

PLEDGE ON JUST TRANSITION: BALANCING SOCIAL AND ENVIRONMENTAL OBJECTIVES

Call for pledges – Transition pathway on proximity and social economy

FOREWORD

The interdependence of worldwide value chains and the necessity to act across Europe for a more integrated internal market were emphasized by the Covid-19 crisis, and more recently by Russia's invasion of Ukraine as well as the subsequent energy crisis. These events also illustrated the necessity to accelerate the transition to a cleaner, more digital, and more resilient economic and industrial model, in order to face current geopolitical tensions and ensure strategic autonomy for Europe.

Our internal market is set to become a greater lever of geopolitical power and competitiveness for Europe. The Commission illustrated this with the March 2021 update to its industrial strategy. Fourteen industrial ecosystems, including the "Proximity and Social Economy" ecosystem, need to be supported to ensure a sustainable transition and long-term growth. Similarly, the European action plan, presented in December 2021, emphasizes the necessary conditions and actions for social economy models to be strengthened and recognized politically in Europe and throughout the 27 Member States. This plan is built upon 3 axes: (1) creating the right conditions for the social economy to prosper, (2) encouraging the emergence and development of social economy organisations, and (3) ensuring recognition of the social economy and its potential.

The social economy in particular promotes new ways of doing business that combine efficiency and societal impact. For many actors of the social economy, sustainability and the energy transition are also among the major goals of their activity. Thus, they contribute to the European Green Deal by creating, for example, citizen cooperatives in renewable energy (almost 2000 already exist) or by inventing business models for sustainable mobility. They take part in various initiatives that aim to promote the circular economy: the recycled textiles industry, the rehabilitation of buildings for sustainable cities, or the renovation of household electronics, to give only a few examples.

By building a prosperous model based on solidarity, these economic actors are also at the heart of the European economy's digital mutation. This is the case, for example, of digital cooperative platforms that offer sustainable services in many sectors, or of certain social businesses that provide training programmes to their employees enhancing their digital literacy skills.

Tomorrow's industries need to be built today, and we need to accompany, facilitate and encourage social economy businesses and organisations to take the place they deserve in this process.

¹ [Updating the 2020 Industrial Strategy: towards a stronger Single Market for Europe's recovery – COM\(2021\) 350](#)

² [Building an economy that works for people: an action plan for the social economy – COM\(2021\) 778](#)

That is one of the goals of the transition pathway on proximity and social economy that more than 400 public and private representatives came together to build.

This pathway consolidates the proposals of the fourteen key actions for an ecological and digital transition that respects the ideals of equality and social justice.

Today, we encourage the actors of this ecosystem to join these actions by suggesting concrete commitments. I would also like to congratulate "Le Labo de l'ESS", "Pour la Solidarité" and the REVES and RTES networks for their shared report on implementing this transition pathway.

This is a concrete commitment that is joining more than 180 commitments submitted by the actors of the social economy in Europe over the last two years. These different commitments will allow us to form a community of actors committed to questions of transition, promoting cooperation and partnerships at all levels, and driving forward the European agenda for the social economy.

Identifying, supporting and helping initiatives to spread and scale up from the local to the national level represent today both a challenge and an opportunity to make this transition a success. For this reason, since 2023 our services have mobilised over 25 million euros as part of the Single Market Programme (SMP) to accompany small and medium-sized businesses in the social economy, so they can successfully follow their ecological and digital transition pathways and reinforce their entrepreneurial capabilities.

The work presented in this report proves that the tools and solutions exist within our reach.

The different examples presented here show that it is possible to create an economy that is more decarbonized, circular, social, democratic and digital, and that produces goods and services of general interest.

I am convinced that this report will enable new initiatives to launch in different regions across Europe, particularly through the transfer of experiences and know-how.

Together, let us make the social economy a pillar of Europe's economy and competitiveness!

Anna Athanasopoulou

Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs

European Commission

³ [Transition pathway - European Commission \(europa.eu\)](https://ec.europa.eu/economy_finance/transition-pathway)

⁴ [The Single Market Programme \(europa.eu\)](https://ec.europa.eu/economy_finance/single-market-programme)

This report is a pledge made as an answer to the call for pledges published by the European Commission as part of the transition pathway on proximity and social economy. The pledge is led by "Le Labo de l'ESS" in France, in partnership with "Pour la Solidarité" in Belgium, the European Network of Cities and Regions for the Social Economy (REVES) and the French network of Territorial Authorities for the Solidarity Economy (RTES).

It focuses on Just Transition, namely a transition that is ecological, and socially fair and inclusive. Its objective is two-fold: i) pioneering the concept of Just Transition; ii) illustrating how social economy (SE) contributes to Just Transition. We expect the pledge is going to trigger new SE initiatives for Just Transition in the EU by transfer of experience and know-how.

WHAT DOES THE CONCEPT OF "JUST TRANSITION" REFER TO?

The International Panel on Climate Change (IPCC) reports have warned of the risks of climate change and the need to drastically reduce anthropogenic greenhouse gas (GHG) emissions. Their consequences have become more and more tangible over time. Today a large majority of citizens and States recognize the occurrence of climate change, even those who were sceptical to begin with. Temperature increases all over the planet, coupled with a deterioration of ecosystems through pollution, an over-exploitation of natural resources and a loss in biodiversity, are a result of human pressure on nature. An ecological transition, i.e. a change in our way of living, producing and consuming, is required if we want to avoid irreversible damage to the planet. In this context, the European Commission has played a leading role within the European Union and worldwide by raising awareness and implementing measures to face all these ecological challenges. The European Union is the first region in the world committed to reaching carbon-neutrality by 2050.

The policies undertaken by governments to face the ecological crises risk aggravating social inequalities and weakening the social cohesion of our democracies. According to a study carried out by Eloi Laurent¹, ecological crises affect citizens differently according to their standard of living. There are four main reasons why ecological crises have a greater negative impact on more people in more precarious situations, which is what Eloi Laurent calls "ecological inequalities". i) The most vulnerable populations are generally more exposed and more sensitive to ecological issues because they cannot pay the price for adaptation or protection. ii) And yet they contribute less to ecological issues. Of course, even the most vulnerable of populations contribute to ecological degradations through their consumption, production, transportation... But nearly half of carbon emissions result from the 10% largest emitters in the world, i.e. the richest fringe of the global population². iii) Vulnerable communities are more impacted by governmental policies because most of the measures lead to constraints that they cannot alleviate, or price increases that they cannot absorb. iv) Vulnerable communities are less involved in policy decision-making.

¹ Laurent, E. (2020), « Les inégalités environnementales en Europe », in OFCE (Ed.), L'économie européenne 2020, La Découverte, Paris, pp. 69-81

² Chancel, L., Piketty, T., Saez, E., Zucman, G. et al. (2022) World Inequality Report 2022, World Inequality Lab. URL: wir2022.wid.world

In a nutshell, this means that the ecological crises may increase social inequalities and jeopardize social cohesion in our societies if not accompanied with a greater social justice. This is why the defenders of a just transition claim that the required ecological transition should be coupled with civil and public actions to compensate for the detrimental social effects of ecological measures. Thus, ensuring a just transition is vital. Social and environmental governmental policies should be developed in synergy and not independently from each other. According to ILO, a fair (i.e. just) transition means "making the economy greener in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind"³. In its recent report (2023), le Labo de l'ESS gave a complementary definition of a just transition: "a radical and democratic change in society, aiming at ensuring ecological sustainability as well as providing a sufficient and worthy response to everybody's needs and bringing empowerment to all"⁴.

The European Union is also aware of the social risks of an ecological transition and has set up a Just Transition Mechanism (JTM)⁵ to alleviate the socio-economic impact of the transition. JTM is a tool to ensure that the transition towards a climate-neutral economy happens in a fair way, leaving no one behind. It focuses on regions that are the most carbon-intensive, and people and citizens who are the most vulnerable to the transition. It provides targeted support to help mobilise around €55 billion over the period 2021-2027.

Social economy organisations quickly raised the issue and claimed that the social economy could contribute to achieving a just transition by involving the civil society and ensuring social dialogue. As soon as October 2021, based on an initiative of the international network SOLIDAR, twenty-five European civil society organisations representing networks of social, environmental, climate and political matters committed to support the so-called "European Alliance for a Just Transition". The social economy Think-and-Do-Tank "Pour la Solidarité" is one of the initial signatories. The alliance rightly claims that "... a Just Transition in Europe [...] can only be possible by strengthening its social dimension."⁶ It calls for immediate action to promote a transition towards societies that are carbon-neutral, fair and that benefit everybody. The Labo de l'ESS has carried out a comprehensive analysis on just transition in France⁷. It highlights a series of local initiatives enabling a social and ecological transition in a balanced way and provides recommendations to social economy leaders and public authorities so as to accompany and scale up such just transition initiatives. Some of the initiatives described hereafter are retrieved from the most exemplary ones analysed by the Labo de l'ESS.

Social economy (SE)⁸ is essential for achieving just transition. By highlighting how SE achieves just transition, the pledge aims to boost numerous new just transition initiatives in the EU and raise awareness of public authorities so that they adjust their policy measures to support SE just transition initiatives.

³ International Labour Organization. Frequently Asked Questions on just transition. URL : https://www.ilo.org/global/topics/green-jobs/WCMS_824102/lang--en/index.htm (Consulté le 12/10/2023)

⁴ Le Labo de l'ESS (2023), Réussir une transition écologique juste, URL: [Transition écologique juste | Publications | Le Labo de l'économie sociale et solidaire \(lelabo-ess.org\)](https://www.lelabo-ess.org/publications/transition-ecologique-juste)

⁵ https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/finance-and-green-deal/just-transition-mechanism_en

⁶ "A call to deliver a Just Transition to a social and sustainable Europe", Joint Declaration by the European Alliance for a Just Transition, https://www.solidar.org/system/downloads/attachments/000/001/376/original/Joint_Declaration_by_European_Alliance_for_a_Just_Transition.pdf?1633676430

⁷ Le Labo de l'ESS, op. cit.

⁸ The term "social economy" is used in the report. But as mentioned in the European Action Plan on social economy, terms such as social economy, social and solidarity economy, and third sector are used equally.

THE METHODOLOGY

The methodology first consisted in identifying examples of initiatives aiming at a just transition in the EU. It was relatively straightforward because all the organisations involved in the pledge are equipped to follow up and document many grassroots initiatives. The choice of initiatives to be analysed was guided by the will to cover various countries and to select initiatives that are as diverse as possible in terms of social and ecological impact. Then a analysis grid was developed to collect appropriate information such as the economic, social and ecological objectives, the governance characteristics, partnerships within the ecosystem, the economic specificities, the relationship with public authorities, the social and ecological impact, etc. Gathering the same kind of information on all selected initiatives is requested to allow for comparison and validation of conditions of success. Finally, the grids were filled in through contacts with the representatives of the selected initiatives.

After having introduced the concept of a just transition, the report firstly argues why social economy is a vehicle to implement it. Then the different initiatives are described through a typology that distinguishes four ecological elements, namely the circular economy, short supply chains, energy efficiency in the building sector, and access to quality food. Each time, the way ecological objectives are met in conjunction with social objectives is explained. Finally, the report concludes by highlighting the conditions of success deduced from the selected initiatives. The report has two annexes. Annex I highlights the order of magnitude of the four main issues at stake in Europe (circular economy, short supply chains, energy efficiency in the building sector, and access to quality food). Annex II describes selected initiatives.

SOCIAL ECONOMY: PROVIDER OF JUST TRANSITION

In order to illustrate how the social economy is able to ensure a just transition, sixteen initiatives have been selected from eight different Member States of the EU: Belgium, France, Italy, Luxembourg, Poland, Romania, Spain and Sweden. They are extensively described in annex II.

Their analysis allows us to understand why SE contributes to both social and ecological objectives. The values themselves of SE actors explain why ecological and social objectives are designed simultaneously. On the one side, when ecological objectives are aimed at, the SE governance, the citizens' involvement and the will to rehabilitate vulnerable populations in the design and implementation of the initiatives work as a guarantee that positive social impacts will result from the initiative. On the other side, as ecological values belong to the very DNA of the social economy, any initiative meeting social needs is designed as much as possible to contribute to the fight against climate change or to protect the environment. In a way, because of the values of SE, i.e. the commitment to social issues and its sensitivity to environmental issues, it is not surprising that social enterprises contribute to a just transition. It radically contrasts with traditional enterprises that the pressure of markets leads to only undertake profitable activities in the ecological domain or in the social domain, but rarely on both. In a nutshell, just transition initiatives are not exceptional, but usual for SE enterprises.

The selected initiatives illustrate how the following ecological objectives:

- Promote circular economy (repairing, reusing, recycling, collecting unsold food)
- Implement short supply chains
- Improve the energy efficiency of building
- Provide access to quality food

These goals can be met at the same time as social objectives, such as having:

- Better jobs (integration, exit from long term unemployment)
- Better food
- Better accommodation
- Better equipment
- Social rehabilitation (training, education, awareness raising, entrepreneurial development, ...)

Name of the initiative	Country	Circular economy	Short supply chains	Energy Efficiency of Building	Access to quality food	Better jobs	Better food	Better accommodation	Better equipment	Social rehabilitation
TZCLD Pipriac-Saint-Ganton	France	o				o				
STPLN	Sweden	o								o
La Rebooterie	France	o							o	o
Tricentenaire brewery	Luxemburg	o				o				
Eta Beta	Italy	o				o				o
Malopolska	Poland	o								o
Espigoladors	Spain	o				o	o			
Ateliere Fare frontiere	Romania	o				o	o			
Social Centre of Bagatelle	France		o		o		o			
ENVIE	Belgium	o	o		o	o				
Groot Eiland	Belgium	o	o		o	o				
Les Compagnons Bâisseurs Île-de-France	France			o				o		o
Batec	Spain	o		o				o		o
Eco-habitat network	France			o				o		
Jardin nourricier et maison partagée	France	o	o		o		o			o
Capacity	Italy			o		o		o		

IMPLEMENTING THE CIRCULAR ECONOMY- SOME EXEMPLARY SE JUST TRANSITION INITIATIVES

A majority of selected just transition initiatives aim at implementing the circular economy. According to the European Commission and the European Parliament, the circular economy is a model of production and consumption which involves sharing, leasing, reusing, repairing, refurbishing and recycling existing materials and products as long as possible. In this way, the life cycle of products is extended. The circular economy has significant benefits. Firstly, environmental benefits: it slows down the use of natural resources, limits the amount of waste and reduces greenhouse gas emissions. Secondly strategic benefits: it reduces raw material dependence. And thirdly economic benefits: it contributes to job creation and boosts innovation. The social economy has played a pioneering role for decades in shaping and expanding circular economy activities (especially in repairing, reusing and recycling activities) as well as practices⁹. SE has born all risks of new entrants in an economic activity¹⁰. It has always played a crucial role in the circular economy by empowering consumers and citizens for the transition and making them genuine actors of it. Ironically, while the markets of circular economy are now becoming more mature, social economy actors have to compete with traditional enterprises that do not pay attention to the just transition.

The challenge of the circular economy can be summed up in one major indicator, namely "Earth Overshoot Day", namely the date from which humanity has supposedly exhausted all the resources that the Earth is capable of producing and renewing in one year. In 1970, it took place on December 23 and today in 2022, it occurred on July 28¹¹.

STPLN, Malmö, Sweden

STPLN is a non-for-profit organisation set up by the town of Malmö in Sweden. It is housed in an old slipway transformed into a multifunctional creative hub open to anybody willing to create and innovate in the fields of art, craft, design, technology or the circular economy. As a matter of fact, the creative hub offers the intellectual, material, spatial and financial resources and support for people willing to build anything on their own. In the domain of circular economy, it has implemented a workshop of bicycle repair, a workshop of creative recycling for children and a repair café for small repairs of household appliances.

In the selected initiatives, the activities related to circular economy respectively consist in reusing or recycling various products (metals, tyres, cardboards, papers, door frames for "Territoire zero chômeur de Pipriac-Saint-Ganton"), recycling and reuse of electronic products ("La Rebooterie"), transformation of unsold food ("Envie" producing and selling soaps from unsold vegetables; "Groot Eiland" producing and selling ice creams and sorbets, soaps, beer; "La Brasserie Tricentenaire", producing beer from unsold bread; "Espigoladors" producing jams, sauces, vegetable pâtés, creams, juices, canned food; "Ateliere fare fontiere"), bicycle repair ("STPLN"), creative craft activities reclaiming waste from industrial materials (wood panels, pallets, reels, unused school furniture, glass bottles or pruning waste for "Eta Beta") or generally promote various circular economy solutions and good practices ("Malopolska"). In most cases, the jobs created by the circular economy activities are filled by people in precarious situations that are socially or professionally reintegrated as a result.

⁹ Policy brief "Making the most of the Social Economy's contribution to the Circular Economy, OCDE/European Commission, ISSN:1977-5342, 2022

¹⁰ Whatever the role of social economy, it has to be noted that circular economy with its solutions (reuse, recycling) hides the crux of the issues, namely the overconsumption of resource driven by mainstream economy worldwide.

¹¹ See annex I for more details

Territoire zéro chômeur de longue durée (TZCLD), Pipriac-Saint-Ganton, France

The objective of the initiative is to fight against long-term unemployment at a local level, the outline of which varies according to the initiative. The success of first such experiences in France resulted in the implementation of a specific legislation. It is a very rare case where a State has recognized its own failure, as well as the limits of the job market, to eradicate long term unemployment, and has consequently adapted its legislation to accompany and support SE initiatives. On a practical level, this means identifying activities that long-term unemployed people would be able and willing to perform, searching for activities which are not provided by the local enterprises on a competitive basis, and finally matching them. All the long-term unemployed people are recruited by a specific social enterprise, the statute of which is acknowledged by law by the term: "Enterprise for jobs". In the case of Pipriac-Saint-Ganton, the enterprise for jobs supplies ecological activities: reusing or recycling of metals, tyres, cardboards, papers, door frames). The enterprise for jobs sells its product and only part of the salaries are paid by a national fund created for that purpose. The success of the approach resulted in many other such initiatives in France (about one hundred). The extension to other European counties is now being considered.

In all the selected initiatives, the just transition activities are provided by existing social enterprises or by a social enterprise set up for that purpose. The statute of the social enterprise depends on the country: a non-for-profit organisation ("Espigoladors"), an association ("La Rebooterie", "les Compagnons Bâtisseurs", "Ateliere fare fontiere", "Groot Eiland", "Jardin nourricier et maison partagée", "Social centre of Bagatelle"), a cooperative ("Eta Beta", "ENVIE", "Tricentenaire" brewery), a non-governmental organisation ("STPLN"), and an "entreprise for jobs", a peculiar statute implemented through legislation specifically for the "Territoire zero chômeur" initiative. In most cases, the social enterprises are engaged in partnerships either for their sourcing, for their output or for sharing common spaces where training, exchanging experience and transferring know-how take place. In some more elaborate cases, the social enterprise belongs to a local cluster of enterprises where a series of complementary social activities reinforce each other. An example is given by the "Jardin nourricier et maison partagée" initiative that belongs to a local cluster of partnerships regrouping a shop of local agricultural products, workshops of apple juice production, or joinery, sewing or repair workshops, amongst others. In most of the selected initiatives, the just transition activities are provided by vulnerable or struggling people that are socially rehabilitated through employment integration, empowerment, social rehabilitation, and participation in various collective activities.

Eta Beta, Bologna, Italy

Eta Beta is a non-profit cooperative (mainly type B) that aims at helping socially vulnerable people back into society through creative craft activities or back-to-work training. The creative craft activities consist in recovering and valorising waste from industrial materials such as wood panels, pallets, reels, unused school furniture, glass bottles or pruning waste. The products of craft activities are sold in a Beta Eta shop, which partially finances the integration activities as well as other activities such as organic vegetable farming. Eta Beta trains vulnerable people through specific educational paths and work placements, notably in public enterprises with which Eta Beta cooperates, and thus contributes to their employment integration. Over time, Eta Beta has built a wide and diversified network with local organizations, public and private entities and achieved agreements with the City, the University, and the Local Sanitary Authority of Bologna, and partnerships with many social enterprises.

ENSURING SHORT SUPPLY CHAINS- SOME EXEMPLARY SE JUST TRANSITION INITIATIVES

The benefits of short supply chains are threefold: boosting local economy, lowering carbon emissions by shortening the delivery routes, and in the case of food related initiatives, improving food security. By reducing the stages in the supply chains, the local suppliers may also enjoy higher profit margins and the consumers lower prices.

In most cases, SE initiatives have local roots because they aim at meeting unsatisfied local needs. This is all the more true when the activities are provided by small and medium size entities that can only meet the demands of the local market. For the same reasons, when partnerships take place, they are local. In a nutshell, a social economy is a proximity economy. The local feature of SE initiatives is strengthened when they are accompanied by the implementation of local currencies that can only be spent in a particular geographical locality and with participating organisations. In a way, the establishment of a local currency¹² allows for the local internalisation of the added value created by SE activities, and consequently amplifies the economic and social benefits.

In some Member States, short supply chains are well developed: 40% of consumers in France, 31% in Spain and 36% in Germany purchased food products through short supply chains in 2016. The consumers increasingly rely on short supply chains because of their loss of confidence in food products, hence their interest in a direct/ disintermediated relationship with producers in order to better know the origin of the products they eat. In this way, the social economy contributes to satisfying the consumer demand¹³.

The European Commission has acknowledged the role of proximity economy in relation with social economy to pave the way for the ecological and digital transition. Its 2020 industrial strategy, updated in 2021, focuses on 14 industrial ecosystems including proximity and social economy.

¹² Since the beginning of the 21st century, the number of local currencies has literally exploded in the European Union as well as in the world.

¹³ See annex I for more details

EnVie atelier, Brussels, Belgium

EnVie atelier is a cooperative that aims at social integration by offering jobs to people in a situation of long-term unemployment, as well as reducing food waste by valorising fresh surplus vegetables. Indeed, EnVie atelier makes soups from fresh surplus vegetables supplied by Belgian farmers. It develops its activity thanks to short supply chains. The initiative is supported by partners that provide the fresh surplus vegetables from local producers (REO Veiling), delivery points (Colruyt) and training to the employees (Randstad). The Belgium Federation of Food Banks (FEBA) provides the whole ecosystem with political and ethical visibility and with expertise when required.

The selected initiatives, as far as activities and partnerships are concerned, were designed to be local from the very beginning. The "Groot Eiland atelier" was drawn up with a local ecosystem. It produces foodstuffs made from unsold food retrieved from various local partners (the Belgium supermarket Delhaize, the "Abattoir" in Anderlecht, their own shop "the Food Hub"). The "EnVie atelier" initiative has the same objectives as "Groot Eiland atelier" but differs in terms of organisation. To produce and sell its soups, "EnVie atelier" works with an agricultural cooperative REO Veiling that supplies fresh surplus vegetables from local producers, with Colruyt, a Belgium supermarket, that provides delivery points, and Randstad that trains the "EnVie atelier" teams. In the case of the initiative "Jardin nourricier et maison partagée", the association rents plots of kitchen gardens to local citizens and teaches them organic farming. The "Social centre Bagatelle" initiative also has its own short supply chains, notably in partnership with the association "VRAC" that belongs to the ecosystem, to achieve group purchases from local suppliers for the inhabitants of the district. For all the initiatives, short supply chains are enshrined in their operating mode.

IMPROVING ENERGY EFFICIENCY IN THE BUILDING INDUSTRY - SOME EXEMPLARY SE JUST TRANSITION INITIATIVES

The building industry has significant ecological impacts. Not only does it require vast amounts of resources and emit greenhouse gases during the production of construction materials, it continues to have a significant impact through use of buildings by households (heating and cooling, electricity consumption, etc) and also generates bulky waste materials. Besides, the European Commission has launched a strategy for a sustainable built environment to alleviate the ecological impacts of built environment.

At present, about 35% of the EU's buildings are over 50 years old and almost 75% of the building stock is energy inefficient. In other words, there are more than 30 million buildings in the EU with excessive energy consumption (at least 2.5 times that of average buildings). The rate of renovation of the building stock is very slow: only about 1% of the building stock is renovated each year.

The least energy efficient buildings are mostly used by inhabitants in precarious situations because their rental prices are relatively low, and the costs of required renovation investments are too high. And yet, the increase in energy performance of buildings is beneficial in the medium term (reduction in energy consumption, better comfort, increase in the value of building).

The "Compagnons Bâisseurs" initiative aims at improving the energy efficiency of buildings for the most precarious people in the French region of Île-de-France (around Paris). Their main objective is to help those in need to renovate or build their homes and accompany them on building or renovation sites. They provide advice on optimizing costs, choosing the most ecological materials, or reusing construction materials and saving energy. They are driven by local steering committees that gather the funders and social partners for regular meetings and identify the people likely to benefit from their support.

Les Compagnons Bâisseurs d'Île-de-France, France

The "Compagnons bâtisseurs" aim at habitat enhancement through sites of self-rehabilitation or self-construction, loans of tools, integration in the building sector and the recruitment of volunteers, mainly young people. They are active in Europe and across the world. They focus mainly on vulnerable populations and help improve access to ownin energy-efficient buildings. In France, the "Compagnons Bâisseurs" are active in eight French regions. Most of them are organised as the "Compagnons bâtisseurs": through different committees, they identify potential candidates, imagine the rehabilitation project with them, organise and coordinate the rehabilitation sites and steer the funders. On average, 90% of the costs are financed by public or private actors; only 10% is paid by the beneficiaries.

The Capacity initiative in Messina (Italy) aims at urban regeneration (more precisely slum elimination) in support of deprived populations. The programme allows beneficiaries to access a quality habitat according to adapted options: either the municipality buys houses and assigns them to beneficiaries, or, according to a second more innovative option, the municipality disburses a grant to the beneficiaries for the purchase of their houses. In both cases, the beneficiary can participate in the refurbishing of the house with professional support supplied by "Capacity". As a whole, a complete re-urbanisation is aimed at by leaning on energy efficiency solutions (use of high thermal inertia materials, production of renewable energy, creating green areas via vegetation to reduce energy consumption, etc.) and by setting up energy communities to manage the energy production collectively. The initiative also offers employment services to help the beneficiaries leave illegal or irregular jobs, manages ethical microcredit services and leads a socio-educative centre for minors and families. The "Capacity" initiative is led by a foundation co-funded by the Municipality of Messina and the Italian government.

Beyond improving the energy efficiency of buildings, the reduction of green gases emissions by buildings may also result from the use of more renewable energy. The "Batec" initiative in Catalonia aims at creating so-called "energy communities" that regroup citizens (inhabitants of urban or rural areas) to empower them and give them the ability to become "prosumers", i.e. users and producers, of renewable energy, which in this case is photovoltaic energy. The initiative provides integrated services and accompanies energy communities to design and implement projects where they not only use energy but also generate and manage it locally and in a sustainable and collective way. Through energy communities' projects, for instance the "La Bordeta" project, "Batec" pursues goals such as reducing energy consumption, fighting energy poverty, producing clean energy, raising awareness on the energy transition or pursuing democratic management.

Batec, Catalonia, Spain

Batec is a project of cooperatives and associative entities active in Barcelona that aims at empowering citizens to produce photovoltaic energy. The citizens' involvement is boosted by the creation of "energy communities" i.e. inhabitants of urban or rural areas that decide to carry out collective projects. Batec is a hub of 5 social economy enterprises: Azimut 360, Aiguasol, Lacol, Societat Orgànica (cooperatives) and Seba (association) that provides in a complementary manner all the services (architectural support, expertise, design, advice, training, raising awareness, etc) required to implement local initiatives of sustainable energy production and use. Societat Orgànica particularly helps with implementing a circular economy approach, notably based on closing material cycles. The ecosystem aspires to become a reference towards a sustainable and just transition promoted by social economy. Batec is financially supported by the city of Barcelona and the government of Catalonia.

ACCESSING QUALITY FOOD – SOME EXEMPLARY SE JUST TRANSITION INITIATIVES

Quality food is essential in order to be healthy. Having a healthy and varied diet results in reducing or even avoiding cardiovascular diseases, cancers, diabetes and all diseases linked to obesity. Eating organic food highly contributes to reducing diseases. According to a recent study¹⁴ based on a large cohort of French adults over the course of seven years, the risk of cancer is significantly reduced among high consumers of organic food. Based on hazards regression models, the risk of cancer is reduced by 25% between the first quartile of the cohort (the highest score in term of organic food consumption frequency) and the fourth one.

The most vulnerable people eat less organic food, mainly because their prices are higher than non-organic food. They are thus the victim of a tragic health inequalities; in other words, they face a reduced life expectancy.

The European situation reveals different issues at stake regarding quality food, particularly organic food¹⁵. i) the accessibility of food very much depends on the level of purchasing power. In 2019, 10.5% of Europeans live below their country's poverty line with a proportion that varies threefold, from 5% in Finland to 16% in Romania, and the percentage continues to increase as a result of successive crises. ii) the percentage of hectares organically farmed has increased in the EU from 5,9% to 9,9% of agricultural land between 2012 and 2021, but remains too low to ensure full accessibility to quality food. iii) even if the tonnage of food waste has significantly decreased over the last decade in the EU (from 173 kg of food per inhabitant in 2012 down to 127 kg in 2020), genuine ecological issues remain because unused, wasted food unnecessarily uses scarce resources such as land, water and energy and emits greenhouse gases (4,5 kg of CO₂ per kilogram of food produced).

The initiative "Jardin nourricier et maison partagée" driven by ATD Quart Monde and a social centre based in Nogent-le-Rotrou (Eure-et-Loir) supplies or rents plots of land to citizens in precarious situations to allow them to farm their own vegetable patch, most often collectively. Crops are grown with the involvement of other citizens (members of the association or inhabitants), which also contributes to local social inclusion. A greenhouse has been built for them thanks to participative work. The social centre provides funding and another association of the ecosystem raises awareness and trains the beneficiaries in vegetable farming, and especially organic farming.

Through this initiative, many people eat organic food that they would have not been able to afford otherwise. Similarly, the shared gardens of the social centre "Bagatelle" are available to about 50 families living in the district and allow them access to healthy food from their own plots. Another important impact comes from the training sessions that are organised by the social centre to learn how to farm and cook organic food.

¹⁴ JAMA Internal Medicine, December 2018, published online <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6583612/#!po=86.3095>

¹⁵ See annex I for more details

Jardin nourricier et maison partagée, Nogent-Le-Rotrou, France

The objective of the initiative "Jardin nourricier et maison partagée" driven by the association ATD Quart Monde was initially to make plots of land available to allow vulnerable citizens to work on vegetable patches collectively while accompanying them in the organic farming process. Through farming and raising awareness, the initiative allows people to eat quality food and change their culinary habits, which has a beneficial impact on their health. Progressively a whole ecosystem has developed around the initiative as well as an association called "shared house" ("la maison partagée"). Beyond both these founding associations, the ecosystem now regroups several associations with various social and ecological objectives: integration, animation of cooking, sewing or poetry workshops, selling organic products through short supply chains, producing apple juice, repairing bicycles, etc. It contributes to boosting the social and cultural life in the targeted districts, which allows the members of the association to learn and share the crops.

CONDITIONS OF SUCCESS

There is not a universal toolbox that would ensure the success of any just transition initiative by SE actors. Some conditions of success depend on national factors, most notable the national context, whether there is a national policy in support of SE that alleviates all the well-known impediments faced by the social economy. Such projects also depend on the existence of regional or local successful SE initiatives that could serve as examples to be followed and that allow for transferring knowledge. By definition, these conditions of success vary from one Member State to the other.

However, some characteristics of the selected initiatives always appear whatever their location and their social and ecological objectives. Based on expert analyses and literature survey¹⁶, some of them can be regarded as conditions of success. These conditions of success can be regarded as necessary, but not at all sufficient to ensure success of the initiatives.

¹⁶ A lot of studies, notably in the context of the European cluster policy, have been carried out relative to economic clusters of SMEs including conditions of success. Up to a certain extent, some conditions of success are similar and relevant to the cases of social economy ecosystems. See in particular, "Success factors in cluster initiative management: Mapping out the 'big five'", M. Klofsten, D. Bienkowska, I. Laur and I. Sölvell, february 2015, Industry and Higher Education.

A leader team and a founding idea.

At the very beginning of any social economy initiative, but also all along its development, a leader team with a founding idea is a cornerstone of success. The basic idea generally results from a social need not satisfied by the market or by public authorities and that the leader team sets out to satisfy. From this idea, a team of committed people or sometimes a single person identifies the activities to be developed and the resources to be gathered, defines the target group - often citizens in need - makes contact with the necessary partners and convinces the potential funders to invest in the project. The team is the engine, the idea the fuel. The idea and the leader team ensure the consistency of the successive decisions taken to solidify the initiative. The founding idea is not static, but should evolve and be refined through interaction with the ecosystem actors. For all the initiatives selected, there exists a core group, either a team of committed people or a single person, with a genuine social entrepreneurial spirit that leads the initiative. In all the selected initiatives, the core group has enough members and is diversified enough in terms of experience and knowhow to efficiently manage the initiative. Additionally, it has to set up a governance system that allows both to delegate and empower; in other words, the success results from top-down and bottom-up flows of positions leading to collective decisions.

A local anchorage and the citizens involvement.

One of the main characteristics of social enterprises is to be locally anchored¹⁷. This results from their purpose itself, namely to meet local needs unsatisfied by the market or by the public authorities. Initially linked to the citizens' involvement, this becomes a condition of their success. The citizens' involvement creates confidence, empowerment, appropriation of the objectives and a commitment to contribute to the success of the initiative. Thus, SE actors offer citizens the means, spaces, and methods to act collectively and interact with reality. The citizens' involvement increases the credibility of SE initiatives and eases the support of public authorities and funding. In the selected initiatives, the citizens involvement takes various forms.

The initiative can have strong citizenship building blocks. For the "Jardin nourricier et maison partagée" initiative, the vegetable patch and adjoining house are driven and maintained by citizens who are members of the association, but also by the inhabitants of the district. The citizens often take part in the activities as volunteers ("Bagatelle" to help design projects, "Rebooterie" to participate in the animation of workshops, "Espigoladors" to collect vegetable and fruit surpluses) or they benefit from training or education sessions. They directly manage some activities ("STPLN"). In some other cases, the citizens, who are often in precarious situations, are the beneficiaries of the activities (long term unemployed people for "TZCLD", "EnVie" and "Groot Eiland", people with disabilities for "Tricentenaire" Brewery or vulnerable people for "Ateliere fare fontiere").

Availability of premises.

The availability of premises well-identified as the place where the citizens can meet the people involved in the initiative and benefit from the products provided by it is also a condition of success. The place symbolizes the social economy initiative and makes it real. It has to be open to the citizens, volunteers or potential social entrepreneurs so as to be attractive and become a place of socialization and conviviality. A virtual social economy entity with no premises would not only be contradictory with the values of social economy (importance of people), but would also prevent any form of socialization and conviviality. The premises could be paid for by local authorities such as for "la maison partagée" initiative: the owner is the city that also pays the expenses. Sometimes the premises are abandoned places given by public authorities with the view to rehabilitate a district ("STPLN" in Malmö, the house of "maison partagée" lent by the municipal authorities, or the "jardin partagée" from old market gardeners). All the selected initiatives have such premises. They can be used as shops to sell products ("EnVie", "Groot Eiland", "Tricentenaire" brewery, "TZCLD", etc) or for multiple complementary activities such as training ("Rebooterie"), education ("Bagatelle"), conferences, peer-to-peer learning, co-working ("STPLN"), etc. The premises are used as offices for permanent employees or as meeting room for various committees (steering committee for "Jardin nourricier", local committee for employment for "TZCLD", members' council for "Bagatelle", technical committee for the "Compagnons Bâtisseurs", general assemblies for cooperatives or associations, strategic committee of experts for "Espigoladors", ...). Third places, incubators, fablabs, social innovation centres are other examples of social economy premises.

¹⁷ With the exception of some cooperatives that supply open competitive market beyond the location of production

INCREASING THE LIKELIHOOD OF SUCCESS

Some other conditions cannot be regarded as strict conditions of success, because there are many examples of successful initiatives, included the selected initiatives, that do not satisfy those conditions. However, they are worth being mentioned because they increase the likelihood of success.

Being a member of social ecosystems.

Being a member of a social ecosystem has many advantages. It facilitates the exchange of experience and knowledge between the different members of the ecosystem. It allows for pooling many resources such as premises, salaries, or volunteers. It consequently reduces the operating costs. It increases the attractiveness for the citizens that benefit from various social services. The activities can complement each other, for example when the output of one member of the ecosystem is the input of another one. Initiatives such as the "Jardin nourricier et maison partagée", the "Bagatelle" social centre, "Groot Eiland" or "STPLN" are instructive examples of the advantages of being member of a social ecosystem.

Cooperating with local/territorial public authorities.

Cooperation between SE actors and local or territorial public authorities has many advantages and can increase the likelihood of success of SE initiatives. Cooperation is based on a shared goal, namely serving the general interest. Cooperation often leads to co-construction of local objectives and policy measures. Through such cooperation, SE actors can influence local policies and ensure their consistency with their own objectives, for instance just transition objectives. They can also benefit from public support¹⁸ and advise structures, sometimes provision of premises and an easier access to financial support. But maybe the most important benefit is the complementarity of its activities with local development policies that ensure a stable and sustainable context as well as a political support. It is particularly true for SE just transition initiatives because the twin objective of contributing to social cohesion and to environmental improvement can only be in resonance with the objectives of local policies. But public authorities also benefit from such cooperation. Cooperation and co-construction increase the confidence and the commitment of SE actors towards reaching local social or ecological goals such as social cohesion, circular economy, energy transition, etc. Moreover, they guarantee the stability of the local productive fabric (impossibility of relocation of social enterprises elsewhere) and local internalisation of added value through short supply chains. Cooperation between SE actors and local authorities may happen whatever the originator of the initiative: the local authorities as for "STPLN" or "Malopolska", respectively a city and a region, or the SE actors in most of the other selected initiatives.

For some of the selected initiatives, cooperation with local authorities is key. For "STPLN", "Tricentenaire" brewery, "TZCLD", cooperation started from the beginning: the initiatives have indeed been initiated by local authorities themselves then entrusted to social economy actors. Very often, cooperation results in funds provided by local public authorities ("Jardin nourricier et maison partagée", social centre "Bagatelle", "Rebooterie", "Compagnons bâtisseurs", "Eco-habitat", "Tricentenaire" brewery, "STPLN", "Eta Beta"). By contrast, there are also initiatives that can develop without any cooperation or funding from local public authorities, mainly because they are self-financed by selling their products "(EnVie", "Groot Eiland").

¹⁸ The public support may come from European Union funds, such as the Cohesion Funds and the Reconstruction and Resilience funds in the case of "Malopolska" initiative.

Benefitting from conducive policy, fiscal and legal frameworks

Evidence shows the importance of a conducive, and even enabling, environment for social economy to thrive. The social economy often suffers from a series of impediments, such as a lack of political recognition, difficulty accessing funding, public and private markets, etc. This is why several Member States have put in place targeted legal frameworks and specific policies to support social economy, alleviate and even remove the impediments. The Council recommendation on developing social economy framework conditions, recently adopted by the council of the EU, precisely aims at achieving such improvement.

Some of the selected initiatives concretely exemplify the role of a conducive legal and policy framework. The initiative "Territoires zéro chômeur de longue durée" is a very illustrative case study showing how a legal framework not only ensures the success of social economy initiatives but is also able to substantially scale them up. Based on first local successful experiments and sharp reductions achieved in local long-term unemployment, the French State decided to adapt its legislation¹⁹ and its financial support with the view to ensuring legal certainty. For all "TZCLD" initiatives, the rules and conditions to benefit from public support through an experimentation fund have been specified; special employment contracts were authorized and the statute of the enterprises employing the former long term unemployed people clarified. As a result, the number of French localities that have undertaken such initiatives has greatly increased (to about one hundred). Moreover, discussions are currently taking place to extend such types of initiatives to other countries in the UE.

For all the selected initiatives that have taken place in Member States where a favourable legal and policy environment has been implemented for a long time, notably in Belgium (Brussels and Walloon regions), France, Italy, and Spain, and more recently in Romania or in Slovenia, the chances of success are higher. Additionally, the initiatives in those countries can be boosted by other similar stimulating initiatives and benefit from peer-to-peer transfers of experience. In the absence of an overall national social economy policy, the initiatives can nevertheless be backed by appropriate regulation, for instance circular economy regulations in Poland.

¹⁹ Two laws n° 2016-231 of 29/12/2016 and n° 2020-177 of 14/12/2020 have been adopted to ensure legal certainty and feasibility.

CONCLUSIONS

This study has illustrated how social economy (SE) contributes to just transition through a series of successful European initiatives. Three conditions of success have been identified for such initiatives: a leader team and a founding idea; a local anchorage and the citizens involvement; and the availability of affordable premises. For all the selected initiatives these conditions have played a decisive role. These conditions have been completed with three conditions increasing the likelihood of success: being a member of social ecosystems; cooperating with local/territorial public authorities, and benefitting from conducive policy, fiscal and legal frameworks. These last conditions are not verified by all the selected initiatives, but when satisfied they also play a decisive role.

All the selected initiatives have been carefully described with the view of transferring experience and encouraging new initiatives of just transition in the EU in a context where the EU Action Plan aims at improving the framework conditions in support of social economy and paving the way for many social economy initiatives to develop. Beyond that, the report intends to raise awareness of policy makers regarding the necessity to couple the required ecological transition with civil and public actions so as to compensate for the potentially detrimental social effects of ecological measures. Because of its commitment to social issues and its sensitivity to environmental issues, the social economy, of course, contributes to a just transition.

The report will be valorised by the contributors, Le Labo de l'ESS, Pour la solidarité, REVES and RTES through their own networks and communication tools.

We expect the European Commission services will also contribute to diffusing the report and valorising its content in the EU Transition Pathway websites, but also in the EU Climate Law websites to increase the visibility of social economy and its decisive contribution to just transition and citizens empowerment.

We recommend the European Commission services take all the appropriate initiatives to promote a just transition in the EU. What is at stake is the acceptability and appropriation of ecological transition measures by the European citizens. We think that conferences, workshops, debates in the GECES, matchmaking events to transfer experience to other initiatives would be useful.

In addition to writing the report, our pledge is a commitment to be available, if required, for any event on the just transition organised by the Commission services or by other European institutions.

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Two annexes to this pledge are available on the Labo de l'ESS website:

[Annex 1: The European situation and the issues at stake with regard to circular economy, short supply chains, energy efficiency of building, and access to quality of food](#)

[Annex 2: Selected just transition initiatives in the EU \(focused studies on the initiatives referenced in this pledge\)](#)

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