



NEW ECONOMICS FOR SUSTAINABLE DEVELOPMENT

SOCIAL AND SOLIDARITY ECONOMY

INTRODUCTION

Social and Solidarity Economy (SSE) refers to forms of economic activities and relations that prioritize social and often environmental objectives over profit motives. It involves citizens acting collectively and in solidarity for democratization of economy and society, including producers, workers, and consumers. It is often used as an umbrella term to encompass “social economy”, “solidarity economy”, or third sector organizations and enterprises. SSE is fundamentally about reasserting social control over economy and relinking economy with society and nature. While many SSE organizations and enterprises (SSEOs) are established to respond to specific needs of people and communities, some also aim to transform the economic operating system into the ones based on such values as participatory democracy, solidarity, equity, human and Earth rights, self-determination, mutuality and cooperation. All SSEOs emphasize human social values and ethics in economic activity and relations, and economic practices built upon democratic governance and self-management, reciprocity, solidarity, and active citizenship.

Over the last decades, SSEOs have rapidly grown in numbers in both developed and developing countries. Organized at the grassroots level, they have contributed to mitigating long-run damaging trends such as a rise in poverty and inequality especially in the developed world, environmental degradation and de-industrialization placing skilled workers into unemployment. Furthermore, SSEOs play a pivotal role to offer social services across communities especially in a time where government budgets are stressed and subject to cutbacks. In addition to providing fair services SSEOs have by and large demonstrated a remarkable capacity as employers to maintain and create jobs in times of crises where the government and the market failed, including throughout the COVID-19 period. Growing numbers of policymakers therefore started paying attention to the role and potential of SSEOs, as a means of implementation of the SDGs at the local level.

IMPLICATIONS OF THE SSE FOR THE SUSTAINABLE DEVELOPMENT AGENDA AND LINKAGES TO THE SDGS

With its defining characteristics of community-centredness, democratic self-management and solidarity within and beyond its organizations and enterprises, SSE has been attracting policy-level attention, not least in a context where economic and financial crises in recent decades have forced policymakers to search for alternatives to business as usual.

An increasing number of governments are considering SSE a potentially powerful means for achieving the SDGs. Indeed, because of their social goals, values and local roots, many SSEOs constitute assets worth scaling up to that end. Many operate via localized circuits of production, exchange and consumption, yielding not only basic needs provisioning but also local economic development based on sustainable production and consumption, as well as local reinvestment. Its values and principles centred around democracy, solidarity and social cohesion have considerable potential to reduce inequalities. Further, given the frequent active participation of women, SSE can have a significant impact on women's economic, social and political empowerment. The patterns of production and consumption practiced by SSEOs tend to be more sensitive to local environmental conditions than those of for-profit only focused enterprises. In addition to these economic, social and environmental attributes, SSE contributes to democratization with its ability to mobilize active citizenship and which helps reduce many social, economic and environmental externalities of mainstream economic structures.

Active in almost all economic sectors, SSEOs have been shown to contribute to all 17 SDGs. However, the SDGs to which they contribute depend on their specificities as well as on the particular socio-economic, and environmental contexts in which they operate, and sometimes on the national political context as well. According to the UNRISD's study on the contribution of SSEOs to the SDGs in Seoul, the contribution of SSEOs was particularly prominent in the areas of SDG 10 (Reduce all forms of inequality), SDG 1 (End poverty in all its forms), SDG 11 (Inclusive, safe and sustainable cities for all citizens), SDG 8 (Inclusive and sustainable economic growth and decent work), SDG 4 (Quality education and lifelong learning), SDG 12 (Sustainable consumption and production), SDG 3 (Good health and well-being) and SDG 9 (Infrastructure and industrialization)¹. A review of 43 studies on the contribution

of SSEOs to achieving the SDGs in different parts of the world showed that the goals to which they contribute the most were Poverty Reduction (SDG 1), Decent Work (SDG 8), Gender Equality (SDG 5), and Sustainable Production and Consumption (SDG 12)².

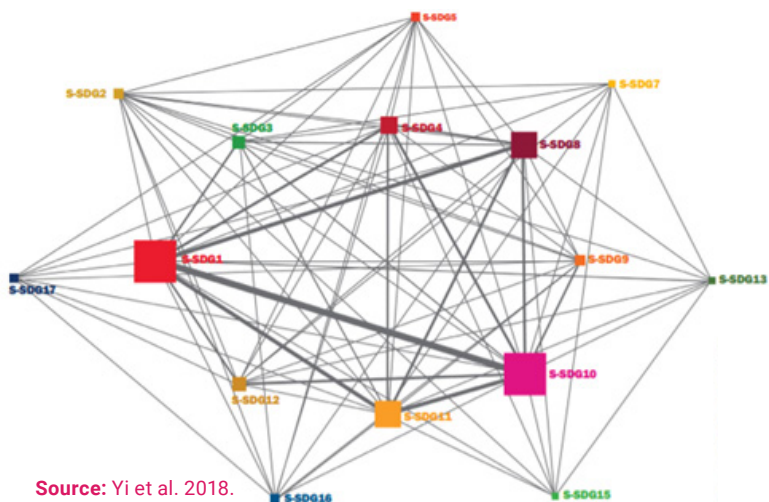
Their diversity in terms of organizational and financial models, the flexibility with which their organizational principles can be applied across sectors, and their anchoring in local contexts, are the features making SSEOs a means of implementation of the SDGs in social, economic and environmental dimensions.

DIVERSITY OF SOCIAL AND SOLIDARITY ECONOMY APPROACH

Although there are several values upon which SSE is built, such as cooperation, solidarity, reciprocity, and democracy, SSEOs constituting the sector place different weights on these values. At least four different approaches in terms of the emphasis on SSE features can be identified³.

- 1 Social entrepreneurship:** This is a dominant approach in the US and the UK. Voluntary and community sector organizations, often funded by the state with innovative skills and entrepreneurship are the core of this approach. A key concern is how to provide better services at a cheaper cost in ways that meet citizens' needs in ways that the centralized state never could.
- 2 Social economy:** This approach is particularly prominent in Europe, North America and Northeast Asia. It is often associated with statutory organizations that emerged in the 19th century Europe and contemporary variant of social enterprise. Organizations associated with social economy operate in an economic

Figure 1
How Seoul's SSEOs contribute to the SDGs: Tracing the pathways



Source: Yi et al. 2018.

The Size of a square represents the number of SSEOs directly contributing to implementation of the specific SDGs in Seoul. The thickness of a line represents the degree to which SSEOs contributing to specific SDGs also contribute to other SDGs (For example, SSEOs contributing to SDG 10 that to SDG 17). Figure 1 generated using software by S.P.Borgatti, M.G.Everett, and L.C.Freeman 2002.

BOX 1. Examples of SSEOs:

The ways to identify and classify SSEOs vary depending on the perspectives regarding the nature and potential of SSE. In broad sense, the following types are treated SSEOs in different sectors.

- ❑ Traditional SSEOs: cooperatives and mutual associations which commit to solidarity, democratic self-control and reciprocity in their charter.
- ❑ Livelihood SSEOs: self-help groups, saving schemes, community currency systems.
- ❑ Environmental SSEOs: agroecological and community fishery cooperatives, community environmental groups.
- ❑ Financing SSEOs: credit unions, mutuals, solidarity financing, ethical banks.
- ❑ Welfare providing SSEOs: non-profit organizations or social enterprises providing social services such as care and proximity services.
- ❑ Workers SSEOs: Associations of informal sector workers, workers- or employee-owned enterprises.
- ❑ Digital SSEOs: solidarity-based crowdfunding, free software and open-source movement, and other forms of digital commons.
- ❑ Trade SSEOs: consumer cooperatives, social enterprises in tourism and hospitality, fair trade organizations.
- ❑ Educational SSEOs: cooperative schools, cooperative colleges and universities.
- ❑ Cultural, leisure and sports SSEOs: sport and cultural associations and social enterprises.

space that can be distinguished from both the public sector and conventional for-profit private enterprise or a space in which economic or commercial and social objectives are blended. Proponents of social economy often emphasizes as key roles its capacity to foster well-being and its potential to complements the role of the public and private sectors.

- 3. Solidarity economy:** This approach has burgeoned and become dominant mainly in Latin America with its focus on myriad indigenous and community-based organizations and local-level solidarity and collective self-help practices and recently in the southern parts of Europe that have been most affected by the European sovereign debt crisis which peaked between 2010 and 2012 (such as Spain and Greece). Organizations associated with solidary economy includes: enterprises recuperated by workers (empresas recuperadas), networks and organization for fair trade, food sovereignty, ecology, artisanal networks and solidarity finance. It emphasizes the role of social movements

reflecting its intentions to move beyond income-generating activities, basic needs provisioning and micro-level interactions to systemic change, social transformation and political engagement at multiple levels of governance conducive to decommodifying economic circuits.

4. **SSE:** This approach focuses on bringing together diverse actors and perspectives regarding development strategy and social-economic and political change. Its proposition is that despite the differences of various approaches mentioned above, SSE as a big tent can adopt and promote overarching principles and values including reciprocity and redistribution in resource allocation, the primacy of social objectives within circuits of production and exchange of goods and services, democratic governance within organizations, participation or co-construction within the policy process, local community and territorial development, and environmental protection. Organizations of SSE promote the idea that the economic system should be biased in favour of inclusion, equality and planetary health. They adopt a non-profit orientation or practise some form of constraint on profit distribution and the sale of assets.

These approaches are ideal-typical. SSE at the grassroots level often has a mixture of these approaches, albeit one or two approaches are dominant in organizing economic and social relations and activities. Furthermore, the key features of SSE within a given country have been shaped in large part by the national and local political, economic and social history.

CASE STUDY 1: GERMAN COOPERATIVE ORGANIZATIONS

Germany has a long history stretching back to the early 1800s when cooperative organizations were created to serve the needs of both their local residents and address a societal ill. From banking to agriculture, procurement, and retail, below is a summary of the five main pillars of the German cooperative system:

- ❑ **Cooperative banks** – Almost 1,200 local people's banks and Raiffeisen banks (Volksbanken and Raiffeisenbanken) form the basis of the German cooperative financial network (Finanzverbund) with over 30 million customers across Germany. The banks are locally organized, maintain strong links with their regions and view themselves as a partner of local SMEs.
- ❑ **Rural cooperatives** – Around 3,000 cooperative enterprises operate in the German agriculture and food industry. They provide farmers with production equipment and purchase their agricultural products for processing including 70 per cent of the milk produced in Germany.
- ❑ **Buying and marketing cooperatives** – There are more than 1,000 small-scale buying and marketing cooperatives that cater largely to retailers, craftsmen and freelancers. Affiliated with SMEs, these cooperatives provide an efficient means of cooperation in purchase and marketing activities so that SMEs can compete with large conglomerates.

- ❑ **Consumer cooperatives** – Consumer cooperatives offer retail services in underserved villages and districts across Germany and offer specialized and ethically sourced products to the public.
- ❑ **Housing cooperatives** – German housing cooperatives represent approximately 10 per cent of the national housing stock and offer secure and affordable housing to over five million people, with an annual investment volume of 3.4 billion euros. Cooperative housing is based on the concept of sustainability and cross-generational ownership and offers numerous real-estate related services such as assisted housing for elder and handicapped occupants, neighbourhood meetings, shopping assistance, member festivities, and special housing offers for young members and families.

CASE STUDY 2: SPAIN

Spain was the first country in Europe to pass a Social Economy Law (2011) and one of the first to approve a national government strategy for SSEOs. Moreover, following the regional and local elections of 2015, many sub-national governments promoted new generation of policies to foster the Social Economy particularly the local government in Valencia.

In 2015, a coalition of left-wing political parties took office in the region of Valencia and signed a global agreement for socio-economic transformation, "l'Acord del Botànic" which included a medium-term strategic plan for the transformation of the Valencian economy structured along 10 strategic areas including "Promoting the creation of sustainable employment and social economy" (area 5).

With the widespread political consensus, in October 2017, the Valencian Cooperativism Council (Consejo Valenciano de Cooperativismo), made up of the Consell and the Confederació de Cooperatives, approved the 1st Biennial Plan to Support and Promote Valencian Cooperativism (2018–2019), called 'Fent Cooperatives'.

This particular policy was designed to support Cooperatives across Valencia and was aligned with national and multi-national public policies, such as the Europe 2020 Strategy, the rural development plan, the Valencian Territorial Strategy, and the Valencian Entrepreneurship Plan.

The strategic goals of the 'Fent Cooperatives' Plan is to improve the competitiveness of Valencian cooperatives across four areas which are:

1. Achieving social, economic, and environmental sustainability.
2. Increasing stable and quality employment.
3. Making progress towards equal representation of women and young people in corporate responsibility areas.
4. Extending the values and principles of the cooperative model to the rest of the Valencian business fabric.

Furthermore, the strategic plan also specifies the Body responsible for the implementation of each initiative and the budgetary amount allocated, which also includes a strategy for monitoring and assessing results, with an evaluation after two years.

CASE STUDY 3: BRAZIL

The example of Brazil and SSEOs is very interesting as Brazil has one of the most advanced solidarity economies and ecosystems in the world. The solidarity economy and overall movement picked up in Brazil during the late 1990s as the country was impacted by global macroeconomic trends and a rise in capital market volatility. The associated negative economic impact of such economic liberalization caused traditional and formalized business and employment opportunities to reduce.

Furthermore, in 2003 the Brazilian Forum on Solidarity Economy was established, formalizing the SSEOs movement in Brazil, with the appointment of a National Secretary of Solidarity Economy under President Lula. There are now more than 120 local solidarity economy forums and 27 state forums held on a regular basis, with working groups communicating with the forums and the government to develop technical plans and operational aspects of the movement.

The National Secretariat of Solidarity Economy of Brazil defined the values of SSOEs as:

- ❑ Self-management.
- ❑ Democratization of the economic relations.
- ❑ Co-operation instead of forced competition.
- ❑ Valuing diversity. Human beings are more important than profits.
- ❑ Valuing local knowledge, constant learning and training.
- ❑ Social justice and emancipation.
- ❑ Protection of the environment.

Although the federal SSE policy support has been significantly dismantled or significantly weakened under the Bolsonaro government, subnational/local SSE policies have been strengthened, contributing to the growth of SSE sector. The re-elected Lula government is expected to support SSE again.

CASE STUDY 4: ARGENTINA

Emergence of Argentinean SSE is in parallel with the formation of the working class at the end of the 19th century. Immigrant workers from Spain and Italy, many of whom had been involved with communist and socialist movements and unions, established mutuals, mutual aid societies, benevolent societies, and renters' associations, to better meet the urban workers' needs. In rural areas, cooperatives organized by small farmers emerged as a way to cope with larger, more powerful companies. These SSEOs sought not only to address problems affecting the livelihoods but also to attain

social recognition and mobilize the masses politically, such as the case of justicialismo during the era of Peronism. Dramatic growth of cooperative movement in the last half of 20th century continued in the 2000s, and expanded from rural to urban areas, mainly in the form of worker cooperatives due to the employment issues of the neoliberal regime. Some cooperatives became bureaucratic and lacking in principles, while new collective actions and new social movement around the principles and visions of SSE, such as worker-recuperated enterprises (empresas recuperadas por sus trabajadores, ERTs which occupy their workplaces and make them productive again), emerged.

The Kirchner government established various public policies to support SSE financially and politically as well as social movements to reduce the unemployment rate, making the number of cooperatives increase nine times in the decade between 2001 and 2010. Although these policies were favourable to the SSE sector, the strength of top-down initiatives is uncertain as cooperatives lost their radical aspect in exchange for economic and technical assistance, which leaves cooperatives vulnerable to political decisions.

Policies of local governments, in particular governments of big cities such as Buenos Aires, became a significant factor to determine the potential and nature of SSEOs. For instance, in December 2020, during the confinement period introduced against the COVID pandemic, the City of Buenos Aires (CABA) adopted a "Law for the Promotion of the Social Economy in the City of Buenos Aires" (Law 6.376), under the auspices of the local Ministry of Human Development and Habitat. Its aim is to generate genuine income sources and employment opportunities for SSE productive units, which are expected to become an important driver of inclusion, social justice and sustainable development in Buenos Aires. To this purpose, four key support measures have been introduced:

1. Tax exemptions for SSE enterprises.
2. A dedicated credit line at Banco Ciudad for public purchases.
3. Preferential public procurement by the City of Buenos Aires.
4. Public-private sector governance for the newly created investment fund called FONDES.

In addition, two important regulatory reforms have been announced, namely the creation of an SSE register called RUPEPyS (Register of Productive Units of the Popular and Social Economy) and the adoption of a tax benefits regime for private investors contributing to FONDES⁴.

CASE STUDY 5: SENEGAL

Since the 2012 presidential election, economy has been growing with an average annual growth of more than 6 per cent over the last six years (2016-2019), which is higher than the average annual growth of 3.9 per cent over the

period from 2009 to 2013. The growth has been mainly driven by domestic demand, fuelled by public spending and household income growth, including remittances from Senegalese workers abroad. Despite its economic growth, the unemployment and underemployment rates were still as high as 16.9 per cent and 27.7 per cent in 2019. The rates are higher in rural areas and for women. For instance, in 2019, unemployment rate for women and men were 27.6 per cent and 8.6 per cent. And the majority of Senegalese do not think that they are in a period of economic growth. Increasing urbanization combined with the pauperization of the masses can be one of the reasons.

Two notable SSE responses to this situation of growth without satisfaction were housing cooperatives and health mutuals. In the context of rising housing costs, the cooperative option has become a credible alternative for people who want to own a house. In the Dakar region, more than 600 housing cooperatives have been established by a variety of groups. More than 100 health mutuals which have been established since 2012 are also a major type of SSE in Senegal. They provide health insurance, filling the large gap of public health provision and contribute to improvement of health conditions of in both urban and rural areas.

Responding to this growth of the SSE sector, the Senegalese government set SSE as a priority sector within the framework of the Emerging Senegal Plan, placing it as the second most important among the five major initiatives. The government decided to promote and develop the SSE sector, thinking the productive and redistributive function of SSE can help disadvantaged and marginalized people enjoy the economic gains, consequently strengthen democratic society.

In June 2021, the Senegalese national parliament passed the SSE Framework Law, which introduced the official definitions of the terms used in the SSE sector, special taxes favourable to the SSE sector, and the creation of a National SSE Council which will be the national control tower to promote SSE⁵.

RELATIONSHIP BETWEEN THE SSE AND OTHER NESD CONCEPTS:

SSE is part and parcel or has strong connections with the variety of new economic initiatives which have emerged everywhere often as a reaction to unsustainable economic practices, which have been clustered by researchers and termed as "New Economics for Sustainable Development (NESD)" by UN New Economist Network. As a matter of fact, scaling up SSE and supporting the policies it upholds should lead to growing most NESD strands (circular economy, sharing economy, care economy, attention economy, green economy, etc.) SSE intersects (see table 1) and complements the array of NESD strands. Complementing synergies between NESD concepts may develop positive

feedback loops, while intersecting synergies may improve efficiency by merging with each other.

SSE has strong local dimensions – for example, its localized circuits of production, exchange, and consumption. This can be part of or create synergies with the Frugal Economy/Innovation and Circular Economy. SSE enhances the capacity of local producers and communities, and contributes to "inclusive economic growth through the involvement of local communities in the value chain" (Frugal Economy/Innovation) and "minimizing the raw materials, particularly natural resources" (Circular Economy)

SSE operating principles include internalizing rather than externalizing environmental and social costs and correcting unsustainable patterns of consumption. These principles are very well aligned with the aim of "doing more with less" of the Frugal Economy/Innovation and "reconciling aspirations for increased prosperity while also addressing environmental concerns" of the Circular Economy.

Social services, and in particular, care, which is considered the bedrock of economies in the Purple Economy, are one of the core sectors of SSE. Despite its contribution, in the hegemonic economy unpaid care continues to be largely treated as an externality and is unaccounted for in economic and social policy making, while paid care work is often associated with significant wage penalties and poor working conditions, particularly for female and migrant domestic workers. SSE entities working on care, in particular those in developing countries, deliver care services and ensure access of care workers, mostly women, to food, income, and education. SSE often contributes to the creation of favourable conditions for women to gain income for care work, and ultimately empower care workers, particularly women, economically and politically. Employee-owned companies are more likely to provide adequate wages and benefits.

Fisheries and eco-tourism which are core sectors of the Blue Economy are also one of the major sectors of SSE. SSE entities help to organize the sustainable use of ocean resources for improved livelihoods and jobs, while preserving the health of ocean ecosystems. SSE entities have developed eco-tourism, utilizing their local networks and resources including local currencies.

Attention Economy: SSE platforms realize and promote values and principles associated with truthfulness, quality of information, mental health and well-being (e.g., platforms designed to discourage addictive use of apps), gender equality and sustainable consumption. Users are encouraged to participate in the governance of digital technologies, in line with the goals of a "renewed attention economy". There are often built-in (democratic) safeguards against "extractive and exploitative tendencies to capture profit without regard to social and environmental externalities", including design features to favour data

Figure 2

How SSE relates to the other NESD concepts



Source: Authors

protection and users' health and well-being. As local media outlets face bankruptcy due to big platform taking over advertising, they are often saved by workers at these local media outlets, which are the basis of strong communities.

KEY ISSUES WITHIN THE SSE THAT REQUIRE PRIORITY ATTENTION:

As awareness about the role of SSE in facilitating inclusive and sustainable development grows, an increasing number of governments, both at national and local or subnational levels, are adopting policies and programmes that aim to support SSEOs. Local or subnational governments (including municipal, provincial or state/regional levels of a federal government) are increasingly interested in setting up public policies to promote and support SSE in the context of the growing importance given to local sustainable development policies (including quality local public services), but also often widespread reduction of fiscal transfers from the central government.

Key areas of policies and institutions to promote SSE, often called policy and institutional environment or "ecosystem" are (UNRISD 2021)⁶

1. Co-construction of public policy for SSE which establish and manage diverse processes and a wide range of mechanisms and approaches for the co-construction of policies and plans with SSE actors.
2. Legal frameworks for SSE which introduces various legal institutions that regulate and support SSE at international, supranational, national and subnational (regional/provincial and municipal) levels and explains different pathways to creating them.

3. Development Plans incorporating SSE at different levels of government or SSE-specific development plans and programmes.
4. Supporting Organizations for SSE such as government organizations with specific mandates to support SSE, intermediary organizations engaged in co-construction of policies and their implementation, and SSE networks and associations working in the cities and neighbouring regions and provinces.
5. Capacity building for SSE on management, governance, and other functions to empower and enable SSEOs to become more efficient and sustainable in the market economy, and more relevant and impactful for their communities.
6. Access to Finance for SSE to facilitate the access of SSE to both public and private finance for different stages of SSE development, including social and solidarity finance, private and public loans, state subsidies and grants, private donations and more innovative instruments such as social impact bonds and complementary currencies.
7. Access to Markets for SSE to facilitate purchase, supply and consumption process of SSE goods and services in both public procurement processes and private markets, and SSE's access to both types of markets.
8. Awareness Raising and Advocacy for SSE such as public policies for awareness raising, communication, campaigns and advocacy strategies to inform individuals, groups, communities or SSE organizations and empower them to participate and advocate for SSE.
9. Research, data collection and statistics for SSE (such as) statistical systems of satellite accounts or modular approach) to help policy making process and transfer knowledge and lessons on SSE.

GLOBAL/REGIONAL PROCESSES OR AGREEMENTS ALREADY UNDERWAY TO SUPPORT THE SSE

In 2002, the International Labour Organization (ILO) adopted Recommendation No. 193 on the Promotion of Cooperatives. It encourages governments to recognize and support the potential of cooperatives in job creation, mobilizing resources, generating investment, and responding to their members' needs and the needs of society, including those of disadvantaged groups.

The UN General Assembly declared 2012 as the International Year of Cooperatives, "highlighting the contribution of cooperatives to socio-economic development, particularly their impact on poverty reduction, employment generation and social integration".

In 2013, the UN Inter-Agency Task Force on SSE (UNTFSSSE) was established. The UNTFSSSE aims to raise the visibility of Social and Solidarity Economy (SSE) within the UN system and beyond. The Task Force is comprised of members (18 UN agencies) and observers (15 international and regional organizations working on SSE issues).

Since the establishment of the UNTFSSSE, the recognition of the SSE has been significantly raised. In 2021, the UN Secretary General's Report released for the 59th session of the Commission for Social Development highlighted

the SSE as “alternative model of growth, aimed at finding a new balance between economic efficiency and social and environmental resilience”. It described the SSE as “by empowering individuals through greater control over decision-making processes and resources, the social and solidarity economy fosters economic dynamism, social and environmental protection and socio-political empowerment” (United Nations, 2021)⁷. As of writing this brief, a UN resolution on social and solidarity economy is in discussion amongst member countries, to which the UN Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSSE) provide inputs. Various countries have signalled their interest in leading the process and supporting the resolution.

On 4th December 2020, the International Summit on Social Economy for an Inclusive, Sustainable and Fair Recovery was organized in Toledo, Spain, by the Spanish government. At the summit the Toledo Declaration on The Social and Solidarity Economy as a key driver for an inclusive and sustainable future was adopted with the support of 19 EU Member States.

In 2021, the 341st Governing Body (GB) of the International Labour Organization (ILO) decided to place on the agenda of the 110th Session (2022) of the International Labour Conference

(ILC) an item related to “Social and Solidarity Economy (SSE) for a human-centred future of work” for general discussion.

The Commissioner for Jobs and Social Rights of the European Union has published a European Action Plan for Social Economy in December 2021, after a year-long process of consultations with citizens and stakeholders. The Plan follows other initiatives by the European Union to support the development of social economy enterprises, such as the 2011 Social Business Initiative (SBI).

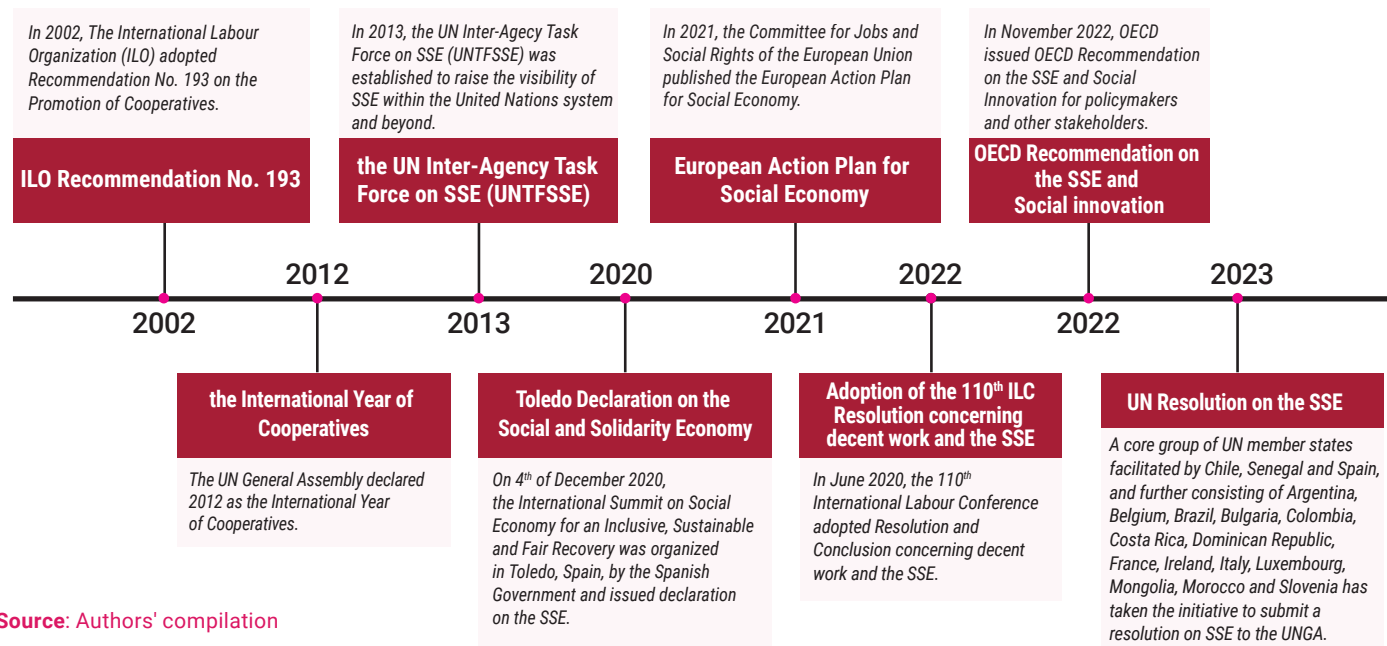
In June 2022, The 110th International Labour Conference adopted a Resolution and Conclusion concerning decent work and the social and solidarity economy (SSE) which affirmed the role of the social and solidarity economy in contributing to balanced, inclusive, resilient and sustainable economies and societies. In particular it included a definition of the SSE which is broad enough to include the diverse forms and circumstances of the SSE entities.

In June 2022, OECD adopted Recommendations on Social and Solidarity Economy and Social Innovation to promote the social economy’s potential to pioneer new business models, provide essential services, contribute to a fairer, green and digital transition, engage youth, and build communities.

Figure 3

Key Milestones of the SSE at the Global Level

Global/Regional processes or agreements already underway to support the SSE



Source: Authors' compilation

BOX 2. The 110th ILC's definition of the SSE

The SSE encompasses enterprises, organizations and other entities that are engaged in economic, social, and environmental activities to serve the collective and/or general interest, which are based on the principles of voluntary cooperation and mutual aid, democratic and/or participatory governance, autonomy and independence, and the primacy of people and social purpose over capital in the distribution and use of surpluses and/or profits as well as assets. SSE entities aspire to long-term viability and sustainability, and to the transition from the informal to the formal economy and operate in all sectors of the economy. They put into practice a set of values which are intrinsic to their functioning and consistent with care for people and planet, equality and fairness, interdependence, self-governance, transparency and accountability, and the attainment of decent work and livelihoods. According to national circumstances, the SSE includes cooperatives, associations, mutual societies, foundations, social enterprises, self-help groups and other entities operating in accordance with the values and principles of the SSE (ILO 2022)⁸.

Endnotes:

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