



How ethical, social and alternative finance contribute to a « better Europe » ?

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1. What is Febea?



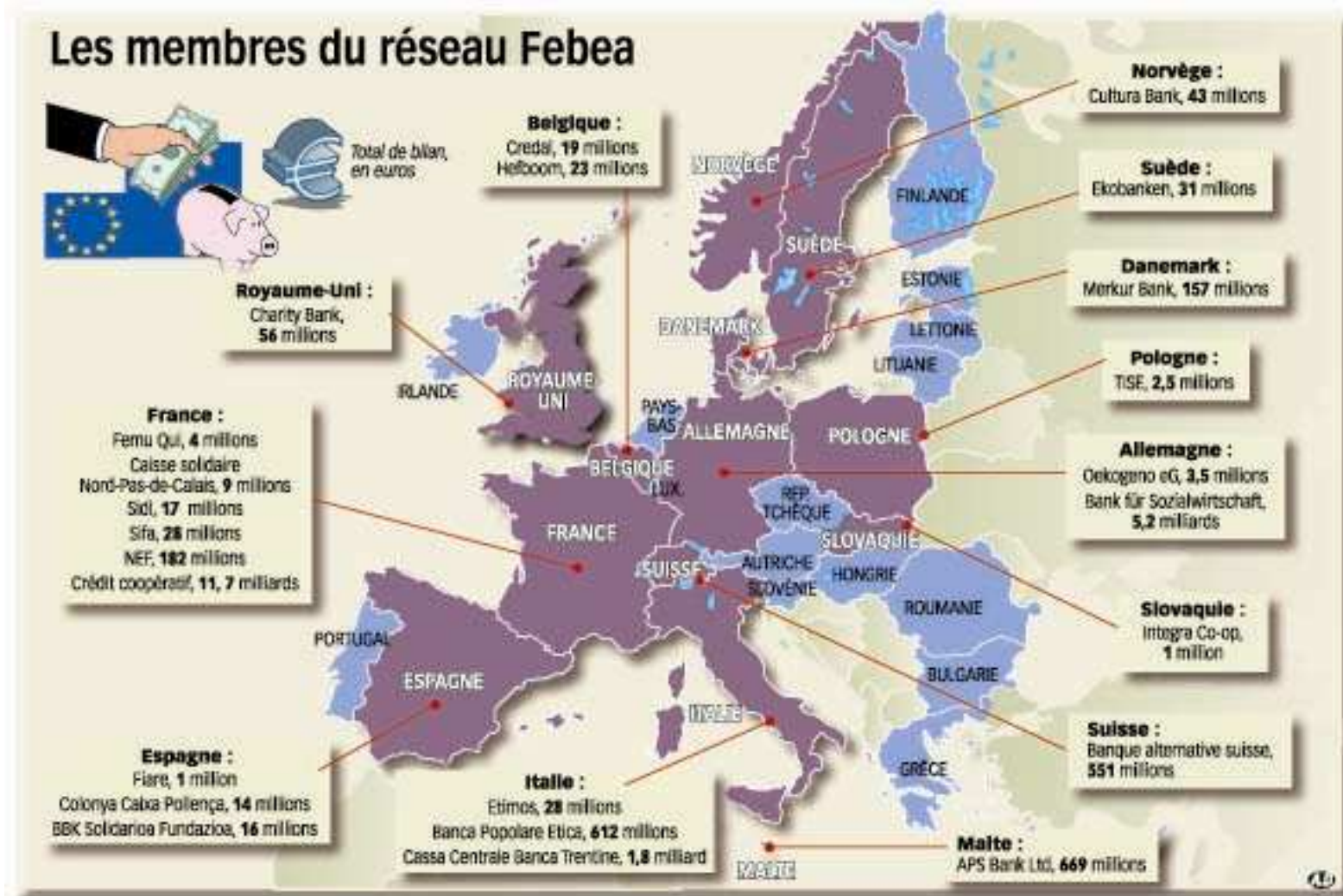
The European Federation of Ethical and Alternative Banks Febea was created in 2001 as an international non-profit association under Belgian law by 8 founding members:

- Banca Etica (Italy), Bank Für Sozialwirtschaft (Germany), Caisse Solidaire (France), Crédit Cooperatif (France), La Nef (France), Credal (Belgium), Hefboom (Belgium), and TISE (Poland)

Now 23 members across 11 EU states + Norway + Switzerland

- 10 banks, 6 savings and credit cooperatives, 5 investment companies, 2 foundations.

FEBEA in Europe (1)



Datas from 2010, Journal La Croix, 29/11/2010



Febea's objective: developing ethical and alternative finance in Europe (1)

Through the creation of common financial tools:

- The investment company « SEFEA », managed by the founder of Banca Etica (IT) – Fabio Salviato
- CoopEst, launched by Crédit Coopératif Group, IFC (World bank), Febea
- The fund « FEFISOL » (recently launched) dedicated to support microfinance institutions and fair trade and organic producers organisations in Africa, created by Etimos (IT) and Sidi (FR)



Febea's objective: developing ethical and alternative finance in Europe (1)

Through the exchange of good practices, collaborative works and open discussions within working groups:

- Europe Active – Financing active inclusion
- Financing Fair Trade and the South
- Socially Responsible Investment
- Financing healthcare and social infrastructures in Europe
- Equity and regulation, Basel III consequences

Through the set up of business relations :

- Co-financing agreements
- Equity funding
- Etc.



2. The Active Europe Project

Launched by Febea in 2009 for

- Promoting initiatives that lead to social inclusion through job creation all over Europe
- Fighting for a favorable regulatory and financial framework for them
- Showing what ethical and alternative finance means and fostering it.

The Atlas of Good Practices of social inclusion through job creation:

- More than 70 good practices from France, Spain, Germany, U.K., Italy, Belgium, Switzerland, Sweden, Denmark, Norway, Poland, Slovakia
- 4 linguistic versions: English, French, Polish and Spanish




The Active Europe Conferences (2)

1st European Conference in Brussels (Belgium) on 29 November 2010

- Message of Herman Van Rompuy : « Solidarity and responsibility are 2 European fundamental values [...] A solidarity-based and active Europe, that is exactly what the Europeans need. »
- Cooperation with the European Economic and Social Committee
- 150 participants from 16 European countries

2nd European Conference in Krakow (Poland) on 7 and 8 of September 2011

- Message of Janusz Lewandovski: « Ethics and social preoccupations should be at the heart of the financial system »
- Coalition of European networks (EMN, INAISE, RED, ENSIE,...)
- 220 participants from 18 European countries



Towards a new approach of social issues (2)

The main message of the Active Europe Project becomes more and more accurate in the context : we need to mobilise public financing to get huge leverage effect on private resources for financing the job creation

- Crisis of public finances => less and less resources available for social issues.

What needs to be done?

- Promote a new approach mixing public and private financing
- Allocate the remaining resources to efficient initiatives
- Hence foster social investments that enable social benefits and sustainability at the same time



3. Working towards a European strategy

European Union key steps towards social economy

- Apr. 2011, Communication of EU Commission : “Social entrepreneurship is one of the 12 levers to boost growth and strenghten confidence in the Single Market Act”.
- Oct. 2011, Communication on Social Entrepreneurship : Key action n°1 is to propose a European regulatory framework for social investment funds to facilitate access to the financial markets for social enterprises »
- Sept.2011 : Public Consultation on which kind of European mechanisms can support social entrepreneurship through Social Investment Funds”.
FEBEA/Euclid project: <http://socialinvestmentfacility.wordpress.com>
- Dec. 2011 : Regulation proposal on « European Social Entrepreneurship Founds » (EuSEF)
http://ec.europa.eu/internal_market/investment/docs/social_investment/act_en.pdf



EuSEF : European Social Entrepreneurship Fund » label (3)

New and common European label to invest in social entrepreneurship

- Possibility to raise funds in all European Union countries
- Diversity of uses : equity, debt, loan, investment in other EuSEF
- Min. 70% of the EuSEF have to be invested in social enterprises
- Assets under management in total do not exceed a EUR 500 million
- Minimum entrance 'ticket' of EUR 100.000
- Common rules regarding transparency on selection of social enterprises, kind of support provided, management of the portfolio.
- Assessment and measurement of social performance performance

Social undertakings

Undertakings that provide social services or goods to vulnerable or marginalised persons, undertakings that employ a method of production of goods or services with a social objective, various legal forms.



FEBEA position (3)

My remarks EuSEF proposal, EESC Hearing, 21/03

- To implement a 60% minimum for the EuSEF assets invested in “social enterprises”.
- To extend the size of social enterprises that have access to EuSEF (now 50 Mln€ max revenues + 43 Mln€ total assets)
- To implement a fair but limited system of revenue of the EuSEF.
- Investment teams have to be mixed (both social and financial sectors)
- I strongly insists that, together with the label of EuSEF, should be created a European Fund managed by EIF that could be part of the different funds FESE that will be created up to 15 or 30%.

Soon as EuSEF Regulation proposal will be voted, FEBEA wants to gather a pool of European partners to create regional/national or European EuSEF funds.



For any question, please contact:

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