## Session Report

**Title of the session:** Innovative Social Finance mechanisms from diverse territories to strengthen SSE ecosystem

**Type of session:** Workshop

**Language:** English

**Date:** October 7th, 2021

**Time:** 18:00-19:30

**Participants:** 20

**Name of moderator**

Philippe Guichandut / Fondation Grameen Crédit Agricole

**Speakers**

- Ahmet Batat - Needsmap
- Hyung-Kyun Kim - Ministry of the Interior and Safety
- Ruth Muñoz - National Institute of Social Economy INAES
- Hwang Jinsol - THE BRIDGE
- Marcelo Torrano - Municipalidad de San Martín, Argentina

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**Summary of presentations:**

- **Ahmet Batat** presented the initiatives of Needsmap in engaging local governments and social enterprises in innovative social finance mechanisms.
- **Hyung-Kyun Kim** from the Ministry of the Interior and Safety discussed the role of government in fostering social economy ecosystems.
- **Ruth Muñoz** highlighted the contributions of the National Institute of Social Economy INAES in promoting inclusive finance solutions.
- **Hwang Jinsol** shared the experiences of THE BRIDGE in creating social finance mechanisms tailored to diverse territories.
- **Marcelo Torrano** introduced the efforts of Municipalidad de San Martín in strengthening the social economy sector through local initiatives.
1st speaker: Hyung-Hyun Kim - Community assets for local revitalisation

- community wealth building project
  - alternative ownership method in which local residents jointly own assets necessary for the local community
  - background - rise of social conflict and economic class disparity due to gentrification in metropolitan areas and large cities
  - it is necessary for local communities to directly own and operate the local space
  - supports the sustainable growth of local communities
- project overview
  - memorandum of understanding - 2019
  - agreement 2020
- purpose - promotion of regional revitalisation by securing common assets of the local community
- contents - loans
- success case - GeonMaek Village pub - renovation of an abandoned warehouse, first floor is a village pub and the other floors are guest houses - all members of the first village pub in Korea are the owners
  - design-pack social housing - the first social housing introduced by the private sector
  - eco friendly blue bike club - created an open space where local residents and tourists can share bicycles
  - provide local students with bicycle safety training
  - giant community hotel - an old local inn induced the influx of young people and tourists
- outcomes
  - increase of local migrants through creating job opportunities
  - enhancing social value by providing devices to the local community
- plan
  - promotion of the enactment and revision of ordinances for the smooth promotion of common

2nd speaker: Ruth Muñoz - Policy instruments for strengthening the SSE ecosystem in Argentina

- solidarity finance - several specific financial modalities that emerge in response to hegemonic finance - proposing to democratise financial resources, addressing and problematising the main financial functions, to put finances at the service of individual and social needs
- main solidarity finance modalities in LAC
  - Time banking and social currencies
  - popular finance
  - community and indigenous finance
  - cooperative finance
  - mutual finance
- microfinance
- ethical finance
- impact finance
- development finance and public policies

- Argentina - underdeveloped financial system
- financial law: from 700 institutions and half cooperatives, to 1 coop bank
- 49% population with banking account
- 49% of population paid by the state opened their account as a condition to receive payments
- 91% of self-employment paid cash

- National policies: microcredit and supply driven approach
- financing as a transversal need in SSE since 2001 crises
- main answer: a microcredit national law to finance
- credits for labour cooperatives to mitigate covid-19 - 6% of execution
- informal circuits and associations that provide SF services - usually aren’t taken into account by policy makers

- Conurbano Bonaerense
- Innovative policies from INAES
- municipal purchasing program for the social and solidarity economy
- productive loans based on the integration of mutuals and cooperatives

- concluding remarks
- move forward from financial inclusion and microcredit

3rd speaker: Marcelo Torrano - Solidarity Finance from San Martín Municipality, Buenos Aires, Argentina. A system with vision and possibility of scaling up and adapting to other territories and contexts

- we have developed these actions in San Martin
  - agencia para la integracion de la política de cuidado
  - subsecretaria de trabajo y economía
  - subsecretaria de derechos humanos

- 4 strategies
  - financing: solidarity financing fund for production; rotate found; corazon revoke
  - self-management: registry of social and recovered enterprise; exemption from payment of health and safety tax, modular temporary commercial authorisation
  - training: integral courses on entrepreneurship management, training in SSE and training courses in trades and labour qualification - all of this is disseminated in the territory, in social organisations and municipal devices
  - marketing: buy “solidarity”, fair “manos de san martin”, fair trade and SSE stores, from producers to neighbours, support to popular SSE warehouses

4th speaker: Hwang Jinsol - Impact financing for Sustainable development and mutual prosperity
- focusing on goal 17 - partnership
  - in order to build a genuine partnership there must be respect and trust - if there isn’t it isn’t worth anything
- donation vs investment - two types of financial models - which one is the best? for some donations, are not ideal but investors are not interested in Uganda because of low interest rates maybe
  - impact donation = donation + investment - changing beneficiaries to donors
- crowd-funding platform - we grow together from this

5th speaker: Ahmet Batat - Needsmap
- needs map is an online platform cooperative that validate, visualise, social needs and enable them to connect with proper supports through its map-based technology
- founded in 2015
- more than 100 thousand members
- 350 local partners - work very closely w them
- see themselves as Turkey’s solidarity point
- VALIDATE needs from people and institutions
- social finance practices of Needsmap
  - traditional response for shelter
    - establishment of tent camps for victims
    - building container city for survivors
  - Needsmap response for shelter
    - collect map-based data from displaced victims
    - provide peer2peer rent support - USD5,7M rent-support in one month
      - distributed among more than 250 homes
- humanitarian aid - social marketplace
  - covid 19 restrictions and increased poverty - a need for neighbourhood level solution and supporting needs from where they occur - only MSME focused online-marketplace for supporting needs
  - reached 15 thousand beneficiaries and more than 400 local shops
- mainstreaming through art and culture - an online music festival with more than 45 celebrities participation - festival revenue will be used to meet the needs on needsmap
- key takeaways
  - solving social problems instead of only creating economic value
  - multilevel partnership is a must
  - creating shared value is the only way to transform current situation
  - much more thinking on born-global type social enterprises through social finance

Answers to the MAIN QUESTION:
**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?

- **Answers:**
  - Ahmet/NEEDSMAP
    - solving social problems instead of only creating economic value
    - multilevel partnership is a must
    - creating shared value is the only way to transform current situation
    - much more thinking on born-global type social enterprises through social finance
  - Hyunggyun Kim
    - focusing on goal 17 - partnership
    - in order to build a genuine partnership there must be respect and trust - if there isn’t it isn’t worth anything

**Answers to the GUIDING QUESTION:**

- **Question #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?

- **Question #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?

**Relevant Questions and Answers from Audience:**
How can we see the Covid-19 crisis as an opportunity?

- **Ahmet:** to develop you need innovation, during crisis times the world changes and traditional approaches are updated. Using technology is crucial and it showed us that
- **Marcelo:** public purchases - one of the initiatives San Martin implemented in order to respond to the covid-19 crisis. 500 tonnes of food to 80 thousand people. From 40% now in 2021 to be increased to 60% public purchase from social and solidarity economy actors
- **Ruth:** everything is clearer, we can see more the needs of this sector and also of the territories - INAES is more visible for other organisms and cooperative associations, and technology was very important for us. We try to promote digital inclusion
- **Hyungkyung:** the government provides more opportunities to the people to take on social projects