



**Local Governments and Social Economy:  
co-creation of paths for a green and inclusive economy**

**GSEF Global Virtual Forum  
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**Report format**

<b>Title of the session:</b>	Promoting SSE through Public Policies: 7 Case Studies and Guidelines for Local Governments
<b>Type of session</b>	Self-Organised Session
<b>Language:</b>	English
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<b>Time:</b>	20-23 KST
<b>Participants</b>	51

**Name of moderator**

Ilcheong Yi - UNRISD

**Speakers**

- Roberto Canedo Villarreal and Juan José Rojas Herrera
- Malick Diop and Aminata Diop Samb
- Rafael Chaves
- Susan Steinman
- Alan Southern
- Margie Mendell and Nancy Neamtan

**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?

- **Juan Jose Rojas:** co-construction involving the different stakeholders because they undertake a very proactive role in the implementation of public policy. If we look at public policy creation, we can break it down into two parts - great participation by cooperative enterprises, mainly between 2015 and 2016 and the period during which we achieved the creation of the new law, a law to promote cooperative enterprises in CDMX. We created institutions that allowed us to lay the foundations for the creation of cooperatives in CDMX - great success, many different sectors and stakeholders, and gather a new approach to SSE. After 2015 the government took a unilateral decision to specifically focus on putting off all our work - because we do not have trainees, because of the existing system and interest of political stakeholders - passive approach from policy makers and this slowed down the process.
- **Sang Youn:** teaching at university, in terms of teaching sometimes bad theories and bad policies that are masked kill good practice -people just accept the capitalistic approach
- **Malick and Aminata:** strengthen solidarity - referring to solidarity when it comes to producing and consuming goods - equitable sharing of benefits across territories - strengthen between rich and poor countries, promotion of strategy: strong planning whereby all SSE actions are well planned, together with organisations of SSE. In addition to that, we need specific financing mechanisms to aid. Co building at the level of city, and training is key because SSE actors are active but not necessarily well trained
- **Rafael Chaves:** Good theory can be practical - it's up to academics to construct good theories. 4 ELEMENTS: visibility and recognition of SSE as a field, we are a tiny minority and we need to fully understand what it is that we are talking about, and public authorities need to understand what it means as well. Secondly, finance - we can make progress with goodwill but this is not sustainable without long-term financing. Thirdly, beyond training, we require proactive people at the forefront of these policies who work hand in hand with decision makers and hand in hand with government agents, to articulate policies to move in the direction needed. lastly, social innovation is required



## Summary of presentations:

### 1. Roberto Canedo Villarreal and Juan José Rojas Herrera - Mexico City Case study

- prepared for research project UNRISD
- this study shares the experience we have lived here
- covers the period to 2016 to 2019
- goes back to the year 2000, but only in 2007 were programs implemented
- promoted with 157 cooperatives - support for the development of social cooperatives in the city of Mexico
- the methodology was developed in 3 stages - books, regulations, articles, legislative debates, the rules of operation of the different programs, and there were also evaluations made of these programs by the federal district gazette
  - second stage: gathering data, officials and former employees of different cooperative, instructors accredited by the ministry of labour
  - process data was the third stage and write about different findings

#### main findings:

- public policy to promote SSE in cdm is maintained by a legal institutional inertia
- programs targeting unemployment -
- results clouded by shady management
- since 2019 the program and the public policy took a significant turn
- massive dismissal of personnel and failure to re employ and train the unemployed people
- the institutional structure was overwhelmed by the magnitude of the demand
- the goal was not achieved - FOCOFESS lacked strategic clarity, the people responsible for implementing did not guide its potential for SSE, they implemented a public policy instead - what happened that they limited themselves
- lack of harmony between the city's constitutional text and its legal contrast with the other ordinances
- moving on to 9, the programs weren't adequately implemented - not sufficient studies or analysis and absence of a working dynamic of the existing institutions, therefore the task that cannot be postponed is the purpose of creating cooperatives that can be available in physical and digital form
- the way
- essential to establish some type of referencing for each of Cooperative it as a beneficiary so that the state can date it in real time
- we should also try and overcome this institutional short-term dynamic by developing multi-year programs that allow us to reach longer-term goals in a frame in a period of five to 10 years
- we could create a core Group which is a solid and consolidated with several dozen cooperatives that could be a created to fulfill this role
  - in this role we also need to limit the struggles that we witnessed in the management of these institutional spaces - we see continuous changes of high-level officials and this leads to a create Consolidated program



between middle and operational managers - so we need to put an end to this lack of coordination in different public entities who are involved in managing at the level of the city of Mexico

## Recommendations

- we recommend that we find a way to guarantee that the SSE promotion programs are no longer subjected to this client listed management recruiters for power groups what we recommend is that in the coming year as the focus is placed on more qualitative and quantitative aspects to training and technical support for instance Pi training Cooperative strengthening them I'm the and I and Anna and we provide feedback and provide key elements such as training technical assistance and financial support access to markets dialogue with the Co-operative movement Central and to disseminate these programs and their achievements thank you very much for allowing me to get the spread

## 2. Sang Youn Lee - Seoul case study

- based on a working paper with UNRISD
- South Korea has a variety of SSE based on specific legal framework
  - agriculture, cooperative, credit union
- in 1999 NBLSA is passed
- SEPA in 2007
- Moon Jae's policies to boost social economy since 2017
- 4 major types of SSEs in South Korea:
- FASE - lawmakers have not yet passed this act
- Ministry of Labour has actively supported how to educate Social entrepreneurs - more than 3000 enterprises were created since 2011
- system of policy making
  - over 4000 coops in Seoul - housing, education
  - 10 million in Seoul Metropolitan Area - one of the reasons why social enterprises are created so rapidly in Seoul
- public private policy making
  - catalysts in generating political momentum in favour of SSE
  - contributed to creating positive political momentum for SSE in other municipalities and nationally
  - excellent example of strong SSE entrepreneurship
- Seoul Social Economy Centre
  - identifying and providing support for SSE actors
  - support development and dissemination of SSE
- Major initiatives in Seoul
  - HR development
    - HR Development 2013-2018
      - 45 courses and 7960 persons are educated on SSE



- Educational programs on how to start a business, how to get resources
- Financing capital to start business
  - 1000 social enterprises get financed by this fund: SMG Fund
  - public procurement for SSE in Seoul - since 2014 the value is increasing
- Information
  - Seoul Social Economy Portal - all kind of info, educational, consulting services, recruiting
- Social Economy Promotion Plan 2.0
  - developing social economy in Seoul - local social care services, establishing and supporting technical schools
  - new mayor of Seoul has new objectives for economy though

### 3. Malick Diop and Aminata Diop Samb - Dakar case study

#### context of study

- at the time of this study, the context was favourable and enabling of an SSE ecosystem
- the government of senegal had placed a ministry dedicated to SSE and they were able to follow up with different actors, legal framework was developed
- allowing to better governance of this sector, network of social initiatives at local and national levels - in Dakar we have a network that promotes the training creation and financing of SSE networks
- strong political will to follow up with SSE actors
- since 1990 Dakar has been fully involved in accompanying SSE actors
- program to support families in extreme poverty
- solidarity fund in place - train and finance SSE actors
- urban agriculture project - help women who wish to invest
- constraints:
  - lack of coordination - main constraint
  - following up - noticed that there were many projects but they were spread
  - human resource deficit - can only be solved by training
  - insufficient finance mechanism
- decision making
- access to finance
  - many structures but not enough financing
- data gathering and research
  - we did not establish a systematic way for gathering data, at the national and city level
    - bc there is deficit when it comes to financing these experiences
    - no statistical data is available at ministry level or financing mechanisms

#### recommendations:

- decentralised decision making

#### impacts





- development of an orientation law - allows us to define the reference terms for the SSE sector, especially aspects that haven't been taken into consideration in the past
- what we notice is that local authorities must include an SSE program and this helped us to promote the city's candidacy
- we were able to involve different actors from the ministry as through the study they were able to understand what the city of Dakar is doing in terms of SSE

#### **4. Rafael Chaves - Barcelona case study**

##### methodology

- wealth of personal knowledge from Jordi Via
- collect data from other sources, city council documents
- surveys to evaluate public policies with the focus groups
- BCN city policy is not unique, it is spread through the country since the transition of the Franco regime to now
- turning point after the financial crisis - new generation of SSE policies were introduced
- size of SSE in BCN
  - 2400 entities
  - 1197 enterprises
  - 8% of the working population work on SSE - 861 jobs created
  - the poorest neighbourhoods have fewer SSE jobs

##### how was the policy developed

- cocreation
- participation
- short period of time - 6 months - long term created

##### achievements

- contribution to increasing public funding for the SSE
- Increasing visibility and awareness
- establishing a stable space for participation in the public policy of SSE

#### **5. Susan Steinman - Durban case study**

- methodology
- areas covered
  - overview on the whole country, local level as well
  - legal framework - coordination between the eTMM and Durban

##### main findings and recommendations

- non-profits and social enterprises included
- the informal economy is not really governed by case of legislation, its ruled by ordinances that differ from city to city
- stats provided by government of SA - size of SSE in terms of entities is estimated to be between 16% and 18% of all registered entities - not sure if this is the real size

##### Policy development

- custodianship - intergovernmental relationships



- draft green paper on the SE
- Financing
- Conflicts - increasing, motivation, proximity and transport
- 
- internal cooperation
- non-financial support is provided by many associations
- labour laws
- training to be coordinated
- synchronicity
- corruption
- role of universities
- informal sector involved in providing resources - technology commercialisation
- some challenges need to be addressed at national level

#### 6. Alan Southern - Liverpool case study

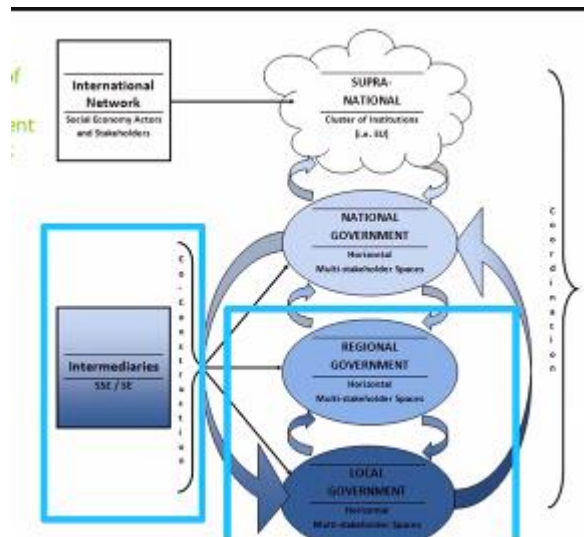
- What sort of public policies enable the SSE?
  - National framework in UK
    - Absence of such for SSE or social enterprise
    - general business legislation rather than public policy - mainly designed to support larger organisation
    - ethos of deregulation - mainly aimed at the for-profit sector
    - took a turn in the mid 1990s with Tony Blair - market ideals for social enterprise and enabled new forms of privatisation
    - much less attention to the operation of SSE organisations in markets
    - little concern with solidarity and democratic ownership
- Liverpool City Region - 1.6 million and has been struggling economically since the 70s - high levels of poverty
- SSE in LCR
  - 20C - community development, housing cooperatives
  - EU objective 1 funding supports a developing social enterprise sector
  - Post 2010 - austerity driven response from the SSE, some return to radical politics although with a distinct entrepreneurial flavour
  - 1400 trading organisations in 2016 - probably 2000 now
  - 450000 employees and 3 billion pounds revenue
  - SSE organisations are located in areas that suffer the greatest scores in the governments indices of deprivation
    - market failure, retreat of the state, privatisation, historic positioning of SSE
- How can we use public policy to enable the SSE in Liverpool?
  - social value can be exploited much more
  - initiatives that are co-owned by SSE and public sector
  - Kindred - social enterprise - new social investment vehicle - the first one of its kind



- land commission - building ideas about asset transfer
- needs better organisation, greater levels of democracy, and diversity - minority groups have some good social organisations
- better forms of finance, better levels of training
- conservative nationally and labour locally - not cohesive and problematic relationship
- social economy remains under capitalised and under staffed, made up of smaller organisations

### 7. Margie Mendell and Nancy Neamtan - Montreal case study

- 4.2 million people - second largest city in Canada, half of the population of Québec
  - 3000 enterprises - 75% non-profit
- integrated ecosystemic approach intervening in finance, technical support and accompaniment, training, research, knowledge transfer
- place-based comprehensive and integrated approach to local development, beyond the aggregate of its numerous collective enterprises
- example of co-construction where stakeholders play a very important role in the SSE across divisions within levels of government and municipal, provincial and federal



- major policy initiatives - derivative provincial measures impacting social economy at a municipal level
  - ongoing - access to capital through investment instruments, resources for research and knowledge transfer, policy measures in sectoral ministries
- municipal policy initiatives
  - 2009 - Social Economy Partnership for Community-based and Sustainable Development
  - 2009 - Social Economy Office
  - 2013 - Économie sociale, j'achète (CESIM)
  - 2016 - FDES; Accès Logis Montreal, SAM





- 2018 - Action Plan for Social Innovation 2018-2022
- 2020 - Right of First Refusal for affordable housing
- Ongoing - investment in community infrastructure
- a lot of innovation going on right now in Montreal
- lessons learned
  - importance of an integrated ecosystemic approach
  - relationships based on partnership and co-construction
  - importance of integrating the social economy into an overall vision of ecological and social transition in an urban setting
  - the strength and resilience of Montreal's social economy is linked to its roots in citizen mobilisation and alliances with social movement
  - Young people are attracted to the social economy as a component of ecological and social transition and the transformation of the dominant economic model

#### 8. Hamish Jenkins- Guidelines for Local Governments on Policies for SSEC

- target readers: government officials, SSE practitioners and advocates, scholars
- procedure: interviews with key local government officials
  - with the 7 case studies we just heard
- mirror the structure that was asked from the different authors with a common template to construct a comprehensive set of guidelines
- each chapter is conceived to be read independently but they are all inter-related
  - intro
  - main body: details, scope, substance and relevant policy options
  - guidance section: checklist and flowchart of questions and answers guide
- example: access to markets for SSE
- cross-cutting themes
  - need for policy co-construction
  - need for long-term political continuity beyond political cycles
  - challenge of how to integrate and mainstream SSE in wider sustainable development plans
  - challenge of communicating the transformative value and economic weight of SSE (to both policy makers and the general public)

#### Relevant Questions and Answers from Audience:



**Question:** Relation between SSE and big issues such as climate change

- **Answer:**

- **Nancy:** Link to women movements. The ecological issue will not be solved with the current economic model. Those links are extremely important and must be strengthened
  - comment in chatbox: The link between the circular Economy and the social Economy is being reinforced here
- **Margie:** If we look at the mainstream world, as soon as there is criticism coming from that world, people listen. We are experiencing a convergence of ideas - mainstream critics that are aware that the dominant paradigm is bankrupt
- **Susan:** SSE should be carried by all companies in the world

**Question from Ruth Muñoz:** I would like to know the selection criteria of the cases of the project. For ex., in Latin America we have several interesting cases that can show better practices than what our colleagues have shared here from Mexico City.

- **Answer:**

- **Roberto:** In one way or another, in LAC reality, our context is so particular that after listening to all the cases, let's say that the LAC case is not straightforward. CDMX has a different perspective, we are all different and we have good initiatives - in the case of Mexico, Article 25 of the Constitution that mentions SSE bodies that focus on cooperatives and they cover several types of SSE but not all, and this is just a general criticism of SSE in Mexico but unfortunately in CDMX everything became too bureaucratic.

**Screenshots of the zoom session (preferably gallery view with all the participants, so please take a minute before closing the session to ask all the participants to turn on their videos and take a group photo. This can be also used for the video recording later.)**

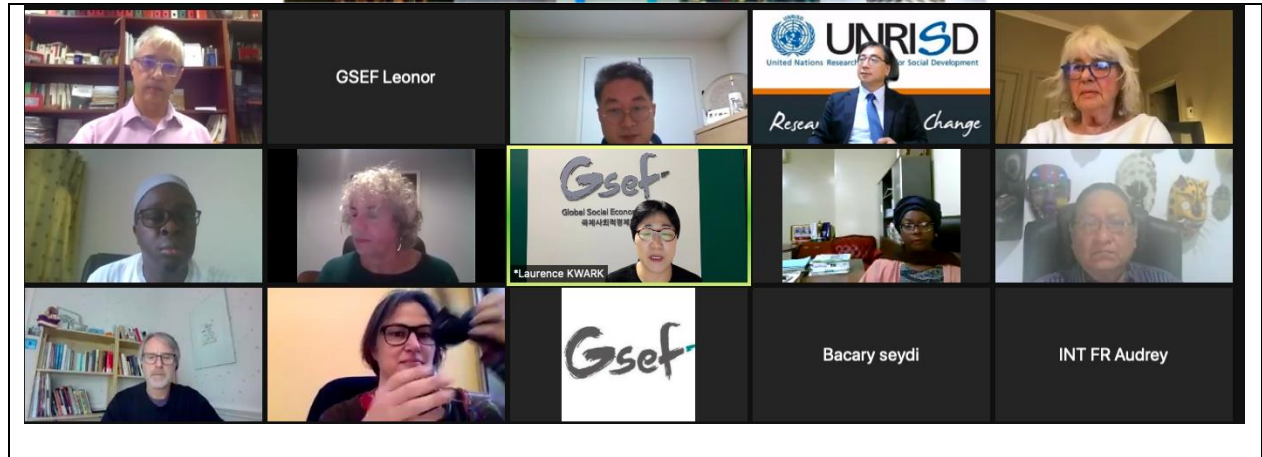




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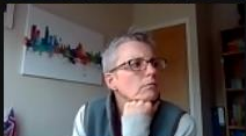





















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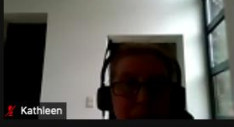
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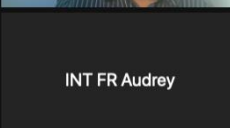



Recording

Visualizar

 *SPEAKER_Rafael Chaves Avila	GSEF Leonor	 *SPEAKER_Sang-Youn(이상윤)	 *MODERATOR_Ilcheong Yi	 *SPEAKER_Margie's iPad
 *SPEAKER_Malick DIOP	 *SPEAKER_Nancy Neamtan,	 *Laurence KWARK	 Ruth Muñoz	 *SPEAKER_Aminata Diop SAMB
 Jenkins	 *SPEAKER_Alan Southern	 Gsef Secretariat	 *SPEAKER_Roberto Cafedo	 INT FR Audrey
 KNS Galaxy A10s	 Juan José Rojas	 CEPEM COUVEUSE	 Akiko Sasaki	 Sofia Pereira
 Kathleen	Ndeye Marieme Diaw	INT FR Marie	INT ES Jorge	INT EN Katie

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 GSEF Leonor	 *SPEAKER_Sang-Youn(이상윤)	 *MODERATOR_Ilcheong Yi	 *SPEAKER_Margie's iPad
 Gsef	 Jenkins	 *SPEAKER_Rafael Chaves Avila	 *SPEAKER_Nancy Neamtan,
 Gsef	 *SPEAKER_Alan Southern	 *SPEAKER_Margie's iPad	 Ruth Muñoz
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