

#21

Vital Neighborhoods in Metropolitan Cities

Power of Urban
Transformation through Social
and Solidarity Economy (SSE)

UCLG peer learning
Montreal, June 2017

Learning
UCLG

Credits

Coordination

Global Social Economy Forum (GSEF)
International Centre for Innovation and Knowledge
Transfer on the Social and Solidarity Economy (CITIES)
South African Cities Network (SACN)
UCLG Learning Team

Write and Edit

UCLG Learning Team

Photos:

Société de développement Angus - page 7, 8, 11
Seoul Metropolitan Government and GSEF - page 13, 15
City of Johannesburg and Gauteng City - Region
Observatory (GCRO) - page 17, 19, 20
All other photos in this report are copyright of UCLG

For more information please contact:

UCLG Learning
learning@uclg.org

Table of Contents

Introduction

page 4

Technopole Angus - Montreal

page 6

Urban Regeneration by creating SSE special district - Seoul

page 12

Hillbrow Inclusive Urban Regeneration - Johannesburg

page 16

Growing SSE to regenerate the neighborhood - Barcelona

page 22

Transferability – insights on applying SSE

page 28

Introduction

On the 19th of June, 2017, UCLG coordinated a peer learning event on the issue of social and solidarity economy (SSE) in partnership with GSEF, C.I.T.I.E.S., SACN, and Metropolis, as a side event of 12th Metropolis World Congress in Montreal. It aimed to allow local and regional governments to debate and share experiences on urban renewal in the perspective of social economy policy, which is closely related to SDG 8, the Decent Work and Economy Growth, and SDG 11, the Sustainable Cities and Communities.



There is an increasing international consensus on the importance of community as the basis of a diverse society and an inclusive economy. One of the obvious examples of the economic role of communities is the Social and Solidarity Economy (SSE), an economy of social transformation. In addition to offering products and services, SSE businesses have spin-offs and added value for our communities: environmental protection, social and professional reintegration, neighborhood revitalization, and poverty alleviation, to name a few.

The Social and Solidarity Economy is about building an economic model with both the community and local resources. This is the key to the sustainable development in the framework of **Sustainable Development Goal 11 on Sustainable Cities and Communities** and the **Goal 8 on the Decent Work and Economy Growth**. Dialogue and collaboration with local governmental bodies is vital; not only does it enable the growth of the social economy, it also benefits the governments concerned. It improves the impact of public policies and enables the development of effective and innovative initiatives to respond to community needs.

Within the framework of 12th Metropolis Congress, in Montreal in June, 2017, a peer learning activity took place at “La Café Shop”, a social economy cafeteria of Technopole Angus, which provided an

open atmosphere in which the participants could talk freely. With more than 30 participants who are interested in this issue, the four cases of **Montreal, Seoul, Johannesburg, and Barcelona** were discussed and later the cases were displayed in a gallery of best practices, which allow participants to walk around and see the cases on posters at a glance. With the visual demonstrations of the posters, the participants discussed how social and solidarity economy can be a key driver of urban renewal, the role local governments play in these projects, and the policy transferability to other cities with the similar context.

After the discussion, the participants visited the Technopole Angus, which was the case shared by the host city, Montreal. The field visit made the discussion more vibrant and down-to-earth as participants could see and feel the real policy implementation rather than just talk about it superficially.

The activity was organized in collaboration with the Global Social Economy Forum (GSEF), the International Centre for Innovation and Knowledge Transfer on the Social and Solidarity Economy (C.I.T.I.E.S.), and the South African Cities Network (SACN). **It was the first activity of GSEF as a member of the UCLG Community of Practice on Social and Solidarity Economy, whose creation was approved by the Executive Bureau Meeting in Madrid in April 2017.**

Peer Learning
Workshop held in
Technopole Angus on
19 June, 2017



Technopole Angus Montreal

Technopole Angus is an example of a successful urban renewal project and a real-life laboratory for sustainable development in Montreal.

The uniqueness of the project was the matching of an economic development programme with a specific location. The project is part of two streams of urban design: community participation and historical preservation (Ellin, 1996). Each stage of the Angus project was marked by a strong mobilization of the "leaders" and actors of the local community, including through public debates. Thus, the fate and image of the Rosemond neighborhood were shaped by its occupants. As for historical preservation, it has made Locoshop Angus an important symbol of the role of industry in the neighborhood.

In order to revitalize the neighbourhood by welcoming residents and attracting employment and economic prosperity, the Angus Development Corporation (Société de Développement Angus, SDA) was founded in 1995 as a social economy enterprise, functioning as a non-profit organization (NPO). The corporation purchased the vacant land on the site (580,000 square feet) and developed an urban regeneration project with the local community. The project aimed to mix the commercial and residential functions of the land to provide quality of life for workers and residents.

Brief history

Located in the Eastern Montreal district of Rosemont¹, Shops Angus was an industrial complex dedicated to railcar manufacturing and repairs of the Canadian Pacific Railway. Most of its production consisted of passenger cars, freight cars and locomotives. Built between 1902 and 1904 on a 4.7 hectare site at the junction of two railway lines of the Quebec railway network, it became the second largest industrial complex in North America and the number of employees reached 12,000 during the Second World War. It was the main factor leading to the development of Rosemont-La Petite-Patrie Borough.



Aerial Map of Angus in 1992

In the 1950s, the decline of this complex began due to the development of transport that competed with the existing rail system. There was an increasing reliance on the road network in the transportation of goods and passengers, and airline companies offered faster travel, resulting in the decline of the railway industry.

The first closure took place in 1970, when the passenger transport component ceased operations. The slowdown in activity continued and led to the complete closure of the workshops in 1992. When deindustrialization and the closure of factories occurred in the 1980s, unemployment rate soared up to 20% in the neighbourhood and land was left contaminated. There were only a few buildings left and a vacant lot, with no municipal infrastructure. Solutions had to be found to regenerate this area in an eco-friendly and sustainable way.

There have been several attempts to redevelop this area in which the community engaged actively. In 1970s, a first residential and commercial project was proposed to meet affordable housing needs. However, the community opposed to the construction of a shopping centre, and eventually only the residential component was completed. In the early 1990s, a condominium was proposed but the community demanded a redevelopment that would create more jobs, which led to the idea of the Technopole Angus.

1. Rosemont–La Petite-Patrie is a borough (arrondissement) in the city of Montreal, Quebec, Canada. It is located in the Centre-East of the city, with 134,000 inhabitants as of 2011.

Three Relevant approaches of the Urban Renewal Plan

The urban renewal plan was based on 3 values, sustainable development, social economy and social commitment.

1. Sustainable Development

Sustainable development was SDA's priority when planning the site, from design to construction and building management. The Locoshop Angus building was designated in 2000 as the first green industrial building in Canada and in 2006, Technopole Angus became the first real estate project in Quebec to deploy a residual materials management plan. The sustainable transportation and waste management plans were two other key measures to reduce the environmental footprint of Angus by means of recycling, composting, and using of a large range of active and public transportation options². As a result, 13 buildings were certified, making this the second largest responsible construction project in Canada, which has won several awards.

2. It has direct access to 1 metro line, 5 bus lines, 2 bike paths, a BIXI station, and car sharing services.

2. The Social Economy – Revitalization through employment

Right from the start, SDA chose to focus on social economy, leading to the construction of the Carrefour de l'économie sociale Angus. This 33,000 square feet facility, completed in 2005, is wholly occupied by social enterprises that provide services to Technopole workers, such as a day care centre, cafeteria, room rentals for meetings and events, catering and more. Managed by le Groupe Part, le Carrefour is based in a co-owned commercial building that makes it easier to secure funding and provides a solid foundation for long-term growth.

The site of Technopole Angus in Phase I



Other social economy organisations are also located on the site, such as Insertech, which works to reduce the environmental impact of IT equipment while providing a route to social inclusion through professional support, such as training and job experiences, for young adults and recent immigrants.

3. Social Commitment

The community of Rosemont–La Petite-Patrie has always been a part of the Technopole, which grew out of a grassroots campaign for a business park to revitalize the industrial ruins of Angus Shops. From the beginning of the development, SDA has made healthy relationships with community residents a priority. Space was provided for social projects, from a public day care centre to a CLSC (centre local de services communautaires; local community service centre) and a medical centre. Regular public meetings are held to ensure that the Technopole Angus remains accountable to the community and to consult residents on new projects. In addition, neighbourhood community groups can use the Locoshop for free to organize fundraising events and meetings.

Facts and Figures

(Current Status of Technopole Angus)

2 million square feet,

50% of which is now developed

13 eco-friendly buildings certified for LEED and BOMA BEST

56 companies, institutions and organizations.

Taxelco, Ubisoft, studios Mels, OIIQ, Insertech and MEC are among the main ones

2,500 workers in various growth-market

sectors, including 6 from the Social Economy

77 million Canadian Dollars in property value

These SMEs are attracted by the quality of the space available to them (luminosity, space, etc.), proximity to the workforce and management's concern for sustainable development

Alexandre Taillefer

The owner of green taxi company, Taxelco

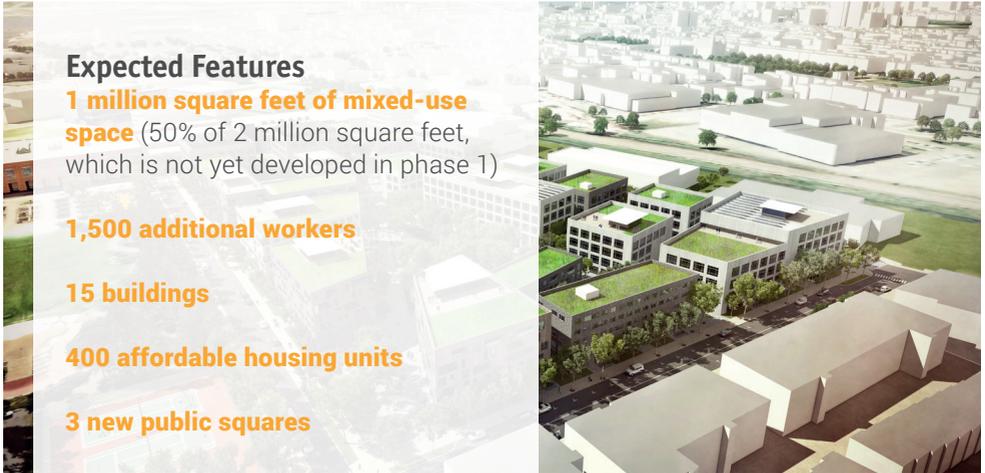
"The concern for the environment must not be translated into measures that resemble punishment for people, otherwise they do not use them". The SDA therefore strives to combine economic reality and environmental concern. "We do not want to be a museum. We want our model to be profitable", says the CEO, who prides himself on "building LEED buildings at the price of normal buildings."

Christian Yaccarini

CEO of SDA

Future of Phase II

Continuing the success of the first phase, SDA will continue the second phase development from 2017. Eco-friendly buildings will be built on the Central Island bordered by William-Tremblay, Augustin Frigon, Mont-Royal and Molson streets. The project is designed to be integrated into the environment, while adding density and contributing vibrancy. The corporation aims to accommodate about 40 additional businesses, creating 1,500 jobs and providing 350-400 housing units, 20% of which will be social housing.



Expected Features

1 million square feet of mixed-use space (50% of 2 million square feet, which is not yet developed in phase 1)

1,500 additional workers

15 buildings

400 affordable housing units

3 new public squares

Future of Technopole
Angus Pihse II

Lessons learnt

Three main success factors were pointed out by Christian Yaccarini. First of all, **local mobilization based on a strong link with the community** in a grass-rooted approach is important. Secondly, making a **good partnership among the stakeholders** needs to be considered. For that, it should begin with asking each stakeholder himself of what he can do together to develop the site. Also, working in partnership with all the different levels of governments is necessary. In this partnership approach, the role of intermediary organizations are the key, as they translate and transfer the needs of the community to the government. Thirdly, for the sustainable development of the area, **financial support from the governments** should be taken into account. In the case of Angus, Quebec and Canada government agreed to stage the repayment of the loans after the development phases.

Urban Regeneration by creating SSE special districts Seoul

Seoul's Social and Solidarity Economy (SSE) Special Districts Project aims to regenerate antiquated districts by promoting each district's unique character. Seoul Leather Scouts, a leather cooperative in Gangdong-gu, and Seongsu Social Fashion Project (SSFP) are representative cases of the urban regeneration of SSE Special Districts. Through social and solidarity economy and community involvement, marginalized local craftsmen and young individuals were able to collaborate in the revitalization of the district.

Backgrounds

Numerous districts of Seoul relics of once-prosperous areas are in need of revitalization due to economic decline over recent decades. To tackle this, the Seoul Metropolitan Government (SMG) designated target areas as SSE Special Districts. Labeling them as such, the government not only provided the funding needed for the urban regeneration, but also fostered an ecosystem in which SSE could prosper, especially through community engagement. Moreover, the project acted as a bridge between the old generations and the new to support social inclusion, as the elders helped youngsters to be rooted firmly to the district industry.

Both Gangdong-gu³ and Seongsu-dong⁴ were once economically prosperous areas. At their peak, 90% of all leather goods nationwide were produced in Seoul, and Gangdong-gu alone contributed to about 30% of production. Seongsu-dong, similarly, made up about 35.6% of all handmade shoes nationwide, with up to 1,200 shoemakers employed

3. Gangdong-gu, located on the east side of the city, is one of the 25 districts (gu) that make up the City of Seoul.

4. Seongsu-dong is a neighbourhood of Seongdong-gu in Seoul. It was once famous for the handmade shoes but experienced a decline due to the fierce competition by large businesses and cheap imports from China.

in the district. Yet, due to structural changes in industry and unfair competition by large businesses, they entered into economic decline. These areas experienced increased unemployment, emigration of inhabitants and deterioration. In this context, Seoul's SSE Special Districts Project was applied to both districts in an aim to revitalize the area as well as to preserve their unique character.

Before and after of
the regeneration



Measures taken - SSE Special District

One of the steps that Gangdong-gu took was to brand itself as the 'leather district'. It cooperated with many small leather businesses in the district to open small workshops to teach people how to make leather goods, how to operate a leather goods shop, and so on. Through the district's numerous academies, young people new to the industry created their own cooperative—Seoul Leather Scouts, leading to a significant drop in the unemployment rate in Gangdong-gu.

Seongsu-dong is another successful example of a SSE Special District, especially notable for the collaboration of the community. The Seongsu Social Fashion Project (SSFP), mainly consists of Social Fashion Competition, On-site Fashion School and Social Fashion Show, aimed to find and foster 'social fashion designers' who can be rooted to work this district. It encouraged new designers to be community-friendly by forming relationships with local suppliers, supporting a truly interdependent society.

Outcomes

Although it is too soon for the Gangdong-gu's project to have yielded concrete results, the seeds of a positive SSE eco-system are being sown. The Seongsu-dong project, on the other hand, has had many benefits; the once barren and demolished district is now being occupied by young designers with great potential. With these results, according to media reports, it is now known as the "Brooklyn of Seoul." Unfortunately this comparison also reveals a negative side-effect of regeneration; housing costs rise by up to 109% has led to the gentrification of the area.

Overall, Seoul's SSE Special Districts Project is an effective and innovative strategy to solve one of the prevalent problems in our cities today. The central government of Korea now plans to take on and expand this plan nationwide through the 'Urban Regeneration New Deal Policy', acknowledging the innovative design of Seoul's 'SSE Special Districts'.

"Within 6 months, over 50 meetings were held to collect the demands of various sectors of the community, such as elder craftsmen who almost lost their jobs, young people entering the workforce who lack the experience, and women whose careers had been interrupted due to marriage and giving birth, among others."



Laurence Kwark
Secretary General of GSEF

Lessons learnt

One of the most important preconditions for the success of this kind of project is undoubtedly the support of the local government. The level of local government involvement is flexible, from legal frameworks and governance building to financial support. **In the case of Seoul, the government mainly supports building the environment to facilitate its communities to identify their local needs and to organize their own eco system of alternative social economy.**

The support of the community and an emphasis on communal living are another key factors. Jangwi-dong⁵, another antiquated town in Seoul being regenerated, builds on this idea of shared space and communal interdependency.

5. The main idea of Urban Regeneration Project in Jangwi-dong, in the northern part of Seoul, is to establish communal living. The project demonstrates the value of communal interdependency in an urban setting. Jangwi-dong came together as a community to establish community parking lots to free the streets of traffic, create elementary school care, community space for the elderly and home renovation lessons. Small scale community work about how to make soap, caring for flowers, reading fairy tales soon expanded to community involvement.

Various meetings held for the Project



Hillbrow Inclusive Urban Regeneration Johannesburg

eKhaya is a residential inner city zone of Hillbrow which was once infamous for the urban degeneration. As it was designated as Residential City Improvement District (RCID), Neighborhood Improvement Program was initiated in this neighborhood in 2004. The Johannesburg Housing Company (JHC) and City of Johannesburg agencies associated together with various stakeholders such as property management companies, property owners, property caretakers and tenants. Regarded as the first RCID, eKhaya has become a bottom-up, community-led response to urban degeneration where it put emphasis on social capital as an essential element of urban regeneration.

Backgrounds

Hillbrow was established as a residential extension to Johannesburg's inner city in late 19th century. It was an entry point neighbourhood for immigrants in Johannesburg due to its favourable, central location. In the 1950s and 1960s, a property boom led to high rise building development in this area, making it only second to Hong Kong in terms of residential density at the time.

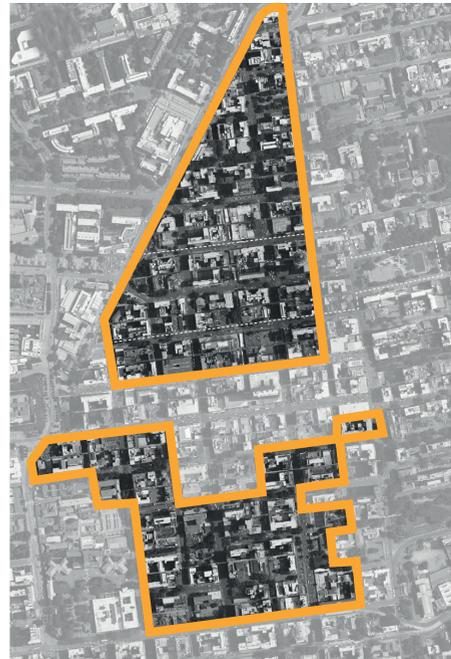
Having been a prosperous, white-only area in the early 1970s, it experienced an increase in colored residents in the 1980s. In 1978, under Apartheid, the Rental Control Act was lifted, so that landlords could charge new tenants market rents. This resulted in existing tenants leaving and the quality of maintenance falling. The racial composition shifted, with colored and Indian residents moving in due to the lack of development of segregated peripheral areas of Johannesburg. This led to

a massive exodus of European migrants, the beginning of “white flight” from the city.

Since then, it has suffered from urban degeneration, including overpopulation, unemployment, mass poverty, illegal landlordism and/or sub-tenancy, homicides, landlord-tenant tensions, and run-down derelict buildings. On top of this, the influx of the people of different origins resulted in a more ethnically diverse ‘neighbourhood of strangers’ characterised by anonymity.

Hillbrow was known for its dangerous New Year’s Eve celebrations. The area had a ‘trashing culture’ – the throwing of rubbish onto the streets – which peaks on New Year’s Eve, when household appliances, fridges, TV, and even couches, would be thrown out from high-rise buildings, causing chaos and endangering pedestrians below.

In 1982, the city of Johannesburg declared it a “gray area”. Escalating violence in the townships of Johannesburg, together with scrapping the Influx Control Act, led many black people to move to this district. Rising rents forced tenants to sublet, causing over-crowding in poorly maintained buildings.



Hillbrow Neighbourhood

Neighborhood Improvement Program

By initiating the Neighborhood Improvement Program in 2004, eKhaya sought to dispel the notions of this neighbourhood as a violent, no-go area and by creating a liveable neighbourhood characterised by safety, cleanliness and friendliness, the three principles underpinning the initiative.

To combat crime and grime, private property owners pay monthly levies towards private security and cleaning services in the member buildings. The creation of a liveable neighbourhood was desirable for property owners, most of whom do not reside in this area, because it would result in an environment conducive for investment, leading to property appreciation and relatively higher rents.

Beyond changes to the mere physical improvement of district, the project sought to break the anonymity and fear associated with grey areas characterised by diversity. From the onset, the initiative used social capital as the basis of transformation and physical regeneration. Social capital was promoted by bringing together different stakeholders in Hillbrow – property caretakers, for-profit and not-for-profit property owners, tenants and the City – and encouraging them talk to one another on a regular basis, creating positive relationships.

The first critical step placed much emphasis on community mobilization. Following the JHC's and Trafalgar's purchase of properties on Pietersen Street, the JHC's housing consultant and community organiser initiated the 'Know Your Neighbourhood' campaign with the help of property caretakers.

Aimed at 'breaking the anonymity' and fostering familiarisation among the residents and stakeholders, the campaign involved neighbourhood scanning in the form of walkabouts⁶. This led to an active mobilisation of the housing managers and/or property caretakers around building issues, and the birth of a housing manager forum in the process. After the mobilisation of the key stakeholders, primarily building managers – who identified crime, grime and violent New Years' Eve as the immediate

6. They visited 33 neighbouring buildings to get acquainted with the property owners, caretakers, tenants and issues.

challenges – a voluntary association was set up and an executive committee was elected. As a result of these steps, property owners agreed to the payment of monthly levies to mitigate the challenges identified. It cost approximately ZAR 500,000 to finance this phase.

The second step could be described as ‘bottom-up physical regeneration’. The successful mobilisation of property owners to pay monthly levies of ZAR 24 generated a monthly income of ZAR 6400. The monthly levies from the property owners enabled the eKhaya executive to introduce a security and street cleaning project called ‘Our Clean eKhaya Neighbourhood’ by contracting Bad Boy’z Security – a private security services provider – to work with Pikitup (a city refuse removal institution) – to clean the streets around member buildings. The levies also facilitated the start of the public space upgrading and management, which was aided by city institutions such as the Johannesburg Development Agency (JDA). The first public spaces to be upgraded were derelict pavements and the grimy sanitary lanes, which were cleaned up and made secure, with housing managers choosing to be keepers of the locks.

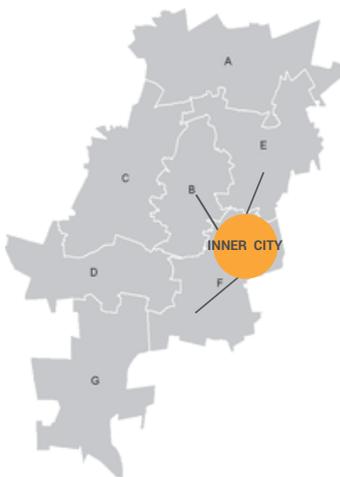
After the eKhaya
Neighborhood
Improvement
Program



Moreover, though eKhaya does not intervene inside its members' buildings, it is notable that property caretaker mobilisation relating to building issues created 'Our Healthy eKhaya' and 'Safe New Year' campaigns. Largely driven by the property caretakers, the campaigns involved the display of posters discouraging violent and chaotic behaviour. This has resulted in peaceful festive celebrations in the area since the campaigns began in 2004, and residents now take more ownership of internal and external spaces.

The third phase involved community development and attempts at further fostering the notion of friendliness in the eKhaya precinct and Hillbrow. This was accomplished through social cohesion programmes such as annual children's programmes, the eKhaya Street Soccer concept, and the eKhaya Kidz' Day event, which were largely driven by the precinct's property caretakers.

This model of regeneration has influenced the redevelopment of declining areas through out the City of Johannesburg.



Outcome

After years of extensive mediation and lobbying with the city, a site once abandoned to drug and crime was reclaimed and upgraded into a beautiful recreational space for children, named eKhaya Park. The city invested ZAR 7 million in the park upgrading and agreed to do physical maintenance and gardening in the space on condition that eKhaya secured and managed it.

As a result, eKhaya has led to a significant drop in crime and grime, both within and outside eKhaya member buildings, and has created a more liveable environment. For instance, in a survey conducted by Pooe (2016) on the impact has had for tenants, the general response was that eKhaya had positively impacted on their

quality of life and livelihoods. Although it did not directly contribute to employment, big businesses and retail chains are slowly coming back since the revitalization, which could create more employment opportunities. Building hijackers are responding positively to the institutional rules within eKhaya. This is an achievement in itself on the part of eKhaya management and organisation.

In 2007, the cleaning and security services are employed through Badboyz Security Services. In 2012, The eKhaya Park was installed; it was a public infrastructure investment through the Johannesburg Development Park. In 2013, eKhaya precinct was designated as a City Improvement District (CID). A new eKhaya Hillbrow north is being established at the request of private and public stakeholders.

Lessons learnt

The case of eKhaya illustrates that solutions to urban problems cannot only be devised by bureaucrats at the top, but can also be generated by actors on the ground. The eKhaya neighborhood was managed by a consortium of state, private sector and civil society actors. It shows us the power of mobilization and actively empowering various types of residents – both those who own property and those who do not own property – and giving them a voice in urban regeneration efforts such as improvement of districts.

While most urban regeneration initiatives tend to lead to gentrification and the exclusion of low-income residents, **eKhaya appears flexible towards survivalist activities (informal/street trading) and subletting**, practices which are often seen by city officials as irregular and contributing to urban disorder, but which are hugely **important making the city inclusive of the poor.**

Growing SSE to regenerate the neighborhood Barcelona

Over the last decade, the household disposable income (HDI) in the districts of El Eixample, Les Corts, Sarrià-Sant Gervasi and Gràcia has always been above average, while in the other districts it has remained below average. Since 2007, the income gap has intensified: HDI has increased or has experienced no change in the four districts mentioned, while in the rest, with the exception of Ciutat Vella, it has fallen. Thus, while in 2007, HDI in Sarrià-Sant Gervasi was double that registered in Nou Barris, by 2014 it was nearly 3.5 times that of the latter. The differences between neighbourhoods within each district are even more pronounced: by 2014, HDI in Tres Torres (in Sarrià-Sant Gervasi) was over 6 times higher than HDI in Trinitat Nova (in Nou Barris).⁷

SSE to tackle wealth inequality

Barcelona has been using the Social and Solidarity Economy (SSE) as a tool to tackle wealth inequality and to prioritize the needs of the people and community.

Barcelona's first step to promote the SSE was to create the Commission for Cooperative, Social and Solidarity Economy and Consumption at City Council in 2015.

In the same year, the **Impetus Plan for the Social and Solidarity Economy** (a roadmap for the promotion of the SSE from 2016 to 2019) was developed as a product of dialogue between the SSE sector and the City Council around the concepts of co-production and co-responsibility. The plan is structured into the following parts:

7. The City of Barcelona consists of 10 districts: Ciutat Vella, Eixample, Sants-Montjuïc, Les Corts, Sarrià - Sant Gervasi, Gràcia, Horta-Guinardó, Nou Barris, Sant Andreu, and Sant Martí.

The Social and Solidarity Economy in Barcelona: analyses the transformative socio-economic fabric of the city and its roll-out across the territory.

The Planning Process: explains the process involved in drafting the plan and related co-production and co-responsibility dynamics.

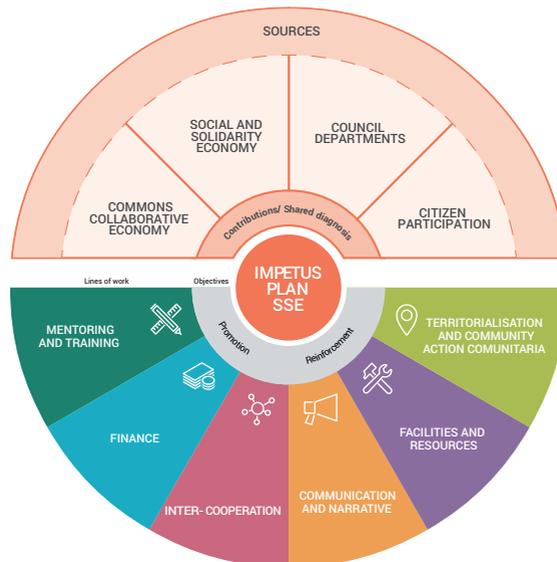
Contents of the Plan: describes the general and specific objectives, lines of work, measures and actions to be implemented.

Development of the Plan: indicates the different agents involved in the plan's execution and spaces for joint and participatory work.

Budget, Monitoring and Evaluation: details the budgetary allocations, as well as the impact assessment criteria used.

Annex. Towards a New Socio-Economic Policy: offers an overview of the plural economy and of the proposal for the city's socio-economic transformation.

The Planning Process for the Impetus Plan for the SSE in Barcelona



Sources: The Impetus Plan for the Social and Solidarity Economy 2016-2019, City of Barcelona

There are also two other city plans to transform the economy in which the social economy plays an important, transversal role; the Neighborhood Action Plan (in the 16 neighborhoods that have the worst socio-economic indicators) and the Economic Development Plan (in the 6 districts with the lowest household disposable income in the city).

The significance of the SSE policy in Barcelona lies in the fact that it was driven by the community and the citizens, rather than by the government. The role of the city council was to encourage and promote the SEE by providing economical, technical, logistical and administrative resources for the self-management of activities organized by citizens.

The first action took place in 5 neighborhoods that wanted to harness the SSE to change and revitalize their communities. These actions were then rolled out to the remaining districts. Various supporting measures for community-based, social processes and socio-economic projects have been taken according to the context in each neighborhood such as the level of development of SSE and the cohesion of the community, through bottom up approach.

1. In neighborhoods where the SSE is less developed, the “wheelbarrow” is implemented, that is, a process of research, diagnosis, mobilization and connection relating to existing and potential socioeconomic initiatives.

2. In the neighborhoods where SSE initiatives are emerging and need reinforcement, the “watering” strategy will work. It consists of facilitation, training and assessment of social entities or potential socioeconomic projects under development.

3. The “Toolbox” is the strategy to promote and create a stronger social market in areas where the SSE already has a strong presence. In Barcelona there’s only one district that meets this condition; Sants-Montjuic.

As a result, Barcelona Activa has included the SSE as an essential and transversal tool in all its actions in different neighborhoods and facilities across the city.

Another important output is that all the Development Plans in the 6 districts with the worst socioeconomic indicators included specific, transversal actions relating to the SEE. In addition, a training space for the municipal staff and SSE entities from different districts was built to allow them to exchange knowledge and experiences from their own practices.

Statistics on the Social and Solidarity Economy in Barcelona

According to the study “The Social and Solidarity Economy in Barcelona (2016)”, 4,718 socio-economic initiatives in the city form part of the SEE.

Some of the most significant data are:

The SEE consists of 2,400 third sector organizations, **197** worker-owned enterprises, **861** cooperatives and **260** community-economic initiatives.

In total, they employ **53,000 people**, over **100,000 volunteers**, over **500,000 consumer cooperative members** and approximately **113,000 mutualists**.

Barcelona is home to 861 cooperatives of all types, representing 20% of all the cooperatives in Catalonia. The large majority are worker cooperatives, which account for 77% of the total (numbering 667, of which 36 are social initiative cooperatives).

The city is home to 31 consumer and user cooperatives, which operate in a very wide range of sectors, including food, paper, energy, and health.

Since 1993, the city's **main housing cooperatives have built 2,093 homes**, and today a new model is emerging, known as housing cooperatives with assignment of use rights.

There are 19 education cooperatives, of which 80% are worker cooperatives, 10% consumer cooperatives and 10% mixed.

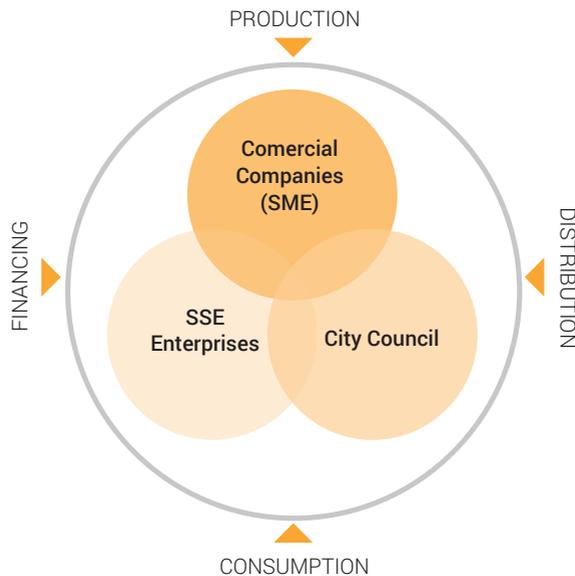
Peer Learning
Workshop held in
Technopole Angus on
19 June, 2017



Lessons learnt

Barcelona's SEE policy reveals how important it is for citizens to drive the process. However, **until a certain level of self-management of projects by citizens is reached, time, patience and constant support are required.** It is also important to take local social and economic conditions into account.

The co-production of public policies guarantees citizen control over public policies, community based actions, and cooperation through the networks built during the process. The social economy is the ideal field in which to experiment with new forms of public, community-based and cooperative management, in order to **democratize the production and distribution of the city's common goods.**



Transferability – insights on applying SSE

After sharing the peer cities' cases, participants discussed how to expand the SSE and transfer each case to other cities. The methodology of fishbowl was used for the discussion, in which the main speakers sit in a circle and have a conversation in full view of a larger group of listeners. The "public" can also be included in this small group discussion.

The Social Economy is about building an economic model with the community. In this context, the speakers agreed that identifying the local champions is important. Someone is needed to reach out and engage the technical assistance needed to begin the program, as well as someone who works closely and collaboratively with all parties to ensure smooth and efficient implementation. The local champions act as mediator between government and local community to understand each other and move forward.

Political will is another factor that we shouldn't forget. However, attracting politicians to the issue is sometimes not easy. To convince them, it would be good strategy to remind that a city is as rich as its poorest neighborhood and, for this reason, we need to support poorer neighborhoods. Also, given that politicians sometimes approach policies to gain more votes, it is advisable to have a political advocate on behalf of the community and to be open to activism on behalf of politicians

SSE is still a new concept to many cities and many people are not aware of it. Also, even when there are activists working on it, they face difficulties such as lack of funding or human resources. The role of local governments is to build an enabling environment for SSE by supporting the community financially, legally or by mapping the resources.

A Bottom up process to involve the community was highlighted in many cases. In Seoul's case of the Seongsu Social Fashion Project, it was the community that proposed the project and the government that approved it. It is important to create a system of cooperation among the members of the community in this context to encourage the voluntary involvement and cooperation. The role of local government is to scale up successful initiatives.

The **preparation to shape the social economy takes a long time** and all local stakeholders, as well as government, play important roles. By supporting all stakeholders to identify their own role in the SSE ecosystem, they can be convinced that it is a win-win strategy.

It is important not to neglect the unique character of each community. There is no one-size-fits-all solution. The key of SSE is relying on local resources and the local community. Therefore, we need to mobilize all the sectors of the population, whether they are affected positively or negatively.

The sustainability of SSE requires **changes to institutional and policy frameworks** to enable local governments to work effectively. Many of social economy initiatives are not sustainable because government only participates in the short term.

Local governments can use procurement to support SSE sustainability. This creates a virtuous circle that allows local and social enterprises to produce quality goods and services. The province of Gauteng, South Africa, is planning to increase social procurement from 23% to up to 30% by the end of 2019.

Lastly, the **social economy is still an economy.** Thus, its sustainability requires a business-friendly environment.

"We have lots of deindustrialization problems in my province. Industries have been shut down and people are losing jobs. We learn that sometimes it is difficult to mobilise the community. Some of the workers when the industry shut down went back to rural areas. The most important thing is to mobilize the people who are affected as a first line of resources. Ideally, the business of SSE catches all the people that have been left behind by other areas of the economy. In Gauteng Province, we are spending 23% on the public procurement from SSE businesses. The 30% of the procurement budget will be spent on goods and services from social economy by the end of 2019."

Malemolla David Makhra

Gauteng Premier

"Usually the social economy has been seen as a tool to cope with the economic crisis. But it should go beyond that. It should be continued even after economic crises. It is impressive that Barcelona is approaching the issue from the regional level, not from the national level. To build the social economy, we have to consider the long term, as the social economy requires networks to be built among neighbours, which takes time."

Oriol Estela Barnet

General Coordinator of
Metropolitan Strategic Plan of Barcelona

"I am very impressed by the Montreal Technopole Angus Case. It has been driven for more than 25 years by civil society. In many Asian cities, the majority of the policies, including those on the social economy, have been driven by government in a top-down way. Government-driven policies are often very strong and can make things quick, but mostly they are hard to be sustainable as they are influenced by changes of governments at elections. Seoul is now in a transition period from efficiency and performance to participation and inclusion. And Seoul Metropolitan Government is making endeavours to have more citizen participation in its policy making and implementation. To carry out such initiative by the civil society sustainably, it seems to me that it is important to have passion, human resources, and a constant desire from the civil society as well."

Jaemin Song

Director General for International Urban
Collaboration, Seoul Metropolitan Government



Peer Learning
Workshop held in
Technopole Angus on
19 June, 2017

Document by:



Supported by:

