Going out of the box: Social Economy and the case of Slovenia

Sarajevo, 10-11 April 2014

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Europe / world at the beginning of the third millennium

★ Prevailing economic, social and financial crisis

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- ★ Rising inequality between people;
- Climate changes and leaving the key environmental problems unsolved;
- ★ Reduced food self-sufficiency associated with globalization;
- ★ Rising long-term unemployment among people, espacially amang young people
- ★ Alienation / distance to the centers of decision-making in politics, economics, societies,...;

- Rising of new / redefined economic models, politics, ways of employment, needs, services, organizations,...
- Participatory Economy, Green Economy, Social Economy, Integral Economy, Sharing Economy...
- ★ Principles common to all :



Social economy

- Added value can be measured in finances and/or through social value;
- ➤ Include cooperatives, associations, foundations, mutuals, social enterprises, creative communities, community groups, voluntary and charity organizations, NGOs, ...;
- ★ 160 million members of SE;
- ★ 2 million enterprises, 10% of all in EU;
- ★ 11 million jobs in EU; 70 % in non- profit organizations, 26% in
- cooperatives, 3% in mutuals;
 - ★ It is present in almost all of economy fields creative industries, social, touristic, culture, housing, agriculture, energy, banking,...



Misunderstandings and definitions

SE/Social entrepreneurship:

- Social Economy emphasises "a different approach to entrepreneurship", based on the following common characteristics and values:
 - ★ the primacy of the individual and of social objectives over capital,
 - ★ the defence and implementation of principles of solidarity and responsibility
 - conjunction of member users' interests and the general interest,
 democratic control by members,
- Social enterprise devote the profit back to the activities carried out by the enterprise as a social and community benefit;
 - ★ "Social enterprising is thus innovative business model to meet both economic and social objectives and significantly contribute to labor market integration, social inclusion and economic development, Social Enterprises are in the core of social innovation!" (OECD); Skupnost občin Slovenije

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Cooperatives

- ★ A cooperative is a legal entity owned and democratically controlled by its members. Members often have a close association with the enterprise as producers or consumers of its products or services, or as its employees.
- Cooperatives are typically based on the cooperative values of "self-help, self-responsibility, democracy and equality, equity and solidarity" and the seven cooperative principles;

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Famous social entrepreneurs

- Florence Nightingale (GB) –
 Founder of modern nursing, she established the first school for;
- Muhamed Yunus

 (Bangladesh) Founder of microcredit and the Grameen Bank. In 2006 he was awarded with Nobel Peace Prize;
- ★ Jamie Oliver (GB) TV chef who campaigned to improve children's diet at school. He also trained disadvantaged young people to become chefs. He created a restaurant - a social enterprise - called *Fifteen*.





SE in EU documents and politics

- Single Market Act, European Commission adopted a series of measures to boost the European economy and create jobs (<u>http://ec.europa.eu/internal_market/smact/index_en.htm</u>)
- ★ The EU Commission launched a public consultation on <u>crowdfunding</u> in 2013.
- ★ Opinion of the European Economic and Social Committee: Measuring the social impact, adopted 26.10.2011 <u>http://www.eesc.europa.eu/?i=portal.en.int-opinions.19122</u>
- Declaration of the European Parliament: Contribution of cooperatives to emerge from the crisis, adopted 2.7.2013: <u>http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2013-0301+0+DOC+XML+V0//SL</u>

★Social entrepreneurial initiative - the creation of an ecosystem? For the promotion of social enterprises, key stakeholders in social entrepreneurship and social innovation, adopted 23.5.2012 <u>http://www.eesc.europa.eu/?i=portal.en.int-opinions.20965</u>

★ Opinion of the European Economic and Social Committee on social entrepreneurship and social enterprises, adopted 26.10.2011
<u>http://www.eesc.europa.eu/?i=portal.en.int-opinions.19122</u>

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★ Strasbourg declaration, accepted in 17.1.2014: http://ec.europa.eu/internal_market/conferences/2014/0116-socialentrepreneurs/docs/strasbourg-declaration_en.pdf

Necessary preconditions

- ★ Policy coherence and decentralization
- ★ Knowledge and understanding of decision-makers
- ★ Openness and integration with stakeholders
- Relevant national legislation which allows the support on the local level and not only there

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★ Situational awareness and ability to respond to challenges

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In Slovenia...

- ★ Law on Social Entrepreneurship was adopted in 2011;
- ★ Slovenian social enterprise forum was established in 2011;
- ★ Government council for social Entrepreneurship was established in 2012 ;
- ★ Network Cooperatives Slovenia was established in 2012;
- ★ Strategy for development of Social Entrepreneurship was adopted in 2013;
- ★ Act on the Promotion of entrepreneurship was changed in 2013 to support the cooperatives and social enterprises;
- ★ Action plan of implementation of the Strategy for development of social entrepreneurship in Slovenia is in preparation phase in 2014;
- ★ New EU financial perspective 2014 2020 will be adopted with concrete EU founds reserved for social enterprises development in Slovenia in 2014;

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★ New Law on cooperatives is in preparation,...

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Reasons for supporting SE /local, regional level/

- Local communities are closest to the people, formed for the purpose of "self-management" of needs and expectations of the population in the local community:
- ★ Activation of local potentials and resources (human, creative, environmental, agricultural, in the field of energy and mobility,..);
- ★ Reducing the number of unemployed, especially young and vulnerable groups with low employment prospects;
- ★ Faster response to the needs of inhabitants;
- ★ Meet the different needs of larger numbers of inhabitants;
- ★ Build partnerships and linkages both vertical and horizontal (between local communities in/or NGO in/or private sector,...);
 - ★ Increased quality of life of the local population;
 - ★ The municipality is more closely connected to their residents;
 - Enhancing and promoting ethical and socially responsible behavior;...
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Role of Municipalities

- ★ Promotion and awareness raising, education and counseling ;
- ★ Responding to the needs and initiatives of the local environment ;
- ★ Integration and connection of local stakeholders to support and development SE;
- Create a supportive environment In the area of local legislative framework, spatial conditions (land, business premises), financial support, public procurement, ...
- ★ And above all, be connected with the community, to be able to recognize creative initiatives and ideas and to be able to find ways for their realization ...

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Role of Associations

- ★ Insist and keep trying to draw attention to the need to develop appropriate policy and regulatory frameworks to support and develop social economy
- Preparing the necessary legislative changes to support and develop various models of social economy
- ★ Implement trainings together with stakeholders for employees in municipalities and theirs inhabitants
- ★ Share experiences, models and best practices
- ★ To network and create a network of municipalities in favor of social economy
- Promote and represent municipalities affection and models of support,...



AMTS in supporting and promoting SE

- Members of the Forum of Social Entrepreneurship, which is crucial network for development and support of the SE;
- Active participants in different workshops, trade fairs, conferences ;
- Organizing workshops , conferences for municipalities;
- Together with partners we have established Sun cooperative
- Promote the SE as well as motivate municipalities and expand models of good practice.;
- Cooperate and prepare the necessary legislative changes important to support SE;
- Advice municipalities in establishing necessary environment to support SE.
- ★ We are an active part of the network that supports, promotes and disseminates good practice model...





- Self-sufficiency in locally produced food cooperatives, and SE, Dobrina, Maribor, Kooperativa Konjice, Korenika, Prekmurje,...
- Coworking spaces, Poligon, Ljubljana; Caap, Maribor, Sevnica,...
- Housing Cooperatives Ljubljana, Novo mesto, Maribor...
- ★ Local energy self-sufficiency cooperatives, Sun Cooperative, ...
- Intergenerational cooperative, CemEKo, Ljubljana, Fundacija Vincenca Drakslerja, Kranj, Nova Gorica, Šentrupert..
- ★ Workers cooperatives, Novi Armal, Novi Novoles,..
- ★ Youth cooperatives, Slovenske konjice, Social incubators, Sevnica...

Reuse centers, Ljubljana, Rogaška Slatina, Velenje, Kranj, ...















Creative center Poligon

www.poligon.si



Coworking – Connected community of creative individuals who participate, co-create and share premises and ideas.

Poligon - Autonomous platform for the development of projects with the aim of empowering self-employed artists and creative community working in the field of the creative economy, social entrepreneurship and culture.



Crowdfunding (Kickstarter) successful stories

Source: www.crowdfunding.si

- Chipolo Bluetooth pendant for finding things
- ★ Llstol
- ★ FlyKly Smart Wheel
- ★ Red Pitaya measuring instrument
- ★ Lumu exposure meters for smartphones
- ★ Musguard fender for the bike
- ★ ONDU-Pinhole Cameras
- Xvidas Boomerang iPad stand and brackets











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New opportunities

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★ Connecting, organizing, financing, reusing, sharing,...

- Crowdsourcing, Crowdfunding;
- Concepts of sharing;
- Start up culture;
- Cohousing;
- Community gardening;

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• Time banks;

Reuse centers

Reuse centers in Municipalities Rogaška Slatina, Tepanje, Vojnik, Velenje, Trebnje, Ljubljana, Kranj, Tržič, …



Roma restaurant – Romano kafenava



Community gardens



Ecosocial farm Korenika

Source: www.korenika.si







Thank you for your attention!

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