

*LABO DE L'ESS*

# CONSULTANCY PROJECT

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*PREPARED BY*

Léna Mamalis  
Clara Schouler  
Jeanne Parmentier

Charlène Castagna  
Juliette Vazzoler

# Executive Summary

The following report is the result of a consultancy mission led by 5 students of the ESCP Business School for the Labo de l'ESS. The latter is a French think tank dedicated to Social and Solidarity Economy (SSE). It aims to expand and boost SSE through collaborative and reflexive work and raise public interest for local innovations implemented by social organizations.

The purpose of the report is to explore SSE and its initiatives among European member states and to put forward recommendations for supporting and boosting transitions at the European level. SSE is a growing domain in the EU but still going through important heterogeneity in its application. Each member state of the EU is free to apply SSE in its own way, even though policies were put in place at the European level. This is the case of the Europe Growth Strategy voted in 2010 that underlined the importance of SSE.

The report focuses on initiatives coming from two countries : Germany and Belgium. Both countries appeared particularly interesting as their legislation and organization on SSE matters are different. Nevertheless, initiatives are numerous in both States which made the comparison even more accurate. While Belgium established SSE both at its federal and regional level, Germany still lacks a strict legal operating framework. Hence, this study details the organization of both countries in order to understand more clearly the 3 initiatives developed later on.

The initiatives chosen are linked with two specific themes, dealt with by Le Labo de l'ESS: 'territorial development and social clusters' and 'new forms of work'. While the first domain deals with territorial dynamics and their capacity to make local levels change and transform towards SSE, the second theme focuses more on future jobs making them more secure and source of personal fulfilment.

Hence, two Belgian initiatives were interviewed and one German. While the first initiative, La Plateforme des Acteurs pour le Réemploi des Éléments de Construction deals with the reunion of actors in the construction industry on a platform so that they can all benefit from the circular economy development, Carol'Or is a local currency. Both in their own way meet our thematics as their regional impacts are important. The third initiative interviewed and retained as part of our study is the GEN association from Germany, that brings together all eco-villages in the EU since 1995. Again, such an initiative shows how SSE can be integrated on a daily basis and change lifestyles and regional functioning.

All these interviews were led on the basis of a questionnaire addressing various subjects (impact measurement, economic model, stakeholders etc.) but with one aim : provide the most complete picture of each initiative.

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Table 1. - Degree of recognition of the term social economy in different European Countries. (

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# Abbreviations

SSE : Social and Solidarity Economy

ASBL : Association Sans But Lucratif

SFS : Société à Finalité Sociale

CPAS : Centre Public d'Action Sociale

ECG: Economy for the Common Good

# I. Context of the Project



# Le Labo de L'ESS

Le Labo de l'ESS is a think tank based in Paris whose objective is to make social and solidarity economy known and to build the structuring axes of this type of economy by analysing innovative and inspiring initiatives from different territories. Le Labo de l'ESS deals with different topics within the field of social and solidarity economy (such as Territorial development and social clusters and New forms of work), through research, conferences and concrete and practical proposals that encourage change through a bottom up approach.

As part of this study, our student group had to explore Social and Solidarity Economy (SSE) and its initiatives in the European Union in order to highlight recommendations for supporting and boosting transition at the European level. Beforehand, the decision had been taken to contact projects having direct links with the topics of 'territorial development and social clusters' and 'new forms of work'. These 2 subjects are part of the 11 subjects Le labo de l'ESS has been focusing on since its creation. In order to be precise and efficient, the choice of a topic appeared unavoidable.



Figure.1 : Themes of 'Le Labo de L'ESS' (Source: handmade)

# The Consultancy Project

Our first decision pointed out ‘territorial development and social clusters’ as the thematic brought together a diversity of territorial dynamics to capitalise on the wealth of their experiences. Among the initiatives in this last category are territorial clusters of economic cooperation, business clusters, zero unemployment territories, territorial food projects and competitiveness clusters. Such a topic appeared interesting to us as it gathered a variety of topics and thus permitted us to contact different initiatives among the countries we chose : Germany and Belgium.

Overall, more than 20 initiatives have been contacted over the European Union. All these organizations were contacted through social media (LinkedIn), directly from their website or through contacts one of us already had. Our study started on the same basis : the research of initiatives. All of us were free to look for the most interesting activities according to us among the European Union. This work was supported by the creation of an Excel sheet collecting all necessary datas (contacts, details on the activities, nationality etc.). Once this first step was done, we decided to divide the writing into 3. While one member focused more on the SSE in the European Union on a global scale, 2 others wrote on SSE in Belgium and the last ones on Germany. This stage completed, each of us wrote on the initiatives it had interviewed. The latter were led according to the availabilities of each. After 2 months of research, 4 have answered our questionnaire and given us inspiration for the future of Social and Solidarity Economy (SSE) in the European Union. These projects are often born of citizen impulses, visionary entrepreneurs, associative networks, meetings between business leaders, local and national policies for economic development, support for innovation, cultural activities, etc.

In this sense, the Platform of actors for the reuse

of construction components, based in Brussels appeared relevant as it both englobed a territorial development aspect and a social dimension. The idea? Bring together actors involved in the development of a circular economy for construction components in the Brussels-Capital Region. In fact, the initiative announces 4 main aims that will be developed further on in this report.

The first aim is to provide a point of contact and a relay for the actors on the ground confronted with the issue. The second : lead working groups in order to raise the main transversal obstacles to the development of reuse channels. A third objective is to create a context that allows for the harmonisation of initiatives, the development of a common vision and the initiation of new collaborations. Finally, the Platform wants to raise awareness, disseminate case studies and report on inspiring practices.

A second initiative of the ‘territorial development and social clusters’ thematic is the Global EcoVillage Network. This german initiative supports the emergence of experimental settlements that not only maintain their social and ecological stability, but also wish to develop it in a sustainable way.

In parallel, the thematic ‘new forms of employment’ has caught our attention during our work. The latter brings together all the themes aimed at transforming employment by making the contract more secure and giving meaning to work. From this perspective, 2 initiatives appeared relevant to such a theme: Monnetta and Carol’Or. While the first, which we didn't include in the report, communicates knowledge about sustainable alternatives to the existing money and financial system; the second is a local complementary currency circulating in the Pays de Charleroi and Haute Sambre (Belgium) catchement area since May 13, 2019.

Finally, the last initiative interviewed named BeCircular (Circular Sweden, 2021), based in Sweden and focuses on the saving of resources, improving customer loyalty and becoming a leader in sustainable transition. The latter, while very interesting, has not been developed in this report as, following the interview was considered as out of scope. Meanwhile, it permitted our team to get a certain view on the SSE in Sweden and sharpened our interview methods.

In general, the methodology used throughout our research has been characterized by the choice of the 2 topics pointed out earlier, the choice of 2 countries and the development of a questionnaire to be sent to each initiative. This way, each contact was done on the same basis and let us address various topics on the initiative itself in order to emerge with a complete framework of the activity. In this sense, the questionnaire had 5 orientations for research : the relationship and the link the initiative had to its territory, its organization (activities, innovations, solutions), its cooperation relationships, its economic model and its impact measurement.

Throughout our interviews, we kept in mind the importance of the whole map of stakeholders. In other words, the founders who are responsible for the project and team leaders, the employees and volunteers, the users, customers and beneficiary persons, the public and private stakeholders and finally, the public local authorities. Going more into depth in the methodology of this questionnaire, the first part, 'relationship and link to territory' is about the understanding of the activity area of the organization. This area isn't necessarily equivalent to the administrative area. In this part, questions about the demography of the territory, where the organization is located, or the typology of the beneficiary persons have been asked.

The second part of our questionnaire concerned the organization itself : its activities, innovations and solutions. In this case, questions on the beginning of the project were asked

(the key steps to develop the organization, juridical status etc.) and the governance chosen (choice of hierarchy or not, level of involvement of stakeholders etc.).

The third part of the questionnaire focused on the cooperation relationships of the organization. Thus, questions were more about the link the organization had with the SSE for instance. Moreover, the fourth part of our interviews concentrated on the economic model of the organization. In this sense, interrogations were more about the profitability, or not, of the organization or the typology of means for instance.

Finally, the last part of the questionnaire led to the impact measurement of the activity. Thus, questions oriented more on the impact measurement habits the actor might have, its potential results and the lessons that could have been learnt.

### Limitations

It is also important to highlight the limitations of this study. First of all, we had a very short delay to complete the study (only two months) which made it difficult to get in touch with many initiatives and also have time to conduct the interviews with them. Indeed, the three interviews were conducted two weeks before we had to hand in the report because either they replied quite late to our emails or simply they did not have many availabilities for interviews. As a consequence, we sometimes did not have enough time to go deep enough into our research.

We also felt that having only one hour of interviews with the initiatives via online platforms and not being able to see them live to be able to observe the environment in which they work, made it difficult to really understand how they operate and how they contribute to a better society. We were helped by their websites or scientific papers that were talking about them but we would have certainly benefited from meeting them in person and having longer conversations.



# On a EU Level

## Definition of SSE

Social and Solidarity Economy, or SSE, can be defined as a notion referring to organizations and enterprises which produce services, goods or thinking while aiming for collective patrimony and collaboration (Fonteneau et al., 2011). The concept includes private cooperatives, mutual benefit societies, associations, foundations and social enterprises which value autonomy, democracy and empowerment of citizens and local territories to foster a more united and purpose driven economy (Marques, 2014).

SSEs usually share a core identity based on free, voluntary, democratic actions. Either market based or non-market based they all were created by the civil society, in other words a community of citizens gathered around shared interests, to solve social problems and meet the needs of citizens at a microeconomic level (European Economic and Social Committee, 2017). Examples of Social and solidarity initiatives cover alternative currencies, social finance, fair trade, self-help groups (SHGs), collectively owned and managed social enterprises, “services de proximité” etc (Dash, 2014).

The SSE in itself is a notion that stands on its own by answering to the European citizens’ needs. The Social and Solidarity Economy empowers citizens while participating to contribute to a sustainable local development to territories. In addition, with Global warming related issues, SSEs also answer the needs of the citizens in search of making a difference. Several SSE initiatives contribute to a reduction of the carbon impact through projects attached to the concept of Circular Economy, which is part of the category “territorial development and social poles” of SSE in France (European Commission, n.d; Morvan, 2021).



## Opportunities of SSE

Following a movement of “counter-hegemonic globalization” (Marques, 2014), the Social and Solidarity Economy is driven by an emancipatory effort which brings it closer to the UN Sustainable Development Goals. Indeed, recent studies reveal that strong ties and similarities between the concept’s values and the principles of the 17 SDGs exist (Quiroz-Niño & Ángeles Murga-Menoyo, 2017). The rising interest in creating synergies between those two notions brings light to the different opportunities of SSE on a global scale.

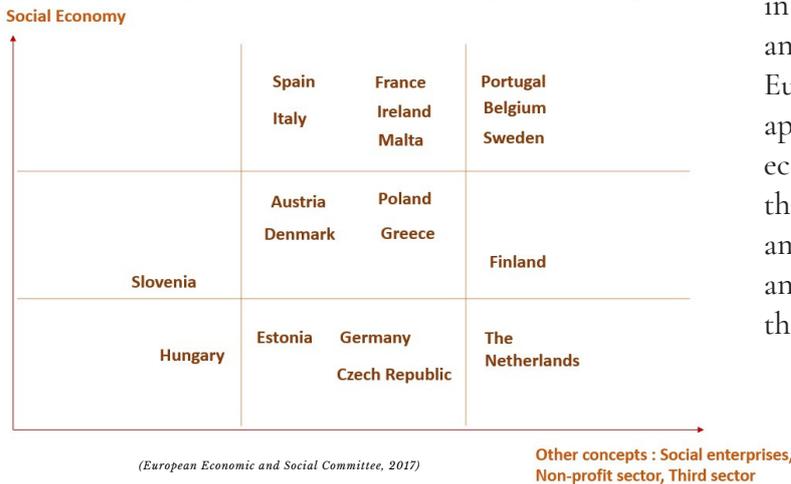
At the European level, the awareness of SSE is becoming clearer. In March 2010, the Europe 2020 Growth Strategy was published with strong ambitions directly linked to the social economy, and a more inclusive growth. Moreover, in 2011, the EU Commission also launched the Social Entrepreneurship Initiative and created in 2013 the European Social Entrepreneurship Funds, recognizing the status of social enterprise (Lesot & Stokkink, 2014). The SSE is far from a niche economy in the EU. In 2017, it accounted for 13.6 million paid jobs, comparable to around 6.3 percent of the EU’s working population. This comprises a workforce of over 19.1 million, paid and unpaid with 232 million members of cooperatives, mutuals, and similar entities among the 2.8 million European entities and enterprises (European Economic and Social Committee, 2017).

However, despite its scale, the social sector remains unconsidered for, posing still another huge issue.

On a more optimistic note, in the EU the concept of SSE is slowly emerging and its need to become less ambiguous for EU members is recognized (European Economic and Social Committee, 2012). Just a few weeks ago, in the framework of the European Social Economy Summit 2021 in Mannheim, a roadmap for the SSE in Europe was drafted giving more weight to the digitization of the social economy, social innovation and transnational and intersectoral collaboration. This Summit concluded in the Declaration of Mannheim which sheds light on the main ten fundamental issues for the economic transformation of the EU. Moreover, through the initiative Régions Européennes de l’Économie Sociale (ESER), the European Commission has launched a public open call for contribution, in order to receive advice and frame a visibility and awareness policy for the social economy (Observatoire européen de l’Économie sociale, 2021).

Even though the meaning of “social economy” might differ across countries, thousands of social initiatives, non-profit organizations or social enterprises exist in Europe, even if the concept lacks recognition and is still viewed as an ‘umbrella for a loose federation of diverse concepts and practices’ (Dash, 2014). As shown in the Figure.2 on the left, divergence regarding the acceptance of the SSE concept can be observed in the different EU members. There is no single and uniform model of the European model of the European social economy, but rather different approaches. The relationship between the social economy and the state is an important factor in the development of the sector, which explains, among other things, the creation of specific and/or comprehensive legislation, for example that takes into account the sector in its entirety.

Figure 2 : National acceptance of the concept of "Social Economy" and other concepts



Although the SSE is not often legally recognised as a sector in its own right in the EU countries, its components are often regulated. The legal framework in each country includes primarily the four traditional forms of SSE (associations, cooperatives, foundations and mutuals) as well as national forms of organisations belonging to the sector (joint stock companies with participation in Spain, misericordias in Portugal or companies with a social purpose in Belgium, for example).

However, there are major differences between European countries. Let us take the cooperative example: this entrepreneurial form is mentioned in the Italian, Greek, Spanish and Portuguese constitutions. In Spain, Italy and France, there is legislative inflation with laws for each type of cooperative or level of government (national or regional). Denmark, on the contrary, only recognises housing cooperatives and the United Kingdom credit cooperatives. (Lesot & Stokkink, 2014). Having such differences in the legal department of the EU for one, does not permit the initiatives to easily expand their practice in other countries making the percentage increase in SSE slightly slower in the EU. Furthermore, as the definition of SSE varies from one country to another the initiatives won't necessarily touch the same benefits in another country than their own. In other words, if an initiative is successful in one country, it will not guarantee that it will work in another .

The presence of a general legal framework is essential for the recognition and development of the social economy and its organisations in Europe. This is the case of Spanish public limited companies with worker participation which have experienced a boom after legislative changes since the beginning of the 1980s. In addition, social economy organisations, especially in the majority of the western EU countries, are strongly supported by special tax treatments, which naturally helps them in their growth. However, in the new EU Member States, social economy organisations are

relatively new and the legislation and taxation focus mainly on associations, foundations and social cooperatives. Finally, only five countries have framework laws on the social economy : France, Greece, Spain and Portugal (national laws) and Belgium (three regional laws). They are the only ones to have recently defined the social economy to give a new visibility to this economic sector in its own right (Lesot & Stokkink, 2014).

## Challenges Faced By the SSE

Building a common understanding of the concept of social and solidarity appears to become more and more important in the European Union. When carrying out measures, the EU foundations continue to experience a two dimensional issue concerning the social economy: its deficient legitimate base and its inadequate and summed up reasonable definition, battling between an absence of unequivocal references in the fundamental EU messages and a definition, assuming any exists, in view of authoritative document as opposed to the activities being led, and a variety of terms such as third sector, non-profit sector that prevent agreement on the term to be utilized (European Economic and Social Committee, 2012).

The Social and Solidarity Economy, therefore, stays a "science-in-the-making" (Dash, 2014) and may fail to consider the SSE constraints and challenges which have an impact on the concept's development and acceptance across the EU (Utting et al., 2014).

Nevertheless, it appears as a true counter instrument and alternative against individualism and the political economy (Marques, 2014), which we'll see in the following examples of Germany and Belgium.



# Germany

There is a growing body of literature that recognizes that, in Germany, the concept of Social and Solidarity Economy (SSE) is still ambiguous and not very well established (European Economic and Social Committee, 2012; Memedovic et al, 2017; Miriam Gouverneur, 2012). Indeed, according to a recent report from the European Commission (2018), “federal government began to recognize the topic in the 2000s, and has remained relatively passive; still no definition, no concerted strategy or any general plan stand clear in dedication to social enterprises” in Germany. It differentiates Germany from its European neighbours, as compared to Spain which passed a Social Economy act in 2011 or France who has appointed a minister delegate for the social economy within the minister of the Economy in 2011, Germany does not have any legislations on social entrepreneurship or legal forms of social economy.

Existing research explains that the lack of recognition of the SSE concept is due to the strong presence and traditions of the substantial social sector in Germany (Memedovic et al, 2017). Indeed, Germany has an economic system, named ‘The Social Market Economy’, which has both an economic and social dimension (Schlösser et al, 2017). Alfred Müller-Armack coined the term ‘Social Market Economy’ at the end of the Second World War (Watrin, 1979). He claimed that an increasing disparity between the rich and the poor leads to the rise of extreme right or left wing anti-democratic policies. Therefore, in order to not repeat the errors committed in the past, he believed that the State should provide equal opportunities for everyone and regulate the market to ensure fair competition between players. The Social Market Economy has been implemented by the Chancellor Konrad Adenauer in 1949 and is still in place today (Miriam Gouverneur, 2012).

Under this economic system, the state ensures the social responsibilities in cases when the economic market alone is not able to guarantee fair sharing or free access (Miriam Gouverneur, 2012). It has also led to the development of a tiers sector in Germany, which has three major principles: 1) the principle of autonomous management 2) the principle of subsidiarity and 3) the principle of collective economy. The first principle has allowed the creation of non-profit organisations (also known as non-governmental organisations) such as associations, foundations and limited liability companies. The second principle guarantees financial assistance from the state to social organisations. Finally, the third principle ensures that the aim of the organisations should not be personal enrichment or to maximize their income (Miriam Gouverneur, 2012).

In our opinion, the social market economy fosters economic fairness. Indeed, if the market is not regulated and the state does not intervene to redistribute resources (i.e. free market), unemployment and inequality are more likely to increase. Moreover, under the social market economy, the state has a right of 'competitive enforcement', which consists in keeping competition protected and supported. It improves market fairness as it reduces excessive power of individual companies. Under this system, the state also delivers social services which lead to higher levels of social justice and economic benefit for all.

However, the social market economy is different to SSE as it fosters social justice to a certain extent but it does not enhance solidarity among the citizens of Germany. Indeed, it takes a top-down approach, with the state being the major actor of social economy while SSE is about increasing bottom up approaches by allowing everyone to express themselves, to be listened to and to become an actor of their social future. Moreover, the social market economy is a system that does not attempt to modify the free market capitalist economic system compared to

SSE which is an alternative economic system. SSE initiatives aim to find different ways of consuming, production, saving, working etc... and meet the needs of economic, social and ecological transitions.

## Legal Framework

As mentioned above, the juridical context of the social sector or third sector in Germany is not well established. However, Germany still has in place many social laws, in particular the "Sozialgesetzbuch", which requires the government to provide assistance and support to the population. The Sozialgesetzbuch is divided into twelve separate books that combine different social laws. For instance, the third book "Arbeitsförderung", contains regulations on employment promotion such as offers of employment services, assistance during transition between unemployment and employment, or training programs on how to successfully find a job (Alison, 2021).

Furthermore, the German government has exempted certain organisations from taxes. Non-profit organisations that "directly pursue public benefit, benevolent, and church related purposes are exempted from Germany's corporation tax, commercial tax and gift and inheritance tax" (International Center for Non-Profit Law, 2019). Indeed, it is mentioned in the paragraph 52 of the law "Abgabenordnung", that if certain organisations accomplish specific public services (i.e. promoting research and development, supporting the health care system, fighting against criminality or against environmental pollution), they can benefit from tax reduction (Miriam Gouverneur, 2012). A new law in 2007, named "Gesetz zur weiteren Stärkung des bürgerschaftlichen Engagements", has further improved the tax framework for charitable activities and voluntary work in Germany (Miriam Gouverneur, 2012).

Concerning the legal statute of social enterprises in Germany, it is particular, as they can operate under many legal forms (European Commission, 2018).

Appendix (Letter) shows the different legal forms that social enterprises can use depending on their suitability. For a long time, due to the solid associative tradition in Germany, “the idea prevailed that any formal organization aiming at the public benefit had to concretize as an association” (European Commission, 2018, p.33). As a consequence, many associations did not engage in any entrepreneurial activities because of legal and fiscal limits. It was only recently, in 1990, that a new group of social enterprises appeared, and decided to deal with social problems through commercial activities. Those enterprises mainly adopt “the form of registered limited liability companies” and tend to operate under public-benefit status which gives them many fiscal benefits (European Commission, 2018, p.52).

### The Economy of Common Goods

As we have previously mentioned, the concept of social and solidarity economy is not very well established in Germany, nonetheless there is another alternative economic model which is more widespread, this is called the Economy for the Common Good (ECG).

The ECG movement came to life in Austria in 2010 to promote a non capitalist and cooperative type of market economy and has since spread in Germany.

The principles and values proposed by this economic model are very similar to the ones embraced by the social and solidarity economy. The aim of the Economy for the Common Good is indeed to prioritise and serve the wellbeing of people and the planet, which is referred to as ‘The Common Good’. The Common Good is prioritised over companies’ profits, and the concept of competition is replaced by the one of cooperation. The core values embraced by this alternative economic model are “Human dignity, Solidarity and social justice, Environmental sustainability, transparency and democratic co- determination” (Ecogood, 2021) . The Economy for the Common Good differs from the current German economic model of the ‘Social Market Economy’, as it rejects the notion of uniquely using monetary indicators like the Gross Domestic Product (GDP) to measure a country’s success, and the ‘financial profit’ to measure a company's success.

#### COMMON GOOD MATRIX 5.0

(Ecogood, 2021)

VALUE	HUMAN DIGNITY	SOLIDARITY AND SOCIAL JUSTICE	ENVIRONMENTAL SUSTAINABILITY	TRANSPARENCY AND CO-DETERMINATION
STAKEHOLDER				
A: SUPPLIERS	A1 Human dignity in the supply chain	A2 Solidarity and social justice in the supply chain	A3 Environmental sustainability in the supply chain	A4 Transparency and co-determination in the supply chain
B: OWNERS, EQUITY- AND FINANCIAL SERVICE PROVIDERS	B1 Ethical position in relation to financial resources	B2 Social position in relation to financial resources	B3 Use of funds in relation to social and environmental impacts	B4 Ownership and co-determination
C: EMPLOYEES, INCLUDING CO-WORKING EMPLOYERS	C1 Human dignity in the workplace and working environment	C2 Self-determined working arrangements	C3 Environmentally-friendly behaviour of staff	C4 Co-determination and transparency within the organisation
D: CUSTOMERS AND OTHER COMPANIES	D1 Ethical customer relations	D2 Cooperation and solidarity with other companies	D3 Impact on the environment of the use and disposal of products and services	D4 Customer participation and product transparency
E: SOCIAL ENVIRONMENT	E1 Purpose of products and services and their effects on society	E2 Contribution to the community	E3 Reduction of environmental impact	E4 Social co-determination and transparency

Figure.3 : Common Good Matrix 5.0

The idea is to transition towards an economic model which puts at its core environmental and social matters, instead of profitability, and that favours companies working towards the 'Common Good'. The Economy for the Common Good proposes the implementation of the 'Common Good Product' - that should be based on the 20 most important quality of life and well being's aspects identified by citizens - at a national level and the implementation of 'The Common Good Balance Sheet' for companies, communities and educational institutions (Felber & Hagelberg, 2020).

The Common Good Balance Sheet objective is to assess a company's (or other institution) contribution to the wellbeing of people and the planet. More specifically, the latter is built upon 'The Common Good Matrix' (Fig.3), and it measures - through a point based system - to what extent ECG's core values impact stakeholders like employees, customers, suppliers and civil society. Once finalised, the Balance Sheet is audited by a third party and it gets published alongside a 'Common Good Report' that describes how these values were implemented and what aspects still need to be improved (Ecogood, 2021).

In Germany there are more than 400 companies that have gained an interest for the Economy for the Common Good and have completed a Common Good Balance Sheet (Ecogood, 2021). A survey showed that most ECG's firms in Germany are usually medium size and encompass between 50 to 249 employees. The majority of these firms pertain to the Human Health, Social work, Administrative and Support service fields (Ollé-Espluga et al., 2019).

In Germany, The Economy for the Common Good has not only gained attention from companies but also from cities and municipalities. For example, in the city of Stuttgart, 2 city owned enterprises completed the Common Good Balance Sheet, and the city launched a funding program that subsidizes and

supports private companies to develop their own Common Good Balance Sheet (Ecogood, 2021). In addition to that, the municipality of Kirchanschöring in Bavaria became the first municipality in Germany to draw up a 'Common Good Balance Sheet' and a 132 pages 'Common Good Report' that provides "a detailed overview of the ethical management of the community" (Zahn, 2018).

Aside from Stuttgart and Kirchanschöring, other regions that have shown an interest for The Common Good Economy in Germany are Baden-Württemberg, Hesse and Bremen (Ecogood, 2021)

## Conclusion

Germany is more familiar with the concept of 'tiers sector' and 'non-profit sector' rather than the SSE sector. Due to the lack of a legal recognition of the terms 'social economy' and 'social enterprise', the latter are often exempt from receiving governmental support. However, thanks to the recent rise of a new alternative economic concept - the Economy for the Common Good - more attention and support is now provided to companies that are invested in social and environmental matters, as we witnessed with the Stuttgart and Kirchanschöring's examples. Hopefully these recent steps will eventually lead to the legal recognition of the 'social economy' and the 'social enterprise' at a national level so that a clear legal framework that benefits all types of social and environmental organisations can be attained.



# Belgium

Considered as one of the leading European countries where the concept of social economy is “widely accepted” (The social economy in the European Union, 2021). Belgium is of interest in the context of our study. In fact, the country counts 18 000 employing social companies, 390 000 full time equivalent, representing overall 12% of the country’s employment.

According to Belgium’s official economic website Economie (2021, April 16), historically the first form of social and solidarity economy was back in 1995 with the status of “société à finalité sociale” (SFS - social purpose company). This additional status was given to encourage the entities to continue their activities without following the usual path by being profit driven. It drew a line between entities and associations. However, companies saw no real advantage from gaining this new status. A few years passed before the Belgium federal parliament took action. It was only in February 2019, that the latter terminated the SFS and replaced it with the “entreprises sociales” intentionally made for the cooperative entities.

In Belgium, the term “social entrepreneurship” is defined differently depending on the level of authority considered. The federal authority bases its definition on the approach of the European Commission. The latter subscribes to the contemporary understanding of the social economy as the third sector of the economy. As a matter of fact, in its 2011 communication entitled “The Social Business Initiative of the European Commission” (The Social Business Initiative of the European Commission, 2021), the European Commission defines a social enterprise as one in which :

*“[...] the social or societal objective of common interest is the reason for the business action; profits are mainly reinvested in the achievement of this social purpose.”*

In other words, the maximisation of profit is not seen as an end but as a way to finance some societal projects. Moreover, the organisational model of social entrepreneurship is based on democratic or participatory principles.

In addition to these criteria, there is generally a tendency to develop socially innovative products and services aimed at niche markets and a concern for quality and sustainability.

As mentioned earlier, in Belgium the social economy is organized into three categories, depending on regions : Wallonia, Brussels-Capital region and Flanders.

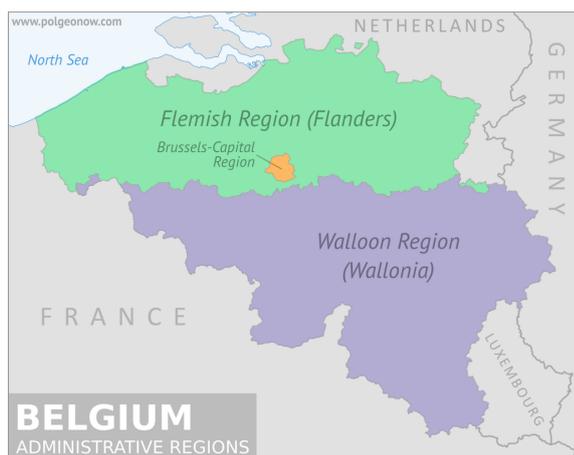


Figure 4: Belgium Administrative Regions (Jansson, 2016)

## Specificities by Region

### Wallonia

Wallonia is a French-speaking region in southern Belgium. It has an area of 16,901 km<sup>2</sup> and a population of 3.644 million in 2019 (Eurostat, 2021). The growth of social enterprises in the Walloon region has led the Wallon legislator to enshrine the social economy in a decree of the 20th of November 2008 (Gouvernements de communauté et de région gemeinschafts un regionaleregierungen, 2021). This decree defines the notion of social economy. It identifies the public tools falling under this competence and organises the representation and consultation bodies relating to this sector. The decree enshrined 4 ethical principles of the social economy, namely :

1. The purpose of service to the community or to members rather than the purpose of profit
2. The management authority
3. The democratic decision-making process
4. The primacy of people and work over capital in the distribution of income

In parallel, different tools have been developed in order to boost social economy enterprises. Here are some examples of mechanisms put in place. Among others, the Initiatives de Développement et de l'Emploi dans le Secteur des Services de proximité à finalité sociale (I.D.E.S.S). for instance, is a structure (ASBL, SFS or CPAS) approved to offer local services to individuals living in the Walloon Region. These services might be small jobs in houses, maintenance of yards and gardens or services intended for a disadvantaged public: social taxi, social laundry, social shop. Some I.D.E.S.S. can also clean the premises of small Association Sans But Lucratifs (ASBL). In addition, a body representing the sector has been set up for 4 years: ConcertES (Plateforme de concertation des organisations représentatives de l'économie sociale, 2021) and a Walloon Social Economy Council (CWES) has been established within the Economic and Social Council of the Walloon Region. Finally, on the 1st of January 2009, the Economic Development Department was given a Social Economy Directorate.

### Brussels-Capital Region

Brussels is the capital of Belgium and home to the headquarters of the European Union. It had a surface area of 161.4 km<sup>2</sup> and a population of 1.209 million (Eurostat, 2021) in 2019. On its official employment website (Bruxelles Economie et Emploi, 2021), the Region supports companies, ASBLs and CPASs that aim to integrate certain jobseekers, such as young people or the long-term unemployed, into society and the workplace. It approves and co-finances activity cooperatives that welcome candidate entrepreneurs, and encourages Brussels residents who develop a business with a social purpose (limited redistribution of profits, democratic governance).

The Brussels ecosystem is home to a growing number of start-ups, and alongside these nuggets that need capital to develop ("scaler"), there are many SMEs. To meet their specific needs in each sector, the Brussel region offers

various financial solutions. By their amount and form, these solutions complement the support of other financing players (banks, funds, other co-investors, etc.).

The socio-economic fabric of Brussels also includes very small enterprises (VSEs), social enterprises and cooperatives. Because they create value for the Region and promote a positive economy while helping to create sustainable, non-disposable jobs accessible to Brussels job seekers, the region also supports them via the subsidiary Brusoc.

### Flanders

Flanders is a Flemish region in Belgium in the north of the country. The European Commissions (2021) has registered it with an area of 13'625 km<sup>2</sup> and had a population of 6.629 million, at the beginning of the year 2020. Nyssens and Huybrechts wrote Belgium's country report on Social Enterprises and their ecosystems in Europe (2020). The authors state that the terms "social enterprise - social entrepreneurship' and 'social economy' are not being used as synonyms, but over the past decades social entrepreneurship is partially being replaced by the social economy" (p.56). Furthermore, they elaborate on the evolution of the term 'social economy' and its meaning in Flanders. Nyssens and Huybrechts (2020) voice that the latter term once referred only to "the integration of low-skilled workers on the labor market (WISEs)" (p.56). However, now the term is "legally defined as a set of "social entrepreneurial values" that touch upon multiple sectors.

Lepêtre (2012) states in her report analysing Belgium that Flanders social economy includes 4 types of entities (p.10-11). The first is 'Social Workshops' which offers low-skilled jobs to those in search of a job, who've been unemployed for at least 5 years and do not have an upper secondary education. The second refers to 'Protected Workshops' which help workers with disabilities who wish to work, to

enter into the labor market. The third namely 'Integration Companies' incorporates companies created for the specific purpose to place the workers that are difficult to place. Finally, the fourth entity comprises 'Initiatives in the context of the local service economy'. The latter touch upon initiatives which help in the integration of the group of people who are at risk of social exclusion by additional services from the government, and social added value.

Interestingly enough, historically only the first 2 entities were considered under social enterprises. But with time and decrees the term social enterprise arose and took in the two other entities under its umbrella. The 2000 decree widened the field of a variety of sectors. Since then multiple decrees were adopted, in 2009 the decree supported all types of social enterprises and since then additional decrees have focused majorly on the 'Protected Workshop' entities (Nyssens and Huybrechts, 2020, p.57).

Furthermore Lepêtre (2012) states that the domain of the employment and social economy in Flanders is composed of five entities (p.10). The first being the main department: the department of employment and social economy. The four others are all agencies:

- 1.«Vlaams Subsidieagentschap voor Werk en Sociale Economie» (VSAWSE- Flemish Subsidy Agency for Work and Social Economy)
- 2.«Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding» (VDAB – Flemish Service for Employment and Vocational Training)
- 3.«Vlaams Agentschap voor Ondernemersvorming – SYNTRA Vlaanderen» (Flemish Agency for Entrepreneurial Training - SYNTRA Flanders)
- 4.«Europees Sociaal Fonds (ESF) – Agentschap Vlaanderen vzw» (European Social fund (ESF) - Flanders Agency vzw – an f.a.s.b.l.) (p.10)

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## Conclusion

Overall, Belgium is considered as one the leading countries in SSE in the European Union. It has gone through a long legal process starting in 1995 with the establishment of the status of « social purpose economy ». While such a decision was a big step, the latter was replaced in 2019 by the status « entreprise sociale », thus launching a decisive aid to all companies wanting to develop in SSE. While such decisions were taken at the federal level, in other words at the national scope, the particularity of Belgium is its division.

In fact, the country, divided in 3 regions, Wallonia, Brussels region and Flanders, has organized SSE completely independently. In Wallonia for instance, the notion of social economy was enshrined legally in a decree on the 20th of November 2008. This shows for instance the deferred progress between the regional levels of the country and the national one. Moreover, the region of Wallonia also established several tools in order to boost and support social companies. Compared to the 2 other regions, Wallonia appears particularly developed, especially on the legal aspect of SSE. As a matter of fact, the Brussels region does not appear to have enshrined particular status for social companies. Nevertheless, its financial aids are recognized and well symbolized by the numerous forms of social organizations (Very Small Companies, SMEs, non-disposable jobs etc.). Finally, the third Belgian region, Flanders, has also gone through evolution through time. Today, the region has legally enshrined the term social economy, separating it into 4 categories. Such decisions can be traced to the year 2000 which triggered the beginning of the complete adoption of SSE in the region. Today, the latter has decided to separate the domain into 5 entities, all managed by regional actors.



# Between Countries

The following table paints a picture of the national acceptance of the concept of ‘social economy’ within the different members of the European Union.

Three different categories are represented in the table: the acceptance of social economy by public authorities, by companies in the social economy and by the scientific world. One can notice that the southern countries of Europe (i.e. Spain, Portugal and Greece) and the French speaking countries (i.e. France and Belgium) appear as leaders in the domain, while germanic countries (i.e. Germany, Austria, and the Netherlands) seem to be lagging in the integration of SSE in their model.

Different levels of recognition of ‘social economy’ between Germany and Belgium are depicted in the table. The major difference lies in the category ‘Public Authority’, as Belgium achieved a solid legal integration of SSE compared to Germany who does not benefit from any State structure or legal forms of SSE. The difference in the legal recognition of SSE between the 2 countries presented in the table certainly reflects the results from our analysis. In fact, as previously mentioned, in Belgium the concept is widely accepted whereas in Germany

	By public authorities	By companies in the social economy	By academia / the scientific world
Austria	*	**	**
Belgium	**	***	**
Denmark	**	**	**
Finland	**	**	**
France	**	***	**
Germany	*	**	**
Greece	**	**	***
Ireland	**	***	**
Italy	**	**	**
Luxembourg	**	**	**
Portugal	***	***	**
Netherlands	*	*	*
Spain	***	***	***
Sweden	**	**	*
United Kingdom	*	**	**
<b>New Member States</b>			
Bulgaria	**	**	**
Cyprus	**	**	**
Czech Republic	*	**	**
Estonia	**	*	*
Hungary	*	**	*
Latvia	*	**	**
Lithuania	**	*	**
Malta	**	*	**
Poland	**	**	**
Romania	*	*	*
Slovakia	*	**	*
Slovenia	*	**	**
<b>Acceding and Candidate Countries</b>			
Croatia	*	*	*
Iceland	**	**	**

Notes: Questionnaire question: Could you tell us whether the concept 'social economy' is recognised in your country?

Table 1. Degree of recognition of the term social economy in different European Countries. (Source: European Economic and Social Committee, 2012)

it is possibly 'replaced' by the concept of the 'Economy for the Common Good', which presents very similar traits to SSE. Differences also exist within the category 'company in the social economy'. While Germany benefits from numerous social initiatives and enterprises, it seems that those are less likely to identify themselves as SSE initiatives compared to Belgium's social enterprises who are more familiar with the SSE concept.

Despite there being major differences between Belgium and Germany in the way that SSE is perceived by public authorities and companies, there is one aspect these 2 countries have in common.

In both countries it is indeed possible to notice that most impactful measures in favour of social enterprises and organisations at large tend to take place at a municipal or regional level rather than at the national one. In fact, in Germany, even though the concepts of 'social economy' and 'social enterprise' have not yet gained legal recognition, certain measures that benefit social and environmental organisations have been implemented at the city or municipal level, thanks to the Economy of the Common, as witnessed with the aforementioned Stuttgart and Kirchanschöring's examples. Similarly, in Belgium the most effective financial and legislative measures in favour of social enterprises have also been attained at the regional level, as observed with the Wallonia, Brussels region and Flanders' case .

In our opinion, this could be due to the fact that changing laws and implementing new measures in favour of an alternative economic model at a regional level is less burdensome than at a national level, in terms of bureaucracy and attaining consensus. This proves the effectiveness of implementing change from a bottom up approach, where the involvement of multiple local communities and municipalities can play a fundamental role in attaining change even on a wider scale. In addition to that, it is

also worth noting that it is also a particularity of the SSE model to respond to territorial needs from a bottom up approach, instead of tackling issues at a national or wider level. This is because territorial needs can differ even within the same country.

# III. Results of our field work



# Results of our field work

Having done our research on SSE on an EU level and in 2 specific countries, it is now time to see if it is aligned with reality. Do the theoretical definitions, given by the corresponding administrations (or maybe legal bodies), correlate with the actual initiatives we interviewed during the course of our project?

## Belgium



1.



**Confédération Construction  
Bruxelles-Capitale**

Construction, énergie & environnement

### The Initiative

Reemploi Construction Brussels, as mentioned in the title, is based in Brussels, and was initiated in 2017. Its aim is to regroup all the actors in the construction industry on a platform so that they can all benefit from the circular economy development. The “Plateforme des Acteurs pour le Réemploi des Éléments de Construction” or ‘Reuse Platform’ centralises the initiative and thus allows users to exchange with architects, entrepreneurs and others. This action thus clearly links back to the solidarity section of the SSE.

This construction Confédération as stated on their website Reemploi Construction Brussels (2021, a), promotes a liaison between the workers on the field faced with issues and some experts. They foster initiative coordination, new collaborations and encourage them to find common grounds and visions. Finally they raise awareness on the issue by sharing food of thought through reports, cases, and stimulating practices.

Currently, there are one to two representatives who work on managing the platform.

Alexia Meulders, circular economy consultant for the Confédération de la Construction Bruxelles Capitale, is in charge of raising awareness about the need to boost recycling in Brussel's construction industry through newsletter articles, managing new partnerships and measuring the impact of the platform.

The initiative is based on collaboration from both the public and private sector. Described as a “bottom up initiative”, it aims today at creating a place where the different stakeholders find out that their interests are the same and engage together towards conscious actions. As a network, connections are created through the platform which allow communication and projects promotion through this network for the community to grow.

Up to now and according to the interviewees, the platform is a success and the participants seem satisfied about its serviceability. In order to ensure the progress of the platform, the growth of the newsletter subscribers is followed (reaching 3000 people). There are no specific statistics tracking measuring its success. Alexia is planning to use KPIs but lacks financial and technical resources to improve the platform evaluation (Perez Duenas and Meulders, 2021).

#### *Link to Social & Solidarity Economy*

Being a construction confederation in Brussels they regroup 15'000 voluntary members. Whether they are entrepreneurs in the industry or partners to exchange materials, they act as a circular economy advisor with all the centralised information on the topic without contracting any benefit. Their first and primal aim is to share the information on the concept of reusing construction materials.

#### *Projects*

They currently have multiple projects in play as shown on their website Reemploi Construction Brussels (2021, b): (1) Le Bâti Bruxellois Source



**Alexia Meulders**

**Circular Economy Consultant**

de Nouveaux Matériaux - BBSM, (2) Build Reversible in Conception - BRIC, (3) Be Circular, (4) Facilitating the Circulation of Reclaimed Building Elements in Northwestern Europe - FCRBE, (5) Buildings As Material Banks - BAMB.

All of these have a role to help and encourage bigger building companies to transfer to the circular economy way of constructing. However the main project is their 'Reuse Platform'.

#### **History**

The motivator of this initiative comes down to the simple observation of construction waste. As shown by Deloitte (2015) in their report “Screening template for Construction and Demolition Waste Management in Belgium - V2” construction and demolition waste wasn't recycled or properly monitored before 2012. They seem to have very little data collected on the topic and only every two years. However, in 2010, in Belgium there was a total of 8'998'025 tons of construction and demolition waste (CDW) generated, and in 2012, Belgium generated “6'945'480 tons of CDW” and they registered the “recycling of 14'542'374 tons of CDW” (p.40). Therefore, there has been progress

in the form of monitoring the amount of waste. These few years allowed the regions to refocus on the waste management and thus initiatives such as Reemploi Construction Brussels to be called upon by the administration.

However, Reemploi Construction Brussels was not the first initiative to tackle this subject. Program for a Circular Economy (PREC) now called Brussels Regional Program for a Circular Economy (BRPCE) was the first to take action in 2015. The latter was an initiative created by Brussels Environment (2021, June 17), the administrative of brussels public service responsibility in terms of the environment and energy. The platform tries to act as a circular economy advisor which promotes centralisation of relevant information while fostering solidarity. Entrepreneurs can then exchange material and anyone can contact associations, building professionals, material distributors, training organizations if they have questions about construction materials recycling. The aim is to work together to have tools and promote recycling in Europe to reach 50% of reusable material by 2022.

During our interview the interviewees mentioned that “there were a lot of waste uses and a lot of the waste was exported outside of the region and so they wanted to try to foster jobs inside the region” (Perez Duenas and Meulders, 2021). By trying to foster jobs inside the region they would manage to tackle two issues: employment and global warming through reduction of CO<sub>2</sub>. Thus Brussels Environment invited a group of people creating an assembly to tackle the issue and come up with a strategy. As a result the platform was born and ran by Rotor \* and Reemploi Construction Brussel.

\* Rotor is a cooperative that mainly gives a hand on interior design and architecture practices in Belgium. As per their website, Rotor (2021) they also play an important role in the research done on the topic. Furthermore they “produce exhibitions, books, economic models and policy proposals” (Rotor, 2021, p1).

However Rotor was more interested in a profit driven solution therefore searched for a business opportunity, which in the end, was more complex than needed. Rotor then dropped out of the project and Reemploi Construction Brussels has been handling the free platform since.

The administration wanted to become a business that would run itself at the beginning therefore for a year they gave it a try. However, this did not work as it lost its main aim of sharing above anything else. Therefore the platform is generally run by one person, however currently as there are a lot of projects to be dealt with, two people are on it. Through this platform the users are provided with help from experts in the field and are given tools to succeed. Reemploi Construction Brussel showed interest and took on the project and took it into their core business (Perez Duenas and Meulders, 2021).

## Issues Encountered

However as in every good story they did encounter some bumps in the road. On a legal basis the initiative itself does not face specifically any issue however there is an issue when it comes to the subsidized workforce in the construction sector.

Legally, most of Brussels construction workers are under the “commission paritaire”<sup>124</sup> meaning that their salary is decided among social negotiation bodies. The extra costs included in their salaries such as risk insurance or social costs are relatively high for construction companies. On the other hand, the social economy has a different type of paritary commission subsidized by the government which is more directed to disadvantaged people to give them opportunities. Employing subsidized workforce creates cost savings for construction projects, companies belonging to the social economy partnerships benefit from some financial aid from the government. The

problem arises when two employees are doing the same job and are paid differently. The construction sector in Brussels is facing a lot of administrative heavy work, for environmental security, workers etc. Here, implementing the SSE workforce can be very interesting and beneficial to all actors involved but it has to be defined properly without creating inequalities or market barriers. As a reuse platform, La Plateforme des Acteurs pour le Réemploi des Éléments de Construction tries to understand these challenges and create an online space to exchange about them.

On the financial basis, the initiative does lack the resources to accurately measure the impact of the plateforme on the construction industry in the Brussels region (Perez Duenas and Meulders, 2021).

## Conclusion

This initiative shows that similar platforms can be launched beginning with understanding the concept of the region and its needs. Cooperation between the public and private sector appears to be useful to bring stability to the project, as well as aiming for a bottom-up kind of initiative which facilitates its acceptance by the sector. If introduced only by the administration, the construction sector might not have been as participative as they could have due to conflicts of interests.

Thus, the vision and mission of the initiative needs to be constructed with the stakeholders all together for such a project to be sustainable (Perez Duenas and Meulders, 2021).

## Initiative Contact

Website:

<http://www.reemploi-construction.brussels/#:-:text=La%20%C2%AB%20Plateforme%20des%20Acteurs%20pour,en%20R%C3%A9gion%20de%20Bruxelles%2DCapitale>

Email of the person contacted:

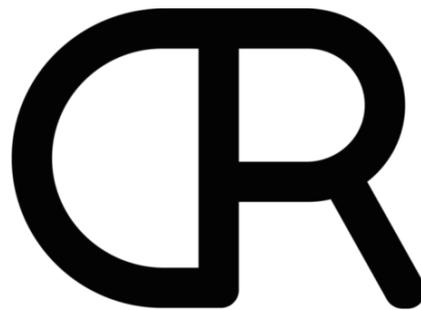
[reemploi@confederationconstruction.be](mailto:reemploi@confederationconstruction.be)

# Results of our field work

## Belgium



## 2.



# CAROL'OR

### Context

Nicolas Leroy is the person we carried out our interview with. He works within the Management of Carol'Or. He has been working with Carol'Or since its very beginning in 2016. He is passionate about social and environmental issues and about making a positive impact in its region, which is why he decided to get involved in such a project.



Nicolas Leroy

Gestion



Why has Carol'Or been created? The founders of Carol'Or were inspired by the movie "Demain", in which the concept of alternative currency is discussed. Nicolas Leroy clearly demonstrated the numerous advantages of alternative currencies and especially local currencies. First of all, in contrast with conventional money, alternative currencies are managed by the users themselves and do not require intermediaries such as states and banks. Hence, a decentralized currency protects the local community from the instability of the global markets and the conventional currency system. Secondly, a local complementary currency has the advantage to support local economic development as the money can only be used locally. It thus empowers communities and helps small businesses to flourish. Thirdly, local currency reduces the environmental burden caused by long distance shopping.

In 2016, around 15 citizens from Charleroi regularly met with the objective to promote and foster local economic autonomy; food sovereignty; the development of responsible and inclusive finance; and to encourage the exchange of durable goods and services. In order to achieve this goal, they decided to create a local currency named: "Le Carol'Or". They have created information sessions within different citizen spaces, and raised awareness through platforms like Facebook in order to reach the businesses, associations, and citizens from Charleroi to have the currency circulating within the region.

In addition to that, as one of the members of the group closely works with the city public administration, they managed to gain visibility with other people working within the administration. Thanks to that they managed to develop partnerships with local authorities which at times have granted the possibility to exchange Euro with Carol'Or within their administration or local outlets.

Today, 475 businesses in Charleroi are trading

with Carol'Or. The currency exists in the form of physical bank notes, but also in the form of electronic money. (See figure 5)

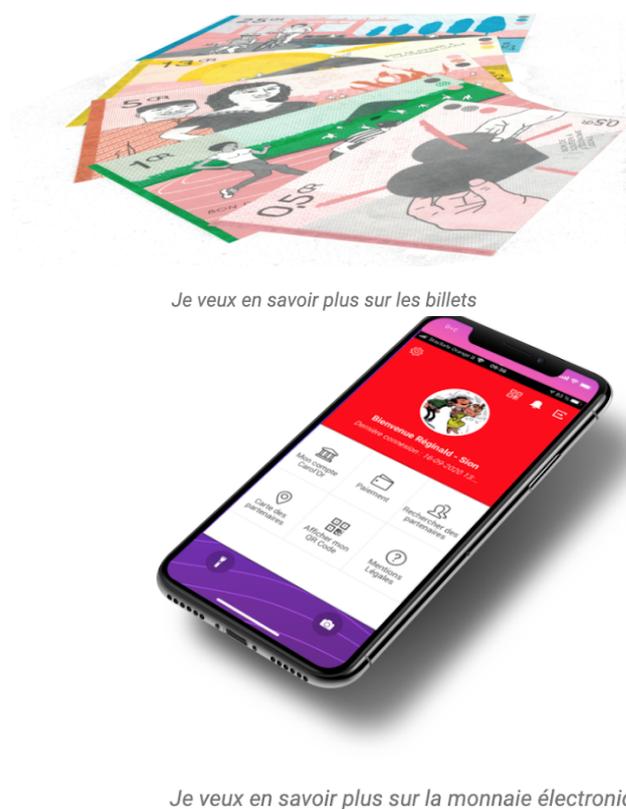


Figure 5: Carol'Or Banknotes and electronic money

When we asked about the background of people working at Carol'Or, we were told that the people working within the group did not previously know each other, and they all have different backgrounds (he specified that there are no bankers). These people are united by their passion of wanting to do something positive for the planet and people. Most of the people working/volunteering at Carol'Or have a university degree, however it is not necessary to have a degree to work at Carol'Or, indeed a few of them do not own one. At first there were 30 people volunteering, but then the number went down to 15 and now there are only 9 people working within the administration council of Carol'Or. However, they also have a few sub groups of volunteers that help them with specific activities, such as posting on facebook or visiting partners.

## The Organisation Stakeholders

Carol'Or has not only been supported by citizens and volunteers that felt the need to improve society and find alternatives to the current economic rules in the world, but also by a non profit organisation called "Financité".

The latter is fighting for more financial inclusion. Financité's goal is to develop and promote ethical and solidarity-based finance in Belgium. They have been the initiators and supporters of many local currency projects in Belgium. According to Financité, the french speaking part of Belgium currently has 16 local currencies which supports more than 2,000 traders in 196 municipalities. In total, more than one million units of complementary local currencies are circulating in this region in 2021 (Tendences trends article, 2021).

The support received by Financité has been fundamental to Carol'Or to gain legitimacy. Indeed Carol'Or is a non profit organisation, more specifically an 'association sans but lucratif' and Nicolas mentioned that in order to gain legal recognition, Carol'Or needed to receive the approval of the Belgium Finance Regulator, which they managed to attain relatively easily thanks to their partnership with Financité. If it wasn't for their partnership, it would have indeed been a lot more arduous to attain this type of approval.

Despite gaining approval from the Belgium Finance Regulator, the complementary local currency is legally not truly viewed as a currency, but it is viewed as "local economy support voucher" (Carol'Or, 2021), a 'bon soutien' for the local economy, similarly to restaurants' tickets; this is because only the state is allowed to create a currency. In fact Carol'Or is legally tolerated as long as there isn't 1 million Carol'Or circulating and as long as it doesn't pose a threat to the mainstream currency. Currently there are around between 200.000 and 300.000 Carol'Or money in circulation.



Figure 6 - Carol'Or Banknotes

Carol'Or main source of income comes from their partners' memberships. Businesses that end up partnering with Carol'Or and using the currency pay indeed €25 a year for their membership, which according to Nicolas Leroy it is a very small expense for a business.

Another source of income comes from Financité which is also recognized as a permanent education organization by the Wallonia-Brussels Federation and pays them a certain amount of money when they organise educational events where they teach people about the importance of using local currencies.

Nevertheless, certain projects are subsidized by the state. For instance, the state finances certain projects launched by Carol'Or, aiming at educating people about how to actively participate in social, cultural, and political life. It is called "education permanente".

## Relationship with Public Authorities and Growth

Relationships with public authorities have indeed proven to be positive for Carol'Or's growth.

During Covid even though their activity halted, as they couldn't host events and the exchange points where it is possible to exchange Euro for Carol'Or had to close down, the city of Charleroi decided to associate with Carol'Or in the 'Plan de Relance'. This is the recovery plan that was launched to help reboot the local economy and businesses that were hit by the pandemic.

Between September and December 2020 the city of Charleroi decided to distribute 20 Carol'Or (which equate to €20) in the form of a voucher to each citizen living in the 15 municipalities of Charleroi, children included. This voucher could have been used in the businesses that partner with Carol'Or. The goal of this project was to keep money circulating locally in order to help local businesses. This could have been done only through a local currency like Carol'Or; in fact if the money was gonna be given in Euros it could have been spent outside of the region without helping the local economy. Thanks to this initiative around €4 million have been invested in local businesses and Carol'Or gained a lot of visibility. It indeed went from having 100 local business partners to more than 400 partners. In addition to that, the City of Charleroi gave Carol'Or some funding to carry out the project: a 'local' in the center of the city was given to them in the form of a loan; and they received some subsidies to employ 2 part time workers who will be working for Carol'Or for the next 3 years. Nicolas - our interviewer - said that they are currently trying to capitalise on the visibility and boost they gained through this city operation.

## Carol'Or and SSE

When we asked Nicolas if his organisation could relate to the concept of social and solidarity economy, he replied that they are not completely familiar with it and himself had difficulties to define it. We were quite surprised with this response because as we mentioned above, according to scientific papers and research, the concept of SSE is well established in Belgium. Moreover, we believe that since Carol'Or operates within the Wallonia region, it could be a disadvantage for them to be unaware of the social and solidarity concept. In fact the Wallonia region offers many tools to promote and support social economy organisations, and Carol'Or could potentially be missing out on receiving financial incentives that could help them develop further.

Once we clarified the idea behind SSE and what it aims to do, he claimed that Carol'Or is an organisation that has a social purpose and aims to find alternative models of growth. For that reason, even if they are not defining themselves as a SSE initiative, they are participating in the transition towards a more just and sustainable economy. Indeed, Carol'Or helps to maintain the jobs and wealth within the region of Charleroi, as the currency is only circulating in the local area. This would have not been possible with euros, as they could have been spent on goods and services that belong to big corporations outside the area (i.e., Amazon, Coca Cola etc...). The local currency also has the advantage of improving social relations in the regions.



Figure 7 - Carol'Or voucher

## Past Challenges

In regards to the difficulties encountered within the organisation's journey, the interviewer Nicolas Leroy mentioned that there were several challenges faced by Carol'Or especially in its beginnings. In fact it was not easy to persuade citizens and store owners about the benefits related to the implementation of a second local currency. Some people indeed believed that dealing with 2 currencies would have created further unnecessary complications, while others would consider the implementation of Carol'Or only for economic reasons while disregarding the social benefits related to it.

They initially started with around 30 partners, mostly local businesses that were already inclined to Carol'Or values and to the idea of boosting the local economy through the implementation of a complementary currency. Then, in order to expand their network of partners they had to persevere by talking to businesses multiple times and they started using several communication channels, like Facebook and Radio stations to gain visibility. In addition within the region of Charleroi they started organising info sessions in the 'espace citoyen' and movie theatres to teach people about the benefits associated with the implementation of a local currency.

Other difficulties they faced at the beginning of their journey, were to get the finances needed to print Carol'Or money and to deal with the logistical issues related to setting up currency exchange points where people can exchange Euro for Carol'Or.

## Present Challenges

An issue that is affecting the success of Carol'Or today is the fact that the organisation is mainly run by volunteers. This means that there is not much stability as people come and go and it has become harder now to find new volunteers. Despite their growth within the region, they have indeed gone from having 15 to 20 main volunteers to less than 10 now.

This loss of volunteers leads to problems related to efficiency which tend to delay important decisions, negatively affecting Carol'Or growth. Aside from the 2 new people that are working there part time thanks to subsidies received by the city of Charleroi, there usually are only 3 people working there on a paid contract, the president, the secretary and the treasure of the organisation.

According to Nicolas, in order for the organisation to gain further ground on the territory, they need to hire more permanent staff. This will help them professionalise their activity and further extend their impact. Currently they are lacking the monetary resources to employ more people, which is why they are in need to get funding from the state or local authorities. This could help them have people work on projects full time and become more resilient as a whole.

Another obstacle that Carol'Or is still facing today is the fact that as previously mentioned, it is not truly recognised as a currency, but is viewed as a 'bon soutien' for the local economy, and is legally accepted as long as it doesn't threaten the current mainstream currency. This represents a big obstacle for the organisation, as its expansion and growth could be hindered by juridical hurdles.

## Impact Tools and Lessons Learnt

Nicolas Leroy mentioned that there are a few ways through which it is possible to assess the impact of the organisation. One of them is the number of partners they have, another one is the amount of Carol'Or banknotes that are in circulation within the region; and finally the last impact indicator is the number of people that follow and show interest in their Facebook page.

Among the lessons learnt that could be reproducible by other similar initiatives, one of them is that during the first stage of the initiative's journey a crowdfunding page should be set up to get the financial resources needed to get started.

Another lesson learnt is that it can be quite tricky and complex to coordinate the shift from being an informal to a formal organisation. What could help is to spend more time from the very beginning to find the resources needed to hire full time staff, as problems will be faced along the way when volunteers come and go.



Figure 8 - Carol'Or vouchers

## Initiative Contact

Website: <https://carolor.org/>

Email of the person contacted:  
nicolas.leroy@spw.wallonie.be

# Results of our field work

## Germany



### 3.



GLOBAL  
ECOVILLAGE  
NETWORK

#### Context

Stefanie Raysz was our contact to Global Ecovillage Network. She is a part of an ecovillage called 'Schloss Tempelhof' located in Bade-Wurtemberg (nearby Stuttgart), which functions around a circular economy system. Her ecovillage is registered in the Global Ecovillage Network (GEN). Not all ecovillages are registered under GEN, meaning that they don't have access to this enriching bigger network. However, every ecovillage is an association. As seen earlier in Germany there is no term such as SSE however they do have an equivalent the Economy of the Common Good. GEN falls under this category as they prioritise the wellbeing of the people and the planet in each of their associations.

Looking at the GEN association in more depth, it was important to Mrs. Raysz to clarify that the term 'Eco' in 'Ecovillage' does not stand for an ecological village; instead, 'eco' derives from the greek 'Oikos' meaning 'community'. Nevertheless, It is a closely knit community that implements a circular economy system and chooses to live as an ecological environment. GEN (2021) declares to create "bridges between policy-makers, governments, NGOs, academics, entrepreneurs, activitts, community network and ecologically-minded individuals across the globe in order to develop strategies for a global transition to resilient communities and cultures." This way of living contributes to the development of their territory and creates a sense of solidarity between the members of the

association, and the network. In order to maintain this ecovillage the members need to respect the rules and the other members of the association.

We had the opportunity to interview Mrs. Raysz to provide us with more information on GEN as her village is only a part of one branch of GEN. Jobwise Mrs. Raysz works for GEN Germany and she informed us that GEN also functioned on a European and an international level. In regards to GEN Germany, there are currently 21 ecovillages in the GEN network, and decisions are made within the villages based on democratic principles (Raysz, 2021).

The aim of the ecovillages is to demonstrate to everyone else that there is a different and feasible way of living. A way in which people are not driven by money and ownership but on the contrary, they are driven by the reduction of ecological footprint, a system of reuse and solidarity within a community. This ecovillage, especially, contributes to solving the needs of the citizens in regard to the issue of global warming.

Every ecovillage has its own rules and ways of living, however they do tend to live on the basis of auto sufficiency and resilience. Meaning that they create as much as they can within their community. For example, they try to reduce their need to purchase fresh food in stores. Stefanie Raysz's (2021) village, like most neighbouring villages of hers, owns a piece of land used for agriculture. They grow up to 70% of their fruits and vegetables. The land doesn't run by itself, so living in these ecovillages does also require members to invest part of their time or even most of their time into the village, thus creating a few jobs.

Thanks to the experience that the members of GEN are going through, they are capable of sharing this information with traditional communities in their country or internationally.

Mrs Raysz (2021) was currently working on a project which gave seminars to traditional communities. During these seminars, a traditional community and an ecovillage were paired and shared the information on how to apply some practices on circular economy. This project was very enriching on the development of the territory. These seminars permitted the sharing of knowledge and the possibility of creating new jobs.

### *History*

Mrs Raysz (2021) shared with us a bit of GEN's backstory. It initially started in 1995 and throughout the years it grew and reached others on an international level. GEN Germany was founded in 2014. They had a strong belief that this network would enrich the knowledge of the people making use of this common pool of knowledge. For example knowledge on: sustainable agriculture and creating solidarity within a community. Due to the access of international and national networks, synergies were created between the members of the ecovillage, and other communities in the country and internationally.

Raysz's village, Schloss Tempelhof, was founded as an ecovillage in 2011. In the first year there were 21 members in the community, and they bought an abandoned village, which was empty for 30 years before they purchased it and renovated it (Raysz, 2021).

### *Become a member*

In order to be part of an ecovillage, a new member has to pay a GEN Membership fee of 5 euros per adult on a yearly basis, and a 32.000 euros membership fee transferred to their respective village.

When one person wants to become a village member, he or she has to join an activity from the community such as learn sustainable farming, join the association, work at the library, for a couple of weeks to get to know the representatives of the community. Then one has to follow some courses within their seminars, and he or she introduces themselves to the community in weekly meetings. If the person fills the entrance criteria decided by the community, he or she can enter the village but the final decision on whether one can become a member is decided after a year. They also apply the 'buddy' system in the beginning to accompany new entrants.

#### *Financing the initiative*

First, the village does not receive any funding from the State apart from some funding related to certain projects that come with the GEN network. The funds of the association are spent on building new houses, renovation, agricultural work, money for catering, seminar houses owned by the association etc. How the funds are spent is decided together and for everyone, even though the management style depends on the ecovillage but still follows the GEN Guidelines.

Moreover, the village receives donations and a revenue from GEN seminars when organised by its villagers. It should be mentioned that every adult has to pay a fee to become a member of the community which constitutes an income for the village. The rent paid by most inhabitants goes to the association which owns the housing in the village. Extra money is also given to pay for food shared by the village.

When entering the village, members are strongly advised to earn money somewhere so that it can be spent in the community and invested in the village to create a more circular system in the long term. Regarding personal income and savings, what is owned personally is not shared, even if in some ecovillages the inhabitants agreed on sharing the money everyone owns and

gets. However, what is interesting is that every member does really not consider this as their personal money but as everybody's money. For them, they are going to find abundance in other forms than physical but through solidarity of the community, access to organic food, emotional support on a daily basis etc.

#### Stakeholders

Within these communities there is no traditional hierarchy. Decisions are made in a democratic manner. Everyone has a vote. There are two levels: the social level and the community level. On the former level, if one of the members has an idea that would contribute to the community then they have the opportunity to pitch its idea in the community meetings every week. On the latter level, they tackle grander topics (such as buying a new building, or developing a school) and they meet every six weeks.

There are not many stakeholders outside the community apart from the government. The latter helps out in regards to the education provided in their free school. Other small actors would be visitors which consume in their restaurant or cafe shop, traditional communities that visit their community and participate in their seminars, and all the neighboring communities that also benefit from the communal services.

#### Relationship with Public Authorities

The Global Ecovillage Network is associated with the legal status of an association and a 'genossenschaft' in German or cooperative. The foundation is based on democratic principles and ecological living.

In order to build an ecovillage, the village inhabitants have to be a minimum of 7 people for creating an association. The GEN community is tolerated and legally recognized by the German government.

### Challenges

Occasional issues can occur as encountered by Stefanie's village. A recent trouble came because of the willingness to build ecological-friendly buildings. They wanted to implement a project of sustainable houses which reused materials coming from other houses. This autonomous house project was the first earthship built in Germany. However, the local administration refused the installation of a water sufficient off-grid house. The community had created their own harvest water, used for washing machines, but they were put on notice for drinking rain water and not consuming public water. Nevertheless, according to Mrs. Raysz, the problems are rare and as long as the villages respect the GEN guidelines, they don't face major issues.

### Project and Seminars: A Tool to Measure Success

The network has observed more and more interest coming from authorities, researchers and people from different backgrounds. The initiative is even sometimes supported with donations and observation projects to better understand the functioning of eco-villages. Stefanie also shared with us that more people are now interested in the eco-village concept since COVID pandemic. For GEN, this is a tool to measure the interest of people regarding the alternative way of life they are offering to those curious or ready to follow the same path as them.

### Initiative Contact

Website: <https://ecovillage.org/>

Email of the person contacted:  
stefanie.raysz@schloss-tempelhof.de

# IV. Recommendations



# Common Points within the initiatives

## Societal Innovation and New Forms of Work

Within the 3 initiatives that we had the privilege to interview, we came across some commonalities. One of the main similarities is that all these initiatives have sparked from the need to create a change and to disrupt from the mainstream system, by promoting territorial development and addressing local, social, and ecological needs that would otherwise be unmet.

Indeed, for the Reemploi Construction Brussels, the need to create a platform that promotes the reuse of construction materials, stemmed from the issue regarding the accumulation of untreated waste in Brussels. Whereas on the other hand, Carol'Or and GEN stemmed, one from the need to help local activities through the development of an alternative currency, while the other emerged to promote community - based on alternative ways of living and on sustainability and solidarity principles.

In addition, the initiatives discussed also foster new forms of work. For example in the case of the Reemploi Construction Brussels, thanks to the platform and the network created by it,



people can reach out to one another more easily, and new job opportunities within the field of sustainable construction can arise. Similarly, in the GEN ecovillages people need to engage in all kinds of work to foster communal development and be self-sufficient, such as producing food and building sustainable houses.

### A Business Model and Governance to Reinforce the Territory

Another similarity between all initiatives is that none of them has a lucrative purpose, even though financial stability still remains an important aspect, and they all have a flat organisational structure based on inclusive participation. In both Carol'Or and the Reemploi Construction Brussels decisions are agreed on collectively, through a democratic approach. This is especially true for GEN, which as mentioned by our interviewer Stefanie fosters communities where all sorts of decisions, from financial to social, are agreed on through a rigorous voting system where all members of the 'village' have to partake in.

A further similarity is that they all promote a self-sustained and resilient type of economic model that benefits local communities and fosters territorial development. For example in the case of Carol'Or the aim is to have a local currency that can concentrate economic flows within the territory and that can help the local economy sustain itself. GEN ecovillages also tend to be self-sustained under several aspects, for example they attempt to have their own financial system which is based on a communal monetary pool and a set of local activities. Finally also the Reemploi Construction Brussels fosters some type of self-sustained economic model, as it allows construction workers to sell and acquire materials that are no longer in use, preventing unnecessary waste while reducing costs.

### Juridical and Financial issues

An additional similarity between these initiatives is that they could all benefit from further public fundings to foster their growth and development. This is particularly true for the case of Carol'Or which has mentioned in several instances that their growth has been hindered by the fact that they don't possess the finances needed to employ new permanent staff within the organisations.

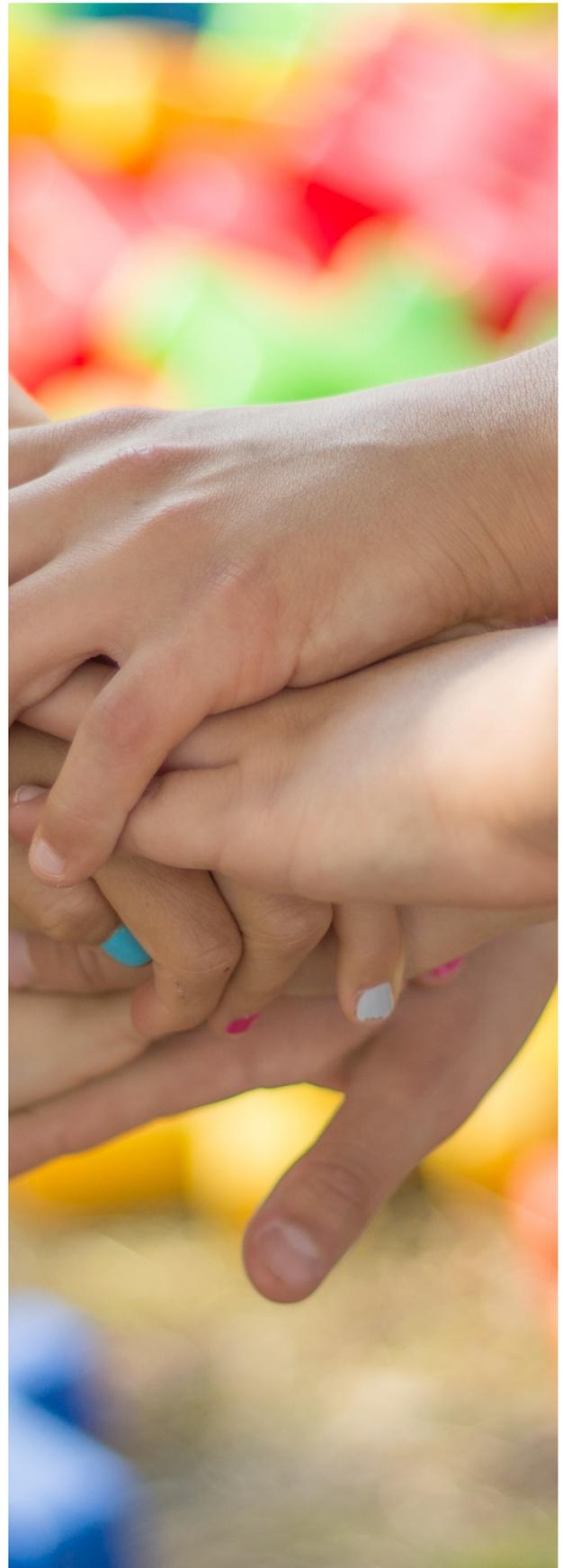
One of the last aspects that is worth mentioning is related to the legal hurdles faced by these initiatives.

Both Carol'Or and the GEN ecovillages are indeed at risk of facing legal complications. In the case of Carol'Or it has been mentioned by our interviewer that the currency is only legally accepted if it doesn't threaten the mainstream one. Therefore, as a result of this legal constraint, the organisation's growth and development could potentially be hindered in the future. On the other hand some of the GEN ecovillages have not been able to complete certain sustainable initiatives, such as the construction of an earthship house, due to complications with legal authorities.

Finally, all the aforementioned initiatives lack the financial or technical resources needed to implement adequate tools to measure their impact on the territory in which they operate.

# How can EU support & boost these SSE initiatives

We have learned from the different interviews we have conducted with the initiatives chosen for this project, that the notion of SSE is still blurry and most of them have little awareness about their belonging to SSE. It confirms what has been said above, that there is a need to further improve the understanding of SSE among the European members. Establishing a common definition would be utopic considering the strong diversity that exists between each member of the EU. However, what would be necessary and feasible is that the EU sets the fundamental principles that define SSE organizations. Indeed, explicitly underlining the features and characteristics of the SSE initiatives will enable them to distinguish themselves from other types of enterprises and organizations and hence receive special recognition in the EU.



Once a clear definition is established, there is also a need to improve the collection of statistical information on the number of SSE operating within the EU. Indeed, in Germany for example, because SSE is not fully recognized, there is no data on how many SSE initiatives exist, how many people it employs, and to what extent it contributes to the economy. Again, mapping SSE initiatives in every EU member state can help them to gain visibility and expand.

All the initiative interviewed also said that they lack impact measurement tools. Most of them are only looking at how many people get in contact with them, follow their social networks pages, participate in social events or how many partners they have etc... However, none of them are using qualitative or quantitative 'social metrics' for measuring value other than financial. It is surprising as every SSE initiative aims at creating value for society by reducing inequalities, achieving universal social protection and inclusion, and environmental sustainability. However, how can they know if they have achieved these goals without impact measurements? It is important to understand the SSE contribution to society. Indeed, the more we understand their contribution the more people will realize the key role they play in satisfying the needs which have been inadequately addressed by the private and public sector. Therefore, the EU can boost SSE initiatives by providing social impact methods. It can also directly help the initiatives to find ways of measuring their social impact by dedicating 10% of the European subsidy for the implementation of social impact measures.

The EU can also support SSE initiatives, by helping national governments to create a supportive legal, regulatory and fiscal framework and advice on appropriate policy packages that can help SSE to flourish. Indeed, as explained above, in Germany, there is no specific legislation on SSE.

Therefore, the EU can help Germany to create a legal framework that allows SSE initiatives to expand in the country.

Another element that we have noticed is that even though the EU has put in place many financial programs to support the development of SSE, the access to finance coming from the EU remains limited. Indeed, the initiatives interviewed were not financed by the EU and did not seem aware they could be. Thus, several recommendations could be done regarding this subject to the EU.

In parallel, the EU could be of great support for social enterprises to start, grow and be sustainable through potential training and mentoring of structures. This would be of help to obtain financial loans for instance. The EU could facilitate the access to financing social structures by proposing a European regulatory framework for solidarity investment funds with clear criteria and open communication. Moreover, promoting the development of microcredit in Europe appears fundamental in order to let small initiatives develop without having to borrow large sums of money that could jeopardize their organization.

Finally, the EU should strengthen the use of SSE platforms and networks in the SSE sector. Indeed, we have noticed during the interviews that there is a real lack of communication between the SSE initiatives, the national government and the EU. For instance, Carol'Or seemed unaware of the potential support that it can gain from the government and the EU mostly. Therefore, creating networks to form the net of our economic and political democracy in the European Union appears to be the greatest tool for allowing the Social and Solidarity Economy to be recognised. Moreover, it gives the opportunity for SSE initiatives to share their experiences with others and develop shared positions when communicating the needs of the SSE sectors to governments and international organizations.

At the European level, networks for SSE started to develop in the end of the 1990s, emerging to emancipate from the growing capitalist economy. These networks act as guides for individual and collective actors while giving structure and organization of collective actions, and bring forward positive knowledge transfer through solidarity of course (Stokkink, 2016).

### Examples of SSE Networks

In France, Le Réseau français des collectivités territoriales pour une économie solidaire (RTES) is recognised to be a major actor in creating interconnection between public and private entities, enterprises, associations and federations.

At a larger scale, Reves, EMES, Diesis, Social Economy Europe and Ripess Europe are different European networks interesting to look into.

**Reves** (1998) or the European Network of Cities and Regions for the Social Economy also gathers private actors of the Solidarity and Social Economy such as associations. Its main activities are the exchange of good practices and the enhancement of local experiences in the professional fields historically invested by the SSE such as lobbying institutions and setting up projects. It organizes and participates in many events around the themes of local authorities and social economy which serve as training purposes for the participants.

Contact at  
<http://www.revesnetwork.eu/index.php>



**EMES** (1996): European Network of Research Centres on the Social Economy which aims to provide a European theoretical framework on the social economy, despite the very divergent national historical and cultural traditions in the EU. With this in mind, it began its first research program on the "Emergence of Social Enterprises in Europe". Research is its main activity which consists of publications, organization of events and access to training.

Contact at  
<https://emes.net/>



**Diesis** (2016): A structure organized in the form of cooperation, research and development activities with a European vocation at the service of the social economy and cooperatives. Its members represent a network of thousands of enterprises in Europe. An important part of their activity is oriented towards the implementation of transnational European projects involving national members of the region. This SSE network is a socio-economic engine through training, project design, consulting, technical assistance and research.

Contact at  
<https://www.diesis.coop/>



**Social Economy Europe** (2000): this network represents the social economy at the European level. Its European and national members belong to one of the four main families of the social economy such as foundation, cooperative, mutual and association. The association aimed to become an interface between its members and the European institutions, and acts as the secretariat for the European Parliament's intergroup on the social economy. For example, Social Economy Europe presented a "proposal for a parliamentary initiative for the social economy" in 2005.

Contact at

<https://www.socialeconomy.eu.org/>



**Ripess Europe** (2011): Ripess or the “Réseau intercontinental de promotion de l'économie sociale solidaire” gathers regional and national networks which are members of the Intercontinental SSE Promotion Network. The members are present in different forms, they can be networks of communities or researchers and academics. RIPESS aims at gathering the actors of the SSE at the European level to put forward a more equitable production, consumption, a mode of saving and economic regulation.

Contact at

<http://www.ripess.org/>



(Stokkink, 2016)

## Final Remarks

Finally it is worth mentioning that it would be extremely beneficial for the EU to further embrace the concept of SSE, as its implementation would help it address in a more systematic and holistic manner, matters that are at the heart of today's society, such as climate change, sustainability at large and social issues - which have currently been aggravated by the current COVID pandemic. It is indeed clear that our current social model is outdated and it doesn't provide the tools needed to face today's challenges, which is why the EU could greatly benefit from further embracing a new economic model based on solidarity and sustainability principles, such as SSE.

# V. Conclusion





The following report is the result of a consultancy mission for the labo de l'ESS, French think tank dedicated to Social and Solidarity Economy (SSE), led by 5 students of ESCP Business School. Its objective is to explore SSE and its initiatives among European member states and to put forward recommendations to support and boost the SSE transition at the European level.

In this context, this paper paints a picture of the Social and Solidarity Economy (SSE) in the European Union. An important observation is the fragmentation of the domain throughout the territories. As a matter of fact, SSE is approached differently in each country. While some member states like France or Belgium have strict legal frameworks, others like Germany or Netherlands barely benefit from any. Such a fragmented legal framework makes it difficult for initiatives to grow. Hence a concrete financial, legal and paperwork support by the EU could be a real help for social structures to develop.

Nevertheless, SSE has been on the rise for several years now. The SEE today has a significant economic weight and is a sector that is constantly growing in Europe. It is facing two essential challenges. The institutional issue is part of an urgent questioning linked to the intentions of the European Commission, which, in recent years, has shown strong support for the social enterprise model, particularly through the Social Entrepreneurship Initiative. From now on, the social and solidarity economy is a cross-cutting issue, linked to many other European policies.

Overall, the three initiatives presented in this report show different conclusions. The first is the importance of cooperation when launching a SSE project. As a matter of fact, the Réemploi des Éléments de Construction platform demonstrates the importance of communication between the public and private sector. In this sense, the bottom-up approach has appeared to be in each initiative a core aspect to make the project efficient and realistic. The EU has to be aware of the benefits brought by such cooperation in order to allocate their finances the most efficiently and thus support programs in the best way possible.

Moreover, the funding aspect appears central. While all 3 initiatives have not been funded by the EU, they have all benefited from external help to launch their project. This aspect underlines the importance played by the communication aspect of the projects themselves in order to benefit from exterior help such as the region's one. On the contrary, the EU appears to have multiple funding projects of which these initiatives are not even aware of. Thus there seems to be a lack of communication on both parts.

Overall, this report shows the growing tendency of SSE throughout the EU. Moreover, the legal structure of SEE in each country has a direct impact on the development of social projects within each territory.

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# Appendix

## I. Meeting Minutes

### A. REEMPLOI CONSTRUCTION BRUSSELS

Meeting

22/06 at 11am

With Alexia Meulders and Lara

Official initiative name : La Plateforme des Acteurs pour le Réemploi des Éléments de Construction à Bruxelles

Plateforme centralisée, combines all initiatives in the construction sector in Brussels

- Architects, entrepreneurs , administration : Large public , construction sector all value chain in the construction industry
- As for their own research, they show great interest for different countries initiatives in Europe
- Construction consideration, federation of the contractor
- 3 regional departments in Belgium, bruxelles department (the 2 interviewees)
  - Bruxelles : voluntary, 15000 members
- Projects : financed by environmental agency (partially financed)

Main Project = Reuse platform for construction professionals called La Plateforme des Acteurs pour le Réemploi des Éléments de Construction

Public initiative founded by public entities

=> Public initiative in the beginning became more initiative

- Public private collaborate

SSE

- Solidarity : contact of entrepreneurs, exchange materials, contact us if question about reuse of materials
- Circular economy advisor : centralise every information
- Concept : sharing approach and non economic driver , foster
- Legal status : some of the partners are part of social economy encourage by our region, some paid differently which can be problem because same work (worker paid less or more), equality
- Preparing to reuse some kind of constructions, social economy workforce to enhance reuse. Some partners
- Fédération resource (rechercher)
- Social economy workforce (legal issue) : commission paritaire, paid differently selon leur statut legal (rent, insurance pay) , 124 (expensive and risk related to the job) , social economy = subsidized by the government , people to give more opportunities (diable, unemployed) . (cheaper to recruit with subsidy)
- Administrative issue : Construction companies have a huge quantity of papers and permits and big problems. Heavy work for environment, safety

- Price inequality for the construction work, subsidized construction sites have an advantage. Meaning when the pay of workers is subsidized, the construction work is more expensive for companies that do not benefit from financial help to pay workers.
- Need to Define SSE well! Issue they are trying to solve
- For example, some awards given by Bruxelles Environment for the Circular Economy Project. Hired a social economy company to take on the bricks, a very successful initiative.

Rotor !! to look at,

- Work with social initiative, types recovery, Travi?
- Share knowledge in the direction of Social Economy

Lena : cooperation with other initiatives, same kind of services, all desire to foster this in Bruxelles.

- FCRBI projects? aim reuse of building element north western Europe (50% of reuse of products)
- Collaboration way more than competition

Enterprise training or individual?

- More individuals (not part of the platform)
- Workshops practice into next levels
- Partners : keep information around us

1- reuse platform (informal structure which centralises initiative) construction confederation (accompanying to go towards circular economy) Non monetary initiative. Stakeholders meet there

- Creation : Brx env => Groupe environment, invited a group of people and at some point they made a strategy, assembly, idea of the platform, brux environment support this. Done by Rotor and them. (Rotor business interest as well so more complex for them) Neutral organization.
- Keep it on: wanted a business that works by itself, because it promotes sharing before all. Try to give tools. Reused platform showed their interest and centralised platform. Works very well for everyone. Platform financed by the administration
- How many : 1/2 person work on the platform
- Measure your growth of the platform :
  - People on the newsletter
  - Working on KPIs but lack of resources to improve it
  - React on the newsletter (good amount of readers, lot of collaboration)
  - DON't have statistics specifically but project to put it next level.
  - Insure the progress
  - 3000 subscribers
- Reproduce this initiative in Europe: recommend or not recommend reproduction
  - Market open, workshop, collaboration on good practices, a lot of issues, understand the territory
  - Public and private sector collaboration, bottom up kind of initiative, same interest, stakeholders find out that their interest are the same, links
- Communicate via entrepreneurs, bouche à oreille to give advise on contacting the platform, newsletter, difficult to measure and how we are promoting
- How are you aware of the projects and initiatives? It is a confederation, a platform of stakeholders so everybody in the network makes their promotion. Creation of connection through this network.

Charlène :

- Why did the platform come about ? Key motivator
- Construction industry : a lot of waste, market that could have been tackled (read article) program that started in 2015 = PREC ? initiative from this Bruxelles environment
- Waste issue, all waste exported outside of the region and so wanted to try to foster jobs inside the region. Bruxelles reuse the fastest and the strongest

Neighbouring countries on reusing the same initiative

- UK
- France
- Switzerland

Exchange the Labo de l'ESS : share contract

- They asked if we could send them our REPORT!!
- We also mentioned that we would hypothetically study a 3rd country

Articles to read:

- <http://www.reemploi-construction.brussels/news/article/edito-collaboration-synergie-et-partenariats-3-mots-dordre-pour-faire-avancer-le-reemploi/>
- <https://environnement.brussels/news/le-reemploi-dans-le-secteur-de-la-construction-plus-pertinent-que-jamais-dans-un-contexte-de>
- <https://www.nweurope.eu/projects/project-search/fcrbe-facilitating-the-circulation-of-reclaimed-building-elements-in-northwestern-europe/>
- <http://rotordb.org/en/projects/plateforme-reemploi>

## B. CAROL'OR

### Meeting

23/06 at 1pm

With Nicolas Leroy

- Beginning of the project
  - A group of people watched the movie Demain (2015) in which it showed the concept of alternative currency in Switzerland.
  - The project was started with the help of Financité which is an alternative finance structure. Financité base is work on inclusion, founders tried to meet around Belgium to develop local currencies. Financité started around 2017. Today there are 15 local currencies in Wallonia.
  - Without financite it would have been difficult because they needed approval from Belgium finance regulator, and in order to do that alone it would have been more difficult to gain their approval.
  - They started in 2016 with 15 citizens from Charleroi who met regularly to develop the currency. They came up with a chart of value : defend the local economy, no partnerships with franchises, no stock market, emphasis on environmental values and social values.
  - They had 30 local business partners initially , then 100 and recently to 400
- How did they communicate about the project?
  - They did info sessions within different citizen spaces, and events in movie theatres about environmental issues.
  - To communicate about the project they started with a Facebook page.
  - They have someone within the group that works closely with city administration, so it helps gain visibility with people within the administration. This helped develop partnerships with local authorities, who sometimes provide possibilities to exchange Euro with Carol'Or in their administration or the local outlets they have.
  - They go around different partner stores with the most varied set of activities, events.
- What type of juridical status does the organisation have and how is it funded ?
  - They are a Non profit organisation, association sans but creative.
  - There are issues about whether legally it's tolerated as long as there isn't a million Carol'or circulating. They are between 200.000 and 300. 000 Carol'Or.
  - It is not publicly funded, only income it's membership of partners (25 euros a year).
  - Another income they help a non profit organisation that does education permanent via Financité, if they talk about local currency to people they receive something from Financité for permanent education.
- Is the State doing something?
  - They were associated with the city for the Bon Relance.
  - Bcz of Covid they didn't have more events and places where to exchange euro to Carol or was closed, but on other hand city of charleroi associated them with plan Bon Relance to support local economy of Charleroi and the ones most impacted by covid.
  - The idea was to help ppl with businesses, they gave 20carlor or to all citizens of Carol Oi, all of a sudden they had a lot of currency circulating.

- It was difficult logistically to distribute paper notes of their currency to each citizen, the city distributed a voucher with the same Carol Or identity, this voucher had QR code, ppl had to scan the voucher and then the shop owner is entitled to 20 euros if someone uses the voucher in their shop.
- They wanted to have a maximum of vouchers exchanged with Carol' Or to be used in more stores.
- They gained a lot of visibility with this operation and for the city and people it was very good, as if the money was given in euros it could have been spent outside of Charlor oR
- Their goal was to benefit from that visibility and try to discuss with citizens that they can keep on using their notes locally. They are trying to capitalise what happened with the city operation.
- The city gave them funding for the operation, because they needed more staff. They also gave them 'Local' in the center of Charleroi and they were subsidised to hire 2 part time workers who will be working for Carol Or for 3 years. They had to start dealing with management of people.
- Through this initiative they went from 100 to 400 partners
- What is the link of your initiative to SSE (social and solidarity economy)?
  - Belgium is one of the countries with the most non profit organisations, and the state does support quite a bit of initiatives.
  - He is not very familiar with SSE concept
  - Once explained he said Carol'Or applies SSE values, as the goal of local currency is to be inclusive, and keep money circulating in their area which you can't really do with euros. If you are using euros to buy from coca cola or Amazon, it won't help local activities.
  - They help maintain jobs and social relations in the region.
- What is needed to increase the organization's impact and make it resilient for the long term?
  - Main difficulty is that it is a volunteer run organisation, they always have a problem of resources to manage.
  - Most people are volunteers and only 3 people work permanently (president, secretary, treasure), these sign up for 3 years while everyone else can just leave.
  - It is really hard to find people to replace the ones who leave.
  - Issue on how to make it resilient and permanent.
  - These needs should be met via state and administration support to get people to work full time projects - get more funds from the local administration.
  - The rest is marketing to convince ppl to use it and why.
- Background of people working for Carol' Or?
  - The group that takes care of Carol Or they didn't know each other
  - Passionate people with university degrees but not all members have a degree
  - They don't have any bankers.
  - They went down from 15 and to less than 10 volunteers now; within the administration council they are 9.
  - They also work with sub groups where they have volunteers that might help on facebook, see partners or talk to Carol' Or.

- Do you have any methodology in place to measure the impact of your initiative?
- Number of partners, number of Carol'Or in circulation and numbers of facebook followers.
- On the website there is an activity report , where it explains what happens within the city operation.
- Which lessons learnt from your initiative could be reproducible?
  - Help with initial crowdfunding to organise themselves.
  - Find/ gather initial resources to employ more full time people instead of volunteers
  - Going from informa association to a formal association was tricky.
- What are the key factors that helped your initiative develop? And the main obstacles?
  - For the set up they required investment to print out the notes, they did crowdfunding
  - The first obstacle was to get the proper amount of money to start with the currency
  - Obstacles to get people on board to use currency, many people didn't understand the value of it, and saw it as an inconvenience. Some others only looked at monetary incentive but not the social aspect
  - Another difficulties it's that it is a group of volunteers (volatile), it takes longer to reach the objective. They started in 2016 and they initiated the currency in 2019
  - Once you start with currency you need to set up exchange places where to exchange euros for Carol Or (they have partners with good geographical coverage), it's a logistic challenge.
  - They had a broad area to begin with, which helped having good coverage but it proved to be harder to go everywhere.
  - At first they had 30 partners, then 100 fairly quickly; with the city operations the city wanted new partners in the network (4million euros - 15 municipalities of the city of Charleroi - they had to verify to accept stores or not - all citizens including kids got 20 Carol'Or) now thanks to the city operation they have almost 400 partners. (1 carol or is 1 euro).
  - Complementary local currency is considered 'bon soutien' a l'economie local, legally it is like a ticket restaurant; legally only the state is allowed to create a currency therefore it is not viewed really as a currency but it works based on trust, and all the euros exchanged by Carol Or are kept with the bank (they use Triodos bank)

## C. Global Ecovillage Network - GEN

Meeting

30/06 at 6pm

Interviewee: Stefanie Raysz joined in 2012 her village which was founded in 2011.

<https://ecovillage.org/>

- What is GEN ? How did it come to life?
  - Association of Eco villages in Germany, however GEN is not an umbrella of all eco villages in the country.
  - It is part of a broader network. There are strict guidelines on which can become members. There is GEN europe and GEN international. They have 21 eco villages in Germany under the GEN Network criteria based on democratic principle in decision making
  - Most of them are based on common ownership. Whatever they buy or spend is their money (point of view of association) not privately. Association buys a new house, or spends money on tools. But the salaries earned by inhabitants of the village keep their money private. Differentiation between association - owned and run by everyone and the money you make. Some ecovillages even share the money earned by everyone.
  - Democratic principles in decision making and transparency at all levels.
  -
- Funds and management
  - The management style depends on the ecovillage but still follows the GEN Guidelines.
  - The funds of the association are spent on building new houses, renovation, agricultural work, money for catering, seminar house, owned by the association etc. How the funds are spent is decide together and what is spend on for everyone
  - In the decision making, everyone has one vote, the whole village sits together and decides on whether a project is run or not. It is a six step decision principle - you cannot just give a veto and you have to tell everyone why etc. To summarise, members of the communities are considered to be all leaders, so everyone owns everything, and its stays on voluntary base even though the village expects high commitment from you,
  - What is owned personally is not shared, even if in some eco villages agreed on sharing the money everyone owns and gets.
  - The village does not receive any funds by the State apart from some funding with certain projects that come with the GEN network.
  - To enter the village, every adult has to pay a 32.000 euros fee to become a member of the community, then they have to pay rent for an apartment, they pay some money on food from the village. This money is used in building, renovating, machines, roads, parks. However, what is interesting is that every member does not consider this as their money but as everybody's money. For them they are going to find abundance in other forms than physical money but through solidarity of the community, access to organic food, emotional support on a daily basis etc.
- Number of people in a villages
  - In Stefanie's village there are about 100 adults and 50 children, but the minimum to start an association is seven people in Germany. There are also smaller and bigger villages.

Main focus of the village : choose an ecological lifestyle

- The ECO from ECO Villages derives from Oikos and not from ecological. Oikos means 'community' in Greek. The name of the network signifies a community which has an ecological focus. Another focus is that they try to organise everything within their community as far as possible. They grow food for themselves so that they are independent from other food cycles (70%) with vegetables and fruit.
- Focus, understand life as it belongs to us, try to be autosuffisant and resilient. They created a lot of side services based on solidarity and donation, a lot of recycling. They also have a library, gym, café, school, and a sauna like a normal village
- The concept of clothing and creating a communal wardrobe is very important for them because of the environmental, social and economical benefits attached to it.
- The village of Stefanie has a café which is run by teenagers but public from outside the village can come, earn their money by their café and learn by themselves what business means etc.
- The school is managed by two people of the community, parents pay for the school and state. It's a private school subsidized by state.

How did it start ?

- GEN was funded in 1995 and GEN in Germany funded in 2014
- They believe this network is a good way of creating a knowledge pool and try to educate each other on everything that we do such as sustainable agriculture, create solidarity in a community,
- They create synergies between each other's lives, other communities and organise lunch for everyone everyday. They have one big kitchen and people are in charge of cooking for everyone.
- In 2011 they founded the eco village, they googled an empty village which was empty for 30 years and now they are able to host 150 people living there. Other places buy small farms. To create an eco village they have to be seven and fulfil GEN principles. GEN wants to make sure that eco villages are sustainable and there is a long term perspective.

Legally administration :

- GEN is based on absolute non exclusion.
- Through GEN they have a legal form called 'genossenschaft' in German or cooperative. A foundation association based on democratic principles, living ecologically, creating a common based knowledge pool. They experiment with materials they build houses with. They try to live together with youngsters and elderlies. They follow principles so that they give time for something and it is not judged by the amount of money they spent. Some community members work in the community but cannot be asked above a certain amount of money. 1/3 of community members work for the association, or foundation or cooperative. 1/3 works in a cooperative only. The others work outside.
- Necessity to ask for a balanced amount of money for the one working for the association and some have other jobs on the side. Jobs in administration, association, school (state and parents), gardeners (paid association) etc.

When become member of community

- GEN Membership fee is 5 euros per adult and yearly based + the 32.000 euros membership given to the village.
- The joining contract strongly advises to earn money somewhere so that you can spend it in the community.

- Everyone knows the income of everyone. When one wants to become a member of a community, one has to work with them for a couple of weeks to get to know them, then one has to do some courses within their seminars, and he or she introduces themselves to the community, and it has to be approved by the community. Then it is discussed and they do it with a 6 step decision-making process. You can become a member for one year. Every person has a buddy that keeps a buddy and then after a year they decide if the person can stay.

#### Financial transparency and health transparency

- How you leave and how you treat yourself should be transparent to others for everyone to be able to help you.
- Sent a CV

#### Some ecovillages can get funding but it's up to them to deal with their own financial system

- Every eco village runs their own financial system, in Casla they have communal communities and they share their income too.
- They have a different health insurance, a private one, which was illegal until 2 weeks ago (laughs). Artabana: private insurance company, creating their own ones. Pay what you can for the insurance and whatever you need for treatment you can take. Based on you're paying what you can principle. Whatever you need you have to discuss it with the community before. They once again claim transparency.
- The food is slightly more expensive in the village because they try to offer fair prices for products, people are paid the right salaries so products are more expensive.
- The aim is to become auto-efficient in farming, own regenerative agriculture and exchange between communities. Children can go to different schools in the network

#### Decision making and social meetings:

- Social level: If wanna do something, asked to propose your idea in a community meeting, every thursday and has to be approved and you have to be listened by everyone
- Community level : Every six weeks to approve a bigger project
- Socially they meet every wednesday night, discussing social problems or issues: someone is ill, lost a baby, wants to divorce etc, working there. The aim is to create a safe space when they can exchange on deeper emotional problems together and is part of a learning process. They follow Scott Peck's methods as community building tool and a method called Forum. The village wants to create an open space where everyone should feel free to go deeper on the emotional side of people, it's not only a physical web, it's a web that shares even intimacy if needed. The village also follows Rosenberg nonviolent communication methods.
- A way of community building, common within the eco villages. They have all types of circles, the elders, women circles. They also have workshops related to work on emotional sexual traumas and they do not hold any judgement on polyamorous partnerships.
- These meetings are here to challenge old ways of thinking. Trying to think outside the box.
- They also have a panel of people that deal with people who argue with each other, if people have fights they are asked to talk to each other with a mediator. Someone who doesn't meet sustainable criteria has to leave.

### Solidarity

- Potential in working together in being in an Eco village and you have to respect to the rules
- You have to earn your own money within the community or outside. They haven't figured out a good way to create their own rental system for pensions but other eco villages have, those where they own income.

### Problem to start

- More difficult with government
  - Sustainable house with reused materials that come from other houses, autonomous house project, first earthship built in Germany, trouble with authority.
  - Local government didn't want an off grid house, and the community had created their own harvest water, used for washing machines, but not for drinking because in Germany you are not allowed to drink rain water or water that does not come out from the grid. It was so difficult to have an off-grid house and was refused by the state.
  - Therefore, the only trouble came because willingness to build very environmental buildings.

### Real aim of the eco village initiative

- The aim is to show that there is a different lifestyle you can live beside the mainstream one, it is possible. You can learn practical things in an eco village. They also aim to be a container way to experiment how we can live together and the focus on an ecological one, they try to reduce their footprint.
- Stefanie's motivation was more based on finding herself and understanding what she believes in, the way she looks at nature, other people, there is a different kind of freedom not present in a specific structure.
- What is the actual aim trying to achieve ECO village
  - To show that there is a different lifestyle that you can live, a place that you can visit and learn. Aim for being a place on how we can live together Based on ecological footprint reduction and reuse systems.
  - Offering a life without limitations that society has but with rules and guidance.

### How to measure the progress of this village ?

- More and more authorities interest, researchers that observe some support them also with project and money, more and more come and learn in their seminars.
- There are more and more ppl that visit eco villages. More people interested in this concept now with COVID.
- Seminar called Mandala, it derives from the SDGs (choose 5 dimensions of way we think about life derived from SDGs), ecological, economic, cultural and holistic perspective. They have a website called Lernorte für Morgen, all the seminars pitch GEN germany and the seminar is charged with a small fee.
- They also do projects for developing sustainable communities, cooperation between eco villages and traditional communities, so that they can become more sustainable. There is an international Gen project to collect all the tools for community building and development. GEN Europe has a solution library where you can find info on all kinds of topics.
- Projects as well for developing sustainability ways of living. Ecovillage transition in actions + Website tools for community development + Traditional village and eco village programs
- Developed plans for the community, builds benches at the entrance at the village and convoiture system, libraries, shops

=> Circular economy life, belonging to the community

What benefit do you get from being a GEN member

- Emotional benefit, together with people who live the same lifestyle, abundant in a different way, chose not to go on a holiday by plane (prefer sustainable lifestyle) share solidarity on an emotional level
- Exchange with other community, family all over the world, same language, same attitudes
- Different way of living and more aware of our own life. Apart on our own world .

Legally not really more advantageous

- Environmental body of the German government supports some projects.
- Pretty simple process to implement as long as you follow the rules. There are no real hurdles to comply with legal aspects to become an ecovillage

Recommendation book :

- Der Gemeinshfats Kompass : book = Community building compass published 2 months ago!

## II.. Available legal company forms for social enterprises (European Commission, 2018, p.52).

Legal form	Original German name and abbrev.
Registered association	Eingetragener Verein, e.V.
Sole proprietorship	Einzelunternehmen
Civil law partnership	Gesellschaft bürgerlichen Rechts, GbR
Limited liability partnership	Kommanditgesellschaft, KG
Limited liability company	Gesellschaft mit beschränkter Haftung, GmbH
Entrepreneurial company (limited liability)	Unternehmergesellschaft, UG (haftungsbeschränkt)
Stock corporation (private/public company limited by shares)	Aktiengesellschaft, AG
(Registered) cooperative	(eingetragene) Genossenschaft, eG
Mutuals	Versicherungsverein auf Gegenseitigkeit
Foundation	Stiftung