

## Inequalities in the world

According to the most recent estimates at the global level, **767 million people are living below the international poverty line** of US\$1.90 per person per day, **197,1 million people are jobless**, 400 million do not have access to essential health services and **67,4 million children are out of school**.

The gap between the South and North continues to grow while, at the same time, the gap between rich and poor in Europe widens with 9.6% of Europeans facing a situation of severe material deprivation<sup>1</sup>.

The many inequalities that characterize the world in which we live have led to the **erosion of democracy and popular sovereignty**, while the emphasis placed on blind economic growth is threatening the environment and contributing to the **depletion of resource and climate change**.

## Social and Solidarity Economy: a growing reality

The multiple global crises (economic, social, environmental) have revived the interest in alternative models of production, distribution and consumption which can play a fundamental role towards an **ecological transition**.

Today, the **Social and Solidarity Economy (SSE)** is a **growing phenomenon that represents 10% of all businesses in the EU and involves more than 11 million people** – about 6% of the EU's employees.

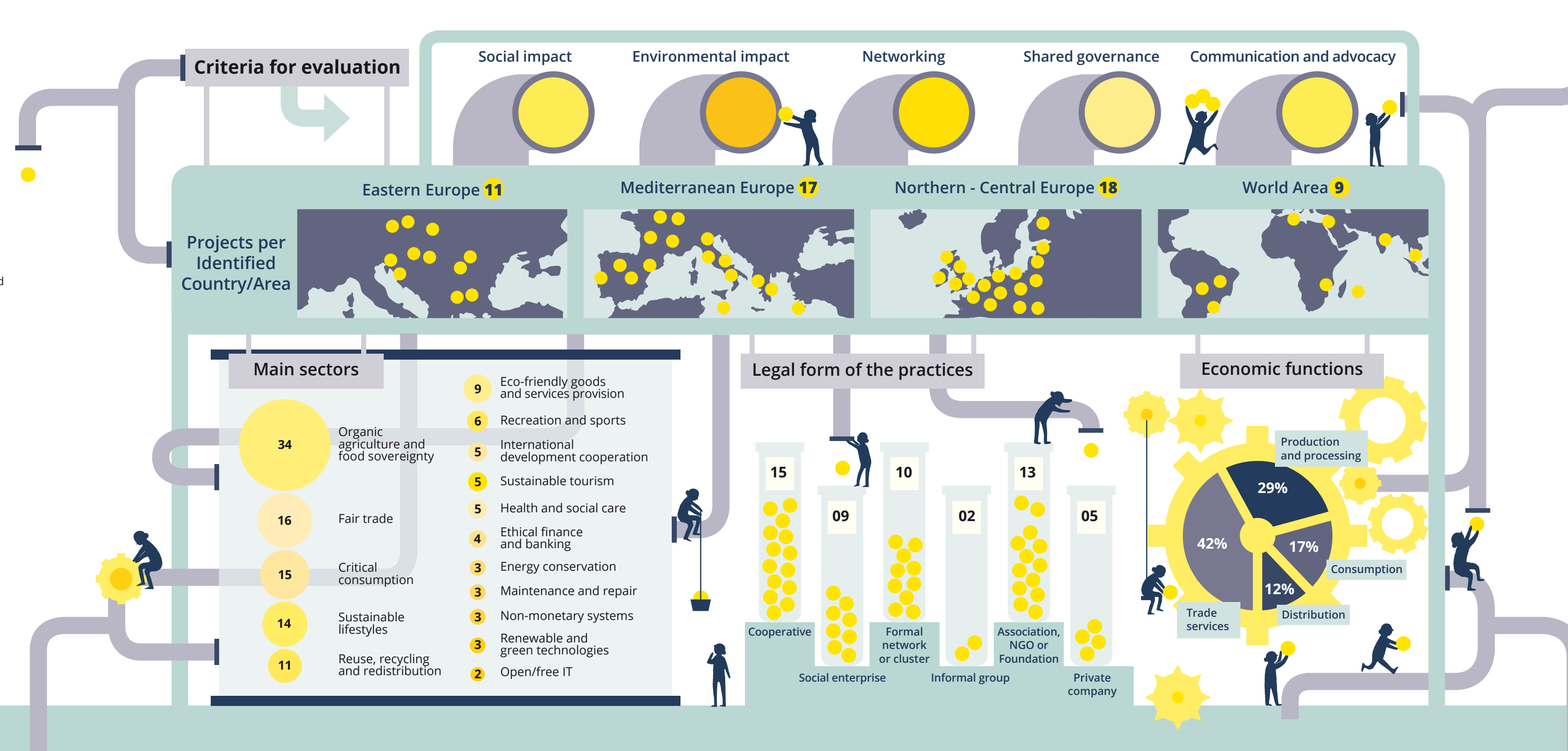
<sup>1</sup> Official data from: World Bank, ILO, WHO, UNESCO and Inequality Watch

Furthermore, starting from the experiences of Latin America, where SSE has a long tradition, there are various laws and policies contributing to SSE experiences and realities.

**There is a broad range of organizations that comprise the SSE** such as cooperatives, mutual benefit societies, associations, foundations and social enterprises. Many of the existing initiatives that fall within the SSE framework are rooted in the community, strengthening the social capital at local level, **fostering social innovation**, adopting solidarity principles in their vision and operation and aim at satisfying human needs, **promoting ways of living that are more caring of the people and the environment, reducing sharp inequalities and fostering collective ownership and social innovation**.

## Central to the SSE:

- People and Planet at the center
- Work, dignity and self-management
- Democracy, human rights, participation
- Gender equality
- Solidarity, inclusion, enhancement of "social capital"
- Local and community roots
- Global vision
- Resilience
- Environmental and biodiversity protection, positive relationship with nature throughout the production and distribution chain
- Common goods sovereignty: water, air, landscape, **energy**, food, **energy**, knowledge and culture heritage



## The SUSY Sustainable and Solidarity Economy - project

The SUSY **Sustainable and Solidarity Economy** is a 3 year Development Education project, led by COSPE with partners representing 23 European countries:

- COSPE and Fairwatch (Italy)
- Südwind (Austria)
- INKOTA (Germany)
- Deša Dubrovnik (Croatia)
- KOPIN (Malta)
- CERAI (Spain)
- Polish Fair Trade Coalition (Poland)
- Ekumenická 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 and 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)

The SUSY project represents an opportunity to increase **people's awareness and understanding of the interdependencies that characterize the world** in which we live today and to promote active citizenship.

The main goal of the project is to analyze, debate, support and strengthen the principles and the practices of SSE, so as to **promote a more fair and equitable paradigm**, starting with the mapping and reporting on the most significant practices.

The SUSY project carried out **Research on SSE best practices "Transformative economy: opportunities and challenges of the Social and Solidarity Economy in 55 territories in Europe and in the World"**, coordinated by FairWatch, that allowed us to identify and analyze significant initiatives of SSE.

In this effort, **80 researchers** were involved conducting more than **550 interviews** of SSE networks, NGOs, CSOs, institutions, local authorities with a final map of more than **1100 practices and 13,000 people** involved.

These experiences provide an overall picture of how SSE translates into practice in the different territories reflecting the specificities of each national context. 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 (Bolivia, Brazil, India, Malaysia, Mauritius, Mozambique, Palestine, Tunisia and Uruguay).

## Social Solidarity Economy Good practices

From a comparative analysis of the information gathered in the **Research**, the main **SSE best practices** are the following:

### Innovative agriculture

There are numerous innovative practices relevant to agriculture, such as **Urban gardens**, **Farmers' markets**, seeds and food banks, food sharing initiatives and **Food Policy Councils**. Among the most interesting experiences there are those of **Community-Supported Agriculture (CSAs)**. CSAs aim to create an alternative development model in the agricultural sector in harmony with producers, consumers and nature. CSAs are a partnership between farmers and consumers in which the responsibilities, risks and rewards of farming are shared. This model helps to address increasing concerns about the lack of transparency, sustainability and resilience of our food systems.

### Reduce, reuse, recycle and the circular economy

**Reduce** material and resource inputs, **Reuse** containers, packaging or waste products and **Recycle** waste material into useable products, are actions that can reduce the carbon footprint, conserve the natural resources, landfill space and energy and save money. Furthermore, the most effective way to reduce waste is to not create it in the first place. The circular economy concerns the elimination of the concept of 'waste', recognizing that everything has a value. Inspired by the work of natural ecosystems, where nothing is wasted, the **circular economy** promotes greater resource productivity, optimizing the resources that are already circulating in the market to both reduce further extractions and to stop burying residual matter.

### Renewable energy provision

The imperative of decarbonizing energy is a central element of global efforts to deeply reduce greenhouse-gas emissions. This approach is also embedded in the Sustainable Development Goals, which call for a substantial increase of renewables in the global energy mix by 2030 and to double the rate of improvement in energy efficiency.

**SSE companies propose clean energy solutions, developing a decentralized approach to ownership of energy and management** through shared and transparent governance which allows citizens to take more control over their energy use.

### Recovered enterprises and self-management

The term **Workers Buyout (WBO)** is used to indicate a business restructuring or conversion process whereby employees purchase an ownership stake and also includes workers participation in the running of the firm. This process saves or creates new jobs and builds reciprocal relationships between the territories and the communities that inhabit them through collective self-management of the work.

### Ethical finance

SSE includes alternative finance schemes that address the needs of the communities in a more participatory manner, involving them more actively in the financial decisions that impact their communities. For example, **ethical banks** channel savings and investments to socio-economic activities with social, environmental and cultural aims, **social innovation incubators** accompany project creators wanting tailored guidance and **equity funds**, **crowdfunding** can support the development of a new SSE initiative, and **social lenders fund cooperatives** and **solidarity projects** around the world.

### Responsible tourism

Responsible tourism complies with the principles of social and economic justice and exerts full respect towards the environment and its cultures. It recognizes the **centrality of the local host communities** and their right to act as a protagonist in developing sustainable and responsible tourism.

### Fair trade

Fair Trade is an **alternative approach to conventional trade**, with the aim of introducing **justice** and **solidarity** for producers in the Global South and promoting sustainability. Its recent recognition of South-South and North-North trade means that **it currently also encompasses the local dimension**, refocusing on the local market and incorporating notions such as food sovereignty, human rights and environmental protection.

### From producer to consumer

Individuals are more and more concerned with food waste and the sources of the food they buy. For these reasons, many choose to have a more direct relationship with food producers when purchasing goods, becoming relevant actors in a short supply chain. This approach can take several forms, from **groups of consumers** who purchase goods collectively to **farmers' markets**, from **food-sharing platforms** to **small producers' shops**, thus re-connecting production and consumption in a sustainable way.

## Challenges

From a comparative analysis of the information gathered in the **Research**, the main challenges for the diffusion and strengthening of the Social and Solidarity Economy are the following:

### Lack of a strong network

The Research shows that, out of the 55 practices identified, 41 of them are single initiatives, with only a few participating in a network (consortium, federation that link associations, producers and consumers that exchange goods and services in the name of shared principles of solidarity). A **greater level of collaboration between existing initiatives** might be useful for the diffusion in the territories and for the exchange of experiences. It would also **increase the sustainability of the activities being carried out**.

### Inadequate communication and advocacy strategies

The positive outcomes and effects of the SSE are not well known by the general public, given that the issue is often overlooked by mainstream media and not well addressed by campaigning efforts. Moreover, **public administrations do not often provide adequate support to these initiatives** which would be greatly enhanced if supported by joint efforts of different entities, such as local authorities, universities, public bodies, SMEs and SSE organizations.

### Lack of legal and political frameworks

The research highlights a general **lack of normative measures that regulate or promote the identified experiences**. Only a few countries have adopted a national law on SSE and more than half of the SSE representatives did not mention any legislative references for the sector in their territory. There is a need to work towards the strengthening of public policies that aim at fostering SSE, in order **to provide a comprehensive framework** able to stimulate, on the one hand, the creation of new organizations and on the other hand to **encourage and support the existing activities**.

This document represents the outcome of the Research *Transformative economy: opportunities and challenges of the Social and Solidarity Economy in 55 territories in Europe and in the World*, produced in the framework of the project "Social & Solidarity Economy as Development Approach for Sustainability (SSEDAS) in EYD 2015 and beyond - Grant Contract: DCI-NSAED/2014/352-248"

For more information please visit the SUSY project's website:

[www.solidarityeconomy.eu](http://www.solidarityeconomy.eu)  
[www.cospe.org](http://www.cospe.org)

### SUSY online map

**There are Plenty of Alternatives. Let's make them visible**

The SUSY research has mapped 55 SSE practices, but there are many more!

In collaboration with **TransforMap**, the SUSY project produced an online Map increasing the visibility of the Social and Solidarity Economy in Europe and worldwide.

Find them in the [www.solidarityeconomy.eu/susy-map/](http://www.solidarityeconomy.eu/susy-map/)



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# TRANSFORMATIVE ECONOMY

## Opportunities and Challenges of the Social and Solidarity Economy

