

MAXIMIZING DIGNITY THROUGH SOCIAL AND SOLIDARITY ECONOMY

*Social and Solidarity Economy a key stakeholder in the Global Partnership
and a paradigm for a private sector playing a coherent role in the achievement
of the Sustainable Development Goals*

In a political scenario where the EU and its Member States invest strategically and financially in maximising the potential of the private sector for the implementation of Agenda 2030, Social and Solidarity Economy (SSE) actors demand decision makers to respect legal obligations regulating a Private Sector that puts people and the environment at the center by providing decent jobs, respecting human rights, not harming our ecosystems, acts with financial transparency and accountability and create sustainable prosperity for all.

To do so, Social and Solidarity Economy provides a model and demands political commitments for a Private Sector contributing to the achievement of the Sustainable Development Goals (SDGs). In a changing environment aiming at fighting the root causes of global poverty, the entire system needs to change and the Private Sector is a fundamental part of this system. Maximizing dignity and protecting our ecosystem should set the limits on maximizing the profits of the Private Sector.

THE PROPONENT

With its consortium of 26 partners from 23 European countries, the SSEDAS-SUSYproject, cofunded by EuropeAid funds, has been mapping and bridging initiatives of the Social and Solidarity Economy and development policy at EU level and conducting detailed research on the SSE ecosystem at Member State level. The aim of SUSY is to enhance the competences of local actors that are engaged in SSE, supporting a new paradigm of economic development in order to fight poverty and to contribute to an equitable and sustainable way of living.

THE ISSUE

More and more people are facing a number of social challenges related to an unsustainable economic model, including exploitation, precarious employment and living conditions, climate change, pollution and depletion of natural resources. Decent living conditions for everyone across the globe appear not to be compatible with our prevailing economic pathway. Competition and profits are the ground where our so-called development is rooted in, leading to multiple crisis impossible to overcome without creating a new social paradigm where SSE can play a fundamental role. This new social paradigm is envisaged by **Agenda 2030** and the whole Private Sector is called upon to play a fundamental role in the achievement of the 17 SDGs. Private Companies will continue to implement their activities with their own resources but also with public funds. Therefore, it is necessary that businesses and enterprises not only comply with legal obligations and behave responsibly with respect to human rights and safeguarding of the ecosystem but furthermore contribute to the realization of all the SDGs. As stated by the UN Task Force on SSE¹, the effective scaling-up of SSE would contribute significantly to the implementation of all the SDGs and we believe it serves as paradigm and inspiration for the Private Sector acting moving towards a sustainable economy.

1-Realizing the 2030 Development Agenda through Social and Solidarity Economy - A Think Piece by Peter Utting, 2015



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Under the **UN Guiding Principles on Business and Human Rights** and the **OECD Guidelines on Multinational Enterprises**, the responsibility of all enterprises to respect human rights, wherever they operate, exists over and above compliance with national laws and regulations protecting human rights.

While in the past decades, voluntary initiatives to set standards and sustainability certification schemes have increased, it is now necessary to have a regulatory framework and control measures, to keep the Private Sector accountable to its obligations. This need is reinforced by the latest report of the UN High Commissioner for Human Rights, that reaches the conclusion that the existing non-judicial and voluntary mechanisms “are not generating sufficient opportunities” for victims of abuse “to seek and obtain adequate and effective remedies”².

Principles and inspiration can be taken from the thousands of SSE initiatives that arose in Europe in the last few decades. In Europe, approximately two million SSE organizations represent about 10 per cent of all companies and employ over 11 million people (the equivalent of 6 per cent of the working population of the European Union). Social and Solidarity Economy is a growing movement that aims to change the current social and economic system.

With the renewed commitment of the European Council, as adopted by the June 2017 **New European Consensus on Development Our World, Our Dignity, Our Future**, it is hoped that the EU strengthens its role as a player in the implementation of the 2030 Agenda. Furthermore, it sets a framework for a common approach - among the EU and its Member States - to develop policies through actions that will be mutually reinforced and coordinated to ensure complementarity and impact.

This common approach should have a multi-stakeholder dimension in order to guarantee that the **Global Partnership for Sustainable Development** is structured at Member States level in a way that includes all actors and voices playing a role towards a sustainable economy and development. SSE Actors, CSOs, Cooperatives are called in the European Consensus to be part of the process but this is not well reflected in several EU Member States.

THE THESIS

Social and Solidarity Economy (SSE) serves as a paradigm for setting standards for a private sector acting in respect of human rights and dignity, and even further, in the fight against global poverty and the promotion of a sustainable world.

Economic principles that are based on solidarity connect individual needs with those of the community without losing the global dimension of our lives. Economic principles based on solidarity create decent living conditions for everyone around the world. We, SUSY actors, advocate for an economy that meets the needs of all people treating them as citizens and right holders instead of addressing them simply as consumers or stakeholders. We also advocate for national and international policies enabling a supportive framework in order to guarantee success.

SUSY partners have researched and mapped the European Ecosystem of the Social & Solidarity Economy. They are entitled to be ambassadors to a Private Sector that puts the principles and values shared by the above mentioned political frameworks (Agenda 2030, UN Treaty) at its center. In this frame, SUSY partners are in line with the advocacy work of the Treaty Alliance and with the Concord Policy Document “10 point Roadmap for Europe - The role of the Private Sector in sustainable development”.

² - Access to remedy for business-related human rights abuses, UN Report, 17 February 2017
https://business-humanrights.org/sites/default/files/images/ARPII_FINAL%20Scoping%20Paper.pdf



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THE DEMANDS

Social and Solidarity Economy Actors, implementing the European project SUSY, demand of the EU Institutions and National Governments to recognize the important role of SSE for achieving sustainable development through

MONITORING & CONTROL

1. Put into effect development policies and practices in line with the **SDGs Agenda** and with the **New European Consensus on Development "Our world, Our dignity, Our Future"**³ by developing mechanisms for monitoring coherence and for improved coordination among Member States and including SSE actors in the debates and actions that occur at European and national levels.
2. Finance with public funds only private companies that fully adopt the **UN Guiding Principles on Business and Human Rights**:
 - a. Stop supporting private companies that have not adopted it; Develop an evaluation grid incorporating SSE principles and use it before financing any private companies with public funds – see for example France⁴.
 - b. Develop a Monitoring and Evaluation tool to be used by the private companies financed by the EU and National Governments, incorporating SSE principles.
3. Incentivize shifts in strategies and practices of corporate sector towards SSE standards (i.e. public procurement) and regulate the Private Sector by setting obligations and counter measures for the ones non respecting the framework.

BINDING MECHANISMS

4. Implement binding mechanisms for social and environmental responsibility of companies:
 - a. Support the process of the **UN Treaty on Transnational Corporations and Other Business Enterprises**⁵ with respect to Human Rights.
 - b. Support the implementation of the **"Green Card" initiative at European Union**⁶ (EU) level, ensuring corporate accountability for human rights abuses calling for a duty of care towards individuals and communities from EU-based companies whose human rights and local environment are affected by their activities.
 - c. Support to the Member States efforts towards **binding regulation on corporate accountability on national levels** like the new French law⁷.

SUPPORT SOCIAL & SOLIDARITY ECONOMY

5. Enhance the recognition of the role of SSE and the establishment of an enabling institutional and policy environment for SSE with specific financial and structural measures that consolidate the role of SSE Networks as drivers of sustainable economy at Global, European and National levels.
6. Promote education around Social and Solidarity Economy in both formal and informal education settings, integrating this into education for the SDGs and by referring to SSE as way towards a sustainable and fair economy. Use national global learning, global citizenship or development education programmes as vehicles to deliver this.

³ Among the 123 points of the of the New European Consensus on Development "Our world, our dignity, our Future" we recall a focus on the following:

48 - The EU and its Member States will support action-oriented and innovative measures through development policy to increase the engagement of the MSMEs in implementing concrete actions on the ground and to unlock their transformative potential. They will facilitate the access of MSMEs to relevant information, both in the EU and in partner countries, and will integrate them into supply and value chains, while addressing the MSME financing gap. They will encourage business-to-business exchanges and dialogue between MSMEs in the EU and in partner countries or regions.

49 - The EU and its Member States will help to create a more business-friendly environment in developing countries, that will contribute to improving conditions for inclusive economic activity by promoting more conducive business environments for labour standards and due diligence requirements and new business models. They will promote broad access to financial and micro financial services, including for women, for the poor and for MSMEs. They will promote private sector social enterprises, cooperatives, and women and youth entrepreneurs, to boost the provision of local services as well as inclusive and green business models.

53 - The private sector can contribute to the implementation of the 2030 Agenda. The EU and its Member States, in close coordination with the European Investment Bank, will promote the mobilisation of private resources for development, whilst also promoting private sector accountability, in areas with significant transformation potential for sustainable development. This includes sustainable agriculture, safe and clean energy, integrated water resource management, resilient infrastructure, health, sustainable tourism, green and circular economy, telecommunications and digital technology.

4 Ex Ante Analytic Guide for investing projects risking and grab "<http://www.landcoalition.org/sites/default/files/documents/resources/Guide-analyse-ex-ante.pdf>"

5 UN treaty on Transnational Corporations and Other Business Enterprises <http://www.ohchr.org/EN/HRBodies/HRC/WGTransCorp/Pages/IWGOnTNC.aspx>"

6 "Green Card" initiative at European Union "<http://danielleauroi.fr/?p=12022>"

7 Loi relative au devoir de vigilance des sociétés mères et des entreprises donneuses d'ordre "<http://www.peuples-solidaires.org/publications/la-loi-sur-le-devoir-de-vigilance-questions-frequentes>"



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