



UNRISD

United Nations Research Institute for Social Development

Public Policies for Social and Solidarity Economy

The Experience of the City of Dakar

Malick DIOP, *Jurist, National Coordinator of the Network of Actors and Local Authorities for Social and Solidarity Economy in Senegal (RACTES)*

Aminata Diop SAMB, *Jurist, Director of the Municipal Development and Solidarity Fund of the City of Dakar (FODEM).*

Paper prepared for the UNRISD project

“Promoting SSE through Public Policies:
Guidelines for Local Governments”

February 2021

This Background Paper is posted online
to stimulate discussion and critical comments.



UNRISD

United Nations Research Institute for Social Development

The United Nations Research Institute for Social Development (UNRISD) is an autonomous research institute within the UN system that undertakes multidisciplinary research and policy analysis on the social dimensions of contemporary development issues. Through our work we aim to ensure that social equity, inclusion and justice are central to development thinking, policy and practice.

UNRISD, Palais des Nations
1211 Geneva 10, Switzerland

Tel: +41 (0)22 9173020
info.unrisd@un.org
www.unrisd.org



The Global Social Economy Forum is a global social and solidarity economy (SSE) network that aims to serve as a hub for sharing visions and experiences through cross-border collaboration and cooperation based on multilateral (public-private-community) partnerships for an inclusive, equitable and human centered world for all of us.

Copyright © United Nations Research Institute for Social Development (UNRISD) and Global Social Economy Forum (GSEF)

This is not a formal UNRISD publication. The responsibility for opinions expressed in signed studies rests solely with their author(s).

Table of Contents

| | |
|---|-----------|
| Table of Contents | iii |
| Abbreviations and Acronyms | iv |
| Acknowledgements | vi |
| Summary | vii |
| Introduction: Objectives and main points of the study | 1 |
| 1 SSE in Senegal: Context and state of play | 2 |
| 1.1 Different elements of the SSE ecosystem in Senegal | 3 |
| 1.2 Different elements of the SSE ecosystem in the City of Dakar | 3 |
| 1.3 Opportunities and challenges | 4 |
| 2 Design and implementation of an SSE support plan | 5 |
| 2.1 Components of SSE programmes | 5 |
| 2.2 SSE programme development process | 9 |
| 2.3 Strategies for stakeholder ownership | 10 |
| 3 Decision-making | 11 |
| 3.1 Decision-making tools | 11 |
| 3.2 Decision-making arrangements: participatory mechanisms, consultations and information sharing | 12 |
| 4 Legal framework | 14 |
| 4.1 Review of legal framework regulating SSE | 14 |
| 4.2 Establishment of appropriate legal rules | 16 |
| 5 Support for SSE organizations | 17 |
| 5.1 At the national level | 17 |
| 5.2 At the local level | 18 |
| 6 Development plans and programmes | 18 |
| 6.1 At the national level | 19 |
| 6.2 At the local level | 19 |
| 7 Capacity building | 20 |
| 7.1 At the national level | 20 |
| 7.2 At the local level | 21 |
| 8 Access to markets and to financing | 21 |
| 8.1 At the national level | 21 |
| 8.2 At the local level | 22 |
| 9 Awareness, outreach and advocacy strategies | 22 |
| 10 Data collection, research, sharing of knowledge and lessons learned | 23 |
| Conclusion | 24 |
| References | 25 |

Abbreviations and Acronyms

| | |
|-----------------|--|
| 3FPT | Vocational and Technical Training Fund |
| ADS | Social Development Agency |
| AECID | Spanish Agency for International Development Cooperation |
| AFD | French Development Agency |
| AIMF | International Association of Francophone Mayors |
| ANCAR | National Agency for Agricultural and Rural Advice |
| ANIDA | National Agency for Agricultural Integration and Development |
| ANPEJ | National Agency for the Promotion of Youth Employment |
| ANSD | National Agency for Statistics and Demography |
| APDA | Agency for the Promotion and Development of the Craft Industry |
| ASC | Cultural and Sports Association |
| BMN | Upgrading Office |
| BNDE | National Bank for Economic Development |
| CAEL | Support Unit for Local Elected Officials |
| CEFOPPEM | Vocational Training and Development Centre for Municipal Staff |
| CEPEM | Business Incubator for the Promotion of Employment through Micro-enterprises |
| CFAF | Franc of the Financial Community of Africa |
| CIFAL | International Training Centre for Local Authorities |
| CMD | Dakar Municipal Credit Fund |
| COCC | Code of Civil and Commercial Obligations |
| DASS | Directorate of Health Action and Personal Services |
| DEESS | Directorate for the Social and Solidarity Economy |
| DER | Fast Track Employment Delegation |
| DFS | Decentralized Financial System |
| DGPPE | Directorate General of Planning and Economic Policy |
| DOB | Budget Orientation Debate |
| DPDD | Directorate of Planning and Sustainable Development |
| DPEE | Directorate of Forecasting and Economic Studies |
| DPNDC | National Policy Document on the Development of Cooperatives |
| EHCVM | Harmonized Survey on Living Conditions of Households |
| EIG | Economic Interest Group |
| ENSIS | National Survey on the Informal Sector in Senegal |
| ESEA | School of Applied Economics |
| FIMF | Microfinance Promotion Fund |
| FMDV | Global Fund for Cities Development |
| FNCF | National Credit Fund for Women |
| FNPEF | National Fund for the Promotion of Women's Entrepreneurship |
| FODEM | Municipal Development and Solidarity Fund |
| FONGIP | Priority Investment Guarantee Fund |
| GDP | Gross Domestic Product |
| GSEF | Global Social Economy Forum |
| HII | Health Insurance Institute |
| IFAN | Fundamental Institute of Black Africa |

| | |
|-----------------|---|
| IGA | Income-Generating Activities |
| ILO | International Labour Organization |
| ISDL | Higher Institute of Local Development |
| LARTES | Research Laboratory on Economic and Social Transformations |
| LDP | Local Development Plan |
| LPSMESS | Microfinance and Social Solidarity Economy Sector Policy Statement |
| MCPME | Ministry of Trade and Small and Medium Enterprises |
| MECMU | Mutual Savings and Credit Union of the City of Dakar |
| MEFP | Ministry of Economy, Finance and Planning |
| MEPC | Ministry of Economy, Planning and Cooperation |
| MFB | Ministry of Finance and Budget |
| MFCAC | French Mission for Cooperation and Cultural Action |
| MFI | Microfinance Institution |
| MMESS | Ministry of Microfinance and SSE |
| NGO | Non-Governmental Organization |
| OECD | Organization for Economic Cooperation and Development |
| OHADA | Organization for the Harmonization of Business Law in Africa |
| OIF | International Organization of La Francophonie |
| PADEF/EJ | Project to Support the Development of Women's Entrepreneurship and Youth Employment |
| PAFSEP | Project to Support Families Living in Poverty |
| PAP 2A | Adjusted and Accelerated Priority Action Plan |
| PFAAnE | Non-State Actors Platform |
| PCC | Pan-African Cooperative Conference |
| PRES | Economic and Social Resilience Programme |
| PSE | Emerging Senegal Plan |
| RACTES | Network of Actors and Local Authorities for SSE in Senegal |
| RAESS | African Social and Solidarity Economy Network |
| RGE | General Business Census |
| RIPESS | Intercontinental Network for the Promotion of the Social and Solidarity Economy |
| SME | Small and Medium Enterprise |
| SSE | Social and Solidarity Economy |
| SSELDP | SSE Local Development Plan |
| SSEO | Social and Solidarity Economy Organization |
| UCAD | Cheikh Anta Diop University |
| UHC | Universal Health Coverage |
| UN | United Nations |
| UNDP | United Nations Development Programme |
| UNRISD | United Nations Research Institute for Social Development |

Acknowledgements

Ms Soham El WARDINI, Mayor of the City of Dakar for her commitment and the support of her administrative and technical services in conducting this study.

Prof. Ahmadou Aly MBAYE, Rector of the Cheikh Anta Diop University of Dakar (UCAD) for his support and academic input to the study.

Mr Mourade Dieye GUEYE, Secretary General of the City of Dakar, for his diligent compliance with the instructions of the Mayor for the preparation of this study.

Ms Maimouna Isabelle DIENG, Executive Director of the Platform of Non-State Actors (PFAnE), for the technical and logistical support.

Mr Birakane NDIAYE, Director of Cabinet of the Mayor of the City of Dakar.

Mr Cheikh GUEYE, Mayor of the Commune of Dieuppeul-Derklé, Delegate General of RACTES

Summary

The *environment in Senegal is generally conducive* to the development of a social and solidarity economy (SSE), but there are still issues to be addressed. At the political level, the creation of a dedicated ministry has provided the sector with an important steering mechanism. However, the *legal framework is still being developed*: a sectoral policy statement and a framework law on SSE, which are in the process of being drafted, should improve the governance of the sector.

Despite several projects and programmes initiated by the City of Dakar to support communities and social and solidarity economy organizations (SSEOs), implementation of an SSE policy is limited by a number of constraints: the lack of a legal framework that reflects the heterogeneity of the sector; the lack of planning, promotion and visibility of the sector in local policy; the professionalization of actors; and the failure to include SSEOs in the definition of public policies.

The *multiplicity of SSE structures* in the city does not help decision-making in the design and implementation of a planned local public policy that will ensure the promotion and visibility of the sector. The existing participatory, consultation and information-sharing mechanisms are still not functional enough to allow stakeholders to engage with technical services, support structures and elected municipal officials on projects and programmes, and selection, funding, support and monitoring procedures for economic and social inclusion strategies.

The City of Dakar supports SSEOs through the establishment of *several decentralized support structures* (FODEM, CEPEM, the Mutual Savings and Credit Union and the Housing Cooperative, etc.). These structures are support mechanisms for SSEOs that are positioned throughout the social entrepreneurship process. These tools are complementary pillars in the strategy of supporting SSEOs to boost the sustainability of social enterprises with personalized support.

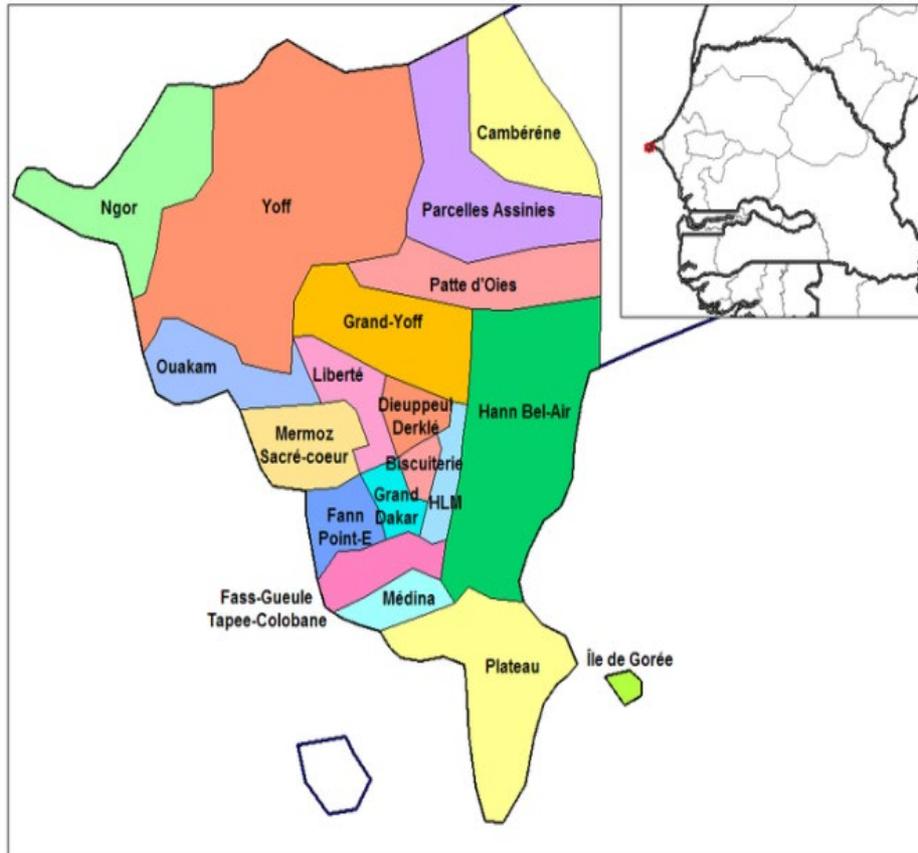
The City of Dakar, through its various stand-alone projects, has developed a *raft of measures to promote SSE* in its development plans and programmes. The existence of *training initiatives that are not SSE-related* is an opportunity to strengthen the capacities of SSEOs. These training programmes are based on a package of non-financial services that include the training and mentoring of social enterprises.

However, there is not yet an incentive framework to provide social enterprises with access to public procurement or funding, despite the existence of many *national funding structures that have still not been adapted to SSEOs*.

The creation in 2017 of the SSE Directorate within a ministry that is specifically dedicated to SSE is an opportunity for increased awareness, outreach and advocacy of SSE in public policies. The City of Dakar and the Platform of Non-State Actors, by setting up RACTES to promote SSE in public policies, have developed a *multi-stakeholder approach* through a *campaign* to raise awareness, to inform and influence and to drive the promotion of SSE in public policies within local governance structures.

The lack of a *systematic data collection and research system on SSE* limits the analysis and systematic production of knowledge to capitalize on achievements and experiences for the development of public policies for the promotion and development of SSE in the city.

Subdivisions of the City of Dakar



Source: WikiCommons, https://commons.wikimedia.org/wiki/File:Dakar_communes_d%27arrondissement.png.

“All these achievements contribute to my ambition of transforming Dakar into a resilient city of social solidarity and should be translated into a coherent, five-year local plan for the development of the social and solidarity economy (SSE), which is, today, the best way to implement an inclusive policy of empowerment for women, youth and vulnerable groups in a sustainable living environment.

We have made the City of Dakar a city committed to the promotion and social, economic and health development of the population, because we strongly believe that inclusive and sustainable local development is one of the mainstays of state and local public policies to promote greater inclusion of the population.

In this respect, cities must reflect on their role, alongside the State, in the promotion of an economic model based on the social and solidarity economy and on the strategies to be implemented at the local level to reconcile economic activity and social equity.

Extract from the interview of Ms Soham El WARDINI, Mayor of the City of Dakar and President of the Network of Actors and Local Authorities for SSE in Senegal (RACTES), in the magazine *Raisonnance*, published in June 2020 (AIMF 2020)

Introduction: Objectives and main points of the study

In response to the various socioeconomic, financial and environmental crises that are impacting states around the world, Senegal has undertaken major reforms to maintain macroeconomic and financial stability, accelerate growth, reduce poverty and improve the living conditions of the population.

The social and solidarity economy (SSE) has positioned itself as the leading provider of appropriate solutions for social and financial inclusion. SSE is defined as a set of economic activities with social goals carried out by individual entrepreneurs or groups of associated people. It calls for concomitant progress on both the economic and social fronts, where economic benefits are used to invest in more social projects. It is always flexible in its responses to problems because it is based on established social links.

At the national level, with the creation of a ministry dedicated to microfinance and the social and solidarity economy, the State has made a sustained commitment to promoting SSE in public policies. However, it must be noted that despite this stated intention, while the microfinance subsector is well served by projects and programmes, the same cannot be said for SSE, which is not covered by a legal, organized, structured and institutionalized framework. However, the Microfinance and Social and Solidarity Economy Sectoral Policy Statement 2020–2024 (LPSMESS) and the draft SSE framework law are currently being drawn up, a process that began in early 2020.

At the level of the City of Dakar, in 1998 the mayor’s office launched a number of SSE support and assistance programmes dedicated, among others, to young people and women, heads of household, and social entrepreneurs. These programmes include:

- Training and awareness-raising on entrepreneurship;
- Setting up a credit fund to facilitate access to SSE actors;
- Support for economic inclusion strategies for young people, women and vulnerable groups;
- Support for social enterprises to enable them to better manage their activities;
- The creation of ongoing activities to mobilize thousands of young volunteers in various sectors through subsidies granted to associations, groups and cooperatives.

Despite the progress made in SSE, these programmes remain insufficient. This case study therefore seeks to document the recent experience of the City of Dakar (Senegal) in the design, implementation and evaluation of public policies for SSE organizations and enterprises. The study addresses the problems and issues associated with the various aspects of the policies, as illustrated in the classification of public policies for SSE by areas, phases and levels. Before addressing these issues, the study will commence with an overview of the SSE landscape in Dakar so as to better understand SSE developments.

1 SSE in Senegal: Context and state of play

Community work is a way of life in Senegalese society (Fall and Guèye, 2003). Indeed, work is perceived as a means of individual fulfilment and of character building. In 2020, the population of Senegal was estimated at 16,705,608 inhabitants, 50.2% women and 49.8% men, more than half of whom lived in rural areas (53.5%) as opposed to 46.5% in urban areas (ANSD n.d.).

From a political point of view, Senegal has just emerged from a presidential election, a major moment in the life of the nation. Municipal and departmental elections will be held no later than 28 March 2021, following the adoption of a law confirming the postponement of local elections and the agreement, reached by the Political Commission for National Dialogue, on auditing the electoral roll and assessing the electoral process.

In the aftermath of Senegal's second transfer of power, following the presidential election in 2012, until the end of December 2019 (before the COVID-19 crisis), national economic activity seemed to follow a largely positive trajectory, in view of economic developments (MEFP 2018). Indeed, during this period, significant and compelling gains were made, following the implementation of the Emerging Senegal Plan (PSE) (DGPPE 2019, p.4). This particularly strong performance was underscored by an average annual growth rate of 6.7% in 2018, compared with 7.1% in 2017, thus consolidating the gains made since 2014, which have been above 6%. Average growth between 2014 and 2018 reached 6.2% compared to 3.9% over the period 2009–2013 (DGPPE 2019, p.5). This growth was mainly driven by domestic demand, fuelled by public spending and household income, including remittances from migrants.

Over one year, salaried employment in the modern sector had increased by 5.2% by the end of January 2019, mainly driven by the secondary sector (+6.6%), particularly industry (+8.3%). In addition, net job creation rose in the tertiary sector (+3.2%), in connection with the good performance of the workforce in services (+2.8%) and retail (+4.4%), according to the monthly economic update of the Ministry of the Economy (DPEE 2020). Despite a real gross domestic product (real GDP) growth rate of 6.0% in 2019, the unemployment rate for people aged 15 or over is estimated at 16.9%. It is higher in rural areas, where 18.7% of the labour force is unemployed, compared with 15.5% in urban areas. In terms of gender, unemployment affects women (27.6%) more than men (8.6%), while underemployment stands at 27.7% (ANSD 2020, p.5).

Various studies on the economic situation show that it is generally satisfactory. However, the majority of Senegalese are not under the impression that the country is experiencing a period of prosperity (DGPPE 2019, p.57). It is therefore reasonable to think that the distribution of the fruits of this growth remains insufficient and must be reviewed through new mechanisms.

The State of Senegal has established SSE as a fundamental priority in the framework of the Emerging Senegal Plan (reference document for economic and social policy up to 2035), placing it second among the five major initiatives contained in the *liguèyeul elleuk*¹ programme for the current five-year period. Such recognition marks the determination of the highest authority to promote and develop the SSE sector, guided by the conviction that it can contribute to the strengthening of a democratic society in which full participation in the creation of added value in both the formal and informal sectors will be achieved through the redistribution of wealth by promoting enterprises and organizations based on solidarity and the primacy of human rights.

¹ "Working for the future"

Despite a period of sustained growth averaging 6% over the last six years (2014–2019), the COVID-19 pandemic has come as a major blow to the national economy. The spread of the virus not only threatens the health of men and women; it also disrupts economic activity, affecting vital sectors such as hospitality, fishing, trade, crafts, education and transport, sectors with high economic and social impact. This situation could result in a slowdown in growth to -0.7% in 2020, compared with 5.3% in 2019 (MEPC 2020, p.5).

This situation has also had an impact on the informal economy, which accounts for 41.6% of gross domestic product (GDP) and employs around 48.8% of the labour force (Kane et al., 2018),² particularly SSE actors, and especially women (75% of Senegalese women work in the informal sector, according to the UN Women Annual Report 2015–2016 (UN Women 2016).

The pandemic has thus caused the cessation of activities of SSE enterprises, the disruption of supply chains, financial difficulties (cash flow) and difficulties in meeting debt repayment deadlines (ILO/MCPME 2020). And according to the same study on the impact of COVID-19 on enterprises and workers in the informal economy in Senegal, the lack of support for social enterprises identified in the Economic and Social Resilience Programme (PRES)³ has further accentuated the post-COVID predicament of SSEOs (MFB 2020).

1.1 Different elements of the SSE ecosystem in Senegal

In 2014, the government of Senegal launched its **Emerging Senegal Plan (PSE, *Plan Sénégal Emergent*)**⁴, establishing SSE as an important pillar of its economic and social development strategy.

In 2017, the creation of a **Ministry of Microfinance and SSE (MMESS)** further cemented the State’s commitment to assisting poor or low-income households and to providing greater opportunities for micro-entrepreneurs to succeed. However, it must be noted that despite this stated intention of the Senegalese State, while the microfinance subsector is well supported and consolidated, yielding significant gains, the same cannot be said for the **SSE subsector, which is not covered by an organized, structured and institutionalized framework.**

SSE is defined in the LPSMESS as “**a set of economic activities with social and/or environmental goals** carried out by individual entrepreneurs or groups of associated people”.

SSE enterprises (cooperatives, mutuels, economic interest groups (EIGs) and associations) stand apart from for-profit companies and are characterized by the community spirit among their members, democratic management, solidarity and the distribution of profits in proportion to the value of the work done. Thus, they place women and men at the centre of the process of wealth creation and enjoyment (Kane et al., 2019).

These two definitions, one institutional and the other academic, shed light on the way SSE is perceived in Senegal. In any case, SSE often works to bridge the gaps left by the State and private non-profit enterprises. It has four essential features: economic viability (focused not on profit but on human beings), democratic management (the principle of one partner, one vote), independence (from the State) and a social and/or environmental purpose.

1.2 Different elements of the SSE ecosystem in the City of Dakar

The City of Dakar (Wolof: *Ndakaaru*), founded in 1857, is the capital of the West African nation of Senegal. It is one of the four historical communes of Senegal and the former capital of French West Africa. Dakar Region (including the departments of Guédiawaye, Pikine and Rufisque) alone accounts for about a quarter of the country’s total population: 3,835,019 inhabitants, of which 1,216,738 live in

² The informal sector accounts for 41.6% of GDP and employs about 48.8% of the labour force, and social enterprises represent 11.5 to 12.2% of Senegalese SMEs according to the criteria defined by Kane et al. (2018), that is, 1/10th of Senegalese enterprises

³ The Economic and Social Resilience Programme (PRES) has, for very short-term actions, created a response fund called “Force COVID-19”, endowed with 1,000 billion CFAF, or 7% of GDP, to provide relief to the most affected households and to businesses directly affected by the crisis.

⁴ Since 2014, Senegal has been implementing a new economic and social policy reference framework – the Emerging Senegal Plan – to deliver strong and sustainable growth, eradicate poverty and achieve the sustainable development of human capital by 2035.

the City of Dakar (ANSD n.d.). Located on the Cape Verde peninsula, at the tip of West Africa, on the Atlantic coast, the City of Dakar occupies 0.23% of the country's total surface area and is spread over 19 communes. The General Business Census (RGE) of the Ministry of Economy, Finance and Planning (ANSD 2017, p. xvi), which counted 407,882 economic units across the country, showed that most businesses in Senegal are located in Dakar Region (39.5%).

Ms Soham El WARDINI, the 22nd Mayor of Dakar, is the first woman to hold this position since 1887. Her ambition is to make the City of Dakar an inclusive and sustainable metropolis. This desire has led the City of Dakar to set up a support system for SSE actors that integrates their political, economic, social and environmental contributions into local development strategies.

The city has set up directorates and in-house technical services dedicated to supporting SSE; in particular, the Directorate of Planning and Sustainable Development (DPDD), the Directorate of Health Action and Personal Services (DASS), the Municipal Credit Fund, the Mutual Savings and Credit Union (MECMU), and the Social Housing Cooperative.

Since 1998, the political will of the City of Dakar in terms of promoting SSE has found concrete expression in a variety of initiatives, including support for vulnerable families through DASS and microcredits for women with the creation of the Municipal Credit Fund.

In 2010, the city shifted to a new paradigm by creating the Municipal Development and Solidarity Fund (FODEM) to replace the Municipal Credit Fund of Dakar and to support SSE policy and funding, targeting women and young people.

1.3 Opportunities and challenges

The City of Dakar can tap into a number of opportunities to address a range of challenges in promoting SSE in its local public policy.

Firstly, the particular interest shown in SSE by the President of the Republic points to growing political will. Examples of this include an instrument of public policy – Emerging Senegal Plan (PSE 2035) – providing a set of benchmarks for the development of SSE at regional level, a ministry fully dedicated to SSE, and Act III of decentralization, which has established the principles of administrative freedom for local governments and citizen participation.

Secondly, the economic fabric of Dakar is formed by a plethora of collective enterprises and a vast traditional informal sector that often operate according to SSE principles, placing the economy at the service of social actors and social cohesion. According to the report of the General Business Census (RGE), published by the Ministry of Economy, Finance and Planning (ANSD 2017), 23% of the economic units surveyed are social enterprises and most of them are located in Dakar Region. There is, therefore, a dense network of economic initiatives that need to be supported at the local level. This is particularly important since a large part of SSE is found in the informal sector. This is the reason why the SSE sector is starting to receive special attention, as its role is becoming more and more crucial in the fight against inequality and poverty, and it offers an alternative to the neoliberal economy at the local level.

A final, and more general, opportunity is the emerging movement that is gaining momentum at the international and national levels for the development, promotion and recognition of SSE. The United Nations has identified SSE as being able to meet the major challenges of development today, and in 2014 created an Inter-Agency Task Force (UNRISD 2013)⁵ dedicated to the promotion of SSE, which invited Member States to include SSE in their policies. Moreover, there has been an emergence and mobilization of pressure groups, multi-stakeholder alliances, citizen movements and networks, including the Global Social Economy Forum (GSEF),⁶ the Global Fund for Cities Development

⁵ The UN Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSSE) was initiated by the United Nations Research Institute for Social Development (UNRISD).

⁶ The Global Social Economy Forum (GSEF) is a global network that promotes the social and solidarity economy as a strategy for sustainable local economic development of cities and regions and for achieving the Sustainable Development Goals (SDGs). GSEF assists local governments around the world in the process of engaging with SSE actors in the co-creation of public policies and the establishment of sustainable ecosystems conducive to SSE development. Established in 2014, as of October 2020 GSEF brings together more than seventy local governments and local government networks, SSE networks and organizations from five continents.

(FMDV),⁷ the Intercontinental Network for the Promotion of Social and Solidarity Economy (RIPESS),⁸ SSE International Forum,⁹ and the Pact for Impact Global Alliance.¹⁰ This international movement in support of SSE is playing a role in raising awareness of the need for SSE public policies for sustainable development.

These three points are opportunities for the City of Dakar to develop its SSE ecosystem. Despite the opportunities, however, challenges remain; we shall explore these challenges through the lens of public policy in the following sections of this document.

2 Design and implementation of an SSE support plan

2.1 Components of SSE programmes

Since 1998, the City of Dakar has initiated a number of SSE support and assistance programmes dedicated, inter alia, to young and vulnerable women, heads of households and social entrepreneurs. The political commitment of the City of Dakar, in terms of SSE promotion and development, has been translated into a variety of concrete actions.

Nine projects to support the population have been implemented since 1998. These projects are still isolated actions without a cohesive framework and a defined policy strategy, such as an SSE development plan designed, implemented and evaluated with different design stages, involving relevant stakeholders and interactions with the central government.

However, a number of **mechanisms** may be identified, which could **form the foundation of an SSE policy** for the city.

2.1.1 *A mechanism to support and finance SSE projects: From supporting income-generating activities to promoting and financing SSE projects*

The City of Dakar makes the empowerment of youth and women one of its priorities. In 2015, 38.2% of households in Dakar Region were classified as poor, of which a little less than a quarter (24.7%) were very poor (ANSD 2015, p.5). Thus, in order to combat the precariousness of the population and the high poverty levels amongst heads of households, the City of Dakar created, as early as 2004, the Dakar Municipal Credit Fund (CMD) to finance the activities of families living in poverty within the framework of the Project to Support Families Living in Poverty (PAFSEP).

In 2010, by Order No. 00433 of 21 January 2010, the City created FODEM, in place of the Municipal Credit Fund, to support SSE policy and financing. FODEM no longer targets individual activities but rather collective projects that provide a structure for SSE organizations (associations, economic interest groups, cooperatives) run by women and young people. FODEM is a **structure for supporting** SSE organizations (SSEOs) of women and young people and for **refinancing** SSE projects.

Thus, according to the 2019 FODEM report, 75% of the projects that receive funding are SSEOs founded by women. They benefit from financial support ranging from 200,000 CFAF to 5,000,000 CFAF.¹¹ FODEM has contributed to the consolidation of 477 production units, creating nearly 463 jobs, of which 25 are temporary. It has financed the creation of 225 new social enterprises. It has also

7 RIPESS is a global network of continental networks committed to the promotion of the social and solidarity economy. The continental networks (Latin America and the Caribbean, North America, Europe, Africa, Asia and Oceania) in turn bring together national and sectoral networks, thus ensuring that the network has deep roots at the local level.

8 The Global Fund for Cities Development is a global network of local governments established in 2010. The work of FMDV aims to strengthen the financial capacity of local authorities through the sharing of skills and knowledge, and by encouraging cooperation and solidarity between cities.

9 SSE Forum International (born of The Mont-Blanc Meetings – International Forum of the Social and Solidarity Economy Entrepreneurs) is an independent, non-profit association under French law (*Association Loi 1901*) the aim of which is to promote the social and solidarity economy. The association was founded in 2005 by several French and Quebec social economy enterprises, including Groupe Up, MAIF, Macif, AG2R La Mondiale, Crédit Coopératif, Caisse d'économie solidaire Desjardins and Fondation.

10 Global Alliance to promote the social and solidarity economy, created in 2019 and headed by France.

11 On 20 January 2021, 540 CFAF (West African CFA franc) were equivalent to 1 US dollar (USD).

supported the creation of 861 micro-activities through the “safety net” facility for 4002 beneficiaries and 327 bankable projects.

In 2020, FODEM provided training to 812 women from 27 SSEOs on women’s entrepreneurship, introductory financial literacy and SSE. These SSEOs created by women received funding after opening an account with MECMU (FODEM 2020, p. 27).

MECMU is a financial instrument of FODEM, which reaches most of its target group through project funding via a dedicated credit line; it is an extension of the city’s policy to provide its people with access to low-cost financing.

MECMU was set up following the general assembly of 9 August 2002. It was approved by the Ministry of Finance under No. DK1-03-00310. The objective of MECMU is to facilitate home ownership, construction support, furniture, emergency (or express) loans for happy or unhappy events, family support (loans for children’s education) and pilgrimages to holy places for the 5155 members in the City of Dakar.

Any natural or legal person can become a member if he or she undertakes to respect the statutes and internal regulations of MECMU and to pay a sum of 12,000 CFAF, divided as follows: 6,000 CFAF for membership share; 3,000 CFAF for membership fee; and 3,000 CFAF for minimum savings.

In this way, MECMU helps to create links of solidarity between its members in the City of Dakar, who benefit from material and financial services designed to improve their living conditions.

To complement the support and financing scheme, the City has set up the Business Incubator for the Promotion of Employment through Micro-enterprises (CEPEM), in partnership with the International Association of Francophone Mayors (AIMF) and the City of Marseille, to support start-ups and youth entrepreneurship. This service trains and assists young people with entrepreneurial projects (individual or collective), provides them with financial services at the end of their training and accompanies their entry into the workforce through a coworking space.

CEPEM is an entrepreneurial support tool for young people and women that is positioned upstream of the project start-up phase. This phase is generally perceived as being a crucial moment that can determine the success or failure of the enterprise. CEPEM is therefore a place of learning that gives project initiators the opportunity to try their hand at entrepreneurship, to learn how to run a business and ensure its further development. In practical terms, the trainees test their project on a real scale (buying, making, selling) before they go into business. Beyond this practical component, the trainees receive personalized advice and training to enable them to stand on their own two feet and learn how to become entrepreneurs.

The support and financing mechanism – based on coordination and complementarity between FODEM (as refinancing structure), MECMU (as decentralized financial service) and CEPEM (as support tool) – offers SSEOs a platform that spans the entire value chain: from the initial idea to the growth of the project.

2.1.2 A support mechanism for income-generating activities for families living in poverty

The first scheme in the City of Dakar was implemented by the Directorate of Health Action and Personal Services (DASS) through a support programme aimed at integrating poor and marginalized populations into the economic system. This revolving credit mechanism supports small income-generating activities (IGAs) with a repayment rate of 1% over a period of two months, aimed at women heads of households, the elderly and people with disabilities.

The evaluation of this scheme from 1998 to 2013, through the Project to Support Families Living in Poverty (PAFSEP), showed: 1) a lack of adequate logistical support for monitoring and accompanying the beneficiaries and for repayments; 2) the inadequacy of the PAFSEP budget, which could not meet the high demand for funding and the high level of informal activity due to a lack of structure among the actors. Now, after a break of almost 6 years (from 2014 to 2020), mainly due to a lack of funding from the partner, the project has been renewed and reprogrammed for 2021. Funding will be provided by the

City, with a substantial increase in the budget to meet the challenges and to accommodate the recommendations of the evaluation.

Although this is a significant achievement, it is clear that there is room for improvement if this mechanism is to reach the greatest possible number of heads of families. To achieve this, it would be beneficial for the City of Dakar to explore other opportunities to strengthen such a project, which would significantly alleviate the burden on poor families by enabling them to carry out IGAs and thus take up their rightful place in society.

2.1.3 A support mechanism for volunteering: Driving the dynamics of grassroots participation in the urban construction process

The city faces many challenges as a result of rampant urbanization and strong population pressure, as do all the major metropolises on the African continent. Among the challenges that Dakar faces are the natural and living environment, urban safety, urban mobility, health and the social development of its citizens.

Thus, the municipality, with a focus on participatory and inclusive governance, has initiated a strategy with the ambition of rebuilding the City of Dakar, recalibrating the urban landscape to make it a better place to live, in which its actors communicate with each other and share the same community development concerns.

The City of Dakar volunteer programme brings together 500 young people from Dakar who are involved in the local governance of their commune and the City of Dakar. This programme combines the city’s objective of offering them a first taste of the world of work with helping them to find their career path in the urban professions. The Municipal Volunteer Corps is organized into six brigades: Green Brigade/Environment, Urban Mobility, Road Traffic, Beaches, and the City Watch.

According to the International Observatory of Mayors (n.d.-a), the observed outcomes have shown an improvement in the anarchic use of public space, bathing safety on Dakar’s beaches, mobility and urban safety, and also in the natural and living environment with the “Dakar Clean City” project. The programme is therefore a good illustration of the importance of participation and engagement among the young citizens of Dakar for a more inclusive development.

2.1.4 A support mechanism for urban agriculture for a green and circular economy

The creation in 2012 of the DPDD has made it possible to explore solutions for developing and mainstreaming the green and circular economy and integrating political, economic and social contributions into the Local Development Plans (LDPs).¹² The DPDD refocuses the priorities of the City of Dakar in the fields of planning and environmental action as well as extending the actions of the inclusive economy.

In this respect, the green and circular economy has translated into activities related to urban agriculture and micro-gardening, which constitute an alternative and sustainable food system for a population faced with poverty and food insecurity. These activities involve small, simple and inexpensive SSEO production units adapted to high-density urban neighbourhoods.

This alternative micro-gardening system consists of market gardens on tables in urban spaces, for lack of growing areas, using recycled materials: growing trays made from the wooden pallets used to import potatoes and onions.

Today, just over ten years after their inception, the urban agriculture and micro-gardens of Dakar have provided free training and a follow-up after five days of training to about 10,000 people. In addition, more than 10,000 growing trays have been made available to beneficiaries free of charge, along with 147 community production centres (CPCs), which bring together beneficiaries at a site usually provided by the municipality. The centres are located in the 19 *communes d’arrondissement* of the City of Dakar; 83% of the beneficiaries are women, and 50% are young people under the age of 36. As well as these

¹² The Local Development Plan (LDP) is the planning instrument of the Local Authority defined by the Local Government Code. Each year, the Local Authority must present its socioeconomic balance sheet for inclusion in the departmental socioeconomic report (DFC 2011).

beneficiary groups, 25 primary schools have benefited from training, including training for teachers, housekeepers, caretakers and pupils. In addition, the programme has also extended training to vulnerable groups such as people with disabilities (centre for people with disabilities), prisoners (prison) and the elderly (DPDD 2019).

In this way, the City of Dakar has contributed to social cohesion centred around micro-gardening. This system has also contributed to the reintegration of vulnerable people, mainly women, into the society of today, by providing them with food security and income to support their children’s education, etc.

2.1.5 A support mechanism for urban culture: A community approach to sociocultural promotion

From 2012 to 2014, the city launched a **Support Fund for Private Cultural Initiatives** which has supported and funded 61 out of 305 projects submitted by the culture sector – as an SSE actor – for an amount of 145,000,000 CFAF. This mechanism has focused on three initiatives: *firstly*, programmes or projects with specific features that share a **solidarity of vision and action** with the culture policy of the City of Dakar; *secondly*, **community- or association-based approaches**, such as groupings of creators around a **common programme or project**; and *thirdly*, projects that pay particular attention to **urban issues**, and particularly to the development challenges of the City of Dakar (DCT 2013).

This scheme, despite not being renewed due to political differences between the city and the government – the “Affaire Khalifa SALL”, which led to a political trial and the conviction of the Mayor and his assistants – was a successful experiment. It mobilized young artists in the neighbourhoods to develop collective projects to support the cultural promotion of the city.

The following table shows the numbers and percentages of projects submitted and financed by the cultural support fund in 2011 and 2012:

| Disciplines | Submissions 2011 | Submissions 2012 | Total Submissions | Financed 2011 | Financed 2012 | Total Financed | Funding Rate |
|-------------------------|---------------------|---------------------|----------------------|------------------|------------------|-------------------|-----------------|
| Visual arts and design | 39 | 33 | 72 | 5 | 6 | 11 | 15.27 % |
| Music | 52 | 57 | 109 | 6 | 10 | 16 | 14.67 % |
| Cinema/audiovisual | 82 | 60 | 142 | 15 | 12 | 27 | 19.01 % |
| Dance | 22 | 14 | 36 | 8 | 8 | 16 | 44.44% |
| Theatre | 29 | 19 | 48 | 6 | 3 | 9 | 18.75% |
| Fashion and design | 19 | 13 | 32 | 4 | 4 | 8 | 25% |
| Photography | 14 | 3 | 17 | 2 | 1 | 3 | 17.64% |
| Publishing/Storytelling | 36 | 22 | 58 | 5 | 8 | 13 | 22.41% |
| Events | 49 | 64 | 113 | 12 | 10 | 22 | 19.46% |
| Total | 342 | 285 | 627 | 63 | 62 | | |

Source: DCT (2013).

Dance and music together accounted for the largest number of projects funded (32/125). This can be justified by the fact that they are part of Dakar’s culture and traditions, with working-class neighbourhoods and indigenous villages sharing the same space. Through more than 500 neighbourhood Cultural and Sports Associations (ASCs) in Dakar Region and the sociocultural centres in the communes, they represent a vital source of sociocultural dynamics for the economic development of communities.

The cinema and audiovisual sector also benefited from a large number of funded projects (27 out of 125). This testifies to the vitality and the penetration of digital technology in the culture sector of Dakar. It is a promising avenue for the development of the digital economy.

The programme has also created a sense of belonging to a community, and has fostered participation and engagement, especially among young people, with urban issues and particularly with challenges to development of the living environment of the City of Dakar.

2.1.6 Limits to the design and implementation of an SSE support plan

The testing of the different mechanisms has enabled the identification of some of the limitations and weaknesses in the design and implementation of a plan to support and assist SSE in the city.

At the city level, the SSE sector is highly fragmented in the various directorates and services of the city government. SSE takes on its full meaning because local authorities are best placed and best equipped to respond to the real needs of people in the community. There is not yet an umbrella organization in charge of coordinating and planning the different actions of the City as instruments of inclusive development and a fair and equitable local economy. This underlines a lack of coordination among local and even national authorities, resulting in an SSE policy that is neither coherent nor planned, and which fails to raise awareness of its importance because of a lack of visibility and because of scattered efforts.

This lack of coordination is evident in the inadequacy of funding and support mechanisms for SSE projects. Specific mechanisms for funding and supporting SSE actions and projects exist at national and local level. However, these SSE funding mechanisms, when they exist, are scattered under the supervision of different ministerial departments and agencies. This is a major obstacle for the promotion of SSE. For the most part, the funding of SSE actions and projects is based on self-financing, support from technical and financial partners and microfinance institutions (including mutuals and solidarity financing funds). A more coherent and coordinated strategy between the government, SSEOs, partners and institutions will promote not only local development of SSE but also more efficient and targeted funding.

Moreover, it is unanimously acknowledged that the establishment of a legislative and regulatory framework is an essential step towards laying the foundations for the promotion of SSE so that it may fully play its role in the fight against poverty and the reduction of inequalities. Weaknesses in the legislative and regulatory framework for SSE highlight the imperative need, at the national level, to validate the promotion and development strategy for the SSE sector and the framework law with appropriate implementing decrees that take into account the concerns of all stakeholders, and at the local level.

The development and implementation of a Local Development Plan for SSE will enable the City of Dakar to have a coherent and planned SSE policy. Such a plan is an opportunity to involve the communes, SSEOs, socioeconomic community relations and the central government with a view to further pursuing a policy to combat social inequalities, economic exclusion of the population and the environmental impacts that affect the capital.

The promotion of SSE carries with it the risk of confusion with traditional economic models, as wider understanding of the concept and of the legal framework governing its implementation remains a challenge. Senegal has considerable expertise in setting up SSE enterprises; however, an SSE promotion programme requires a vast capacity-building movement at several levels (national and local) so as to create a critical mass of decentralized resources to support an SSE promotion process. By filling the gaps in human resources, it will then be possible to advance on the SSE development path.

2.2 SSE programme development process

The SSE programme development process faces a number of challenges and issues:

First of all, there is a lack of legal recognition which is a hindrance for the development of this sector and leads to a number of difficulties related to, among others, taxation, financing and the transition to formal economy. Moreover, the heterogeneity of emerging social enterprises that are going from strength to strength, as in the digital and green sectors, is not recognized either. They therefore face the same problems as traditional entrepreneurship, but more acutely, particularly with regard to three identified weaknesses:

The first is the inadequacy of the tax system. SSE enterprises must have a specific tax system adapted to the way they operate and to their needs because they are not the same as for-profit enterprises. The rigidity of the tax system does not take into account social impacts and puts a strain on the cash flow of such enterprises, which makes them vulnerable to any kind of shock.

The second is related to access to finance, given that SSEOs often operate in the informal sector or are poorly organized. This also prevents them from being financed by conventional banks, which treat them in the same way as they do formal private enterprises. In addition, the institutional and regulatory framework of SSEOs (legal status, taxation, etc.) is insufficient. Thus, in order to facilitate access to financing for SSEOs, it is important to develop and adapt alternative funding methods (crowdfunding, tontine, green finance, digital finance, Islamic finance, etc.).

The third is related to access to markets. The procurement code, in its current form, does not make it easy for SSEOs to compete for, win and fulfil public contracts. Despite, for example, the quota of 15% of public contracts reserved for artisans, implementation of this quota is hampered by red tape, the requirement for a bid bond or security, proof of the legal, technical and financial capacities required for a public contract, etc.

The fourth, linked to cross-cutting weaknesses, is the minimal involvement of SSEOs, especially among women and young people, in SSE policies. SSE actors, which are partly associations or citizen groups of women and young people, participate in local development by setting up support structures such as mutual savings and loan associations to enable them to engage in income-generating activities. However, it is actors with political affiliations who are most informed and mobilized in the political planning process and programmes in the communes, to the detriment of these established grassroots community organizations.

The sector as a whole is faced with a capacity deficit among its actors: lack of access to training, funding and markets, and lack of empowerment. The challenge for the SSE sector will be to professionalize its members and to improve the attractiveness of the sector. Training programmes will also have to enable SSE actors to better adapt to the expectations and needs of people and to adapt to new technologies.

2.3 Strategies for stakeholder ownership

The City of Dakar is developing a *community-based local development strategy* to help local authorities promote SSE. This strategy is based on three pillars and allows for the development of synergies between stakeholders, mainly SSE organizations (SSEOs), around the issues of entrepreneurial initiative. These three pillars, which will be discussed in this section, are: local planning, access to credit and inclusive financing.

The first pillar is local planning. The City favours a participatory approach to planning and community involvement to ensure ownership of policies by stakeholders, mainly SSEOs. The city's directorates and technical services regularly visit the 19 communes to gather and centralize their needs and the concerns of the population in all nine areas of responsibility of local government. The DPDD, through a strategic planning process, defines guidelines for urban development, identifies the objectives and priorities of the population in the short and medium term, sets out the conditions and means for achieving them, and assesses how well the objectives of the City match those of the population.

Access to credit and swift transactions at an affordable interest rate is the second pillar. It builds trust between potential entrepreneurs and the support structures and enhances the long-term viability of businesses that are successfully established. The City of Dakar also addresses the concerns of associations, trade unions, groupings and cooperatives in the financing of local development projects. SSE organizations that have taken out loans from microfinance institutions and are forced to repay these loans at the end of the day or month at a usurious interest rate of 15% to 20% very often find themselves in financial distress because of the unsustainable conditions attached to loans from the Decentralized Financial System (DFS).

SSE actors, which are partly associations, women's and youth groups, or cooperatives, participate fully in local development by setting up support structures such as mutual savings and loan associations to enable them to engage in income-generating activities. These actors thus contribute to the growth and the economic, social and cultural development of the population; they foster mutual aid and solidarity for the benefit of young people and women; they improve nutrition and healthcare for children and the poor; and they support the cause of entrepreneurship for women and young people in all sectors of the economy.

Although the SSE policy ownership strategy represents a step towards synergy between actors and a spirit of co-construction, the strategy should not be limited to loans. In order for stakeholders, especially SSEOs, to take ownership of public policies, the city must encourage the *creation of SSE hubs in the communes* with a view to fostering the networking, grouping and visibility of social and solidarity enterprises based on themes, value chains and structural projects in the communes.

3 Decision-making

The decision-making framework is a useful tool for analysing the implementation of SSE policy instruments at national and local levels and thus the extent to which public policies are given effect at each level.

3.1 Decision-making tools

3.1.1 *At the national level*

The Ministry of Microfinance and SSE is in the process of implementing two decision-making tools. These are the Microfinance and SSE Sectoral Policy Statement (LPSMESS), which is currently awaiting approval, and the drafting of the SSE framework law. When they become available, these steering instruments will facilitate the integration and planning of SSE in the design of public policies.

3.1.2 *At the local level*

The City of Dakar makes use of decision-making tools at the political and legal, strategic and operational levels in the design and implementation of public policies.

At the political and legal level, the Budget Orientation Debate (DOB) is a provision of the Local Government Code. Article 253 of the code stipulates: “**At least one month before reviewing the budget of a local authority, a budget orientation debate shall take place in its council**”. This tool therefore makes it compulsory to hold a DOB before the budget session during which stakeholders, mainly SSEOs – sociocultural, socioeconomic and sports neighbourhood associations, women’s or youth groups and cooperatives – may influence the orientation of the city’s budget. It should also be noted that the City of Dakar’s Municipal Council is composed of one hundred municipal councillors.

The DOB, although not specific to SSE, remains an essential tool to inform councillors and a consultation mechanism to strengthen participatory democracy in the planning of the resources of the local authority. As such, it provides an opportunity for stakeholder groups to express their views on the main orientations of the next budget of the local authority and to put on the table priorities for supporting and promoting SSE.

However, this mechanism is little known to SSEOs, which means that the participation of local stakeholders is low. The effectiveness of the mechanism is limited by the following: a tendency to politicize the process, as generally only associations or groups close to mayors, especially in the communes, are invited to the DOB meeting; the absence of a DOB in some communes; a lack of awareness of the roles and responsibilities of DOB members; and the risk of conflicts of interest in prioritizing funding needs (ASADIC-TAATAAN 2019).

At the strategic level, as has already been mentioned, the DPDD is a tool for undertaking the strategic planning process that defines the direction of the city’s sustainable development and the objectives and priorities of the population in the short and medium term, with a view to identifying the conditions, means and resources to achieve them. It has developed and implemented the support mechanism for urban agriculture and the green and circular economy (see 3.1.4).

Thus, the DPDD is an instrument that refocuses the priorities of the City of Dakar in the areas of planning and environmental actions, and that extends to the green and circular economy. It supports SSEOs in developing: 1) concrete and innovative solutions to combat climate change through the Climate and

Energy Plan,¹³ 2) the Dakar Clean City Programme,¹⁴ and 3) the promotion of green entrepreneurship through the creation of an incubator (CEPEM).¹⁵

At the operational level, there are two main instruments for implementing policy decisions to promote SSE: DASS and FODEM. DASS responds to the specific concerns of poor and vulnerable households by providing support and assistance, and FODEM is a structure for supporting and financing SSEOs, in conjunction with CEPEM and MECMU.

These structures are support tools for SSEOs that are positioned throughout the social entrepreneurship process, that is, from the project idea to its implementation, through financing, support and management. Each phase is generally seen as a crucial step that can determine the success or failure of the SSE policy. Besides these two tools, the Housing Cooperative of Dakar City Hall Employees' Association, created in 2003, is an initiative to facilitate access to social housing. However, the almost total absence of available land within the boundaries of the City of Dakar has had a strong impact on the work and performance of the cooperative.¹⁶

The multiplicity of structures that interact in the space in which SSE operates does not make it any easier to design and implement a coherent, planned local public policy that promotes and raises the profile of the sector. For this reason, the city would benefit from greater clarity and structure in a *decision-making centre of responsibility in the form of a strong department tasked with SSE policy*. Such a department would be able to coordinate and broaden the various actions in a local development plan.

3.2 Decision-making arrangements: participatory mechanisms, consultations and information sharing

3.2.1 At the national level

Senegal has long opted for an increasingly participatory democracy and the establishment of a development administration. However, the reality on the ground has not always borne out these choices, for several reasons. The 2001 Constitution, the National Strategy for Good Governance, the General Local Government Code and the decentralization of public policies are all in keeping with this dynamic. It requires a profound change in attitudes and an unwavering commitment from citizens.

Article 102 of the 2001 Constitution establishes the principle of citizen participation when it stipulates: "local authorities constitute the institutional framework for the participation of the population in the management of public affairs".

Law No. 2013-10 of 28 December 2013 on the General Local Government Code (Act III of decentralization) establishes citizen participation as a basic principle on a par with administrative freedom for local authorities and defines the general framework, which must be regulated by an implementing decree.

It should be noted that issues of citizen participation and oversight are not new to Senegal, as several initiatives have been developed by civil society organizations with the support of development partners.

In several cases, citizen participation – directly or through their organizations – is recognized as a right. However, the recognition of the need to involve citizens (through their organizations) in decisions

¹³ The programme to improve urban governance for an energy and ecological transition with a view to strengthening resilience consists of the development and participatory implementation of a Climate and Energy Plan for the City of Dakar. It aims to provide decision-makers with a vision and an action plan for mitigation and adaptation to the effects of climate change in line with the Nationally Determined Contribution (NDC). The aim is to mobilize a critical mass of citizens around energy and climate challenges through: a platform for exchange and learning (Dakar Acts for the Climate), implementation of an energy efficiency pilot project and modelling of an intervention approach for a change of scale in the country and at the sub-regional level. <https://www.climate-chance.org/bonne-pratique/pcet-dakar/>

¹⁴ Launched in December 2018, the "Dakar Clean City" project is designed to solve the problem of urban squalor in Dakar. The "Dakar Clean City" project has a budget estimated at nearly 500,000,000 CFA francs to work in particular to mobilize volunteers for de-cluttering, paving, parks and gardens, etc., with citizen participation at the grassroots level.

¹⁵ The City of Dakar, through the creation of CEPEM, has enabled young entrepreneurs trained through this incubator to set up structures to operate in the field of "M'Environnement" by forming a partnership with the City of Dakar as part of its "Dakar Clean City" programme, the slogan of which is "1 District, Zero Waste".

¹⁶ The Housing Cooperative of Dakar City Hall Employees' Association was created in 2003. It gained official status on 19 January 2004 under No. 000169. As of September 2020, it is in its fourth phase of land allocation. A successful model of a cooperative that is to be commended.

related to public policies leaves room for a real and persistent difficulty in organizing such participation in line with satisfactory criteria.

3.2.2 *At the local level*

The municipalities favour a participatory approach and grassroots involvement whereby stakeholders can influence and share in the oversight of development initiatives, decisions and resources that affect them.

3.2.2.1 *A participatory management tool*

On 8 September 2009, Khalifa Ababacar SALL, then Mayor of Dakar, established the **Advisory Council of the City of Dakar**, which is made up of socio-professional organizations, associations, community groups operating or established in the **City of Dakar**, and residents of **Dakar** of high standing. When it was created, Mayor Khalifa Ababacar SALL declared: *“The Advisory Council is a place for listening, exchanging, expressing and formulating the wishes of residents, private sector actors and civil society on all aspects of city life.”* (Advisory Council 2009)

The board is composed of a president (the president of the National Confederation of Employers of Senegal), two vice-presidents, a secretary general, a deputy secretary general, a rapporteur, a deputy rapporteur and two other members. The term of office of the board is five years. The functions of the members of the council are performed without remuneration and may not entitle them to any emoluments or compensation.

By setting up an advisory council, the City reinforced a participatory mechanism that provides local actors with consultation, oversight, influence and advocacy capacities. In this way, the mayor’s office sought to involve the people of Dakar more closely and have them participate in the management of their city. The purpose of the advisory council is therefore to encourage dialogue and consultation between residents, associations and elected officials.

According to the International Observatory of Mayors (n.d.-b), the following outcomes have been observed: better involvement of the population in the actions carried out by the city within the framework of the implementation of participatory democracy (the creation of neighbourhood councils in the 19 communes), better ownership of the projects undertaken in the neighbourhoods, and finally, better planning of investments in line with the needs of the population.

3.2.2.2 *An open process for supporting SSEOs*

The City has put in place open mechanisms for the selection and funding and support of SSE projects. For each structure, a neutral selection committee is set up to promote good local governance. The aim is to involve various stakeholders in the design and implementation of SSEO support programmes, to increase the presence of certain categories of stakeholders in decision-making, and to develop consensus-building skills among elected officials and association leaders who are responsible for representing the communities in the organizations.

The Steering and Selection Committee for SSE projects funded by FODEM.

The Steering and Selection Committee for SSE projects is composed of the following members:

- The Mayor of the City of Dakar, President or his/her representative;
- The Director of FODEM;
- The Municipal Secretary of the City of Dakar;
- The Director of the Mayor's Cabinet;
- The Director of Social and Health Action;
- The Mayor's legal counsel;
- Two municipal councillors;
- Two local actors (experts).

Its mission is to:

- examine and approve the strategic orientations, the projected annual action programme of the fund;
- examine and approve the fund's draft annual budget;
- approve the administrative organization of the fund and its intervention procedures;
- approve the annual activity report submitted to it by the Director General and the fund's annual financial report;
- monitor the projects financed by the fund;
- harmonize the interventions targeting the promoters of the various partners, namely the State, local authorities, NGOs, populations, companies, development partners and other technical and financial partners.

3.2.2.3 *A bottom-up planning approach: public information workshops*

The directorates and support structures (DPDD, DASSP, FODEM, CEPEM) regularly organize public information workshops in the form of tours of the communes to identify and gather the needs and concerns of the population in all areas of responsibility of local government. These consultations allow stakeholders (associations, private sector, cooperatives, economic interest groups, neighbourhood leaders, religious and traditional leaders) to engage with technical services, support structures and elected municipal officials on projects and programmes, selection, funding, support and monitoring procedures for economic and social inclusion strategies.

4 Legal framework

4.1 Review of legal framework regulating SSE

4.1.1 At the African or Franc Zone or Community level

The Uniform Act of the Organization for the Harmonization of Business Law in Africa (OHADA) establishes the legal framework for economic interest groups (EIGs) and cooperative societies in 14 countries of the CFA Franc Zone, in addition to the Comoros and Guinea Conakry.

The EIG is defined in Articles 869, 870 and 871 of the Uniform Act on the Law of Commercial Companies and Economic Interest Groups as an association between two or more natural or legal persons who establish between them a legal framework with a view to putting into effect all the appropriate means to facilitate or develop the economic activity of its members, to improve or increase income from such activity, which shall not in itself give rise to the realization or sharing of profits.

The cooperative is defined in Article 4 of the OHADA Uniform Act on the Law of Cooperatives as “an autonomous group of persons who willingly join together to fulfil their common economic, social and cultural needs and aspirations through an enterprise which is jointly owned and managed and where power is exercised democratically and in accordance with cooperative principles”.

Thus, the Uniform Act reaffirms, through these two legal frameworks, the principles of SSEOs, namely: ***collegiality***, that is, the grouping of persons; ***personal engagement*** and, in particular, voluntary work; and a ***community purpose***, namely, the fulfilment of the economic, social and cultural needs and aspirations of members and the community.

4.1.2 At the national level

In addition to the Uniform Act referred to above, there is, at the national level, the Code of Civil and Commercial Obligations (COCC), which defines an association in Article 811 as “a contract by which two or more persons pool their activity, and if necessary, certain assets, for a specific purpose other than the sharing of profits”.

Of the 407,882 economic units registered in the RGE (ANSD 2017, p. xvi), 23% of the identified enterprises operate in the SSE sector, broken down into collective enterprises (5%), social enterprises (10%) and support structures (8%). The following table outlines the specific features of each type of SSEO:

| Category of actors | Type of SSEO | Percentage |
|------------------------|--|------------|
| Collective enterprises | Cooperatives, mutuals, foundations, economic interest groups | 5% |
| Social enterprises | Associations, community-based organizations, incubators with social and/or environmental objectives, enterprises of social utility, etc. | 10% |
| Support structures | NGOs, federations, social enterprise incubators, public and private initiatives, SSE funds, etc. | 8% |

Source: ANSD (2017, p. xvi)

The SSEO sectors of activity are mainly: agrifood, agroforestry, environment and waste management, ecotourism, construction, design/clothing, innovative services and education. These sectors are broken down in the table below.

| | |
|------------------------------|--------|
| Agrifood | 32.14% |
| Agroforestry | 7.14% |
| Environment/Waste management | 10.71% |
| Ecotourism | 7.14% |
| Building and Public Works | 3.57% |
| Design/Clothing | 10.71% |
| Innovative services | 25% |
| Education/Training | 3.57% |

Source: Kane et al. (2019)

The different codes, laws, and regulations, such as the investment,¹⁷ tax,¹⁸ and procurement codes,¹⁹ offer a number of opportunities for social entrepreneurship with various incentives for specific treatment of certain categories of SSE actors.

4.1.3 *At the local level*

There is no local legal framework for SSE. SSEOs are essentially grassroots community organizations in neighbourhoods, often operating in the informal economy, associations recognized by Law No. 66-70 of 13 July 1966 (this law, which is national in scope, is the law on associations defined in Article 811 of the COCC, cited in 5.1.2), women's groups in the form of GIEs, tontine groups,²⁰ and credit and health mutuals. The absence of an organizational framework and the informal nature of SSEOs are objective limits to the promotion and development of SSE in local authorities and do not facilitate support for SSE actors in local public policies.

4.2 Establishment of appropriate legal rules

Despite the multiplicity of legal forms adopted by organizations that fall within the scope of SSE in Senegal, the law that governs the sector is becoming increasingly codified.

However, the social enterprise is not enshrined in law in Senegal, even though various national and community regulatory and institutional arrangements refer to it to some extent. Indeed, many national and community legal provisions take into account cooperatives, associations, foundations and mutuals – typical SSE structures – but do not specifically mention “social enterprise”, which combines economic profitability and social purpose.

However, the SSE bill currently being drafted provides for a specific status for social enterprises.

SSEOs must push for a law that defines the scope of the social enterprise and offers formal recognition to its actors. It is really a question of providing the subsector with a legal basis on which to develop targeted fiscal measures and new specialized funding mechanisms. The life of an enterprise is determined to a large extent by its legal status. Moreover, it is important to align the type of enterprise with its legal environment. Such recognition should make it possible to circumscribe the SSE sector, and to define the actors that operate within it, the different activities involved, and the actors entrusted with its promotion. Finally, this recognition would help to solve the long-standing issue of financing, which poses a major challenge. However, in view of the complexity and the slow pace of recognition under law, it may be possible to integrate the social enterprise into existing legal frameworks, in particular the General Tax Code, the Investment Code, the Public Procurement Code, the Uniform Act on the Law of Cooperative Societies, and the Uniform Act on General Commercial Law of OHADA. These existing legal instruments could provide a legal basis for the social enterprise, which remains a hybrid form.

In this respect, a huge transformation project that will pave the way for standardization is underway. And this is not the least of the tasks in preparation for the SSE framework law, which is currently in the process of being approved.

17 Law No. 2004-06 of 6 February 2004 on the Senegalese Investment Code sets out, among other things, the rules relating to enterprises, but also all matters relating to the enterprise, which it defines in its first article as “any unit of production, processing and/or distribution of goods or services, for profit, regardless of its legal form, whether it is a natural or legal person”.

18 Law No. 2012-31 of 31 December 2012 – published in J.O. No. 6706 of 31-12-2012 – on the General Tax Code (which is currently being amended) applies a certain discrimination in favour of a certain category of enterprise: primary sector and related activities (agriculture, fisheries, livestock and activities of storage, packaging and processing of local products of plant, animal or fish origin, agrifood industry); social sectors (health, education-training); services (assembly, maintenance of industrial equipment and teleservices).

19 Decree 2014-1212 of 22 September 2014 on the public procurement code offers a number of opportunities for small and medium enterprises (SMEs), a category in which most social enterprises fall.

20 Tontine: “Association of persons who contribute to a common fund, the sum of which is paid out to each in turn” (Le Robert n.d.).

5 Support for SSE organizations

5.1 At the national level

The SSE Directorate (DEESS) is the agency tasked with supporting SSEOs. Created in 2017, the directorate is still in its infancy and does not have the experience, nor the human and financial resources, let alone a clearly defined policy to support and accompany SSEOs in the promotion of SSE. Its efforts remain tentative, essentially geared towards the microfinancing of women’s groups within the framework of the Microfinance Promotion Fund and the Programme for the Promotion of Islamic Microfinance.

5.1.1 *Financial measures: SSEO financing structures*

The Government of Senegal has expressed its willingness to support SSE through the establishment of several funding and support mechanisms that facilitate access to funding, information and technical support for social and solidarity enterprises. Support structures tasked with addressing the concerns of SSEOs include:

- The General Delegation for Accelerating the Entrepreneurship of Women and Young People (DER), a structure set up by the Government. It provides funding and technical assistance for youth and women’s entrepreneurship along the entire chain of needs, streamlining public initiatives and developing value chains and exploiting the growth potential of digital technology.
- The Guarantee Fund for Artisanal Products (FGPA), a financial mechanism created to provide solutions to the current shortcomings of the credit system for artisans. It is a component of the Strategic Operations Plan of the Agency for the Promotion and Development of the Craft Industry (APDA), created by Decree 2002-934 of 3 October 2002. Its main objective is to improve the conditions of access to financing for the craft sector. As such, the FGPA must strengthen the financing system of the craft sector through the coverage of risks incurred in loan operations by promoters that it has accredited with approved financial institutions.
- In addition to these two structures, there are several programmes, funds or agencies that intervene directly or indirectly in the field of support for SSEOs, notably: the Microfinance Promotion Fund, set up in 2005 to support the most vulnerable mutual savings and loan associations and to provide financial services to the most disadvantaged; the Fund for Youth Entrepreneurship (3FPT, ANPEJ), offering training, financing and technical support; the National Fund for the Promotion of Women’s Entrepreneurship (FNPEF), the National Credit Fund for Women (FNCF), the Project to Support the Development of Female Entrepreneurship and Youth Employment (PADEF/EJ).

Despite the existence of these support structures, the provision of support and the terms and conditions are not always adapted and accessible to SSEOs due to the constraints linked to the legal, organizational and administrative frameworks, already identified in point 5.

5.1.2 *Technical and scientific measures: SSEO support structures*

To support the technical and scientific processes of SSE, the State has set up support institutions and bodies to regulate and accompany the sector in its development. These include:

- The Monitoring Office for Self-Promotion Organizations, which operates from the Ministry of Agriculture and oversees support for cooperatives. Cooperatives and mutuals in Senegal play an important role in giving greater social momentum to Senegalese enterprises. Despite their economic purpose, these companies are a means of reducing poverty and lend themselves to the implementation of the National Policy Document on the Development of Cooperatives

(DPNDC) and the Uniform Act on the Law of Cooperatives and Mutuals by the State in accordance with United Nations directives.

- The National Agency for Agricultural and Rural Advice (ANCAR), which was created by interministerial decree on 17 March 1997 by decision of the Government of Senegal, has the institutional prerogatives and official mission of providing agricultural and rural advice throughout the country.

5.1.3 *Social support measures: social protection structures for SSEOs.*

To give social support to SSE actors, among others, the State has set up a significant social protection system which includes:

- The “Equal Opportunity Card”, a project created by the Government for all persons with long-term physical, mental, intellectual or sensory disabilities that impede their full and effective participation in society on an equal footing. The card entitles the holder to rights and benefits in terms of access to healthcare, rehabilitation, technical assistance, financial assistance, education, training, employment, transport, and any other benefit that may contribute to the promotion and protection of the rights of persons with disabilities.
- Universal Health Coverage (UHC) offers SSEOs and their members the possibility to benefit from social protection coverage. This initiative allows SSEOs with low incomes (rural areas and the informal sector) to be affiliated with a health insurance scheme and to benefit from the same care as those affiliated with other social security schemes such as budgetary allocations and the Health Insurance Institutes (HII).

5.2 At the local level

The City of Dakar has developed a series of actions to support SSEOs. The projects and programmes are mainly aimed at a group deemed to be “in difficulty”: initiators of viable economic, social and environmental development projects, who reside in one of the 19 communes of the City of Dakar. These actions are directed towards:

5.2.1 *Decentralized support structures*

FODEM, CEPEM, the Mutual Savings and Credit Union, the Housing Cooperative, etc. These structures are support tools for SSEOs that are positioned throughout the social entrepreneurship process. These tools are complementary pillars in the strategy of supporting SSEOs to boost the sustainability of social enterprises through personalized support.

5.2.2 *Simplified eligibility of SSEOs.*

The City of Dakar targets all SSEOs in its 19 *communes d'arrondissement*, with priority given to women and young people who have economically viable projects with a social and environmental purpose. SSEOs are supported in all projects if they meet the following criteria: 1) Senegalese nationality; 2) proof of a viable project; 3) capacity to manage the project; 3) residence and activity in the municipal boundaries of Dakar (reside in one of the 19 *communes d'arrondissement*).

6 Development plans and programmes

SSE has been institutionalized as a ministerial subsector in post-2012 governments. However, SSE actors have long been active in the various sectors of cooperative action or social development, and the State has put in place various guidelines for the implementation of an SSE-friendly ecosystem.

6.1 At the national level

SSE for “a structural transformation of the economy” according to the PSE: The place of SSE is constantly growing in the world in general and in Senegal in particular. This growth is demonstrated by the creation of decent jobs and in the fight against poverty and social exclusion. It is in this context that the PSE, the main planning tool for the economic and social development of Senegal, accords it a special place in the “structural transformation of the economy”. In particular, Pillar 1 of the plan stipulates that: “The transformation of agriculture will spearhead the transformation of the structure of the economy. It will be strengthened in its economic and social effects by the gradual modernization of the social economy, the development of the mining sector and social housing, as well as by the establishment of logistics, industrial and service platforms”. In the same vein, the PSE notes that “the gradual modernization of the social economy – a factor of inclusion and employment – enables a smooth transition to a formal economy”.

The creation of the Ministry of Microfinance and SSE reflects a clear desire to address issues related to social entrepreneurship in Senegal. It is in this regard that the drafting of the SSE framework law (currently underway), which will spell out the various strategies for developing the sector, remains a crucial step in the pursuit of the objectives set out in the Emerging Senegal Plan.

The transition to an SSE policy

For there to be a transition to an SSE policy, the national capacity-building session on SSE in Senegal – Role and Place of SSE in Local Planning of Public Policies (RACTES 2019), organized in partnership with GSEF and OIF – recommended making changes through public measures in favour of the SSE sectors (crafts, fishing, agriculture, trade, transport, digital, etc.), which should be reflected in the Sectoral Statement (LPSMESS) and the Framework Law:

- The creation of new trade bodies or the strengthening of existing ones;
- Access to social protection for the informal sector and SSEOs;
- The organization of key production sectors;
- The establishment of dedicated SSE incubators;
- The promotion of local trade and exchange systems linked to SSE (fair trade, short supply chains, local exchanges, buying groups, collective sales points);
- The creation of SSE hubs for the labelling of local products;
- The development of value chains with local content;
- The development of solidarity finance.

6.2 At the local level

The national legal framework shapes regulation at the local level. However, the city, through its various individual projects, has developed a range of actions to promote SSE in its development plans and programmes and strategies to strengthen the presence of SSE in local public policy.

Opening up the scope of SSE in the local authority. In addition to opening up the scope of SSE in its development plans and programmes, new measures need to be proposed for the next SSE Local Development Plan of the City of Dakar (RACTES 2019):

- Establish SSE hubs in the communes.
- Promote local SSE policies through the development of an SSE development strategy, leading to a contractual arrangement with local authorities, including the communes.
- Encourage the networking, grouping and exposure of SSE enterprises based on themes, value chains and structuring projects in the communes.
- Identify the needs and opportunities for the establishment of new SSE enterprises in these communes, support the development of activities and sectors within SSE and in connection with SSEOs.
- Support, in particular, the grouping of initiatives around socioeconomic innovation, around local eco-solidarity projects, and around organic, sustainable, fair, circular trade, etc.
- Promote synergies between short supply chain initiatives and actors (shared gardens, rooftop gardens, urban farms, cooperative and participatory supermarkets, organic shops, etc.).

7 Capacity building

7.1 At the national level

There are no structures specifically dedicated to capacity building of SSEOs. The new DEESS, which is responsible for capacity building of SSEOs, does not have a training programme for the promotion of SSE. Such a programme will be contingent on a planned training policy, a substantial increase in budget allocations, and the provision of sufficient and qualified human resources.

Other available training programmes aimed at strengthening SSEOs with the aim of making them self-sustainable are still isolated initiatives.

These training programmes are based on a package of non-financial services that include training and mentoring of beneficiaries. But these are initiatives that are not linked to the SSE. They are usually provided by:

- The School of Applied Economics (ESEA), which was established in 1963 to address key economic and social development objectives. The ESEA has been officially attached to and integrated into the Cheikh Anta Diop University of Dakar (UCAD) since 2008. It trains social workers. It needs to harmonize its training programmes to better meet the needs of local authorities vis-à-vis the development requirements of SSE.
- The Support Unit for Local Elected Officials (CAEL) is the technical body of the Union of Associations of Local Elected Officials. It is responsible for capacity building of elected officials. It should also take into account the SSE dimension by offering training in the form of modules and continuous training to elected officials and local government staff on SSE issues.

The private sector, through schools and training institutes, such as the Higher Institute of Local Development (ISDL) and the Research Laboratory on Economic and Social Transformations (LARTES), and NGOs and networks, through their projects and programmes, also present opportunities for capacity building.

7.2 At the local level

Through various support structures, the City of Dakar is developing a “non-formal” approach to capacity building for SSEOs, based on the three-pronged approach of *training, funding and support*. The City of Dakar has conducted a more in-depth analysis of the situation, beyond the need for training (which remains a reality) and is aware of the even greater needs of SSEOs in terms of supervision and support. Training revolves around the following areas: training of SSEOs; formal organization of beneficiary and umbrella structures; support for structures until they are fully autonomous; and effective monitoring of existing structures.

The City of Dakar has two training centres which, if well used, could become an important platform for building the capacities of SSEOs in the management of cooperatives, social finance, legal framework, local marketing, market access, etc.

Inaugurated 12 years ago, the Vocational Training and Development Centre for Municipal Staff of the City of Dakar (CEFOPPEM) is the result of cooperation between the City of Dakar and the AIMF, which represents partially or entirely French-speaking capitals and metropolises. It contributes to the economic and social development of elected officials, agents and users of the city by enhancing the quantity and quality of the work that they accomplish.

The International Centre for the Training of Local Authorities (CIFAL) of Dakar was created in January 2019 in collaboration with the municipality of Dakar with the aim of strengthening the capacities of government authorities, private sector representatives and civil society leaders in the fields of governance and urban planning, capacities for the 2030 Agenda and social inclusion. CIFAL Dakar serves as a hub for the City of Dakar, not only to exchange best practices but also to promote collaboration among key stakeholders at the local level for the implementation of the 2030 Agenda for Sustainable Development.

8 Access to markets and to financing

8.1 At the national level

In Senegal, there are several financing structures, which are generally poorly adapted to the realities of SSEOs. These include 29 banks and microfinance institutions with 387 DFSs. There are also state **financing** mechanisms – such as the National Bank for Economic Development, the Priority Investment Guarantee Fund, the National Agency for the Promotion of Youth Employment, the Microfinance Promotion Fund and the National Fund for the Promotion of Women’s Entrepreneurship – and **support** mechanisms – such as the Agency for the Development and Support of Small and Medium Enterprises, the Upgrading Office, the Agency for the Promotion and Development of the Craft Industry, the National Agency for Agricultural Integration and Development, etc.

Despite the existence of these financing structures, the high interest rates and collateral requirements make it difficult for SSEOs to access funding.

Moreover, it should be noted that in Senegal, there is not yet an incentive framework to facilitate access to public contracts or funding for social enterprises. This situation is due to a number of ongoing constraints:

- The absence of an institutional and regulatory framework for SSE covering legal status, taxation and administration. The absence of this institutional framework also prevents many SSE organizations and enterprises from transitioning to the formal sector, which makes it impossible for them to earn credibility among traditional financing structures.
- Heavy administrative burdens including onerous procedures, the requirement of a bid bond or security, proof of legal, technical, financial and environmental capacities required to perform a contract.

The National Furniture Project: 15% of public contracts awarded to artisans

Created in 1997, the National Furniture Project grants 15% of public contracts to artisans. The project consists of the original design and production of furniture items for offices and apartments, specially designed for the Senegalese administration with specific cultural, aesthetic, ergonomic and technical features. Thus, on the one hand, cultural identity is safeguarded, and, on the other hand, craft enterprises are promoted. However, it should be noted that this project came to a halt three years after its implementation. In 2012, the new government wanted to make crafts a key sector in the economic and social development of Senegal, to make craft products visible, and to reduce exports within the framework of the Emerging Senegal Plan – in which crafts occupy a prominent place. It is in this context that the government decided to facilitate the access of artisans to public contracts through the 15% quota measure.

8.2 At the local level

The absence of a national incentive framework to facilitate access to public contracts for social enterprises limits the action strategies of the City of Dakar in terms of support for SSE. Thus, the city's efforts remain scattered and ineffective and hinder the creation of an ecosystem conducive to SSEOs gaining access to public contracts.

The development of a legal framework for local authorities to facilitate access by SSEOs to public contracts in the context of COVID-19

To address the urgent need to supply citizens with sanitary and food products during the curfew, the government noted the inability of local governments to fulfil public contracts within a satisfactory timeframe through the mobilization of local economic actors. Thus, the government adopted Ordinance No. 005-2020 of 30 April 2020²¹ granting derogations on the functioning of departmental, municipal and city councils in the context of COVID-19, to facilitate the performance of public contracts.

In this context, the City of Dakar rolled out a programme to support the activities of SSEOs through: 1) the organization of markets to maintain trading and service activities; 2) the revival of the local economy through simplified public procurement; 3) support for the activities of social enterprises (crafts, processing, social innovation, etc.) with direct contracts for handmade face masks, pre-purchases of food and hygiene products, activation of short supply chains, etc; 4) the facilitation of direct emergency financing of SSE enterprises through the financial resources of FODEM; and, 5) the setting up of a unit specifically dedicated to disinfection operations with a new brigade of volunteers from the City.

This experience is well worth documenting as a legal framework that has supported the testing of access to markets for SSEOs through the involvement of social enterprises and local government in the public procurement process and through co-construction involving collectives of market delegates, craft workshops, social entrepreneurs, economic interest groups, cooperatives and women's enterprises that process local products.

9 Awareness, outreach and advocacy strategies

Today, the gradual modernization of SSE is the second major initiative within the second phase of the PSE.²² The creation of a government directorate dedicated to the SSE framework in 2017, with a policy

²¹ To this end, Articles 27, 81, 168, 243, 244 and 245 of the General Local Government Code should be amended to enable departmental, municipal and city offices to speed up deliberations on the budgetary measures necessary to combat COVID-19 and to reduce the time required for approval by the State Representative.

²² The strategy to promote the social economy is set out in Priority 1 of the PSE as follows: the creation of new trade bodies or the strengthening of existing ones, access to social protection for the informal sector, the organization of key craft production sectors, the establishment of incubators and dedicated craft zones, formal recognition of

brief, reflects the country’s willingness to embrace SSE awareness, outreach and advocacy in public policies.

The City of Dakar is committed to the promotion of SSE, with a high level of awareness among local elected officials. The City strongly believes that SSE is a factor of inclusive and sustainable local development, which is one of the cornerstones of state and local public policies to foster greater financial inclusion of populations. According to Ms Soham El WARDINI, Mayor of Dakar, cities should reflect on their role, alongside the State, in promoting SSE and on the strategies to be implemented at the local level to reconcile economic activity and social equity.

The Network of Actors and Local Authorities for SSE (RACTES): A dynamic multi-actor network for the promotion of SSE

The City of Dakar and the Platform of Non-State Actors set up RACTES to promote SSE in public policies. This network brings together more than 80 local authorities (cities, departments and communes) and more than 250 SSEOs. It is a mechanism for assisting SSEOs, providing support and advice to local authorities, and raising awareness, informing and advocating for the promotion of SSE in public policies within local governance structures. An ***information and advocacy campaign to promote SSE*** was thus launched in March 2019. This campaign made it possible to:

- Organize capacity-building sessions for local authorities, in the form of workshops, with GSEF and OIF, on SSE and public policies.
- Organize information and exchange missions with local authorities.
- Prepare the application file of the City of Dakar to host GSEF 2023.
- Support the development of the SSE Local Development Plan of the City of Dakar.

In addition, RACTES members participated in the stakeholder consultations on the development of the LPSMESS and the SSE Framework Law.

10 Data collection, research, sharing of knowledge and lessons learned

In the future, the framework law will provide for the creation of “an SSE Monitoring Centre” and a “Resource Centre on Social and Solidarity Economy”, attached to the Ministry, otherwise known as the “Resource and Documentation Centre on Microfinance and Social and Solidarity Economy”, which should also be an important tool for collecting and disseminating all information on the economic performance of the SSE sector and its contribution to growth and economic and financial inclusion.

At the national level, there is no systematic mechanism for collecting, researching and sharing knowledge on SSE. However, there are public and private study and research facilities working on SSE issues, including: the University Research Laboratory on Economic and Social Transformations (LARTES) affiliated with the Fundamental Institute of Black Africa (IFAN); the School of Applied Economics (ESEA) of the Cheikh Anta Diop University of Dakar; and the Higher Institute of Local Development (ISDL). NGOs and networks (including RACTES) also provide opportunities for collecting, researching and sharing knowledge on SSE through their respective projects and programmes.

The shortcomings in the systematic production of data and knowledge are due to:

- ***A failure to build on experiences.*** The SSE sector is not yet very structured. Because of this lack of structure, these enterprises have little capacity to capitalize on their experiences.

domestic trade (creation of wholesale markets for cereals and fruit and vegetables) and transport, the creation of local product labelling centres in tourist areas, the development of micro-tourism with local content (excursions, visits, sports activities) and the introduction of “made in Senegal” labels.

- ***The weakness of statistical data.*** Statistics, where they exist, underestimate the real contribution of enterprises to the national economy and are often based on limited samples.

At the local level, the City of Dakar has not undertaken any initiative to strengthen research on SSE within the city. However, it could draw on its two centres, the CFPPM and CIFAL, and national research structures to develop a meaningful plan for collecting, researching and sharing knowledge on SSE.

Conclusion

In light of the results of the study, the following considerations are important from the perspective of strengthening local SSE policy:

The City of Dakar has developed a multifaceted approach to supporting SSE without a coherent policy strategy. With the prospect of an ***SSE Local Development Plan*** (SSELDP) on the horizon, involving communes, SSEOs, socioeconomic community relations and central government, the political will of the City of Dakar to further combat social inequalities and economic exclusion of the population must be translated into a ***strong political commitment*** to SSEOs.

Hence the importance for the City of ***strengthening its local community development strategy*** to promote SSE in the communes, creating synergies with stakeholders, mainly SSOEs, through the ***creation of SSE hubs*** in the communes.

For this reason, the municipality would benefit from greater clarity and structure in the ***decision-making centre of responsibility*** in the form of a strong department tasked with SSE policy. Such a department would be able to coordinate and broaden the various actions in the framework of a local development plan.

In addition to opening up the scope of SSE in these development plans and programmes, ***new measures*** need to be proposed for the next SSELDP of the City of Dakar (RACTES 2019), notably:

- Establish SSE hubs in the communes;
- Promote local SSE policies, leading to a contractual arrangement with local governments, including the communes;
- Encourage the networking, grouping and exposure of SSE enterprises based on themes, value chains and structuring projects in the communes;
- Identify the needs and opportunities for the establishment of new SSE enterprises in these communes, support the development of activities and sectors within SSE and in connection with SSE organizations;
- Support, in particular, the grouping of initiatives around socioeconomic innovation, around local eco-solidarity projects, and around organic, sustainable, fair, circular trade;
- Promote synergies between short supply chain initiatives and actors (shared gardens, rooftop gardens, urban farms, cooperative and participatory supermarkets, organic shops, etc.).

The City of Dakar would benefit from stepping up and expanding its “non-formal” approach to capacity building of SSEOs, based on the three-pronged approach of ***training, funding and support***. However, it should make better use of its two training centres, which could become an important platform for building the capacities of SSEOs.

The development of a legal framework for local authorities to facilitate access by SSEOs to public contracts in the context of COVID-19 is an interesting initiative. It is well worth documenting as an approach that has supported the ***testing of access to markets for SSEOs*** because it has facilitated the involvement of social enterprises and local authorities in the public procurement process and a process of co-construction involving collectives of market delegates, craft workshops, social entrepreneurs, economic interest groups, cooperatives and women’s enterprises that process local products, etc.

References

- AIMF. 2020. « Une économie sociale et solidaire: Pour des villes inclusives sociale de l'Association Internationale des Maires Francophone ». Revue Raisonance, N°15, Juin 2020.
http://www.socioeco.org/bdf_fiche-document-7261_fr.html.
- ANSD. S.d. « Le Sénégal en bref/Population (Projections 2020) ». ANSD site web.
<https://satisfaction.ansd.sn/>.
- ANSD. 2015. *Pauvreté et condition de vie des ménages 2015*.
<http://www.ansd.sn/ressources/publications/PAUVRETE%20ET%20CONDITION%20DE%20VIE%20DES%20MENAGES-DEF-VRC-VF.pdf>.
- ANSD. 2017. *Rapport global du Recensement général des Entreprises (RGE)*.
<https://www.ansd.sn/ressources/publications/Rapport%20global-juil-2017.pdf>.
- ANSD. 2020. *Enquête nationale sur l'Emploi au Sénégal : Quatrième trimestre 2019*.
https://www.ansd.sn/ressources/publications/Rapport_enes_T4_2019%20VF.pdf.
- ANSD. 2019. *Enquête harmonisée sur les conditions de vie des ménages (EHCVM)*.
https://www.ansd.sn/index.php?option=com_rapports&view=projet&idp=105&Itemid=411.
- ASADIC-TAATAAN. 2019. *Perception des citoyens sur la mise en œuvre de la première phase de la réforme portant acte III PARTENARIAT de la décentralisation*. Dakar : ASADIC-TAATAN.
- Conseil Consultatif. 2009. Document de présentation et de fonctionnement
https://www.aimf.asso.fr/IMG/pdf/processus_participatif_dakar_pdf_2012130_93844.pdf
- DCT. 2013. « Fonds d'Appui aux Initiatives Culturelles Privées ». Cultura Dakar.
<https://culturadakar.es/fond-dappui/>.
- DFC. 2011. *Guide de planification participative locale*.
http://www.pndl.org/IMG/pdf/11_Guide_de_concertation.pdf.
- DGPPE. 2019. *Revue Annuelle Conjointe 2019 : Etat de mise en œuvre de la politique économique et sociale en 2018*.
- DPDD. 2019. *Rapport d'Activités 2018*.
- DPEE. 2020. *Point mensuel de conjoncture : janvier 2020*.
http://www.economie.gouv.sn/sites/default/files/rapport-2020/point_conj_janvier_2020_vf.pdf.
- Fall, Abdou Salam, et Cheikh Guèye. 2003. « Derem ak Ngerem : Le franc, la grâce et la reconnaissance Les ressorts de l'économie sociale et solidaire en Afrique de l'Ouest ». Revue du MAUSS no 21 (1) : 97-112.
- FODEM. 2020. *Bilan d'activités 2019*.
- Kane, Elimane H., Idrissa Yaya Diandy, et Diadji Niang. 2019. *Les entreprises sociales au Sénégal : Etude économique et juridique*. LARTES/IFAN LEGS-Africa. <https://lartes-ifan.org/entreprises-sociales-senegal-etude-economique-juridique/>.
- Le Robert. S.d. « Tontine ». Définitions (en ligne). <https://dictionnaire.lerobert.com/definition/tontine>.
- MEFP. 2018. *Mémoire sur les Politiques économiques et financières 2015-2018*.
<https://www.imf.org/external/np/loi/2018/sen/fra/061418f.pdf>
- MEPC. 2020. *Plan d'Actions Prioritaires Ajusté et Accéléré (PAP 2A) pour la Relance de l'Economie*.
<http://www.economie.gouv.sn/sites/default/files/2020-10/PAP%20II%20%20Ajust%20pour%20Relance-28.09.2020-vFinal%20final.pdf>.
- MFB. 2020. Programme de résilience économique et sociale : guide sur les mesures fiscales et douanières.
<https://covid19.economie.gouv.sn/sites/default/files/articles/Guide%20sur%20les%20mesures%20f>

[iscales%22et%20douanie%20res%20du%20PRES_Version%20du%2019%20juin%202020%5B1%5D_0.pdf](#).

Observatoire International des Maires. S.d.-a. « Corps des Volontaires Municipaux ». Observatoire International des Maires. <https://observatoirevivreensemble.org/corps-des-volontaires-municipaux#:~:text=Dakar%2C%20capitale%20du%20S%C3%A9n%C3%A9gal%2C%20couvre,t aux%20moyen%20annuel%20de%204%25>.

Observatoire International des Maires. S.d.-b. « Démocratie locale et participation citoyenne ». Observatoire International des Maires. <https://observatoirevivreensemble.org/democratie-locale-et-participation-citoyenne>.

OIT/MCPME. 2020. *Etude de l'impact de la Covid-19 sur les entreprises et travailleurs de l'économie informelle au Sénégal*. https://www.ilo.org/wcmsp5/groups/public/---africa/---ro-abidjan/---sro-dakar/documents/publication/wcms_763402.pdf.

ONU Femmes. 2016. *Rapport Annuel 2015-2016*. <https://www.unwomen.org/-/media/annual%20report/attachments/sections/library/un-women-annual-report-2015-2016-fr.pdf?la=fr&vs=5525>.

RACTES. 2019. Session nationale de renforcement des capacités ESS au Sénégal : Rôle et place de l'Economie sociale et solidaire dans la territorialisation des politiques publiques. http://www.pplateforme-ane.sn/IMG/pdf/rapport_session_nationale_reforcement_des_capacites_gsef_dakar.pdf.

UNRISD. 2013. « UN Inter-Agency Task Force on Social and Solidarity Economy Established ». UNRISD (website). [https://www.unrisd.org/80256B3C005BE6B5/\(httpNews\)/D383EB2BF07FF084C1257BFA00420698](https://www.unrisd.org/80256B3C005BE6B5/(httpNews)/D383EB2BF07FF084C1257BFA00420698).