

6 October 2025

CECOP's contribution to the European Commission's call for evidence on the General Block Exemption Regulation (GBER)

CECOP, the European Confederation of Industrial and Service Cooperatives, welcomes the opportunity to provide feedback to the European Commission for the review of the General Block Exemption Regulation (GBER). CECOP represents approximately 43,000 cooperatives across Europe, being mainly worker cooperatives, social cooperatives and cooperatives of autonomous workers. In turn they employ over 1.3 million people. These are democratically owned and managed enterprises that contribute to sustainable and inclusive growth by combining economic performance with social progress.

The industrial and service cooperatives represented by CECOP belong to the wider social economy family. As the [Council Recommendation on developing social economy framework conditions](#) states, social economy enterprises “share the common principles of reinvesting all or most of their profits to pursue their social or environmental purposes and practicing democratic of participatory governance”. Cooperatives are collectively owned and democratically managed by their members, and the profits generated are reinvested in the cooperative. Social cooperatives in particular promote social inclusion and work integration of persons with disabilities and other disadvantaged persons into the labour market.

Despite the contribution of cooperatives to social progress and sustainable and inclusive growth, access to finance remains the greatest challenge they face. While the GBER is well-positioned to support cooperatives, its uptake is modest, particularly compared to other state aid measures, such as the de minimis threshold.¹ As public authorities often cite the lack of knowledge of the EU rules on State aid, the complexity of the GBER and other administrative difficulties as reasons for not applying the GBER, it is imperative that these key issues are addressed by the European Commission. In fact, as Enrico Letta pointed out in his report, “[Much more than a market](#)”, adapting the GBER is a key step for facilitating access to finance for social economy actors, including cooperatives.

In order to ensure not only better uptake of the GBER, but wider-reaching positive impact, CECOP suggests the following elements for the review:

- **Recognise cooperatives.** To unlock the full potential of cooperatives, within the wider social economy family, the GBER must include explicit references to the social

¹ Council Recommendation on developing social economy framework conditions. Available at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:C_202301344

economy, including to cooperatives. In its current form, provisions relevant to cooperatives are scattered across the Regulation, creating legal uncertainty, administrative burden, and a lack of application of the GBER. To this end, in line with the Social Economy Action Plan and the EESC Opinion on [How to support social economy entities in line with State aid rules: thoughts following the suggestions in Enrico Letta's report](#), state aid rules must “recognise the specific nature and tasks of these entities, and provide them with regulatory provisions that take into account the characteristics of the social economy, and primarily the statutory obligation to reinvest all or most of the profits in pursuit of general interest objectives, as set out in the national legal frameworks and in the Council recommendation”.

- **Article 2 must refer to a definition of social economy** given in the [Social Economy Action Plan](#) in order to avoid any confusion and legal uncertainty.
- **Annex I must take into account cooperatives.** Respecting the plurality of business models across the EU, the SME definition in Annex I needs to include the cooperative business model. The great majority of cooperatives affiliated to CECOP, and in general, are SMEs, however, due to the lack of explicit recognition of the cooperative business model under this definition, there is often uncertainty in public authorities whether they can be included under the GBER.
- **Section 1, Article 14 on Regional aid** must consider the acquisition of shares by employees as part of the initial investment in small and medium enterprises. This is particularly relevant for workers-owned cooperatives.
- **Section 3, Article 22 on Aid for start-ups** must take into account the special features of cooperatives, such as the different distribution of profits/results based on the principle of mutuality and the transactions between the members and the cooperatives (see 3rd cooperative principle, [ILO 193/2002](#)). In this regard, CECOP stresses that initial investment has to focus more on organisational change rather than change in the activities in order to consider transformation from a conventional enterprise into a cooperative.
- **Aid for disadvantaged workers and workers with disabilities (Section 6) must be strengthened and simplified.** As the EESC Opinion on [How to support social economy entities in line with State aid rules: thoughts following the suggestions in Enrico Letta's report](#) highlights, the rules for granting aid for the recruitment of disadvantaged workers and workers with disabilities (Section 6) must be “strengthened and simplified”.
 - **The maximum threshold should be increased** to boost opportunities to raise employment rates of persons with disabilities and other disadvantaged groups.
 - To simplify aid, **the distinction between duration of compatible aid for employment of disadvantaged workers (12 months), severely**

disadvantaged workers (24 months) and disabled workers (unlimited) should be eliminated. Instead, wage costs should be extended to the whole period of employment or until the disadvantaged persons' statuses are updated to fully rehabilitated, when applicable.

- **Aid intensity** for SMEs that provide training to disadvantaged workers or severely disadvantaged workers **should be increased to 100%** (Section 5, Article 31 – Training aid) with the aim to ensure that these small and medium-sized enterprises, particularly social cooperatives, are able to continue to provide crucial training for disadvantaged and severely disadvantaged workers.
- **Capacity-building in public authorities.** As one of the reasons for not utilising the GBER to its full potential is lack of awareness among public authorities about the possibilities of the Regulation, this support, guidance and awareness-raising trainings for public authorities is indispensable. Cooperatives provide essential services, including in rural/remote areas and to vulnerable population groups, and they also provide employment opportunities for disadvantaged workers and workers with disabilities, however, without access to financial support, difficulties in expanding their reach and impact often arise. In addition to simplifying the legislation to ensure that legal uncertainties are overcome, public authorities must also be provided with guidance and technical assistance.
- **Options for the cumulation of financial support from different sources must be improved**, as in the current situation it is difficult to use multiple funding. CECOP warns that public authorities prefer to avoid combining state aid with ESF+ is due to overly complicated rules.

CECOP is the European Confederation of Industrial and Service Cooperatives, representing approximately 43,000 cooperative enterprises, employing over 1.3 million workers, across 15 EU countries and the UK. The majority of cooperatives affiliated to CECOP's members are worker cooperatives (72%), which are democratically managed and owned by the workers, and social cooperatives (27%), whose core mission is the provision of social services and work integration of disadvantaged groups.