



**Le Mans  
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**Chaire Économie  
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# **The SCIC, an Innovation in French Cooperatives**

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# **I. The situation of cooperatives in France**

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# French legal framework for cooperatives

The cooperatives are legally defined in France in several specific legal texts:

(1) The 1947 **Cooperative Act** -revised in 1992-  
defining general cooperative principles

(2) Several **specific cooperative laws** for each type  
of cooperative also called special laws or sector-based  
laws

+ The **2014 Law on Social and Solidarity**

**Economy** that introduced the most recent legal  
changes.

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# The cooperative specificities

(1) A cooperative is a corporate company

(2) This company adopts specific rules regarding:  
dual capacity

democratic governance

compulsory indivisible reserve

limited return of capital

cooperative rebate

The good application of these rules is verified every 5 years by an independant expert (*revision*)

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# Classification of French cooperatives

- **4 types of cooperatives according to their membership:** (1) coops of **businesses**; (2) coops of **users**; (3) cooperative **banks**; (4) **workers' coops**
- **3 types of cooperatives according to their main function:** (1) organize **workers' control** of the firm; (2) provide **professional services** to specific businesses; (3) provide **services to individuals**
- A **national umbrella-body** created in 1968: CoopFR (ex-GNC)

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# Key data of French cooperatives

- 23,000 cooperatives
- 300,000 to 1.3 million of employees\*
- 27 millions of members

\* *NSO data vs CoopFR data*

- Presentation of the French cooperative movement:  
[https://www.entreprises.coop/images/documents/outilscom/english/coop\\_sectoral\\_survey\\_web.pdf](https://www.entreprises.coop/images/documents/outilscom/english/coop_sectoral_survey_web.pdf)
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# Cooperative specificities

**(1) The cooperative sector is highly concentrated**

The top 100 cooperatives = 70 % of the *total sales*

**(2) The cooperatives have an important local dimension**

75 % of the top 100 cooperatives have their head office *outside of Paris* (see next slide)

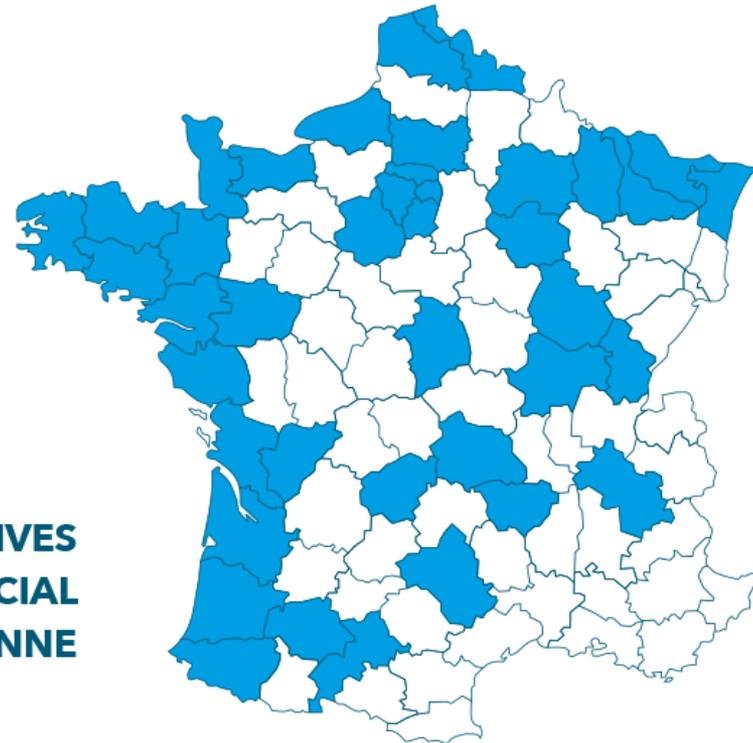
**(3) The cooperatives are resilient firms**

25 % of the top 100 are more than *50 years-old* and 10 % more than *100 years-old*

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# Head offices of top 100 coops



**81% DES PLUS GRANDES COOPÉRATIVES  
ONT LEUR SIÈGE SOCIAL  
HORS RÉGION PARISIENNE**

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## **II. The SCIC, a social innovation based on the workers cooperative model**

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# History of workers coops in France

- **1834:** Buchez launches the first workers coop at Paris
  - **1848:** First governmental policy for the promotion of workers coops
  - **1884:** Creation of a national body representing workers coops
  - **1915:** First specific law for workers coops
  - **1938:** Creation of a bank aiming at financing consumers and workers coops
  - **1978:** Major law for workers coops
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# The specificities of workers coops

## **Democratic governance and variable capital**

Min. **51%** of capital and **65%** of voting rights hold by workers

**Distribution of benefits:** collective non-distributable reserve (min. 16%) / workers (min. 25%) / members (max. 33%) → De facto: 40-45% / 45-50% / 10-15%

No legal minimum regarding the **ratio members / workers** → On average 50% of workers are also members

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# The SCIC, a specific form of workers' coop

**Inspired by the Italian experience of social cooperative:** social aim + multistakeholding

**Specific law enacted in France in 2001:** a SCIC is a form of social coop based on the traditional model of the workers coops

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# Voting rights distribution and profit distribution in a SCIC

## **Voting rights distribution:**

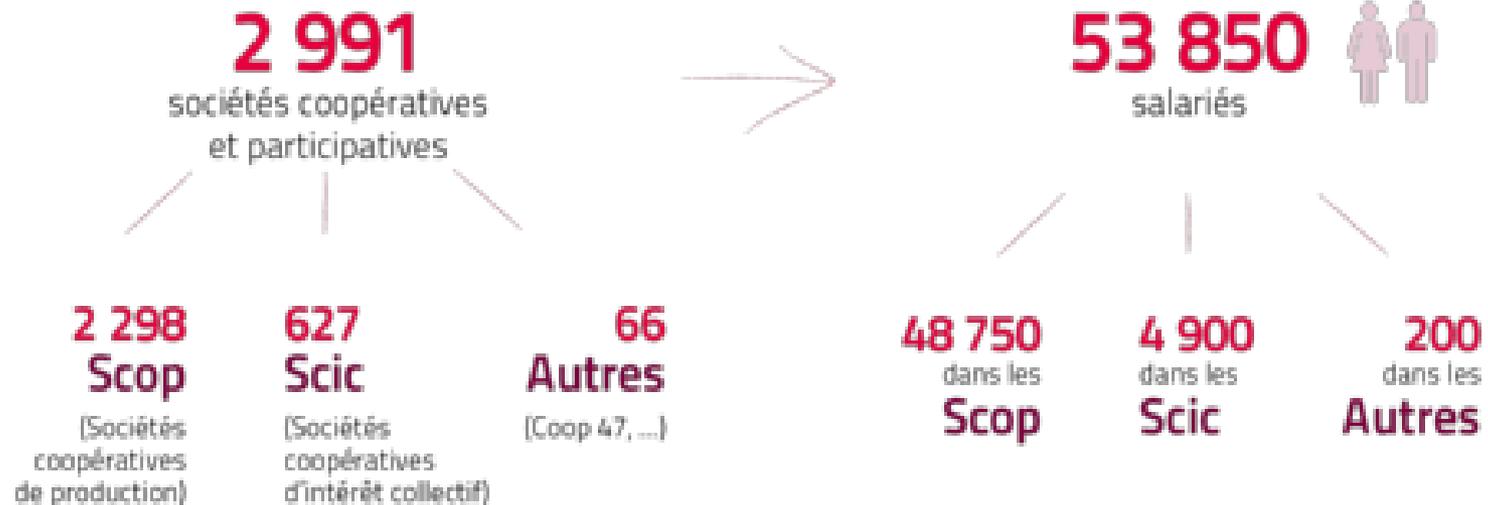
1 member = 1 vote + optional distribution by colleges

## **Profit distribution:**

57.5% to 100% must be reinvested in the SCIC  
(collective non-distributable reserves)

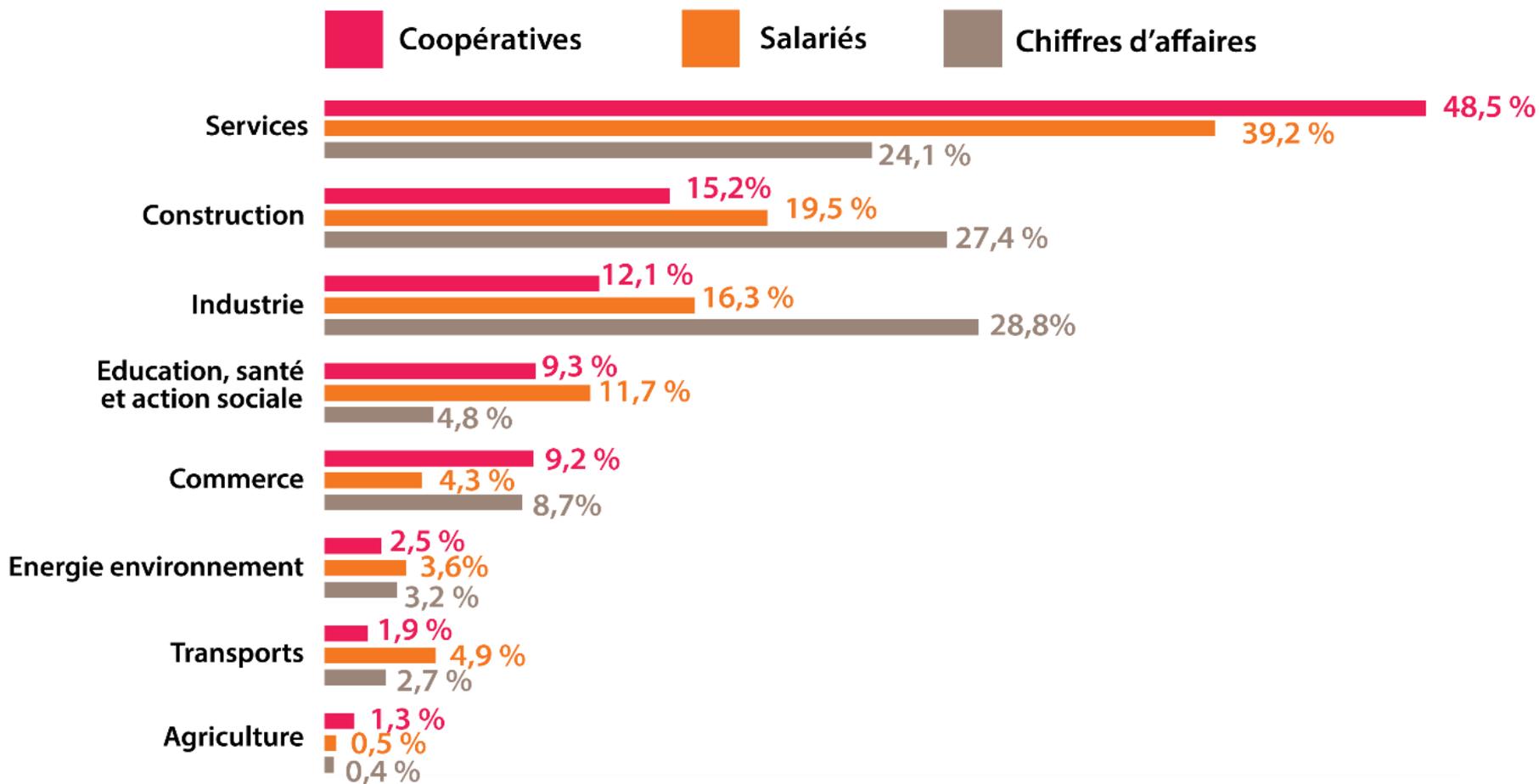
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# Key data about SCOP and SCIC (2015)



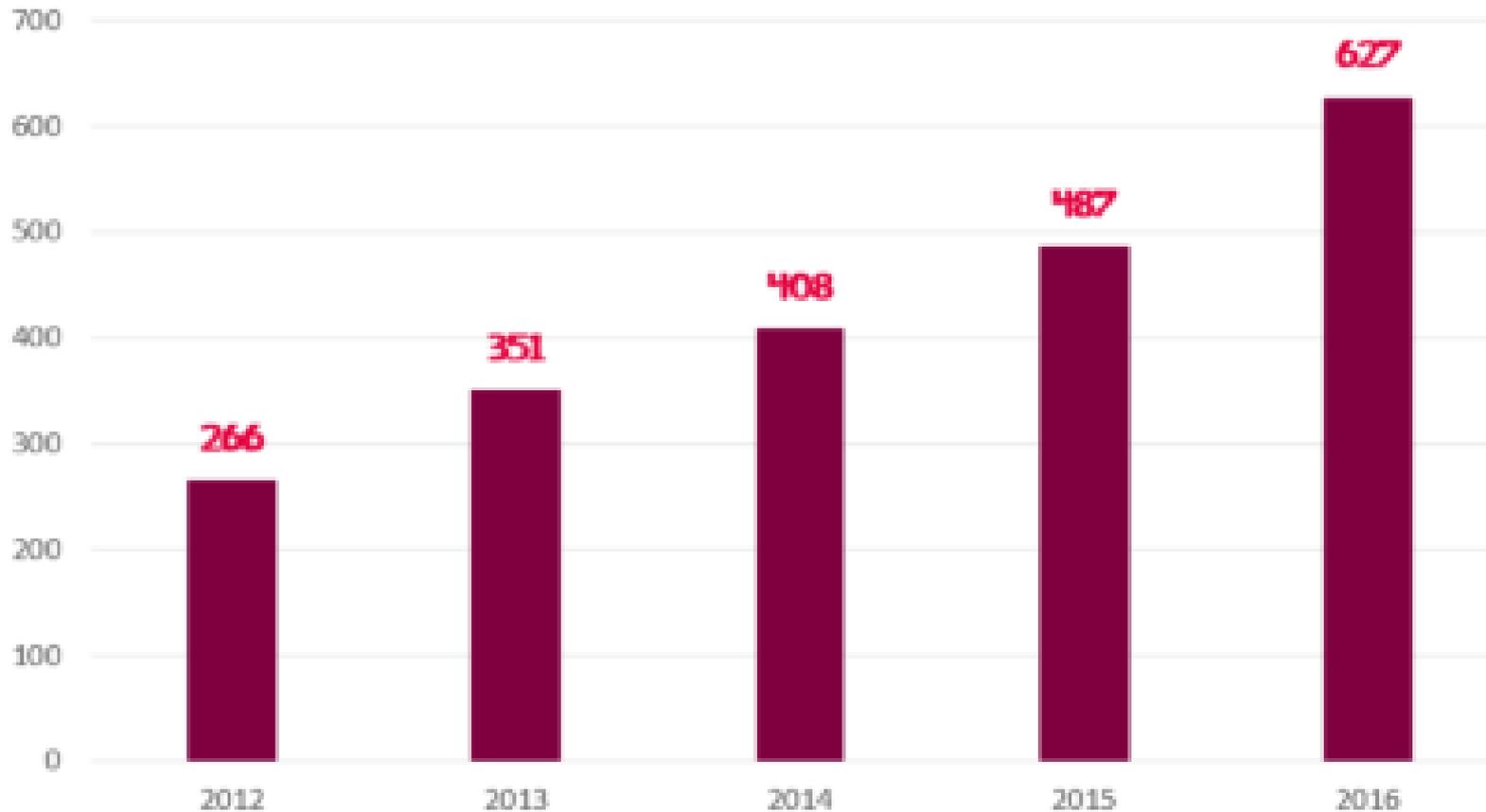
Répartition sectorielle par coopératives, emplois, et chiffres d'affaires (%), fin 2018

Tableau 01 : ventilation sectorielle, coopératives



# Population of SCIC

Evolution du nombre de Scic depuis 2012



[AgoraScic] Les SCIC en chiffres



NÉ EN 2002  
LE STATUT SCIC EST AUJOURD'HUI ADOPTÉ  
PAR PLUS DE 500 ENTREPRISES



PLUS DE VIDÉOS



0:15 / 1:16

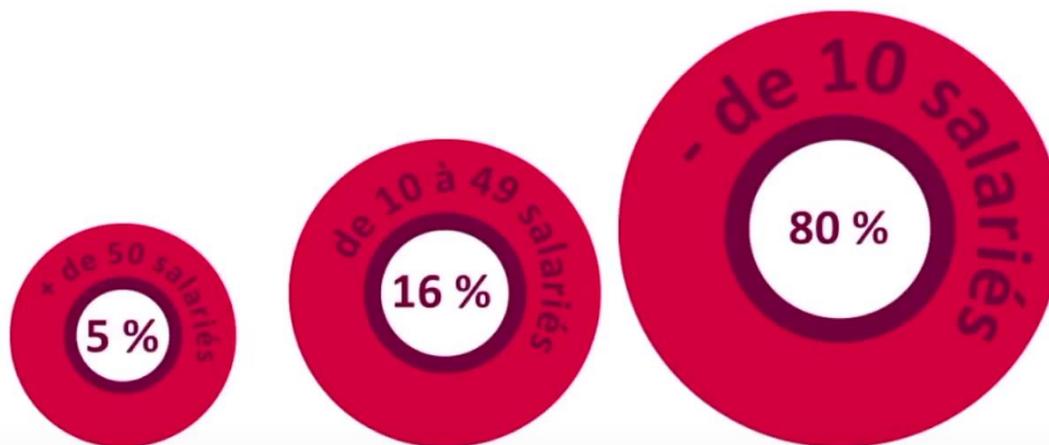
2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015



[AgoraScic] Les SCIC en chiffres



## ET DE TAILLES DIVERSES



PLUS DE VIDÉOS



0:34 / 1:16



YouTube



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# More information about SCIC

- Geographical distribution of [SCIC](#)
- Main industries where SCIC are present: education, BtoB, publishing, catering, energy
- Interesting [examples](#)

*The largest SCICs:*

*Enercoop (energy distribution): created in 2005; 15,000 members (households mostly); 24 employees*

*AlterEos (BtoB): created in 2010; 100 members (businesses mostly); 300 employees*

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# Institutional isomorphism vs social innovation

- Many traditional coops follow a path that bring them closer to the conventional business model (**institutional isomorphism**)
  - New coops, like SCIC, are reviving the original cooperative model by (re)inventing new ways to address social issues (**social innovation**)
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