lowest percentages (Figures 3.51 and 3.52).

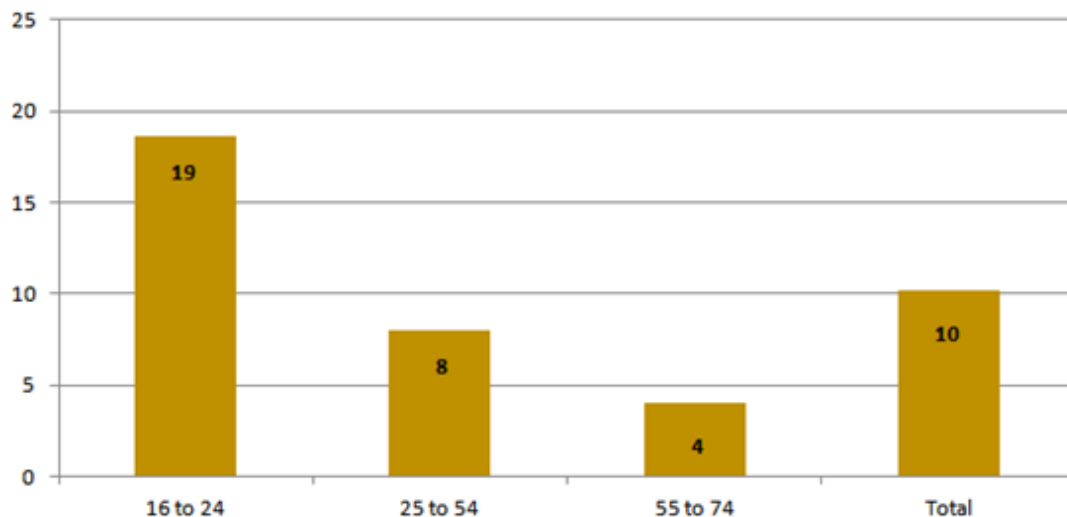


Figure 3.50: Individuals arranging transport services online from other individuals, by age group, EU-28, 2018 (% of all individuals); source: Eurostat, compiled by the authors.

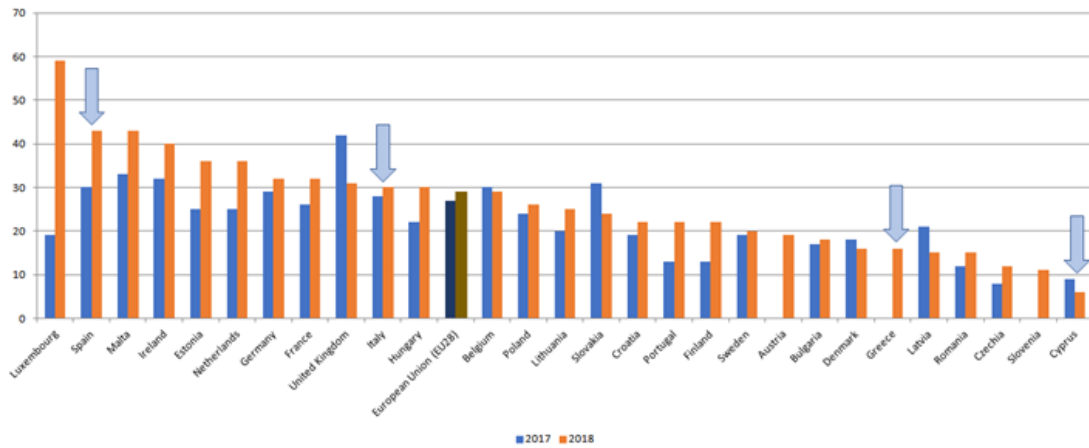


Figure 3.51: Individuals 25 to 29 years old used any website or app to arrange an accommodation from other individuals, EU-28, 2017-2018 (% of all individuals); source: Eurostat, compiled by the authors.

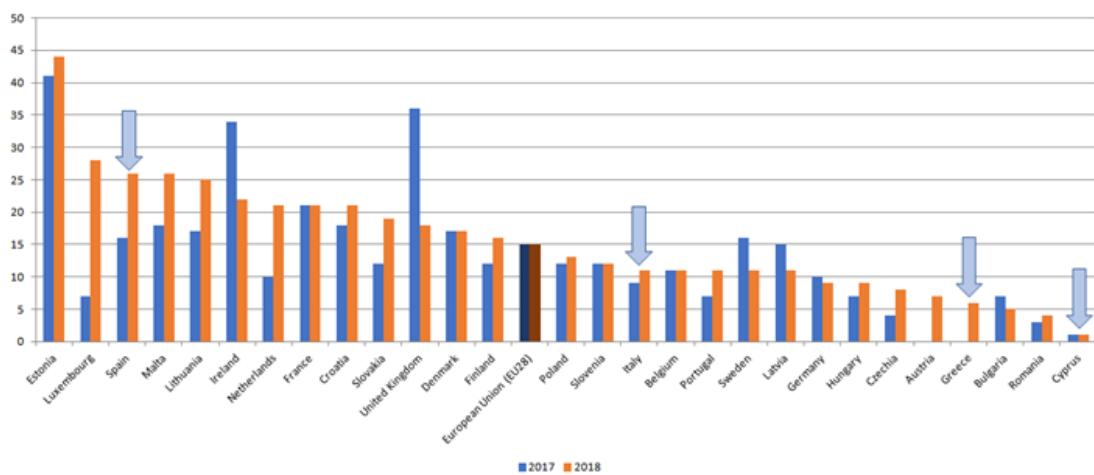


Figure 3.52: Individuals 25 to 29 years old used any website or app to arrange a transport service from other individuals, EU-28, 2017-2018 (% of all individuals); source: Eurostat, compiled by the authors.

Unsurprisingly, most individuals used a website or app to arrange accommodation or a transport service from another individual who has a high formal education (Figures 3.53 and 3.54).

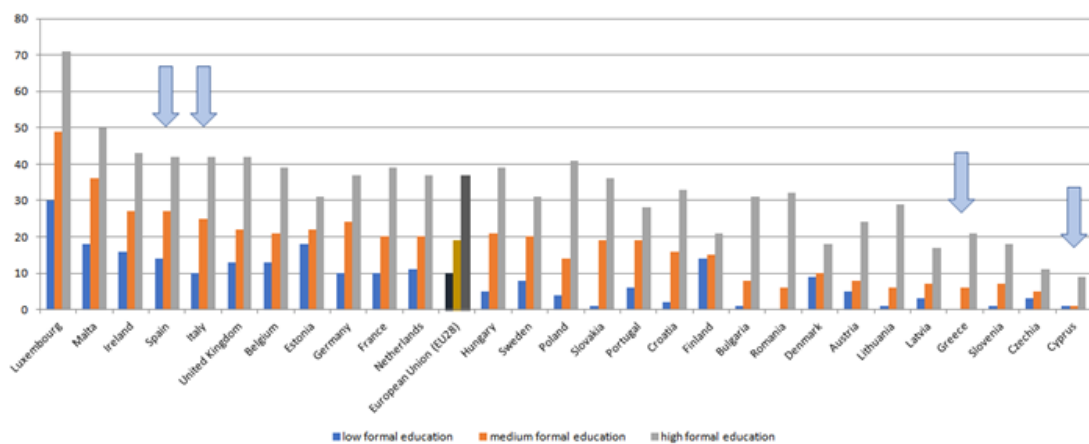


Figure 3.53: Individuals by the level of education used any website or app to arrange an accommodation from other individuals, EU-28, 2018 (% of all individuals); source: Eurostat, compiled by the authors.



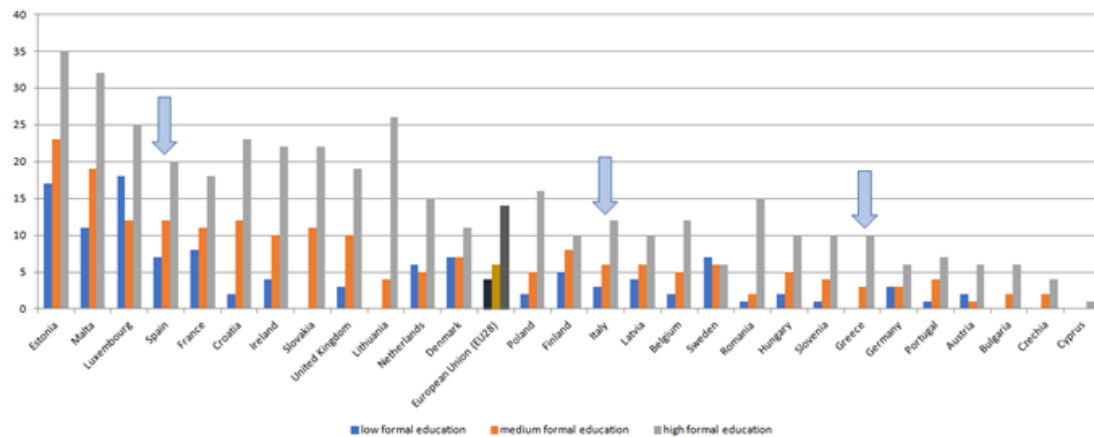


Figure 3.54: Individuals by the level of education used any website or app to arrange a transport service from other individuals, EU-28, 2018 (% of all individuals); source: Eurostat, compiled by the authors.

Below are described and presented with figures the results of a survey which was carried out by TNS Political & Social network in the 28 Member States of the European Union between the 23rd and the 30th April 2018. Some 26,544 respondents from different social and demographic groups were interviewed via telephone (landline and mobile phones) in their mother tongue on behalf of the European Commission, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs. The methodology used is that of Eurobarometer surveys as carried out by the Directorate-General for Communication.

In all 28 Member States, only a minority of respondents (under a quarter, 23%) have used services offered via a collaborative platform (Figure 3.55). Around one in ten have used such services once or a few times (9%) or occasionally (i.e. once every few months) (10%), and 4% use such platforms regularly (i.e. once a month or more often).

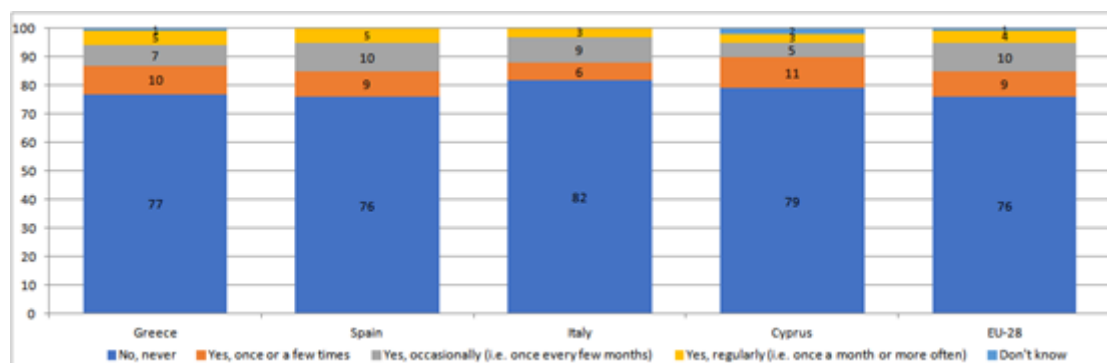


Figure 3.55: Have you ever used a service offered via a collaborative platform? (%) Study regions – EU 28, 2018; source: Eurobarometer, compiled by the authors.

The most significant proportion of those who have used services offered via collaborative platforms (Figure 3.56) have done so in the accommodation (e.g. renting an apartment) and transport sectors (e.g. car sharing).

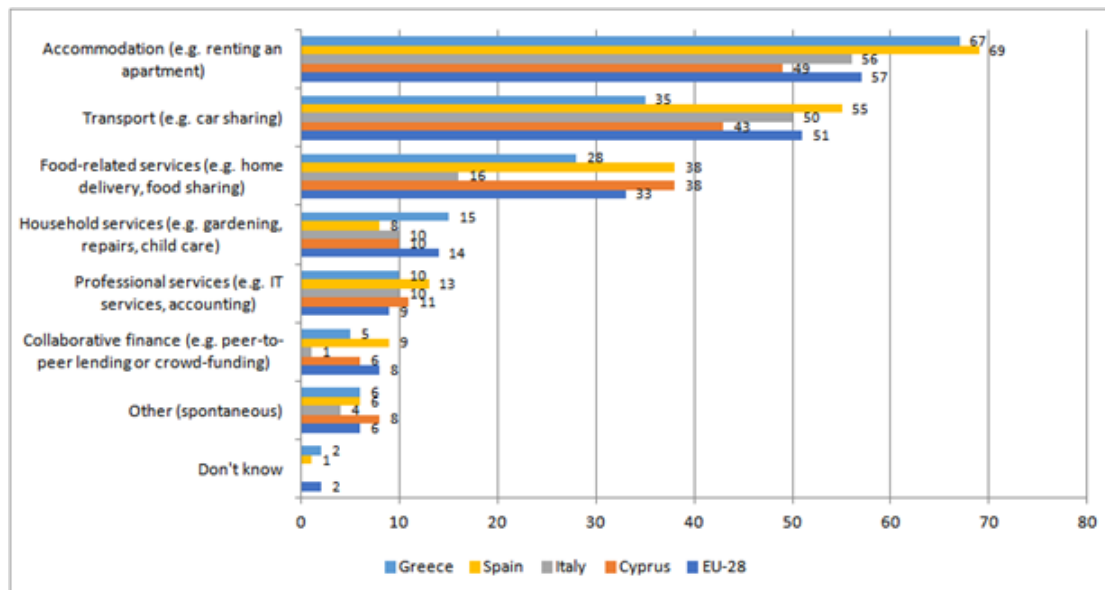


Figure 3.56: In which of the above sectors have you used a service offered via a collaborative platform? (%; multiple answers possible), Study regions – EU 28, 201; source: Eurobarometer, compiled by the authors.

Among those who have used services offered via collaborative platforms (Figure 3.57), nearly nine in ten (88% in EU-28) would recommend those services (the sum of the answers: yes, definitely and yes, to some extent). Just over a third (35%) refer that they would recommend these services, while just over half (53%) would recommend them to some extent. Less than one in ten (7%) would not recommend them. The results concerning Cyprus require a thoughtful approach due to low sample sizes (n=93).

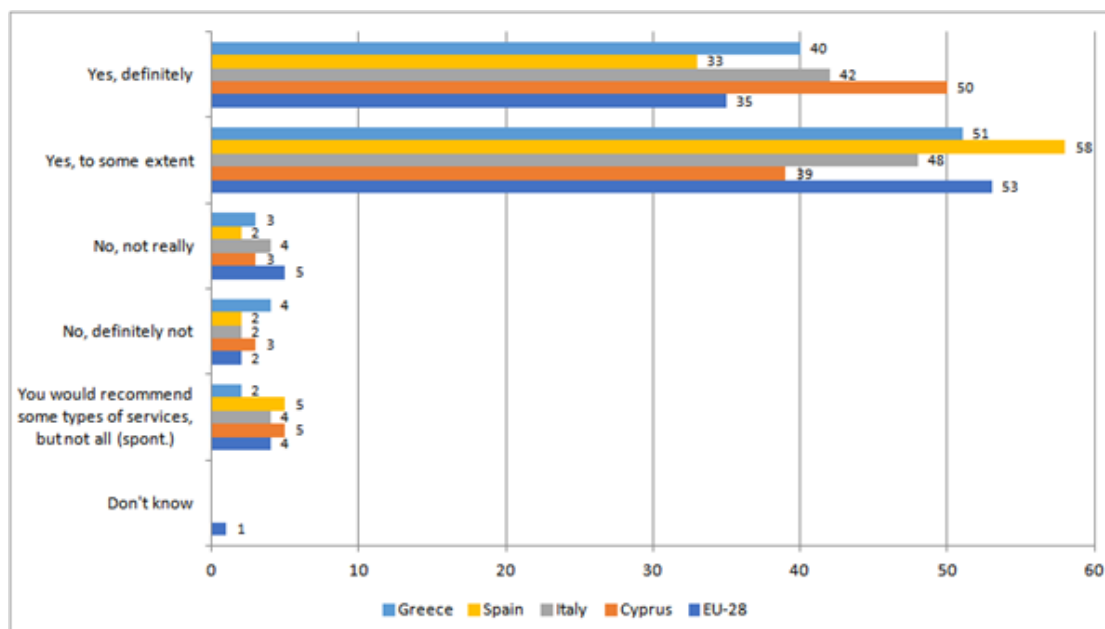


Figure 3.57: Overall, would you recommend services offered via collaborative platforms or not? (%) Study regions- EU 28, 2018; source: Eurobarometer, compiled by the authors.

Based on the responses of users of services via collaborative platforms, the most critical advantages of platforms (Figure 3.58 and 3.59) – compared with traditional channels for the study

regions in 2018 – were more convenient access to services (63% on average) and cheaper or free services (56% on average). Other key reasons for the use of platforms were the availability of ratings and reviews by users, reported by a share of 50% of users on average in study regions (75% in Spain), a more extensive choice of services which are unavailable via traditional channels (50% on average and 69% in Spain). Smaller majorities of respondents mention as advantages the possibility to exchange services instead of paying for them (29% on average but 45% in Spain) and opportunities to interact with interesting people (23% and 40% in Spain).

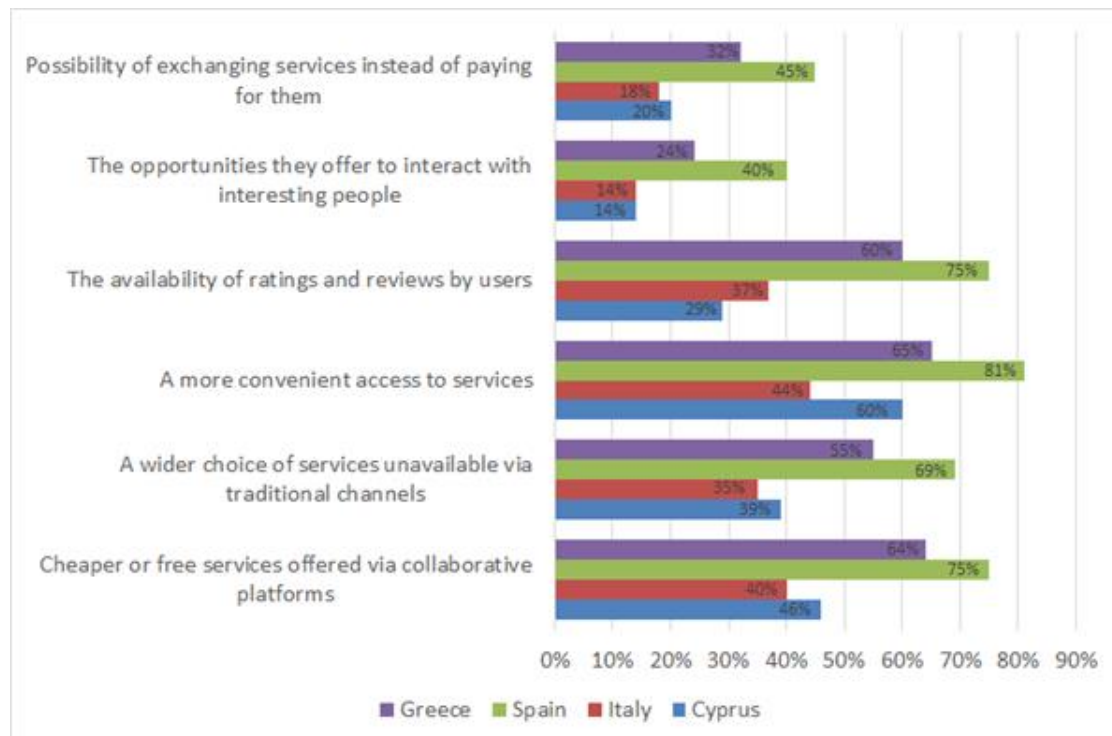


Figure 3.58: Advantages of using collaborative platforms compared with traditional channels (multiple answers possible), Study regions 2018; source: Eurobarometer, compiled by the authors.

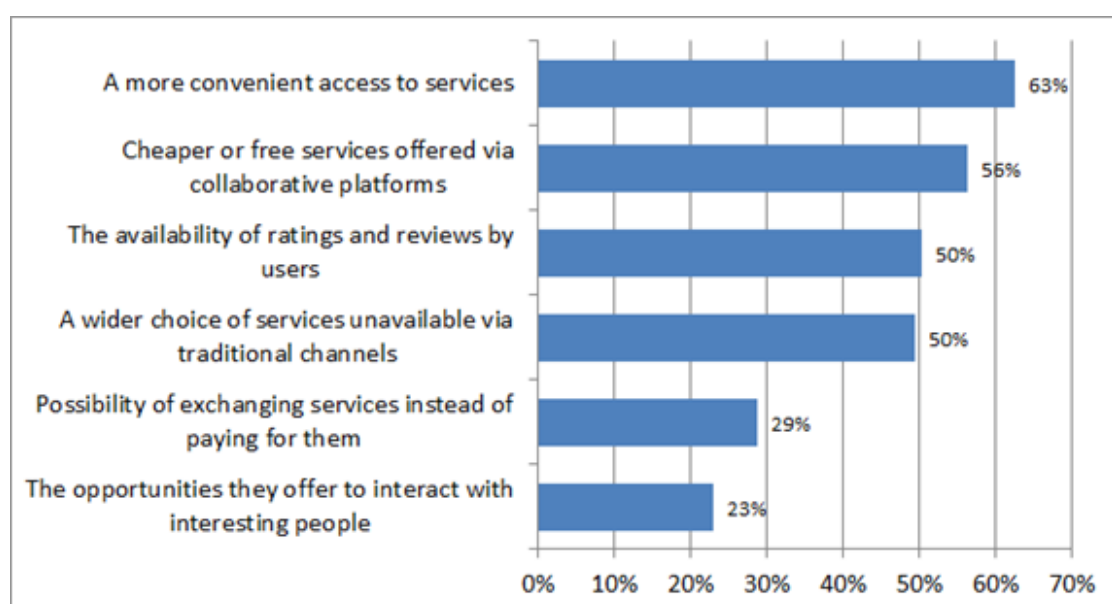


Figure 3.59: Advantages of using collaborative platforms compared with traditional channels percentages on average in Study regions, 2018; source: Eurobarometer, compiled by the authors.

The majority of those who have used collaborative platforms identify at least one disadvantage. The main disadvantages reported by users of collaborative platforms as compared with traditional channels were, in the study regions for 2018, the lack of clarity about who is responsible in the event of a problem (42% on average, 66% in Spain), misleading ratings and reviews from users (36% on average, 44% in Greece and Spain), the misuse of personal data (35% on average) and less trust in the providers of services offered (29%) (Figure 3.60 and 3.61). Smaller shares of users were concerned about problems with services offered via collaborative platforms being not as expected (21% on average but 32% in Spain) and with the online booking process or payments (20% on average).

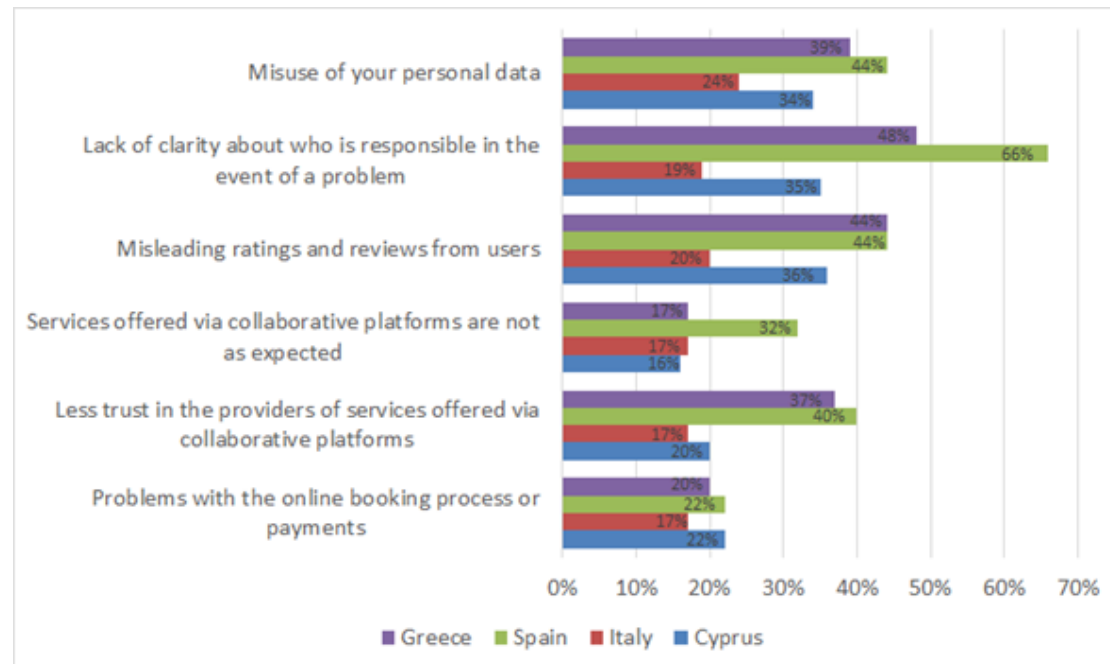


Figure 3.60: Disadvantages of using collaborative platforms compared with traditional channels (multiple answers possible), Study regions 2018; source: Eurobarometer, compiled by the authors.

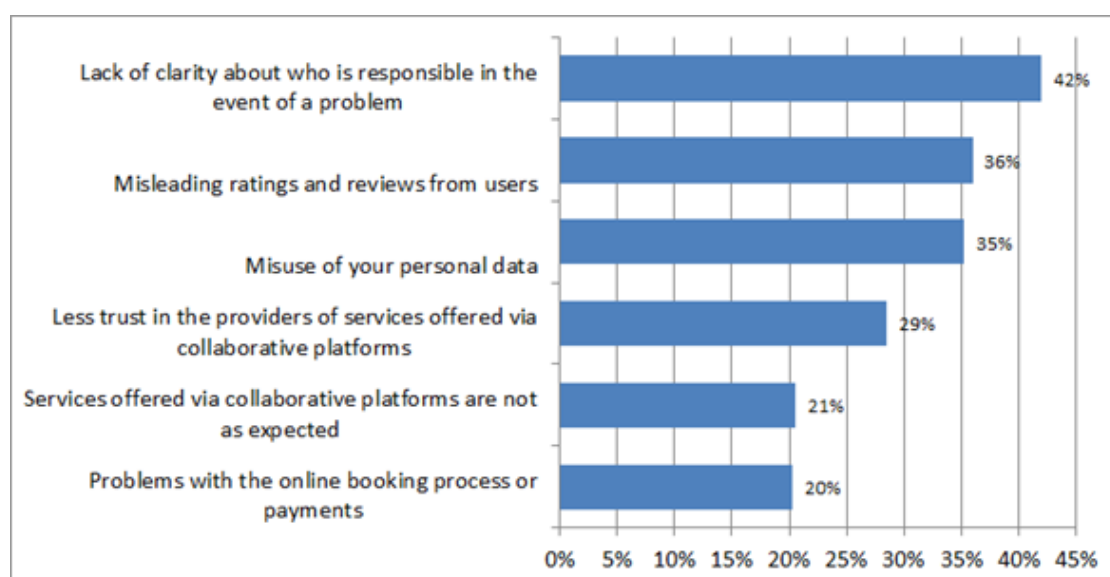


Figure 3.61: Disadvantages of using collaborative platforms compared with traditional channels percentages on average in Study regions, 2018; source: Eurobarometer, compiled by the authors.

The most frequently mentioned reasons for not using collaborative platforms (Figure 3.62) were that the respondents do not know what such platforms are (36% on average in EU-28 but 50% in Spain) and preference for services offered via traditional channels (34%). A further fifth of respondents mention concerns about sharing personal data on the platform or the Internet (20%), followed by a lack of trust in the services offered via collaborative platforms (17%) and lack of technical knowledge about how to use collaborative platforms (14%).

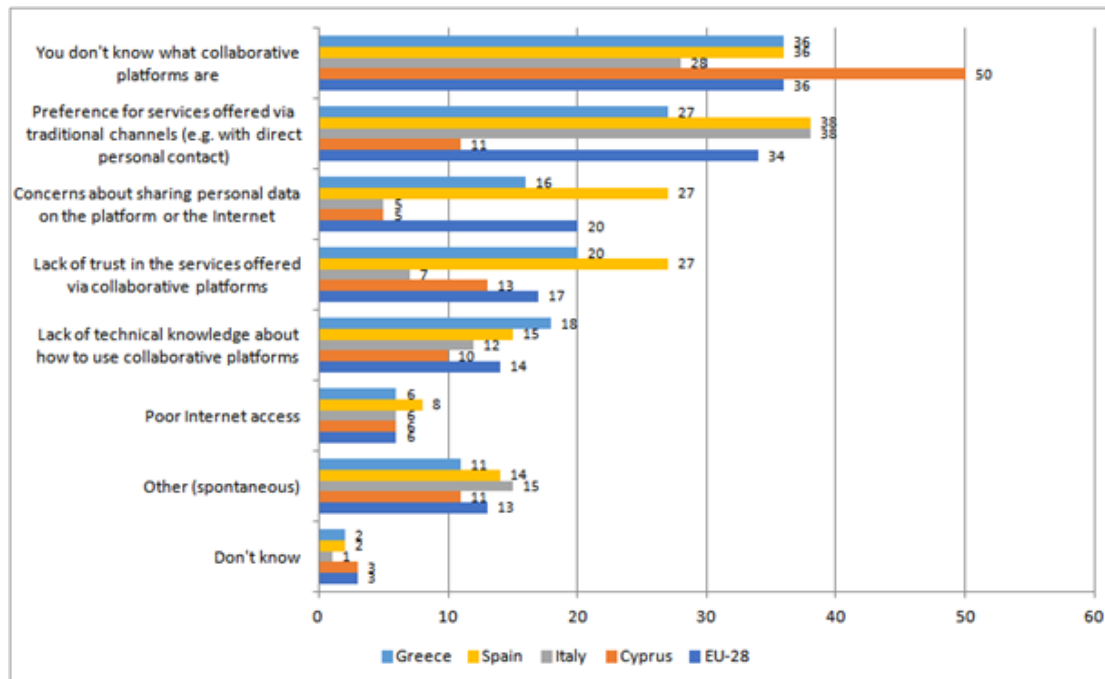


Figure 3.62: For which of the above reasons have you never used a service offered via a collaborative platform? (% multiple answers possible), Study regions – EU 28, 2018; source: Eurobarometer, compiled by the authors.

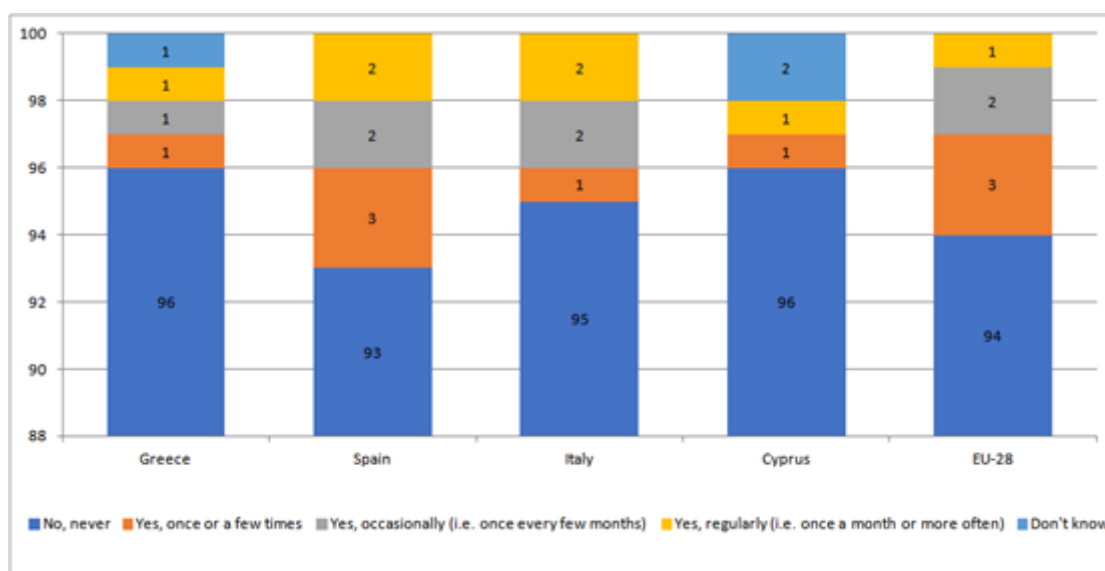


Figure 3.63: Have you ever offered a service via a collaborative platform? (%) Study regions – EU 28, 2018; source: Eurobarometer, compiled by the authors.

Only 6% of Europeans have ever offered services via collaborative platforms (Figure 3.63), with 3% offering them once or a few times, 2% offering them occasionally (i.e. once every few months), and only 1% offering them regularly (i.e. once a month or more often). Over nine in ten (94%) have never offered services via collaborative platforms. The percentages for the study regions are quite similar.

The services most commonly offered via collaborative platforms (Figure 3.64) are in the transport (44% on average in EU-28 and 52% in Spain) and accommodation sectors (35% on average in EU-28 versus 56% in Spain).

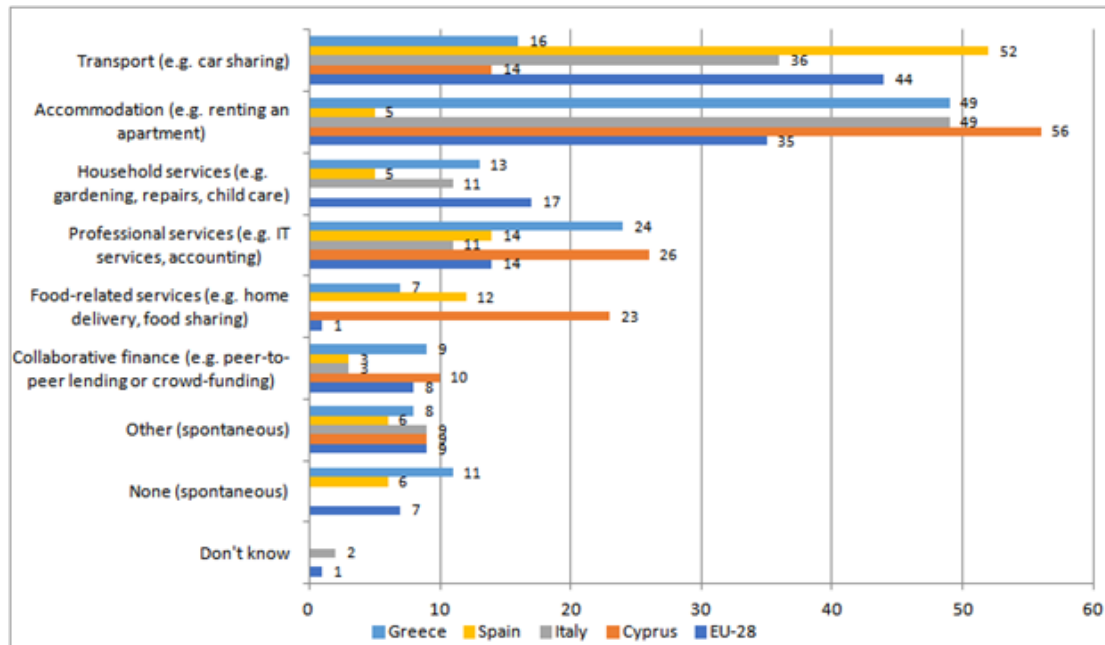


Figure 3.64: In which of the above sectors have you provided a service via a collaborative platform? (% multiple answers possible), Study regions – EU 28, 2018; source: Eurobarometer, compiled by the authors.

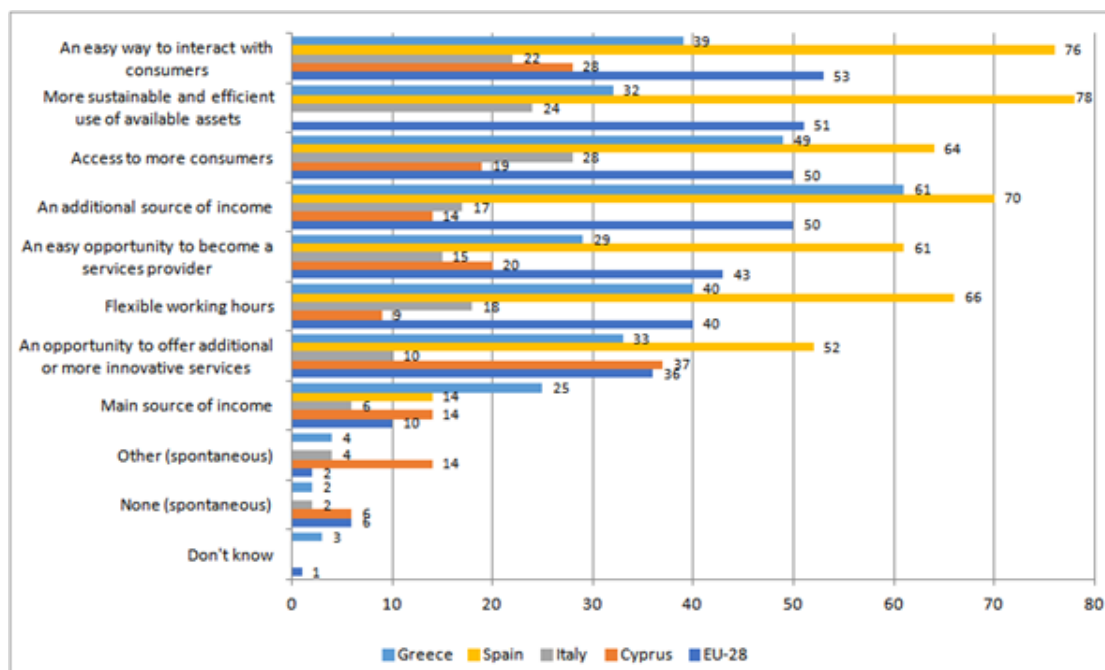


Figure 3.65: For which of the above reasons do you offer services via collaborative platforms? (% multiple answers possible), Study regions – EU 28, 2018; source: Eurobarometer, compiled by the authors.

Providers have a variety of reasons for offering services via collaborative platforms (Figure 3.65). Just over half claim that these platforms offer an easy way to interact with consumers (53% on average in EU-28, 76% in Spain) and a more sustainable and efficient use of available assets (51% on average in EU-28, 78% in Spain), while half refer that they give access to more consumers (50% on average in EU-28, 64% in Spain) and represent an additional source of income (50% on average in EU-28, 70% in Spain).

Nearly half of the respondents that are providers of services via collaborative platforms have encountered no problems when using these platforms (46% on average in EU-28). The problem most frequently mentioned (Figure 3.66) is the lack of clarity about how to provide the service legally (22% on average in EU-28, 42% in Greece and 34% in Spain), followed by complicated systems for paying tax and difficulties with customers using your services (both 19% on average in EU-28, but the first one about 30% in Greece and Spain).

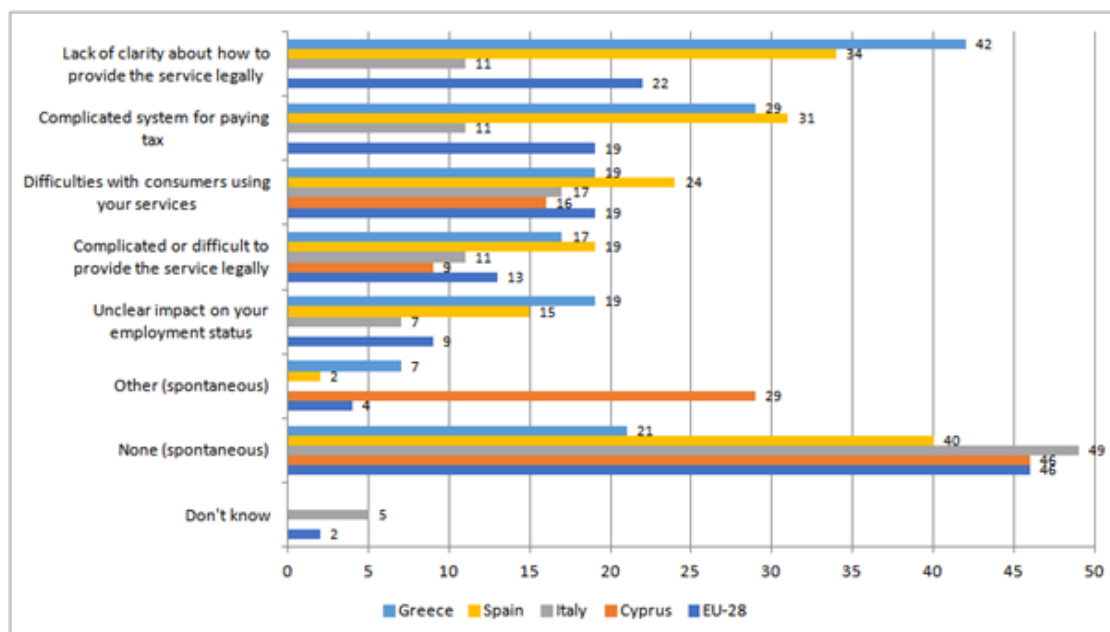


Figure 3.66: What are the main problems you encountered when providing services via a collaborative platform, if any? (% , multiple answers possible), Study regions – EU 28, 2018; source: Eurobarometer, compiled by the authors.

A majority of those who do not offer services via collaborative platforms (Figure 3.67) do not have the time nor the interest to do so (64% on average in EU-28 but the percentages are lower in the study regions). Just under a third (31%) state that they lack the technical knowledge of how to use collaborative platforms (42% in Spain and 37% in Greece), while around a quarter mention lack of trust in the online booking process or payments (25% on average in EU-28) and lack of trust in consumers' using their services (24% on average in EU-28 but these two percentages are higher in the case of Spain, both 35%).

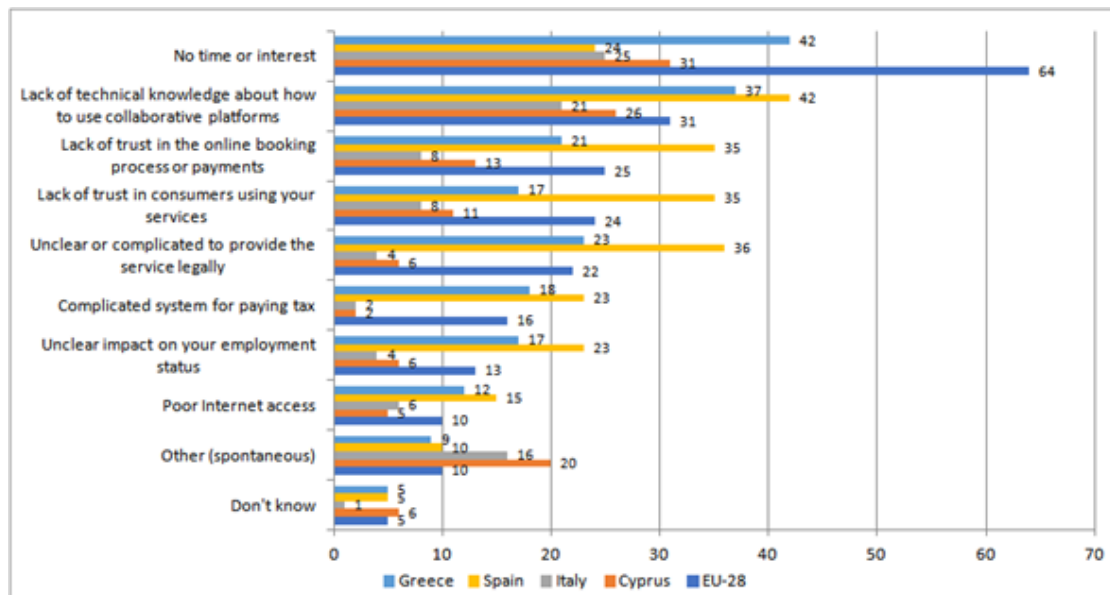


Figure 3.67: For which of the above reasons have you never offered a service via a collaborative platform? (%; multiple answers possible), Study regions – EU 28, 2018; source: Eurobarometer, compiled by the authors.

Nearly a fifth of respondents who have never offered services via collaborative platforms would consider doing so occasionally (19%), compared with nearly eight in ten (78%) who claim that they would not (Figure 3.68). These ratios are just under two thirds in Greece and Cyprus (both 65%).

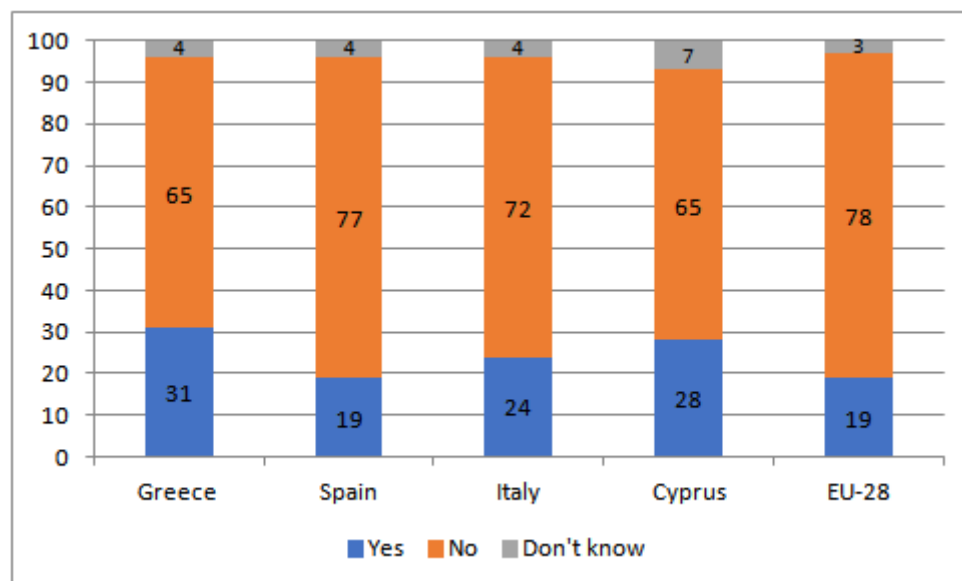


Figure 3.68: Would you consider offering services occasionally as a private individual via collaborative platforms? (%) Study regions – EU 28, 2018; source: Eurobarometer, compiled by the authors.

Based on the analysis of section 3.3, we reached the following conclusions:

- ❑ Nearly a quarter of Europeans have used services offered via collaborative platforms, mostly in the accommodation and transport sectors.
- ❑ Just under a quarter (23%) of respondents have used services offered via collaborative platforms, but very few use such services regularly, i.e. at least once per month (4%).



- ☐ Among those who have used collaborative platforms to access services, over half have accessed services in the accommodation (57%) and transport (51%) sectors, but few have accessed professional services (9%) or collaborative finance (8%).
- ☐ Among those who have used services offered via collaborative platforms, nearly nine in ten (88%) would recommend those services.
- ☐ A majority of users mention convenient access to services (73%), availability of user ratings and reviews (60%), the fact that services are cheaper or free (59%), and the broader choice of services (56%) as advantages of using collaborative platforms compared to traditional channels.
- ☐ Just under half (49%) see a lack of clarity about who is responsible in the event of a problem as the most significant disadvantage. More than one third also mention misleading ratings and reviews from other users (38%), misuse of personal data (37%) and less trust in the providers of services (34%). The least mentioned disadvantages are the fact that the services offered are not as expected (24%) and problems with the online booking process or payments (22%).
- ☐ For six in ten (60%) of the users of services offered via collaborative platforms, the use of these services did not impact the extent to which they continued using services offered via traditional channels. On the other hand, around one third (32%) of the users of collaborative platforms, say that the use of services via collaborative platforms has replaced the use of services via traditional channels to at least some extent. Very few Europeans have offered services via collaborative platforms, and almost one-fifth of Europeans who have not yet provided services via collaborative platforms would consider doing so.
- ☐ Only 6% of Europeans have offered services via collaborative platforms.
- ☐ When asked to identify the reasons for offering services via collaborative platforms, just over half of providers say that these platforms offer an easy way to interact with consumers (53%) and a more sustainable and efficient use of available assets (51%), while half say that they give access to more consumers (50%) and represent an additional source of income (50%).
- ☐ Conversely, when asked to identify the main problems they had encountered when providing services via a collaborative platform, nearly half spontaneously say that they had not encountered any problems (46%). The problem most frequently mentioned is the lack of clarity about how to provide the service legally (22%), followed by difficulties with customers using the services and complicated systems for paying tax (both 19%).
- ☐ Just under a fifth (19%) of those who have not provided services via collaborative platforms would consider doing so.

## 3.4 Discussion

### 3.4.1 Discussion for Social Economies

The synthesis of the national secondary data of the MED EEA Social Economy, emphasizes the wide discrepancies among the studied countries located at national and regional levels regarding the number of entities, the number of employees and the economic sectors of the Social Economy

activities. It is clear that out of the study countries, Spain is not only the 'strongest' field of Social Economy practices by far, when compared with the other countries, but is also a successful representative of the European Social Economy in general. At the same time, Greece and Cyprus appear quite weak at the national and transnational levels, according to the portion of their economies that the Social Economy has conquered. The important diversity in rates among the countries, with Spain keeping the dominancy, may accept a series of interpretations.

The public policies and their background, which have formulated the existing legal framework are the most significant shaping factors of the contemporary view of the presence of Social Economy in the study regions. Structural measures with definitional clarifications, governmental funding and taxation measures, financial facilities and technical support are some of the encompassed European political guidelines towards the development of this part of the economy. Such policies have been evolved within and formulated through the context of each country's historical, social, political, cultural, economic patterns and peculiarities with uneven spatial outcomes, based on their background of communal tradition of each country and region. The public consensus over the ways of functioning in the economy as an individual or a community may be a significant contributor to the adoption of the notion.

Spain and Italy apart from their economic dominance over the other two countries of the study regions, are historically familiar with the concept of Cooperatives, as well as associative and mutual societal experiences, since the end of the 18<sup>th</sup> century. Social Economy has been recognized in Spain since 1990 by various public institutions and the legal framework in the country has been in development and evaluation since 2004. For Greece, however, the concept of Social Economy has only received legislative attention in 2016, whereas in Cyprus, the first legislative indications are incredibly recent. Additionally, the diversity in approaches amongst partner countries further translates to the way of evaluating employability and number of employees as well as constitutions and articles of association for social enterprises. Furthermore, there are significant differences in sectoral definitions amongst countries; for example, as discussed above for Greece, agricultural associations are not considered parts of Social Economy in certain countries, while in others like Spain they are. Therefore, comparisons involving the agro-sector between the two countries are uneven.

The Mediterranean regions are sites of more significant exclusion, even though they are fully incorporated parts of the EU and the global capitalist economy. This exclusion translates to higher fragmentation, unstable employment and underemployment and labor-focused welfare provisions across cities and regions. A literature review, along with data analysis, has revealed that public policy plans are existent for a long time in countries where Social Economy is widely recognized and is economically robust. In contrast, in countries where the institutional sector has only been discovered by the government in the last decade, regardless of some components, i.e. cooperatives, being recognized for a long time, specific supporting measures are still rare and often pushed by European policy.

Research thus far has shown that Social Economy expansion has led to increases in job numbers resulting in resilient entities with survival rates towards a crisis similar to or better than those of mainstream businesses. However, it should be noted that the entities are mostly growth-orientated, based on profit-driven business models, with the voluntary communal work for the

solution of social problems remaining an exception; people that are involved in offering voluntary work and participating in nonprofit activities appear to be far fewer (Annual Report of the Special Secretariat for SSE in Greece, 2018). This leads to the hypothesis that one main motive behind the establishment of a social enterprise and the involvement in Social Economy, in general, may be the minimized obligations to increasing social welfare contributions (taxes labor related, security provisions, and other). Both the increase in employment rates and the type and quality of employment also remain questionable, due to lack of research and adequate evidence on working hours and work-life balance. Assumptions or expectations concerning this dimension of job quality cannot be documented. The question, therefore, remains as to whether active supporting policies can achieve to formulate employment in the Social Economy as an alternative to the social welfare state.

In conclusion, the data indicate that Social Economy constitutes a growing progression of this part of the economy. Nevertheless, its adoption is not comprehensive or successful enough to constitute a radical solution to unemployment and social inequalities, instead of serving as a financial and social crisis absorber.

### 3.4.2 Discussion for Sharing Economies

All secondary data presented herein on the Sharing Economy in the study regions derived from official EU sources, i.e. Eurostat, European Commission, and other sources, because there is a lack of national databases except for Spain and Italy. In Spain, the National Commission on Markets and Competition (CNMC in Spanish) is a public entity with an autonomous legal status that promotes and defends the proper functioning of all markets, in the interest of consumers and businesses. Additionally, in Italy, Collaboriamo is an Italian organization that provides consultancy for collaborative platforms.

The level of development of collaborative economy more specifically, the indicators of the number of Sharing Economy platforms, the revenues, and the employment, are quite different in the study regions and the EU-28 countries. Spain and Italy belong to the seven largest collaborative economy markets in the EU. These seven markets encompass about 80% of the total collaborative revenues of the EU-28 in 2016. The collaborative economy in Greece plays a significant role in the overall economy performing above the EU-28 average, whereas in Cyprus, it plays a relatively minor role in the overall economy. The percentages of persons employed in Sharing Economy enterprises per sector are different in the study regions and EU-28 especially in the Accommodation sector (50% in study regions compared to 29% in EU-28) and in the Transport sector (11% in the study regions compared to 32% in EU-28).

The demand of Sharing Economy based on the survey conducted on ICT (Information and Communication Technologies) usage in households and by individuals in 2018 indicated that approximately 1 in 2 individuals aged 16 to 74 arranged accommodation from another private individual via a website or an app in Spain (24%) and 1 in 5 individuals in Italy (19%). In contrast, Cyprus registered the lowest rate (only 3%) among the Member States for which data is available, followed by Greece (8%). In the online Accommodation and Transport sector, booking from another private individual tends to be more popular among the younger generation (23% and 19%

respectively of those aged 16-24), but in the case of accommodation arranging from another private person was also common among individuals aged 25-54 (22%). Additionally, Spain has the highest percentages for accommodation and transport services; Italy has near the average of the EU-28 Member States while Greece and Cyprus have the lowest percentages. The secondary data for the demand of Sharing Economy in study regions follow the supply of this kind of economy. In all 28 Member States, only a minority of respondents (under a quarter) have used services offered via a collaborative platform, especially in the accommodation, e.g. renting an apartment and transport sectors, e.g. car sharing. Nearly nine out of ten would recommend those services. The users of services via collaborative platforms for the study regions in 2018 reported as the most critical advantages of platforms compared with traditional channels, the more convenient access to services and the cheaper or free services. On the other hand, the most referred disadvantages were the lack of clarity about who is responsible in the event of a problem, misleading ratings and reviews from users and the misuse of personal data. The most frequent reason for not using collaborative platforms is that they do not know what such platforms are.

Nearly two-thirds of the people who do not offer services via collaborative platforms do not have the time or the interest to do so, yet these percentages are lower in the study regions. Just under a third refer that they lack the technical knowledge about how to use collaborative platforms. Currently in Greece, the collaborative economy is lightly regulated. In Spain, the growth rate of the Sharing Economy seems unstoppable, although it lacks a comprehensive general legal framework; several legal initiatives have already been in place, creating a starting point. In contrast, the government of Cyprus and formal authorities are only now addressing the growth of a collaborative economy on the island, with the initiation of specific legislative measures.

Even though the concept of the collaborative economy is not new, there is a lack of official statistics or reports regarding the status (supply, demand, and regulation) of a collaborative economy commonly in all the study regions. From the analysis of the collected secondary data, it seems that there is a lack of knowledge of what sharing platforms are and lack of technical knowledge of how to use them; yet, there is an increase in users because it allows them to increase their income by taking advantage of the resources they have available. Consequently, new platforms created over time have a similar impact on revenues and employment.

## 4 STUDYING NEETs VIS-A-VIS SOCIAL ECONOMY: A PRIMARY DATA ANALYSIS ACROSS THE SOUTHERN MED EEA REGIONS

Below we scrutinize the profile of the Social Economy in the target areas through primary data analysis and by utilizing the methodology described in Chapter 3. It focuses on interviewing and analyzing the experiences of local stakeholders and key informants in the study regions, based on a common structured framework for all four countries. The qualitative research aims to complement the quantitative aspects presented above by investigating unexplored aspects or facets and by focusing on employment patterns within the Social Economy.

Moreover, the chapter in hand examines the aims (social and entrepreneurial), motives, difficulties, and effectiveness of public policies regarding Social Economy, at a transnational level of analysis. The collection of primary data is based on mixed questionnaires, with open-ended and closed questions, to aim to answer the research questions. In what follows we present the general framework and the research questions, the planning of the fieldwork and the development of the questionnaire, the results of the analysis and, last but not least, the synthesis and the discussion of the analysis.

### 4.1 General framework and the research questions

The systematic examination of the Social Economy requires primary data collection and analysis structured on a standard pattern for all four countries. Qualitative research, implemented in a feasible way for all countries, aims at comparable data collection and in-depth transnational analysis of the phenomenon. Analysis herein of the Social Economy expansion in MED EEA, the connection with youth unemployment, the effectiveness of public policies and regional diversities of the phenomenon, does not aim to either verify or reject any specific theory. Rather, analysis of primary and secondary data act as formulating factors of the theory related to the phenomenon in the study regions.

Therefore, the methodological framework for the present qualitative research is based on theoretically informed empirical research, more specifically, on the methodology of Grounded Theory. The objective is to develop theory from data rather than the other way around. Specifically, to move from the specific to general, showcasing how both data and theory are combined and interconnected. Grounded Theory is evaluated as the most appropriate research method for this purpose. Strauss & Corbin, authors of the *Basics of Qualitative research: Grounded Theory Procedures and Techniques* (1990), are two of the model's greatest advocates, and define it as follows: the grounded theory approach is a qualitative research method that uses a systematic set of procedures to develop an inductively derived grounded theory about a phenomenon. Thus, the primary objective of grounded theory is to develop upon the explanation of a phenomenon by identifying its fundamental elements. The following step is the linkage between the existing relationships of those elements and the context and process of research. In other words, the final goal is to go from general to specific without losing sight of what makes the subject of a study unique. Grounded Theory is related to the qualitative aspect of research, based

on the quantitative one. Hence, our research is structured to provide answers to the main research questions which were not satisfactorily answered through the secondary data analysis and the literature review. The research questions which formulated the core of our research are developed below.

The main research questions that qualitative research is aiming to answer have emerged through the previous procedures and stages of this study. The questions are formulated and organized within specific categories regarding the issues of interest. The focus of the primary analysis lies within the connection between Social Economy practices and employment structures. The research questions are presented below.

#### Profile of the enterprises

- ☐ Are there regional/spatial differences among social enterprises in terms of the number of entities, size, revenue, and sectors?

#### Employment structures

- ☐ How is the expansion of the Social Economy amplifying youth employment? Is Social Economy a solution to youth unemployment? Will the expansion of the Social Economy have a positive impact on youth unemployment (i.e. help in reducing NEETs rates)?
- ☐ Is Social Economy related to precariousness in employment? Does the Social Economy reproduce precarious working models?
- ☐ Does Social Economy constitute a preparational step for the (re)entrance in a formal economy?

#### Legal status

- ☐ Do registered social enterprises represent the whole of Social Economy entities in the studied countries?

#### Aims and activities

- ☐ Does the majority of social enterprises aim to address social challenges or are they typical enterprises (benefited by the Social Economy legal framework)?
- ☐ Does the Social Economy tackle anyhow women unemployment and exclusion from the labor market?
- ☐ Does Social Economy foster refugee and asylum seekers' social integration?
- ☐ Are NEETs encouraged to get involved in the Social Economy and how?

#### Interaction with other entities and partners

- ☐ Are social enterprises operating within a network of similar entities and partners sharing common values?

#### Financial activities

- ☐ Which are the major economic sectors of contemporary social enterprises?

### Challenges in the operation, management

- ☐ What are the main challenges that social enterprises are facing and are responsible for the moderate expansion of the sector?

### Promotion of Social Economy these enterprises are facing

- ☐ Do the present legal frameworks of the studied countries promote a productive Social Economy?
- ☐ Is Social Economy supported anyhow by international organizations (e.g. European Union)?

The methodology is presented below, while the questionnaires used for the operationalization of the research are described in the following section and listed in the Annexes (Annex of Qualitative Research).

## 4.2 The questionnaire

The qualitative research is based on a mixed questionnaire of both closed and open-ended questions for in-depth interviews with the stakeholders, in such a way that they would offer answers to the main research questions of the study. The questionnaire is analytical and flexible. It was developed based on the principle that we are mainly trying to evaluate and understand the motives and the operating procedures of a social enterprise; its interaction with NEETs, disadvantaged groups and society; and the effectiveness of public policies towards it, in general, rather than to quantify and measure them.

The questions facilitate the in-depth investigation of aspects and issues, through experiences, concepts, and practices. There are both open-ended (i.e., divergent) and closed (i.e., convergent) questions meant to organize and categorize the broad spectrum of the information collected. The closed questions allow for brief responses. The open-ended ones allow for detailed responses and the elaboration of not anticipated answers, which may provide valuable information that could, otherwise, be considered irrelevant. The interviewees are encouraged to develop concepts and experiences. At the same time, continuous comparisons contribute to the elicitation of detailed information and the orientation of the analysis, for the facilitation analysis. The combination of these interview tools has provided the desired result. Same type of information from all respondents is elicited, through the grouping of questions and the respective answers.

The questions are grouped based on the general features of the enterprise and the respondent, employment structures, aims and motives, challenges occurring through the involvement in social economy, and the criticism of the public policies. The possibility of further cooperation with the YOUTHShare project is also examined. This structure is helpful for the adequate implementation and normal flow of the interviews. The responses are organized in conceptual groups for the analysis, considering the general profile of the enterprises and their employment structures, their legal status, their aims and activities, the interaction with other entities and partners, their financial activities, and the challenges they are facing, which are resolved in the next subchapter.

The questionnaires were tested through 2 pilot interviews to check their rationality and the effectiveness of the conversation flow. The structure of the questionnaire was evaluated to approach trustworthiness and credibility of the procedure while focusing on descriptive, interpretive, theoretical and evaluative validity. The feedback from the pilot interviews modified its structure and formulated the final questions. During the whole procedure, the reevaluation of the methodological steps progressed recursively, rather than in a linearly.

Most of the interviews were recorded after each participant's consent, given the terms of confidentiality. Supplementary notes were kept during the interviews to point out crucial information. The interviews were conducted through face-to-face meetings, skype or phone meetings, depending on availability and accessibility. Their duration varied between 40 minutes to 2 hours. All recordings were transcribed into digital files (digitized questionnaires in google form) after the interviewing procedure and tentatively studied in depth to have a general picture of the answers given. The quantitative data deriving from the interviews was examined through statistical analysis. Analytical abstracts occurred out of every interview, which constituted the preparative step for coding. Each respondent's answers were constantly compared with others, through different dimensions, for the categorization and the formation of the hypothesis and the generation of the theory. The results of the statistical and the grounded theory analysis are presented and translated into maps, figures, tables, and diagrams, in order to have a clear imprint of the Social Economy expansion and its interrelationship with youth employment in the study areas.

The formation of the sample for the data collection is based on the theoretical sampling methodology. The sample consists of a deliberate and directed selection of social enterprises to deduce to the core category of variables and the theory as a whole. The decided methodology includes the collection, coding, and analysis of the data while aiming at the generation of the theory. For this purpose, the criterion sampling among all qualitative sampling approaches proved to be the most appropriate one. Through that procedure, participants who met specific criteria were identified, and from those 7, or so, were finally selected from each country (total 28) to be interviewed and to provide the demanded information. Thus, the sample is not representative, but the aim is an in-depth analysis and not a general mapping of the phenomenon. Moreover, the sample was not selected randomly; it rather depended on the availability and consent of the participants that were willing to contribute to the research, after fulfilling the main criteria of the methodological framework.

The criteria for the selection of the entities are regional (spatial) and sectoral, and also the criteria of size (human resources and financial activities), of legal status (entrepreneurial or social aims, for-profit or nonprofit) and financial success. The purpose is to avoid focusing on enterprises that are concentrated in specific regions but to choose enterprises from different regions which also vary in population, economic activity, and legal forms, to attain a broad view of the phenomenon. However, in some countries, after the implementation of 7 interviews, it was decided to expand the sample for better regional and sectoral implementation of criterion sampling. Therefore, more interviews took place in some countries. The focus upon regional and sectoral representativeness of the social enterprises of the sample does not coincide with the



generalizability of the findings of the study since this the conclusion drawn from the interviews will only be qualitative.

In the same token, the interviewed enterprises neither are of the same size, regarding the numbers of members, employees and the revenue, nor operate in the same economic sectors. Regionally, the interviewees were selected from areas in insular and coastal regions of MED EEA and from economic sectors, such as agri-food, tourism, and those which are relevant to and pertinent in 'the circular economy', under the conceptual aim of analyzing the effectiveness of Social Economy of resilient economic sectors against youth unemployment.

Apart from the above 28 interviewees, there is an additional sampling group consisting of 4 key interviewees, one from each country, who are deeply involved in the Social Economy not as social entrepreneurs but as key stakeholders. In this case, the region is not of great importance.

Throughout the interviewing procedure, some interesting features emerged. The individuals involved in the Social Economy were usually willing to expose their experiences, values, and goals thoroughly; that was a pivotal factor for the long duration of the interviews. The interviewees are individuals with specific strong positions on the relevant issues. Due to the general blurring or negative sometimes view/consensus on Social Economy, the interviewees seemed eager to communicate their activities and differentiate themselves from negative examples connected with Social Economy. There is an explicit self-identification based on the importance given either on the 'social' or the 'entrepreneurial' aspect.

Another interesting point, deriving from the previous one, was the interviewees' tendency to 'reject' one part of the questionnaire, not always the same part. Respondents focused on the functionality and effectiveness of their social enterprise as a business model often disregarded the parts of the questionnaire that referred to the social aspects. Other respondents emphasized the importance of the contribution of Social Economy, and their own, more specifically to the society, by paying great attention to the relevant questions and the values they represent.

## 4.3 Results of the analysis

The answers are organized in conceptual groups for the analysis, according to the questionnaire structure. These groups are based on the general profile of the questioned enterprises and their employment structures, their legal status, their aims and activities, the interaction with other entities and partners, their financial activities, and the challenges in the operation, management, and promotion of Social Economy. The synthesis of the national profile of social enterprises is completed in the following subchapter for each country to be comparable.

### General profile and employment structure of the interviewed social enterprises

We completed the profile of the interviewed enterprises by providing information regarding age, size, annual revenue, region and geographical area of operation. Indicatively, size refers to the total number of members and employees engaged in each Social Enterprise. We also present information on the share of young people, women, migrants and NEETs among the members and employees. This section also includes information regarding the types of employment contracts

and participation in employment programs. The enterprises, according to the numbers of members or employees, are characterized as small (1-4), medium (5-10) or big (over 10). According to the year of establishment, social enterprises are characterized as old (before 2010) or new (after 2010). Moreover, the questioned enterprises are characterized as small (between €0 and €10,000), medium (between €10,000 and €100,000) and big (over €100,000), according to the annual revenue of the previous year. Most of the enterprises were established between 2013 and 2017. Additionally, within the sample there are different sizes of enterprises regarding the numbers of members-most of them are of medium size (5 members); employees-most of them are of small size (Figure 4.1); revenue of previous year-most of them are profitable enterprises of big size, with revenue over €100.000 (Figure 4.2).

How many persons are employed (full-time or part-time) within your enterprise in total?  
25 responses

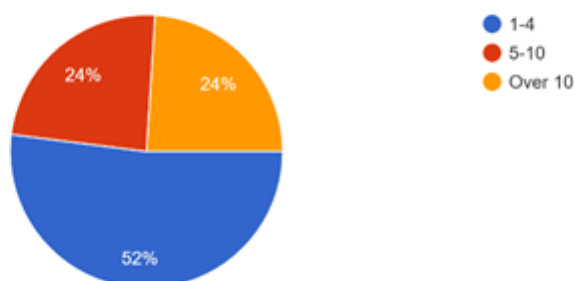


Figure 4.1: The percentages (%) of the questioned social enterprises according to the numbers of their employees (full-time and part-time); source: Compiled by the authors.

In most enterprises, the members are also employees. There are significant numbers of young people and women within members and employees. Most of the employment contracts are full-time-fixed-term and have not participated in employment programs. Additionally, is a high percentage of rural enterprises operating at local and national level, with no expected change in numbers of employees.

What was the annual revenue of your enterprise during the previous financial year?  
25 responses

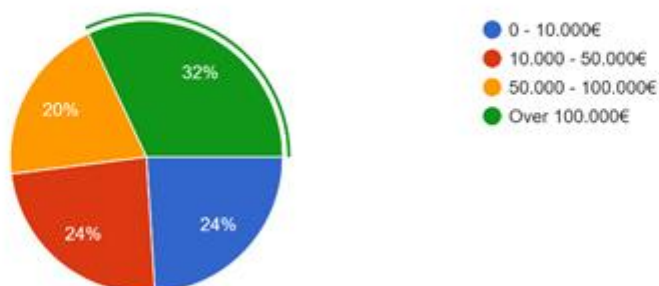


Figure 4.2: The percentages (%) of the questioned social enterprises according to the numbers of their annual revenue; source: Compiled by the authors.

### The legal status of the interviewed social enterprises

The status of participating enterprises regarding their legal form and their official participation in the national Registry, the awareness of the legal framework, the decision making processes within the enterprise and the fundamental differences, were also discussed by the interviewees. Some of the participating social enterprises are Social Cooperative Enterprises, some are Urban Nonprofit Enterprises and most of them are registered and are aware of the national legal framework (Figure 4.3). The difference between conventional and social enterprises is mainly identified within their aims as are stated in their articles of association and specifically the status of the former as for profit and the latter as non-profit. Another prominent difference rises in the ways an enterprise operates, often social enterprises have a more democratic structure within members and employees. Finally, there is a significant difference in the demanded initial investment, with conventional enterprises requiring much higher capital.

Are you aware of your national/ regional laws (e.g. Law 4430/2016 for Greece), referring to the establishment and regulation of Social and Solidarity Economy entities?  
29 responses

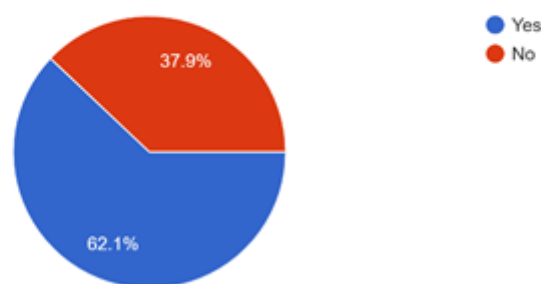


Figure 4.3: The percentage (%) of the questioned social enterprises who are aware of the current national legal framework of Social Economy; source: Compiled by the authors.

Some indicative quotes of interviewees, regarding the specific group of questions, are shown below:

- ❑ *“Social entrepreneurship, in practice, is much more difficult than typical enterprises since there is a heavily controlling legal framework which is stifling for management.”* Stella, Greece
- ❑ *“A democratic way of functioning, cooperating is a way of thinking which is much more effective, nobody can do much on his own, we do not believe that when you are not co-operating you can do much, Social Economy lies between the private and public sector, and this is what works for us more. We believe in down to top ways of organizing.”* Michalis, Greece
- ❑ *“Conventional enterprises do not see the worker as a person. They only see the profit margins. Social Economy helps not to destroy the world and the people. Conventional enterprises will suck all the energy of the environment and human beings.”* Sara, Spain
- ❑ *“The inner model. You are not just a worker. There is no capitalist hierarchy but a confederation of people. Participation is much more open. You are more efficient because you work for yourself; you are part of the business. There are more difficulties under this*

*umbrella of a social enterprise. Nobody who doesn't share a bit of this social philosophy chooses this type of company.” Jon, Spain*

- ❑ *“Conventional enterprises have no bond with the workers. You can be fired when they want. No certainty is provided to the workers. Cooperativism is cooperation. It is essential to help the other to achieve the common goal. In social enterprises, workers and members are synonyms.” Antonio, Spain*
- ❑ *“I do not think that in reality, there is a big difference. It is too easy to take advantage of the situation. The social enterprises have less economic opportunities than conventional, and that pushes them into not being as perfect as they should be.” Violeta, Spain*

### Aims and activities of social enterprises

This group of responses targets the aims and motives for the involvement in social enterprises and their activities.

The aims of the social enterprises may be social (social integration of migrants or disadvantaged groups of people, job creation, activation of people with health problems, promotion of the local market, legal support for employees, free expression, battle against unemployment of women, work protection, promotion of culture, sustainable supply chain systems), environmental (recycling, consumption modes, ecological material, electric mobility) or the promotion of Social Economy itself.

The operation of social enterprises benefits some groups of disadvantaged people (migrants, the unemployed at large, unemployed women, socially excluded groups, NEETs, people with health problems), local community, members and employees of the enterprises.

The activities vary within the primary sector, manufacture, trade or agri-food trade activities, and services consisting of education, training, accommodation or entertainment, cultural services, research or web design, management, healthcare services, social welfare activities, and social-educational-assistance services.

The motives for involvement in Social Economy are mainly social (communal spirit, integration of vulnerable groups, employability of women, help for disabled and elderly) (Figures 4.4 and 4.5), political (promoting alternative solutions to the refugee problem), ecological, operational (alternative business model, democratic procedures, equality rights, voluntarism, communal experiences, stable legal form) and practical (financial profit, job opportunities).

Are there any efforts by the enterprise to combat unemployment and social exclusion of young women?  
29 responses

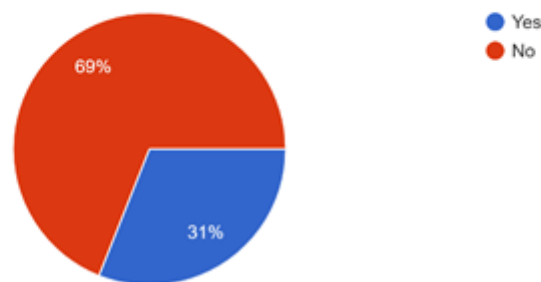


Figure 4.4: The percentage (%) of the questioned social enterprises targeting the social exclusion of young women; source: Compiled by the authors.

Are there any efforts by the enterprise to combat unemployment and social exclusion of refugees and migrants?  
29 responses

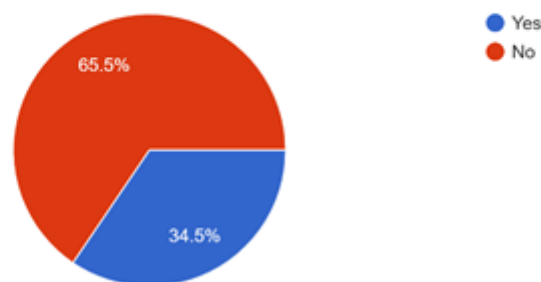


Figure 4.5: The percentage (%) of the questioned social enterprises targeting the social exclusion of refugees and migrants; source: Compiled by the authors.

Some indicative quotes of the respondents, regarding the specific group of questions, are shown below:

- ❑ “We are all women. We did not need to focus on any specific policy for that.” Isa, Spain
- ❑ “We are aiming at helping migrants and asylum seekers get trained, educated, enter the labor market and get integrated. We have Greek and English courses for migrants and disabled people, Kalotropio works as an incubator for those people to create social enterprises of their own.” Vasiliki, Greece
- ❑ “We create space where families can interact with migrants, we help them to create a support network with the mothers, we organized joint activities with other social agents on migration, and we spread the message by a program in the media at the local level.” Violeta, Spain
- ❑ “Alternative business model of labor reproduction, support of Social Economy entities, activities in local society. There are two concepts around Social Economy. Some create a social enterprise in a sneaky way to get more jobs and direct assignments for public projects, avoiding security provisions. There are also those who believe in what they do,

they are ideologists, the ideologists either believe in the activity/subject (recycling for example), or they believe in democratic procedures, like us.” Antonis, Greece

- ❑ *“To convince people that practically there may be given other solutions to the refugee problem, there may be some opportunities for humankind and psychology. The motive is also political; the implementation of the current agreements and policies constitutes plain verbalism and nothing more than that. This bilingualism has to stop. The policies are based on charity. The current policies degrade and urge migrants to remain idle and towards marginalization. The European supporting Funds operate based on short-term planning. We cannot expect all these people to be supported by funding only, while they cannot under these circumstances be integrated into the European framework since they derive from completely different cultures.”* Lena, Greece
- ❑ *“We got involved for practical and not ideological reasons, and this is what separates us from the other social enterprises. We used it as a tool for what we wanted to do. We wanted an affiliation to go for publications, we were also looking for a job, we needed a legal status (fiscal code) to be able to get funding programs, and also as a lawyer, I was not able to be part of any other kind of enterprise. Also, the closest to what we already do, the involvement with the commons through social research, we 'steal' the collective imagery, as a legal form is a social enterprise, we do not make an actual profit out of it, we earn from the procedure of collection of our cultural heritage. Moreover, we are proud of this.”* Ioannis, Greece
- ❑ *“Moral reasons are the most important. If nobody does anything away from the usual path, nothing is going to change. If we want a fairer and freer world, we have to work in spaces where everybody is a person and not a number. Because this settles a network, it moves the focus on the economic profit to the people and helps us to contact more people with the same ideas.”* Isa, Spain
- ❑ *“The social enterprise is a company that operates in the social sphere. Over the years I have always been part of voluntary associations in the area and the social enterprise today as yesterday is the company form in which ethics plays an important role in the development of social policies from the bottom. Helping others is a non-profit enterprise and is the best job satisfaction.”* Anna, Italy
- ❑ *“There is no hierarchy, and if you do not work, you will not earn any money. It is not a pyramid. Maybe not from an external but internal perspective. Coherence is the way of thinking. Profits do not guide the procedure as it happens in other models. The external perception of it is important, especially in our region.”* Jon, Spain
- ❑ *“I needed to get involved with the integration of vulnerable groups from both sides (the integrating group and the society they integrate with). The meaning of community is very intense, not a vulnerability but power. Work in the community that could not be achieved otherwise. From the previous framework I was working in, I was getting feedback, but I did not fit well there; we were making them dependent. I believe it is very nice when one who is at a stalemate manages to find the way, through this, to get out of it. It is very creative and comforting for his/her soul.”* Katerina, Greece

### Interactions with other entities and partners

The questionnaire aims to map the networks among the social enterprises themselves and the social or operational criteria for the creation of partnerships.

The social enterprises interact with universities, research centers, municipalities, private merchandisers and entities, and public entities, international organizations, trade unions, local community unions, legal persons of private and public law and other social enterprises, banks, publishing institutions, producers, trade or cultural associations and voluntary associations.

Their partners are chosen on criteria of shared social, political, environmental values and financial visions, communal functioning and aims of social economy, trust, reliability, locality standards, and criteria of quality and price primacy (meritocracy) in other cases or on the availability of products, fair trade, and proximity standards and the respect of employees' rights.

### Financial activities of social enterprises

The questionnaire aims to obtain information regarding the revenue sources of the social enterprises. Information obtained includes the financial success of previous years, the next year's expectations and the ways of using the profits or surplus.

The questioned social enterprises are either profitable or not, based on the revenue of the previous year, with most of them recording a profit (Figure 4.6).

What were the financial results of the previous year?  
29 responses

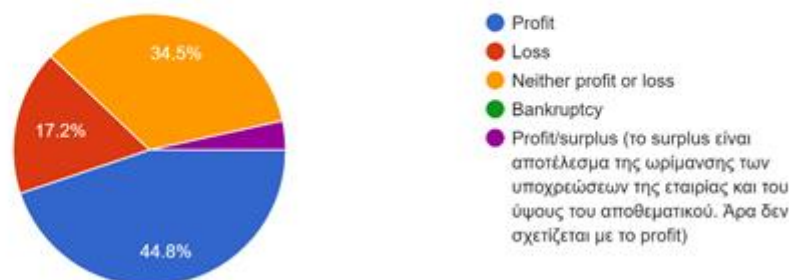


Figure 4.6: The percentages (%) of the questioned social enterprises according to their financial results of the previous year; source: Compiled by the authors.

Their primary revenue sources are transactions with private and public sectors and trading services and funding in cash, cooperative shares, commercial activity, personal budget and funding programs, financial assistance of the members and the members' employers and the sales of products, members' fee, sales of products and public resources.

Most of them received establishment funding (last year and subsequently), either private or public, in the form of cash, donations in kind or cash, loan, and credit in the form of overdraft. Some of them have participated in employment programs.

Their profit/surplus is mainly used in facilities and equipment. It is also used in investment through new job creation, education/training, distribution among the employees, in reserve and distribution among the members (Figure 4.7).

How do you mainly use your profit/surplus?

26 responses



Figure 4.7: The percentages (%) of the questioned social enterprises according to the use of their profits; source: Compiled by the authors.

Most of the social enterprises expect financial profit next year in the form of revenue from expected funding from programs, more advertisement and new ventures, an increase in sales, geographical expansion of the market, new products and services, training of employees as a service, new producers and increase of sale prices, the creation of an association, estimated increase of the number of members and due to the impact of the previous investments. Others are expecting financial loss next year or even closure due to the “new international crisis that is coming”, competition, or climate change.

#### Challenges faced by the questioned Social Economy enterprises

In this section we group the responses regarding the main obstacles that the questioned social enterprises face, their belief in the potential further development of the sector and the public policies' contribution to that purpose.

The questioned social enterprises are facing financial obstacles due to small markets, competition, inconsistency of funding and the continuing economic crisis, administrative expenses due to bureaucracy and taxation, the legal framework and the political exploitation of the Social Economy movement, operational and social obstacles due to lack of awareness, and public skepticism. They mainly believe that there is potential for further development. There is consensus that existing policies are not contributing to the healthy functioning of social enterprises (Figure 4.8).



Do you believe that the existent public/state policies contribute to the development of Social Economy enterprises and of Social Economy in general?  
29 responses

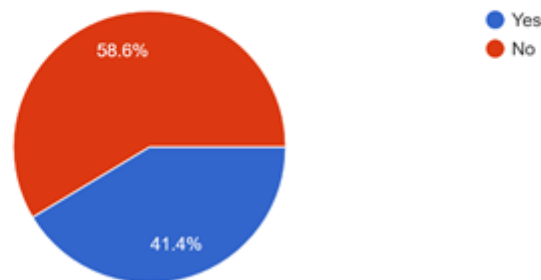


Figure 4.8: The percentage (%) of the questioned social enterprises that believe the existing public policies contribute to the development of the sector in general; source: Compiled by the authors.

Some indicative quotes of the respondents, regarding the specific group of questions, are shown below.

- ❑ *“There is great disbelief against social enterprises (public consensus); they do not promote their legal form in public, prejudice, and obstacles from official public entities and organizations.” Antonis, Greece*
- ❑ *“There is a distorted image and mistrust about the Social Economy. It is entering society and public culture. However, people believe the Social Economy is near them, and they identify themselves with it.” Stella, Greece*
- ❑ *“We need people to have awareness. We need to stop predatory enterprises and support those companies who care about people and life. Meanwhile, public funding mostly goes to activities/people/entities that go against such a goal. We lack awareness and bravery.” Maria, Italy*
- ❑ *“The legal framework, especially immigration law. The administration does not fight for our rights and the clients know that most of the members are in so much need that they push them to accept conditions under illegal conditions.” Sara, Spain*
- ❑ *“No. It seems that this talk is senseless. The change will not come. The importance of the local government is crucial, and they do not help as much as needed. I guess there are other models, but they do not use them. However, public administration should help much more because they are able and the key to achieving it.” Pedro, Spain*
- ❑ *“We did not have any kind of training in social enterprises. Social Economy was promoted as company models for self-employment. However, we were not entrepreneurs and did not know how to run an enterprise; we did not have a business plan. A business plan is crucial for the establishment and operation. Running a company is not the same as being on your own as a freelancer, it’s a constant struggle, you have to have your mind on the market, on legal and tax issues, GDPR, marketing, business development. The operation is much more difficult than a typical enterprise because there are specific regulations regarding our profit and the way of investing it. Funding also is a major issue. All banks follow the policy of not providing loans to social enterprises while being a social enterprise does not contribute to funding from other organizations. Social Economy in Greece is only*

*symbolic, it reduces unemployment technically but not substantially, it is a political game. Moreover, social cooperatives have negative consensus, and we are facing obstacles from the public bodies in operational issues.” Ioannis, Greece*

## 4.4 Synthesis and discussion of the findings

The Social Economy profile for each studied country was formulated through the analysis of the responses gathered through the questionnaires.

### Country descriptions

All of the **Greek** enterprises questioned are new. Most of them are medium sized with few in the “big” category. Revenues range from small size to big. Most of the members, including a high proportion of women, are employees at the same time. Most of the employment contracts are full-time fixed-term. Most of the enterprises have not participated in employment programs. Most of the Greek social enterprises are insular operating at a local and national level.

Half of the questioned Greek social enterprises are Social Cooperative Enterprises, and the other half are Urban Nonprofit Enterprises. All of them are registered and are aware of the national legal framework. The differences between conventional and social enterprises are mainly detected within the aims of the enterprise regarding profit and its use, the initial capital and the ways of operating (democratic decision-making processes in social enterprises).

The aims of the questioned Greek social enterprises are social: the social integration of migrants or disadvantaged groups of people, job creation and the entrance to the labor market; environmental: recycling, alternative/circular consumption modes, use of eco-friendly material; or the promotion of Social Economy itself. In addition, employability and financial profit for the members and employees constitute the aims of some social enterprises. Groups of disadvantaged people (migrants, unemployed people, socially excluded people), the local community, members and employees of the social enterprises benefited from their operation. Their activities are in the production within the primary sector, manufacture, trade, and services of education, training, accommodation, research or web design. The motives for the involvement in Social Economy are mainly social: the need and the experiences of a communal spirit, the integration of vulnerable groups and the enhancement of women employability; also political; alternative solutions to the refugee problem, ecological, operational; the implementation of alternative business models, democratic procedures, equality in working conditions and practical; the financial profit and the creation of job opportunities for the stakeholders.

The questioned Greek social enterprises interact with universities, research centers, municipalities, private and public entities, international organizations, trade unions, local community unions, legal persons of private and public law and other social enterprises. The ways of choosing partners include criteria of shared social, political, environmental values and financial visions, communal functioning, and aims of Social Economy, trust, locality standards, while through criteria of quality and price primacy (meritocracy) in other cases. The questioned Greek social enterprises are either profitable or not, based on the revenue of the previous year, while

most of them are profitable. Their primary revenue sources are transactions with private and public sectors and trading services, the cooperative portions, commercial activity, personal budget, and funding programs. They have received during last year and since establishment funding (private or public) in kind or cash, a donation in kind or cash. Their profit/surplus is mainly used in investment in new job creation, in facilities and equipment. Also, in education/training, distribution among the employees. Almost all of them have not participated in any employment programs. Most of the social enterprises are expecting financial profit next year through expected funding from programs, more advertisement and new ventures, increase of sales, geographical expansion of the market in new ones, new products, and services, training of the employees.

The questioned Greek social enterprises are facing financial, administrative, operating and social obstacles. They mainly believe that there is potential for further development. Thus the existing policies are not contributing to that.

Half of the questioned **Spanish** enterprises are old. Most of them are big regarding the numbers of members, small regarding the numbers of employees and, regarding the revenue, they range from small size to big. Most of the members, including a high proportion of young people, are employees at the same time. Most of the employment contracts are full-time and of indefinite time, without participation in employment programs. Most of the Spanish social enterprises are rural operating at local and international levels.

Most of the Spanish social enterprises are Cooperatives, and half of them are aware of the national legal framework. The difference between conventional and social enterprises is mainly identified based on the equality criterion among members and employees. The aims of the questioned Spanish social enterprises are social. These include legal support for employees, chances for free expression, opportunities for young people, and migrants' social integration employment rights and employability of women and naturally financial profit for members and employees. The activities of interviewed Spanish social enterprises include the production sector, i.e. olive oil production; manufacture, i.e. construction of doors; and services, i.e. information, advice, entertainment. The motives in the involvement in Social Economy are primarily communal, for example promotion of communal spirit, integration of vulnerable groups, promotion of women's employability and securement of equality rights in labor. The motives are also operational, for example, implementation of alternative business models, promotion of democratic procedures in decision making, endorsement of equality for the employees and naturally financial profit. The interviewed Spanish SEs interact with private and public entities, banks, conventional enterprises, trade unions, social associations, publishing institutions, universities, and other social enterprises. Their partners are chosen on criteria of shared beliefs and experiences, availability of products, fair trade, and proximity standards, while through criteria of quality and price primacy (meritocracy) in other cases.

An evaluation of last year's revenue in the questioned Spanish social enterprises showed that not all were profitable. Their primary revenue sources are membership fees, sales of products and public resources. Some received additional donations in kind or cash or credit facilities in the form of overdraft. Any profit was mainly used in investment (facilities or equipment), or in education. None of the enterprises participated in employment programs. Some of the enterprises are expecting profit for the current year, either through their participation in associations, anticipated

external financial help or increase in number of members. Others are predicting a loss or even closure due to a new financial crisis. All Spanish SEs stated that they face financial obstacles, due to small market size, competition, or the impacts of the continuing economic crisis. Additionally, they face administrative obstacles due to complex legal frameworks, bureaucracy and political corruption. All believe there is potential for growth, especially if the existing policies are revised.

Most of the **Italian** social enterprises are new, of small size as far as members and employees, and medium with respect to revenue. Most of the members are also employees, with a high proportion of women amongst them. Most of the employment contracts are part-time and of indefinite time and a lot of the interviewed social enterprises have participated in employment programs. A large number of the Italian social enterprises are rural operating at a local and national level and they are Social Cooperatives. They are officially registered and they are aware of the national legal framework. Their main difference with conventional enterprises is regards to their status as for profit or not-for-profit.

The aims of the questioned Italian social enterprises are social (social integration in the labor market of migrants or disadvantaged groups, job creation, work protection, promotion of culture, sustainable supply chain systems), and environmental (less traffic, electric mobility). The activities of the social enterprises benefit groups of disadvantaged people (migrants, unemployed, socially excluded), small producers, freelancers, and the local community. The activities include agri-food trade activities, management and execution of exhibitions, use of electric mobiles, home care services, social welfare activities and socio-educational and assistance services. The motives are social (help for disabled and elderly, integration of vulnerable groups, employability of women) and operational (voluntarism, communal experiences, stable legal form). The questioned Italian social enterprises interact with private and public entities, producers, trade or cultural associations and other cooperatives, voluntary associations and other social enterprises. Their partners are chosen on criteria of shared social, environmental values and the respect of employees' rights, trust, while through criteria of quality and price primacy (meritocracy) in other cases.

The questioned Italian social enterprises are either profitable or not, based on the revenue of the previous year. Their primary revenue sources are the sales of products or services and public tenders. Some received additional donations in kind or cash or credit facilities in the form of overdraft. Their profit is mainly used in investment through new job creation, in facilities and equipment and distribution among members. Some of the social enterprises are expecting financial profit next year through sales' increase or increased impact from previous investments. The questioned Italian social enterprises are facing financial obstacles due to competition, instability of funding and due to previous and upcoming economic crises, administrative obstacles due to bureaucracy and taxation and social obstacles due to lack of awareness. Most of them believe that there is potential for further development and that the existing policies are contributing to that.

Most of the **Cypriot** social enterprises are old, big regarding the numbers of members, medium regarding the numbers of employees and big regarding revenue. The members are rarely employees. Most of the employment agreements are full-time in fixed-term contracts and a large

number of social enterprises participated in employment programs. Most of the Cypriot social enterprises are urban operating at a national level.

Most of the questioned Cypriot social enterprises are Cooperative Enterprises, some of them are registered, and the rest are not aware of the national legal framework. The members of social enterprises benefited instead of the owners, who benefited in conventional enterprises. Moreover, another distinctive feature between the two types of enterprises is the way of operating.

The aims of the questioned Cypriot social enterprises are entrepreneurial; employability and profit of the members, social; the activation of people with health problems, the promotion of the local market or the promotion of Social Economy itself. The benefited groups of people from the operation of the social enterprises are the members, groups of people with health problems and the local community. The activities are identified in the production within the primary sector, manufacture, trade and healthcare services. The motives for the involvement in Social Economy are mainly social; the promotion of local community and the Social Economy itself and the integration of vulnerable groups and also, practical; financial profit and the creation of job opportunities.

The questioned Cypriot social enterprises interact with entities who are members, other collaborative/cooperative enterprises and public entities, private merchandisers and entities. Their partners are chosen based on criteria of trust, reliability, while through criteria of quality and price primacy (meritocracy) in other cases and certain products' criteria.

The questioned Cypriot social enterprises are not profitable, based on the revenue of the previous year. Their primary revenue sources are the financial assistance of the members and the members' employers and the sales of products. They received last year and since establishment funding (private or public) in kind or cash, a donation in kind or cash and loan. Their profit/surplus is mainly used in reserve and distribution among the members, while the investment in education/training is not that common. No one of them has participated in employment programs. Most of the social enterprises are expecting financial loss next year due to competition and weather conditions. Some are expecting profit through new producers and an increase in sale prices.

The questioned Cypriot SEs face financial and operating obstacles. They mainly believe that there is potential for further development and that the existing policies are contributing to that.

#### Comparisons between study regions

The synthesis of the results highlights the diversity of social enterprises as an economic sector across the study regions. Various features have been elucidated through analysis of the information collected at the national and regional levels. Specifically, the features we obtained are: the aims and the motives for the involvement in the Social Economy, the perception of the fundamental differences between the social and the conventional enterprises, the ways of choosing partners, the ways of using profit, the main obstacles the social enterprises face, and

the perception of further development and the contribution of current public policies towards that, form the current varied picture of the sector in the study regions.

The analysis designates the Social Economy as a part of the economy of small scale in most of the Mediterranean countries. It is constantly evolving, though, at a slow and steady pace. Based on that and the lack of connectivity between social enterprises and employability programs taken as granted, it may be assumed that it cannot be considered as the sole solution to youth unemployment and other social problems. However, the social enterprise concept and its development appear to be an opportunity for self-employment. The establishment of enterprises with activities coherent with the members' and employees' abilities and skills, is an answer to the brain-waste phenomenon, through bottom-up initiatives. The motives for the involvement in Social Economy are identified in three basic categories: socio-politico-ecological, operational and practical. The synthesis of the relative responses did not indicate one prevailing category. The motivation itself for the involvement in Social Economy defines the activities and the operational ways, the target groups and the context of the team of members and employees in each enterprise.

The present analysis reveals that the Social Economy lies on a firm (fertile) base for further development provided the amendment of the current policies. The consensus that further development of the sector is possible in all countries, while the insufficiency and inefficiency of the public policies are shared beliefs among the respondents. It is quite interesting that the respondents who believe that public policies are promoting the development of the sector indeed are those who are not aware of the current national legal framework. The main obstacles that the entities of the Social Economy face are financial and administrative, which are inevitably connected with the political framework. The obstacles are also operating regarding the traditional ways of functioning in enterprises.

The general idea of labor flexibilization and individuality, in combination with the need for a better-cheaper welfare state, during the implementation has been reformulated and reshaped based on local/regional criteria (local business models, economic sectors, markets, permanent and recent social problems) and have different results in every region and case study.

## 5 POLICIES FOR SOCIAL AND SHARING ECONOMIES IN THE MED EEA: AN IMPACT ASSESSMENT

### 5.1 Policies promoting Social Economies: an impact assessment

The assessment of the impact of Social Economy practices upon youth unemployment calls for an extensive examination of the national and European policies that define and structure the sector. Typically, international studies focus on the objectives of relevant public policies, without examining their post-implementation employment impact among and within European countries and regions.

The definition of Social Economy varies within the Member States and their study regions. Differences can be detected in terms of the notion's roots, its definition and conceptualization, the legal frameworks in place, implementation mechanisms, and employment impacts. This report focuses on:

- a. the historical background and the legal framework of each country; the evolution of the term studied in each country for specific references to NEETs or youth unemployment; the extent of focus of these policies on youth unemployment in the real world;
- b. the quantification of employment in Social Economy in the studied regions;
- c. the definitional coherence of national and European policies to identify similarities, shared values, and activities among studied countries compared to the official European definitions and placements.

In the sections below the following topics are presented for all four countries, Greece, Spain, Italy and Cyprus: the background and timeline of the legal framework of Social Economy; the relationship between this legal framework and NEETs; the coherence with the European definitions and legal framework.

#### 5.1.1 The impact of Greek policies

##### Background and timeline of the Greek Social Economy legal framework

Social Economy in Greece has been officially institutionalized less than a decade ago, but holds a long historical background. The notion of Social Economy has evolved within different contexts throughout the modern history of Greece. According to the European Commission (2019), during the Ottoman Period and the unstable period following the first independent Greek state in 1828, a widespread and vital ability was self-organization and communal problem solving, either based on official cooperation through Cooperatives, charitable foundations, cultural associations, regional unions, solidarity ventures, or through non-profit organizations. All these displayed significant entrepreneurial activity by taking up different forms of participatory governance and addressing societal needs. All these entities may not be considered today as part of the Social Economy spectrum, but they had a significant impact on the development of the sector. Similar

forms of entities have fostered the evolution of contemporary social enterprises, and they have also affected the perception of Greece's cooperatives and economy (European Commission, 2019).

The first institutionalized 'right to associate' for Greek citizens was explicitly mentioned in the 1864 Constitution, while the 602/1915 Law encouraged the creation of cooperatives and enabled other legal entities to become cooperatives. Many laws related to cooperatives were introduced between 1975 and 1995, focusing on different forms of cooperation. The success of their implementation varied: from very successful agricultural cooperatives that ended up as big businesses, to unsuccessful and debt-ridden Unions of Cooperatives. In the 921/1979 Law, the so-called "Women's agro-touristic cooperatives" were defined along with several references to the promotion of local development and culture. The same Law paved the way for professional politicians to become cooperative members, which, according to Kontogeorgos & Sergaki (2017) led to corruption and reduced the autonomy of cooperatives. Two particularly noteworthy pieces of legislation were Law 1667/1986, which reshaped the way civil cooperatives function, and is still in force, and Law 2716/1999 that introduced KoiSPEs (Social Cooperatives).

The recent Greek financial crisis gave rise to social movements and expressions of solidarity and alternative economic ventures (Varvarousis and Kallis, 2017). In 2011, Social Economy was formally defined and institutionalized for the first time with 4019/2011 Law. This Law introduced the legal forms of Social Cooperative Enterprises for Inclusion, Social Cooperative Enterprises for Social Care and Social Cooperative Enterprises for Collective/Productive purposes. It also set the foundations for the National Registry of Social Economy, which was established in 2012 under the Greek Ministry of Labor. The sector flourished with numerous new ventures in various economic sectors. This increased mobilization led to a new law in 2016. Law 4430/2016 introduced new terms and tools in the Greek legislation. This Law disconnected the social enterprise legal form from the SSE status; it also introduced the 'worker cooperatives' legal form and made a series of clarifications regarding the previous law. It was designed with a particular, sectoral focus on Social Economy, rather than a broader trans-sectoral perspective (Adam et al., 2018). The current law also set the foundations for a possible unification of the fragmented social enterprise legislative environment in the country. However, the impact of the Law's 4430/2016 implementation remains controversial up to date and is under examination through this study.

### Contemporary legal framework for the Social Economy in Greece

The legal framework regulating Social Economy in Greece consists of the following: (a) Law No.4430/2016 (FEK 205/A/31-10-2016); and (b) the Ministerial Decisions No. 61621/2016 (FEK 2643/D5/30-12-2016), and No. 61986/3269 (FEK 4757/B/29-12-2017).

In these, the term used is "*Social and Solidarity Economy*". It defines the aggregate of economic activities based on alternative forms of relations of production, distribution, consumption, and reinvestment, founded on principles of democracy, equality, solidarity, and respect on humans and the environment (Law 4430/2016, ar. 2, par. 1).

The so-called Social and Solidarity Economy entities are defined as (Law No.4430/2016):



A. Social Cooperative Enterprises (Law 4430/2016, art. 14, par. 1) (SCE, in Greek "Koinonikes Syneteristikes Epichiriseis (Koin.S.Ep.)" which are grouped in the following subcategories:

- ☐ SCE for the integration of vulnerable groups, which aim at the integration of people from Vulnerable Social Groups (at least 30% of members and workers) in economic and social life. Vulnerable Social Groups include people with any kind of physical, psychological, mental or sensory disability, currently or formerly addicted to drugs, juveniles with delinquent behaviour, and former prisoners among others.
- ☐ SCE for the integration of special groups, which aim at the integration of people from Special Social Groups (at least the 50% of members and workers) in economic and social life. Special Social Groups include victims of domestic violence, human trafficking victims, homeless, people living under conditions of poverty, migrants, refugees, and asylum seekers, single parents, different cultural groups, and long-term unemployed below 25 years old and over 50 years old.
- ☐ Limited Liability Social Cooperatives.
- ☐ SCE of General and Social Interest, which carry out activities of sustainable development or/and provide social service of general interest.

B. Workers' Cooperatives (Law 4430/2016, art. 24, par. 1) which are the Civil cooperatives of 1986, aiming at the collective benefit and have a formal commercial identity. Their members are constituted only by natural persons, who desire to live through the collective production of goods and services for others.

C. Any other not-single-person legal person/entity (Law 4430/2016, art. 3, par. 1), with a legal form, such as agricultural cooperatives, urban cooperatives, as long as, cumulatively, the following conditions are satisfied:

- ☐ The development of activities of general and social interest.
- ☐ The assurance of information and participation of members, typically applied in decision-making through the 'one member one vote' principle, regardless of the contribution of each member.
- ☐ The specification of restrictions regarding profit distribution within its statute according to the following:
  - i. At least 5% of the profit should be available for the establishment of a reserve
  - ii. Up to 35% should be passed onto the workers, unless 2/3 of the members decide the use of the amount in other activities
  - iii. The rest is available for the creation of new jobs and the expansion of productive activity
- ☐ Convergent policies in remuneration are implemented, according to which maximum net salaries cannot exceed the amount of the minimum net salary multiplied by three.
- ☐ The aims of the entity should be increasing economic activities and maximization of social interest through horizontal and equitable networking activities with other Social Economy entities; the latter should not be established or managed by another public entity (Greek Ministry of Labor and Social Affairs).

A critical section of 4430/2016 Law is the separation of social enterprises from other forms of business forms, through the notion of a specific 'legal status' through a criteria-based logic. With

this status, an existing entity – that can have a variety of legal forms – can easily become eligible for the official SSE spectrum and register on the NRSSE. Simultaneously, the eligible fields of activity are broadened through more meanings of 'social aim' to include not only for vulnerable or special social groups. Another interesting element of the law is that it introduced terms such as 'social innovation' and 'social impact' for the first time in Greece.

However, some types of organizations and legal forms remain in a legal gray area regarding their connection with the Social Economy. A notable example is agricultural cooperatives: they do not meet the EU definition of social enterprise, but were allowed entrance in the SSE spectrum if they incorporate a social dimension and set profit distribution limits. Additionally, two legal forms do not fully comply with the definition: associations and non-profit civil companies, which cannot be entirely regarded as social enterprises as they are not allowed to undertake *ex lege* entrepreneurial activity. Foundations are also excluded from the SSE spectrum since they are collections of endowed funds and not associations of persons (European Commission, 2019).

#### The provisions of the Greek Social Economy legal framework for NEETs

In the current Greek legislative framework for SSE, a series of newly introduced notions are laid down for the first time: collective and social benefit, social impact, social innovation, and sustainable development. As already mentioned, among the main target groups are "vulnerable" and "special" groups. The specific mention is for members and employees of SSE entities to include a portion (30% and 50% respectively) of those groups, for specific periods.

Moreover, special measures are laid down for the effective integration or (re)-entrance of the unemployed in the labor market. Overall, people with a working license that are not currently employed enter the national Register of unemployment to receive the benefits. Those who are registered as unemployed, and are willing to attend training courses, remain registered and continue to receive the benefits throughout the training period (at least 4 months), or they can demonstrate participation in the past 2 years. Therefore, the connection between NEETs or youth unemployment and the Greek SSE legislation appears to be indirect through the spectrum of "special groups". More direct policies focus on passive measures against unemployment.

The total number of Greek social enterprises, based on the latest available update from the NRSSE in January 2019, is 1,321 (Table 5.1). Out of these, the legal forms that do not meet the EU operational criteria and the inactive or not yet active were excluded, with a remaining total sum of 1,048 active Greek social enterprises. According to the EU operational criteria, the number of women's agri-tourism cooperatives should also be added to this total derived from the Ministry of Agricultural Development updated in March 2019, resulting in 1,148 enterprises. Regarding the type of social enterprise, the vast majority is constituted by SCEs for communal and social benefit purposes. Concerning the timing of their activation, it appears that the introduction of the 2011 Law fostered a burst: In 2013 the annual growth rate of the enrolled entities reached 219%, dropping to 20% by 2015.

Table 5.1: Comparative data overview of Greek social enterprise characteristics 2012 - 2016; source: European Commission 2019.

Year	Number of social enterprises	Number of employees	Growth rate (number of entities)	Workforce(% of vulnerable groups)
2012	116	1	-	-
2013	371	114	219%	5.8%
2014	583	639	57%	30.75%
2015	701	986	20%	31.58%
2016	899	1023	28%	37.71%

Analysis of this secondary data for Social Economy in Greece (Chapter 3), highlights the low numbers and rates of social enterprises entities in the total number of enterprises and the higher employment rates in these enterprises compared to the total employment rates. Regarding the Greek Social Economy workforce, one crucial element is the 'woman-centered' character of the sector (British Council Report, 2017), as women constitute more than 60% of the total workforce of the social enterprises. However, their leadership or management roles are significantly less critical. Another noteworthy characteristic is that social enterprises usually have highly educated leaders: 37% hold a postgraduate/doctoral degree and a further 41% are higher education graduates. Most social enterprises employ very few people, and a considerable number operate with members, not employing a single person (British Council Report, 2017). Even though the 2011 Framework motivated many organizations to turn towards Social Economy, leading to the sector's impressive expansion, it also seems to have hampered the focus on job creation. Moreover, the members' activity is usually complimentary, while only about half of all members gain their primary source of income from participating in their social enterprise (British Council Report, 2017). Social enterprises are excluded from the obligation for insurance or social security fees only for those operating voluntarily, without direct economic benefit for the organization from their activity.

Conclusively, the Greek legal and regulatory framework for Social Economy does not focus explicitly on NEETs. Some elements refer to NEETs and their integration in labor markets, but this is underdeveloped and could be elaborated in detail.

#### A comparison between the Greek and European definitions for Social Economy

The transnational nature of the analysis requires a comparison of national and EU definitions of legislation and regulation on Social Economy. The Greek legal definition and regulation of the Social Economy diverge from the EU operational definition. Although the concept of Social Economy in Greek law complies with the EU operational definition regarding the threefold structure, involving social, economic and inclusive governance criteria, a significant difference occurs with the use of the term 'Social and Solidarity Economy organization' in the Greek framework over 'social enterprise'. At the same time, the main difference in eligible typologies covered by the Greek SSE and the EU operational definition is the absence of an explicit reference

to entrepreneurial activity in the Greek case, although this is implied. Greek law emphasizes the value of internal democracy and common ownership rather than the involvement of external stakeholders and the presence of additional strict criteria (European Commission, 2020).

The current Greek framework offers a series of operational criteria for differentiating social enterprises from conventional for-profit business organizations. However, in practice, a significant number of organizations tend to define themselves as 'social enterprises', rather than 'Social and Solidarity Economy organization' or 'non-profit organization'. As 'social enterprise' is not defined as a distinct legal entity, they represent a broadening of the SSE spectrum. Only two of the three separate legal forms that define the country's SSE sector explicitly fulfill the EU operational definition: social cooperative enterprises (SCEs) and limited liability social cooperatives (KoiSPEs).

Despite these differences (no explicit reference to either social enterprises or social entrepreneurship in the Greek law), the concept of SSEs is in line with the EU legislation. The broader EU definitions are the cause of these differences since these need to be relatively open to effectively operate within different geographic contexts (European Commission, 2019).

### **5.1.2 The impact of Spanish policies**

#### **Background and timeline of the Spanish Social Economy legal framework**

The roots of social enterprises in Spain can be found in the country's strong tradition in Social Economy and non-profit organizations (NPOs) entities. The economic decline of Spanish rural areas in the 19th century and early 20th century gave rise to agrarian cooperatives, cooperatives, voluntary bodies, and other types of foundations. Likewise, the industrial crisis of the 1970s fostered the emergence of civil society organizations, as proto-social enterprises, in response to increased demands for social services and solutions to unemployment problems (European Commission, 2016).

The 'social enterprise' concept has received less public recognition in Spain in recent decades, with inadequate development of an explicit framework. Even though 'social enterprises' are not recognized formally as such, a legal framework for organizations that could be defined as social enterprises is in place, while the characteristics of such enterprises are grouped under other legal forms.

Cooperatives were regulated by a 1986 Law and shared many common features with the running definition of social enterprises. During the period of the industrial crisis, two types of Work Integration Social Enterprise (WISE) emerged: those targeting people with disabilities (sheltered workshops) and those targeting socially excluded groups. These WISE enterprises, along with associations and foundations, form the roots of contemporary social enterprises in Spain. All these organizations were included in the umbrella term of the Social Economy during the 1990s, causing the concept of Social Economy to be more widely recognized and harmonizing regulation. The formation of the National Institute for the Promotion of the Social Economy in 1990 contributed to the definition of social enterprises, along with the Ministry of Employment and Social Security's publication of a white paper on Spain's Social Economy in 1992 and the collection

and publication of statistics on worker-owned companies and cooperatives from 1993 onwards. During the 2000s, non-profit entities and associations were widely recognized and regulated with the 49/2002, 1/2002 and 50/2002 Laws, which replaced the pre-Franco Law that had been in effect since 1965 and laws dating back to the 19th century. This institutionalization process envisioned the transformation of certain parts of social enterprises into new forms of enterprise through Laws 39/2006 and 44/2007.

The deep historical roots and tradition, along with more recent institutionalization processes combined with the need for a response to the recent economic recession, have stimulated the evolution and expansion of Social Economy in Spain. The main achievement in this process was the creation of the Law on Social Economy (Law 5/2011, updated with Law 31/2015), which aimed to recognize and support the Social Economy as a separate economic activity sector that would require substantive public promotion and support. Following this example, this legal framework has also been developed in other European countries, such as Portugal (2013) and France (2014).

### Contemporary legal framework for the Social Economy in Spain

Spanish Social Economy reality is strongly characterized by its decentralized administrative system, which results in highly diversified public policies promulgated regionally, which affects the regional capacity for the creation and consolidation of social enterprises.

The legal framework for Social Economy in Spain (Laws 5/29-03-2011, 31/09-09-2015) aims at the acknowledgement, visibility, and development of the Social Economy sector both at national and EU levels, by combining and updating regulations in matters of self-employment. They build a legal framework for all its entities. No new legal entity types are created, but there is grouping of entities with specific legal forms that existed previously, such as cooperatives, mutual insurance organizations, WISEs and associations and foundations engaged in economic activities. It mandates all entities included in this sector follow values based on certain principles, such as the prevalence of the person or social goal over the capital, the distribution of profits that are not according to capital provision, devotion to social sectors and independence from public powership.

Therefore, Social Economy in Spain is defined as "*a set of business and economic activities that are carried out, within the private sphere, by institutions that seek a general economic or social interest (or both) under the following principles*" (Cepes, Law 5/2011, of 29 March, on Social Economy).

The guiding principles of Social Economy in Spain are:

- ☐ Autonomous and transparent, democratic and participatory business management, where decision-making prioritizes people and their contribution to the work and services offered by the institution or the social objective over their contribution to equity capital.
- ☐ Distribution of profits obtained regarding the social objective of the institution.
- ☐ Fostering internal and social solidarity, commitment to local development, equal opportunities for men and women, social cohesion, integration of persons at risk of exclusion, stable and quality employment, work-life balance, and sustainability.

- ☐ Independence from public authorities.

According to CEPES (Confederación Empresarial Española de la Economía Social), the following institutions form part of this diverse set of enterprises that is Social Economy:

- ☐ Co-operatives: they are a form of business organization based on a democratic structure and functioning with co-operative principles: open and voluntary membership, democratic management, economic participation of its members, education, training and information and interest for the community.
- ☐ Employee-owned Companies: In this type of company, equity capital is owned, for the most part, by workers, who are partners. The minimum number of people required is three and the procedures to establish an employee-owned company are similar to any other public limited company.
- ☐ Mutual Societies: These are non-profit enterprises of people with democratic structure and management carrying out voluntary insurance activities that are complementary to the Social Security provision system.
- ☐ Special Employment Centers: These are enterprises in which economic feasibility and participation in the market coexist with a social commitment to collectives with fewer opportunities in the job market. Their staff comprises the largest possible number of persons with a disability (in a proportion that cannot be below 70% of the total staff.)
- ☐ Social Integration Enterprises: These are learning company structures that aim to enable access to employment for the disadvantaged by carrying out a productive activity. To this end, an integration process is designed, during which a typical employment relationship is established. A percentage of their staff must be workers that need to be integrated (between 30% and 60% depending on the region), while 80% of turnover is reinvested in the company.
- ☐ Fishermen's Guilds: these are public law sectoral non-profit enterprises representing the economic interests of the ship-owners of fishing vessels and the workers in the fishing industry. They act as consultative and collaboration bodies for administration with competences in fisheries and regulation of the fishery industry. They aim to satisfy the needs and interests of their members with a commitment to contributing to local development, social cohesion, and sustainability.
- ☐ Associations linked to the disability movement and the integration of persons at risk of exclusion. The main characteristic of this associative movement is that it provides services where the for-profit sector fails. They are usually linked to industries covering fundamental rights, especially concerning accessing vulnerable groups, such as persons with a disability. Another characteristic is their capacity for innovation to solve problems that arise in society and the advocacy of social, legal, administrative or other changes, in defense of the rights and freedoms of persons with disabilities, based on respect to diversity, plurality, and tolerance.
- ☐ Foundations: these are non-profit organizations whose assets are targeted to carrying out an objective goal of general interest, by the will of their creators. Social economy Foundations must comply entirely with the abovementioned principles of Economy, as decreed in Law 5/2011.

In conclusion, a Social Economy enterprise is an attempt to combine business efficiency with social responsibility, in a rational and balanced way, while practicing an alternative way of doing business. The new organizational forms that derive from the Law 5/2011 are defined as social enterprises, expanding the borders of Social Economy, enlarging the scope of this sector.

#### The provisions of the Spanish Social Economy legal framework for NEETs

According to the Spanish legal framework, within the social enterprise spectrum WISEs intend to employ groups of people facing social exclusion or difficulties integrating into the labor market. Specifically, these groups may be recipients of welfare benefits, people excluded from the benefits for specific reasons or people over the age of 18 and under the age of 30 who come from child protection institutions. Also, people with addictive disorders who are in the process of rehabilitation or social reintegration, released and conditionally released former prisoners, people under 18 included in the scope of the criminal responsibility of minors (juvenile criminal offenders), and people from alternative accommodation and prevention and social inclusion services of specific communities and cities. The above must constitute more than 30 % of workers during the first three years of activities, increasing to 50 % from the fourth year onwards. Respectively, in specialised employment centers for social initiative (non-profit qualification), workers with disabilities must constitute at least 70 % of their staff (Spanish Ministry of Employment and Social Security, 2018).

Apart from these organizations, the overall picture for cooperative organizations in Spain (2018) was that 20,870 cooperatives employed 301,856 workers (Figure 5.1). An important finding is that during the recent economic recession, the number of workers remained stable between 2011 and 2014; while employment increased by 11.8% between the third quarter of 2014 and the third quarter of 2017. Although the number of cooperatives decreased significantly between 2011 and 2015 (by almost 8.9%), in the last two years a 3.3% increase was recorded. It is also essential to highlight the gradual increase in the number of workers per cooperative, which rose from 12.2 in the third quarter of 2011 to 14.5 in the third quarter of 2017.

Regarding the types of cooperatives, just over half of the cooperatives registered in Social Security (excluding the self-employed, a total of 12,038 companies) correspond to associated labor cooperatives (6,677). The agrarian ones also stand out, with 3,264 societies. The number of workers also includes those of consumers and users (more than 20,000 workers in 272 registered companies) and those of credit, with 16,404 workers in 66 cooperatives (Figure 5.1). Regarding labor societies, there are currently 9,410 companies that employ 63,415 workers (Figure 5.2). Its recent evolution has been less favorable than that of cooperatives. The number of workers decreased by 12,459 between the third quarters of 2011 and 2014, by 16.4%, and then remained stable.

On the other hand, the number of societies underwent an even more significant adjustment, in a decline that continues at a constant rate. From 2011 to the present, 4,365 companies were lost, almost one-third of the total (-31.7%). As a result of the change in both variables, the number of workers per labor society has increased from 5.5 to 6.7 (Spanish Ministry of Employment and Social Security, 2018).

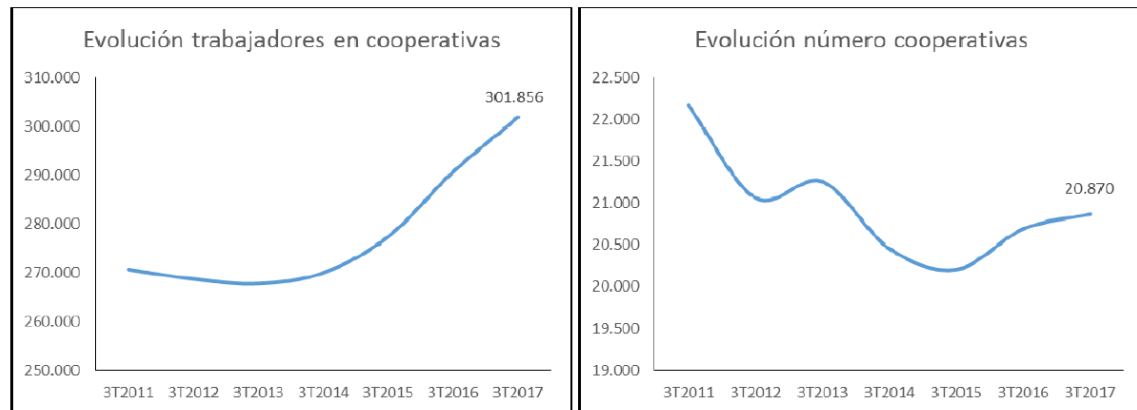


Figure 5.1: Evolution of the cooperatives and their workers in Spain; source: Spanish Ministry of Employment and Social Security, 2018.

Female presence is limited in labor societies and reaches 47.1% of employment in cooperatives. In total, 44.8% of workers are women. Additionally, 42% of total workers are under 40 years old, particularly high in the field of agriculture. Part-time employment is relatively high: almost a fifth of workers have part-time work (19.9%). Partial employment is particularly intense in limited labor societies (26.6%) and for women (31.8%). Temporary employment is relatively small, supported by the sectoral composition of employment. The rate of temporary employment is about two points below the total average, at 25.1%. This rate is relatively low in cooperatives (23.2%) and high in limited labor societies (35.8%), probably due to the sectoral composition of employment. Typically, this rate is significantly higher among young people and foreigners, as well as in Andalusia, Asturias, Cantabria, and Extremadura. The lowest temporary rates are observed in the Valencian Community (16.7%). A third of workers have been in employment for more than five years. Stability is exceptionally high in public limited companies, where more than half of the employees have been in the position for more than five years. Stability is higher in micro-enterprises of less than five workers and the largest, with more than 250 workers and in commerce and manufacturing.

At the regional level, the highest rate of employees is recorded in Andalusia, holding the 22,1% of the Social Economy employees of Spain, with the regions of Comunidad Valenciana (13,8%), Cataluna (13,1%), and Pais Vasco (11,6%), following with lower rates. When related to the overall numbers of employees in Spain, there are some crucial rates in Region de Murcia, where the Social Economy employees constitute the 17,4% of the employees in that region, while in Comunidad Foral de Navarra the percentage is 16,6% and in Pais Vasco, 13,7%. The above high rates may be interpreted into the successful implementation of Social Economy practices against unemployment in regions with low presence of enterprises and employment rates.



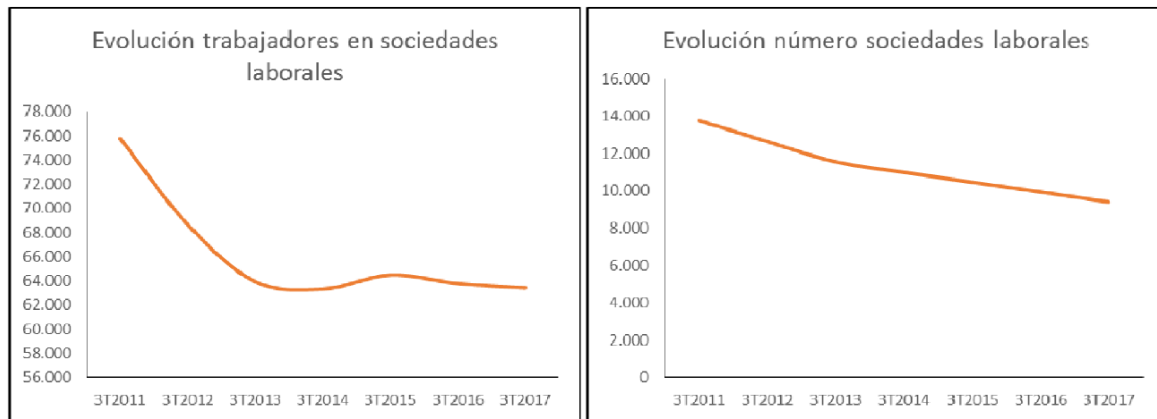


Figure 5.2: Evolution of the labour societies and their workers in Spain; source: Spanish Ministry of Employment and Social Security, 2018.

In conclusion, the Spanish legal and regulatory framework for Social Economy is not focused on NEETs. However, the inclusion of more forms of entities as eligible Social Economy entities has allowed the higher involvement of NEETs in such entities and therefore facilitated their integration in labor markets to a higher degree than other Countries of this report.

#### A comparison between the Spanish and European definitions for Social Economy

The Spanish framework uses the term 'Social Economy', where the EU uses 'social enterprise', which may cause confusion and an unsatisfactory interpretation and implementation of national policies. Therefore, the Spanish Confederation of Entities of Social Economy (CEPES) proposed better visualization and articulation for more substantial socio-economic impact of the social enterprise, for the strengthening and the connectivity among the entities of the sector. The Spanish decentralized territorial model highlights this need, although the debate about the "borders" of the definition of social enterprise in Spain is still ongoing. In general, the Spanish legal framework with the definitions of social initiative cooperatives, social integration enterprises, and specialised employment centers, closely aligns with the EU operational definition of Social Economy (European Commission, 2020).

### **5.1.3 The impact of Italian policies**

#### Background and timeline of the Italian Social Economy legal framework

Italy was the first country where the concept of 'social enterprise' was introduced nearly forty years ago (European Commission, 2016). The roots of the first 'social solidarity cooperatives' are in the late 1970s, during a period of economic recession and increasing unemployment rates. In response to the insufficiency of the Italian welfare state, groups of citizens voluntarily undertook economic activities as part of social projects, fueling this development. The fundamental drivers for these ventures were the direct participation by stakeholders through democratic forms of management and the widespread use of this form of activities. These voluntary social services offered by groups of citizens were institutionalized in the new type of cooperative: the social (solidarity) cooperative. The fact that over the last three decades, social cooperatives have multiplied, contributed to the change of the Italian welfare landscape. Apart from social

(solidarity) cooperatives, the spectrum of the social enterprise in Italy is broad, including social cooperatives, associations and foundations, mutual aid societies, joint-stock and limited liability companies, and traditional cooperatives.

The term social enterprise was first used in Italy at the end of the 1980s, when critical legal reforms were introduced, followed in the early 1990s by the higher degree of involvement of private entities in the delivery of welfare services. The first essential action creating conditions for the development of social enterprises in Italy was Constitutional Court ruling 396 of 1988, which established the unconstitutionality of the Crispi Law (Law 6972/1890) that matched welfare activities exclusively with public entities. This new type of cooperative was only recognized after more than 10 years, in 1991 under Law 381/1991 on social cooperatives. This Law introduced a new type of enterprise with the purpose of 'pursuing the general interest of the community in the human promotion and social integration of citizens'.

A new legal framework on social enterprises, Law 118/2005 and Legislative Decree 155/2006, institutionalized a diversity of organizational forms and activity sectors, disengaging the legal form from the social enterprise's structural criteria of being a private legal entity. It also defined the engagement in 'social utility' of the social enterprise activity, emphasizing public benefit, rather than profit generation, and the constraint of not distributing profits to its members or owners. The definition of the features of social enterprises that occurred through this process concurs with the definition of social enterprise delivered by the Social Business Initiative in 2011.

Fundamental changes have recently been introduced by Law 106/2016 reforming the so-called 'Third Sector' between public and private entities, through the establishment of a common framework. The scope of the law is to protect the non-profit character of social enterprises, recognizing *ope legis* the qualification for social cooperatives and their consortia. It aims at the attractiveness of social enterprises to potential investors, to provide a more significant contribution towards supporting social enterprise development (European Commission, 2016).

#### Contemporary legal framework for the Social Economy in Italy

The social enterprise qualification introduced by the latest law of 2016, agrees with the Social Business Initiative definition. According to that, a social enterprise is a 'private organization that runs entrepreneurial activities for civic, solidarity, and social utility purposes and allocates profits principally to achieve its corporate purpose by adopting responsible and transparent management modalities and favoring the largest possible participation of employees, users, and other stakeholders interested in its activities' (European Commission, 2016).

Despite the presence of a legal framework for social enterprises, research centers, public bodies and academics often refer to different 'constructs' when talking about a social enterprise: in some cases, reference is made only or mainly to social cooperatives, while in other cases the concept of social enterprise covers a broader range of organizations operating in the non-profit sector.

There are two main policy areas at national level that support the development of the non-profit sector, including social enterprises: (a) active labor market policies and (b) social inclusion policies. Interventions in these areas include the introduction of a favorable legal framework and fiscal

treatment for organizations pursuing a social aim. Italy is one of the few countries with a law on social cooperatives (legal form) as well as a law on social enterprises (legal status):

- ❑ The Law on Social Cooperatives (1991) created a new form of cooperatives. In contrast to traditional cooperatives who are primarily oriented towards serving the interest of their members, social cooperatives pursue social or general interest aims. The law distinguishes between social cooperatives providing social, health and educational services (defined by law as type A social cooperatives) and social cooperatives integrating disadvantaged persons into jobs (type B social cooperatives).
- ❑ The Law on Social Enterprises (2006) provides a legal definition of social enterprise and specifies the criteria that an organization must comply with to be legally recognized as a social enterprise. It does not create a new legal form, but a legal status or 'label' which all eligible organizations can obtain regardless of their ownership or organizational structure. Eligible organizations could, in theory, be traditional cooperatives, social cooperatives, investor-owned firms (i.e. share companies) or traditional non-profit firms (i.e. associations and foundations).
- ❑ A social enterprise, in the Italian legal system, is one of the cases falling within the broader context of Third Sector Entities (ETS) (Legislative Decree 117/17). Under Legislative Decree 112/17 (which replaced the previous Legislative Decree 155/06), article 1, all private entities, including those established in the forms described in Book V of the Civil Code, which:
  - a. have a stable and principal business activity of general interest,
  - b. have nonprofit and for civic, solidarity and social utility purposes, and
  - c. adopt responsible and transparent management methods and encourage the most extensive involvement of workers, of users and other subjects interested in their activities,
  - d. do not pursue profit-making,
  - e. carry out activities in predetermined sectors of particular general interest.

Despite being in line with the regulatory tradition of the Third Sector in Italy, these requirements constituted a strong disincentive for potential investors, leading to the emergence of less than a thousand social enterprises in ten years. Introducing the possibility of a, albeit minimal, return on profits, the reform has given a new voice to this entity, in the wake of a global trend towards the establishment of new and different "hybrid architectures", which incorporate both the economic dimension and the social one in a single context.

Further types of organizations with characteristics that coincide with the ones of a social enterprise can be found among associations, foundations, cooperatives, and mainstream enterprises. Social cooperatives constitute the most critical form of social enterprise in Italy, representing approximately a third of all social enterprises. The main activities undertaken by social cooperatives include the provision of social services in the fields of social care and civil protection, economic development and social cohesion (this includes "type B" or "working integration social cooperatives", health, education and research and cooperation for development.

### The provisions of the Italian Social Economy legal framework for NEETs

Law 381/1991 established the foundations of preferential purchasing, aiming at the support of work integration (B-type) social cooperatives. Further legislation of the European Union in 1996 introduced relevant clarifications by allowing municipalities to hire people from vulnerable groups only from organizations meeting specific requirements (minimum share of disadvantaged people employed). Through the Legislative Decree 50/2016, a new Code on Tenders (Codice degli Appalti) was approved, which improved the possibility of social and environmental objectives through simple, transparent and innovative structures. Through this, contracts can now be reserved even above the EU threshold for WISEs where disadvantaged workers account for at least 30 % of the total workforce (Article 112 of Legislative Decree 50/2016).

Moreover, certified disadvantaged workers integrated by B-type social cooperatives are exempt from payment of national insurance taxes. All the above constitute promotion of policies for social integration and entry into the labor market of disadvantaged groups of people. It is estimated that there are roughly 35,000 social enterprises in Italy that fully meet the criteria laid out by the EU operational definition, representing 0.8 per cent of the total of Italy's business. Social cooperatives and social enterprises *ex lege* capture only a third of Italy's estimated social enterprise population.

The analysis of secondary data of Social Economy in Italy, underlines higher employment rates in social enterprises than general employment, compared to the other case study areas. Regional data shows the highest employment rates in Lombardia, with 19.1% of the Social Economy employees of Italy, followed by Emilia-Romagna (17.2%). The regions of Lazio (11.1%) and Veneto (8.9%) share lower rates of Social Economy employment. When related to the overall numbers of employees in Italy, the region of Emilia-Romagna holds an important part of the general employment rates, where the Social Economy employees constitute 11.9% of the employees in that region. In comparison, in the region of Umbria, the percentage is 8.6%, Basilicata 8.1% and in Friuli-Venezia Giulia 8.0%. These high rates may be interpreted to mean successful implementation of Social Economy practices against unemployment in regions with low presence of enterprises and employment rates.

Conclusively, the Italian legal and regulatory framework for Social Economy is not focused on NEETs either. However, the inclusion of more forms of entities as eligible Social Economy entities has allowed the higher involvement of NEETs in such entities and therefore facilitated their integration in labor markets to a higher degree than other countries of this report.

### A comparison between the Italian and the European definitions for Social Economy

The legal evolution of Social Economy entities described in previous sections of this report eventually led to a clear definition of the key features that social enterprises must fulfil. The final results are in line with the definition of social enterprise delivered by the Social Business Initiative in 2011, although they are more specific in describing forms of eligible Social Economy entities and therefore they are more restrictive.

#### 5.1.4 The impact of Cypriot policies

##### Background and timeline of the Cypriot Social Economy legal framework

Cyprus has a long tradition of activities focused on social aims, usually blended with notions of altruism, solidarity, and collectivism, performed by associations, foundations, and volunteer groups. The roots of this tradition can be traced to the structure of a welfare system supported by civil society and the cooperative movement, in response to the state's insufficiency in front of societal needs. However, the term "social enterprise" was used for the first time only in November 2010. Until then, all private or cooperative initiatives that aimed at social or environmental purposes through economic activity had no apparent connection with the term.

The Social Economy institutionalization and development were introduced in 2013, by the President of the Republic of Cyprus, through indirect policies aiming at reducing unemployment and social exclusion, by prioritizing the creation of social enterprises. In 2013, the European Social Fund (ESF) Unit of the Ministry of Labor, Welfare and Social Insurance and the Social Entrepreneurship Network, began collecting technical knowledge for policy support of the social enterprises in Europe while examining their implementation in Cyprus. That was a starting point for the social enterprises that have slowly yet steadily garnered growing attention from policymakers and the general public. The social enterprise debate has been fostered by the government's decision to initiate a public funding plan for social enterprise start-ups, which initiated in December 2013.

The workshop on Social Economy and social entrepreneurship that was organized in Nicosia in May 2014, led to increased visibility of social enterprises, triggered and gradually led to a draft social enterprise legal and regulatory framework, aiming at the creation of a more sustainable economic model and an entrepreneurial ecosystem with a social mission that could contribute to economic growth. Within the effort for a comprehensive policy framework and action plan for the development of an entrepreneurial ecosystem, several different policy pillars were announced, including the need to develop alternative forms of entrepreneurship, such as social entrepreneurship. The Unit of Administrative Reform (UAR) contributed to the preparation of a draft law that would include a definition of social enterprise and the creation of a social enterprise registry for entities that fulfill established criteria, irrespective of their legal form (European Commission, 2019). One fundamental aim was the acknowledgement of the enterprises that focuses on the employability of people with disabilities. The draft law is considered a first step towards the identification of social enterprises, along with the establishment of support measures that would help develop the sector and its long-term sustainability. Therefore, Cyprus does not have a specific legal framework in place for social enterprises, since the draft law of 2017 has not yet been approved.

##### Contemporary legal framework for the Social Economy in Cyprus

The term "Social Enterprise" does not constitute a legal term in Cyprus, i.e. it cannot describe the legal status of a company, no criteria are defining and distinguishing them from other types of enterprises. However, it should be noted that there is a preliminary draft law specifically focused on social enterprises that is now under public consultation.

Therefore, enterprises of social aim can operate under any existing legal form. “*Limited by Guarantee Companies*” can be limited liability companies without share capital formed to achieve a specific objective, which may have a charitable or social scope, or “*Companies Limited by Shares*” that pursue a social aim and distributes only a limited share of its profits as decided by its shareholders. “*Cooperative Societies*” mainly serve the interests of their members following cooperative principles. “*Associations*” are formed by a minimum of 20 people who work in close collaboration to achieve a shared objective. “*Foundations*” may obtain particular property (assets or funds) to promote their purpose; they can be charitable, patrimonial or collective.

From the above, private companies Limited by Guarantee, Associations, and Cooperatives are the most likely typologies to qualify as social enterprises in Cyprus, according to the EU operational definition.

The draft law, developed in 2017, introduced specific criteria to meet the "social enterprise" status. Social enterprises are grouped into two types which regard a status that could be awarded to entities with different legal forms and do not constitute new legal forms. “*General-purpose*” social enterprises are entities structured based on a business model, managed in an entrepreneurial and transparent manner, with the participation of members or employees, whose primary purpose is the achievement of a social mission through the promotion of positive social or environmental actions in the interest of society, by investing at least 70% of generated profits. “*Social inclusion/integration*” social enterprises are entities structured based on a business model, managed in an entrepreneurial and transparent manner, with the participation of members or employees, whose primary purpose is the achievement of a social mission with a workforce at least 40% composed of persons belonging to vulnerable groups of the population.

The draft law on social enterprises makes explicit reference to cooperatives, stating that they are eligible to obtain social enterprise status provided that they fulfill the envisaged criteria. Some cooperatives are expected to move from a mutual to a social orientation under the new law. The draft law also proposes the establishment of a specialized database for the registration of social enterprises, the Register of Social Enterprises. The Register regards organizations that fulfill specific criteria, irrespective of their legal form, even though explicit reference is made to companies and cooperatives.

#### The provisions of the Cypriot Social Economy legal framework for NEETs

The lack of a specific definitional legal framework for the Cypriot social enterprises, questions the reliability of the data on Social Economy entities and their impact on employment. However, the estimation of the entities, based on the EU operational definition, concludes that the country's social enterprise sector is scant and consists of about 190 entities. The expected new legislation, would qualify companies that satisfy specific criteria and are already registered under the Companies Law and the Cooperative Law, within the social enterprise spectrum, while enabling the registration of private companies limited by shares.

Table 5.2: Estimated number of social enterprises by legal type in Cyprus as of 2017; source: European Commission, 2016.

Legal Type	Total number	Number of social enterprises (estimate)
Companies limited by guarantee	377	100
Companies limited by shares	217,588	N.A.
Cooperatives	92	20
Associations	4,679	50
Foundations	388	20
Total	5,534	190

Social Economy employment rate has been growing steadily in Cyprus since 2015, with a near equal balance between male and female employment rates (52% and 48% in 2017, respectively, Table 5.2). Although no data is available regarding the employment of de facto social enterprises, there is available data for organizations that are approximate to Social Economy organizations. In 2014–2015 it was estimated that 3,906 were employed by associations and foundations, with the remaining employed in the cooperative sector. Thus, employment in the Social Economy (associations, foundations, and cooperatives) represents less than 2% of the country's total workforce.

Regarding the vulnerable groups of Cyprus, according to the 289/2015 decree of the Republic of Cyprus, these are considered the beneficiaries of the minimum guaranteed income, the recipients of public allowances, the receivers of the severe disability allowance, the receivers of the low-income-retirement allowances, the receivers of the welfare allowances for severe disabilities and the member of large families. There is no specific reference for unemployed people and NEETs. Once again, small differences between the EU's more lenient operational definition and Cypriot draft law are expected (European Commission, 2019).

Conclusively, the Cypriot legal and regulatory framework for Social Economy is not yet established and therefore, the estimation of any impacts on NEETs is not possible.

#### A comparison between the Cypriot and European definitions for Social Economy

The Cypriot draft law regarding the social dimension of the Social Economy emphasizes the "social benefit or mission" in the entrepreneurial character with the primary purpose being social mission through the promotion of positive social or environmental actions in the interest of society, which agrees with the European dimension of the social aim of serving the community or a specific group of people that shares a specific need, with cultural, health, educational and environmental provisions. The Cypriot entrepreneurial mission of social enterprises is in line with the European, while it focuses on sustainability. It predetermines investing at least 70% of its profits in promoting their social mission and achieving their primary purpose when the European definition is focused on profit distribution constraints to ensure that the general interest is protected.

### 5.1.5 Conclusions of the impact assessment

During the last decade, numerous European governments heeding the call of EU institutions, have applied public policies to boost Social Economy at national and regional levels. The interest of policy-making actors towards the sector increased during the crisis, as it was estimated it would be an alternative way of tackling unemployment and the consequences of the economic recession. The current report examines the impact of the implemented policies on unemployment.

The first finding of the statistical data and the material provided by the literature and the interviews conducted seems to suggest that National and European public policies that legally and institutionally framed Social Economy are the most significant factors for its contemporary expansion in the study regions. Some of these European political guidelines include suggested legislative arrangements and conceptual and definitional clarifications. They also provided suggestions for national government funding, taxation measures, and technical support.

Among the clarification of definitions and legal frameworks, the Commission introduced in 2011 the Social Business Initiative (SBI), to create a favorable climate for social enterprises, key stakeholders in the Social Economy and innovation (European Commission, 2011). The actions of SBI were aiming at the improvement of private and public funding at the EU level. In the same direction of budgetary and fiscal policies for Social Economy, several organizations and regulations followed: European social entrepreneurship funds (EuSEF), the Program for Employment and Social Innovation (EaSI), and used ERDF (European Regional Development Fund) and ESF (European Social Fund) for supporting SE. However, the new tools established recently (EFSI, EaSI, COSME, and others) have shown little or no impact, especially in Mediterranean and Eastern EU countries (European Economic and Social Committee, 2016). The reasons behind this somewhat limited effectiveness of most EU funding tools have not been identified in detail so far in official reports documenting their implementation.

A fundamental step for the impact assessment of Social Economy policies is the visibility and recognition of the conceptual vs the actual (i.e. in the field) definition of the term, which is portrayed in the validity and credibility of the measurement tools of Social Economy at the transnational level. This recognition results in quantifications that are more related to the definitions in the legal framework of Social Economy, rather than the actual practices encountered in everyday economic and social life. Furthermore, this has important implications on supporting and promoting policies of Social Economy that seem to support entities described in the definitional framework mostly. Therefore, the structure of the conceptual framework significantly impacts the way Social Economy is perceived, implemented and consequently, the reassessment and the evaluation of these policies. In the context of the economic crisis, the periodic introduction of varying new concepts that emerged in several definitional attempts in EU countries did not support the establishment of a unified concept and definition of what Social Economy "is" and what it "should be". The vast definitional umbrella of Social Economy, including many different subsets lacking accuracy and clarity, further complicates the content or the classification of Social Economy activities, leading to a "statistical hardening" of Social Economy (European Economic and Social Committee, 2016). These issues generate a lack of consensus on the concept and hamper its development.



Therefore, the fact that Social Economy remains invisible in the national accounts of many countries is expected since the statistical monitoring of the Social Economy does not always coincide with the adoption of laws. Spain and Italy, along with France, Bulgaria, Luxembourg, the Czech Republic, and Hungary have made substantial efforts to provide reliable data, published by their national statistics institutes and government bodies (European Economic and Social Committee, 2016). On the other hand, in Greece and Cyprus, data collection on the Social Economy remains inaccessible and poorly monitored. Apart from that, according to the key interviewees, official Registers do not reflect the Social Economy contemporary reality, since the registered entities constitute only a percentage of the whole.

The analysis of Social Economy data in previous chapters, has shown important diversity among the study regions, with steadily increasing numbers of the sector, however. This increasing tendency is also verified by the general overview of European reports, where data summarize that the Social Economy provides over 13.6 million paid jobs, accounting for 6.3% of the total working population of the EU-28, through over 2.8 million entities and enterprises. However, the impact on youth unemployment remains weak in many of the study regions. From the research so far, it turns out that the Social Economy expansion has led to minor job numbers increases, through resilient entities with survival rates during the crisis similar to or better than those of mainstream businesses. Within the current laws of Social Economy definitions and aims, there is no direct reference on NEETs or youth unemployment in the legal frameworks of all countries.

The data analysis has also revealed a high diversity of the Social Economy employment rates among the study countries and regions (Table 5.3), particularly when compared to the national employment rates. The interpretation of this variation calls for the comparison of the socioeconomic systems and the path dependency of the sector's evolution. Obstacles in policy implementation along with the development of the national regulatory frameworks, combined with national economic patterns, can also assist in interpreting the uneven outcomes. The examples of Spain and Italy, where apart from their economic performance compared to Greece and Cyprus, have a much longer record of familiarity with cooperatives as economic enterprises (since the end of the 18<sup>th</sup> century), also contribute towards providing explanations for these differences. The timeline below (Figure 5.3) offers a depiction of this diversity of legislation and regulations.

*Table 5.3: Evolution of paid employment in Social Economy in Europe; source: European Economic and Social Committee, 2016.*

Country	Paid employment 2002/2003	Paid employment 2009/2010	Paid employment 2014/2015	Percentage of Social Economy employment compared to total employment (2014/2015)	2010-2015%
Greece	69,834	117,123	117,516	3.3%	0.3%
Spain	872,214	1,243,153	1,358,401	7.7%	9.3%
Italy	1,336,413	2,228,010	1,923,745	8.8%	-13.7%
Cyprus	4,491	5,067	6,984	2.0%	37.8%

Total EU-28	11,142,883	14,137,218	13,621,535	6.3%	-3.6%
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Trends of Social Economy are discussed by Monzón & Chaves (2016) in a survey with professionals and representatives of the sector. They identify a few fundamental barriers: visibility and awareness, leadership and government administration, financing and taxation and institutional barriers. Eastern EU countries are those where lack of awareness and understanding of the concept of Social Economy occurs in the greatest degree. Lack of leading institutions that will take responsibility for developing and encouraging Social Economy through policies is also observed for these countries.

Moreover, the idea that Social Economy has to be financed by private (consumers, enterprises) and not public funds is becoming increasingly mainstream, and there is a shift of public finance, especially for associations, from state subsidies to more public contracts (Monzón & Chaves, 2016). Finally, changes in sector regulations constitute obstacles to the operations of Social Economy, and the implementation of the new regulations for social enterprises is lacking. In contrast, new difficulties emerge for other Social Economy entities due to new national legal requirements for Social Economy or changes in legal forms (European Economic and Social Committee, 2016). Finally, the lack of fundamental connection between Social Economy and youth employability, which is the primary aim of the introduction of promoting policies, may be rooted in the lack of entrepreneurial learning within current policy frameworks (European Commission, 2017).

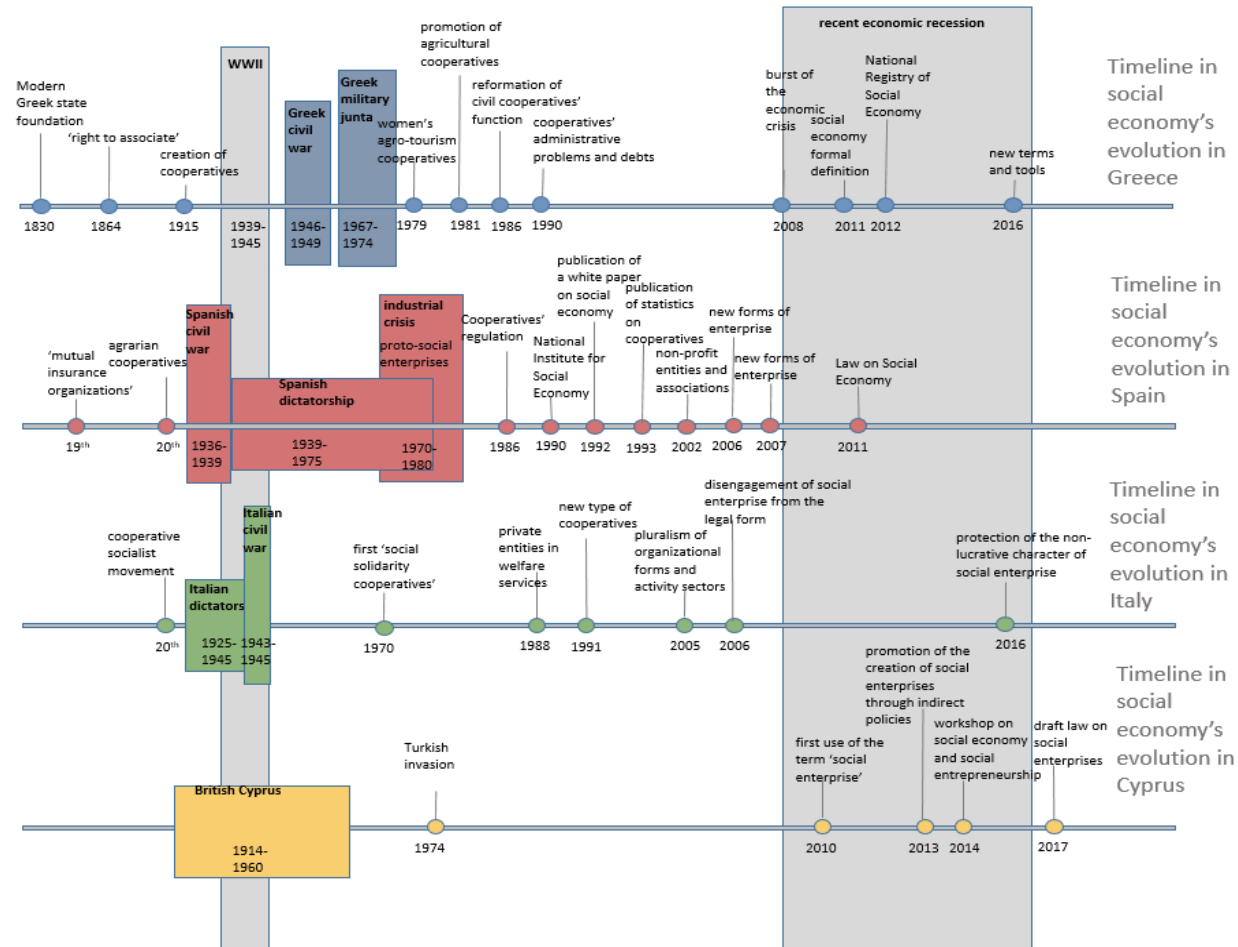


Figure 5.3: Timeline chains of the Social Economy evolution in study countries; source: European Commission 2016 and 2019, European Economic and Social Committee 2016, processed by the authors.

### 5.1.6 Discussion

Assessing the impact of policies for Social Economy on youth unemployment has been one of the objectives of this section of the report. The main findings include that the commitment of policy-making actors towards the expansion of Social Economy is one of the most critical factors that explain regional differences and the actual impact on NEETs. The fact that the welfare systems in Greece, Spain, and Italy, in particular, are characterized by an inadequate supply of public, only strengthens the importance of this commitment.

Policymaking actors recognize that employment creation and entrepreneurship in the Social Economy is the best way of tackling poverty and making local communities economically self-sufficient. The main drivers that boost the growth of Social Economy may have their base on bottom-up experiments generated by groups of citizens, in search of new forms of services and employment. However, its regulations and institutions develop through public policies that regulate the delivery of social services.

In practice, only a minimal number of Social Economy entities manage to gain financial independence from subsidies (Amin et al., 2003). Despite the Social Economy policymaking focus on employability to promote social inclusion, the employment structures remain marginal for disadvantaged groups of people, such as NEETs. The proportion of vulnerable and special groups in employment remains persistently low, related to the rest of the working population (Hall & Wilton, 2011).

Regarding employment models, even though policies consider the Social Economy experience as both rewarding and empowering, according to Amin et al. (2003), actors not involved with the sector assume that it offers work that is less well-paid, less skilled and less stable than work in "conventional" sectors. They consider it as an evolutionary stepping stone to the formal growth-oriented economy. Literature and data analysis suggests that the expectations of public policies about the role of Social Economy, as a first step for the return of socially disadvantaged groups into the formal economy, is overly ambitious and unrealistic. Based on the same research, those who manage to cross over from social to the formal economy do not come from socially disadvantaged backgrounds (or have overcome disadvantages before entering Social Economy) and are in any way able to develop a career in and beyond the sector. On the contrary, the majority of Social Economy paid employees, volunteers or placements with disadvantaged and de-motivated past, are less likely to become more capable or willing economic agents through their experience in SE, since financial resources and long-term supply contracts are lacking from most employment conditions. The critical question that arises is how productive and, therefore, desirable is the return or entrance of socially disadvantaged groups in the formal economy.

The Social Economy values, like the ethic of care, social participation or the opportunity to work at own pace and without undue pressure from management and by exploiting personalized skills and abilities, constitute primary motives for the involvement in the sector. These social merits are not equivalent to those that prevail in the market economy or bureaucratic organizations. In practice, though, within the profit-driven environment, the individual organizations are forced by market pressures to neglect or compromise their social objectives (Amin, 2009). The continuities

between alternative and "mainstream" business models, may interpret the way precariousness becomes normalized in the dominant entrepreneurial contexts for most workers (Weiler et al., 2016).

In general, according to Amin et al. (2003), a main driving force of public policies towards the development of local, community-based social enterprises has been the mobilization of marginalized, economically idle regions and the privatization of activities that would previously have been the responsibility of the public sector, through the belief of better quality of services at the local level. However, such initiatives in areas already physically and functionally separated from the core of the mainstream economy may tend to foster uneven development, since the emergence of community economies itself is not proven to be making them more resilient (Amin et al., 2003). Moreover, the promotion of Social Economy as an alternative form of welfare appears to take place through the replacement of older forms of welfare provision with uneven, more precarious and weak forms. Employment of flexible working hours for non-equivalent tangible rewards in pursuit of social and community goals, with much lower salaries than in conventional sectors are increasingly common in the Social Economy spectrum. Therefore, the pursuit of Social Economy as a vehicle for regeneration may not result in genuine economic innovation, but the development of a 'second class economy'. In many ways, how local Social Economy policy has developed in recent years, and particularly how it has been embraced so wholeheartedly by many advocates of the Third Sector, constitutes just such a process of 'administrative reform'. Policies appear to be more concerned to provide more efficient (cost-effective) welfare, than the sort of radical alternative that they promote (Amin et al., 2003).

Concluding, it would appear that Social Economy is an economic form, but not as an alternative as promised. It is actively promoted by public policies, mainly during the economic crisis in countries and regions that do not have had a deep institutionalized Social Economy relevant past until then, to stimulate their markets, through community-based organizations. As mentioned above, it is also regarded as an alternative privatized welfare system that disengages the state from this responsibility, without in practice constructing firm foundations for social, communal sustainable activities. The Social Economy reality is not preparing the individuals deriving from disadvantaged groups to (re)enter the labor market. Even when they do manage to do so, therefore at relatively low rates, the Social Economy employability seems to be associated with precarious structures of conventional employment. However, those practices that emerged before or amid the crisis have the potential to re-stabilize the "democratic autonomy project", for persistent transformative, exploitative and oppressive socio-economic relations (Turker & Murphy, 2019).

## 5.2 Policies promoting Sharing Economies: an impact assessment

This section focuses on the analysis of the impact of governmental policies on the promotion of Sharing Economies. Spatially, the study focuses on Greece, Italy, Spain and Cyprus, while thematically focuses on the policies that promote short term rentals, which operate with the assistance of sharing platforms. The primary objective of this case study is to reveal whether the

specific industry can effectively contribute to employment. The main conclusion of the analysis is that the existing regulatory framework regarding the operation of short term rentals via sharing platforms, is not a firm one, making the estimation of their impact on employment difficult.

### 5.2.1 The methodological framework

The analysis focused on the objectives of this report includes:

- a. A survey and review of the existing policies and regulations focusing on the promotion of short term rentals or Sharing Economy by and large.
- b. Interviews with key informants, to ascertain distinctive characteristics of the specific industry and the impact of the above policies on employment.

The interviews, as mentioned above, with the selected key informants were based on a specific script, so as the produced study to reach comparative/ transnational conclusions. This script included questions, which formed the basis for an open discussion with the key informants. Generally, we opted for a discursive approach rather than a structured questionnaire, in order to help the interviewees, feel free to talk and add elements and thoughts that otherwise may not have been included in the original script. In this framework, the interviews were performed in the native language of the interviewees (Annex for the interviews with the key informants of the short term rentals).

### 5.2.2 The Greek Experience

#### Review of the regulatory framework

The circular of AADE E 2141/2019 provides clarifications on issues related to short-term leases in the context of the Sharing Economy. Some issues and clarifications provided in this circular, which relate to the scope of the current study, are the following:

- ☐ The income acquired by natural persons, legal persons and legal entities consist of the total agreed rent or the total amount, based on the cancellation policy paid by the tenant on a case-by-case basis. The total agreed rent includes all charges born by the lessor that are passed on to the tenant through the renting procedure or are marked separately beyond the rent (for example any commission on the digital platform charged by the lessor; charges for using air conditioning, electricity, wi-fi, and other.). Any charges related to the tenant's relationship with the digital platform concerned (for example, any digital platform chargeable to the tenant) are not taken into account in the total agreed rent.
- ☐ Lessors who do not provide services, other than the provision of bed linen, during the tenant's stay, are required to register with the "*Registry of Short Term Rentals*" and obtain "*Identification Number of the Property*". Individuals or legal entities or legal entities that post short term rentals on digital platforms within the Sharing Economy, without having the above Identification Number of the Property is subject to the penalties provided for by applicable law.
- ☐ The amounts paid by the digital platforms to the lessors in the form of commission/ bonus are not real estate income but business income. Specifically, lessors who are natural

persons and who do not otherwise engage in business, are not required to issue sales documents and to keep accounting books for bonuses, which do not exceed EUR 10,000 per year, as such transactions are carried out occasionally and are carried out as ancillary employment of short-term leasing of real estate.

### Impact analysis

The most important conclusions on the operation of short term rentals through sharing platforms in Greece, as derived by the interview with the key informant, are presented below:

- ❑ Concerning the general characteristics of the short term rental industry, the interviewee believes that the percentage of the short term rentals which operate through sharing platforms is more than 90% of the total short term rentals. This means that the impact of Sharing Economy in the industry of short term rentals is a huge one. Another major problem is over-working. The person who manages more than one listing and works on his own or with his/her family means that he/she has to be available 24 hours per day. Also, most of the short term rental owners are not professionals in accommodation. Therefore, they sometimes do some incomprehensible or 'panic moves', like variable pricing per stay.
- ❑ Also, the interviewee believes that the incentives for someone to start a business in short term rentals is the promise of high income and survival in an increasingly tight real estate market. For example, many people upload their property to the platform to cover their maintenance and tax costs. It is a form of business that does not have the characteristics of a typical business model. This is evident in individuals who operate almost exclusively at informal practices, but also in businesses, which also operate in informal conditions.
- ❑ Concerning the institutional framework, the interviewee noted that there is an institutional framework, however, especially since the government changed, there has been a strong rumour that there will be a new one, which will limit the number of short term rentals one can operate. Thus, all operators and entrepreneurs have a wait-and-see attitude in order to see how the institutional framework will change concerning the market. After all, the boost in short term rentals came from a change in the institutional framework in 2015, when the Greek Tourism Organization (GTO) license ceased to be mandatory to operate a home as a short term rental. Until then, all short term rentals had to comply with GTO's specifications.
- ❑ Every type of government tries to keep a balance between hotels that want to limit short term rentals while trying not to strangle the short term rental market, as many benefits arise from their operation. The last government had promised to limit short term rentals in the pre-election period, as an attempt to placate hotel capital, but there is now very close government cooperation with short term rentals. So, predictions on where the institutional framework will result in are impossible. However, it should be noted that there are people who are involved in this type of activity and are not so concerned with the institutional framework. These are foreign investors mainly buying properties in urban areas, turning them into guest hotels, or blocks of flats for short term rental

purposes, or convert them into regular hotels, so they move based on the existing framework.

- ❑ Regarding the economic and financial aspects of the operation of short term rentals, the interviewee believes that a severe problem concerns their high taxation, although some costs are informal and evade taxes. Also, the interviewee believes that the short term rental industry is/will not viable after the change regarding the requirement to register with the "Registry of Short Term Rentals".
- ❑ It should also be noted that many owners will continue to run the short term rentals as individuals (rather than becoming business legal entities), due to lower taxation. Another reason is that, if they become enterprises, it will be tough for them to stay consistent regarding the tax obligations, as the tax system becomes very complicated in this case.
- ❑ Last but not least, concerning the provided services, only a few services are offered by the owners/ operators of these short term rentals. Such services are: cleaning before and after the stay, support during the stay, and change of bed linens.

### 5.2.3 The Spanish experience

#### Review of the regulatory framework

Changes in Spanish rental laws were introduced in 2019, mostly affecting long term rentals. However, the below two amendments of Spain's Horizontal Act most probably will substantially affect the whole short term rentals industry in Spain. In particular:

- ❑ A Community of Owners is allowed to vote by a simple majority of 3/5 to outright ban short term rentals within a community.
- ❑ A Community of Owners is allowed to increase the communal quota assigned to a landlord (capped at 20%) of the overall community budget. In plain English, Communities of Owners may now vote to increase the community quota of a property owner who uses his property/properties as a short term rental.

#### Impact analysis

The most important conclusions on the operation of short term rentals through sharing platforms in Spain, as derived by the interview with the key informant, are presented below:

- ❑ About the general characteristics of the industry, the interviewee was unaware of the percentage of short term rentals that are currently offered in sharing platforms and are not supported by a management company. He also considers that short term rentals are more of a form of self-employment as most of the necessary services are provided by the owner who also manages the property. Also, he supports the view that most people entering this kind of business do not care about the social objectives of Sharing Economy. In particular, he believes that these people are entrepreneurs, and thus, their goal is to make a profit.
- ❑ Concerning the legal framework, the interviewee considers that a legal framework may exist, but he is not aware of it. Albeit the above, he believes that the present legal framework does not effectively promote the development of short term rentals, as well



as their operation through sharing platforms, as he is not aware of any incentives targeting people they want to start working in this business.

## 5.2.4 The Italian experience

### Review of the regulatory framework

Some of the most critical elements of the Italian regulatory and legal framework are mentioned below:

- ❑ *Definition of short term rental:* There is a new definition of what a short term rental is, defined now as a residential renting contract not exceeding 30 days, including the provision of linen and cleaning, where the landlord is an individual acting otherwise than in the course of a trade or business, either directly or through a real estate agency.
- ❑ *Taxation of short term rental:* In 2017, a new tax reporting obligation was introduced for the short term rentals, and especially for rental contracts through real estate agencies and online portals (such as Airbnb and the like). This regulation came as a reply to the widespread problem of tax evasion. Also, a flat-rate tax of 21% ("cedolare secco") was introduced. This tax applies in place of the personal income tax (IRPEF) and any regional/municipal income tax, generally due to the rental income. It also covers any registration tax due. Also, the tax applies to the gross rent without any kind of expense deduction (i.e. expenses such as agency or cleaning fees are not deducted). It also applies to any amount the owner charges to the tenant, e.g. utilities, wi-fi fees, and other. Last but not least, the same law introduced a new tax (only for agents) applied at source on payments to landlords on amounts due to them. This tax of 21% is applied to agents operating for a business, either located in Italy or not.

### Impact analysis

The most important conclusions on the operation of short term rentals through sharing platforms in Italy, as derived by the interview with the key informant, are presented below:

- ❑ Regarding the general characteristics of the industry, the key informant was not aware of the specific percentage of short term rentals that are currently offered in sharing platforms and are not supported by a management company. However, he asserted that these platforms are used widely. These are either used by professionals to attract new clients, or by individuals who want to make some extra profit from their properties. In all cases, the technical maintenance of the properties is done by the relative engaged people.
- ❑ Concerning the reasons for entering the Sharing Economy, the key informant believes that most people enter the short term rental business in order to get some profit. However, it is crucial to address that they do so because they are also proud of their region, and they want visitors to discover it. This is why they prepare or disseminate leaflets with travel information, or they encourage visitors to discover the local cuisine and sights. It is also significant for the locals that through short term rentals, they can bring life into places that have been left inactive for years (e.g. in traditional villages).

- ❑ Concerning the legal framework, the interviewee stated that there is not a specific national framework for sharing platforms of this kind in Italy. There is, however, a regional legislation that sets, for example, minimum requirements for the B&Bs that use sharing platforms, but this legislation does not extend to properties of individual people which are operated as short term rentals through sharing platforms. This lack of regulatory framework has caused some complaints on the part of the organised tourist sector, which addresses the fact that individuals do not contribute to tax payment as much as they do. However, they believe that this is not a big issue, as the operation of short term rentals by individuals helps the tourist sector to expand to new places where it could not have been possible without the assistance of these platforms.
- ❑ Regarding the services provided, in the case of short term rentals operated by individuals (i.e. the owners), the required services are offered by the owners without the assistance of specialised companies, agents, or employees. However, it should be mentioned that some companies manage short term rentals, usually close to coastal areas, where there is more intensive tourist development. In all other areas, such services are provided by the owners.

## 5.2.5 The Cypriot experience

### Review of the regulatory framework

Concerning the case of Cyprus, there are no specific policies or regulations regarding Sharing Economy and short term rentals, in particular, a finding that was validated by the key informant.

### Impact analysis

Concerning the general characteristics of the short term rental industry, the key informant estimates that approximately 40%-50% of the short term rentals in sharing platforms are not supported by a management team. A basic characteristic of these rentals is their non-professional operation, as many of them are unfurnished, their occupancy rate is shallow (they remain vacant) throughout the year, and have unpaid bills. Moreover, many of the owners of these rentals do not permanently reside in Cyprus. Instead, these owners prefer to outsource the maintenance services (for example the cleaning) of the rental to a familiar local person, while they retain for themselves the administration of the rental (for example booking and payments). Also, the owners that do reside in Cyprus, they provide these services by themselves. This situation is very challenging for the management companies, as it forced them to keep their rates low.

Concerning the legal framework, the key informant was not aware of any legal framework specifically for short term rentals or Sharing Economy. The interviewee also noted that lots of these owners do not declare their whole profits from their rentals for taxation purposes. Instead, the professional agents of short term rentals not only declare their income, but they are also obliged to charge VAT.

### **5.2.6 Conclusions on the impact of policies on promoting Sharing Economy in the MED EEA**

Regarding the regulatory framework, it is concluded that this is still not up to the rapid and sudden growth of this type of economy. The studied countries do not have in place coherent regulatory systems for Sharing Economy and short term rentals operated through sharing platforms, or, if they do, these have not been successfully promoted, and people ignore their existence. The lack of a regulatory framework is even more critical when someone considers the significant impact of sharing platforms on the operation of short term rentals. The technology has transformed the industry, as most of the short term rentals are now operated through sharing platforms. Because of this, the lack of regulations seems to have generated conflicts between the traditional tourist sector operated by professionals and the newly born industry of short term rentals operated by non-professional individuals through sharing platforms.

Albeit the transformation of the industry, it seems that short term rentals have not yet been able to increase employment opportunities massively. Many services need to be offered in order for a flat to become short term rental. However, in most cases, these services are provided by the owners of the rentals. This may not be the case only in areas with the most intense touristic development, in which such services are offered by specialised companies too. Concluding on the above, it seems that short term rentals can provide employment opportunities, however in the form of self-employment only. Last but not least, it seems that most people entering this kind of business do not care about the social objectives of the Sharing Economy, as their main goal is to make a profit.

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Greek secondary data sources available at:

- ☐ Special Secretariat for Social and Solidarity Economy (SSE) of Greek Ministry of labor and Social Affairs. (2019). Various reports. Available 20 March 2019 at <https://kalo.gov.gr/>

Spanish secondary data sources available at:

- ☐ Spanish Social Economy Employers' Confederation – CEPES. (2019). Various reports. Available 5 April 2019 at [https://www.cepes.es/social/econ\\_social\\_whats\\_it&lng=en](https://www.cepes.es/social/econ_social_whats_it&lng=en).
- ☐ [http://www.mitramiss.gob.es/es/sec\\_trabajo/autonomos/economia-soc/EconomiaSocial/estadisticas/index.htm](http://www.mitramiss.gob.es/es/sec_trabajo/autonomos/economia-soc/EconomiaSocial/estadisticas/index.htm)

Italian secondary data available at:

- ☐ IStat (2019). Various reports. Available 15 April 2019 at <http://dati.istat.it/Index.aspx?QueryId=20771&lang=en>

Cypriot secondary data available at:

- ☐ ACS – Authority for Cooperative Societies (2014). Annual Report: 2012 (in Greek). Available at: [http://www.cssda.gov.cy/cssda/cssda02.nsf/All/673DE01F621904BAC2257D2C002D4108/\\$file/%CE%95%CF%84%CE%AE%CF%83%CE%B9%CE%B1%20%CE%88%CE%BA%CE%B8%CE%B5%CF%83%CE%B7%202012.pdf](http://www.cssda.gov.cy/cssda/cssda02.nsf/All/673DE01F621904BAC2257D2C002D4108/$file/%CE%95%CF%84%CE%AE%CF%83%CE%B9%CE%B1%20%CE%88%CE%BA%CE%B8%CE%B5%CF%83%CE%B7%202012.pdf)
- ☐ ACS – Authority for Cooperative Societies. (2019). Available at: [http://www.cssda.gov.cy/cssda/cssda02.nsf/index\\_gr/index\\_gr?OpenDocument](http://www.cssda.gov.cy/cssda/cssda02.nsf/index_gr/index_gr?OpenDocument)

## National Laws

Greek Laws on social economy available at:

- ☐ <http://www.et.gr/index.php/nomoi-proedrika-diatagmata>

Spanish Laws on social economy:

- ☐ 39/2006 available at: <https://www.mindbank.info/item/882>

- ❑ 44/2007 available at: <https://www.global-regulation.com/translation/spain/1444989/law-44-2007%252c-of-december-13th%252c-for-the-regulation-of-the-regime-of-the-companies-of-insertion.html>
- ❑ 5/2011 available at: <https://www.eesc.europa.eu/resources/docs/the-spanish-law-on-social-economy.pdf>
- ❑ 31/2015 available at: <https://www.global-regulation.com/translation/spain/615621/law-31-2015%252c-9-september%252c-which-modifies-and-updates-the-rules-on-self-employment-and-adopt-measures-of-promotion-and-promotion-of-self-employment.html>

Italian Laws on social economy available at:

- ❑ <https://www.gazzettaufficiale.it/home>

Cypriot Laws on social economy available at:

- ❑ <http://www.cyprus.gov.cy/portal/portal.nsf/gwp.getGroup?OpenForm&access=0&SectionId=citizen&CategoryId=Legislations&SelectionId=Laws%20regarding%20Co-ops&print=0&lang=en>

## ANNEXES

### Annex of Economic Sectors

Statistical Classification of Economic Activities in the European Community Rev. 2 (2008): Level 1  
Codes

Code	Economic Area
A	Agriculture, Forestry and Fishing
B	Mining and Quarrying
C	Manufacturing
D	Electricity, Gas, Steam and Air Conditioning Supply
E	Water Supply; Sewerage, Waste Management and Remediation Activities
F	Construction
G	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles
H	Transportation and Storage
I	Accommodation and Food Service Activities
J	Information and Communication
K	Financial and Insurance Activities
L	Real Estate Activities
M	Professional, Scientific and Technical Activities
N	Administrative and Support Service Activities
O	Public Administration and Defense; Compulsory Social Security
P	Education
Q	Human Health and Social Work Activities
R	Arts, Entertainment and Recreation
S	Other Service Activities
T	Activities of Households as Employers; Undifferentiated Goods and Services Producing Activities of Households for Own Use
U	Activities of Extraterritorial Organizations and Bodies

## Annex of NUTS-II level Regions

English name	EUROSTAT name	NUTS II level code
East Macedonia and Thrace	Anatoliki Makedonia, Thraki	EL51
Attika	Attiki	EL30
North Aegean	Voreio Aigaio	EL41
Western Greece	Dytiki Ellada	EL63
Western Macedonia	Dytiki Makedonia	EL53
Epirus	Ipeiros	EL54
Thessaly	Thessalia	EL61
Ionian Islands	Ionia Nisia	EL62
Central Macedonia	Kentriki Makedonia	EL52
Crete	Kriti	EL43
South Aegean	Notio Aigaio	EL42
Peloponnese	Peloponnisos	EL65
Central Greece	Stereia Ellada	EL64
Andalusia	Andalucía	ES61
Aragon	Aragón	ES24
Asturias	Principado de Asturias	ES12
Baleares	Illes Balears	ES53
Canary Islands	Canarias	ES70
Cantabria	Cantabria	ES13
Castilla La Mancha	Castilla-la Mancha	ES42
Castile and Leon	Castilla y León	ES41
Catalonia	Cataluña	ES51
Valencian Community	Comunidad Valenciana	ES52
Extremadura	Extremadura	ES43
Galicia	Galicia	ES11
Madrid	Comunidad de Madrid	ES30
Murcia	Región de Murcia	ES62
Navarra	Comunidad Foral de Navarra	ES22
Basque Country	País Vasco	ES21
Rioja (La)	La Rioja	ES23
Ceuta	Ciudad Autónoma de Ceuta	ES63
Melilla	Ciudad Autónoma de Melilla	ES64

Abruzzo	Abruzzo	ITF1
Basilicata	Basilicata	ITF5
Calabria	Calabria	ITF6
Campania	Campania	ITF3
Emilia Romagna	Emilia Romagna	ITH5
Friuli-Venezia Giulia	Friuli-Venezia Giulia	ITH4
Liguria	Liguria	ITC3
Lombardia	Lombardia	ITC4
Marche	Marche	ITI3
Molise	Molise	ITF2
Piemonte	Piemonte	ITC1
Autonomous Province of Bolzano / Bozen	Provincia Autonoma di Bolzano/Bozen	ITH1
Autonomous Province of Trento	Provincia Autonoma di Trento	ITH2
Apulia	Puglia	ITF4
Sardinia	Sardegna	ITG2
Sicily	Sicilia	ITG1
Tuscany	Toscana	ITI1
Trentino Alto Adige	Trentino Alto Adige	
Lazio	Lazio	ITI4
Umbria	Umbria	ITI2
Aosta Valley	Valle d'Aosta/Vallée d'Aoste	ITC2
Venice	Veneto	ITH3
Cyprus	Cyprus	CY00

## Annex of Qualitative Research Data Table used in Chapter 4

**The Project:** This questionnaire is being conducted in the framework of the project: “A Place for Youth in Mediterranean EEA: Resilient and Sharing Economies for NEETs” (YOUTHShare). The project is funded by Iceland, Liechtenstein and Norway through EEA and Norway Grants Fund for Youth Employment. It aims at reducing youth unemployment in coastal and island regions of Mediterranean EEA. The YOUTHShare project will advance young NEETs skills in agri-food production, in circular economies, in social entrepreneurship and sharing economy.

For any information you may contact us at the email: [youthshareproject@gmail.com](mailto:youthshareproject@gmail.com)

**Purpose of the questionnaire:** The questionnaire aims at identifying the status of social economy and its actors in the focus countries (Greece, Cyprus, Italy, Spain) with the view to support persons that are not in employment, education or training to find or create job opportunities.

**Confidentiality and anonymity:** Your answers are confidential and only the project's research team will have access to them. Your answers will be processed solely for research purposes. Your participation is fully anonymous. You face no risks or consequences from the participation in this survey. Your participation in the survey is completely voluntary. You are free to withdraw from this questionnaire at any point. With your participation you provide consent over further use and publication of the research results solely for scientific purposes.

### General features of the enterprise and the respondent

1. Which is the business name of your enterprise/ entity?
2. Which is your part/role in the enterprise?
3. When did your enterprise start its operation? (year) / was your enterprise established? (year)
4. How many members are included in your enterprise? (answer only if your enterprise is constituted by members) – natural persons
5. Please mention the municipality of your enterprise’s registered office (fill in the postal code of the area)
6. Please mention your enterprise’s wider geographical area of operation?

District level (neighborhood)	Local/provincial (clarify)
Regional level (clarify)	National level
International level (clarify)	I don't know/ I can't answer

7. Please describe your enterprise's specific legal form.

8. Please describe your enterprise's aims and main (productive/ market/trade etc.) activity.

For enterprises with specific legal form: Is your enterprise included in the Register of Social and Solidarity Economy Entities?

9. What are the decision-making processes?

10. Which are the main types of entities you cooperate or interact with?

11. Do you believe there is a group of people that is directly benefited by the main activities of your enterprise? If yes, which ones?

12. Which is your main revenue source?

13. What kind of funding and grants have you received (during the previous year and since the establishment of your enterprise)?

13a. During the previous year	13b. Since the establishment of the enterprise
i.Funding (private or public) in kind or in cash	i.Funding (private or public) in kind or in cash
ii.Donation in kind or in cash	ii.Donation in kind or in cash
iii.Loan	iii.Loan
iv.Credit in the form of overdraft	iv.Credit in the form of overdraft

14. What was the annual revenue of your enterprise during the previous financial year?

€0 - 10.000	€10.000 - 50.000
€50.000 - 100.000	Over €100.000

15. What were the financial results of the previous year?

Profit	Loss
Neither profit or loss	Bankruptcy

16. How do you mainly use your profit/surplus?

<i>Distribution among the members</i> (in form of dividends etc.)	<i>Distribution among the employees</i> (in the form of bonus and salary increase)
<i>Investment through new job creation</i>	<i>Investment in education/training</i>
<i>Investment in facilities and equipment</i>	Reserve

Sponsorship (support of other social economy entities etc.)	Other (please clarify)
---	------------------------

17. In what way are you expecting the revenue of your enterprise to change during the next financial year?

Increase	Decrease
Stable	I don't know

Expectations for an increase

17a. Please define the prospects and ways to achieve a revenue increase in the next financial year

Expectations for a decrease

17b. Please explain why you are expecting a decrease in revenue for the next financial year.

Employment

18. How many persons are employed (full-time or part-time) within your enterprise in total?

1-4	5-10
Over 10	

19. How many of those are part-time employees/workers (34 or less hours per week)?

20. What type of employment contracts, referring to the periods of employment, you use in your enterprise? Please define the number of employees per type, if possible.

21. Has your enterprise participated in any programs, promoted by public policies, against youth unemployment or NEETs, or programs promoting the integration of disadvantaged groups in labor markets?

22. How many of the employees are members of the enterprise at the same time?

23a. What are the approximate percentages of members of your enterprise belonging in the following groups: Young people below 30, Women, Migrants and NEETs?

	Young people below 30	Women	Migrants	NEETs
Members				

23b. What are the approximate percentages of employees of your enterprise belonging in the following groups: Young people below 30, Women, Migrants and NEETs?



	Young people below 30	Women	Migrants	NEETs
Employees				(Former NEETs)

24. Do you estimate a change in the number of your employees for the following year (increase/decrease)?

Increase	Decrease
Stable	

#### Minorities

25. Are there any specific gender-related regulations or common practices in the enterprise? If yes, which may you describe those regulations and/or common practices?

26. Are there any efforts by the enterprise to combat unemployment and social exclusion of young women? If yes, please refer to them as analytically as possible.

27. Are there any specific migrant/refugee-related regulations or common practices in the enterprise? If yes, which may you describe those regulations and/or common practices?

28. Are there any efforts by the enterprise to combat unemployment and social exclusion of refugees and migrants? If yes, please refer to them as analytically as possible.

#### Enterprise

29. How do you choose your suppliers and your partners (outline your general principles)?

30. Which are the major challenges that your enterprise faces (mention also obstacles that are related to the locality/municipality of current operation)?

31. Do you believe there is a potential for further development of social enterprises in your locality/ municipality of current operation?

32. Do you believe that the existing public/state policies contribute to the development of social economy enterprises and of social economy in general?

33. Are you aware of your national/ regional laws, referring to the establishment and regulation of Social and Solidarity Economy entities?

34. Which are the main deeper reasons/motives for your involvement in your social enterprise? Please describe your experience of being part of a social economy entity in general.

35. Which are in your opinion the basic differences between social enterprises and conventional/for-profit enterprises? (e.g. internal business practices, practices related to other entities and to society).

YOUTHShare project

36. YOUTHShare project tasks include training activities for young NEETs and seeks re-activation of NEETs through resilient agri-food, circular economy, sustainable tourism through short-term rentals etc.

36.a. Would you be interested in cooperating with (one of) YOUTHShare's social enterprises?

36.b. What kind of activities of such a social enterprise could be complementary to your activities?

37. Please complete/fill in contact details if you wish to be informed about the results of the research and further activities of the program. Feel free to add anything that may be useful/important for the research according to you.

## Annex for the interviews with the key informants of short-term rentals

The questions of the script are presented below, organised in thematic groups:

- ❑ *Services and properties*
  - Which are the primary services that you provide as a company?
  - Which are the main requirements of your customers?
  - How would you think about evolving as a company in terms of services?
  - How many properties do you manage as a company?
  - What is the type of the most properties that you manage?
  - Is the cost of management of each property relevant to the size and the number of properties?
  - Which are the most common problems you face?
  - How many employees do you have?
  - What is the average age of your employees?
  - Is there a need to hire more staff in your company?
  
- ❑ *Sharing economy and youth unemployment*
  - Do short term rentals contribute to training and in offering jobs to NEETs and other disadvantaged groups?
  - Do you think that the expansion of the sharing economy and/or short term rentals will have a positive impact on youth unemployment (i.e. help in reducing NEETs rates)?
  - Do short term rentals tackle women unemployment and exclusion anyhow from the labour market?
  
- ❑ *Public policies*
  - Do you believe that the present legal framework promotes short-term rentals?
  - Are there (bureaucratic) difficulties that have to be addressed?
  - Were short term rentals in your country supported anyhow by international organisations (e.g. European Union)?
  - Is there a bottom-up or a top-down approach in policymaking?
  
- ❑ *Economic sectors and employment practices of sharing economy*
  - Can you identify (some of) the major economic sectors that could be benefited through contemporary short term rentals?
  - Are there specific public policies promoting the sharing economy in the primary sector/ in agri-food production/ in circular economy addressed to tourism?
  - Which are the most common employment patterns and employment forms used by short term rental properties? Do short term rentals promote decent and well-paid employment forms? Are short term rentals reproducing precarious and low-paid flexible employment?

☐ *Aims of sharing economy*

- Do you believe that the majority of short term rentals aim at addressing social challenges or they are typical businesses benefited by the sharing economy legal framework?
- Which are the main motives, if any, for new short term rental owners? Are these motives mostly related to economic and financial factors (i.e. lower social contributions, lower taxation, and other)?

☐ *Dissemination/Communication*

- Are young people encouraged to participate in the sharing economy? If yes, how?
- What are the channels of communication used?
- Is there any effective feedback mechanism from the short-term rentals?

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