



**Finanças Alternativas,
Moeda e Economia Solidária**
Dezembro 2011

FICHA TÉCNICA

Edição

ACEESA

N.º de registo na ERC

125724

Design Gráfico

Júlia Garcia

Cresaçor/Criações Periféricas

Impressão

Coingra

ISSN

1647-5968

Depósito Legal

293560/09

Tiragem

250 exemplares

Papel 100% reciclado fabricado em Portugal

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NOTA EDITORIAL

Rogério Roque Amaro

Tradicionalmente, qualquer aluno (a) de Economia aprendia que os sistemas financeiros eram a rectaguarda e a base de apoio da chamada economia real (correspondente ao conjunto de actividades produtivas, do sector primário ao terciário, que constituem o sistema económico).

Assumindo, entre outras, a função primordial de actuar como intermediação entre as poupanças geradas no sistema económico e as suas necessidades de investimento, os sistemas financeiros poderiam ser considerados um dos apoios fundamentais da actividade económica (a par, por exemplo, do papel regulador do Estado).

Nos últimos cerca de 30-40 anos, no entanto, acelerou-se e acentuou-se uma tendência que já vinha de trás e que é uma consequência e está associada a dois processos marcantes destas últimas décadas, que são a globalização e a financeirização da vida económica (ambas aliás intimamente relacionadas). Essa tendência é a da autonomização do sistema financeiro face ao sistema económico, de que fazia parte.

Essa lógica de autonomização é evidenciada pelo aumento e complexificação dos produtos financeiros e seus derivados, multiplicando-se as aplicações e as operações de natureza especulativa, flexível, precária e potencialmente tóxica (nalguns dos seus efeitos), de expressão meramente financeira, sem qualquer relação (directa ou indirecta) com o conjunto das (outras) actividades económicas.

Um dos efeitos desta autonomização financeira foi que as evoluções do sistema financeiro tornaram-se independentes (desligadas), senão mesmo contraditórias, das evoluções da produção dos outros sectores.

Outro efeito, mais pernicioso, foi o da «canibalização» do sistema económico pelo sistema financeiro, através dos seus processos especulativos, das suas crises e dos seus constrangimentos impostos, pelo lado do crédito, às empresas e aos consumidores, com impacto muito nefasto na eliminação de empresas (e consequente desemprego) e no endividamento dos consumidores (e consequente destruição dos seus modos de sobrevivência, quando o que se anunciava era... a abundância e os sonhos ao alcance de um crédito).

Mas pior do que tudo, foi a absolutização do seu poder, transversal a toda a sociedade e impondo-se, nas suas lógicas e objectivos, ao próprio sistema político e social, assistindo-se, não só à financeirização global da economia, mas também à financeirização da sociedade.

O peso e a influência decisiva e decisória que têm hoje, por exemplo, o Fundo Monetário Internacional e o Banco Central Europeu, o poder imenso não escrutinado e não transparente das principais agências de rating norte-americanas ou de grupos financeiros como o Goldman Sachs, a chamada «força dos mercados» (leia-se «financeiros»), a imposição de soluções políticas tecnocráticas (como no caso da Grécia e da Itália, aliás da confiança dos grandes interesses anteriormente citados), são exemplos desta financeirização e distorção do sistema político, atingindo a própria democracia na sua essência.

Esta é uma das características mais marcantes da crise actual que, por isso, mais do que uma crise económica e financeira, é uma crise sistémica e civilizacional, com uma dimensão social e política (para além de outras) muito marcante e preocupante.

Este aliás foi o tema, e não por acaso, dos últimos dois números desta Revista, no que se refere às leituras e interações com a Economia Solidária.

Mas esta financeirização (não escrutinada nem democrática) das nossas sociedades é apenas uma das razões que levaram, nos últimos anos, a um aumento da procura de sistemas de financiamento alternativos para as actividades e os actores económicos e sociais.

A razão talvez mais essencial liga-se, de facto, à própria lógica (histórica e recente) que está na origem da Economia Social e Solidária, razão de ser desta Revista.

O facto de os sistemas financeiros dominantes se guiarem pela lógica do lucro e pelos critérios da economia de mercado, contribuindo, desse modo, para a marginalização e para a exclusão de pessoas e de actividades... «não bancáveis», pelos referidos critérios, levou, desde há muito tempo (há registos desde o século XVIII, mas, em muitas culturas e continentes, existem grupos e dinâmicas informais de entreajuda e de mutualização das poupanças e dos créditos, que se perdem nas memórias dos tempos), à emergência de fórmulas alternativas de financiamento de pessoas e actividades, assumindo muitas vezes formas jurídicas cooperativas ou mutualistas.

Aumentaram e diversificaram-se, em todos os continentes, nos últimos anos, experiências e iniciativas de financiamento alternativo, desde os sistemas de microfinanças (e, dentro destes, de microcrédito) à banca ética, passando pelos clubes solidários de poupança e crédito, que abriram novas vias de financiamento, distintas das lógicas dominantes, e mais de acordo com os princípios da Economia Social e Solidária.

E não estamos a falar aqui das variantes com designações idênticas que muitos bancos comerciais adoptaram nos últimos anos (como, por exemplo, no domínio do microcrédito), frequentemente por razões oportunistas e/ou de marketing, procurando tirar proveito dos princípios e valores associados a essas expressões, mas subordinando-as aos seus interesses e lógicas dominantes.

É óbvio que a crise actual e a referida financeirização das nossas sociedades acentuaram e tornaram mais urgentes a existência e afirmação destes sistemas de financiamento efectivamente alternativos. Como, aliás, acentuaram a tendência para o próprio sistema financeiro dominante se apresentar com «roupagens éticas», adoptando as referidas «variantes» e/ou estratégias de Responsabilidade Social...

Este é o contexto que explica, no essencial, a decisão da Comissão Científica da Revista de dedicar este número ao tema dos Sistemas de Financiamentos Alternativos e a outras questões que lhe estão associadas, como o financiamento das organizações de Economia Social e Solidária.

Para esse efeito, solicitou ao Prof. Emanuel Leão, Professor Auxiliar com Agregação do departamento de Economia Política da Escola de Ciências Sociais e Humanas do ISCTE- IUL (Instituto Superior de Ciências, do Trabalho e da Empresa – Instituto Universitário de Lisboa), docente da disciplina de Sistemas de Financiamento da Economia Solidária do Mestrado em Economia Social e Solidária do ISCTE-IUL e membro recente da Comissão Científica da Revista de Economia Solidária, a coordenação deste número 4 (ver nota de introdução ao conteúdo do número, da sua responsabilidade, a seguir a esta Nota Editorial).

Tendo em conta os desafios decorrentes das questões enunciadas no início, fazem parte deste número quatro artigos centrais sobre:

O Desenvolvimento da Microfinança na Europa, da autoria de Philippe Guichandut, director de Desenvolvimento e de Assitência Técnica na Fundação Grameen de Microfinança e Crédito Agrícola;

Finança Ética e Sustentável, da responsabilidade de Viviane Vandemeulebroucke, até recentemente Secretária-Geral da INAISE – International Association of Investors in The Social Economy, a mais antiga rede internacional (criada em 1989) de organização de Finança Social;

Os Bancos Não-Lucrativos em Portugal (Caixa de Crédito Agrícola e Caixa Económica Montepio Geral) e as suas especificidades em comparação com os bancos comerciais, assumido por Ricardo Barradas (da Escola Superior de Comunicação, do Instituto Politécnico de Lisboa e Técnico do Montepio Geral) e Sérgio Lagoa e Emanuel Leão (ambos do Departamento de Economia Política do ISCTE-IUL).

A Sustentabilidade nas Instituições Particulares de Solidariedade Social (IPSS) em Portugal, da autoria de José Correia, mestre em economia Monetária e Financeira (ISEG), doutorando em economia (ramo de Economia Social e Solidária) no ISCTE-IUL e Técnico Superior no Instituto de Gestão Financeira da Segurança no Instituto de Gestão Financeira da Segurança Social, sendo este artigo uma componente da sua tese de doutoramento, já entregue e à espera da marcação da discussão pública, sobre o tema central do mesmo;

Para além deste quatro artigos, que constituem o corpo central deste número, publicam-se também, como vem sendo hábito na Revista, alguns trabalhos (três sobre este tema) de mestrandos (as) do Mestrado em Economia Social e Solidária, seleccionados, neste caso, pelo coordenador do número, a partir da disciplina em que é docente, ou seja, Sistemas de Financiamento da Economia Solidária:

Sobre o projecto «Terra do Mel», da serra do Algarve, apoiado pelo Instituto de Desenvolvimento Social, para dinamizar os produtores locais, numa lógica de Desenvolvimento Local, da autoria da mestranda Ana Sara Morais;

Sobre o financiamento do Lar Adventista para Pessoas Idosas – Norte (LapiNorte), uma IPSS (e, portanto, entidade de Economia Social) com uma lógica de financiamento essencialmente autónoma, da responsabilidade do mestrando João Faustino;

Sobre uma análise de formas alternativas de fontes de financiamento para a Fundação Portuguesa para o Estudo, Prevenção e Tratamento da Toxicodependência (FPEPTT), da autoria de Inês Nunes Silva.

Como é condição de uma Revista com carácter e objectivos científicos, todos os artigos e colaborações deste número, foram objecto de leitura e análise por especialistas do tema (referees) .

Rogério Roque Amaro



NOTA INTRODUTÓRIA

Emanuel Leão

Este volume da *Revista de Economia Solidária* é dedicado a questões financeiras. Assim, surge como natural a inclusão de artigos sobre micro finança e sobre finança ética. O leitor poderá ainda encontrar um artigo sobre a sustentabilidade financeira das Instituições Particulares de Solidariedade Social—instituições que dão respostas sociais em domínios onde o Estado não tem capacidade para o fazer—e outro artigo sobre os dois bancos com atitude não lucrativa que operam actualmente em Portugal. Finalmente, são ainda incluídos três ensaios realizados por alunos com exemplos de instituições do terceiro sector e da forma como estas lidam com o problema de obter financiamento para as suas actividades.

This volume of the *Review of Solidarity Economy* is devoted to financial issues. It therefore seems natural that it should include articles about microfinance and about ethical finance. Readers may also find a paper with considerations about the financial sustainability of the Private Institutions of Social Security—institutions who deliver social responses in domains where the Government is not able to do so—and another which explores the non-for-profit banks now operating in Portugal. Finally, three graduate students' essays were selected that present examples of third sector institutions and how they deal with the problem of financing their activities.

The development of microfinance in Europe: reality and challenges¹

Philippe Guichandut

Palavras-chave

Microfinanciamento, Europa, Inclusão Social, Microempresas, Autoemprego, Bancos.

Key words

Microfinance, Europe, Social Inclusion, Micro enterprises, Self Employment, Banks.

RESUMO

O setor do microfinanciamento na Europa revela as características de um continente com um desenvolvimento histórico desigual. Os países da Europa de Leste desenvolveram uma abordagem mais liberal, de uma forma mais empreendedora e inicialmente influenciada pelo apoio financeiro dos Estados Unidos da América. Já a zona ocidental da Europa tem assistido, nos últimos anos, ao desenvolvimento de um microfinanciamento socialmente mais inclusivo, direcionado para a população excluída a nível financeiro e social. Uma grande diversidade de intervenientes, desde organizações não-governamentais a bancos, tem vindo a criar abordagens muito diferentes, adaptadas ao contexto local. No entanto, não existe um único modelo de desenvolvimento sustentável. Apenas na Europa de Leste existem organizações sustentáveis. O setor do microfinanciamento na Europa é muito diverso e apresenta vários níveis. Até à data, modestos resultados demonstram que o microfinanciamento pode ser útil para a Europa. Contudo, para consolidar os resultados alcançados até agora, ainda muitos obstáculos têm de ser ultrapassados, nomeadamente a clarificação do conceito de microfinanciamento, o reforço das organizações, a adaptação do quadro jurídico e o aumento da visibilidade do setor. O microfinanciamento na Europa continua a ser encarado como uma abordagem inovadora, aproximando os setores público e privado. No entanto, continua a depender do apoio do Estado e, em menor escala, dos bancos, sendo que alguns intervenientes estão a tentar tornar-se mais independentes.

ABSTRACT

Microfinance in Europe displays the characteristics of a continent that has followed an uneven historical development. The countries in Eastern Europe have developed a more liberal approach in a more entrepreneurial way, influenced at the beginning by financial support from the United-States of America. The Western part of Europe has seen the development more recently of a more social inclusive microfinance, targeting at financially and socially excluded people. A big diversity of actors, from Non Governmental Organisations (NGO's) to classical banks, has developed very different approaches, adapting to the local context. However there is not a unique sustainable development model. Only in Eastern Europe one finds sustainable organizations. The microfinance sector in Europe is so diverse and multi-layered. So far the modest results show that microfinance can make sense in Europe. However there are still many challenges to overcome to consolidate what has been achieved so far, like the clarification of the concept, the strengthening of the organisations, the adaptation of the legal framework, an increase in the visibility of the sector. Microfinance in Europe remains an innovative approach bringing together the public and private sector. The sector remains dependent on the support of the State and to lesser extent the banks, while some actors are trying to become more independent.

Introduction

In most parts of the world, microfinance offers people excluded from formal financial services the opportunity to get access to adequate financial services (microloans, savings, micro insurance, etc.) in order to improve their standard of living.

It was long thought that microfinance was limited to developing countries and many, even among specialists, continue to believe that it is appropriate only in these countries. However, in recent years in Europe, an increasing number of programmes to fight social exclusion and promote micro-enterprises and self-employment through the establishment of microcredit activities² have been emerging. Even European States, such as France within the framework of its Plan of social cohesion and the new laws to modernize the economy, Germany, with funding from the European Social Fund to promote microfinance or the European Union with the JEREMIE, JASMINE programmes and the new initiative recently approved by the European Parliament, «Microfinance Facility for Employment and Social Inclusion (PROGRESS)» refer to it and start investing financial resources, significant although moderate.

This paper therefore proposes to try to understand how microfinance has developed in Europe, with which objectives, through which actors, with which models, for what results, and what are the main challenges this young sector is facing.

A young sector with varied objectives

A young sector that has followed an uneven development within the European Union

Although some examples in Western Europe in the 19th century such as the «Raiffeisen Bank» in Germany, the «Lending Charities» in England or the Cooperative model of the «Casse Rurali» in Italy carry within them the values and foundations of microfinance such as it emerged in the 70's and 80's in Asia or Latin America, it was in the 90's that the first microcredit programmes were implemented in Europe.

These programmes emerged in Eastern Europe after the fall of the Berlin Wall. Much of this was in the form of aid via international donors, especially those based in the USA. They drew on their experience in developing countries. The argument was that it was financial poverty, not entrepreneurship that was withholding development. With the banking sector antiquated and unable to respond to emerging needs, microcredit has proved capable of filling the gap by providing transitional support for people needing to enhance their own livelihood. The goal of these programmes, mainly in Poland, Romania, Bulgaria, Hungary and Slovakia, was primarily to support the development of a new economy based more on individual initiative, private sector, as part of a post-communist neo-liberal movement (K. Dayson, B. Jayo, J. Kickul, M. Lacalle, S. Rico, 2010). The priority was to quickly reach the middle class of new entrepreneurs who had no access to a virtually non-existent supply of loans by banks rather than the poor or socially excluded people. The issue was also to implement, under the same logic as in developing countries, financial organisations (Microfinance Institutions-MFI's) financially viable and sustainable, which therefore emphasizes the logic of professionalism and profitability.

The development of the microfinance sector in Western Europe took place mainly in the early 2000's. Some pioneers in the late 80's began testing approaches based on the models implemented in developing countries, especially in France with the creation of Adie (Association for the Right to Economic Initiative) in 1989. In its latest sector overview, the European Microfinance Network (EMN) shows that 61% out of 170 programmes have been implemented since the year 2000³. There is a growing implementation of new programmes as the study shows that 18 new organisations have been created since 2008. In Western Europe the sector is thus very young and with few exceptions it does not have the maturity of the most famous International Microfinance Institutions (MFIs).

A development within a specific context with various objectives

The development of the microfinance sector takes place in a very specific European context:

In the EU 27, 91.5% of enterprises, that is over 20 million businesses, are microenterprises (1-9 employees). Microenterprises employ nearly 38 million people (30% of total employment) and create 1 100 billion of added value (21% of the total added value). Microenterprises play an important role in the European economy in terms of job creation and economic growth, a role that in the current context can only improve. 2 million start-up enterprises are created every year. One third of these enterprises are launched by the unemployed. Consequently, these businesses have both an economic as well as a social impact. The ability of the banking system to reach and serve such small entities is therefore crucial to the achievement of general socio-economic improvement. Exclusion from banking services often constitutes a major obstacle to the launch of new business activities. Furthermore

with their small size and limited resources micro enterprises face particular problems. The main challenge is to find finance to run a new business or to grow an existing one. Moreover, microenterprises have to carry out a high amount of administrative tasks and red tape and have to find staff with the right skills who can update them continuously. Microenterprises are vulnerable to competition; especially when they are sources of innovation and when they face the introduction of new products by counterparts, they face lack of resources enabling them to respond quickly.

In 2004, the average rate of people at risk of poverty in the EU was 16% while the national figures ranged from 9% to 21%. In most countries, the rate of people at risk of poverty (among those aged over 16 years) was higher among women. Due to the crisis, more than 80 million people are estimated to be at risk of poverty after social transfers⁴. Young people have the highest rate of poverty risk with a rate of 18% between 18-24 years. Single-person households and those with dependent children tend to have higher risk of poverty rates, while single-parent families register the highest rate (33% across the EU).

The long-term unemployment is one of the main indicators of exclusion. The latest figures from Eurostat show that in the Europe 27, the long-term unemployment is 3.7% with a wide variety ranging from 0.8% in Denmark to 10.2% in Slovakia. Also following the economic crisis, the estimations are that there will be 8.5 million additional unemployed within the EU.

National and regional studies on financial exclusion and poverty show that several factors must be taken into account to analyse the financially excluded; their age, income, status, household income, geographic location and a set of attitudes. It is estimated that financial exclusion affects 7% of people in the EU 15 and up to 34% in the new countries of the EU 10.

Microfinance has developed, within this context, as a potential tool for economic growth by supporting the creation of microenterprises and self-employment, unemployment reduction, promotion of social and financial inclusion and social cohesion (SEEP Network, 2000; M. Lacalle, 2008). Indeed the ability of the banking system to reach and help such entities is crucial to increasing overall socio-economic welfare. In fact, banking services exclusion is a barrier to starting new income generating activities. The development of microfinance services is likely to fill the gaps in the market. Microcredit can help develop the entrepreneurial spirit by promoting the launch of the new structures. Granting loans to unemployed and marginalized people allows them to become economically independent agents that promote social cohesion. Thus, microcredit can contribute to the Lisbon strategy for growth, employment and social cohesion, as defined by the European Union.

But beyond these general objectives in Europe, it is a fact that in practice, microfinance can have many forms, with different objectives. It is therefore necessary to segment the sector to better understand what we are talking about. To this day, the most relevant segmentation would be to tell the difference between an «entrepreneurial» and an «inclusive» microfinance. The entrepreneurial microfinance would aim primarily the development of the business, defined as a «Microenterprise lending», focusing more on the financing of Small and Medium Enterprises (SME's) with higher amounts and mainly through banking organisation using the «down-scaling». The inclusive microfinance is more a logic of social inclusion, aimed primarily at an audience socially excluded (ethnic minorities, migrants, unemployed, women, youth, etc...), defined as «inclusive lending», with smaller amounts and promoted primarily through Non Governmental Organisations (NGO's), cooperatives (Stefanie Lahn, Martin Jung, Michael Unterberg, 2009). The analyses of the average loan

amount related to the average national GDP⁵ allow to quite clearly see where are located the operators who practice a more inclusive microfinance or a more entrepreneurial one. In Eastern Europe we found rates above 100% (Hungary, Bulgaria, Romania), while in France, Norway or Italy rates are lower and therefore microfinance is there more inclusive and social.

A further possible segmentation would help to distinguish between a «bankable» population corresponding to the existing micro businesses and standard start-ups that banks can serve as they have been evaluated as less risky. The other segment refers to a «non-bankable» population, entrepreneurs and people socially excluded. This segment is then mainly served by non-governmental organisations. In the last survey conducted by EMN, 40.3% of loans were granted in 2009 to «bankable» customers.

Of course, such segmentations could vary according to the countries and the national perception of the issues. It seems crucial today to have an approach segmenting the sector in order to clarify the concept and allow actors in the different segmentations to develop synergies for better coordination of efforts.

A wide range of operators for inconsistent approaches

A diversity of operators where NGOs mix with conventional banks

The types of microfinance operators are varied: in Western Europe, there are mainly NGO's, associations as well as banks and in Eastern Europe, where MFI's can accept deposits, there is a greater number of for-profit organisations (Bulgaria and Romania), cooperatives and non-banking financial institutions. There are also microcredit providers who don't see themselves as MFI's, and in the UK there are

organisations adopting the American nomenclature «Community Development Finance Institution». Overall in Europe, 60% of MFI's are non-profit organisations, 17% less than in the previous EMN survey. This confirms the trend that banks and the private sector are increasingly involved. Banks now account for 12% of the EMN survey, 40% of the total value of microcredit and 7% of European customers. These data are significant⁶ and highlight the growing role of banks in recent years. This is the case for example in Spain where the sector managed to grow mainly due to the strong involvement of the Savings Banks (the «Cajas»), which provided the capital lent by social operators. It is clear that right now most banks involved come from the social economy sector (cooperative banks, savings banks, credit unions, etc...).

Many organisations have a very local setting and provide less than 50 loans per year. This proximity is a characteristic of microfinance, which aims to be close to its beneficiaries, but is also a difficulty in terms of growth potential because a too much local approach does not allow a significant development and may contain operators in a marginal role. On the contrary, 13% of them have provided over 400 microcredits in 2009. These institutions are mainly established in Western Europe, which shows a reversal of the trend compared to previous years and is mainly due to the effects of financial and economic crisis that seem to have affected more Eastern European institutions, more exposed to foreign investment.

Another important feature is that microcredit is the exclusive activity for only 24% of institutions. Most organisations that are dedicated to microcredit only are mainly located in Eastern Europe. For the majority of operators, especially in Western Europe, microfinance is not their primary mission. Microcredit is in addition to their other activities, which are usually activities to support microen-

terprises, develop geographical areas, and support specific groups or conventional banking activities for banks. This partly explains a development less homogeneous and less important, compared with international practices. This feature greatly influences the ambitions of the sector; only a minority of operators are now showing a strong desire for growth and development. The majority sees microcredit only as an additional means to achieve other objectives and in the more specific case of banks, the activity is primarily related to the policies of Corporate Social Responsibility and Communication.

Finally, most MFI's provide support services to their customers (only 27% do not offer such services). This support, mainly in the form of advice, training, coaching is absolutely necessary in a general context in which entrepreneurship is complex and difficult. It is a strong feature of European practice, since international organisations have an approach called «minimalist» (mainly the offer of financial services). This additional support raises the issue of recovery of such costs, which are mainly covered by government subsidies.

Different approaches adapted to the European context

Even if the pioneers in Europe have been strongly inspired by the practices in developing countries, they had to adapt their approaches to better fit the European culture and environment.

The entrepreneurial culture is less developed in Europe compare to other parts of the world. It implies that starting an enterprise is not often perceived as a real choice or positively. It is particularly the case as regard women entrepreneurship. Only 30% of enterprises are headed by women in Europe. In that context microcredit has been perceived as an appropriate tool and 37.7% of beneficiaries are women according to the latest survey of EMN. Even if this figure is

higher than the percentage of women entrepreneurs in Europe it remains much lower than the percentage in developing countries. Different approaches between pro women and neutral approaches have emerged, without succeeding in making a real impact on that issue.

Very few programs are using the group lending approach –widely used in developing countries. Some programmes in Europe started by using such methodology but rapidly find out that it was not appropriate to the European context and shifted to individual loans. The few existing group lending programmes (mainly in UK, Spain, France, Norway) are mainly targeting at migrants, who might have already experienced such approach in their country of origin and in which community links are stronger.

The organisations had also to adapt the type of products –bigger amount, longer period of reimbursement.

One big adaptation and a remaining big challenge has been the provision of non-financial services as a pre requisite of providing a loan. If in developing countries the MFI's are supporting activities in the informal sector, in Europe most of the institutions are working with registered companies. Even if small, such micro enterprises are facing lots of administrative issues and requires some specific support to develop and grow. To provide such services MFI's are usually working with volunteers (business people, retired bankers and professionals). It raises also the issue of costs and finding ways to cover such costs.

The absence of a European model of development

The diversity of operators, target groups, regulatory frameworks, cultures and therefore approaches did not allow the implementation of a homogeneous sector with similar practices in Europe (Dayson Karl, Barbara Jayo, Kickul Jill, Lacalle Maricruz, Silvia Rico, 2010). This diversity can be seen as strength, because it shows how microfinance in Europe has managed to adapt to different contexts and in fact respond to specific needs.

The analysis of some elements allows understanding the wide variety of practices:

The amount of micro-loans granted varies from €220 to €37 000. This amount will change significantly depending on the beneficiaries, that is to say, if it is a business or an individual who requests a personal microcredit. For example in the Netherlands the main actors lobby for defining microcredit as a loan that can be above €35.000. It has been noticed that the amounts tend to be proportionally higher in Eastern Europe, where microfinance institutions focus more on microenterprises than in Western Europe. Banks also tend to grant loans of a relatively higher average amount. The average microcredit in 2009 was €9 641, compared to €11 002 in 2007. The average interest rate is 9% but this varies a lot depending on the country from 3% to almost 30%. Such variations are mainly due to the legislation, since in many countries there are regulations limiting the interest rates. But the practice is also linked to the approach and objectives of the organisations, creating sometimes in some countries bitter debates.

Target groups can be very diverse and different. In some cases organisations will aim to work only for women, migrants, youth or rural populations. These strategic choices lead to different approaches and practices. For example in Norway and Spain, immigrants are overrepresented among microcredit beneficiaries, when comparing the percentage of these customers to their proportion in the general population.

It is clear, however, that these practices do not facilitate a clear understanding of what is happening and the role that microfinance can have in the European context.

Modest results, which can not improve without strong government intervention

Relatively modest figures

The latest data collected by EMN show that 84 523 microcredits were granted in 2009 amounting to €828 million. Eastern Europe has achieved 40% of loans and 26% of the total amount granted, and Western Europe has achieved 60% of loans and 74% of the total amount granted. For the first time since the surveys began, the number of microloans disbursed showed a negative growth rate: -7% between 2008 and 2009, while it increased by 14% in 2006/2007, 15% in 2004/2005 and 11% in 2003/2004. On the other hand, although the number of loans decreased in 2009, the outstanding loans in euros increased by 3%. If we focus on the range of organisations that responded to the surveys in 2008 and 2010, there was a decrease in the number and value of loans between 2008 and 2009: -20% in the number of loans and -6% in the value of loans, compared to an increase of 28% in the number of loans and 26% in the value between 2006 and 2008. This decrease is one of the effects of the economic and financial crisis affecting Europe as microfinance institutions seem to focus on the quality of the requests submitted. The risk having increased during that period, the organisations tends to be more selective. In Eastern Europe the organisations have to face liquidity problems.

If these figures show that the sector is now a reality for thousands of microentrepreneurs in Europe, there are large differences between countries, France is the most advanced country, followed by Eastern European countries (Poland, Hungary) and Germany, while countries such as the United Kingdom, Italy or Nordic countries have reduced activity, limited to a few hundred loans per year, which still weighs very little in improving access to financial services to people socially and financially excluded.

An unsustainable sector, dependent on external aid

The sustainability of the structures of microcredit is an important issue for the sector development. Only a few organisations in Eastern Europe have managed to be financially sustainable with their microcredit activities thanks to high interest rates and high loan amounts, but reaching audiences not that socially excluded. On the contrary, today, no programme in Western Europe has managed to achieve this goal, the constraints being very strong. Sector development still depends heavily on public national, regional or even European subsidies. In the UK the sector has been able to develop through the establishment by the government of Tony Blair of a special fund, «the Phoenix Fund». Germany is currently developing an ambitious agenda through the creation of a fund «Mikrokreditfonds Deutschland», with 40% of state funds and 60% of funds provided by the European Social Fund in partnership with an ethical private bank. The French model has also developed with strong government intervention and funding provided by banks (historically the sector of social economy and gradually the business sector), as shown by the creation of the «Social Cohesion Fund», it is a State guarantee fund encouraging banks to lend through social operators in contact with potential customers. The recent «Progress» initiative to promote microcredit launched by the Commission and the European Parliament also seeks to provide financial support directly to microfinance institutions, hoping to leveraging and encouraging banks to get more involved in the sector.

Certainly in Europe, especially in Western Europe, microfinance can not develop without close relations with both governments, which have a vital role to play in improving the regulatory framework (J. Evers, S. Lahn, 2006) but also in developing innovative mechanisms to support the development of the sector, and the banking sector, which is often the sole authorized to provide loans (Germany, Spain...), and the only one with funding and tools necessary to directly support microentrepreneurs and microcredit programmes.

Many challenges faced to consolidate the results

A necessary clarification of the concept and the definition of microfinance in Europe.

The recent craze for microfinance has led to the emergence of new operators and the appropriation of the speech by organisations that so far do not define themselves as microfinance players, but suddenly thought it was wise to join this «fashionable» movement. The broad definition of the European Commission is far from unanimous and requires clarification. Practices across countries are very different and also require a local reflection, to better define the appropriate regulatory framework⁶. One of the first recommendations of the report by the French Ministry of Finance and Economy on microcredit says that a definition must be developed within the French context. The debate around the definition revolves mainly around five topics:

The maximum loan amount, set at €25,000 in the European definition. This limit is controversial by structures that think it is too low (those targeting a more entrepreneurial microfinance) and others that think it is too high (those who target a more inclusive and social microfinance).

The interest rate; some being in favour of high interest rates to cover costs and strive for financial independence and others being in favour of low interest rates (or no interest at all) arguing that they work with excluded populations.

The target groups, with those focusing on business creation and support of entrepreneurship in general and those focusing on social inclusion and socially excluded people.

The activity/product funded; there are those who will only fund business creation or business development and those who will offer other services including personal microcredit and microinsurance.

The provision of non-financial services. Most of the organisations do provide such services (coaching, training, mentoring, etc.) but some believe that such services should be compulsory in the European context and should be part of the definition of what microfinance is. This position has been clearly mentioned in the recommendations of the report by the French Ministry of Finance and Economy on microcredit. One of the big issue behind is linked to the payment of such services, by whom and how?

The question of the definition of the sector is essential to understand what exactly we are talking about, to guide research, to define an appropriate framework.

Facilitating an entrepreneurial culture and building bridges to encourage people to seek self-employment.

Compare to other developed countries Europe faces a lack of an entrepreneurial culture, and moreover the lack of incentives to develop one at various levels of society. Efforts need to be made at all level of the society and especially in starting in the educational system to promote entrepreneurship as a real option for young people. Such obstacle does not facilitate the development of microfinance, if people do not see entrepreneurship as a valuable alternative to their job.

Another obstacle in Europe is an entrenched welfare system that fails to encourage people to seek self-employment. Evers and Land (2006) discussed the concept of the «moveable island» to describe the difficult transition of those from welfare to self-employment. Few examples exist in Europe, like in Ireland or more recently in France, where a person depending on social subsidies can move to self-employment without losing right away her/his social benefits. Without appropriate transition mechanisms it remains more interesting for socially excluded persons to depend on State social programs, rather than becoming self-employed.

Strengthening of the stakeholder's expertise and thus their professionalism.

This is essential in the growth strategy of the sector. The small size of most operators and their short outreach requires that operators receive a significant strengthening of their skills. This strengthening must go through appropriate training but also new ways to develop their competences (human and technical). This broad concept of capacity building (which needs more than just training courses) is currently one of the main obstacles to the development of the sector. On the one hand, organisations do not spend enough time and energy in training their staff and offering a coaching tailored to their needs. On the other hand, donors fail to integrate in their strategy the idea that organisations should continue to be subsidized in their operations some time before they can be more financially independent. The latest program from the European Commission «Progress» does not include such component—included however in the Jasmine program at a small scale. Without finding appropriate mechanisms to include such component, the program might face difficulties in reaching its objectives.

The need for greater transparency and measurement of social performance.

One difficulty in studies conducted by EMN is the low capacity of a large majority of operators to communicate their results on their performance. Generally less than half the organisations analysed are able to provide such data. This is related both to structural problems and, in some cases, to the desire not to communicate. In order to attract proper investments the organizations will have to get use to properly report about their performance. It will also facilitate any benchmarking.

Furthermore more and more stakeholders are integrating in their strategy in microfinance a strong emphasize on the social performance of the MFI's. Studies have demonstrated that providing microfinance does not necessarily mean that

social goals have been reached. In that context MFI's must now demonstrate more clearly and specifically how their activities fit with their social mission. Only few organizations in the European context have started such reflection and analysis internally.

The ability to absorb new forms of financing.

This question is related to issues of professionalism and growth. Organisations must find new sources of funding appropriate to their needs, but they also must be able to absorb these funds. Paradoxically there are more funds available, but they are not necessarily adapted to European microfinance organisations. The last EU initiatives in support of microcredit are just financial instruments (guarantees, loans, equity capital, etc.), with the exception of Jasmine, which has a capacity building component, but only for training. But the amounts are usually considered too high for small organisations that lack the capacity to absorb at once such funds. There is a risk that the funds go to only the big organisations and/or the banks for their SME's activities, missing the objective of reaching socially excluded clients.

A national adaptation of the regulatory framework.

If microfinance is becoming part of European policies in a more important and visible way, at the level of member states it is far from being the case. Recent studies on the National Action Plans on social inclusion have shown that very few Member States mention microfinance as a tool to fight social exclusion (Moyart, 2009). But it is certain that without a strong political involvement at national level, the sector will not fully develop and reach the target public. A major reason is the lack of awareness and visibility of the sector, including lack of organisation of the stakeholders at the national level and the absence of a strong lobbying.

Strengthening the visibility of the sector

The sector is still largely unknown, except in some countries such as France. The sector still faces a lack of knowledge by the public and politicians. This is partly due to the fragility of institutional organisations, which generally can neither afford to invest in these areas, nor are interested to do so. Yet it is certain that if the sector is more visible, it will be more able to attract new customers and receive support from public authorities to improve.

In conclusion ...

It is clear that much remains to be done in order the microfinance sector can develop and reach a significant number of people in Europe. It is certain that contrary to what is happening in developing countries, where there are millions of beneficiaries, European microfinance targets a niche of people financially excluded in a strong banking context. But this niche is a reality for thousands of micro entrepreneurs in Europe, for whom microfinance can be a truly unique opportunity to get out of a situation most often inextricable and to become once again real economic agents within the community. In order to reach this goal, the strengthening of the operators involved and the adaptation of regulatory frameworks are essential to ensure sustainable growth in the sector. However, many challenges remain, especially at national level in most Member States, for microfinance actually acquires European acclaim and success in reaching a significant number of people while implementing a sustainable operation model.

It's hard to believe that this sustainable model is implemented without the participation of national and/or European authorities and without the involvement of banks. This requires that the public, social and banking operators learn to work together, to overcome their a priori to find innovative solutions to meet the needs of excluded populations. At this

stage of development it is illusory to think that the European microfinance is positioned as a real alternative to capitalist banks; in fact, working with the banks is necessary and already a reality in many countries. The challenge for microfinance in Europe is to be able to create new and innovative alliances, going beyond popular opinion and adapting to the context of each country to offer a broad spectrum of financial and non-financial services to excluded populations. This requires not only financial resources, but sharing a common vision based on a conception of the economy that puts people at the center of its concerns. This is possible, even if we are only at the beginning of the path.

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Notas

¹ This article is an English adaptation and update of a communication made by the author at the 3rd «Colloque du DEUST Travail Social- EXISTE-IL DES ALTERNATIVES À LA BANQUE CAPITALISTE ?» at Evry (France) in October 2010.

² According to the «European Initiative for the development of microcredit to promote growth and employment» of the European Commission, microcredit in Europe is defined as a loan under € 25,000 to support microenterprises, unemployed or inactive people who wish to engage in self-employment but do not have access to traditional banking services. This definition does not include «personal» microcredit which is closer to consumer credit and that aims at accessing financial services to purchase goods mainly related to mobility and returning to work. This sort of microcredit has strongly developed in recent years within a stronger objective of social inclusion.

³ In Eastern Europe, over 50% of MFIs were created between 1980 and 1996, whereas in Western Europe, only 15% of them were created during the same period.

⁴ Proportion of people with an equivalent disposable income below the poverty line which corresponds to 60% of the equivalent median national disposable income after social transfers

⁵ This measure is used in the microfinance sector to calculate the microfinance penetration. Indeed it is assumed that the lower the loan amount, the higher the organization serves a disadvantaged population. The comparison against the national average GDP allow comparisons between international institutions.

⁶ It is still difficult to obtain accurate information from commercial banks on the number of microloans they grant within the general definition of the European Union. Data collected by EMN therefore remain partial.

⁷ To this day, only France and Romania have a specific regulation for microfinance

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On sustainable finance and networking...

Viviane Vandemeulebroucke

RESUMO

Durante a crise financeira de 2008, os cidadãos aperceberam-se de era tempo de voltar às raízes do financiamento, ou seja, ao momento em que o papel da banca consistia em servir de elo de ligação, de ferramenta que permitia que o dinheiro local chegasse à população local. E, no fundo, o papel da banca é financiar o desenvolvimento local.

Mas é possível recorrer a outro tipo de financiamento, o qual já existe, embora tenha ainda de ser desenvolvido e expandido.

Criado em 1989, a INAISE (International Network of Social Finance Organisations) é a mais antiga rede associativa na área do financiamento social. Os seus membros contribuíram muito para a criação de novas iniciativas e de novos bancos, bem como para o crescimento e o reconhecimento do setor.

As palavras-chave subjacentes às atividades dos membros da INAISE são: financiamento sustentável (financiamento para um mundo sustentável); fazer sentido com o dinheiro (uma abordagem tripartida: população, planeta e lucro); financiamento para um comércio responsável, para a energia sustentável e para a economia solidária; e, finalmente, transparência.

No entanto, enquanto evolui e cresce, o setor do financiamento ético enfrenta alguns desafios: o desafio da continuidade e transferência de conhecimentos e valores, o desafio da especialização e o desafio da globalização.

Temos de agir agora! Os pioneiros das organizações de financiamento social não esperaram, há 30 ou 35 anos, por um enquadramento jurídico que os ajudasse a criar estas associações; queriam apenas ser coerentes com os seus ideais e ter poder sobre o seu próprio dinheiro. Foram criativos, determinados e estavam prontos a arriscar. Explore as ferramentas existentes, construa o futuro que deseja.

ABSTRACT

During the financial crisis of 2008 citizens realised that it was time to come back to the roots of finance where the role of the bank is to be the link, a tool allowing local money to reach local people, where the bank's role is to finance local development.

Another finance is possible, it already exists even if it still has to be developed, expanded.

Created in 1989, INAISE, International Network of social finance organisations is the oldest network association regrouping social finance actors. Its members greatly contributed to the creation of new initiatives, new banks and the growth and recognition of the sector.

The key words underlying INAISE members activities are: sustainable finance (finance for a sustainable world); make sense with money (a triple bottom line approach, people planet and profit); finance for responsible trade, sustainable energy, and solidarity based economy; and transparency.

While developing and growing, the ethical finance sector is facing challenges: the challenge of continuity, transfer of knowledge AND values, the challenge of specialization, and the challenge of globalization.

Act now! Pioneers who created social finance organisations 30-35 years ago did not wait for a legal framework to help them doing so, they just wanted to be coherent with their ideas and have a grip on their money, they were creative, determined and ready to take risk. Explore the existing tools, build the future you want.

During the financial crisis of 2008 bank customers/savers realised that their savings were not invested where they thought they were. In fact they did not know at all what the bank was doing with their money.

Customers of Banca Etica in Italy, Charity Bank in the UK, Triodos bank in the Netherlands, Belgium, Spain, UK and Germany, Merkur bank in Denmark, and other social and ethical banks did not have to worry about their savings, they were safe and sound, invested in the real economy, supporting projects in the environmental and cultural sector, and social economy enterprises.

It is time to come back to the roots of finance where the bank is only the link, a tool allowing local money to reach local people, financing local development, being the link between the investors and the entrepreneurs.

We all know that another finance is possible, that another finance exists, but we also know that it still needs to be developed, expanded and especially in countries where there is no alternative yet to the mainstream finance.

Creating a new social finance organization from scratch is not an easy game, but alliances with existing social finance banks are possible and therefore networks have to play their role and all stakeholders have to be involved and work at keeping the links.

INAISE, International Network of social finance organisations is probably the oldest network association regrouping social finance actors. Its members greatly contributed to the creation of new initiatives, new banks and the growth and recognition of the sector.

Created in 1989, INAISE is an international non-profit association under Belgian law. It is a network, a member organization meaning that the heart of the association is made of its members; they are the active pillars of the association. INAISE serves as an information platform and consists of about 54 organisations in 30 different countries.

Some of the key words that underlie INAISE members activities are:

/Sustainable finance (finance for a sustainable world)

/Make sense with money (not only profit but a triple bottom line approach, people planet and profit)

/Finance for responsible trade, sustainable energy, and solidarity based economy

/Transparency

Common in the way they act with money, INAISE members are diverse in the shape they have taken, in the tools they use, in the products they offer.

The social finance organisations member of INAISE adopt what we can call «alternative banking» policies, with regards to guarantee or return requirements, and they all aim at transparency in the use of money. In those organisations, the saver plays an active role; the bank owes to inform him on the sectors in which the money has been invested.

When we say «social finance» it does not mean «grant», «free money» or subsidies, it means money invested in a sustainable way, with a social AND economic return. INAISE members invest, mainly by the way of loans, in the following sectors:

/Environment: renewable energy, organic farming, ecology building, nature conservation, etc

/Social economy: co-operatives, community enterprises

/Health care: community care, alternative therapies

/Social development: social services, community transport

/Education and training: training courses, alternative schools

/North South relations: fair trade, micro credit programmes

/Culture and art: theatre, local radio, artists

Most of INAISE's members are active at a local or national level. They are what I call neighbourhood savings organisations. Others are regulated banks, venture capital companies, microfinance organisations. Examples of each «category» are given below.

Neighbourhood savings structures: they adopt different kind of legal status depending on the national legislation and rules; they can be association, financial co-operative. The collection of savings is made at a local or national level and invested in projects by the way of loans or short term venture capital.

For example **in France** we have the financial co-operative Nef. Nef was created in 1988. It grants loans to projects characterised by innovation or social added value. Many of these projects are not able to find credit in traditional banks. When analysing a project requiring a credit, Nef puts the quality and the social and ecological profitability of the project before the financial criteria.

In order to increase its resources, Nef collaborates with a major cooperative bank in France (credit cooperatif-CC). As a bank, CC has a wider geographical outreach and numerous agencies all over the country.

In 2008, in the middle of the financial crisis, NEF got 2500 new shareholders, increased by 22% the total savings collected on their own savings account, and by 12% the savings collected via CC.

On the credit side, the total loans increased by 27%. NEF mainly finances companies and associations but they also finance individuals for the installation of photovoltaic panels, community or ecological building. An interesting project supported by la Nef is «Terre de liens» (land of bond/land of cohesion). Nef manages the shares of the landholding trust of this association. The aim of the holding is to help farmers having an ecological project to access

land which has become far too expensive to buy. They also promote activities which reinforce social cohesion in rural areas. They buy land and farms to avoid speculation, loss of biodiversity and ownership of the land by a few ones. They then rent the farm and land to young farmers who want to use the land in an ecological and responsible way.

In 2008 they launched a public offering and collected 4 million euro from the civil society. This is a good example of how a financial tool together with a civil association can work towards more social cohesion in rural areas.

In Ireland, we have another Fund, Clann Credo Fund, acting at local level. Launched in 1996 Clann Credo is not collecting savings but manages the capital that has been provided by a religious order.

Clann Credo makes capital available to projects and social enterprises that yield a social as well as a financial return. For Clann Credo, Social Finance differs fundamentally from standard finance. The investments must deliver tangible improvements in the community into which they are injected. Clann Credo is not a grants agency. All capital loaned or invested, is repayable. Thus their return continues to grow, enabling them to fund further projects.

In 2008, Clann Credo approved over 7 million Eur of investment in projects and communities up and down the country. These included:

- /cutting edge projects designed to insulate local authority homes;
- /enhancing sporting and leisure facilities in rural areas;
- /helping homeless people get off the streets;
- /ensuring greater access to the arts and drama for youth;
- /increasing care services in isolated areas;
- /supporting long-term unemployed people back to work.

Clann Credo also plays an important role in advocating the social finance sector to the Government and building co-operation partnerships with other organisations.

Some of INAISE members combine finance and research activities. This is the case of **Etika** in Luxembourg. Established in 1996, Etika is a non-profit organisation fostering social finance. They provide information on ethical investing and they have created an «alternative savings account» in partnership with a State Savings Bank.

Responsibility, transparency and solidarity are key concepts in this alternative savings scheme. By accepting a lower interest rate on their deposits, investors make it possible for Etika to grant loans at favourable interest rates to finance socially responsible projects in Luxembourg and in developing countries.

The selection committee of Etika analyses the social and ecological added value of the projects. The selected projects are then submitted to the credit committee of the bank and agreed according to economic criteria. The bank and Etika are meeting regularly to discuss the methodology used to select the projects. The loans are granted in the fields of renewable energy, ecological agriculture and international solidarity.

In the framework of its mission of raising awareness on social and ethical finance, Etika published in 2009, a guide on responsible investment, listing SRI (Socially Responsible Investment) funds and giving qualitative information (rating given by an independent body, label) where available. This guide is regularly updated on Etika website and provides the ethical investors a good view on SRI funds.

INAISE network also has banks among its members. They are called **alternative banks, ethical bank, social economy bank or community bank.**

Those private institutions have a banking licence which allows them to offer more services to their customers. They do not aim at profit but want to finance sustainable projects and are transparent organisations. It is not a part of their resources that is invested in the sustainable economy but all of it.

In the midst of the financial crisis INAISE regulated bank members remain profitable and stand for a combined balance sheet of 9.94 billion Euro as of end 2008, an increase of 30% over 2007 and 61% over two years.

ASN in the Netherlands being the biggest, followed by Triodos Bank. Cultura member's bank in Norway being the smallest with a total balance sheet of 42 million Euro at the end of 2008.

Triodos bank is an **international bank**. It was established in The Netherlands in 1980. Belgium followed in 1993, the United Kingdom in 1995, Spain in 2004 and Germany in December 2009. They offer depositors and investors a transparent way to channel their savings and investments in support of enterprises with social, environmental and cultural value. Profit, or the need for a sustainable financial base, is a condition after they have made an assessment in terms of social, environmental and cultural value.

In 2009 their total balance sheet amounted 3 billion Euros against 2.4 billion in 2008. The loan portfolio grew by 30% (compared with 25% in 2008) representing more than 14,000 sustainable projects and businesses financed. Their loan portfolio is made of the following:

50% of the lending was dedicated to the «nature and the Environment» sector. This sector consists of renewable energy projects such as wind power and hydroelectric projects. It also includes organic agriculture involving enterprises and projects across the entire agricultural chain, from farms, processors and wholesale companies to natural food shops.

19% invested in Social business. This sector includes loans to traditional businesses and innovative enterprises and service providers with clear social objectives. Loans to fair trade businesses and microfinance institutions are also included. 26% in Culture and Welfare This sector covers small loans to organisations working in education, care for people with disabilities, complementary healthcare and artists. As a sustainable bank, Triodos wants to offer their customers a range of products and services but also to develop innovative products they sell through their own branches and third parties. As part of their mission they also want to stimulate public debate on issues such as the quality of life, corporate social responsibility and sustainable banking.

A smaller but very interesting bank in **Denmark** is Merkur. Merkur Cooperative Bank is an ethical bank committed to social justice within a sustainable economy and is Denmark's foremost financial institution in the field of sustainable banking. From its founding in 1982 and onwards, Merkur has built a solid expertise in financing ecology, renewable energies, culture and socially responsible companies. Their banking business has always been in touch with the real world, the real economy. They collaborate with other INAISE bank members in Sweden and Norway as well as with Triodos Bank and the German GLS bank on the financing of larger projects or the sale of investment certificates. Merkur finances projects with their clients' deposits. 69% of the deposits come from private clients; the remaining 31% comes from NGO's, social institutions and schools.

In 2009 Merkur balance sheet increased by 28% (18% in 2008) to reach 200 million euro. The deposits increased by 33%. This increased interest in Merkur bank clearly comes from its involvement and concern about environment and the need for sustainable and transparent banking following the financial crisis. Merkur considers that partnership with organisations or enterprises sharing its objectives, is part of its strategy.

Some examples of partnership:

Aid account: Merkur pays to aid account partner organisation a fee equivalent to 1.5% of the average amount deposited on that specific account.

The partners are organisations such as WWF, Save the Children, International Solidarity, Danish branch of Friends of the Earth...

«Homework operation»: specific current account for young people up to the age of 24. For each current account active per year, Merkur gives 13 Eur to a student organisation. In 2009 Merkur contributed with nearly 6,000 euro

CO2 savings account: being part of Merkur climate campaign this savings account has a triple return, namely for the depositor who gets an interest on his savings, for the society via Merkur's lending in organic farming, eco building, etc; and for renewable energy in Africa as Merkur is granting an annual subsidy to renewable energy projects in Africa (in collaboration with another Inaise member, Sidi) which depends on the amount collected via this account

Sustainable trade account: the amounts deposited on this account form the background for the credit to organisations and cooperatives dealing with organic food, FSC (Forest Stewardship Council¹) certified products, direct import of fair trade products (in collaboration with INAISE member Integra based in Slovakia)

I do not want to describe all the dedicated products developed by Merkur but this is just to show you the link between Merkur bank and the civil society organisations as part of its strategy and mission.

Charity Bank, United Kingdom

Charity Bank began in 1995 as a small fund to test how charities might benefit from loan finance. In 2002, Charity Bank became an independent charity and was granted a banking licence by the Financial Services Authority. Since then they have lent more than 126 million Euro to charities and other

social mission organisations, reaching at least three million people in the UK. Charity Bank was founded on the commitment to be a different kind of bank. A bank whose ultimate mission was to maximise the impact on society and the environment, rather than to maximise profit.

Growing numbers of people are choosing to save with Charity Bank because they want that their money benefits the world around them, not just themselves. Their investments enable CB to make loans to help hundreds of charities, social enterprises and communities to achieve real change: reaching more people, expanding their services and doing more to tackle urgent social problems.

For the past eight years, Charity Bank has been providing support where mainstream financial institutions refuse to go. They can do this because:

They know their depositors want their savings to do good, and they are not solely motivated by the maximum financial return.

On the loan side, CB gives 'hands on' business support, helping organizations work out what resources or skills they need to secure their future which makes CB's loans successfully repaid

Like Merkur, Charity Bank develops alliances and partnerships with other socially minded organisations. One such partnership is with Regional Development Agency, Yorkshire Forward. With their support, Charity Bank offers a mix of funding and training to organisations in the region to help them grow. Savers can invest in a Yorkshire Deposit Bond, knowing their money will be used for social and environmental projects in the region. Since the launch of this scheme, Charity Bank has helped over 500 organisations in the region.

INAISE also comprises **Venture capital companies:** they invest in equity, either in enterprises or in local financial institutions. This is the case of **SIDI**, France, which takes shares in financing societies mainly outside of Europe. Sidi works with 62 partners located in 28 different countries. These are local associations, financial NGO's, savings and credit unions, and local social banks. Their partners offer credits to micro-entrepreneurs in developing countries. The second arm of Sidi is technical assistance. They reinforce the operational capacities of their partners. Sidi also helps in networking and exchange of know-how so they are an active partner of INAISE in expanding the network.

Smaller but very efficient micro venture capital companies can also be found in France and be a source of inspiration for a lot of local communities.

The **Cigales**, crickets are small investment clubs. They invest in the equity of small companies having social, cultural or ecological aspects. The mechanism is light but strictly ruled. The cricket club is created for a five years period and is composed of 5 to 20 members. Each member decides to invest on a regular basis a small amount (between 15 and 400 euro a month) which is invested in the equity of a collectively selected business. After 5 years the shares are bought back by the enterprise and the members of the club may decide to invest in another business or to take their money back.

Since the creation of the first cricket club in 1983, more than 500 enterprises were supported in their launching phase representing a global investment of about 2 million Euros. In Japan, INAISE member, Citizen bank, is linking investors and small businesses that need investment; their second arm is a partnership with Women's World Banking who provides training for the entrepreneurs. These examples clearly show that a strong link and a strong local rooting increase the impact of finance and give more chance to a project to succeed.

Micro finance institutions in Europe as well as in developing countries. Some of them are specialised in micro credit like Buro (Bangladesh), Stromme Microfinance in Uganda. Others have a specific micro credit programme: Integra in Slovakia, Triodos bank, Mag 2 Finance and Banca Etica in Italy ...

The Integra Venture, in Slovakia, is a network of Community Economic agencies in Central and Eastern Europe. They offer practical and professional help for entrepreneurs to start and grow their business. They provide finance and entrepreneurial training. They also promote ethics and corporate social responsibility. They developed several microcredit funds. Integra works in 6 different countries: Slovakia, Romania, Croatia, Bulgaria, Russia and Serbia. Their branch in Romania is involved in a broader project implemented by Iris network of which INAISE is a member.

Iris is the European inter network of Ethical and Responsible Initiatives regrouping the different families of social economy: responsible consumption networks, responsible finance, fair trade and Social integration enterprises. Together, Iris members are working on a project in Timisoara to develop a resource centre for ethical and solidarity initiative and the promotion and creation of new tools to struggle against social exclusion and poverty in Romania. The role of Integra Romania is to help develop adequate financial tools to support social economy initiatives in Timisoara.

A lot of micro finance organisations exist throughout the world. In Europe most of them are regrouped in the European Micro Finance Network, created in 2003, and the Micro Finance Centre, established in 1997 and which is a network of 104 microfinance institutions in Europe and Central Asia.

It is important not to make confusion between social finance and micro finance, this does not mean that micro finance is not social but most of people think that social finance is something small and very local, which, we have seen through the examples above, is not true. Social/Ethical

finance, including micro finance and micro credit, is a real alternative to the mainstream finance which is more and more disconnected from the real economy. There is a lot to say about micro credit and its excesses, sometimes leading to over indebtedness but I leave this to specialists who already wrote a lot on that topic 2.

Continental and national networks of social finance organizations

Very recently networks of social finance organizations joined INAISE. Going global is more efficient when you can work in close collaboration with partner networks. Networks that joined INAISE include:

KNFP a national network of nine members representing more than 9000 local finance structures in Haiti (solidarity based credit unions and community banks)

Continental networks like Febea in Europe, Forolac (which regroups rural social finance national networks in 13 countries in Latin America), and MAIN with 89 member's institutions in 29 countries in Africa.

How to develop and reinforce the social finance sector?

We have seen that social/solidarity/ethical finance can have different faces, different sizes, even if they respect the same principles. There are a lot of players and initiatives in the social finance sector, in all countries. It is essential to link these different actors to help them to learn from each other, to know each other and to build partnerships and confidence relations.

During the World Social Finance summit organised in Quebec in 2008 INAISE members adopted a common charter and four working groups were launched. The creation of formal groups gives a framework to the collaboration between members.

The groups are:

Sustainable Energies for the South, which aims at creating a fund together with local partners to finance renewable energies in Southern countries. Sidi in France, who has the financial know how and local partners, launched a first pilot project. They financed about 70 solar panels platforms in Senegal for individual or community projects. An agreement with Merkur bank in Denmark will allow them to expand this project and maybe later on to develop a new one in Mali.

Social banks in Inaise: the regulated banks members of Inaise decided to meet regularly to discuss common concerns and learn from their peers facing the same problems (impact of the financial crisis, common criteria to measure the environment impact, Basle regulation etc)

World social finance observatory: the aim of this project is to create a database on who is who in the social finance sector and knowledge data base with surveys, papers and other publications on social finance. They also want to facilitate a dialogue between researchers, practitioners, investors and policy makers in the Social Economy.

Social finance tools for the Asian social economy is a workgroup led by INAISE member in the Philippines CSR SME. The social/sustainable finance picture is never completed but I also have to mention the creation of the Global Alliance for Banking. The Global Alliance for Banking on Values is an independent network of banks using finance to deliver sustainable development for unserved people, communities and the environment. Their activities include supporting the expansion of sustainable finance products and services. It was founded by BRAC Bank in Bangladesh, ShoreBank in the US, and Triodos Bank in the Netherlands. The banks members have to meet three criteria:

- /they are independent and licensed banks with a focus on retail customers
- /with a minimum balance sheet of \$50 million;
- /and, most significantly, they should be committed to social banking and the triple bottom line of people, planet and profit.

The alliance now regroups 13 banks. While developing and growing, the ethical finance sector is also facing real challenges.

- /The challenge of continuity, transfer of knowledge AND values
- /The challenge of specialization
- /The challenge of globalization.

Transfer of values

Social/ethical banks have an annual growth rate of about 20/25% and on the other hand some of them are already 20-30 years old. How can you keep the pioneers' spirit when you have a staff of 300-350 people, when you need to recruit young collaborators who need to have professional skills but in the same time social and ethical finance skills.

In order to find the right people to take over their mission, social bankers decided, to create the **Institute for Social Banking**. The aim of the study programmes and research projects is to equip their own organisations and students to be able to further develop financial services and organisations in social ecological banking. The Institute organises the International Summer School on Social Banking, the third one has taken place in July 2010 in Florence, Italy. They also offer several other seminars.

Challenge of specialisation

Since 1995 several associations/networks have been created. In 1995, French social finance actors founded Finansol. This association gathers social/solidarity finance organisations. A «solidarity finance product» award was created in 1997. At the European level, the micro finance sector has been structured in two networks: East with the creation of MFC (Micro Finance Centre) in 1997 and West with the launch of EMN (European Micro Finance Network) in 2003. In 2001, several members of INAISE, together with other social finance organisations, created FEBEA which aim was to create common financial tools. At the global level, 2007 has seen the launch of FAST (Finance Alliance for Sustainable Trade) which regroups and links fair trade financiers and small and medium enterprises in developing countries. The GABV (Global Alliance for Banking on Values, see above) was created two years later.

It is clear that each new network brings new enthusiasms, a strong involvement of the members, new partners, but the members of these networks are often the same (this remains a rather small world) and the danger is to scatter the scarce (human and financial) resources.

Challenge of globalisation

If we want to really develop another finance, it has to be developed globally. A global change in citizen behaviour will occur if alternative ways to invest and to use the money is available everywhere. Invest locally but think global. Local finance for a local development but keeping a global vision, a global perspective. It is through networks that knowledge can be shared; links of confidence, mutual understanding can be built. Existing networks will need to work together and more closely to avoid dispersion and loss of energy. The diversity of social/ethical finance organisations does not help when one need to work together, this is mainly why specialised networks are born (micro finance on one

side, banks on the other) but diversity also means richness and the gathering of the diversity in a global network, like INAISE can help at the creation of new initiatives or at the reinforcement of existing ones. Where a bank cannot be created a cricket savings account scheme can be launched...

To conclude I would like to say that if people want to support local economy they do not have to wait for someone else to take the lead, they do not have to complain that the authorities are doing nothing. They have to act without waiting. The pioneers who created social finance organisations 30-35 years ago did not wait for a legal framework to help them doing so, they just wanted to be coherent with their ideas and have a grip on their money, they were creative, determined and ready to take risk.

There are now enough successful experiences, especially in Europe, to inspire us: from the smallest Cigale to the ethical bank. Exchange of experiences, networking, «go and see» are some of the success keywords we all need to bear in mind.

Viviane Vandemeulebroucke
June 2011

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Notes

¹ Ecolabel established by an international non-profit, multi-stakeholder organization to promote responsible management of the world's forests. Its main tools for achieving this are standard setting, independent certification and labeling of forest products. This offers customers around the world the ability to choose products from socially and environmentally responsible forestry

² See the work of Jean Michel Servet, author of «BanquierS aux pieds nus, and Benoît Granger and Stefanie Lämmermann, «MFI efficiency and State intervention – what correlation?»

The Non-for-profit Banks in Portugal: specificities, social role and evolution ¹

Ricardo Barradas ²

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RESUMO

Este artigo procura definir as principais diferenças entre a generalidade dos bancos e os dois bancos com atitude não lucrativa que operam no mercado bancário português (Caixa Agrícola e Caixa Económica-Montepio Geral). Encontramos diferenças em termos da forma de captar fundos; em termos dos critérios de governação; do regime fiscal; da aplicação dos lucros; e da atitude em relação ao lucro. A Caixa Agrícola opera de forma mais próxima dos bancos cooperativos do que a Caixa Económica-Montepio Geral. Ambos os bancos têm vindo a modernizar-se e construir grupos financeiros modernos que oferecem uma enorme variedade de produtos e serviços financeiros, semelhantes à generalidade dos bancos. Contudo, isto não foi suficiente para evitar alguma erosão das suas posições no mercado bancário (quer em termos de crédito concedido quer em termos de depósitos recebidos). O impacto da crise financeira de 2008 na rentabilidade da Caixa Agrícola foi semelhante à média do sector bancário. No caso da Caixa Económica-Montepio Geral, o impacto foi menos grave que na média do sector.

ABSTRACT

This paper establishes the main differences between standard commercial banks and the two non-for-profit banks operating in Portugal (*Caixa Agrícola*–CA–and *Caixa Económica Montepio Geral*–CE-MG). In particular, we find differences in the way funds are raised, governance criteria, tax regime, application of profits and attitude towards profit. However, CA is more similar to a typical co-operative/mutual bank than CE-MG. Both banks have modernized and transformed into modern financial groups offering a wide variety of financial products similar to any commercial bank. However, this was not enough to avoid an erosion of their market position in terms of credit and deposits. The 2008 financial crisis' impact on the profitability of CA was similar to the impact on the industry average, whereas on CE-MG the impact was milder.

Introduction

Co-operative banking is an important reality in the EU 15, representing around 14% of the loans and deposits of the banking industry. Its importance comes not only from the numbers but also from its specific business model, which has proved to be resilient to crises. Indeed, in the financial crisis that began in 2008, co-operative banks in Europe had a better performance than standard commercial banks (EACB, 2010). They had lower losses and write-downs and no co-operative bank has been included in nationalisation programs or has been declared bankrupt. Such behaviour has increased the interest on co-operative banks.

This article's main purpose is to improve our understanding of the two non-for-profit banks operating in Portugal, *Caixa Económica Montepio Geral* (CE-MG) and *Crédito Agrícola* (CA), and the particular role they play in the Portuguese banking sector.

Our study indicates that, in recent years, CA and CE-MG have modernized and transformed themselves into modern financial groups, offering a wide variety of financial products similar to any commercial bank. However, this was not enough to avoid some erosion of their market position in terms of credit and deposits.

We were also able to identify that CA and CE-MG share some important characteristics that distinguish them from commercial banks: they are customer owned entities with a democratic control by members; they maximize members/customer value and not exclusively profits; they look for contributing to the economic and social development of the regions where they operate; they retain a larger share of their profits to reinforce capital; they use a larger share of profits to promote social development; and they are also more business conservative. In general, CA is more similar to a typical co-operative/mutual bank than CE-MG, and has also better profitability, efficiency and capital indicators.

On the other hand, in terms of credit growth CE-MG has had a better performance than CA. Also, the 2008 financial crisis' impact on the profitability of CA was similar to the impact on the industry's average, whereas the impact was milder on CE-MG.

The paper is structured as follows. In Section 1 the Portuguese non-for-profit banks are described. Section 2 describes the distinctive characteristics of co-operative and mutual banks in Europe. In Section 3, we look at the differences between non-for-profit banks and profit-oriented commercial banks in the Portuguese banking system. In Section 4, we describe the recent evolution of non-for-profit banks against the background of the Portuguese banking sector and the European co-operative banking sector. Finally, Section 5 concludes.

Brief description of the Portuguese non-for-profit banks

As we have just seen, there are two non-for-profit banks operating in Portugal: *Crédito Agrícola* (CA) and *Montepio Geral* (MG). Both banks are in the top ten of Portuguese banks: MG is the 6th bank in terms of assets and CA is the 9th. These two banks are non-for-profit in the sense that their prime goal is not to maximize profits with the aim of distributing them to their owners (like is the case with all other banks operating in Portugal, including *Caixa Geral de Depósitos* whose owner is the State). In the case of CA, when it does generate profits these are mostly used to increase its capital base. On the other hand, MG gives most of its profits to the Association who owns it and the remainder is likewise used to increase its capital base. The proprietor of MG uses the received profits to support a range of socially oriented activities such as nursing homes for the elderly and health facilities.

CA is a co-operative bank originally oriented for credit to the primary sector. Co-operative banks are financial entities that belong to people who are at the same time the owners and the customers of their bank. These people are named «members».

MG is a bank owned by a mutual association—MG *Associação Mutualista* (MG-AM). Mutual associations assist and protect their members against several risks, upon payment of a regular contribution. In particular, they manage funds set up by «quotas» and contributions of their associates, using them to protect their future—and that of their family members—through assistance or monetary compensations.

We next summarize the main features of these two banks.

Crédito Agrícola

The *Crédito Agrícola* group, or in short CA, is a medium sized Portuguese financial group composed by a centralized coordinating body (*Caixa Central*), several local small banks (*Caixas*) and specialized firms. The largest *Caixa* comprises only ten local administrative departments (*municípios*). Both the *Caixa Central* and the local *Caixas* have the legal form of co-operatives. During the past two decades, *Crédito Agrícola* underwent a process of reorganization whereby a network of autonomous local *Caixas* concentrated on receiving deposits and making loans preferentially to the primary sector was transformed into a medium sized financial group offering a wide variety of financial products and services, including insurance, mutual funds and consulting services. The CA group includes companies specialized in supplying services needed by the *Caixas*, allowing for considerable savings for the group. To potentiate this, in 1998, a unified computer network was created linking the whole group, *Caixa Central* and local *Caixas*. The existence of the *Caixa Central* also permits exploring scale economies in terms of marketing, creating a unified image at the national level.

Caixa Central is 100% owned by the local *Caixas*. Its role is to work as their guide, to monitor and control their supply of loans and to represent them in negotiations with regulators. There is a system of mutual responsibility between the *Caixa Central* and the local *Caixas* which makes possible that the same capital and liquidity legal requirements be subject to regulatory control in consolidated terms (*Caixa Central* plus *Caixas*). This means that some local *Caixas* may not fulfil the legal requirements as long as the group as a whole does. The *Caixa Central* also manages the branches network in the two largest cities, Lisbon and Oporto. In 2009, the *Caixa Central* represented around 15% of the financial margin of the overall group (*Caixa Central* plus local *Caixas*).

The CA system, composed by *Caixa Central* and local *Caixas*, has a deposits guarantee fund, for which local *Caixas* have to make larger contributions than a commercial bank has to make to the similar fund managed by the Central Bank. This ensures that the *Crédito Agrícola* Guarantee fund has a better coverage than the general fund for commercial banks.

The *Crédito Agrícola* deposit guarantee fund also has the role of offering loans for the financial recovery of local *Caixas*. This occurred specially between 1991 and 2002, a period characterized by the restructuring of many local *Caixas* in financial difficulties, which implied the merger of many of them. In recent years, the mergers of neighbouring local *Caixas* have been driven more by the search of scale economies allowing, for example, saving resources in the fulfilment of supervision requirements.

Originally, the *Caixas* were created to make loans to the agricultural sector and rural communities. To obtain a loan, one had to be an Associate of the local *Caixa*. To become an Associate, one had to pay a very small—symbolic—amount, named «quota», and to develop activities related

to the primary sector, including agriculture, forestry, cattle raising, hunting, fishing, aquaculture, agro-tourism, handicraft, extractive industries, as well as service activities linked to the primary sector such as the commercialization of agricultural goods and agricultural inputs. Nowadays, the criteria to become an Associate of a local *Caixa* are less stringent, allowing almost everybody to become an Associate.

Since 2009, the local *Caixas* are allowed to supply to their Associates most of the financial services that a standard bank is allowed to supply. The local *Caixas* can also supply credit to non-members up to 35% of their assets (or up to 50% upon authorization of the *Caixa Central*). So, although credit to the primary sector is their main vocation, the local *Caixas* can supply any type of loan or other financial product to almost any type of customer.

Crédito Agrícola's main strength is its deep knowledge of local rural communities and the fact that decision-making is faster, because it is made at the local level too. In the banking sector, more than in any other sector, knowledge and trust are key factors. Banks need to *know and trust* their customers in order to decide whether or not to make loans to them. Individuals and organizations, for their part, need to *know and trust* their bank before deciding whether or not to make deposits in it. Therefore, just as big European banks find it difficult to gain share in the Portuguese banking market—because of matters of knowledge and trust—so do the big Portuguese banks find it hard to compete with CA at the local, rural, level.

In recent years, CA has been trying to apply the same knowledge and proximity-based strategy to companies and households in urban centres. Local families, local trade and small companies are the main target. Success in this is difficult to measure, but we hypothesise that this strategy has been more successful in small urban centres.

Montepio Geral

Montepio Geral—Associação Mutualista (MG-AM) is a mutual association established in Portugal since 1840. It is a private non-for-profit entity that seeks the development of social protections schemes and health and social facilities in order to improve the quality of life of its members—mutual associates—which have to make a regular contribution to the association. In 1974, it was recognized by the Portuguese government as a Private Social Solidarity Institution (PSSI) and, as such, it pursues mutual aid in the interest of its members, developing an effective response at the level of solidarity and complementarity with the public systems of health and social security. MG-AM owns the bank *Caixa Económica—Montepio Geral* (CE-MG).

The associates of MG-AM have a set of advantages. At the level of social protection schemes, the MG-AM offers, with special conditions in relation to non-associates, mutual products, which are essentially saving and retirement products, health and life insurance. These products offered through CE-MG and other group' firms may receive an additional return, depending on the results of MG-AM, as decided by the annual General Assembly of associates. Associates also have access to loans given by MG-AM itself as long as they are supported by the capital and mathematical reserves of their own saving and insurance products. Besides, the associates benefit from special conditions, namely better interest rates in credit for home purchase and personal credit given by the CE-MG.

Simultaneously, there is a common Solidarity Fund, constituted through small voluntary individual contributions, which protects the members and their families in the event of death or disease. The association also owns nursery homes for the elderly and provides home support to elderly associates. There is also the promotion of initiatives contributing to the cultural and social development of employees and mutual associates, such as the organization of trips, courses, conferences, and competitions.

MG-AM also has an important role towards non-associates. Regarding health and social facilities, examples of social aid given by the Association are the donations in areas like health, social solidarity, education and training in cases where a substantial degree of exclusion and social vulnerability are identified.

Simultaneously, MG-AM has been participating increasingly in community programmes and lines agreed upon with different government bodies (such as the ADENE, IAPMEI, BEI, IEFP, REAPN, and others), under which it has supported investments in industry, services, tourism, energy and infrastructures. This aims to create the right conditions for the country's sectorial and regional economic development, for job creation and, on a smaller scale, stimulates entrepreneurship and the creation of self-employment for the jobless.

MG-AM's stake in partnerships and agreements focused on Small and Medium Enterprises and social economy institutions is a proof of the importance that it lends to initiatives promoting citizenship, social inclusion, innovation and entrepreneurship as tools for fostering sustainability and integrated development. The values promoted by MG-AM are altruism, humanism, protectionism, sharing, solidarity and fraternity.

MG-AM is part of *União das Mutualidades Portuguesas*, an association that aggregates about eighty private mutual associations, representing about 44% of the mutual associations and over 90% of the total Assets of the mutual associations in Portugal. MG-AM is also affiliated with the *Association International de la Mutualité* (AIM), which represents most mutual associations of the world, including some mutual banks, like *Credit Mutuel* (in France) or *Banca Monte dei Paschi di Siena* (in Italy).

MG-AM is the largest mutual association in the Iberian Peninsula and one of the largest in Europe, with over 489.000 Associates and €2.8 billion in Assets in the end of the first semester of 2011.

In 1844, to help further its activities, MG-AM created the bank *Caixa Económica de Lisboa*, which became the first and unique financial institution to operate on a strict mutual basis in Portugal. In 1991, *Caixa Económica de Lisboa*, was renamed to *Caixa Económica Montepio Geral* (CE-MG), which is fully owned by MG-AM. CE-MG serves the banking needs of the MG-AM members and generates funds which are used by MG-AM to develop its activities. CE-MG was created essentially to serve mutualism aims, offering mutual banking products, attracting retail savings, granting credit facilities and offering banking services to MG-AM's members. The mutual products offered by CE-MG are essentially saving products, namely for retirement, and health and life insurances.

Under Portuguese law, CE-MG is a «*Caixa Económica*», which makes it different from other commercial banks. Originally, this type of bank had a limited range of activities, focusing in attracting deposits and making housing mortgage loans. This justifies why at the end of the twentieth century, CE-MG already had a remarkable position in the housing and construction credit market. Nevertheless, over the last decade, CE-MG, together with its subsidiaries, evolved from a pure and specialized mortgage credit institution, into a diversified financial group, providing full scale banking products and services to its clients. In parallel, CE-MG started a portfolio diversification strategy, aligned with a better focused risk management, benefiting from the growth of its branch network, the launch of an IT modernization program and the enlargement of the *Montepio* Group. The acquisition of *Finibanco* Financial Group in 2010 may give an important contribution to develop the differentiation, the diversification and the competitive ability of CE-MG.

CE-MG is a universal retail bank that holds the sixth place in the Portuguese banking market and, as financial arm of the MG-AM, is absolutely essential in the proliferation of mutualism, in several ways. Firstly, the CE-MG is the

fundamental piece of MG-AM, since it allows the association to offer to associates a large range of financial products for the protection of savings, social and family risks, and credit for the acquisition of homes and further education.

Secondly, MG-AM tries to recruit CE-MG banking customers as mutual associates. To persuade them, it offers not only its social and health facilities, but also special pricing on CE-MG products. Note that anybody can be a CE-MG customer without being a member of MG-AM, but the reverse is not allowed. In fact, anyone who wants to become a mutual associate of MG-AM must meet all the following requirements: pay the initial registration; pay a monthly fee; open a bank account at CE-MG; and subscribe at least one mutual banking product.

The CE-MG preferential positioning in the Social Economy is also important for the promotion of the values of solidarity that characterize mutualism. Among the bank's priorities is the support of projects that promote a better quality of life for children, youth, elderly and disabled citizens. A good example of that is the provision of microcredit, which aims to promote self-employment and social and economic inclusion. CE-MG has also a natural understanding with social economy institutions. This is translated in the offering of a variety of products and special agreements designed for the specific needs of Private Social Solidarity Institutions-with specific prices and conditions. These tailor-made products include, for instance, products for the management of short-term funding needs or insurance contracts. Despite this specialized offer, the credit to non-for-profit organizations was in 2007 only 0.1% of the total credit of CE-MG and 0.25% of the credit to firms.

In the context of fierce competition in the banking sector, one reason why CE-MG manages to remain attractive is the above mentioned facilities and special conditions that MG-AM provides to its associates.

Some differences between **Caixa Económica-MG and Crédito Agrícola**

From what was said, it is clear that CE-MG and CA share some characteristics—which we will describe in more detail in the next Section—, but they have also some differences, which we describe next. Firstly, MG-AM, using the CE-MG, aims to provide to their associates assistance and support in a broad sense: human, social, financial, among others. Instead, CA is more focused on providing a wide range of financial services and products.

Secondly, CE-MG is not directly owned by MG-AM individual associates, but instead by MG-AM itself. In the case of *Crédito Agrícola*, members are both owners and customers of the bank.

Thirdly, while CE-MG is a bank with a centralized structure, CA has a pyramidal structure, with local autonomous *Caixas* that are headed by the *Caixa Central*.

Finally, when we look at the loans portfolio, we find that MG is more specialized in credit to families, while CA is more specialized in credit to firms. Indeed, in 2009 credit to families represented 67.4% of total credit in the case of MG and 50.1% in the case of CA (53.9% for the sector, on average). In contrast, the credit to firms represented 32.6%, 50.1% and 46.1% of total credit for MG, CA and the sector, respectively (Table 1).

Table 1
Composition of credit portfolio in 2009 (%)

	CA	CE-MG	Sector
Firms	49.9	32.6	46.1
Families	50.1	67.4	53.9
Mortgages	26.4	58.3	42.9

Source: *Associação Portuguesa de Bancos* and Banks' Annual Reports.

Brief characterization of mutual and Co-operative Banks in Europe

In this section, we look at the experience of mutual banks and Co-operative banks in Europe. Before entering in the description of co-operative and mutual banking, we describe in general the differences between a co-operative and a mutual association, following Demers (2008). Both type of organizations share many characteristics and seek the mutual aid of its members, with the differences being essentially on details.

A co-operative is an organization owned and democratically-controlled by its members that looks for meeting specified common needs. A mutual organization manages democratically voluntary insurances for members. They make a regular contribution to the mutual fund and in exchange receive agreed benefits.

Co-operatives and mutual organizations share the same values: mutual self-help, democracy, equality, equity and solidarity. In terms of principles, both organizations are based on voluntary and open membership, democratic control by members and share a concern for the community. A distinctive principle of co-operatives is the member's economic participation in organization's activities.

In relation to objectives, mutual organizations are more focused on collectively managing risks, while co-operatives are more concentrated in meeting specific member's needs. Another difference is that co-operatives may distribute a patronage dividend, while in mutual organizations that does not occur.

There are other differences between those organizations, namely regarding the applicable legislation, regulatory authorities, members' representation and decision-making process. With respect to the latter, in co-operatives the Annual General Meeting (AGM) can take decisions on the future of the organization, which must be followed by the board of directors. In contrast, in mutual associations the decision power is concentrated in the board of directors, competing to the AGM to elect the board and define internal statutes and laws.

After comparing co-operatives and mutual organizations in general, next we characterize co-operative and mutual banks. When the first of such organizations appeared in the XIX century in Germany the purpose was to create an alternative both to those with lack of access to financial services and to those who were being exploited by usurers charging unbearably high interest rates. Regarding their origins, these banks can be grouped in two broad groups. On the one hand, some banks have been created to provide credit to people of limited income, in which case tend to be more specialized in mortgage credit. On the other hand, some of those banks have been created to provide credit to a particular field of activity, with the goal of developing it. Deposits were received mainly from members of the profession and credit was given mainly to small businesses and firms on that activity.

In the first group are included mainly mutual banks. Their original goal was to stimulate savings by individuals, through the protection of deposits and the provision of an attractive interest rate for depositors. Additionally, they also made mortgage loans at affordable rates and other secure investments.

Mutual banks were built from the start to target a broad range of the population, with an emphasis on the protection of social risks. On this regard they differ from co-operative banks, in which case historically members shared some interests and characteristics like trade, profession or belonging to the same local community. But nowadays, co-operative banks have evolved from serving a restrict community of members with common characteristics, and sometimes specialized in some types of credits, to large universal banks. In the present co-operative banks have a strong presence in France, Germany, Italy and the Netherlands. In opposition, mutual banks have declined in number and market share in the late 20th century, becoming globally less significant than co-operative banks.

From what was said, the historical origins of co-operative and mutual banks are slightly different. Nowadays, despite some small differences, both type of banks share many characteristics, which we describe below (EACB, 2010; Fonteyne, 2007).

Firstly, they are customer owned entities. Co-operative and mutual bank members are both owners and customers of the bank, with customers having influence over the management. As a consequence, the first aim of a co-operative bank is not to maximise profit, but to provide the best possible products and services to its members. They focus on their members' needs with a long-term perspective. While commercial banks maximize profits, co-operative banks maximize members/customers welfare. Profit is a necessary condition to guarantee an institutions' stability, but it is not the main goal (Groeneveld and Sjauw, 2009). In the case of non-for-profit banks, the goal is to offer their members high quality services at the lowest possible cost. This helps explain why co-operative banks usually show a smaller profitability than commercial banks. However, in Western European countries co-operative banks operate more cost efficiently than commercial banks (EACB, 2010).

Secondly, co-operative and mutual banks have democratic control by members. Co-operative and mutual banks are owned and controlled by their members, who democratically elect the board of directors. Members usually have equal voting rights, according to the co-operative principle of «one person, one vote». They are characterized by a democratic governance scheme, with an involvement of their members in decision-making in matters defined by the statutes of each bank. A consequence of the specific ownership structure and governance of co-operatives and mutual associations is that they are basically immune to a hostile takeover by another bank.

Thirdly, both mutual and co-operative banks tend to have a pyramidal structure. At the local level, the local banks control the various branches; at the national level, there is an organization that acts as a bank of the local organizations, offering clearing facilities, pooling funds to lend to local banks, sharing back-office functions, like a payment system. In some countries, like France, there is an intermediary regional level.

Fourthly, co-operative banks usually have internal deposit guarantees schemes. They have institutional protection schemes that amount to solidarity between local independent banks. This guarantees the deposits of members in case of failure of one local bank. Some local co-operative banks have a small dimension, which may inspire in clients less confidence on their financial stability, especially in times of crisis. However, this is mitigated by the solidarity network between local co-operatives.

Fifthly, profit allocation is different from commercial banks. In a co-operative bank, a significant part of the yearly profit is usually allocated to constitute reserves. This helps explain why they are well capitalized in general. A part of their profit can also be distributed to the co-operative members, with legal or statutory limitations in most cases. Profit is usually allocated to members either through the use of the co-operative's products and services, or through an interest or a dividend, which is related to the number of shares subscribed by each member.

Sixthly, co-operative and mutual banks are predominantly domestically and retail oriented and they are strongly attached to the local economies. Their clients are typically individuals, households and Small and Medium Enterprises. They have dense branch networks that allow them to be close to customers. The decision centre is closer to the clients, allowing a better knowledge of the local economy and a faster decision process. This together with the democratic process

inside the co-operative or mutual association contributes for a better satisfaction and trust of clients. Non-for-profit banks have a strong traditional position in attracting local deposits. Sometimes what attracts customers is vicinity or the financial stability of those institutions that are seen as safer than market-oriented banks. But there are also emotional factors associated with different business principles more focused on non-financial performance indicators. Proximity to customers—including physical branches in remote regions—, intervention at the local level and ability to work with small profit margins are key features of the European co-operative and mutual banking model.

Finally, co-operative and mutual banks tend to be more conservative than other banks. They mainly follow the traditional approach to intermediation characterized by originate to hold, in detriment of the business model based on selling commoditized credits. Another aspect of their conservatism is that they tend to have a stronger capital base than commercial banks. There are several reasons for this: (i) they add a larger portion of profits to reserves because of their low pay-out ratio; (ii) they have more limited options to quickly raise capital; (iii) and in some European countries they are subject to tighter legal requirements. It can thus be argued that, despite their lower profitability, financial co-operatives make a positive contribution to the stability of the national financial sectors, because of their strong capitalization, more prudent risk management and lower returns volatility (Hesse and Cihák, 2007).

Crédito Agrícola and Caixa Económica – Montepio Geral compared to commercial banks: main characteristics and economic performance

In this section we look at the main dimensions where CA and CE-MG differ from standard banks and their implications on the banks' economic performance. We start by looking at the way capital and funds are raised. Then, we look at the banks' governance and tax regime. Afterwards, we examine how profits are allocated. Finally, the attitude towards profit and social development is also highlighted.

The way funds are raised

In standard, non-financial companies, the sources of funds available are the following: (1) money injected by the owners of the company; (2) retained profits; (3) loans from suppliers; (4) loans obtained by issuing bonds (securitized loans); (5) loans obtained from commercial banks (bank loans). The money raised using the first two of these sources is called the «capital base» of the firm, because it corresponds to the money that was put in by the owners of the company plus the money generated by the activities of the company itself.

In the case of standard commercial banks, along with the previous five, there are two additional sources of funding available: loans obtained from the central bank and deposits made by customers, irrespective of whether it is in current accounts or savings accounts. In this regard, CE-MG and CA are not different from other banks. It is only relevant to highlight that in CA, its pyramidal structure assigns a special role to the Central *Caixa* in the financing of local *Caixas*. The Central *Caixa* accepts deposits from the local *Caixas* and deposits from clients. On the other hand, the Central *Caixa* has access to interbank markets and financial markets in general (which are not accessible to the local *Caixas*). The money raised in this way and received from local *Caixas* with surplus, can be used to finance local *Caixas* with a deficit of money.

Comparing with standard commercial banks, the two non-for-profit banks under study present a ratio deposits-to-liabilities considerably larger than the sector's average, showing their strong position in raising funds through deposits (Table 2). This is one reason why CE-MG and CA on average between 2004 and 2010, had a lower cost of obtaining funds (an average financing rate 1.4 p.p. lower than the sector's average-Table 2).

In the turbulent conditions of the market in 2010/11, the strong deposits base was a strategic asset, since banks were facing difficulties in obtaining funds in the interbank and other financial markets. Note that CA's deposits have been under attack by other banks, as shown by the fact that in 2010 the deposits of CA have decreased 1.3% against an increase in the sector of 3.9% (Table 2).

Next, let us focus on the way the non-for-profit banks raise capital. Since they do not issue shares in the stock market, they only raise funds through the injection of money by their owners and by retaining profits.

Regarding CE-MG, profits are used to increase the capital base of the bank and to finance the acquisition of other financial companies. The MG-AM individual members do not contribute directly with capital for the bank. They only have an indirect impact on capital through quotas paid to MG-AM and subscription of mutual products at CE-MG.

Turning now to CA, the *Caixas* can raise capital through the admission of new members (which have to subscribe at least €500 of capital shares), the subscription of additional capital shares by existing members and by incorporating reserves (obtained essentially from past profits).

Table 2
Average interest rates and deposits (%)

	2004-07	2008-10	2004-10
Deposits /Liabilities			
Sector's average	45.1	41.6	43.6
CA	93.9	86.1	90.6
CE-MG	56.5	55.5	56.1
Average loans rate			
Sector's average	5.3	5.1	5.2
CA	5.4	4.7	5.1
CE-MG	4.5	5.0	4.7
Average financing rate			
Sector's average	3.9	3.9	3.8
CA	2.0	1.9	1.9
CE-MG	2.7	3.4	3.0
Deposits growth rate			
Sector's average	8.6	5.3	6.9
CA	6.5	2.8	4.6
CE-MG	3.7	6.1	4.9

Note: Average loans rate = Interests received / Financial Assets, Average financing rate = Interests paid / Financial liabilities. Source: authors' calculation from data of *Associação Portuguesa de Bancos*.

Regarding the numbers, CA has a much stronger capital ratio than the sector's average: in 2007, the Tier 1-Capital ratio was 11.6% for CA and 7% for the sector. By contrast, CE-MG does not have a stronger capital base than other banks: its Tier 1 Capital ratio was 6.92% in 2007. One reason why CE-MG's capital ratio was smaller than CA is related with its stronger credit growth.

Governance criteria

We just saw how funds are raised in CA and CE-MG. The way the management applies these funds is closely controlled by the associates, namely in the *Caixas*, due to their small dimension and local presence. Transparency is required by the associates who follow closely and with interest all activities the bank is involved in. In this, these banks differ from standard banks where shareholders are more distant from the everyday management decisions. Also, in CE-MG and CA the ownership of the bank is dispersed through many small owners, whereas in commercial bank sometimes there is a more concentrated ownership structure. In co-operative banks the moral hazard problems between owners and depositors, and owners and borrowers are mitigated since sometimes they are the same person, according with Coco and Ferri (2009). The same authors suggest that the asymmetry of information in the lending process is also reduced by the network of linkages between members/borrowers.

Tax regime

After raising and applying funds, profits are generated and taxes have to be paid. Tax regimes applied to CA and CE-MG are different. On the one hand, CA lost most of the fiscal benefits and tax exemptions it benefited from in the past. This occurred in parallel with the process of being allowed to develop a growing range of activities and supply an increasing number of financial products. Nowadays, CA fiscal framework is almost similar to standard commercial banks.

In contrast, CE-MG's social role in the development and the consolidation of the Social Economy and the Third Sector is recognized by the Portuguese government, who grants to it a regime of tax exemption. As a result, CE-MG has benefited from an exceptional regime of exemption in the payment of some taxes, included the Income Tax, according to the Portuguese law (article 8 of the Decree-Law

119/83, dated February 25th; article 1 of the Law 151/99, dated September 14th; and article 10 of the Corporate Income Tax Code). This situation has intensified the tensions between CE-MG and the other Portuguese banks, who claim this creates unfair competition. In the current context of fiscal consolidation, imposed by the international organizations (IMF, UE and ECB), there are some risks that these benefits could end soon.

The way profits are allocated

In accordance with their co-operative and mutual principles, CE-MG and CA use profits predominantly to increase their capital base and promote social activities (the latter is more typical of MG than of CA). Only very recently, did CA start to use a (small) part of its profits to remunerate members' capital shares.

The Statutes of *Montepio Geral* clearly state—in article 36—that at least 25% of net earnings must be used to increase the capital base of the bank (at least 20% in the form of so called «legal reserves» and at least 5% in the form of «special reserves»). The remainder—i.e., an amount which will tend to be close to 75% of net earnings—is transferred to the Association that is the sole owner of the bank.

Specific proposals regarding the allocation of profits are made each year by the Executive Board of the bank and must be approved by the MG-AM General Assembly of members. This assembly includes all who have been active members of the Association for at least the previous two years (each member has one vote).

As already mentioned, the Association uses the money received from its bank to promote several activities which are socially oriented in nature and benefit members and sometimes non-members of the Association.

We can thus say that the end goal of CE-MG is to generate profits that are partly used to strengthen the bank itself but also used to support and promote social activities.

Turning now to CA, after the legislative change of 1995, the *Caixa's* statutes allow the distribution of profits to members, but only after compensating eventual negative past results and the constitution of compulsory reserves. The distribution of profits is done by increasing the value of members' capital shares or increasing their deposits. Notice that only in the latter case does money get out from the *Caixas*. Profits not distributed to members are used to reinforce the bank's capital.

Since 2007, in order to attract more members and because the minimum capital share of each member was raised to €500, a large number of *Caixas* has distributed profits to remunerate capital shares. Sometimes the capital remuneration assumes the form of interest, since some *Caixas* have raised capital selling capital shares paying interest. Between 2007 and 2009, on average, 3.9% of the profits were distributed to members, and before 2007 there was not the practice of remunerating the members' capital.

Regarding the *Caixa Central*, even though it is legally possible, it never distributed profits to its capital owners, the local *Caixas*, because all profits have been used to cover past losses linked to capital injections in some problematic local *Caixas*.

After strengthening their capital base, CA also uses a part of its profits to help social institutions and the development of the local economy. For example, CA group has distributed around €12.5 million (3.2% of total profits) to social institutions, between 2006 and 2009. We may summarize by saying that, in CA around 93% of profits have in the past been used to reinforce the capital base. Due to this, CA is a very well capitalized bank, having currently a «core tier 1» capital ratio of around 12%, well above the legal requirement.

Attitude towards profit and social development

We have seen above that CA and CE-MG apply profits in a different way from commercial banks. But the differences between them are even deeper, since the two non-for-profit banks, unlike commercial banks, do not have as prime objective to maximize profit. Instead, fulfillment comes from strengthening the bank itself; securing the jobs of the people who work in it; and contributing to the economic and social development of the regions where they operate. They work for the community—for their own employees and for the consumers and small trade and businesses—not for the markets. Therefore, they do not need to pursue speculative and risky approaches to the banking business. The only profits they need are those to increase their capital base (whenever necessary or advisable). This allows them to work with small profit margins.

The fact that CA and CE-MG follow a less risky business model can be seen in the fact that the two financial institutions are more specialized in retail banking, especially CE-MG. Indeed, they have a ratio credit-to-assets larger than the sector's average, implying that credit activity is relatively more important for them (Table 3). In other words, the assets associated to trading activities and the financial assets own until maturity are less important in their balance sheets than in standard commercial banks.

Table 3
Credit-to-assets (%)

Credit / Assets	2004-07	2008-10	2004-10
Sector's average	62.5	60.8	61.1
CA	71.7	67.6	70.0
CE-MG	87.2	86.4	86.9

Source: authors' calculation from data of *Associação Portuguesa de Bancos*.

Incidentally, a less aggressive attitude towards profit gives CE-MG and CA an advantage over competitors—because it allows them to charge lower prices for the services they provide. Indeed, when we look at the average loans rate of the non-for-profit banks in the last years it has been slightly smaller than the sector’s average: 4.7% for MG, 5.1% for CA and 5.2% for the sector (Table 2). Please note that this is a rough comparison since it does not take into account differences in credit composition across banks.

Despite the fact that both banks tend to work closely with local communities, the two have differences in their regional presence. Compared with CE-MG or other commercial banks, CA has an advantage in serving local economies, because it is a decentralized group, where local *Caixas* have autonomy of decision. Regarding the geographic coverage of the branch network, CA has a branch share around two times its deposit share: in 2010 it was 11.1% and 5.1% respectively (Graph 1 and Table 4). By contrast, CE-MG has a branch share similar to its deposit share: in 2010 it was 5.3% and 5.1% respectively. It can then be concluded that CA’s branch network is much wider, i.e., much closer to the customers than CE-MG’s network. The fact that CA has a much larger branch network than CE-MG does not imply a smaller operational efficiency, as we will see below.

In addition, CA tends to locate its branches more in inland regions (*Beja, Bragança, Castelo Branco, Évora, Guarda, Portalegre, Vila Real* and *Viseu*) than the other banks (Table 5). When we look at the distribution of banks’ branches across regions, CA tends to have a proportion of branches in inland regions larger than the sector’s average (on average 2.4 percentage points (p.p.) larger), while CE-MG has slightly less representation on those regions than the average (on average minus 0.5 p.p.). In 250 small villages, a CA branch is the only contact that populations have with the financial system. Naturally, the over-representation of CA

in inland regions is also related with its deep genetic connection with primary sector activities. Finally, the fact that CA is over-represented in inland regions, which have higher saving rates than the average, facilitates the attraction of deposits.

Table 4
Banks’ Branches

	2004	2007	2009	2010
Number of branches				
Sector’s average	5312	5977	6186	6240
CA	616	644	682	691
CE-MG	297	300	326	329
Branches market share (%)				
CA	11.6	10.8	11.0	11.1
CE-MG	5.6	5.0	5.3	5.3

Source: authors’ calculation from data of *Associação Portuguesa de Bancos*.

It may be asked if the close connection and knowledge of the local economy possessed by CA does translate into a better capacity to manage credit risk. It might be argued that co-operative banks like CA have an advantage in dealing with asymmetric information that arises from the fact that borrowers are often also members and there is a network of linkages between members/borrowers, which facilitates the cross monitoring and creates a stigma in case of default. In order to confirm if these theoretical arguments do effectively translate into an advantage, we looked at the ratio of non-performing loans to total loans and observed that the non-for-profit banks have a ratio higher than the sector’s average, with CA having the worse performance on this respect (Table 6). But while from 2006 to 2009 the average ratio of the sector has increased 1.5 p.p. and CE-

MG's ratio increased 1.4 p.p., CA's ratio registered a slight decrease of 0.2 p.p. This shows that structurally CA has a worse position regarding credit quality, but has been able to manage credit risk in a more efficient way during the last years of economic crisis. Overall, the closer connection of CA to local economies does not seem to translate into better credit risk's indicators, probably due to other factors such as the characteristic of the local economies in which CA is located (more economically depressed regions), or the composition of its credit portfolio (credit to more risky firms). It is interesting to notice that in CE-MG, Social Institutions were in 2007 the group of clients with lower ratio of non-performing loans: 0.9% that compares with 2.7% for private firms (*Montepio Geral*, 2007).

Table 5
Regional distribution of branches in 2009

Inland Regions	Regional distribution of branches (%)			Difference towards the sector (p.p.)	
	CA	CE-MG	Sector	CA	MG
Braga	4.3	0.3	1.5	2.8	1.2
Bragança	3.7	0.9	1.4	2.2	0.5
Castelo Branco	3.1	2.8	1.9	1.2	0.9
Évora	5.1	2.1	1.9	3.2	0.2
Guarda	3.8	1.2	1.6	2.2	-0.4
Portalegre	4.0	0.6	1.3	2.7	-0.7
Vila Real	3.8	0.6	2.0	1.8	-1.4
Viseu	6.5	2.1	3.3	3.2	-1.1
Average	-	-	-	2.4	-0.5

Source: authors' calculation from data of *Associação Portuguesa de Bancos*.

Table 6
Ratio of non-performing loans (in %)

	2006	2007	2008	2009	Change	Change
					2006/09	2008/09
Sector's average	1.7	1.6	2.2	3.2	+1.5 p.p.	+1.0 p.p.
CA	4.7	3.9	4.3	4.6	-0.2	+0.3
CE-MG	2.3	2.3	2.8	3.8	+1.4	+1.1

Note: it includes the credit to firms and families.

Source: Banks' annual reports and *Boletim Estatístico* of the *Banco de Portugal*.

Apart from been more connected to the local economies, they are also more domestic market oriented, having an international presence smaller than other Portuguese banks. This makes them more vulnerable to a negative evolution of the Portuguese economy.

Economic and financial performance

When the financial position of CA and CE-MG for the period 2004-2010 is analyzed, many of the above assertions are confirmed, but there is some specificity in each bank. Firstly, as expected, the non-for-profit banks have a ROE (Return-on-Equity) smaller than the average of the sector. But while the profitability of CA (12.6%) is only slightly smaller than the average (13.8%), the profitability of CE-MG is three times smaller than the average (6.8%) (Table 7). The lower profitability of CE-MG and CA is associated with a lower standard deviation of the ROE: 5.6%, 2.2% and 7.1% for CA, CE-MG and the sector, respectively. This is an indicator that non-for-profit banks have a less risky business model.

Table 7
Main financial indicators (%)

	2004-07	2008-10	2004-10
ROE			
Sector's average	17.2	9.3	13.8 (7.1) ¹
CA	15.9	8.1	12.6 (5.6)
CE-MG	8.5	4.6	6.8 (2.2)
ROA			
Sector's average	0.7	0.4	0.5
CA	1.3	0.7	1
CE-MG	0.4	0.2	0.3
Capital Ratio			
Sector's average	5.6	5.5	5.5
CA	7.9	8.2	8.0
CE-MG	4.8	5.4	5.0
Cost-to-income			
Sector's average	58.3	54.1	56.5
CA	56.5	60.7	58.3
CE-MG	62.6	58.7	60.9

Note: ¹ – standard deviation in brackets. To compute the ROE and ROA we used the results before taxes. The capital Ratio is not the regulatory capital ratio. Cost-to-income= Operational costs / Banking Product. Source: authors' calculation from data of *Associação Portuguesa de Bancos*.

The picture is slightly different for the ROA (Return-on-Assets) (Table 7). CE-MG is still presenting a ROA below the average, but CA has a ratio more than two times larger than the sector's average. However, in 2009 there was a sharp decrease in CA's ROA, which is justified in its Annual Report by the decrease in the Euribor. Given that CA has traditionally a lending position on the interbank market, the decrease in the Euribor meant a strong decline in returns. In general, the reason why CA has a ROA larger than the sector's average but a ROE smaller than the sector can be found in the fact that its capital ratio is considerably larger than the sector's ratio. But the same reason does not explain why CE-MG has a ROE smaller than the sector, since its capital ratio is below the sector's average.

Regarding operational efficiency, we found that the cost-to-income ratio of the two non-for-profit banks is larger than the average of commercial banks, with CE-MG presenting lower efficiency than CA. Between 2004-2010, the ratio for the sector was 56.5%, for CA was 58.3% and for CE-MG 60.9% (Table 7).

From the previous data, it can be inferred that CE-MG and CA, despite the fact that both are non-for-profit banks, have a very different position in relation to the sector. On the one hand, CA presents some dimensions where it is better than standard commercial banks, such as ROA and capital ratio, being only slightly less efficient. On the other hand, CE-MG seems to be an under-performer on the three aspects presented. However, CE-MG has had a better performance than CA in terms of credit growth (Table 9).

In sum, in line with Ory et al. (2006) for France, our analysis of the Portuguese non-for-profit banks indicates, especially regarding the CA, that co-operative and mutual banks are not inefficient and condemn to disappear.

To finalize, above it was observed that CA has a better position than commercial banks regarding some financial indicators, namely concerning the ROA and capital ratio. It is possible to conjecture some reasons why that non-for-profit bank has such a financial performance. Firstly, it is located in locals where there is less competition and it exist a large pool of savings, which allow him to have a large deposit base. Secondly, CA is strongly rooted in the local economy and society, is closer to customers, has a decentralized and democratic decision process, and is seen as a safe institution. This allows CA to better respond to the preferences of local customers and earn their trust, and at the same time develops a better understanding of their credit risk.

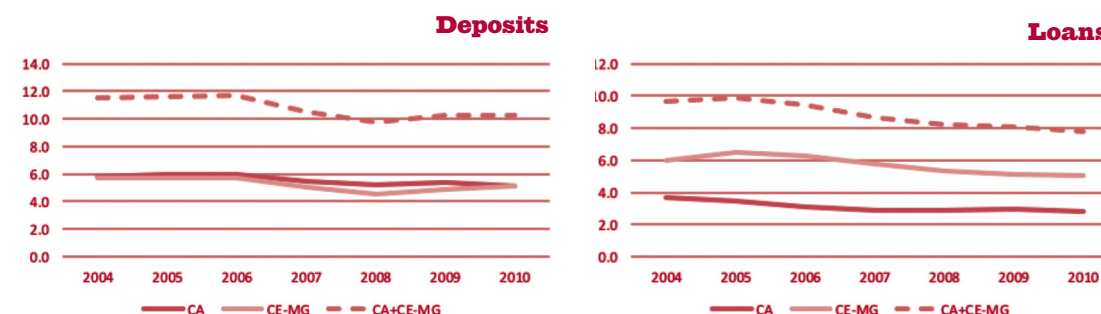
Evolution of the non-for-profit Portuguese banks’ market position

Given the distinctive characteristics of CE-MG and CA, it is interesting to ask how have their market position’s evolved over time in a context of increasing competition. In Portugal, the non-for-profit banks represented, in 2007, 8.6% of the loans market, and their market share has decreased 1 p.p. from 2004 to 2010 (Graph 1). In the EU 15, the loans market share of co-operative banks was in 2007 around 13.5%, and has been roughly constant between 2004 and 2007 (EACB, 2010).

In turn, the deposit market share of the Portuguese non-for-profit banks was in 2007 10.2%, being the co-operative banking EU-15 average around 14% (EACB, 2010). In line with the evolution in the EU 15, the tendency in Portugal was for a decline of the deposits market share of non-for-profit banks between 2004 and 2010, with a reduction of 1.3 p.p. The above data indicate an erosion of the market position of the non-for-profit banks in Portugal.

If instead we look at the indicators of profitability, operational efficiency and capital in 2007, CA is positioned above the average of the co-operative European banks. On the contrary, on that indicators MG presents a worse position than similar European banks (Table 8).

Graph 1
Deposits and loans market share (%)



Source: authors’ calculation from data of *Associação Portuguesa de Bancos*.

Table 8
Portuguese non-for-profit banks and the European co-operative banks (2007) - %

	ROA	ROE	Cost-to-income	Tier 1 Capital ratio	Total Capital Ratio	Deposits market share	Credit market share
EU 21	0.5	10.4	65.3	8.6	11.0	21.0	18
CA	1.4	17.4	54.1	11.6	14.4	5.5	2.9
CE-MG	0.4	7.5	60.8	6.9	9.4	5.0	5.8
CA+CE-MG						10.5	8.7

Sources: EU21: European Association of Co-operative Banks. Portuguese data: *Associação Portuguesa de Bancos*, except data on regulatory capital, which is from Banks’ Annual Reports.

Finally, during the 2008 financial crisis European co-operative banks seem to have been less affected than commercial banks. In this context it is relevant to ask how the Portuguese non-for-profit banks behaved during that crisis. To begin, the Portuguese financial system was not significantly exposed to toxic investments that loss value during the 2008 crisis. Consequently, the main impact of the crisis was felt through the worsening of the financing conditions of banks, higher credit risk and decrease in credit demand. To assess the impact of the crisis we will look at the change in p.p. in some indicators between the period 2004/07 and the period 2008/10. The overall impact can be assessed using the ROE. For CA, this indicator has decreased from 15.9% in 2004/07 to 8.1% in 2008/10, which is a 7.7 p.p. decrease. For the overall banking industry the decrease was rather similar, 7.9 p.p., from 17.2% to 9.3%. The CE-MG's ROE decreased only 3.9 p.p., from 8.5% to 4.6%. From here, it can be concluded that the 2008 financial crisis' impact on the profitability of CA was similar to the impact on the industry average, whereas on CE-MG the impact was milder. When we look at the ROA, the picture is slightly worse for CA and similar for CE-MG.

Table 9
Loans growth rate (%)

	2005-07	2008-10	2002-10
Sector's average	13.2	3.8	8.4
CA	4.5	2.4	3.4
CE-MG	11.8	-0.8	5.3

Note: Source: authors' calculation from data of *Associação Portuguesa de Bancos*.

Table 10
The impact of the 2008 financial crisis on key financial indicators (p.p.)

	change in ROE	change in ROA	change in Capital ratio	change in Loans growth rate	change in Deposits growth rate
Sector's average	-7.9	-0.29	-0.02	-9.3	-3.3
CA	-7.7	-0.58	+0.26	-2.1	-3.7
CE-MG	-3.9	-0.11	+0.58	-12.6	+2.4

Note: The change is the average of 2008/10 minus the average of 2004/2007. For the growth rate of loans and deposits the later period is 2005/07. Source: authors' calculation from data of *Associação Portuguesa de Bancos*.

In the case of CE-MG, credit growth was 12.6 p.p. lower in the period 2008-10 than in the period 2005-07 (Table 9 and Table 10). In the case of CA, the decrease was 2.1 p.p (these numbers compare with a decrease of 9.3 p.p. for the industry). This seems to indicate that CA has had a smaller reduction in the growth of credit than other banks, especially if only the year 2008 and 2009 are considered. This indicates an anti-cyclical lending behaviour, typical of a co-operative bank.

After the 2008 financial crisis there was a strong competition between banks for deposits, in a context where funds from financial markets were more difficult to obtain. The strong deposits base of CA has been under attack by other banks, which explains why in the period 2008/10 the growth rate of deposits was 3.7 p.p. lower than in the period 2005/07, and for the sector the decrease was slightly less: 3.3 p.p. (Table 10). Surprisingly, CE-MG managed to increase the growth rate of deposits during the crisis by 2.4 p.p. As a result, in Portugal the overall impact of the crisis on the growth rate of deposits of non-for-profit banks was smaller than on the overall sector, implying that they increased

their market share in 0.4 p.p. (Graph 1). The smaller impact of the crisis on the deposits of CE-MG can be seen as an indicator that, during the crisis, depositors trusted more this bank than on commercial banks.

The trust assigned by clients to non-profit banks, especially CE-MG, has had some justification: these banks have strengthened their capital base (although slightly) during the crisis, while for the entire sector that did not occur (Table 10).

Regarding the impact of the sovereign debt crisis, it is still very early to draw solid conclusions. Nevertheless, non-for-profit banks have a more conservative investment policy than commercial banks and, thus, invest more in Portuguese Government debt (normally held until maturity). This suggests that CE-MG and CA maybe more exposed to a default or debt restructuring by the Portuguese Government. Note that, on the other hand, these banks are benefiting from the higher yields offered by Government debt.

Conclusion

There are two non-for-profit banks operating in Portugal: CA and CE-MG. Despite the fact that they have a smaller importance in Portugal than similar banks in Europe, they are in the 9th and 6th place of the Portuguese ranking, respectively (in terms of assets). CA is a co-operative financial group composed by a centralized coordinating body and several local small banks. CE-MG is the bank of MG Mutual Association, which pursues mutual aid in the interest of its members. Over the last two decades, these two banks have modernized and transformed themselves into financial groups offering a wide variety of financial products similar to any commercial bank. Both groups are more specialized than commercial banks in domestic retail banking, with CA focusing more on credit to firms and CE-MG on credit to households.

In line with co-operative banks in the UE, CA and CE-MG share some important distinctive characteristics: they are customer owned entities with a democratic control by members; they maximize members/customer value and not exclusively profits; they look for contributing to the economic and social development of the regions where they operate; they retain a larger share of their profits to reinforce capital; they use a larger share of profits to promote social development; and they are more business conservative. These features bring them some advantages: allow them to charge lower interest rates on loans and give them a strong position in raising funds through deposits.

Since they are not listed in the stock market, they only raise capital through the injection of money by new or existing members and by retaining profits. The fewer options to quickly raise capital, the more conservative approach to business and the lower payout ratio, implies that CA is better capitalized than the sector's average. However, the same is not observed for CE-MG.

When looking at recent data, non-for-profit banks have an ROE mean and standard-deviation smaller than the sector's average. However, the ROA of CA is larger than the industry average. Notice also that both banks are less operationally efficient than the sector's average. It seems that CA has some strong features comparing to commercial banks, such as a larger ROA and capital ratio, being only slightly less operationally efficient. On the other hand, CE-MG seems to be an under-performer in terms of ROA, ROE and capital ratio. In general, CA is more similar to a typical co-operative/mutual bank than CE-MG.

CA is also more strongly connected to the local economy than CE-MG, especially in inland regions, as shown by its dense branch network. The closer connection of CA and, in less extend, of CE-MG to their clients does not translate in better indicators of credit risk comparing with the

industry's average. However, CA has been able to manage credit risk in a more efficient way than the sector's average during the last years of economic crisis.

The data show an erosion of the market position in terms of credit and deposits of the non-for-profit banks in Portugal. The same has occurred in Europe at the level of deposits, but not in credit.

Compared with co-operative European banks, CA is positioned above the average in terms of profitability, operational efficiency and capital. On the contrary, on those indicators CE-MG presents a worse position than similar European banks.

Finally, the 2008 financial crisis' impact on the profitability of CA was similar to the impact on the industry's average, whereas on CE-MG the impact was milder. Moreover, CA showed during the crisis an anti-cyclical lending behaviour, typical of a co-operative bank. Despite the fierce competition, deposits of non-for-profit banks have suffered less during the crisis (especially CE-MG), probably due to the high trust depositors have on these banks. This trust was founded in some evidence: these banks have strengthened their capital base during the crisis, while the entire sector did not do that.

Some challenges lie ahead for the Portuguese non-for-profit banks. In more general terms, like in other large European co-operative banks, it is necessary that CE-MG and CA find new ways of promoting members' participation and to be in the frontline of the development of a social and responsible consumption, investment and banking (Gijssels and Develtere, 2008). An independent control of corporate governance is also a challenge for the future (Fonteyne, 2007).

Additionally, co-operative and mutual banks, like commercial banks are faced with a profound economic crisis in Portugal, which creates many challenges for the banking business. Firstly, they face a deterioration of the quality

of credit portfolio and an increasing competition for deposits. Both CA and MG-CE will have an additional difficulty in insulating their returns from the slow growth of domestic credit in the next years, since they have a smaller international presence than commercial banks. Regarding CA, it is well positioned to deal with the stronger capital requirements demanded by the new Basel III regulatory framework. This together with its strong deposits base, may allow it to increase its credit market share. CA will have also to find ways of coping with the increasing desertification of the inland regions, where a large share of its business is concentrated. In turn, CE-MG needs to explore all the advantages brought by its recent bank's acquisition, and adjust to the probable loss of tax privileges.

The non-for-profit banks in Portugal, like other European co-operative/mutual banks, have special characteristics that contribute to the diversity and richness of the banking system, which may improve the economic and social impact of the banking industry. This issue could be further analysed in further works.

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- ⁰¹ We thank the comments of Joaquim Guerra, Maria de Fátima Ferreira, an anonymous referee and especially of Licínio Pina.
- ⁰² School of Communication and Media Studies (Politécnico Institute of Lisbon) and *Montepio Geral*.
- ⁰³ ISCTE – University Institute of Lisbon, Department of Political Economy.
- ⁰⁴ Throughout this paper the off shore activities of banks are not considered and the analysis is done is consolidated terms.
- ⁰⁵ CA includes also the FENACAM (National Federation of Co-operative Agricultural Credit), who represents the co-operatives and offers specialized services (Auditory and administrative services) to the group.
- ⁰⁶ Local *Caixas* who choose not to belong to the integrated system of CA (associated local *Caixas* and *Caixa Central*) are subject to the legal requirements individually. In practice, only four local *Caixas* are not integrated in the CA system.
- ⁰⁷ In fact, the Central *Caixa* has this ability since 1995. The local *Caixas* also have this ability since 1995, but until 2009 it was only possible through a contract with the Central *Caixa*.
- ⁰⁸ Historically, there were other banks with the legal status of *Caixa Económica*, but they have all disappeared mainly due to financial problems.
- ⁰⁴ For consolidation purposes CE-MG also includes the insurance company Lusitania owned by MG-AM. Notice that the recently acquired Bank *Finibanco* does not consolidate with the CE-MG.
- ⁰⁵ Source: Bank's Annual Report.
- ⁰⁶ Some co-operative banks only operate with their members but most of them also admit that non-member clients benefit from their banking and financial services.
- ⁰⁷ In the specific case of CE-MG this does not occur.
- ⁰⁸ Notice that this characteristic is much more common in co-operative than in mutual banks.
- ⁰⁹ Note that commercial banks can also obtain loans from (other) banks, via the so-called interbank money market.
- ¹⁰ The capital ratio is the ratio of capital-to-assets weighted by risk. The sources of Tier 1 capital ratio are: Banks' annual report and *Banco de Portugal* (2010)
- ¹¹ According to the Statutes, the bank can also build reserves for other purposes, but this tends to be in negligible amounts.
- ¹² In the specific case of CE-MG this does not occur.
- ¹³ Notice that this characteristic is much more common in co-operative than in mutual banks.
- ¹⁴ Note that commercial banks can also obtain loans from (other) banks, via the so-called interbank money market.
- ¹⁵ The capital ratio is the ratio of capital-to-assets weighted by risk. The sources of Tier 1 capital ratio are: Banks' annual report and Banco de Portugal (2010)
- ¹⁶ According to the Statutes, the bank can also build reserves for other purposes, but this tends to be in negligible amounts.
- ¹⁷ Own calculations based on CA's Annual Reports.
- ¹⁸ The number 93% comes from the fact that, between 2007 and 2009, 3.9% of profits was distributed to members and 3.2% to social institutions.
- ¹⁹ Source: CA's web site.
- ²⁰ ROE is the ratio of profits-to-capital base.
- ²¹ Since CE-MG is exempt of taxes, the profit before taxes is used to compute the ROA and ROE.
- ²² ROA is the ratio of profits-to-total assets.
- ²³ In the EU15, between 2004 and 2007 the loans market share of co-operative banks has reduced 1 p.p (EACB, 2010), roughly the same as for the Portuguese non-for-profit banks in the same period (1.1 p.p.).

O Factor Sustentabilidade nas Instituições Particulares de Solidariedade Social (IPSS)

José Alfredo Henriques Correia

Palavras-chave

Sustentabilidade, IPSS, Economia Solidária,
Economia Social, Estado Providência.

Key-words

Sustainability, IPSS, Solidarity Economy,
Social Economy, Welfare State.

RESUMO

A sustentabilidade constitui actualmente um factor decisivo para garantir a eficiência das IPSS em vários domínios: Social, Económico, Ambiental, Cultural, entre outros. Face às enormes dificuldades que o Estado Providência tem vindo a sentir para assegurar as actuais coberturas sociais, o desenvolvimento sustentável nas IPSS constitui um compromisso fundamental para o futuro, uma via essencial que as instituições devem percorrer com o objectivo de procurarem as melhores soluções para os desafios e problemas humanos que se colocam diariamente, sejam eles, sociais, económicos ou ambientais.

ABSTRACT

Sustainability is now a decisive factor for the efficiency of the IPSS in several areas: Social, Economic, Environmental, Cultural, and others. Given the enormous difficulties that the Welfare State has come to feel to ensure the current coverage social, the sustainable development in the IPSS is a fundamental commitment to the future, an essential way that institutions must follow in order to seek the best solutions for human problems and social, economic or environmental challenges that arise daily.

Introdução

Devido a um Estado Providência insuficiente, cada vez mais distante dos problemas que estão a surgir diariamente e que afectam seriamente as pessoas, tendo em conta a crise económica que se faz sentir com o elevado número de empresas a falir, a taxa de desemprego a crescer, a crise social a alastrar com o aumento da Pobreza e Exclusão Social em todo o país e até uma crise ambiental longe de estar resolvida, torna-se fundamental uma mudança de paradigma por forma a minimizar os efeitos que se fazem sentir na sociedade e para proporcionar um desenvolvimento sustentável numa dimensão humana e ética.

Anteriormente, na Europa, os Estados promoveram a providência aos seus cidadãos, tal como o modelo social europeu assim o entendia, mas com o crescimento do neoliberalismo, os Estados ficaram fragilizados perante os interesses do mercado, fazendo emergir outras experiências com valor económico, mediante a conjugação de três tipos de recursos (Laville e Gaiger, 2009, pp. 162:166):

Os provenientes da reciprocidade entre os seus elementos, as mais-valias (materiais e não materiais) geradas pelas acções solidárias e recíprocas;

Os recursos públicos, assentes no princípio da redistribuição, no qual o Estado é o seu responsável, através da captação de recursos e na sua redistribuição através de subsídios, apoios;

Os recursos do mercado, obtidos nas relações de troca. A Economia Solidária é reforçada pela incapacidade do Estado Providência e pela descrença, na resolução dos problemas de Portugal e do mundo, catapultando para novas respostas cívicas, as preocupações que surgem actualmente. A Economia Solidária é portanto a par da Economia Social uma alternativa à intervenção do Estado Providência e reforçada em situações de crise, como a ecológica e actual crise financeira e social.

Para Amaro e Madelino (2004, pp. 12:13), a ideia de Economia Solidária reforça a ideia de actividade «solidária» «não no sentido social restrito, mas no sentido sistémico, de interdependência e integração com a Vida, e portanto com todas as dimensões em que esta se exprime (...)». Assim, de acordo com estes autores, a Economia Solidária destaca-se em sete vertentes fundamentais:

Uma actividade económica, (uma forma de produção e/ou distribuição de bens e serviços, de criação de empregos, de rendimentos e de satisfação de necessidades) mas numa visão mais ampla, onde os serviços contemplam a integração da vida em todas as suas dimensões;

Promotora de coesão social da integração social e no combate a qualquer tipo de desequilíbrios ou injustiças sociais, assumindo um papel fundamental na integração das pessoas em situação de desfavorecimento social, sendo portanto um mecanismo de combate à pobreza e exclusão social;

Respeitadora do meio ambiente, na preservação dos ecossistemas da biodiversidade e de todos os recursos locais;

Valorizadora da diversidade cultural, como a preservação dos saberes das entidades e promotora do diálogo intercultural;

Sustentada numa gestão eficiente e integrada, no sentido de serem geridas com boa governância, transparência e numa lógica integrada, de parceria e de avaliação permanente;

Ser territorializada e promotora de desenvolvimento local, de mecanismos que valorizem as capacidades das comunidades locais e que assim satisfaçam as suas próprias necessidades;

Assente numa lógica de investigação-acção, que lhe permita uma constante criatividade e adaptação a novos desafios.

O Conceito de Sustentabilidade

A sustentabilidade das IPSS e de outras organizações que integram a Economia Social e Solidária, constitui um factor decisivo para amenizar a degradação actual de que somos alvo a nível económico, social e ambiental.

A evolução do conceito de sustentabilidade passa pela compreensão de um processo histórico que começou na filantropia e evoluiu para um permanente «combate» contra a generalidade das misérias humanas. De acordo com o Relatório Brundtland, «ser sustentável é conseguir garantir as necessidades das gerações presentes sem comprometer a capacidade das gerações futuras em garantir suas próprias necessidades». Este relatório foi solicitado pela Organização das Nações Unidas (ONU), à então primeira-ministra da Noruega, Gro Brundtland, e foi publicado em 1987 sob o nome de Relatório Brundtland.

A sustentabilidade é um compromisso com o futuro, não é um objectivo que possa ser atingido facilmente, mas um caminho que as organizações devem trilhar em busca das melhores soluções para os problemas humanos, sejam eles económicos, sociais ou ambientais. Nenhuma tomada de decisão está isenta de impactos e todos eles devem estar previstos de forma a poderem ser neutralizados ou minimizados. Ser sustentável é, portanto, o exercício quotidiano da responsabilidade e da busca da satisfação dos associados, utentes, fundadores, beneficiários, parceiros, colaboradores e a comunidade, para colocar a organização em uma nova trajectória, no qual, sua acção possa ser perene e parte do processo civilizatório que deverá levar a sociedade humana a ter mais e uma melhor qualidade de vida nas próximas décadas. Essa deve ser a constante procura por parte das IPSS de todas as organizações, ou seja, uma IPSS ou organização sustentável precisa ser economicamente lucrativa, ambientalmente correcta e socialmente responsável (Silva, 2008, pp. 35:47).

As acções são partes da gestão e não apenas pontuais. A sustentabilidade deve ser a excelência na optimização dos recursos para alcançar os objectivos que as IPSS e a generalidade das outras organizações pretendem em todas as áreas de actividade. Infelizmente, muitas organizações só se preocupam com o lucro, descurando a natureza social e ambiental a que devem obedecer. Em sentido contrário, em muitos casos, as IPSS praticam acções com respeito profundo pela coesão social e pelo ambiente, dando pouco ênfase às questões relacionadas com as suas finanças.

A noção de desenvolvimento sustentável e as estratégias vão da escala local à global. Como foi dito, o desenvolvimento sustentável tem subjacente um valor de compromisso e solidariedade com as futuras gerações, de modo a assegurar a qualidade de vida humana e do planeta. Implica a integração equilibrada e sustentável das três dimensões essenciais: económica, social e ambiental. O desenvolvimento sustentável assume-se como um desenvolvimento integrado que engloba diferentes dimensões da vida, é uma visão sistémica da realidade, não apenas ligado à preservação dos recursos naturais (Molon da Silva, 2008, pp. 30:31).

Como já foi citado anteriormente, o desenvolvimento sustentável tem três dimensões fundamentais de igual importância. As estratégias de desenvolvimento sustentável, devem deste modo englobar a dimensão ambiental, social e económica. A dimensão ambiental, com a preservação do ambiente e dos recursos naturais, através de práticas de baixo impacto ambiental. A dimensão social, o desenvolvimento das sociedades equitativamente respondendo às necessidades sociais das pessoas e dos seus territórios. E por último, mas não menos importante, a dimensão económica, respondendo à necessidade de desenvolvimento económico mas suportado pela sustentabilidade ambiental e pelas respostas às necessidades humanas e naturais. Segundo outros autores, existem ainda duas outras dimensões: dimensão

política e dimensão cultural. A dimensão política é fundamental para o impulso da vontade social do desenvolvimento sustentável, ser um projecto sem termo, comum e partilhado, por todos os Estados, por todas as regiões geopolíticas do globo. É também uma dimensão cultural e territorial um processo iniciado nas práticas territoriais e locais, assente nas tradições e na cultura dos territórios, é um processo de preservação do saber histórico e cultural, é uma 5ª dimensão desejável das práticas locais para as práticas globais. O aplaudido diálogo intercultural, tem aqui também a sua dimensão, o passo para o conhecimento e compreensão comum, um passo para o evitável choque de civilizações em nome do desenvolvimento da humanidade (Domingues, 2010, pp. 6:7).

Alguns conceitos de sustentabilidade trazem a ideia de um desenvolvimento social mais justo, ecologicamente prudente e economicamente eficaz (Sampaio, 2002, pp.9:11), destacando com isso as mais relevantes dimensões: Social, Económica e Ambiental. Existem ainda autores como Sachs (2002, p. 85) que ampliaram para oito as dimensões da sustentabilidade apresentando as variáveis que deveriam ser atendidas em cada dimensão. Para Sachs, as dimensões são: social, cultural, ecológica, ambiental, territorial, económica, política nacional e política internacional. Para Ribeiro (2004, pp. 10:15), as dimensões da sustentabilidade são: humana, ambiental, cultural, psicológica, política, social, económica e física. Sendo todas essas vinculadas a um aspecto social, revelando a necessidade de haver uma tentativa uniforme para que as dimensões se possam interrelacionar e promover o desenvolvimento em todos os sectores, com o objectivo de contribuir para que a sociedade também se desenvolva.

Os desafios da sustentabilidade implicam, além do levantamento e da aplicação adequada de recursos financeiros, investimento no desenvolvimento das pessoas que fazem parte das IPSS, melhorando a qualidade dos serviços, adequando-os às necessidades das comunidades. Com a

tendência do crescimento do Terceiro Sector, aliada a concorrência por recursos, passou-se a observar o crescimento da necessidade de se utilizar informações das mais diversas fontes dentro e fora das organizações. Essa nova prática é necessária de modo a que a autonomia conferida às entidades do Terceiro Sector não seja utilizada de forma irresponsável. A legitimidade e o sucesso das acções praticadas só serão alcançados com a gestão e o controle eficazes de suas actividades, de maneira a promover o fortalecimento e sua sustentabilidade (Carvalho, Félix e Santos, 2009, pp. 28:29).

Os desafios ao desenvolvimento sustentável são de tamanha relevância que evocam a mudança de paradigmas em todas as suas dimensões, «crescimento económico não é sinónimo de desenvolvimento», a «natureza não é um bem material», «o antigo não é antiquado nem pode ser desvalorizado», «os problemas sociais territoriais não são apenas problemas locais». Os desafios do desenvolvimento sustentável são paralelos aos desafios da globalização. Para alguns será contraditório esta perspectiva, embora saibamos que o desenvolvimento sustentável depende da mobilização global, depende da mobilização humana e política em todas as regiões do mundo.

A Economia Solidária apresenta várias propostas para proporcionar um desenvolvimento sustentável nas IPSS e na generalidade das outras organizações. Deste modo, colocam-se à disposição várias iniciativas que podem ser tomadas, de cariz nacional e local, para um efectivo desenvolvimento sustentável:

Plataforma Alimentar – Criação de uma plataforma/cooperativa de produtos alimentares de pequenos e médios produtores (incluindo economia social e economia familiar), de abastecimento urbano, com o objectivo de devolver e sustentar o trabalho agrícola e combater a desertificação enquanto fonte de rendimento e de emprego e de preservação da biodiversidade;

Promoção de Novas Actividades Económicas na Economia Social—Recuperação das empresas de inserção, criação de empresas sociais de serviços de proximidade, de serviços ao sector privado e público;

Certificação e Valorização das Actividades Económicas (produtos e serviços) de Economia Solidária (Economia Social e privada). Entidades que criam riqueza sustentável (preservam o ambiente, apoiam o emprego, não criam riqueza (entendida como objectivo primordial) privada, que contribuem para o desenvolvimento local, devem ser valorizadas e apoiadas pelo Estado.

Criação de Produtos de Comércio Justo numa Lógica Nacional—valorização de produtos oriundos da Economia Social, economia familiar (empresas familiares), produção biológica e produção tradicional. Definição de percentagem de compras públicas destes produtos;

Constituição de um Banco Social para o Desenvolvimento—um banco de dimensão nacional de interesse comum, privilegiando o crédito (onde se inclui o microcrédito) para actividades empreendedoras, para financiamento de actividades geradoras de emprego e para o financiamento da Economia Social e Solidária.

Conclusão

Em síntese, é necessário gerar um novo modelo de desenvolvimento, sendo estas propostas credíveis e possíveis de serem implementadas na sua plenitude, de forma a obtermos um desenvolvimento regulado e sustentável, com o objectivo de a Economia Solidária ter maior capacidade de resposta para encontrar soluções adequadas, no intuito de contrariar o alastramento dos gravíssimos problemas sociais com que as sociedades modernas se debatem diariamente.

É fundamental que as IPSS e as outras instituições que integram a Economia Social e Solidária tentem maximizar os recursos da economia da dádiva, para que dependam menos de outros recursos, face aos decrescentes apoios do Estado

Providência. É igualmente importante, que seja possível o alargamento dos acordos de cooperação, para o que será necessária nova graduação da prioridade das políticas de solidariedade, com a conseqüente afectação de recursos financeiros.

Não é correcto falarmos em subsídios, mas sim em participação no custo de serviços prestados, na medida em que as IPSS e outras organizações cumprem uma função de bem comum, substituindo o Estado providência nas suas obrigações, efectuando a cobertura das suas falhas de mercado, pelo que, o apoio da Estado Providência não deve ser visto como uma subsidiação mas como uma partilha de recursos.

Por outro lado, é necessário que num novo modelo social, exista a revisão rápida de algumas normas legais que excluem as IPSS de benefícios concedidos a empresas do sector privado. Por exemplo: Os serviços de psicologia prestados por empresas privadas a crianças sinalizadas pelas escolas como tendo dificuldades de aprendizagem, de comportamento, ou de deficiências classificadas, podem ser pagos directamente pelo Estado ou indirectamente pela afectação de subsídio às famílias. Se essas crianças são apoiadas por IPSS, o Estado só paga participação no custo dos apoios prestados, no quadro de acordos formais com agrupamentos de escolas que pecam pela insuficiência. Outro exemplo: As participações das famílias são estabelecidas com base em tabelas que não deixam margem para negociação. Sendo evidente a necessidade de impor regras que tenham em conta a situação económica de cada família, não é possível prestar bons serviços com concentração dessas famílias em escalões que conduzem a deficit global. Será então necessário permitir a negociação em escalões mais favorecidos. Acrescentamos ainda as dificuldades que surgem na execução de programas de empresas de inserção e de emprego protegido. As dificuldades estão identificadas e podem ser minimizadas com alteração da legislação condicionante, reforçando-se os objectivos e os resultados desses programas.

Por fim, as IPSS deverão reforçar a componente interna de financiamento das suas actividades, prestando serviços pagos a terceiros, produzindo e vendendo bens e potenciando as capacidades dos seus utentes através do trabalho nas unidades produtoras. Como o Estado Providência tem dificuldades no financiamento suficiente, sendo improvável que o melho-re substancialmente, existe a necessidade de mudança dos modelos de solidariedade unicamente dependentes do Estado Providência, para modelos de solidariedade, de negócio e de risco calculado. Evidentemente que isso exige que o Estado Providência reconheça esse papel de agentes activos da economia às IPSS's, eliminando a visão redutora de as considerar meros agentes com delegação para distribuir os seus recursos. Será necessário criar rapidamente linhas de apoio especial ao empreendedorismo social. Esta mudança de atitude de dependência total do Estado para se caminhar para a complementaridade e sustentabilidade é fundamental para que a Economia Solidária não fique refém do Estado Providência. Este deve apoiar incondicionalmente a Economia Solidária para a procura de novas respostas, competitivas com o sector privado, da inovação social, do empreendedorismo social e dos serviços de proximidade, enfim, face à crise actual são necessárias respostas integradas e concertadas. Nesse âmbito, é importante agir em todos os domínios, no político, no económico, no social, no ambiental, no territorial, entre outros. É assim com respostas locais e renovações estruturais económicas que poderemos agir sustentavelmente.

Com um modelo diferente, a base de desenvolvimento económico é transparente e promotor da criação de emprego, viabilizando uma maior ética na gestão e na comunicação, privilegiando o ganho sustentável em detrimento do individual, sendo que a base do modelo de desenvolvimento sustentável, deverá ser a base da Economia Solidária em todos os seus domínios.

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A produção de mel, um contributo para o desenvolvimento local das zonas serranas do Algarve - «Terra do Mel»

Ana Sara Morais

ABSTRACT

The issues around the urban coastal/rural interior regions, along with the widening of regional asymmetries, have been increasingly a focus of concern among local agents. These same issues emphasize, thus, the role that the local development agents have been playing in economic and territorial cohesion, through the undertaking of local development projects. This paper aims at showing an achieved local development project implemented in the region of the Algarve, which focused primarily on contributing to the economic and social sustainability of the region through the creation and reorganization of economic activities, taking advantage of the region's own resources (honey in this case). It is also intended to address comprehensively the issue/the topic of financial sustainability and funding sources for the funding of the projects proposed by the agents, as well as their difficulties in achieving them.

RESUMO

Os problemas das regiões urbanas costeiras e do interior rural do país, juntamente com o aumento das assimetrias regionais, têm sido motivo de preocupação crescente entre os agentes locais. Estas questões recordam o papel que os agentes de desenvolvimento local têm na promoção da coesão económica territorial, através de projectos de desenvolvimento local. Este artigo apresenta um projecto de desenvolvimento local implementado na região do Algarve. Este projecto pretendeu contribuir para a sustentabilidade económica e social da região através da criação e reorganização de actividades económicas baseadas nos recursos naturais nela existentes (mel, neste caso). Também se procura abordar o problema da sustentabilidade financeira e das fontes de financiamento dos projectos, bem como as dificuldades sentidas por quem os procura implementar.

Introdução

O Instituto de Desenvolvimento Social deu-me a conhecer um dos seus projectos realizados a nível do desenvolvimento local. O projecto que me foi dado a conhecer foi «Terra do mel» um projecto, que como iremos ver adiante, abrange o sotavento algarvio, onde instalaram um centro de apoio ao projecto e teve como finalidade proporcionar condições para que os produtores de mel se tornassem mais competitivos no mercado do mel, dinamizando as suas actividades económicas.

O Instituto de Desenvolvimento Social é uma IPSS de utilidade pública, sem fins lucrativos que abrange várias vertentes e vários sectores: Educação, Formação e Emprego; Saúde e Acção Social; Protecção do Meio Ambiente; Novas Tecnologias, Internet&Digital; Arte, Cultura e Património; Investigação e Desenvolvimento; Juventude e Desporto; Desenvolvimento Regional e Local e Cooperação Europeia

Apresentação do Projecto

«Terra do Mel», é um projecto integrado que surge com o objectivo de contribuir para o desenvolvimento das regiões do interior algarvio, sul do Alentejo, nordeste da Estremadura (Espanha), e sudoeste da Andaluzia, tendo como base o mel.

A região do Algarve, não está isenta das assimetrias regionais existentes entre o litoral e o interior que caracterizam todo o território nacional. As regiões do interior algarvio são áreas rurais e mais pobres, com uma população cada vez mais envelhecida e sem um tecido empresarial dinâmico, acentuando a polarização face aos territórios do litoral, os quais beneficiaram dos investimentos ocorridos no âmbito de uma estratégia que aposta num turismo de «sol e praia», tirando partido das suas próprias características geográficas. Da observação e estudos realizados nestas regiões, constatou-se que estas possuem potencialidades quer a nível dos recursos naturais, quer a nível do seu rico e vasto património, que podem ainda ser explorados contribuindo de forma

positiva para no desenvolvimento das mesmas regiões. Surge então o mel como um dos recursos a utilizar de forma promover o desenvolvimento local e regional das zonas serranas.

O Instituto Desenvolvimento Social e os seus parceiros, quiseram com este projecto proporcionar as condições necessárias para que os pequenos produtores de mel destas regiões se organizem para explorarem de forma integrada os recursos que tem ao seu dispor. Capacitando-os com uma visão do mercado, para a importância da promoção dos produtos, assim como a da promoção do património natural e cultural que possuem. Assim, o projecto pretendeu:

- / Desenvolver os recursos existentes e criar novas oportunidades de emprego;
- / Introduzir a necessidade de uma gestão sustentável dos recursos;
- / Aproveitar todo o património natural e cultural;
- / Definir estratégias e desenvolvimento em áreas de matriz diferente;
- / Integrar a participação da população na gestão do património;
- / Criar novos produtos derivados do mel e certificar os existentes.

Objectivos do projecto

Os objectivos definidos para este projecto foram:

Organizar os produtores de mel do sotavento algarvio e do sul do Alentejo, proporcionar estruturas de produção mais modernas, com novos modelos de gestão, dota-las de recursos humanos e técnicos eficazes, de modo a aumentar o volume de produção anual e também o n.º de produtores. Criar redes de distribuição para a colocação dos produtos no mercado, que assegurem a qualidade do produto, assim como a proximidade com os consumidores, e que sejam também pontos de informação e divulgação e de união dos produtores das regiões envolvidas para promoção dos produtos regionais.

Integração das indústrias do mel no desenvolvimento regional através da criação de estruturas de dinamização turística, de promoção do turismo rural. A criação de pólos de interesse turístico, com a intenção de desenvolver o património cultural e natural, com estruturas de animação, percursos turísticos que atraiam turistas para estas zonas, integrando-o nos circuitos turísticos da região através de programas de qualidade, mas respeitando sempre o ambiente.

Promover o desenvolvimento sustentado das regiões do nordeste do Algarve, sul do Alentejo, Estremadura e Andaluzia, através da criação de redes para a divulgação e ordenação de actividades, que incentivem a promoção de todos os produtos locais, de forma a aumentar as trocas comerciais e o volume de produção.

Importância do projecto

Estas zonas serranas, são normalmente caracterizadas como áreas pobres, pouco dinamizadas, em consequência da fraca actividade económica. Os produtores de mel, podem assim desempenhar um papel importante na coesão social da região e contribuir para a estratégia de desenvolvimento integrado, já que conhecem bem a região, e possuem já pequenas estruturas produtivas de mel.

O mel é um produto com procura no mercado pelas suas diversas propriedades estando o consumo de mel e dos seus derivados a aumentar, de acordo com os estudos realizados. Estas zonas pelas características que lhe estão associadas possuem boas condições para a produção de mel, no entanto constata-se que estes produtores, pela forma como estão organizados, ou, como não estão, não conseguem chegar ao mercado. Não possuem capacidade de armazenamento, nem de comercialização, não têm rótulos, embalagens, nem uma estratégia de gestão para comercializar o produto. Com este projecto pretendeu-se proporcionar as condições necessárias

para que os produtores se organizem-se, dar apoio técnico e formação para poderem modernizar as suas explorações, aumentar o poder negocial, de modo a permitir o acesso ao mercado para escoarem as suas produções e aumentarem os seus conhecimentos através de uma rede de informação.

O sector do mel pode então ser benéfico para o desenvolvimento local destas regiões, trazendo mais pessoas para estes locais, evitar o fluxo de saída da população para as zonas litorais e a consequente desertificação. Contribuir para a criação de alternativas, manter a coesão, desenvolver o património natural e cultural. Contribuir também para o desenvolvimento associativismo, criação de mais empregos, aumento do tecido empresarial.

Financiamento do projecto

«Terra do Mel» é um projecto desenvolvido em conjunto com vários parceiros, e de cooperação europeia por, realizar um intercâmbio de informações, experiências, de técnicas sobre o produto mel, de cooperação para divulgação do património natural e cultura das regiões envolvidas. Abrange a criação de uma rede europeia de «locais do mel», entre outras, envolvendo regiões da união europeia. Neste caso concreto o projecto abrange a regiões que estão englobadas na designação SUDOE (fazem parte regiões de Portugal, Espanha, França e Reino Unido).

«Terra do mel» é um projecto que teve como principal financiador a União Europeia, e a contribuição dos parceiros para financiar o restante montante. O que acontece na maioria de projectos realizados por instituições não lucrativas. A candidatura foi elaborada a um programa de Iniciativa Comunitária da CE, o INTERREG III B Sudoeste Europeu, co-financiado pelo FEDER, para o período de 2000-2006 para favorecer a cooperação transnacional entre as entidades nacionais, regionais e locais com o fim de incentivar uma melhor integração territorial na EU.

Os principais objectivos definidos para o programa SUDOE foram:

«Aumentar o grau de integração do espaço SUDOE no resto da EU através da melhoria da acessibilidade e também através da intensificação das interações económicas e sociais.

Formar uma zona de carácter sustentável na Europa proporcionando a protecção e a melhoria do património natural e cultural com o fim de que o espaço seja um lugar privilegiado das experimentações ecológicas e sociais para um desenvolvimento sustentável.

Desenvolver a economia do SUDOE e reforçar a sua posição na economia mundial através da melhor tomada em consideração do impacto territorial das acções públicas e também criando uma rede de estruturas económicas.

Integrar as cooperações transnacionais nas estratégias de desenvolvimento promovidas pelos actores públicos nacionais, regionais e locais».

Formas alternativas/ sugestões de financiamento

Este projecto, como já foi dito anteriormente nasce da iniciativa de uma IPSS, que recorreu a fundos europeus para conseguirem ter o financiamento necessário para implementar o projecto.

De acordo, com o propósito deste trabalho, as sugestões de financiamento alternativo para o projecto passam, por aproveitar as potencialidades que estas regiões têm a nível dos seus próprios recursos, das suas tradições.

Estas regiões mais rurais concentram em si muitas das nossas raízes culturais e tradicionais, tem uma maneira de fazer as coisas muito diferente das que são feitas nos grandes pólos, têm um tempo maior (aparentemente), sabedoria que já vem dos tempos «dos avós dos avós». Falo essencialmente dos produtos que sempre fizeram, feitos ainda de

forma tradicional, aproveitando o que a região, a terra oferecia, os produtos tradicionais regionais, tanto a nível de produtos relacionados com o mel como os restantes produtos, tal como o artesanato.

As ideias passam pela comercialização dos produtos, não só do mel como também dos restantes produtos através da criação de pontos de venda na própria zona, ligações a outros pontos de venda nos pólos com mais visitantes, o litoral. Participação nas feiras de promoção dos produtos regionais, promoção e divulgação dos mesmos. Para estas ideias passarem à prática é necessário em muitos casos melhorar as suas estruturas produtivas, e formas de comercialização assim a principal sugestão é o recurso ao microcrédito como forma de as financiar.

O microcrédito é como referem os autores do livro *Microcrédito e Portugal, Uma nova oportunidade* do Millennium, um instrumento que:

«assume características específicas entre as medidas de combate à pobreza e exclusão social, promovendo o empreendedorismo em segmentos actualmente não servidos. O microcrédito representa uma nova oportunidade para os mais desfavorecidos sem acesso a crédito, funcionando melhor como que um projecto de solidariedade, pois promove o empreendedorismo ao invés da dependência e instiga uma mentalidade e cultura e verdade, esforço e commitment. E, deste modo, evita que a falta de acesso ao capital elimine ou desincentive uma ideia com futuro...»

Esta ideia é muito próxima da do fundador do microcrédito que nasce no Bangladesh com Muhammad Yunus e o Grameen Bank, o banco da aldeia, referindo também que «os pobres e boa saúde não querem nem precisam de caridade: o subsídio apenas aumenta a sua miséria, retira-lhes a iniciativa e, mais importante, a auto-estima. Libertar energia e a criatividade em cada ser humano é a resposta à pobreza».

O microcrédito é um crédito que tem como destinatários pessoas que não tenham garantias, é baseado na confiança e responsabilidade, com taxas de juro mais baixas em comparação com investimentos com o mesmo risco. É um instrumento muito útil no combate à exclusão económica e social. Neste caso, o tipo de microcrédito seria o de «crédito a micro-negócios», que tem como objectivo financiar a criação de pequenos negócios, que permitam aos destinatários desempenharem uma actividade económica da qual obtenham um rendimento.

Desta forma e, aproveitando a ajuda dada por parte dos intervenientes do projecto, quer a nível da divulgação, da criação de uma organização, das ajudas técnicas a vários níveis, para o mel, seria uma boa opção recorrer ao microcrédito para por em prática iniciativas, que poderiam abranger todos os produtos da região, que contribuíssem para financiar e tornar auto-sustentáveis projectos como estes.

Conclusão

Uma das conclusões que posso tirar é, que em termos gerais as organizações sem fins lucrativos têm algumas dificuldades, para não dizer muitas, em conseguirem obter financiamento através das formas tradicionais, recorrer ao sistema bancário. Quando do pedido de empréstimo, as instituições bancárias fazem avaliação do projecto e da instituição tendo em conta a estrutura da mesma, a sua condição económica e financeira e o seu risco. A maioria não consegue apresentar condições de garantia às instituições bancárias, não conseguindo assim o financiamento. A forma encontrada, passa por recorrer a fundos europeus ou a financiamentos do próprio Estado e a procurarem alguns parceiros nas situações em que a totalidade não é financiada. Desta forma, as alternativas, em determinados projectos, como este, é tentarem dar apoio, informação aos produtores para que recorram ao microcrédito para financiamento das suas estruturas, tirando proveito da comercialização dos produtos.

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Entrevista com o Responsável do
Instituto de Desenvolvimento Social.

O Financiamento das Instituições: Estudo de Caso do LapiNorte

João Faustino

RESUMO

Quando se fala em Desenvolvimento Social das instituições, falamos na qualidade dos serviços prestados aos clientes, na excelência dos mesmos, nos recursos que são ou não afetados para que a instituição possa desempenhar de forma satisfatória ou não a sua missão. Este Desenvolvimento Social a ser conseguido deverá gerar bem-estar junto de todos os grupos envolvidos na dinâmica institucional, caso contrário poderá interferir negativamente na mesma.

É pois importante compreender de que forma o financiamento interfere com o Desenvolvimento Social da Instituição ou pelo contrário servir de entrave a esse desenvolvimento.

ABSTRACT

When we talk about the Social Development of the institutions, we refer to the quality of the services provided to the clients, the excellence of those services, and all the resources that are provided to facilitate the institution to perform its mission, satisfactorily or not. This Social Development, when achieved, creates welfare among all groups involved in the institutional dynamics, in other hand, if it's not achieved, the institution and its dynamics can be affected negatively.

Is therefore important to understand how the funding interferes in the Social Development of the institution or, on the other hand, obstructs this development.

Introdução

No contexto em que actualmente vivemos, de crise económica, crise social, de elevado desemprego, juros a subir, crescimento nacional negativo e sobre endividamento, o caminho que nos é apontado, e como o que teremos de seguir, parece que a raiz de todos os males que nos assolam advêm do sistema social em que nos habituámos a viver, que os cortes sociais serão inevitáveis, e o estado social, pelo menos no seu actual modelo, deverá desaparecer.

Quando somos bombardeados por todos os lados, da necessidade de sustentabilidade, eficiência, maior eficácia, boa gestão, maior produtividade, melhor utilização de recursos, parece que necessitamos sim de dar a conhecer o trabalho desenvolvido pela Economia Social, e dentro desta também o trabalho da maioria das Instituições Particulares de Solidariedade Social, (IPSS), já que a sua gestão quase sempre integra os conceitos anteriores, e é na maioria das vezes dotada grande rigor de processos e de uma gestão cheia de muita imaginação.

Apresento hoje uma dessas Respostas Sociais, que se dotou de ferramentas necessárias para um desenvolvimento social do futuro. O Lar Adventista Para Pessoas Idosas – Norte (LapiNorte), uma Estrutura Residencial para Idosos, situada em Avintes, Vila Nova de Gaia, pertencente à Assistência Social Adventista (ASA), è como podemos verificar no decurso deste artigo, um caso que deverá ser estudado, no sentido de melhor compreender o financiamento das Respostas Sociais para Idosos em Portugal.

O Modelo de Financiamento

O LapiNorte não tem formas de financiamento exterior à sua actividade, os recursos que sustentam o seu funcionamento, são todos gerados através dos serviços prestados aos seus clientes.

Pode parecer invulgar, e é, que uma IPSS não tenha apoio directo da Segurança Social, mas acontece porque apesar de ser uma IPSS, o LapiNorte não tem acordo de cooperação com a Segurança Social, está legalizado através de Alvará funcionamento, sendo assim remetido para os chamados lucrativos. Mas como Resposta Social da ASA, está obrigada a todos os critérios de exigência, incluindo a forma como gere os seus resultados.

O conceito de lucrativo ou não lucrativo, tem ao longo dos anos, sido mal compreendido pelas instituições sociais, criando até um certo mau estar junto das mesmas e seus associados, tendo durante muito tempo a questão do lucro sido escondida do seu vocabulário, conduzindo muitas vezes, as instituições a um voto de pobreza, com resultados devastadores tanto para as suas estruturas e seus utilizadores. Hoje começa a surgir uma nova visão sobre o assunto, mas o tema ainda aquece muitos daqueles que tanto se bateram por esta ideia no passado.

É importante que compreendamos que a questão fundamental, não está na forma como o lucro é obtido, mas sim em como esses recursos gerados são utilizados, pois se uma estrutura social, gera lucro na sua actividade, isso não deve ser mal-entendido, mas sim como uma boa gestão de recursos e serviços.

Ao contrário das empresas as instituições sociais não têm um proprietário ou accionistas que dividam entre si os lucros obtidos. Assim uma instituição saudável e moderna, deverá fazer uma utilização dos recursos financeiros que lhe sobram para a dinamizar, adaptar, modernizar e melhorar os serviços que presta, tendo como objectivo final a melhoria da qualidade de vida dos seus clientes.

Podemos por isso concluir que uma IPSS que gere bem os seus recursos, e que tem resultados financeiros positivos frequentes, é uma instituição que tem uma boa governância e um projecto económico sustentável.

Tendo em conta a sua regulamentação, as IPSS dão á sociedade a garantia de uma boa aplicação dos seus resultados positivos, pois os mesmos só poderão ser aplicados na gestão futura dessa instituição. Essa garantia não é apenas obtida pela confiança que devemos ter na ética das instituições, mas também porque as suas contas são anualmente apresentadas em Assembleia Geral, Confirmadas pelo Conselho Fiscal, aprovadas pelos seus associados e certificados pelos serviços financeiros da Segurança Social.

As IPSS com Estruturas Residenciais para Idosos, que tem acordo de cooperação, recebem da Segurança Social um valor financeiro para cada uma das vagas acordadas, existem Instituições com acordo para todas as vagas e acordos para apenas algumas das vagas, mas tanto num caso como noutro, o valor que é atribuído para cada vaga é igual, independente dos recursos financeiros dos idosos que as preenchem, dos seus bens imóveis, ou dos recursos dos seus familiares. Como os recursos são atribuídos às instituições os idosos pagam uma percentagem dos recursos financeiros que declaram, não são eles que são subsidiados mas sim as estruturas, ficando os idosos presos a estas estruturas pois não têm capacidade financeira própria para ir para outra estrutura, no fundo o idoso fica preso socialmente à estrutura que o acolhe.

As Estruturas Residenciais para Idosos no Distrito do Porto, que não têm acordo de cooperação com a Segurança Social, podem receber idosos encaminhados e apoiados pela Segurança Social, sendo que o apoio é atribuído directamente ao idoso e não à Instituição, permitindo dessa forma ao idoso que não tem capacidade financeira própria, pagar a mensalidade definida. Esta forma de subsídio torna o

processo mais transparente e mais justo, transparente porque a Segurança Social só subsidia quem realmente precisa, tendo o idoso de fazer prova dos seus rendimentos e bens, de todo o seu agregado e dos seus filhos, e justo porque dá ao idoso possibilidade de escolha, com todos os benefícios que isso trás para a sua qualidade de vida e para a construção do seu plano de desenvolvimento individual, pois o subsidio que auferir não é atribuído à estrutura mas a si próprio, podendo acompanhá-lo para uma outra estrutura que melhor lhe sirva.

No que se refere ao valor da mensalidade, o LapiNorte tem uma forma transparente de atribuição do valor da mensalidade de cada um dos seus clientes, esse valor é definido através de uma escala científica de avaliação do grau de dependência, escala que tem cinco graus, que vão desde o independente, dependência leve, dependência moderada, dependência grave, dependência total, a cada um destes graus está indexado um valor de mensalidade.

A tabela de preços dos serviços prestados é actualizada na altura da elaboração do orçamento da Instituição, sendo elaborada de acordo com critérios de sustentabilidade da actividade e desenvolvimento da mesma, de forma a contribuir para o bem-estar dos idosos que dela beneficiam, e o mesmo é aprovado como proposta pelo seu conselho director, e ratificado pela Assembleia Geral da ASA, depois da apresentação do relatório do conselho Fiscal da ASA. Concluído este processo a mesma é apresentada junto da Segurança Social, que se pronuncia de acordo com o seu quadro de valores.

Formas de Financiamento

Começamos por compreender as diferentes formas, de como os clientes se financiam, para isso vamos dividir essas formas em dois conceitos iniciais, a que chamamos:

Financiamento próprio

Financiamento misto ou partilhado

O conceito de financiamento próprio, parte do princípio de que os clientes, o fazem através de recursos financeiros próprios, sejam reformas, pensões, aplicações financeiras ou bens imóveis.

Como conceito de financiamento partilhado temos:

Financiamento partilhado pelos familiares ou rede de pertença, nesta forma de financiamento, existe numa parte dos recursos que é paga pelos recursos do idoso, e o restante é completado pelos familiares ou rede de pertença.

Financiamento partilhado com a Segurança Social, nesta forma de financiamento, tem a entrega por parte do idoso dos seus recursos financeiros, completando a Segurança Social, o restante até ao valor a ser pago.

Financiamento partilhado com a Segurança Social e os familiares, quando existem familiares, a Segurança Social tenta que também a família suporte o pagamento de parte da mensalidade, neste modelo existe a entrega por parte do idoso da sua pensão, a família suporta uma parte, ficando a segurança social com o restante valor até perfazer o valor da mensalidade estipulada.

Embora não exista um financiamento directo por parte do Estado à Instituição, ele acaba por ser feito indirectamente, já que esse financiamento é feito directamente aos clientes, beneficiários de diversos sistemas ou Subsistemas de protecção social, sendo que neste momento o LapiNorte tem como clientes, 70% financiados pela Segurança Social, 5% pelo Sindicato dos Bancários (SAMS), 3% ADSE, 2% Serviços Sociais do Ministério da Justiça.

Este modelo é positivo porque permite à resposta social cobrar a cada cliente o seu custo real, tendo em conta o seu grau de dependência, mas poderá por outro lado ser um risco para a estrutura, se a Segurança Social que é de facto o maior financiador, deixar de utilizar esta forma de participação.

Preocupações Ambientais

O LapiNorte é uma Instituição preocupada com o ambiente, na valorização ambiental o LapiNorte adopta práticas de poupança de energia e água, no investimento em energias renováveis, separação de lixo e reciclagem. Essas medidas, têm vindo a ser tomadas desde a sua inauguração. Tem em funcionamento um sistema de separação de lixo contaminado e de injectáveis, em 2008 recuperou um furo de água, que por ser férrea não tinha condições de ser utilizada, adquirindo um sistema de filtragem que permite a sua utilização, para algumas das actividades da Instituição, reduziu o volume de água nos autoclismos dos sanitários, ainda em 2008, passou a utilizar o gás natural canalizado em vez do gás propano de depósito, em 2009, colocou dentro das suas instalações dois ecopontos, de plástico e de papel, para poder fazer a reciclagem destes materiais, e no início de 2010 tornou-se micro gerador de energia foto voltaica, com a colocação de 25 painéis solares, que produzem energia eléctrica que é totalmente injectada na rede nacional, num investimento de 25.000€, que será totalmente recuperado no final de 2015, ainda em 2010 colocou em todas as suas torneiras redutores de fluxo para poupança de água.

Como projectos a curto prazo, o LapiNorte concorreu aos fundos europeus, no âmbito do QREN, para a colocação painéis de produção de energia solar térmica, de forma a cobrir 75% da água quente consumida pela Instituição, e ainda a conclusão dos estudos sobre o aproveitamento das águas pluviais e cinzentas, para aproveitamento na rega.

Inovação e Certificação

Preocupado com um cada vez melhor serviço, foi a primeira Instituição do Norte de Portugal a implementar um sistema informático avançado e inovador de gestão de dados, com registo das Actividades de Vida Diária (AVD), que permite sem recurso a papéis, manter todo o processo do cliente actualizado. A solução passa por uma aplicação informática e recorre a pequenos terminais onde é possível registar todo o tipo de actividades executadas, salvaguardando os níveis de confidencialidade e eficiência de toda a informação, que depois de descarregada na aplicação fica disponível para que os gestores do programa a possam utilizar, podendo dessa forma dar a melhor informação sobre cada actividade.

A gestão do LapiNorte cedo compreendeu os benefícios do conceito de Gestão da Qualidade, na realidade a implementação de um Modelo de Gestão da Qualidade, é uma ferramenta de gestão muito importante, que se traduz também em melhoria dos serviços prestados.

É por isso que já se encontra implementado o Sistema de Gestão da Qualidade, nível a), o máximo permitido, que lavará á sua certificação por entidade externa no ano de 2011, de acordo com o modelo de Avaliação das Respostas Sociais criado pelo Instituto da Segurança Social, para a implementação desse processo, muito contribuiu o programa de gestão de AVD, pois o Sistema de Gestão da Qualidade requer muitos registos e evidencias, que este programa permite sem a utilização do papel.

Projectos Futuros

Tendo em conta que o LapiNorte dispõe de infra-estruturas, e de recursos humanos habilitados, com formação na área da geriatria e do apoio a idosos, que permitem a atracção de outras Respostas Sociais, que possam permitir uma diversificação da sua actividade, e assim obter recursos financeiros provenientes de mais actividades, tornando a sua gestão menos dependente de uma única actividade.

Tem o LapiNorte alguns projectos que se encontram em desenho ou para fortalecerem a base da mesma, com vista a uma maximização dos recursos e à prestação de um maior número de serviços, tais como, o Apoio Domiciliário, o Acolhimento Temporário para Idosos, e o Centro de Dia, um banco de Ajudas Técnicas e uma Loja Social, ou de Comércio Justo. Para reforçarmos a nossa imagem junto do nosso público-alvo, desenvolvemos um projecto de marketing. Criamos uma nova imagem, um *slogan*, «*Lar Adventista para Pessoas Idosas, Uma outra ideia da idade*».

Pretende-se com esta iniciativa manter a estrutura sem vagas e complementar a nossa actividade com outras valências, passando a imagem para o nosso público-alvo de que estão perante uma Instituição que vê a idade de uma outra forma, e os idosos como seres únicos com experiências de vida diversificada, diversidade que tem de ser respeitada e valorizada.

A estratégia criativa passa por manter o canal, comunicação feita de forma informal, de boca a boca pelos familiares de idosos ou suas famílias, e a introdução de dois novos canais, um *website*, www.asa.org.pt/lapinorte, uma pagina no Facebook, <http://www.facebook.com/pages/Lar-Adventista-para-Pessoas-Idosas-LapiNorte/184126531157>, e um folheto.

O folheto visa atingir o público-alvo directo através dos recursos disponíveis pelo público-alvo indirecto, já a *website* e a pagina no Facebook procura atingir o público-alvo directo.

Parcerias Financeiras

As parcerias que o LapiNorte mantém, são encaradas como parcerias com retorno, sendo esse retorno encarado como um investimento, e por isso encarado como parceria financeira, pois se transformarmos em valor os serviços e apoios que lhes estão associados, estaríamos perante valores que nunca estimamos.

Como referimos nos conceitos anteriores, a partilha de recursos pode ser encarada como uma possibilidade estratégica de diminuição de custos para as estruturas, ao nível dos recursos que muitas vezes existem em excesso ou com uma utilização de baixa rentabilidade temporal.

Segurança Social do Porto

Cedência de vagas para colocação de idosos em risco, para colocação de idosos retirados de respostas sociais ilegais e de uma vaga social,

Colégio Adventista de Oliveira do Douro

Direcção pedagógica da Academia Sénior, atribuição de professores para a Academia Sénior, Apoio em actividades recreativas, Apoio em actividades de apoio psicossocial, Acordo de apoios financeiros a clientes das duas estruturas, Parceria em projectos de Marketing.

Ministério da Justiça – Reinserção Social

Parceria para integração de cidadãos para prestação de serviços à comunidade, em actividades necessárias aos serviços do LapiNorte.

Pinturas, Manutenção de jardins, Limpezas diversas, Trabalhos de construção civil,

União Portuguesa dos Adventistas do Sétimo Dia

Cedência das instalações onde se encontra a instituição, Destacamento de um capelão, Apoio nas actividades espirituais, da comunidade Adventista do LapiNorte, Apoio nas redes de pertença dos idosos Adventistas, Apoio pontual nas actividades sociais, Apoio ao nível do conceito do serviço social Adventista, Serviço de Auditoria através dos serviços da EAD.

Junta de Freguesia de Avintes

Apoio logístico na relação com a comunidade, Rede social de freguesia,

Fornecedores

Apoio nos projectos ambientais,

Conclusão

A gestão financeira do LapiNorte, tem cumprido a sua função de instituição sem fins lucrativos, a obtenção de lucros nunca foi o seu objectivo, nem poderia ser, os seus dirigentes sempre tiveram também a noção clara, da necessária existência dos recursos necessários para o bom funcionamento da instituição, e também a indispensável criação de excedentes financeiros dos seus exercícios, tão necessários para o apetrechamento e inovação dos seus equipamentos.

Embora a actuação do LapiNorte, sempre tenha sido virada para uma boa gestão de recursos, e para uma preocupação com a sua sustentabilidade, o certo é que sempre podem existir melhorias.

No que respeita à sua actividade, penso que se for mais diversificada, poderá existir uma melhor adequação dos diversos recursos, e uma distribuição dos riscos inerentes a uma actividade que apenas assenta numa valência, tornando a actividade mais dinâmica e financeiramente mais sustentável, mais crítica consigo própria, fazendo com que melhor perceba os problemas sociais em questão e dessa forma diminua o risco.

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«FPEPTT Fundação Portuguesa para o Estudo, Prevenção e Tratamento da Toxicodependência»

Proposal of alternative funding sources

Inês Nunes Silva ¹

RESUMO

O presente trabalho baseia-se numa investigação exaustiva sobre o tema «Sistemas de Financiamento Social e Económico», realizada na Fundação Portuguesa para o Estudo, Prevenção e Tratamento da Toxicodependência, local onde os alunos levaram a cabo o seu estágio e investigação curriculares. O objetivo deste trabalho consiste em descrever as fontes de financiamento da instituição, no sentido de refletir sobre as mesmas e de sugerir fontes de financiamento alternativas, contribuindo assim para a melhoria das condições económicas e financeiras da instituição e, conseqüentemente, para a melhoria da sua capacidade de resposta às necessidades do público-alvo.

É importante referir que já existem sistemas de financiamento para a Economia Social e Solidária, dos quais os mais comuns são os bancos éticos ou fundos éticos no âmbito dos bancos comerciais, o microcrédito, grupos de capital de risco, bancos mutualistas com sistemas de economia social, grupos de poupança, bancos cooperativos e sistemas de ação solidária.

No entanto, a economia social debate-se constantemente com a escassez de recursos, uma vez que a angariação de fundos continua a ser uma questão problemática para a maioria das instituições. No âmbito da economia social, as fundações (como o caso apresentado neste trabalho) são normalmente as instituições com mais independência financeira.

ABSTRACT

This paper is based on an extensive research carried out in the FPEPTT (Portuguese Foundation for the Study, Prevention and Treatment of Drug addiction), the former site of the student's curricular internship and research on the topic «Social and Economic Funding Systems». The goal of this paper is to describe the existing funding sources of the institution as a starting point for a reflection and suggestion of alternative funding sources, in order to contribute for the improvement of the institution's economic and financial conditions and, consequently, of its capabilities to respond to the needs of its target population.

It is important to mention that funding systems for the Social & Solidarity Economy already exist, out of which the most common are ethic banking or ethical funds in commercial banking, microcredit, venture capital clubs, mutual banks consisting of social economy systems, savings clubs, cooperative banks and solidarity action systems. However, the Social Economy is constantly debating against the scarcity of resources, ie, as raising funds is still a major issue for most of the institutions. Within the social economy, foundations (as the case presented in this paper) are usually the institutions with higher financial independence.

Description of the Institution

FPEPTT is a social solidarity foundation based in the Casa da Barragem in Alcabideche, Cascais. It is legally equivalent to an IPSS – Instituição Particular de Solidariedade Social (Private Institution of Social Solidarity) and has a legal status of public interest for health purposes.

The objective of the institution is the study, prevention and treatment of drug addiction, namely by providing assistance to families, social and communitary integration of youngsters, provision of preventive medical care and rehabilitation.

The mission of the institution focuses on its intervention on health, in order to prevent or end dependency, acting not only on the user, but also on his nuclear family, extended family and network of friends. Initially, the institution only acted at a specific prevention level. Later, it extended its activity to treatment and social rehabilitation based on the opening of a therapeutic community and a social reintegration apartment. The integration of the several activities provides users an adequate response for each of the different stages of their recovery.

Scope of intervention

The institution's activity comprises the several levels of drug addiction, namely, screening, treatment and social rehabilitation towards an active lifestyle. Thus, the institution is organized in three units which provide responses to the several problems arising from drug addiction, namely, the Admission & Ambulatory Center, the Therapeutic Community and the Reintegration Apartment.

The Admission & Ambulatory Center is focused on psychological and psychiatric screening, group therapy, individual therapy and family therapy. It is licensed for 40 users by the IDT – Instituto da Droga e da Toxicodependência (Drug and Drug addiction Institution). The activities of the Admission & Ambulatory Center are mainly focused on the areas of primary prevention and treatment of drug abuse and AIDS.

The Therapeutic Community is licensed for 46 users, out of which 37 are under an agreement with IDT. Admission to this site is held at the Admission & Ambulatory Center and is supervised by a physician, a psychologist and a psychiatrist based on an interview and a medical examination. The treatment program has a minimum 12-month length, contemplating during this period the social and professional reintegration process of the user. It has the particularity of accepting pregnant women and single parents with children. The purpose of this community is to provide a biopsychosocial intervention based on the user and its systems, the psychological stabilization of the user, psychotherapy, family therapy and social and professional rehabilitation.

The reintegration apartment is licensed for 18 users by the ISS – Instituto da Segurança Social (Social Security Institute). It is a temporary shelter that provides users with basic needs such as food and hygiene, psychosocial support in the rehabilitation process and individual, group and family psychotherapeutic sessions aiming at providing a privileged context that promotes the transition into an active working life. The reintegration apartment intends to promote a smooth transition between the inpatient/ambulatory treatment programs and an active life.

Resources

The main resources of the institution are human resources, the abovementioned infrastructures, land and materials. The human resources consist of a psychosocial team, a socio-therapeutic team and an administrative support area.

The psychosocial department consists of a technical team composed of several elements, the department head who is a psychologist and family therapist, a psychologist who also provides family mediation and finally, another psychologist who works in the cognitive and behavioural areas. There are also two supervisors, a psychiatrist and a physician responsible for the supervision of systematic family therapy.

The social and therapeutic department consists of the Clinical Director (Social Worker), a supervisor, a team leader, a psychologist and family therapist and four technicians, namely a psychologist and three monitors.

Regarding the infrastructure, it comprises three units, the Admission & Ambulatory Center located in Cascais, a therapeutic community located in Quinta do Pisão and a reintegration apartment located in Murtal, all in the municipality of Cascais.

The Admission & Ambulatory Center consists of office supplies and computer equipment. The therapeutic community has office supplies, a lodging area, a dining area, parks and gardens, and workshops. The reintegration apartment is equipped as a with the typical family household, a living/dining room, a kitchen, a pantry/storage, laundry, outdoor garden, a monitor room, five rooms for eighteen residents, a multipurpose room, five bathrooms and a meetings room.

Funding Sources

The funding sources of the institution are (i) contracts with the Portuguese State, (ii) municipal funding and (iii) payments of patients and/or their families. In the case of users admitted in the therapeutic community, whose expenses are borne by the institution (food and accommodation), the IDT funds 80% of the monthly expense and the remainder is borne by the family of the user, or in case the families are unable, by the Social Security. Apart from this, there is a working capital which is also paid by the families.

In addition to these funding sources, family members and/or friends of users of the institution usually provide donations. However, donations are not significant as they are provided sporadically and in small amounts.

The unpaid curricular internships are also a form of funding of the institution, as it receives trainees from the fields of psychology and social work for six months to a year, which

carry out activities and projects aiming at the provision of welfare to the users and to the institution. Thus, if the work developed by the interns was to be executed by employees, it would represent an additional expense for the institution. This is also the case with volunteers. However, typically the institution does not contract many interns, as the selection process of workers requires a rigorous analysis, as it deals with a complex issue and entails a large responsibility to technicians.

However, I believe it would be interesting to invest in volunteer programs, especially in the Admission & Ambulatory Center, which provides prevention programs in schools, in which college volunteers could be very useful through the prevention based on peers, covering topics such as sexuality, risk behaviours, drug abuse and HIV prevention.

Based on the abovementioned funding sources, the institution is capable of providing an adequate response to drug abuse, as it monitors users throughout all the stages of the rehabilitation process. However, additional forms of funding would improve the existing activities and above all, enable the development of innovative projects within the institution.

Proposals of alternative funding sources

First of all, it is important to note that in addition to the conventional forms of financing, other sources are available for vulnerable and excluded populations, such as the users of the institution. These are the alternative funding sources in which we will focus on. One of the most interesting alternative funding sources that caught my attention was the Microcredit. It was created in the late 70's, by Mahammad Yunus in Bangladesh who stated: «I believe that all human beings are potential entrepreneurs. Thus, through a single impulse, in this case a loan to start a business, people are provided with the opportunity to develop their skills and improve their social conditions.» (YUNUS, 2006)

Most of the users of the institution are in a situation of social exclusion and unemployment, as the drug abuse period disrupted their entire life, at an individual level, as well as from a social, professional and cultural standpoint. Typically, consumers lose their jobs or leave school, which triggers a continuous degradation of their social relationships, losing friends, their extended family and their nuclear family and focusing exclusively on the substance, which leads to social marginalization and, consequently, leads to social detachment. Microcredit may play an important role in social inclusion and contribute to an increasing participation in the political and economic processes of society. (COUTINHO, SILVA, 2005). Thus, it is interesting to present a Microcredit proposal for the users of the institution, mainly for the ones in the last phase of rehabilitation who are living in the reintegration apartment.

However, the project applying for Microcredit highly depends on the characteristics of the users living in the apartment, as their professional and personal skills are crucial to the success of the project. Thus, the proposal consists of users building up their business projects under the supervision of the technicians. However, it is important to note that the best fit to the case in hand is the «Social Credit», as it is aimed at unemployed, precarious employees and people with low education seeking their first job, as it is the case of the users who live in the reintegration apartment. It is also important to mention that ideally the microcredit should be a collective loan, which implies that users would have to agree on a common project or on several individual projects.

Regarding the Therapeutic Community, it is important to note that, among many aspects, it is crucial to increase the responsibility, the self-esteem, the autonomy, the social relationships and the leisure activities of the users. Thus, we propose a project in order to address the needs of the users and simultaneously generate economic resources to carry out new activities, always aiming at improving social welfare.

The infrastructures of the therapeutic community enable users to benefit from gardening activities, animal husbandry, agriculture, locksmith and sports, among others. Given the existing resources, the proposal focuses on the development of a productive activity, which will provide users their own consumption, entailing savings for the institution, and develop an agricultural business by selling the remaining output to third party entities, which will provide the institution with financial resources.

There are successful examples of such projects, particularly in prisons, where inmates work to occupy their time and to generate profit for the institution with the sale of products. As noted in an article in the newspaper *Correio da Manhã*:

«there is a rising labour market, behind the bars and the thick white walls of Portuguese jails. Cream cakes, birthday cakes, vegetables, wine, fruit, milk, furniture, highchairs, clothes, design articles leave prison on a daily basis (...) in each product is hidden the effort of those who accept a new way of life, a ray of hope towards the conquest of liberty.» (PEDRO, 2008). An inmate adds «It is almost like having a job, we only remember that we are in jail when the day ends (...).»

This example can be transposed to the Therapeutic Community. Users are admitted for a period over 12 months and with restricted contact with the outside world, occupation of their free time is a plus (increasing self-esteem), and learning a job while generating resources for the institution promotes their social rehabilitation, «(...) we are aiming at (re)learning habits and rules at work.» (Jose Ricardo Nunes, deputy general director of prison services, in an interview to *Correio da Manhã*).

However, in order to accomplish this project, it is necessary to develop market research to choose what to produce, how to produce and whom to produce for. In the context of the current paper, the market research is not possible to be carried out, since time is short and the student is no longer integrated in the institution's team. Thus, we can only make a suggestion regarding some products and how to launch and promote them on the market.

Given the existing resources, the activities that could be developed by the Therapeutic Community are: horticulture, fruit growing, gardening, baking, farming, hotel for dogs and carpentry.

Some products, such as vegetables, fruits and bakery can be promoted, commercially handled and distributed by the users of the reintegration apartment, as well as through an organic product fair in Cascais, with the support and organization of the town hall and with the participation of institutions and environmental friendly organizations promoting organic farming. Apart from meeting some of the objectives of the Social & Solidarity Economy from the perspective of the users of the institution, namely the development of skills, social relationships, a sense of belonging and reciprocity, it contributes to the promotion of local products and producers of the region, promoting the development of ecotourism and protected areas. This fair is of mutual interest to the municipality of Cascais and the institution, as it promotes the region and a sustainable development.

The initial investment required for the acquisition of equipment, machinery, vehicles and tools could be provided by a microcredit contracted at the level of the institution.

Conclusions

Given the current social situation, it is essential to act through innovative projects, in order to meet the needs of vulnerable populations. In order to achieve success in funding a project in Social Economy, it is essential to involve the population of the institution or community since the beginning of the process.

The institution provides its target population with adequate responses, it is very well organized and all inclusive, as it acts in several areas of the life of the users, providing support to the user and the family. In this sense, the intervention carried out by the institution is complete at all levels and can respond effectively to the problems of the users. The institution is effective through its cohesive technical team, good infrastructures, good working partnerships and an optimized organizational structure.

However, despite the effectiveness of the institution, it is always important to bet on improvements. It is likewise important to stress out that based on alternative forms of financing it is possible to carry out additional activities and projects that can tackle the needs of the users and of the institution itself, always bearing in mind that the institution is a non-profit organization, and that all the financial resources obtained will be used to improve the institution's response towards the target population.

Finally, and given the complexity of social issues, it should be noted that the Microcredit has increasingly been a privileged strategy in providing resources to vulnerable communities and socially excluded targets.

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O banqueiro dos Pobres. Difel.

Notes

¹ Work developed under the supervision of professor Emanuel Leão, in the context of the Social & Solidarity Economy Masters program of ISCTE, which is directed by professor Rogério Roque Amaro.



ACEESA
Associação Centro
de Estudos de
Economia Solidária
do Atlântico
Catarina Borges

ACEESA

A Associação Centro de Estudos de Economia Solidária do Atlântico é uma Associação com o estatuto de Instituição Particular de Solidariedade Social com interesse público para a Região e possui a sua sede social na Agência Regional Promotora das Iniciativas de Economia Solidária e Desenvolvimento Local – CORES, na cidade de Ponta Delgada, ilha de São Miguel, arquipélago dos Açores.

Os seus objectivos visam contribuir para o desenvolvimento de estudos na área da Economia Solidária, do Desenvolvimento Social e Local e da Rede de Empresas de Inserção dos Açores designadamente, congregando esforços para atualização e divulgação em matérias das referidas áreas, bem como estabelecer contactos e integrar outras associações ou centros similares, nacionais e estrangeiros; Realizar eventos regionais, nacionais e internacionais dedicados à Economia Solidária, ao Desenvolvimento Social e Local e à Empregabilidade para a Integração Social; Criar uma plataforma digital com recursos de apoio ao estudo, conhecimento e desenvolvimento da Economia Solidária que interligue os Açores às regiões da Macaronésia e aos Países na orla do Atlântico do continente Europeu, África e Américas do Norte e Sul; Implementar metodologias de formação através do sistema modular e da formação à distância, com cursos / pós-graduações sobre intervenção social em regiões insulares, economia solidária e gestão integrada do social e económico; Apoiar e colaborar tecnicamente em estudos de organismos oficiais e particulares que lhe sejam solicitados; Candidatar, promover e executar projetos de âmbito regional, nacional, comunitário e internacional, enquadrados no âmbito da intervenção científica da associação e promover a edição e/ou divulgação e comercialização de publicações e outros produtos e serviços relacionados com a atividade da associação.

O contexto histórico

As atividades consagradas à Associação foram incubadas no plano de desenvolvimento do Projeto INTERREG IIIB CEESA, promovido pelo Instituto de Ação Social dos Açores e gerido pela CRESAÇOR, e desde o ano de 2007 que se constituiu como a Associação prevendo dar continuidade às atividades já empreendidas, acumulando ainda outras atividades próprias.

Ação

Aliados à nossa missão centramo-nos na produção de conhecimento sobre a Responsabilidade Social das Empresas/Organizações, Economia Solidária e os domínios co-relacionados como a Democracia Participativa e Económica, a Economia Social, o Desenvolvimento Local, o Desenvolvimento Sustentável, as Finanças Alternativas, a Igualdade de Oportunidades e a Coesão Social e Territorial, estabelecendo um elo forte no debate e divulgação deste conhecimento através do aprofundamento da ligação entre a prática e a teoria e a teoria e a prática, nestes domínios.

Prática

Estão editados quatro números da Revista de Economia Solidária, que se reveste de carácter científico. Já realizados Encontros Científicos, Cursos de Verão e diversos workshops temáticos sobre Cidadania, Território, Sustentabilidade, Economia Solidária e Responsabilidade Social. É uma entidade certificada na área da formação e desenvolve ações.

A ACEESA aliada a uma equipa de grandes referências intelectuais, como é o seu conselho científico e todos os seus sócios e colaboradores-autores dos artigos, aspiram que a ACEESA seja um centro de estudos de referência de acordo com os objetivos estatutários desde o ano da sua fundação. Desta forma, implica cada vez mais adotar critérios de qualidade e de excelência nos processos que desenvolve e assegurar o seu reconhecimento científico, tanto junto da Academia, quer das instâncias que validam esse reconhecimento político-social, quer junto da Sociedade e das autoridades políticas.

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A Presidente da ACEESA

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