STUDY ON ‘90/10’ FUNDS
Since their creation in France in February 2001, **solidarity-based funds**, commonly known as ‘90/10 funds’, have rapidly become the primary mechanism for collecting solidarity-based savings. The government has encouraged these innovative products’ advancement on a regular basis, for example through the Economic Modernisation Act (**Loi de Modernisation de l’Économie** – LME) of 4 August 2008, which extended to company savings plans (**Plans d’Épargne Entreprise** – PEE) the obligation to present at least one solidarity-based fund to beneficiary employees.

This obligation, which came into force on 1 January 2010, has had a considerable impact on how solidarity-based employee savings schemes have developed and, more broadly, on solidarity-based finance.

This study looks at the evolution of ‘90/10’ funds, 9 years after the introduction of the LME. It primarily focuses on solidarity-based employee savings funds, but looking at them a little more broadly, since it also covers ‘90/10’ funds sold by banks, insurance companies and mutuals.
1. Features of ‘90/10’ funds

1.1 Introduction

Created by the ‘Fabius’ law of 19/02/2001, solidarity-based funds, known as ‘90/10’ funds, are required to invest between 5 and 10% of their assets in accredited ‘solidarity-based enterprises of social utility’ (entreprises solidaires d’utilité sociale – ESUS) organisations. This rule, which is specific to solidarity-based employee savings funds (solidarity-based FCPEs), has in practice been applied by fund managers to all other solidarity-based collective investment undertakings (CIUs) (mutual funds (FCPs), open-end investment companies (SICAVs)), to promote standardised management rules and to present products that are easier to understand for all investors.

In addition, CIUs that invest 5 to 10% of their assets in non-French Microfinance Institutions (MFIs) that do not have ESUS accreditation are also treated as solidarity funds and are therefore included in the scope of the study.

All of these ‘90/10’ funds, within the meaning of the Finansol label, are therefore covered by this study.

How ‘90/10’ funds work

The purpose of these funds is to finance solidarity-based activities via:

- **accredited solidarity-based enterprises**: these produce goods or services with a strong social and/or environmental utility. They are active in various fields and play a tangible role in resolving public issues: combating unemployment and poor housing, developing organic farming and renewable energies, expanding entrepreneurship in developing countries and so on. Habitat et Humanisme and Chênelet are among France’s best-known solidarity-based enterprises;

- **solidarity-based financial funders**, are intermediaries whose:
  - activity consists in proposing and implementing financing mechanisms, with the aim of having a positive environmental and/or social impact on society and encouraging citizenship engagement in the economy;
  - assets are equitably constituted and distributed - all or part of the funds are solidarity-based, used mainly for the benefit of solidarity-based financing beneficiaries;
  - procedures for allocating the funding are solidarity-based;
  - funding arrangements, the list of beneficiaries of such funding and their environmental and/or social impact are transparent.

- **Microfinance Institutions (MFIs)**: these are local entities (NGOs, associations, cooperatives etc.) that provide financial services to populations that do not have access to the conventional banking system (Source: Babyloan).
Designed and managed by asset management companies, ‘90/10’ funds can be accessed:

- **via an employee savings scheme.** When an employer offers employees a company savings plan (PEE) and/or a collective pension savings plan (PERCO), they are required, as of 1 January 2010, to include at least one solidarity-based fund in the list of CIUs presented. These funds are called solidarity-based employees’ savings funds (FCPEs). Only individuals, i.e. employees, can access them;

- **via a bank or a mutual insurance company.** Individual or corporate savers can choose to invest all or part of their savings in a ‘90/10’ fund through a securities account, a personal equity plan (for CIUs that have invested at least 75% in eligible securities), or a life insurance policy comprising units of account, provided the ‘90/10’ funds are offered to customers. These mechanisms are either FCPs (mutual investment funds), SICAVs (open-end investment trusts) or FIPs (local investment funds).

### 1.2 Genesis and evolution

#### Key ‘90/10’ funds dates

<table>
<thead>
<tr>
<th>Year</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>Creation of the first solidarity-based fund in France, the ‘labour market integration’ FCP, later renamed ‘dynamic labour market integration’, managed by Mirova.</td>
</tr>
<tr>
<td>2001</td>
<td>Economic Modernisation Act (LME): extension of the obligation to include a solidarity fund in PEEs (company savings plan), PERCOI (business-to-business), and PEG (group savings plan).</td>
</tr>
<tr>
<td>2003</td>
<td>Social economy law: the ‘solidarity-based enterprise’ accreditation is replaced by ESUS (solidarity-based enterprise of social utility) accreditation.</td>
</tr>
<tr>
<td>2008</td>
<td>‘90/10’ funds have the Finansol label.</td>
</tr>
</tbody>
</table>

Around 10 years after the creation of the first revenue-sharing fund, the first CIU was created in 1994 to support the financing of solidarity-based activities: the ‘labour market integration’ FCP, managed by Caisse des Dépôts (now renamed ‘dynamic labour market integration’ FCP and managed by Mirova).

The first ‘90/10’ solidarity fund\(^1\), excluding microfinance funds, emerged even before a specific legislative framework had been outlined. This CIU was the first to obtain the Finansol label in May 1997. The prevailing investment rules did not allow funds to invest more than 10% of their assets in unlisted organisations, but no minimum was set at the time. In addition, the solidarity-based enterprise definition did not yet exist, so the beneficiaries of the investments made by the funds could not be identified.

On 19 February 2001, as part of a reform of company saving schemes, ‘Fabius’ law n° 2001-152 defined the solidarity-based enterprise with the option for organisations complying with the various criteria to apply for ‘solidarity-based enterprise’ accreditation from the Prefecture.

The ‘solidarity-based enterprise’ accreditation was created to encourage and promote the development of solidarity-based employee savings via the PPESV (voluntary employee savings partnership plan), the predecessor to PERCO (collective pensions savings plan), with the obligation to present a solidarity-based fund in this scheme.

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\(^1\) For more information, see the study ‘20 years of the Finansol label: harnessing financial innovation for solidarity’, published by Finansol in December 2017
The 'Fabius' law also set a minimum ratio of solidarity-based assets of 5%, while maintaining the maximum at 10%. This ‘ceiling’ made it possible, for example, to meet the constraints of European legislation, to limit the risk taken by employees on unlisted securities, and to limit the liquidity risks inherent to unlisted securities.

It is this separation of assets between solidarity-based securities (a maximum of 10%) and non-solidarity-based securities (a minimum of 90%) that led to the funds being referred to as ‘90/10’ funds.

By extension, this provision relating to the FCPE solidarity-based funds has been applied to banking FCPs by fund managers, even though they did not comply with the same rules. In addition, since the Finansol label Committee (see insert below about the label) applied the same solidarity criterion (minimum of 5% solidarity-based assets) to all ‘90/10’ funds, this management rule has become, in practice, the benchmark for all solidarity-based funds.

In 2003, the Fillon law on pensions created the PERCO, replacing the PPESV, while maintaining the obligation to include a solidarity-based fund within the investment offer. The Economic Modernisation Act (LME) of 4 August 2008 extended this obligation to all PEEs (and PEIs) from 1 January 2010.

2014 marked a turning point in the evolution of solidarity-based funds. The government sought to define the scope of the social economy (SSEs), given its significance to the French economy (10% of private employment), and extended it to certain ‘social’ enterprises. The law of the same name was adopted on 31/07/2014. It redefines the scope of solidarity-based finance beneficiaries, owing to a change to the accreditation, which is now called ESUS.

This accreditation has been amended as follows:

• the social economy now consists of the four historical statutes (mutual society, cooperative, association or foundation) and of enterprises constituted under commercial law that statutorily adhere to the social economy principles;
• the enterprise’s activity is of social utility: the enterprise carries on a solidarity-based activity focused on vulnerable groups or regions, as well as environmental activities;
• the list of recipients of a legal accreditation has, meanwhile, been significantly broadened: in addition to the IAE (integration through economic activity), low-cost social housing, emergency aid or early childhood organisations are also legally accredited, as well as associations and foundations recognised as of public utility.

In view of the significance of solidarity-based savings to the financing of the social and solidarity-based economy, the new ESUS accreditation criteria have become much more restrictive for enterprises that are not legally accredited:

• they must be an SSE enterprise (social economy or commercial law status) adhering to the following principles: a purpose other than profit sharing, participatory governance, majority of profits reinvested, mandatory non-distributable reserves and, in the event of liquidation, allocation of surplus assets to the SSE; finally, prohibition from amortising or reducing the capital unless this ensures continuity of activity (for commercial law enterprises);

• they must have a clear social intent, this means to be involved:
  - in supporting people in socio-economic vulnerable situations;
  - in promoting social inclusion;
  - in protecting and developing social links or to maintain and strengthen cohesion on the field;
  - in educating for a better and more active citizenship;
  - in fighting social and cultural inequalities;
  - in promoting sustainable development, energy transition, cultural promotion or international solidarity if those activities have an impact on vulnerable people, promote territorial cohesion or citizenship education.

• they must demonstrate that the cost generated by their specific social mission has a significant impact on the company’s P&L;
• they must adhere to a remuneration scale;
• they must be an unlisted company.

The Finansol label

Since 1997, the Finansol label has been awarded to solidarity-based investments by a committee of independent experts from a wide range of backgrounds (third sector, financiers, journalists, academics, trade unionists). The award of the label is subject to compliance with several criteria, the main ones being the solidarity and transparency of the savings products, and the commercial action policy implemented by the organisations. Other criteria are specific to CIUs, such as the actual level of management fees, or the qualitative criterion for managing non-solidarity-based assets (SRI). The committee also assesses the actual solidarity rate of solidarity-based funds by only counting solidarity-based assets held by solidarity-based investment vehicles. As of 1 September 2019, 160 solidarity-based investments have received the Finansol label.
Impacts of the Economic Modernisation Act of 4 August 2008 on solidarity-based finance

2.1 A note on methodology

- **Names/Denominations**
  
  To distinguish the ‘90/10’ funds offered in employee savings schemes from those sold by banks and insurance mutuals, we will refer to them as:

  - Solidarity-based employee savings or solidarity-based FCPEs;
  - Solidarity-based bank savings or solidarity-based FCPs.

- **Comments**
  
  The period covered by the study runs from 1 January 2010 to 1 January 2019. These are the statistical data to 31/12/2009 and 31/12/2018, which have been consolidated and analysed.

  The data were prepared based on information collected annually by the *Observatoire de la finance solidaire* (observatory on solidarity-based finance) as part of its research, statistical work and annual monitoring of Finansol-labelled investments.

- **Scope of the indicators**

  - **Market data**
    
    The market data include all ‘90/10’ funds statistics, including those published by the French association for financial management (AFG) on solidarity-based employee savings.

  - **Data on solidarity-based assets**

    The study of solidarity-based assets held by ‘90/10’ funds was conducted based on inventories of Finansol-labelled funds. To gain a detailed overview of the characteristics of solidarity-based assets, it was essential to obtain complete and accurate information. These are available solely for labelled fund portfolios that are reported annually to the *Observatoire de la finance solidaire*, as part of its data collection and annual monitoring of labelled investments.

    The sample selected for the study of solidarity-based assets, and therefore for all consolidated data, is as follows:

    - **as at 31/12/2009**: 65% of solidarity-based investments arising from ‘90/10’ funds;
    - **as at 31/12/2018**: 89.3% of solidarity-based investments arising from ‘90/10’ funds.

    The study scope is therefore representative. It has broadened noticeably in 9 years. The increase in the proportion of solidarity-based investments taken into account in our study scope to 31/12/2018 (89.3% of the total amount) is linked, in addition to the labelling of new CIUs, to the gradual expansion of investment vehicles (FPS, FCPR) dedicated to the management of solidarity-based assets to all investments, Finansol-labelled or not (cf. 2.2).
2.2 Solidarity-based assets management method

The change in the level of total ‘90/10’ funds deposits, following the LME, had an impact on how solidarity-based assets were managed by fund managers, with the development of solidarity-based investment vehicles.

Originally, solidarity-based investments were only made line by line in each solidarity-based enterprise selected. The significant increase in total ‘90/10’ funds deposits prompted the main management companies to create FCPR (venture capital mutual funds) or FPS (specialist occupational funds) that pool solidarity-based investments into a single financial vehicle.

Solidarity-based investment vehicles:

- 25/08/2006: ‘Natexis Solidaire’ FCPR (Mirova), which became ‘Natixis Solidaire’ FPS in 2014;
- 17/05/2010: ‘Mandarine Capital Solidaire’ FCPR (Mandarine Gestion);
- 20/06/2011: ‘Ecofi Contrat Solidaire’ FCP (Ecofi Investissements);
- 14/08/2012: ‘Finance et Solidarité’ FCP (Amundi);
- 14/08/2013: ‘Axa Future Génération’ FCP (Ecofi Investissements);
- 29/08/2014: ‘Maif Impact Solidaire’ FPS (Mirova);

According to the criteria defined by the social economy law, for a CIU to be treated as a solidarity-based enterprise, the fund must invest at least 35% of its assets in securities issued by SSE enterprises, including securities (at least five sevenths) issued by ESUS-accredited bodies (i.e. 25% of total assets).

This new way of managing solidarity-based assets has, for example, made it possible to:

- vary the financing of enterprises and associations of strong social and/or environmental utility on a very wide range of issues and therefore help savers to simultaneously support several causes;
- spread risk between the various solidarity-based issuers, so that the risk of default no longer lies with a single organisation. In addition, the obligation to diversify is also linked to the constraints of managing CIUs (distribution ratio);
- better manage the liquidity of unlisted solidarity-based securities, since the funds include monetary assets in addition to solidarity-based investment;
- develop solidarity-based finance expertise within asset management companies.

This is a management method that has convinced many enterprises to transform their FCPE into a solidarity-based FCPE. This has made it possible to substantially increase resources earmarked for solidarity-based funds/enterprises, even if the relative share has very slightly decreased because the FPSs are not 100% solidarity-based, to meet the management constraints referred to above. In addition, the Finansol label requires each fund to invest at least 5% of its assets in solidarity-based activities, after dilution.

2.3 Statistics

2.3.1 Market data

<table>
<thead>
<tr>
<th></th>
<th>31/12/2009</th>
<th>31/12/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total ’90/10’ funds deposits</td>
<td>1 544</td>
<td>9 265</td>
</tr>
<tr>
<td>Solidity-based FCPRs</td>
<td>532</td>
<td>1 270</td>
</tr>
<tr>
<td>Solidity-based FCPEs (Source: AFG)</td>
<td>1 012</td>
<td>7 905</td>
</tr>
<tr>
<td>102</td>
<td>587</td>
<td></td>
</tr>
<tr>
<td>102</td>
<td>587</td>
<td></td>
</tr>
</tbody>
</table>

Managers of solidarity funds (> €200 million)

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>2009</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mirova</td>
<td>901</td>
<td>2 749</td>
</tr>
<tr>
<td>Amundi</td>
<td>119</td>
<td>2 455</td>
</tr>
<tr>
<td>BNP Paribas IP</td>
<td>103</td>
<td>1 745</td>
</tr>
<tr>
<td>Humanis Gestion d’Actifs</td>
<td>-</td>
<td>708</td>
</tr>
<tr>
<td>CM-CIC AM</td>
<td>-</td>
<td>435</td>
</tr>
<tr>
<td>Ecofi Investissements</td>
<td>-</td>
<td>305</td>
</tr>
<tr>
<td>Axa IM</td>
<td>-</td>
<td>283</td>
</tr>
<tr>
<td>La Banque Postale AM</td>
<td>-</td>
<td>248</td>
</tr>
</tbody>
</table>

Share of responsible assets

|                                | 87.30% | 81.9% |

1 For more information, see page 66 of the study ‘20 years of the Finansol label: harnessing financial innovation for solidarity’, published by Finansol in December 2017.
With €9.3 billion as at 31/12/2018, total ‘90/10’ funds deposits have multiplied by 6 in 9 years. mainly as a result of the LME of 4 August 2008, which boosted the collection of solidarity-based employee savings funds. Funds deposits from the latter have multiplied by 8 since 1 January 2010, while that of the ‘90/10’ funds sold by banks and mutuals (FCPs) have multiplied by 2.4 over the same period, with no regulatory incentives.

Since ‘90/10’ funds are required to invest 5-10% of their assets in accredited solidarity-based enterprises, the proportion of investments from these CIUs has consequentially increased significantly in 9 years, with an additional €485 million invested of a total of €587 million as at 31/12/2018.

Mirova remains the primary ‘90/10’ funds management company, with more than €2.7 billion of deposits as at 31/12/2018, ahead of Amundi and BNP Paribas IP. These three institutions manage three quarters (75%) of total ‘90/10’ funds deposits in France as at 31/12/2018.

The proportion of responsible assets held by ‘90/10’ funds, i.e. solidarity-based and SRI assets combined, slightly decreased to 81.9%. The consistency of the assets held by the ‘90/10’ funds is, moreover, a request for Finansol labelled CIUs.

### 2.3.2 Solidarity-based assets

The entry into force of the LME of 4 August 2008 on 1 January 2010 resulted in a very rapid increase in total ‘90/10’ funds deposits and therefore, ultimately, in solidarity-based investments. This strong increase in solidarity-based investment volumes has had a significant impact on the average number of issuers financed, on the fields supported (social utility) and on the investment tools.

Changes in the way solidarity-based assets are managed (see page 7) have led to a significant increase in the number of solidarity-based issuers financed by ‘90/10’ funds.

Data from the ‘dynamic labour market integration’ FCP (Mirova) have been removed, given its specific and unique management (management of several hundreds of solidarity lines directly, until recently). The results of this CIU obscured changes in other funds with more homogeneous solidarity-based management.

The average number of solidarity-based issuers financed by ‘90/10’ funds rose from 5.4 to 16.4 in 9 years. It tripled for solidarity-based FCPs (from 7.5 to 21.4) and for solidarity-based employee savings funds (from 4.3 to 13).

Before 1 January 2010, the range of solidarity-based organisations was broader in solidarity-based FCPs, mainly those managed by Ecofi Investissements, than in solidarity-based FCPEs, with the exception of Mirova, which was the only management company to have already created a solidarity-based FCPR.

Ultimately, the centralised management of solidarity-based investments for all savings vehicles of a single institution becoming widespread will make the comparison between solidarity-based FCPs and FCPEs increasingly obsolete.
As at 31/12/2009

Social utility

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solidarity-based financial funders</td>
<td>46.6%</td>
</tr>
<tr>
<td>Access to employment</td>
<td>17.4%</td>
</tr>
<tr>
<td>Access to housing</td>
<td>15.0%</td>
</tr>
<tr>
<td>Ecological activities</td>
<td>1.5%</td>
</tr>
<tr>
<td>Entrepreneurship in developing countries</td>
<td>15.5%</td>
</tr>
<tr>
<td>Other fields (elderly people dependency, culture...)</td>
<td>4.1%</td>
</tr>
</tbody>
</table>

Average number of issuers financed

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>'90/10' FUNDS</td>
<td>5.4</td>
</tr>
<tr>
<td>Solidarity-based FCPs</td>
<td>7.5</td>
</tr>
<tr>
<td>Solidarity-based FCPEs</td>
<td>4.3</td>
</tr>
</tbody>
</table>

Financing tools

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity capital</td>
<td>53.2%</td>
</tr>
<tr>
<td>Debts</td>
<td>46.8%</td>
</tr>
</tbody>
</table>

As at 31/12/2018

Social utility

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solidarity-based financial funders</td>
<td>44.5%</td>
</tr>
<tr>
<td>Access to employment</td>
<td>3.6%</td>
</tr>
<tr>
<td>Access to housing</td>
<td>23.4%</td>
</tr>
<tr>
<td>Ecological activities</td>
<td>5.3%</td>
</tr>
<tr>
<td>Entrepreneurship in developing countries</td>
<td>6.3%</td>
</tr>
<tr>
<td>Other fields (elderly people dependency, culture...)</td>
<td>16.8%</td>
</tr>
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</table>

Average number of issuers financed

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>'90/10' FUNDS</td>
<td>19.7</td>
</tr>
<tr>
<td>Solidarity-based FCPs</td>
<td>24.0</td>
</tr>
<tr>
<td>Solidarity-based FCPEs</td>
<td>16.8</td>
</tr>
</tbody>
</table>

Financing tools

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity capital</td>
<td>70.6%</td>
</tr>
<tr>
<td>Debts</td>
<td>29.1%</td>
</tr>
</tbody>
</table>
Incorporating the data from the ‘dynamic labour market integration’ FCP, the average number of solidarity-based issuers financed changed, as at 31/12/2009 and 31/12/2018, from:

- 13.5 to 19.7 for ‘90/10’ funds;
- 29.5 to 24 for solidarity-based FCPs (decrease in the number of organisations financed by the ‘dynamic labour market integration’ FCP);
- 4.3 to 16.8 for solidarity-based FCPEs (change in 2015 linked to the investment by solidarity-based FCPEs in the dynamic labour market integration FCP).

In terms of volume, all fields financed by ‘90/10’ funds, as listed by Finansol, benefited from the increase in solidarity-based investments, but at uneven rates. This explains the variations in relative share from one field to another.

As solidarity-based investments, ‘90/10’ funds remain heavily focused towards solidarity-based financial funders, at 44.5% as at 31/12/2018. Managers of solidarity-based funds have strengthened their lines of investment with their historical partners (led by France Active Investissement and Adie), but have also expanded the list of financial funders present in the funds (INCO Investissement, Initiative France, Herrikeoa etc.). Solidarity-based financial funders offer more security for investors, due to the distribution of risk between the different projects financed, in contrast to direct investments in solidarity-based enterprises.

The proportion of solidarity-based investments directed towards access to housing has increased very sharply in 9 years, and now accounts for around one quarter of total investments. In addition to Habitat et Humanisme, new players have benefited from these resources since 1 January 2010, such as the housing organisation SNL-Prologues (Solidarités Nouvelles pour le Logement), Caritas Habitat or le Logis Breton.

The proportion of solidarity-based enterprises that focus on access to employment has fallen in 9 years, from 17.4% to 3.6% of solidarity-based investments, despite the increase in the number of enterprises financed (work integration and disability-friendly employment associations, for example). The amounts allocated to these enterprises are lower than those allocated to those in other fields. In addition, many solidarity-based financial funders, the main recipients of solidarity-based investments, are active in this area.

Solidarity-based investments in ecological activities have risen in 9 years, both in terms of amount and relative share. These investments relate, in particular, to the financing of traditional agriculture, thanks to flows ‘captured’ by the Terre de Liens land organisation, and from citizens’ renewable energy (Energie Partagée Investissement, Enercoop).

Ecological activities are also financed by solidarity-based financial funders such as La Nef and France Active Investissement. In addition, other solidarity-based projects such as Chênelet, which designs low-energy, eco-friendly social housing for people having low incomes, also incorporate an environmental dimension.

Entrepreneurship in developing countries accounts for 6.3% of solidarity-based investments. This derives largely from solidarity-based FCPs. To be accredited as a ‘solidarity-based enterprise’, solidarity-based issuing organisations must be French, which effectively excludes the foreign MFIs found in microfinance funds offered by banks and some non-French solidarity-based projects. In addition, some solidarity-based financial funders are international in their scope, and therefore capture significant volumes of solidarity-based investments, such as SIDI and Oikocredit.

Finally, the ‘other fields’ category accounted for 16.8% of solidarity-based investments, as at 31/12/2018, i.e. a very sharp increase over 9 years (4.1% as at 31/12/2009), and continues to grow. This attests to the increasing diversification of the activities financed by ‘90/10’ funds. Elderly people dependency receives the most solidarity-based investments, via Entreprendre pour Humaniser la Dépendance (EHD).

Finally, the method for financing solidarity enterprises and associations has also evolved in 9 years.

Equity capital contribution remains the main investment method of ‘90/10’ funds, with a proportion that saw a clear increase from 53.2% to 70.9%.

Equity capital contribution is the main financing method of solidarity-based financial funders and solidarity-based land organisations (access to housing and farm land). However, these players are the ones that receive the most solidarity-based investments and that have benefited the most from the increase in deposits to solidarity-based employee savings over the last 9 years.
The Economic Modernisation Act of 4 August 2008 had a positive impact on the development of solidarity finance. 9 years after its entry into force, it has enabled:

- **an expansion in the collection of solidarity-based savings** via the solidarity-based employee savings fund (x 8 in 9 years), and a significant increase in take-up;
- **a significant change in the volume of solidarity-based investments** arising from ‘90/10’ funds (x 6 in 9 years);
- **a strong diversification of solidarity-based enterprises and associations financed** by ‘90/10’ funds, combined with a major increase in the resources of pioneering players (France Active Investissement, Habitat et Humanisme and Adie);
- **the financing of new fields**: in addition to the traditional activities supported by solidarity-based finance (access to employment, access to low-cost social housing, ecological activities and entrepreneurship in developing countries), ‘90/10’ funds finance elderly people dependency, culture or social tourism projects;
- **a change in the way solidarity-based assets are managed** by asset management companies, which has led to an expansion of in-house solidarity-based expertise;
- **an improved risk management and management** of solidarity-based assets enabled by solidarity-based investment vehicles;
- **the use of solidarity-based investment vehicles created** for the management of employee savings funds towards other savings mechanisms, such as life insurance policies;
- **increased visibility and recognition of solidarity-based finance**, which has made possible the widening of the circle of solidarity-based savers beyond the activists who were the first to take out solidarity-based investments.

The success of ‘90/10’ funds model is now a source of interest and inspiration to countries such as the United Kingdom and Australia.
Study carried out by
Frédéric Fourrier, head of the Observatoire de la finance solidaire at Finansol

Graphic design
Fabrice Corneux, nowaxx.com

I would like to thank all those who contributed to this study: members of the association, Isabelle Guénard-Malaussène and Patrick Savadoux for their contribution, Emmanuel Gautier, AFG, the team at Finansol and Frédéric Tiberghien.