

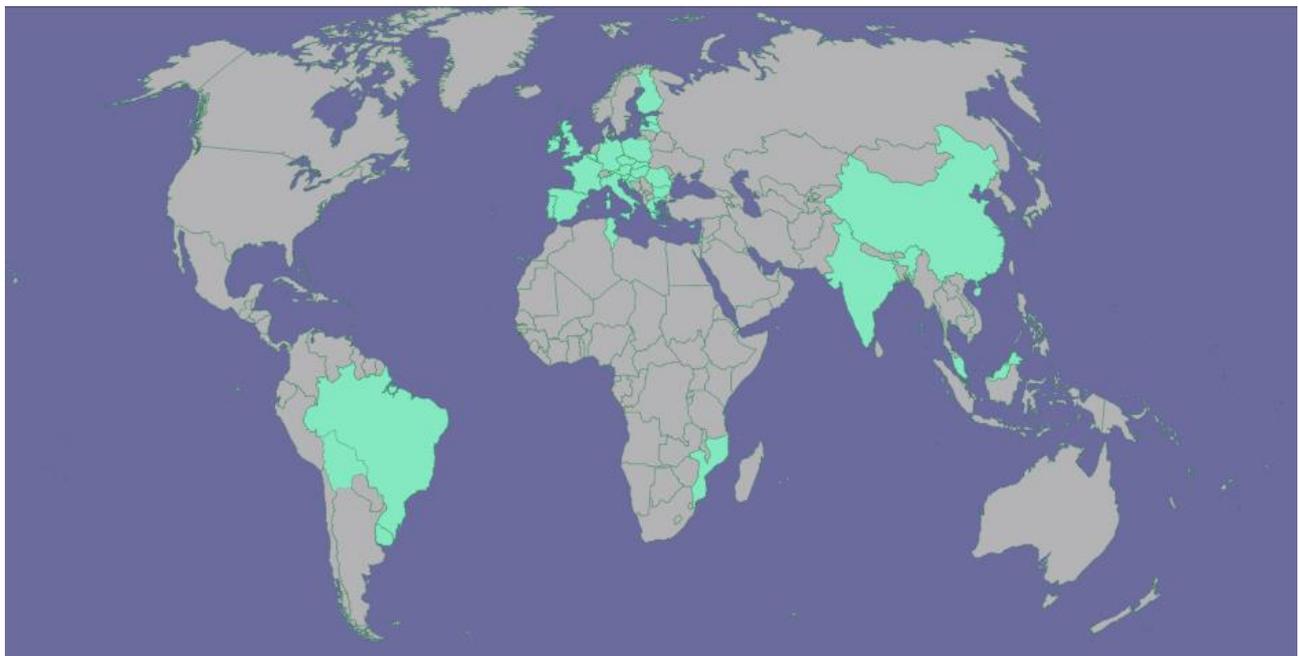
## Summary of the preliminary results of the research activity

The specific objective of the project “Social and Solidarity Economy as Development Approach for Sustainability in EYD 2015 and beyond” (SSEDAS) is to enhance the competences of Development Networks and Social and Solidarity Economy Networks in **55 territories** (46 in Europe and 9 in the rest of the world) concerning the role that Social and Solidarity Economy (SSE) can play in the global fight against poverty and to promote a sustainable way of living.

One of the tools to reach this objective has been the Research activity, that allowed to identify and analyze the most significant practices of Social and Solidarity Economy within the concerned territories, the ones that promote innovation and that are oriented towards the building of an alternative development model with respect to the dominant one.

Thanks to this activity it was possible to:

- make the different experiences come to light, with the specific features of their context;
- compare experiences of Social and Solidarity economy in Europe and in other continents, allowing for an exchange of models, visions and practices;
- reduce the gap between the different plannings and designs of the subjects that are present in the territories involved such as NGOs, SSEs, cooperatives, social enterprises, communities and informal networks, while creating additional forms of interconnection and possible collaborations;
- foster a better knowledge among the SSE actors both in the North and the South of the world in order to analyze their experiences horizontally (within their district, among the different types of approaches) and in a cross-cutting way (comparing good practices in the North and the South of the world).
- bridge the gap between development cooperation and SSE, to highlight a common global framework for alternative economic choices;
- enhance the competences of the SSE actors so as to create a dynamic of reciprocity and solidarity which links individual interests with the collective ones.



The research has been carried out in **32 countries**, **23** of which are **EU Member States** (46 territories) and **9 countries** in Africa, Asia and Latin America.

- **Northern Europe and central Europe**

4 territories in the **UK**: North East, North West, South East and Greater London; 4 in **Germany**: Northrhine-Westfalia, Bavaria, Berlin and Hamburg; 2 in **Austria**: East and West; 2 in **Poland**: South-West region of Poland Central and Southern region in Poland; 1 territory in **Latvia**; 1 territory in **Ireland**; 1 territory in **Finland**; 1 territory in **Belgium**; 1 territory in **Estonia**.

- **Mediterranean**

4 territories in **Italy**: Tuscany, Marche, Puglia e Emilia Romagna; 4 territories in **France**: -Midi-Pyrénées, Aquitaine, Languedoc Roussillon and Paris; 3 territories in **Spain**: Valencian Region, Aragon Region, Andalucía; 2 territories in **Portugal**: Lisbon Region and Alentejo Region; 2 territories in **Greece**: Athens and Thessaloniki; 1 territory in **Cyprus**; 1 territory in **Malta**.

- **Eastern Europe**

2 territories in **Hungary**: Baranaya County and Pest County; 2 territories in **Bulgaria**: North Central Region and South Western Region; 2 territories in the **Czech Republic**: Prague and Central Bohemia; 2 territories in **Romania**: South Muntenia and Bucharest-Ilfov; 1 territory in Slovakia; 1 territory in **Croatia**; 1 territory in **Slovenia**.

- **World area**

Latin America: **Brazil**, **Bolivia**, **Uruguay**; Africa: **Tunisia**, **Mauritius**, **Mozambique**; Asia: **India**, **Malaysia**, **Palestine**.

The **SSEDAS research is surely among the most relevant researches ever realized** on the topic of Social and Solidarity Economy. Here are some figures:

- **Several partners put in contact and collaborating**: COSPE and Fairwatch (Italy), Südwind Agentur (Austria), INKOTA (Germany), DEŠA-Dubrovnik (Croatia), KOPIN (Malta), CERAI (Spain), Polish Fair Trade Coalition (Poland), Ekumenicka akademie Praha Europe (Czech Republic), Fair Trade Hellas (Greece), NGO Mondo (Estonia), Balkan Institute for Labour e Social Policy (Bulgaria), CARDET (Cyprus), Pro Ethical Trade Finland (Finland), Ressources Humaines Sans Frontières (France), The Co-operative College e Think Global (United Kingdom), Cromo Foundation e Foundation for Development of Democratic Rights –DemNet (Hungary), Instituto Marquês de Valle Flôr (Portugal), TERRA Mileniul III Foundation (Romania), Slovak Centre for Communication e Development (Slovakia), Peace Institute - Institute for Contemporary Social e Political Studies (Slovenia), Action pour le Développement ASBL- SOS FAIM (Belgium), Green Liberty (Latvia), Waterford One World Centre (Ireland);
- **80 researchers involved by the different partners**;
- **More than 1100 practices mapped**;
- **More than 550 interviews carried out**, involving NGOs networks, districts and SSE realities, institutions, local authorities, Members of parliament, civil society organizations and volunteers;
- **More than 100 representatives from local authorities involved**
- **55 videos** of the most significant **practices** from the territories **produced**

## **Context of the SSEDAS research**

In Europe and in the world, starting from the experiences in Latin America, new forms of social and solidarity economy are developing, with the objective of organizing production, distribution, consumption and saving around the principles of equity, sustainability, democratic and mutualistic participation, link with the territory, centrality of the person and of the communities. Social and solidarity economy is a growing phenomenon, with approximately 6% of European workers directly employed in the sector and it has produced several legislations at the national and local level. In 2003, the Brazilian government created the National Secretary of Solidarity economy and an important database on SSE. Ecuador and Mexico have adopted a national law on the matter in 2011 and 2012 respectively. In Europe, Spain, Portugal, Belgium and France are also equipped with a national legislation on social and solidarity economy. Luxembourg too has established a specific Ministry for it, while currently in Italy there are 10 regional laws on the subject and the approval of a national legislation for the promotion and regulation of fair trade is under way.

In the SSEDAS research we took into account the RIPESS (Intercontinental Network for the Promotion of Social Solidarity Economy) approach set in 2015 in the document "Global Vision for a Social Solidarity Economy: Convergences and Differences in Concepts, Definitions and Frameworks", according to which SSE is a movement that intends to change the entire economic and social system, promoting a new paradigm that endorses the principles of social economy. Social and solidarity economy deals with a dynamic of reciprocity and solidarity which links individual interests with the collective ones.

With respect to development cooperation, we have highlighted entities that work both in their countries of origin and in the South of the world, as well as entities that are working in either one of the two areas, because of their social origins and of their visions on the priorities to pursue in different parts of the worlds, even if they are all engaged in the global fight against poverty and in innovation of the lifestyles.

## **Methodology**

The research activity has realized a thorough analysis, thanks to the shared methodology developed in 4 phases:

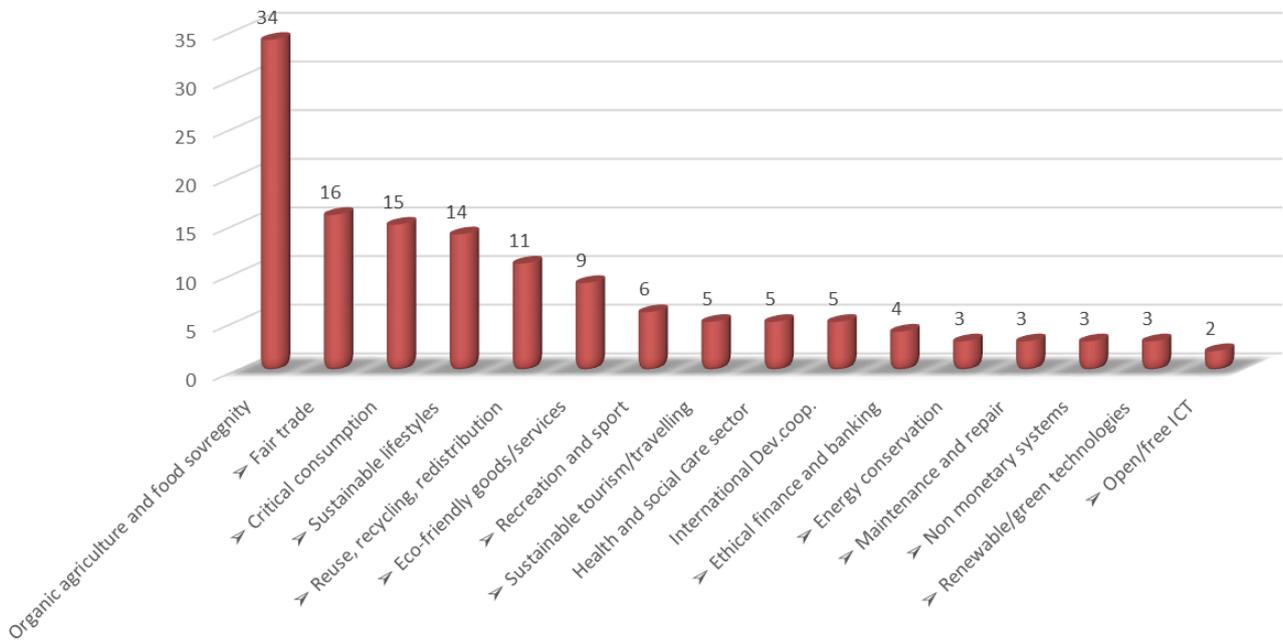
1. Mapping of at least 20 stakeholders for each territory;
2. Identification of 5 key stakeholders from different sectors (activists, volunteers, NGO operators, consumers, local or national authorities, universities, etc) to be interviewed for a context analysis and for inputs and useful indications for the selection of the good practice in the territory;
3. After the selection of the good practice, 5 additional interviews to actors that are involved with the practice (members, associates or stakeholders) to deepen the contribution of the chosen experience in the context of the research;
4. Drafting of the final report with an in depth analysis of the best practices, or better the most significant experiences that are more capable of contributing to the projects' objectives.

## **Results**

The 55 practices selected deal with different sectors or areas of competence of SSE. The main reference sectors are: the agricultural and organic chain, fair trade, critical consumption, ethical finance, responsible tourism, reuse and recycling, renewable energy, eco-friendly craftsmanship, local welfare services, non-monetary exchange systems, alternative communication services, free software. There are productive sectors (of goods and services), cultural activities and campaigning. This categorization is clearly limited and synthetic, given that there are practices that implement activities in several of these fields and there are

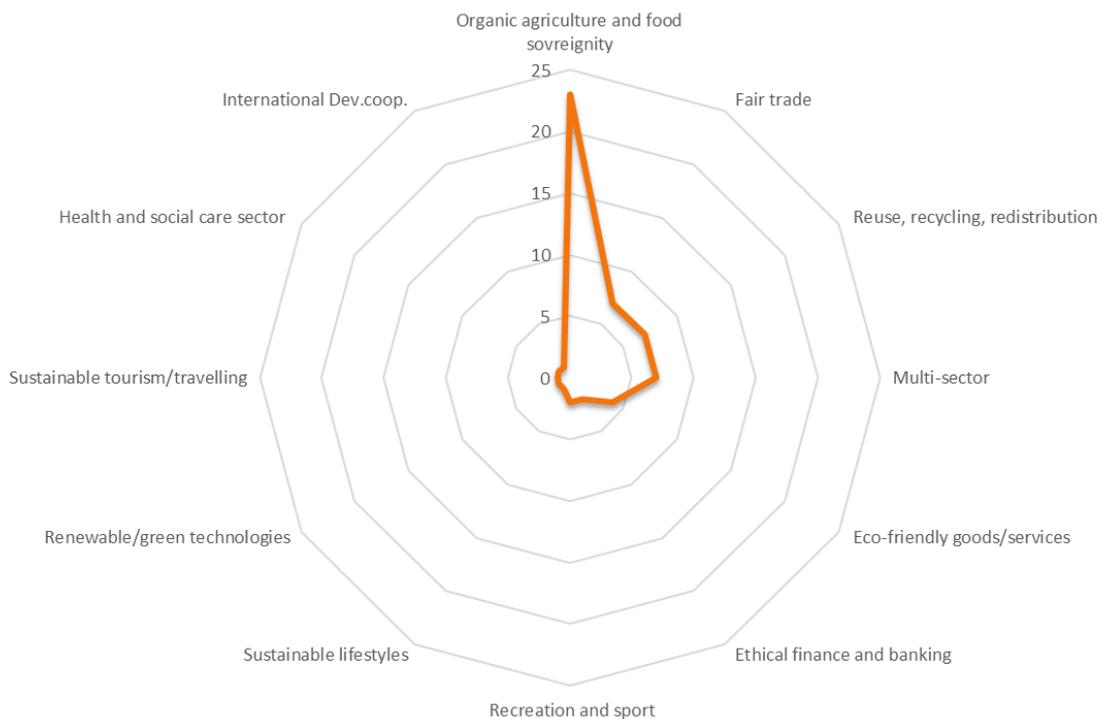
systemic/district practices or multisector networks that don't fit the sector classification because they work on processes of integration and reorganization, focusing more on what is produced and exchanged than on the processes.

### Sectors overview

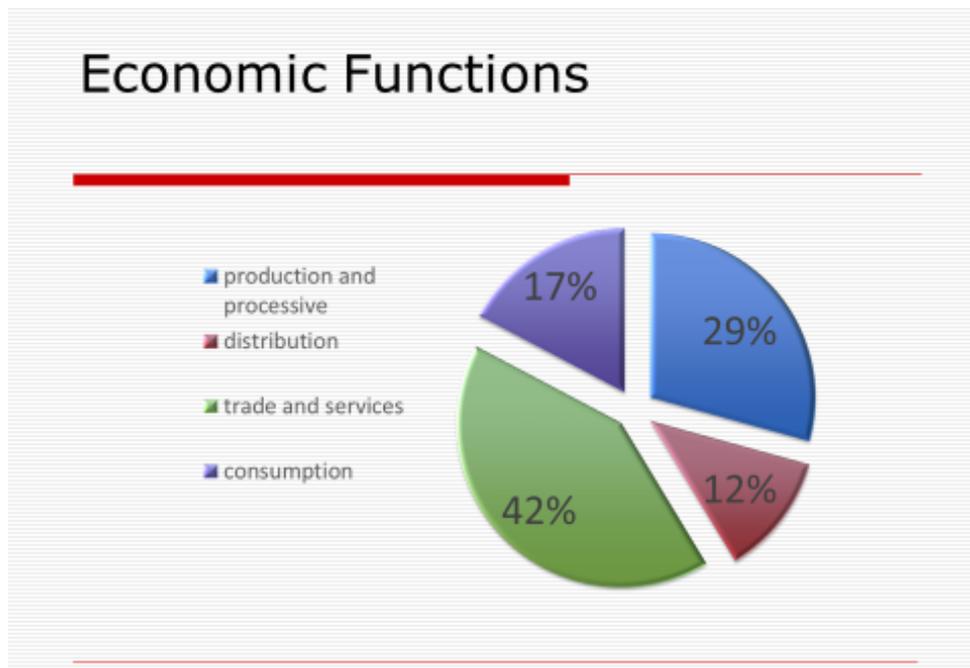


A first information shown by the analysis is the prevalence of practices identified in the **agricultural/food** sector with respect to other sectorial functions. Among the other sectors, there is a good percentage of practices of fair trade, several experiences that deal with critical consumption and that promote more sustainable lifestyles while there are also various practices that work in the field of reuse and recycling.

### Prevalence Sector



When analyzing the traditional economic functions carried out by the selected practices, one can notice a preponderance of the functions related to trade and services (42%), subsequently the functions of production and transformation (29%), consumption (17%) and distribution (12%).

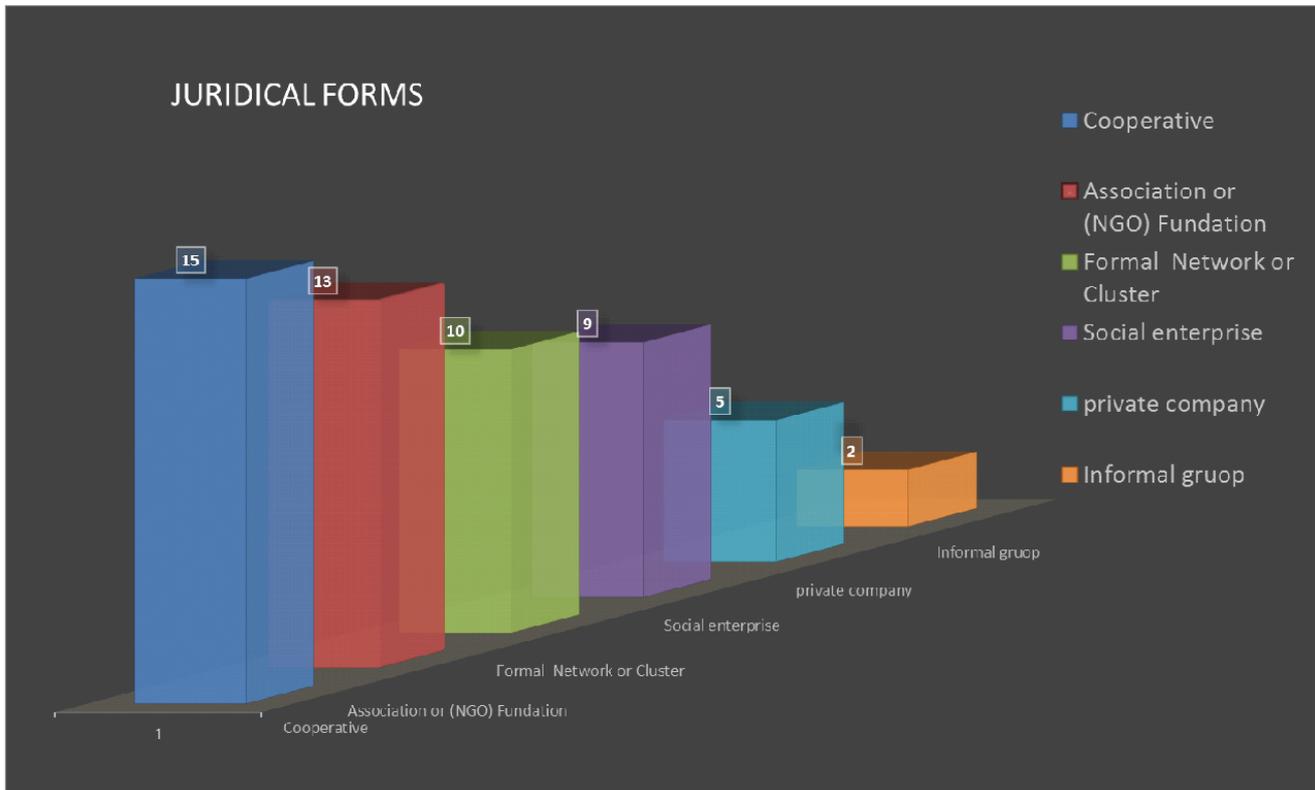


### Participation

The analyzed practices involve in different ways thousands of people, which show their great ability for engagement and at the same time the capability to build a real alternative economy, able to create employment, guarantee rights, expand individual and collective awareness on current social and economic processes, think of a community made of citizens and people and not of consumers, clients and producers. In total there are **more than 12,000 people involved** in various ways, while there are **more than 1500 people** employed directly or indirectly by them. Clearly, the capacity for engagement and jobs creation are different: there are realities with few work units employed, while there are other that can involve several employees or members, like the Cooperative Manchester Home Care that employs 800 people or the Central Cooperative Marketing in the Andaman e Nicobar Islands where about 160 people work. Another example is the organization **Shared Interest with 9000 supporting members**.



With respect to the juridical form of these organizations, it is interesting to observe that the majority of the practices is a **Cooperative** (15) or an **Association, NGO or Foundation** (13), while to a lesser extent there are also **social enterprises** (9) and **private enterprises** (5). In addition, there are also districts or networks (10 with different forms) and **two experiences** with no defined juridical form (informal groups).



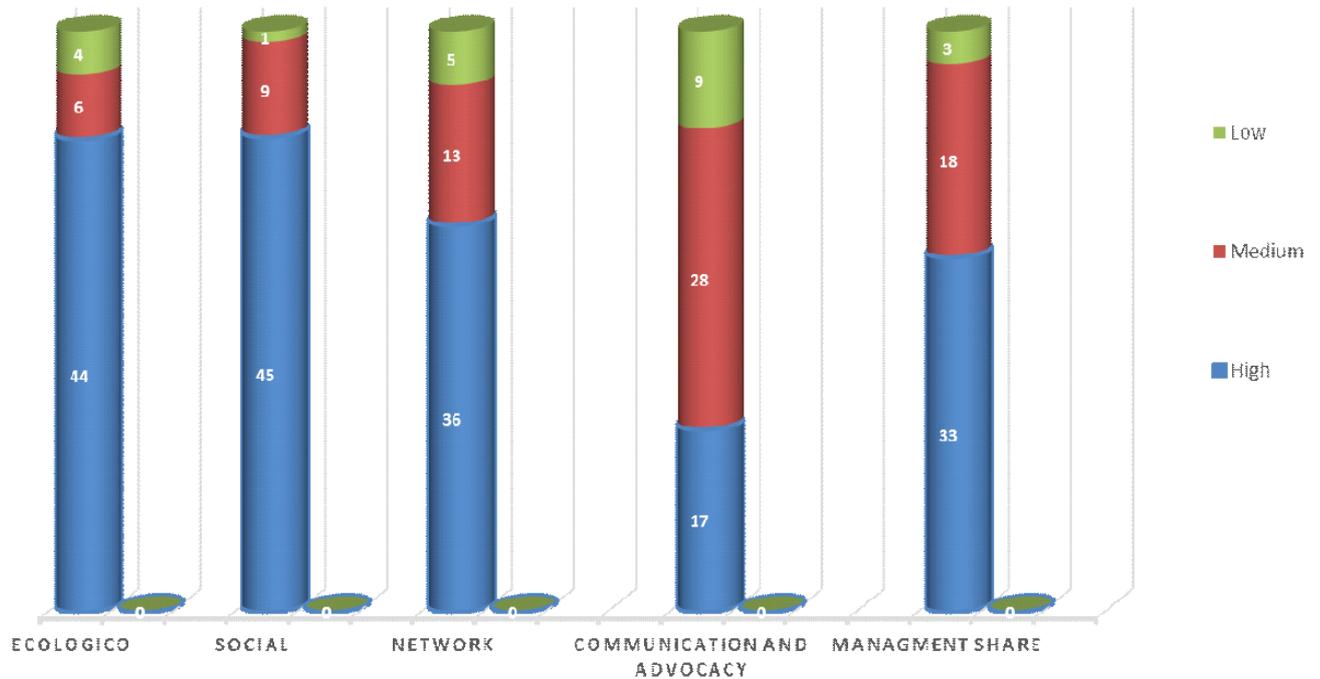
Regarding the **income generated** by these practices, it is only possible to make estimates because the data is not complete or adequately defined, but as a whole we are talking about an economic total of more than 72 million euro. Also in this case it is appropriate to differentiate between practices whose turnovers are of considerable size, like for example Shared Interest with €42.500.000, Manchester Home Car with €14.200.000 or The Central Cooperative Marketing Society, Ellon Hinengo Ltd with €3.900.000 and there are instead small realities that generate a few tens of euro annually. An average estimate, however approximate, is about €300.000 per year.

### Impact

As we know these practices of Social and Solidarity Economy are oriented to collective interest objectives. The promotion of the relationships between different entities, a fair allocation of resources, the respect and the safeguard of the environment, the pursuit of social aims are features that are present in all the experiences analyzed. These experiences are therefore oriented to the creation and the growth of initiatives dedicated to the production and exchange of goods and services and they work according to the principles of cooperation, reciprocity, responsible subsidiarity, sustainability and energetic-environmental compatibility. In particular, if we look at the practices identified with the research it is possible to qualitatively assess some impact indicators of some criteria.

The following graph shows the impact of some values within the practices. For example we can observe that the high value given to the **social and environmental dimension** in most of the practices analyzed. Another noteworthy factor is the one relating to **self-management** and **participation** and to the **ability to work in**

**networks and generate relationships with other realities in the territory and beyond.** The weakest performances are observed in the **communication and advocacy capabilities** of these realities.



### Legislation overview

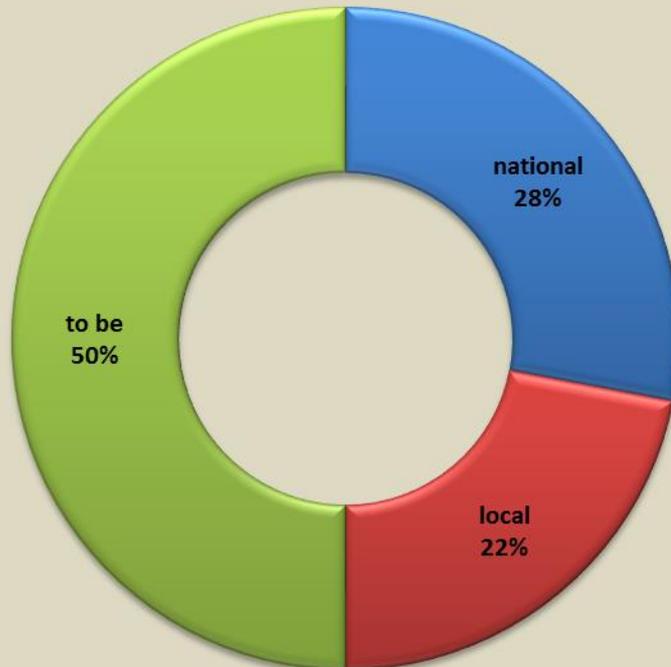
A relevant element to be considered is presence of a local or national legal framework in the territories where the practices work. The most significant data to highlight is the general lack of normative measures that regulate or promote the identified experiences. As a matter of fact, **more than half of the practices** didn't mention any legislative reference for SSE in their territory.

This institutional vacuum might be one of the reasons why the majority of the movements and the experiences has a low impact on policy making and public institutions.

This element clearly shows that there is a need to work towards the strengthening of public policies that aim at:

- Strengthen Social and Solidarity Economy
- Contemplate provisions of financing and other economic supports
- Obtain advantageous fiscal policies
- Define specific criteria to ensure the participation in public calls for tenders
- Set adequate juridical frameworks, to ensure and sustain these activities
- Facilitate access to education to all those who take part in these activities

## Legislation overview



### Main evidences

All the realities analyzed in the first phase of the research and the ones that have been selected as good practices fall within one of the three main sectors defined in the above mentioned RIPPSS document. In detail, these are three different approaches that share several features and that have a social role whose importance has long been underrated, especially with respect to job creation in an historical era in which dominant systems show a scarce ability to multiply long-lasting employment possibilities.

### The three approaches (from the RIPPSS document)

#### 1. Social economy

The social economy is commonly understood as a “third sector” of the economy, complementing the “first sector” (private/profit-oriented) and the “second sector” (public/planned). The third sector includes cooperatives, mutuals, associations, and foundations (CMAFs). These entities are collectively organized and oriented around social aims that are prioritized above profits, or return to shareholders. The primary concern of CMAFs, as societies of people, is not to maximize profits, but to achieve social goals (which does not exclude making a profit, which is necessary for reinvestment). Some consider the social economy to be the third leg of capitalism, along with the public and the private sector. Thus, advocates of the social economy push for it to be accorded the same legitimacy as the public and private sectors, with a corresponding level of

support in public resources and policy. Others, on the more radical end of the spectrum, view the social economy as a stepping stone towards a more fundamental transformation of the economic system.

## **2. Solidarity economy**

The solidarity economy seeks to change the whole social and economic system and puts forth a different paradigm of development that upholds solidarity economy principles. It pursues the transformation of the neoliberal capitalist economic system from one that gives primacy to maximizing private profit and blind growth, to one that puts people and planet at its core. As an alternative economic system, the solidarity economy thus includes all three sectors – private, public and the third sector.

The solidarity economy seeks to re-orient and harness the state, policies, trade, production, distribution, consumption, investment, money and finance, and ownership structures towards serving the welfare of people and the environment. What distinguishes the solidarity economy movement from many other social change and revolutionary movements of the past, is that it is pluralist in its approach - eschewing rigid blueprints and the belief in a single, correct path. The solidarity economy also values and builds on concrete practices, many of which are quite old. The solidarity economy, rather than seeking to create utopia out of thin air and theory, recognizes that there currently exists a concrete utopia, a utopia in action. It is rooted in the practices of participatory democracy and promotes a new vision of the economy, an economy that puts people at the center of the system and values the links rather than the goods.

Thus the solidarity economy explicitly has a systemic, transformative, post-capitalist agenda. The social economy, on the other hand, refers to a sector of the economy that may or may not be part of a transformative, postcapitalist agenda, depending on whom you're talking to.

## **3. Social enterprise**

A comparison of the definition of social enterprise used by social enterprise associations in the UK, the US, Europe and Canada, shows that they have the following features in common: 1) the enterprise serves a social aim such as fighting poverty or social exclusion 2) it primarily generates income based on the sale of goods and services rather than depending on grant funding and 3) profits are reinvested in the social mission rather than maximizing value for stockholders.

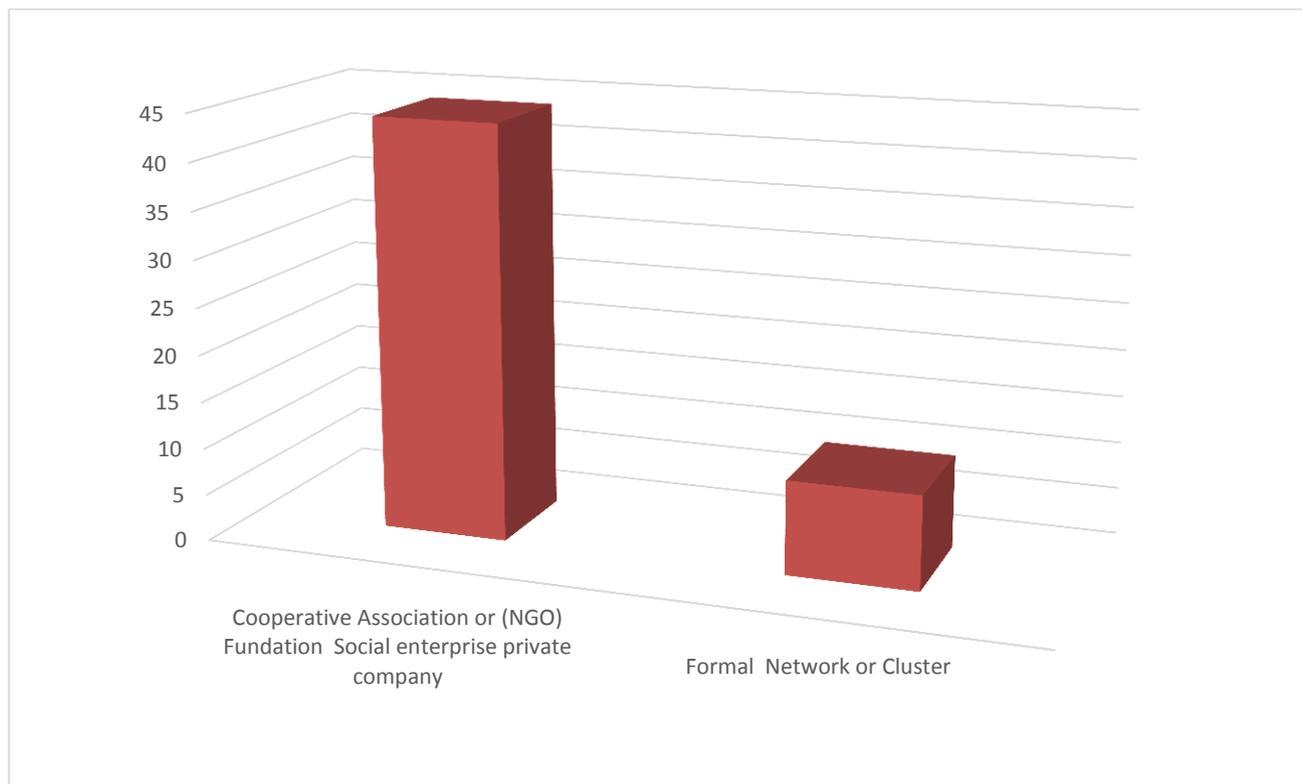
Where the definitions differ is in terms of ownership and control. The stockholder form vests control with owner(s), whether it is an individual or a group investors that purchased shares in the enterprise. In this case, control is accorded to capital – the amount of money that has been invested in the enterprise. The stakeholder form vests control in some collective of those that have an invested interest or stake – not only a monetary one – in the enterprise. This could include the workers, the community, the beneficiaries, or a non-profit organization.

Whereas the UK and US associations include both the stockholder and stakeholder forms of ownership/control, the European and Canadian associations restrict their definition to include only the stakeholder form.

## **Challenges**

The information collected on the 55 practices clearly shows that 41 of them are single initiatives, while there are only a few that are part of networks or other forms of interlinkage (consortium, federation, etc). It is obvious that while self-sufficiency and focus on the mission are undoubtedly positive factors for all the

experiences, the participation in federal entities or networks is an element that might be useful for the diffusion in the territories and for the exchange of experiences and the development of operative collaborations. In addition, bigger coordination groups could allow for the representation of interest and requests of entire sectors of social or solidarity economy before public entities and governments. These representation forms would be convenient also before European or international organizations. It will be interesting to assess in the future (beyond the life of the project) if the expertise coming into light thanks to the research will have some outcomes at this level.



### **How to generate alternative territorial economic models? How to build a local development oriented to social and solidarity economy?**

In the context of the research, some experiences of more or less intense collaboration between the participating organizations already came to light. We can mention the common training sessions, the reciprocal invitations to take part to initiatives in some countries, some examples of shared participation to other projects, etc but other joint activities are being developed.

A second potential level of collaboration in specific territories and with objectives that cannot be set in advance concerns the possibility of designing and implementing integrated systems of economic collaboration and interpersonal relationships or groups that share the same aim. With a close look on the context of the territories involved in the research, several researchers have often pointed out the possibility of organizing production chains between cities and the nearby countryside or to enlarge the selling areas for fair and organic products connecting producers to groups of consumers that want to create purchasing groups.

Especially in the territories that are more dense of alternative experiences and with best practices of bigger dimension and with more experience, there was also glimpse of the possibility of creating comprehensive territorial economic schemes, that is operating towards real alternative models, even if in an experimental

way but starting with a set of organization that have a reciprocal knowledge and specific shared objectives (solidarity economic districts, local agricultural development plans, etc). These prospects are beyond the scope of the current research but may find in it the starting point surely for more complex and demanding processes, but also for the possibility of initiating more profound transformations, of great interest for the local people and as examples to be replicated elsewhere in the world.