

# ACADEMY ON SOCIAL AND SOLIDARITY ECONOMY (12<sup>th</sup> EDITION)

BUILDING BACK BETTER: THE ROLE OF SOCIAL  
AND SOLIDARITY ECONOMY IN A HUMAN-  
CENTRED AND PLANET-SENSITIVE RECOVERY

15-26 NOVEMBER 2021

**Najma Mohamed** (GEC)

*Elective 3: SSE, just transition to climate-neutral  
and circular economy: innovative ways of production  
and consumption*





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# Just Transitions to a Fair and Green Economy: An Overview

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Policy Director: Green Economy Coalition

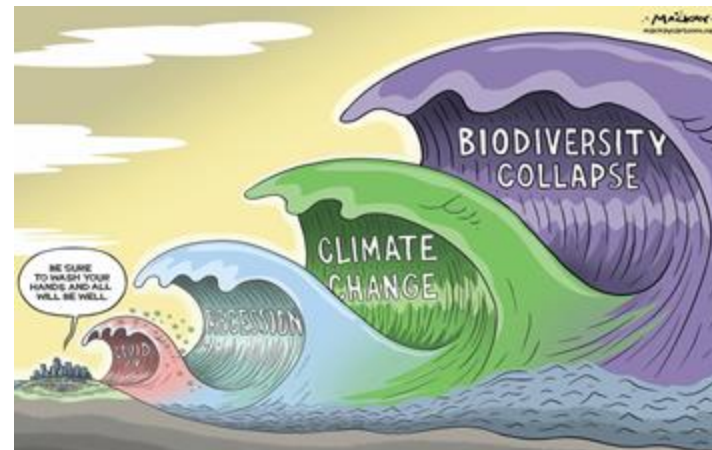
ITCILO Social and Solidarity Academy

November 2021

# Just Transitions to Sustainable Economies: The Context



- **Marginalised & vulnerable** communities and workers, poor communities and small and informal businesses, are bearing the brunt of the intertwined crises of biodiversity loss, climate change and rising inequality.
- **COVID 19 exacerbated inequality across all fronts** and will leave a labour market legacy of increased geographic and demographic inequality, rising poverty and fewer decent jobs (ILO 2021).
- **Environmental degradation** is disproportionately hitting the poorest and most vulnerable the hardest (OECD 2021) and the economic and social burden of **climate change** is falling on vulnerable communities & societies.



# The challenge, the opportunity

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Opportunities for a transition to green and inclusive economies, redefining the purpose of our economies, creating green and decent jobs & repairing the relationship between people & nature

Challenges of rising inequality, economic recession and health, climate and environmental breakdown



The Green Economy Coalition and its 60+ members, including trade unions, businesses, NGOs, UN agencies and citizen's groups, believe that green and fair economies are possible, necessary, and achievable.

## Measuring & Governing

*'Moving nations beyond GDP - and companies beyond profit - to new models of governance that prioritise people, societies and nature.'*

Policy solutions include: integrated green economy policy planning; inclusive and collaborative governance institutions; alternative metrics such as National Wealth Accounts.

## Greening Economic Sectors

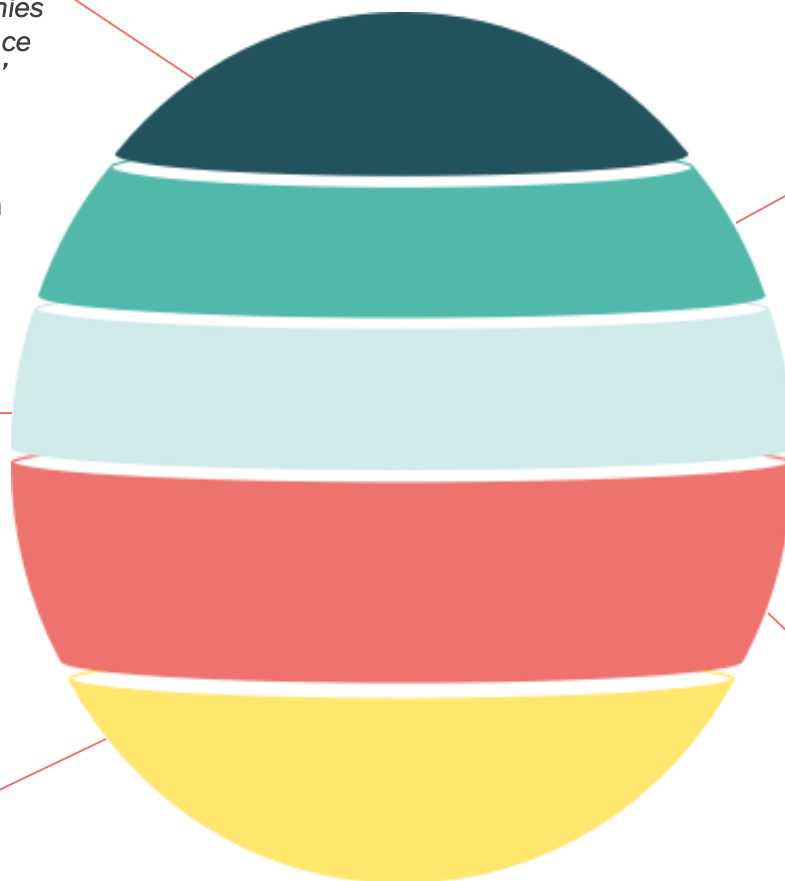
*'Setting policy to incentivise transition in key sectors, such food, transport, energy, industry and infrastructure.'*

Policy solutions include: sectoral transition plans; investment strategies; pro-poor green innovation and technology; skills development; binding carbon budgets; support for green social enterprises.

## Valuing Nature

*'Making the different values of nature - economic, social, environmental - visible in decision making.'*

Policy solutions include: use of non-economic values in impact assessments; natural capital accounts; investing in green infrastructure; biodiversity and business; conservation reform.



## Reforming Financial Systems

*'Greening finance to safely serving society by integrating social and environmental priorities into decision-making'*

Policy solutions include: green finance institutions and mechanisms; green bonds; environmental fiscal reform; strong carbon prices; green investment banks; ethical and sustainable finance business models; impact investment; micro-finance.

## Tackling Inequality

*'A green transition that puts people - especially the poor, marginalised and left-behind - first in policy making.'*

Policy solutions include: just transition policies; green and decent work creation; inclusive policy dialogues; working with social movements; basic income and services models; rights-based approaches; social protection.

The Social and Solidarity Economy (SSE) is highlighted “as alternative model of growth aimed at finding a new balance between economic efficiency and social and environmental resilience (...) By empowering individuals through greater control over decision-making processes and resources, the social and solidarity economy fosters economic dynamism, social and environmental protection and socio-political empowerment.”

UN Secretary General





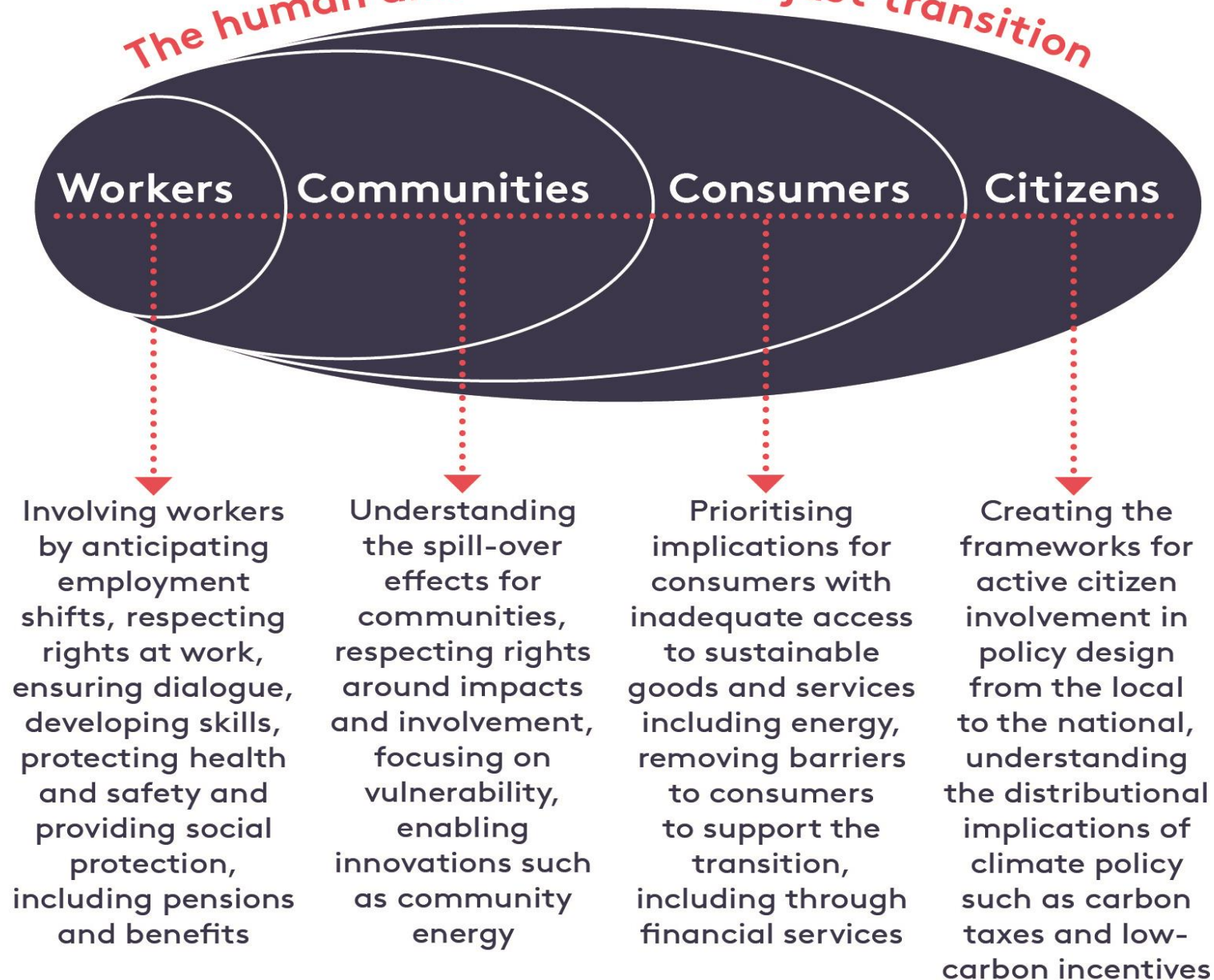
# What is a Just Transition?

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- From its **origins** in the labour movement in the 1970s the term is now embraced by the international labour movement
- Included in the **Paris Agreement** to secure workers' jobs in the shift to net-zero carbon economies
- And has since expanded to embrace **ambitious social and economic reforms** more broadly, encompassing workers as well as vulnerable groups and communities
- The Just transition agenda is increasingly adopted as a **macro-economic and cross-sectoral framing** that anchors social justice in policy, planning and investment processes driving green transitions
- Increase in **sector, region or economy-wide processes** that produces the plans, policies and investments to reduce the impact of job and livelihood losses, improve access of vulnerable groups to the opportunities arising from green transitions

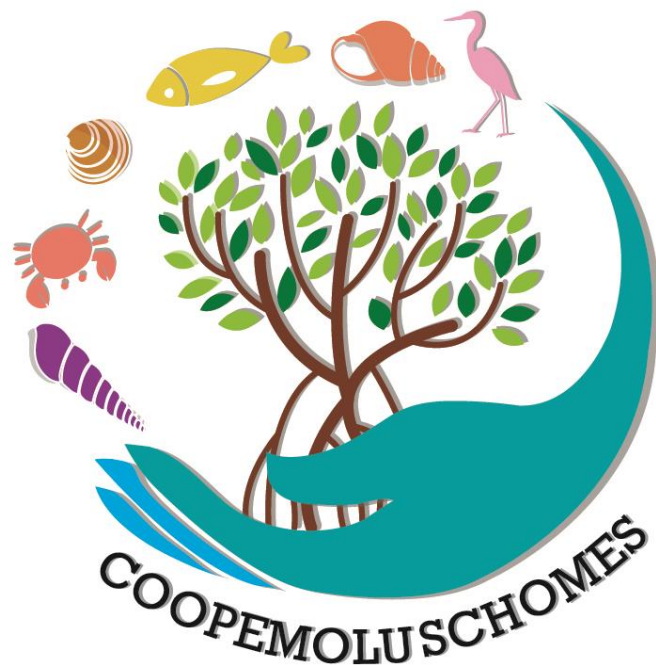
## The human dimensions of the just transition





The social and solidarity economy that seeks to 're-balance economic, social and environmental objectives' is key in the formulation of development paradigms and pathways – across economic sectors, that prioritise people and the planet.

Coope-Moluscos - **a fisheries cooperative** in Costa Rica



[CoopeSoliDar R.L.](http://CoopeSoliDar.R.L.)

**Solar cooperatives** and Just Transition in Kichevo region, Macedonia



СПОМЕНИК НА ПРИРОДАТА  
ВЕВЧАНСКИ ИЗВОРИ

[Climate Action Network – Europe](http://Climate Action Network – Europe)

**Cooperatives are emerging as critical economic actors in climate change adaptation & mitigation from mutual insurance and renewable energy to forestry and waste management**

**#climatechange #coops**

"Future" by Udo / CC BY 2.0

[Cooperatives for Climate Action](#)  
[- International Day of](#)  
[Cooperatives 2020 - YouTube](#)

# Scaling Ambition for a Just Transition

*“Managed well, transitions to environmentally and socially sustainable economies can become a strong driver of job creation, job upgrading, social justice and poverty eradication.”*

(ILO Just Transition Guidelines 2015)

# Why the world of work cares about environmental sustainability

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1. Jobs and livelihoods depend on scarce and finite natural resources
2. Economic activity – and jobs – depend on ecosystem services like clean water and air, healthy soils
3. Economic activity relies on a stable, disaster-free environment
4. Lack of decent work may lead to overexploitation of natural resources
5. Environmental degradation magnifies inequality
6. Greening of the economy is one of the key trends impacting the future of work
7. Employment created through green transitions should be both green and decent.

## Guidelines for a just transition towards environmentally sustainable economies and societies for all

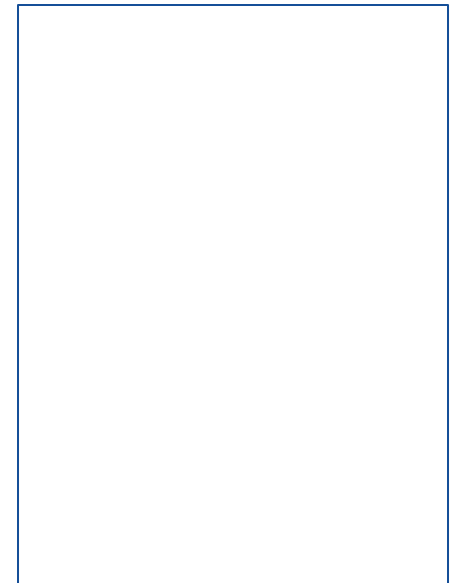
›  
Initiative  
2015

›  
How to

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policies in

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countries e.g.

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Guidelines –







# Just Transition Policy areas



Macro-economic and growth policies

Industry and sectoral policies

Active labour market policies

Skills development

Enterprise policies

Social protection

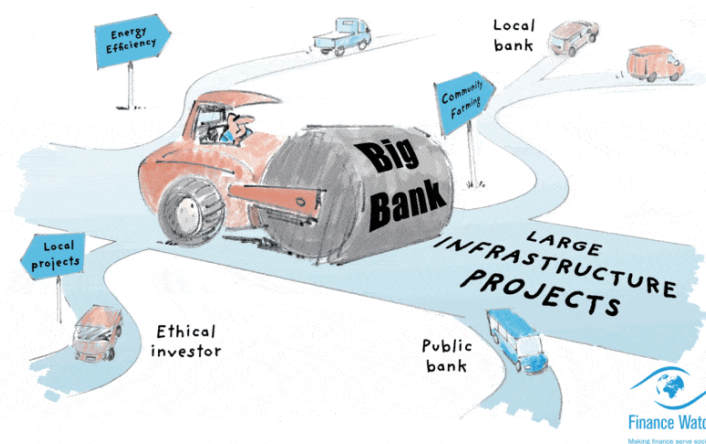
Occupational Health and Safety

Social dialogue

International Labour Standards

# Money where it matters

How can we invest in a just and inclusive transition?





# Financing a Just Transition

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- The financial sector, both public and private, plays a pivotal role in responding to the climate emergency and broader environmental crisis.
- Sustainable finance should be at the forefront of our common battle for a just transition.
- Major long-term funding from both public and private investments is needed.
- Local communities and businesses are at the frontline of green economy transitions, yet only US\$ 1 of every US\$ 10 committed to global climate funds was for local climate action (IIED).
- We need 'finance in the service of society'.
- We need to get money where it matters – we are still focused on supporting and enabling individual entrepreneurship rather than social entrepreneurship, but this is changing.

[www.finance-watch.org](http://www.finance-watch.org)

# Self Employed Women's Association (SEWA), India

## Combining Unionism and Cooperativism

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- Trade union founded in 1972 in Ahmedabad, Gujarat in India
- Representing 1.8 million women working in the informal economy
- 50,000 waste pickers in Ahmedabad, more than half of whom are SEWA members
- Since the 1990s, SEWA has supported the establishment of several waste pickers' cooperatives
- In 2004, SEWA entered into a contract with the Vejalpur municipality to provide door-to-door waste collection service to 45,000 households through SEWA-supported cooperatives
- <https://www.sewa.org/>



# Making procurement count

How can we grow the SSE using the power of procurement processes in support of just and inclusive transitions?





# Green and social procurement

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- Procurement processes can play a key role in environmentally and socially responsible procurement
- 69% of OECD countries are measuring results of green public procurement policies and strategies.
- First, recognise social enterprises!
- Now, create an enabling policy and regulatory environment for green and social procurement
- Take practical actions – make procurement processes SSE-friendly
  - **Issue smaller contracts for products and services**, making it easier for SSE companies to access public and private calls for tender
  - **Include social inclusion clauses into contracts e.g.** selection criteria or contract fulfilment conditions
  - **Purchase goods or services** from SSE companies and institutions.

<https://www.manutan.com/blog/en/glossary/what-does-sse-social-and-solidarity-economy-mean-for-procurement-departments>

# Social dialogue

Social dialogue is **the core of just transitions**, how can it drive SSE and ensure a just transition?



# Co-creating a social and solidarity economy policy in South Africa

the dtic, IDC and ILO

- The South African government in 2017 initiated a process to develop a policy for the social and solidarity economy.
- Over 1,000 people were consulted over four years, helping to describe & map the SSE in the South African context.
- The policy aims to understand and enable the eco-system for all organisations that have a social or environmental outcome.

<https://www.youtube.com/watch?v=hTeGYJdUKOM>



ILO Social and Solidarity Economy in South Africa

262 views • 20 Sept 2021

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## Some insights: (ILO, 2020)

- The SSE is diverse: it is hard to identify a common demographic, or personal profile that typifies the SSE practitioner.
- Community-based entities are also small: earnings are limited and localised.
- SSE actors prioritised access to resources over access to funding: Suggestions ranged from subsidies of electricity and water, shared office space, use of municipal buildings especially those that were empty or not being fully utilised, mentorship opportunities and collaborations.

# TAKE-AWAYS

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- Countries are rapidly transitioning towards restructuring economies to be more socially and environmentally sustainable;
- Actions to limit global warming and address environmental degradation will create jobs – energy, transport, built environment, agriculture, waste management, etc.;
- SSE gains through climate and environment actions will be achieved by design, not by default:
  - Integrate SSEs in the design of public policies;
  - Ensure a just transition for all is achieved through social inclusion; and
  - Raise awareness and educate SSE actors of the opportunities of green transitions.



Thank you.