

MEXICO CITY 2021
GLOBAL SOCIAL
ECONOMY FORUM

WORKSHOP SESSION INFO

o **Session title:** *Innovative Social Finance mechanisms from diverse territories to strengthen SSE ecosystem*

o **Date / Duration:** October 7th, 2021 / 18:00-19:30 (KST)

o **Session format / Language :** Workshop Sessions / English

o **Target audience:** social finance institutions and organizations, social finance cooperatives and banks, social enterprises, national and local governments with SSE projects, all the relevant interested SSE actors

o **Session Objectives/ Descriptions:**

• **Background**

Social and solidarity finance arises as a response to conventional finance, which captures resources from many to produce a growing concentration and centralization among the few, while leaving a large part of the population rationed of basic financial services, especially in the Global South, and of the associative, cooperative, mutual, community, popular, indigenous and other practices that put life at the center and that need finance for their development and consolidation as any other economic initiative.

Within these alternative finances we find diverse modalities. Some are loosely structured, such as popular finance; the ancestral practices of community finance; microfinance that manages to move away from commercial or poverty alleviation approaches and align itself with the objectives of transformative economies; cooperative and mutual finance more traditionally linked to the social economy from which, in turn, much of ethical finance emerged; impact finance, which transcends fashions beyond the slogans of the conventional financial world; development finance, which has learned over the decades to face the challenges of the Global South; while others are considering the creation and management of complementary currencies that are articulated with proximity, fair and solidarity markets and/or the activation of local economies.

In essence, these modalities are based on innovative mechanisms that aim to democratize monetary and financial resources according to the needs of the people and their organizations. This implies other criteria for managing money, other ways of evaluating projects and, in particular, ex-ante and ex-post risks, encouraging the involvement of lenders in investments, the joint treatment of monetary, financial and non-financial instruments and, above all, respect for the socio-economic specificities of each initiative.

• Objectives

To recognize the diversity and importance of social and solidarity finance practices, with special attention to possible synergies from different territories.

To generate instances of exchange and learning with experiences that have achieved monetary and financial innovations for the satisfaction of different types of needs.

To contribute propositional elements on monetary and financial issues of the SSE, considering the specific role of the main stakeholders at the micro, meso, macro and systemic levels.

Facilitate the creation of permanent forums on social and solidarity finance at the national and regional levels.

• Main question

What should be the actions or strategies of individuals, governments, groups, societies, countries, to achieve a better and more inclusive world? What key actions should be promoted from the local level?

• Guiding questions

Round 1

What are the monetary and financial innovations developed by your practices? How have you organized yourselves since your formation as a collective? How do you sustain your principles in daily practice in the face of the challenges of today's capitalism?

How have your practices been affected in the context of Covid-19? How do you think that conventional economies, society in general and States (at all levels) can learn from your experiences as a possible way to overcome in this context?

Under what conditions do they imagine themselves enhancing the practices of their collectives in order to achieve greater synergies, scalability and replicability?

Round 2

Let us identify the main stakeholders at the micro, meso, macro and systemic levels and ask ourselves the following question: What is the main role of each one to achieve the finances we need?

What are the guiding elements that must be present in the future we envision in terms of social and solidarity finance?

How can we transform the current reality of conventional finance, based on speculation, and far removed from the needs of the people, in order to build finance based on SSE principles?

○ **Moderator and Speakers**

• **Moderator:** Philippe Guichandut / Fondation Grameen Crédit Agricole
philippe.guichandut@credit-agricole-sa.fr

• **Speakers :**

| | Organization (Country) | Name | Presentation Description |
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| Speaker 1 | Needsmap (Turkey) | Ahmet Batat | <p>Needsmap</p> <p>Technology can create solutions to the social problems. Needs Map, is a social platform cooperative that was first launched at the Social Good Summit of UNDP on October 7, 2015. In the later period, the portal opened for further use to bring together the people who are in need and voluntary supporters via an online platform. Needs Map does map-based data matching and help people to tackle poverty related social problems through a system of non-monetary contributions. The purpose of the Needs Map is to learn and verify the needs on the basis of individuals and communities, to collect and list them on a map-based approach, and to facilitate the needs' meeting by institutions, organizations or private individuals. Also, Needs Map aims to mobilize local people to support their own neighbourhood by bringing transparency and visualises street level data in terms of need and support and makes it possible to act accordingly. Due to the COVID-19 outbreak in Turkey, Needs Map carried out "Hand in Hand Support Movement" project funded by Mastercard Impact Fund. The project aims to support the families with basic needs such as food and hygiene that emerged during the COVID-19 period. Needs were arranged by the local producers and tradesmen through the Social Marketplace platform, for both people in need and families who were affected by the pandemic. Through the 20 provinces in Turkey, 8.132 vulnerable families</p> |

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| | | | and 300 local businesses were supported by purchasing materials with 109,775.20 \$. |
| Speaker 2 | Ministry of the Interior and Safety, Republic of Korea (South Korea) | Hyung-Kyun Kim | <p>Community assets for local revitalization</p> <p>Summary of the Initiative Community assets is an alternative way of ownership that allows local residents to jointly own assets necessary for the local community, such as land and buildings, promote social, economic, and environmental improvement, and change local communities. Since community assets begins with what the local people produce and consume, the wealth management and operations generated through it, and the revenue generated through it, are divided into communities. This community assets is a project that contributes to the local community and seeks to lay the foundation for sustainable community activities by preventing gentrification. In order to revitalize the local community, the national government promotes the community assets project as a major policy, but in the process, it seeks to promote the development of the local community and the local economy through cooperation with the local government and the public and private sectors. Accordingly, we share examples of regional autonomy of Korean social innovation. ? Cooperation and agency description 1. NH Bank is the bank of native capital, comprising pure domestic shareholders. NH Bank serves public interest by supporting socially neglected classes and agriculture industry. 2. Korea Credit Guarantee Fund (KODIT) is a public financial institution established on June 1st 1976 under the provisions of the Korea Credit Guarantee Fund Act. As stipulated in Article 1 of the Korea Credit Guarantee Fund Act, the objective of KODIT is to lead the balanced development of the national economy by extending credit guarantees for the liabilities of promising SMEs which lack tangible collateral . ? Detailed description of the initiative 1. Community assets promotion background 2. Current status of community assets 3. Introduction and examples of regional Community assets projects 4. Expected effect</p> |
| Speaker 3 | SVS Foundation (South Korea) | Jong-Duk Jung | <p>A potential of social finance wholesale fund in developing a sustainable social economy ecosystem.</p> <p>Most of the social economy enterprises lack access to finance, despite their contribution to inclusive social and economic development. The SVS Foundation aims to enhance the financial accessibility of social economy enterprises by providing tailored finance such as patient capitals (long term</p> |

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| | | | <p>loans/investments with low-interest rates) for their stable development and scale-up. v The SVS Foundation also mobilize funds with other partner institutions to invest in impact projects that require large-scale finances such as renewable energy and social housing sector. To promote investment of other private in high impact projects, the SVS Foundation takes a subordinated role (if a fund does not perform well or even goes bankrupt, SVS is the last funder who withdraw the investment to guarantee other investors withdrawal first). Thus, the SVS Foundation can increase the overall size of the fund by leveraging investments from partner organizations which otherwise impossible to launch due to the nature of the high risk of the impact projects. v Also, the Foundation distributes funds through various social finance intermediaries based in different regions of Korea to create a social finance ecosystem. The Foundation also helps the capacity building of local intermediaries as it believes that channeling finance through intermediaries and support development is the key to building a sustainable ecosystem. v The primary purpose of the SVS Foundation is to make finance 'social' not to maximize profits. It adds social value to finance with partner organizations and for the SVS Foundation, that is what 'finance' is meant to be in the very first place. Main Programs As the first Korean wholesale social finance established in Korea, the SVS Foundation implements various financial projects for social economy enterprises in cooperation with social finance intermediaries.</p> |
| <p>Speaker 4</p> | <p>Municipalidad de San Martin (Argentina)</p> | <p>Marcelo Torrano</p> | <p>Solidarity Finance from San Martín Municipality, Buenos Aires, Argentine . A system with vision and possibility of scaling up and adapting to other territories and contexts</p> <p>En un marco de profundo racionamiento y restricción de crédito en el país, la municipalidad de San Martín, Buenos Aires, Argentina lleva adelante una política activa de financiamiento solidario con varios instrumentos para financiar a los actores de la Economía popular, social y solidaria para la producción de bienes y servicios, como así también para los vecinos vulnerados para la mejora progresiva de las viviendas. El municipio desarrollo los instrumentos legales para poder financiar de forma no bancaria, directa y con recursos propios. Con el transcurso de los años se sumaron recursos del gobierno nacional y provincial, lo cual le dieron mayor envergadura. Enmarcado en las finanzas solidarias los instrumentos de financiamiento sustancialmente se</p> |

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| | | | <p>desarrollan con créditos individuales a trabajadores autogestionados y cooperativas que producen en San Martín y a través de fondos rotatorios, sustancialmente estos destinados a la mejora progresiva de las viviendas. Entre otros aspectos relevantes el fondo de Financiamiento Solidario San Martín apunta el proyecto de compras públicas a cooperativas y empresas sociales. En este trabajo desarrollaremos y analizaremos cada uno de los fondos y la visión de complementariedad entre sí, además de las estrategias, el alcance, los métodos y formas, la segmentación, los actores y destinatarios, la normativa. Y por último la visión de sistema y la posibilidad de escalabilidad y adaptabilidad en otros territorios y contextos.</p> |
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• Program

| Time | Content |
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| 18:00-18:01 | Internet connection check |
| 18:01-18:06 | Introduction of the moderator Philippe Guichandut / Fondation Grameen Crédit Agricole |
| 18:06-18:11 | Introduction of the session: background information, main question, objectives and panel members |
| 18:11-18:21 | 1 st speaker presentation: Community assets for local revitalization - Hyung-Kyun Kim / Ministry of the Interior and Safety (Republic of Korea) |
| 18:21-18:31 | 2 nd speaker presentation: Policy instruments for strengthening the SSE ecosystem in Argentina - Ruth Muñoz / INAES Argentina |

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| 18:31-18:40 | 3 rd speaker presentation: Solidarity Finance from San Martín Municipality, Buenos Aires, Argentine. A system with vision and possibility of scaling up and adapting to other territories and contexts - Marcelo Torrano / Municipality of San Martin |
| 18:40-18:50 | 4 th speaker presentation: Impact financing for Sustainable development and mutual prosperity - Hwang Jinsol / THE BRIDGE |
| 18:50-19:00 | 5 th speaker presentation: Needsmap - Ahmet Batat / NEEDSMAP |
| 19:00-19:15 | Questions and discussions guided by the moderator |
| 19:15:-19:25 | Q&A: from participants via chat |
| 19:25-19:30 | Closing remarks by the speakers and the moderator |