

#2

Ecological transition



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### PREAMBLE

#### A. INTRODUCING PACT FOR IMPACT

Launched in 2019 at the initiative of France, PACT FOR IMPACT is a global alliance that aims to connect public institutions at the local, national, regional, and international levels with actors in favor of a more just and sustainable world. The Alliance aims to bring the Social and Solidarity Economy (SSE) to the heart of the international political agenda and to accelerate its deployment, by promoting and capitalizing on existing initiatives.

#### **B. OBJECTIVES OF THE THEMATIC PROGRAMMES**

In line with the first discussions initiated within the International Leading Group on the Social and Solidarity Economy (GPIESS) and extended during the PACT FOR IMPACT meetings of 2019, the Alliance wished to launch a set of thematic programs to highlight the appropriate responses provided by the SSE to the Sustainable Development Goals.

These thematic programs aim to reveal mobilizable levers and propose concrete actions to support the development of the Social and Solidarity Economy (SSE) to the social and environmental challenges of the twenty-first century.

These challenges have been defined by several international cooperation frameworks adopted by the United Nations, such as the 2030 Global Agenda for Sustainable Development setting out the 17 Sustainable Development Goals (SDGs), the Paris Agreement to combat climate change and the New Urban Agenda (Habitat III) aimed at the renewal of urban development. Through the deployment of these thematic programs, the PACT FOR IMPACT Alliance will make it possible to carry out a non-exhaustive inventory of the actors and initiatives of social and environmental innovations at work to respond to these challenges, taking into account the diversity of local, national and regional contexts. It will thus seek to promote the diversity, value, impact, and complementarity of the approaches carried out by ensuring that readers and actors are directed towards the resources available (toolboxes, technical and financial expertise, etc.) to inspire decision-makers and facilitate their reappropriation in the context of innovative public policies.

In addition to this state of play, pact FOR IMPACT's thematic programs will aim to put into perspective the challenges faced by Social and Solidarity Economy (SSE) actors to develop and increase their impact in response to social, economic, and environmental challenges. They will make it possible **to identify** 

the development levers to be activated or the obstacles to be removed in the context of measures to support the Social and Solidarity Economy. These avenues can inspire public actors who wish to design, accelerate and/or evaluate the actions implemented at the scale of their territory.

### C. PRESENTATION OF THE PRODUCTIONS OF EACH METHODOLOGICAL GUIDE, AND METHODOLOGY

The thematic programmes of the PACT FOR IMPACT Alliance will lead to the development of several deliverables. On each program, will be developed:

- A thematic guide that will provide a preliminary working basis for the work of Alliance members. This guide, produced by the Permanent Secretariat of the Alliance based on a review of documentary resources and expert interviews (see list in annex), will present the main actors, initiatives, mechanisms, and innovative tools existing to support the development or scaling up of social, economic, financial, and environmental solutions on the given theme. Each guide will also propose analysis grids of the development challenges of the SSE in response to the theme targeted in order to feed the discussions of the members of the Alliance and their partners or interlocutors.
- **Proposals for commitment** to inspire local, national, regional, and international public institutions to implement **concrete and measurable actions** in favor of the Social and Solidarity Economy. These proposals will be co-constructed with the members of the PACT FOR IMPACT Alliance within the framework of working group n°2 «Coordination of thematic programs and monitoring of commitments». They will give rise to a call for commitment that will be relayed to public and private institutions at the local, national, regional, and international levels.



### **EXECUTIVE SUMMARY**

The climate emergency now requires a common agenda to safeguard the planet and human life. The confrontation of our model of development and growth with planetary boundaries highlights the impact of human activity on the planet and its unsustainable nature.

While local, regional, and global policy makers are showing a growing awareness, which translates into more consultation and commitment, the latter include too little Social and Solidarity Economy (SSE) organizations. These organizations, because of their local and community roots, nevertheless propose new models of organization, services, and goods more responsible for the environment, which can contribute and provide innovative responses to these environmental challenges. The SSE carries the ambition, if not the foundation, of a reasonable and reasoned exploitation of resources, modes of governance favorable to the needs of local communities and in accordance with their environments, greater transparency of the modes of production and use of resources.

In this guide, we will show that SSE has a great added value to contribute to the fight against climate change and the ecological and energy transition (EET) and vice versa. It is for this reason that SSEOs must be allowed to be recognized as levers of the EET. We will focus on the 5 areas of action that are particularly important for the EET:

- Energy and Resource Management
- Agriculture and Food
- Sustainable transport and mobility
- Housing and buildings
- Circular economy and waste

As the social economy is part of the solution, its integration limited to climate-related dynamics (dedicated funding, changes of regulation and legislation) reveals underlying issues: visibility and legibility of the SSE on the subject of EET, difficulty in solidifying the economic model, scaling up, lack of legal recognition, etc. Faced with these challenges, local and national governments have an interest in supporting the development of SSEOs, as local solutions to the Transition and bearers of more sustainable modes of operation and governance. There are different levers of action and challenges to be met for the social economy to strengthen its contribution to the EET, in coherence with its strengths and skills:

- **Multiply the action** of advocacy and awareness-raising actors to mobilize and change practices.
- **Upgrade the knowledge** and skills of actors who are not yet sensitized, on the topics of the climate and the environment.
- Propose new models of consumption and production, and therefore the activities and jobs that will participate in building a new paradigm of more social development.
- Participate in relocating production tools and developing offers in accordance with local resources to capitalize on the local and territorial anchoring of the social economy, a lever for the EET and the refocusing on the real economy.
- **Initiate changes and legislate** on the occasion of the green and social recovery and seize the opportunity of the pandemic to change practices and develop new economic models.

### **EDITORIALS**



"The ecological transition is indispensable, and it must be socially balanced, inclusive and acceptable. The challenge is to adapt our economy to a climate emergency that requires us to innovate quickly. The challenge is to adapt our economy to a climate emergency that requires us to innovate quickly. Local and national governments have powerful levers to integrate the SSE into the ecological transition: support their scaling up,

support cooperation on territories, activate economic transformation via public procurement and recovery plans, etc. This guide lists the solutions developed around the world by the SSE to make their contribution to the ecological transition. It also identifies inspiring practices by local and national governments to support these structures and their development. It will, I hope, feed the work of PACT FOR IMPACT's members to co-construct ambitious commitments in favor of the ecological transition."

Olivia GREGOIRE, Secretary of State of France in charge of the Social, Solidarity and Responsible Economy.



"India has strong laws and a number of policy agendas that stem from sustainable development guidelines. Unfortunately, we do not have a clear policy, we do not have the vision for a clear policy. We need to move from policies that focus on basic energy needs to policies that focus on people's more productive needs. It is difficult to meet the needs of various sectors. Depending on the situation, both large-scale and decentralized technolo-

gies are needed. The lack of regulatory discipline towards large corporations distances them from the poorest strata of society, leading to unemployment and disempowerment. Social enterprises have a key role to play, but they lack financial and capital. The emergence of the social stock exchange will see the emergence of new instruments that could be used by social enterprises in the energy sector. **The key will be when different stakeholders will be able to embrace complexity to make an impact.**"

Anita AHUJA, Co-founder and President of Conserve India



"Cameroon has a promising legal and institutional framework for the development of SSE. Local and regional representation structures and the national network of REMCESS make it possible to support and structure the actors of the social economy, who can thus play a real role in the Ecological Transition of the country. For example, with the involvement of local authorities, cooperatives, and associations, the REMCESS supports the mobilization of social economy actors for better protection of the environment within the territories. This is done through

initiatives for the participatory and sustainable management of forests, participatory management and conservation of mangrove biodiversity, the protection of lakes and rivers, access to electricity in rural and urban areas, at the service of the activities of Social Economy actors, awareness of the recycling of plastic packaging. It is the collaboration between actors from all walks of life that allows the development of projects with social and environmental impacts. "

Monique AYI Epse NKAMGNA, Mayor of Dzeng and President a.i. of the REMCESS



### INTRODUCTION

The climate emergency imposes a common agenda to safeguard the planet and human life. The confrontation of our model of development and growth with planetary boundaries highlights the impact of human activity on the planet and its unsustainable nature.

This framework has been taken up by international institutions to demonstrate the urgency of taking global warming into account. Among the 9 processes [1] and systems that regulate the stability and resilience of the Earth system, alterations include climate change, biodiversity erosion, ocean acidification and accelerated soil overexploitation & degradation. Climate change and biodiversity loss are two distinct phenomena, but despite their interconnectedness being recognized by scientists and political leaders, they are still largely addressed separately, when they should be linked in a common approach. The report published jointly by the IPCC and IPBES [2], the first collaboration between these two bodies on the state of scientific knowledge on these two themes, launches a joint call for the interconnection of these two issues, and the conclusions are final. Limiting global warming to ensure a habitable climate and protecting biodiversity are mutually reinforcing goals and achieving them is essential to provide sustainable and equitable benefits to people. Measures that focus closely on climate change mitigation and adaptation can have direct and indirect negative impacts on nature and nature's contributions to people. Measures that focus narrowly on the protection and restoration of biodiversity generally have important knock-on benefits for climate change mitigation, but these benefits may be suboptimal compared to measures that consider both biodiversity and climate.

### Thus, treating climate, biodiversity and human society as coupled systems is the key to the success of policy interventions [3].

The growing awareness of political decision-makers is reflected in more consultation and commitment at the highest level. These long-term issues are embedded in several international political agendas, programs, and global development agreements such as:

• The "United Nations 2030 Agenda for Sustainable Development", adopted in 2015 and focusing on the achievement of the 17 Sustainable Development Goals (SDGs). This Program aims to transform the world by eradicating poverty and inequality, ensuring its ecological and solidarity transition by 2030. Of the 17 SDGs, 7 specifically concern the ecological and energy transition and environmental protection: zero hunger (2), clean water and sanitation (6), affordable and clean energy (7), sustainable cities

and communities (11), responsible consumption and production (12), climate action (13), life below water (14), life on land (15).

- The Paris Climate Agreement, adopted at the end of COP 21 in December 2015 and concluded under the United Nations Framework Convention on Climate Change. This Agreement sets the overall objective of keeping global warming below 2 degrees, striving to limit the rise in temperatures to 1.5 degrees above pre-industrial levels. Unfortunately, this limit is expected to be reached in just four years, in 2025, according to the World Meteorological Organization. An exceedance that is initially temporary, which alerts us to the inadequacy of the actions taken [4].
- The New Urban Agenda (Habitat III): This new urban agenda was adopted at the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) in Quito (Ecuador) in October 2016. It highlights the interaction between harmonious urbanization and job creation, between quality of life and livelihood opportunities. In particular, it formulates changeable commitments to sustainable urban development, which are articulated in particular around "environmentally sustainable and resilient urban development" [5].
- Some regional agreements such as the EU Climate Law [6] are very much relevant for the levelling up of international commitments. The announcement of targets to reduce net greenhouse gas emissions by 55% compared to 1990 for the European Union on April 22, 2021 was shortly followed by Mr. Biden's announcement at the Leaders Summit on Climate on April 23 that the United States aims to reduce its GHG by 50% to 52% compared to 2005 levels.

All public actors, States, local and regional authorities, public institutions have the obligation to implement the commitments made by States to align with the objectives of the Paris Agreement transposed into two types of documents [7]:

- The NDCs (National Determined Contribution), have been communicated by 192 Parties of the UNFCCC [8] (April 2021) which are supposed to be translated into national laws & regulations to define measures to reduce GHG emissions in the more or less short term. Countries have included in these NDCs the mitigation measures they will take to reduce their greenhouse gas emissions in order to achieve the objectives of the Paris Agreement. They also communicate measures to build their resilience in order to adapt to the effects of rising temperatures, these are adaptation measures.
- LT-LEDS (Long-Term Low Emission Development Strategies), long-term development strategies with low GHG emissions, consist in framing and planning the long-term effort. These long-term strategies are often part of pre-existing national development plans, which have been integrating climate more systematically and visibly since the Paris Agreement. This is the case, for example, of the Plan for An Emerging Senegal, or the New Development Model of Morocco.

Finally, while the international political agenda tends to converge in favor of the joint fight against global warming, the efforts required are different depending on the countries.

• Middle- and low-income countries must have the opportunity to pursue their growth, which is a necessary lever for their development. The question is what growth, on low-carbon and resilient trajectories that «leave no one behind», without repeating the mistakes of the past, and with the SDGs as a compass. The post-COVID-19 recovery can represent a real opportunity to undertake changes, initiatives and investments that will make it possible to "build forward better". It remains difficult to speak of ecological transition in developing countries when the majority of the population belongs to the bottom of the pyramid and the level of poverty, inequality, exclusion and human development is incompatible with the satisfaction of basic human needs.

• CO2 emissions are significantly higher in high-income countries, which means that emission reduction efforts must be undertaken as a priority in these countries. An Oxfam report showed that the richest 10% (about 630 million people) are the source of 52% of cumulative CO2 emissions. The richest 1% (around 63 million people) alone accounted for more than 15% of cumulative emissions, more than double that of the poorest 50% (around 3.1 billion people) or more than the cumulative total emissions of all EU citizens [9].

The SSE must take advantage of this convergence of states and international political agendas and make their contribution to the ecological and energy transition. To do this, this thematic quide aims to:

- Encourage all SSE organizations (SSEOs) to position themselves on the climate, and to make their contribution and valorize to public authorities and financers structures that are already active.
- **Identify** the sector(s) and value chain(s) where SSE can have the most driving effect on environmental protection and contribute to the ecological and energy transition (EET).
- **Give keys** to public authorities to promote and support the development of SSEOs as contributors to the objectives of the EET.

The social economy already carries the models of organization and governance specific to climate issues. However, we must not idealize the contribution of SSEOs to the ecological and energy transition. The fields of activity are very variable so it would be dangerous to generalize. And on the other hand, if the modes of organization and operation are those necessary for the emergence of new models of production and consumption, this does not mean that the core activity is necessarily consistent with the EET.



1. THE CONTRIBUTION
OF THE SOCIAL ECONOMY
TO THE ECOLOGICAL TRANSITION:
A POTENTIAL STILL NOT FULLY
DEPLOYED AND VALUED

# A. THE SOCIAL ECONOMY HAS A GREAT ADDED VALUE TO CONTRIBUTE TO THE FIGHT AGAINST CLIMATE CHANGE AND THE ECOLOGICAL AND ENERGY TRANSITION (EET)

a. The SSE intrinsically bears certain specificities particularly adapted to the implementation of the EET and to the search for new economic models

The social economy participates in opening the debate towards a paradigm shift, to build new models of consumption and production. It points to the responsibility of the capitalist model and the unreasoned over-consuming growth of resources. The RIPESS definition of the SSE shows that this network is the voice of this vision: «In recent years, a global movement of the SSE is emerging, an alternative to the market economy of capitalism, which aspires to a systemic change to build a society and an economy that serves people and the planet." It carries with it the ambition, if not the breeding ground, of a reasonable and reasoned exploitation of resources, modes of governance favorable to the needs of local communities and in accordance with their environments, greater transparency of the modes of production and use of resources (financial, natural, etc.) [10].

"The world needs a new era of social justice based on an ideal of sustainable development. An era in which government action will consider the needs of human beings and our planet Earth and will be based on the principle of equity; an era in which the benefits of globalization will be shared equitably [...]." [11]

## On the other hand, the methods of organization, operation, and governance of SSEOs are consistent with the solutions needed for the EET.

• Local economic development and participatory management of resources: The social economy is characterized by structuring at the local level, bringing together and representing the members of the community. This local presence favors production systems that consume less transport, are more consistent with local resources, and therefore respectful of the environment. The social economy is based on local know-how, resources, and financing capacities. The integration of the various stakeholders in governance allows a participatory management of the resources used. The SSEOs can help strengthen local markets and economies, create trust and social ties, create jobs locally.

- Ability to simultaneously pursue various objectives:
   These structures have a long-term vision that is compatible with climate issues, unlike the more short-term oriented vision of profit maximization of traditional companies. They have no incentive to outsource social and environmental impacts in
- of profit maximization of traditional companies. They have no incentive to outsource social and environmental impacts in a logic of profit maximization. They can therefore reconcile social and environmental objectives more easily.
- Democratic governance: The majority of structures have participatory governance systems including the different stakeholders of the structure: employees, customers, beneficiaries, funders. They therefore make it possible to extend democracy to the economic sphere and to open up the strategic orientations of the structure to debate, rather than favoring the interests of a group of stakeholders, such as shareholders. The links and relationships forged with local actors push these structures to participate in participatory local governance and can facilitate risk management within the community.
- Empowerment and awareness of citizens and public and private actors on environmental phenomena: Phenomena related to climate change, loss of biodiversity and the impact of human activity on the planet are very complex, even if locally they are more and more often very concrete. There is therefore a challenge to contribute to awareness, information and positive awareness which are key issues of the ecological transition and a real vector of change. In addition to their other activities, the structures of the SSE are very involved in these dynamics of awareness. They focus globally on the general public or their beneficiaries but could very well address more broadly the messages they carry to private or institutional actors since they have the pedagogical tools.

### b. Some actors in the social economy already contribute directly to the FFT

Some actors, especially those who are already impacted by climate change and encouraged to propose solutions, are already relying on the action models of SSE to meet the economic/social needs related to the ecological **transition.** The impacts of climate change are already being felt, particularly in the countries of the South: floods, extreme weather events, rising sea levels, forest fires, reduced drinking water resources, droughts and heat waves, the disappearance of species such as bees, etc. It is established that the consequences of climate change are and will be most severe in the most vulnerable countries with the least capacity to cope with it, particularly in terms of poverty and fragility. In 2020, among the 20 most vulnerable and least prepared countries to adapt to climate change (according to the ND-Gain Index) 12 were in conflict: «Security and land access problems, lack of vital infrastructure, less access to water, concentration of displaced populations and pressure on natural resources - all parameters that weaken a country's ability to adapt and help their population withstand environmental shocks.» [12].

Other players are transforming their mode of production and business models to better take into account their environmental impact, whether by legal obligation, economic imperative or in response to the demand of citizens/consumers. In general, private actors must submit to increasingly binding legal frameworks on climate put in place by legislators within the framework of the Paris Agreement and the national transpositions mentioned above. In the context of public procurement, for example, environmental requirements and constraints are developing. Private actors must assume that these environmental constraints will increase and anticipate them, otherwise they will accumulate a delay that will penalize them compared to their competitors. In particular, they must analyze and respond to 2 types of risks: physical risks related to climate change (which can affect their business model, assets, etc.) and transition risks [13] (uncertain financial impacts, positive or negative, which result from the effects of the implementation of a low-carbon model on economic actors). Similarly, another form of incentive is to be found on the side of changes in the behavior of consumers and civil society, which are increasingly questioning the modes of production and distribution and demanding more transparency. Private actors can put their reputation and economic performance at stake by underestimating or not sufficiently anticipating changes in consumer behavior.

Finally, some actors make an active contribution to the ecological transition through their advocacy role on the climate. Awareness campaigns for the general public for the change of consumer behavior are developing largely thanks to the actors of the SSE. Examples include Oxfam for the fight against poverty and inequality, WWF for the preservation of life, <u>Greenpeace</u> on agriculture, nuclear, climate, forests and oceans, or <u>Surf Rider Foundation</u> and the plastic pollution of the oceans, etc. The actors of the SSE regularly ensure this advocacy role thanks to their proximity to citizens. It is a major lever of the ecological and energy transition to raise awareness and to change behaviors. Especially since there is an issue on the credibility of advocacy in the age of fake news and the questioning of the word of knowledge. Change must be systemic and come from all sides. Hence the importance of working on awareness, information and sensibilization. This involves, for example, the popularization of information, to which contributes, for example, the concept of «Earth Overshoot Day» which arrives earlier every year symbolizing the fact that humanity consumes more resources than the planet is able to regenerate in a year, to draw irreversibly from the non-renewable resources of the Earth.



# We are also seeing the blossoming of many bottom-up initiatives, where the voice of citizens is expressed and consolidated to draw the attention of institutional and private actors to social issues.

For example, the change.org platform brings together hundreds of millions of people who support causes through petitions. The mobilization is also taking place in the courts and the number of climate disputes opposing citizens and associations to public institutions or private actors is exploding. The Sabin Center for Climate Change Law at Columbia University counted more than 1,500 cases worldwide in 2020. In December 2019, the Urgenda Foundation won the case against the Dutch government and forced to raise its ambitions in terms of reducing GHG emissions. Similar trials have been held in France (the Case of the Century), Belgium (the Climate Case), Ireland, Pakistan, and Colombia. Companies are also affected by legal disputes, and the conviction of the multinational oil company Shell in the Netherlands in June 2021 should increase this type of recourse against companies [14]. The company, accused by six other NGOs, including Greenpeace and ActionAid of not aligning with the Paris Agreement, was ordered to reduce its GHG emissions by 45% compared to 2019 by 2030. On the other hand, in Europe, student and youth mobilizations are multiplying to defend another vision of education and employment. The student manifesto for an ecological awakening, a movement that can be found in France, Sweden, Spain, the United Kingdom, Germany, calls for higher education courses and vocational training that are equal to the climate challenges and jobs that make sense in companies with a positive impact on the environment.

But while many SSEOs are already EET actors, this is not the case for all structures. SSEOs must see climate dynamics as an opportunity. The international dynamic around the climate is a formidable lever of financing for a change of system. It is the responsibility of the SSEOs to be part of this dynamic.

## B. BUT THE SOCIAL ECONOMY STILL HAS A LOW WEIGHT AND SUPPORT ALLOCATED BY PUBLIC AND PRIVATE ACTORS IN THE DYNAMICS OF THE EET

The international community has set itself objectives to limit global warming, which States transpose into their national legislation at progressive levels. The social economy is already part of the solution, but its integration into the dynamic (dedicated funding, changes in regulation and legislation, etc.) is also not self-evident. This limited integration is linked in particular to underlying issues: visibility and legibility of the SSE in general and on the subject of the ecological transition in particular, difficulty in scaling up, difficulty in accessing financing dedicated to EET, etc.

### a. The problem of representation of structures in EET mechanisms

SSEOs are rarely mentioned as a solution and lever for the ecological and energy transition, due to a lack of **structure and visibility.** While the sector is mentioned in the development plan of some countries, it is rarely associated with environmental issues. The primary challenge around SSE in many countries is to establish a favorable legal framework framing and facilitating the activity of social entrepreneurs, then to structure the accompaniment and support that these actors can benefit from; it is a preliminary step to think of this sector as a lever for responding to environmental issues. Without a legal framework and supporting ecosystem, the sector is not sufficiently structured and visible to be involved. On the other hand, many structures have difficulties scaling up, because they need to stabilize their economic model as a priority. Thus, the contributions they make to the ecological transition can therefore be concentrated and of limited scope. They would gain visibility and impact by scaling up and being replicated more widely.

### Thus, SSEOs benefit very little from thematic financing and development mechanisms dedicated to climate.

The majority of public programs and policies related to the ecological transition are aimed more broadly at economic actors and therefore integrate the social economy by default but not by design. Secondly, in the implementation of these programs on the ground, the financial resources and resources allocated rarely reach the social economy structures which, very often, are not sufficiently structured to capture these flows.

b. Limited ability to inspire and irrigate negotiations and their implementation in public policies

**There is little international advocacy on SSE as a contributor to the EET.** There are several relays of the action of private actors in the fight against climate change, but the actors of the SSE are partially positioned and valued on these relays.

THE UNDP EQUATOR PRIZE rewards and highlights initiatives that often fall within the scope and SSE in the Global South, or similar initiatives for UNEP'S YOUNG CHAMPIONS OF THE EARTH. In parallel with the interstate climate negotiations, private actors are involved to ensure mobilization through the High-level climate champions of the Paris Agreements. The host country of the next COP and the current host country are each represented by a champion, a private actor, who ensure the Raise to zero and Raise to resilience mobilization campaigns, to develop carbon neutrality and resilience programs, and promote initiatives at the MARRAKECH PARTNERSHIP FOR GLOBAL CLIMATE ACTION (MPGCA).

However, SSEOs are very little present in this inventory of initiatives. The Secretary General of **COP26 in Glasgow is trying to set up a global private sector coalition in favor of carbon neutrality,** an interesting development to follow for SSE actors as a contributor, and partner of «classic» private companies. Finally, the <u>Global Compact</u> can also be a relay of advocacy at the global level for the action of private actors in favor of the SDGs and incidentally the SSE. The social economy must position itself more systematically on these dynamics and show that it offers solutions and Climate Champions.



2. CLIMATE OPPORTUNITIES
FOR THE SSE: EXAMPLES OF
SOCIAL INNOVATIONS
IN KEY SECTORS OF EET

By their mode of operation, their local presence in the area, their democratic governance, and their pursuit of an ideal of justice and economic solidarity, the SSEOs embody and carry the solutions of the ecological and energy transition. The objective of this second part is to illustrate the sectors and activities in which the actors of the SSE are already involved and those on which they could be led to position themselves or develop. Each of these sectors is exposed to specific challenges related to the EET and brings together actors from the SSE who are already making a significant contribution to the search for innovative solutions to these challenges.

### **A. ENERGY & RESOURCE MANAGEMENT**



#### a. Issue :

### Issues related to the management of drinking water and its sanitation also affect many regions of the world.

With global warming, droughts and heat waves are becoming more frequent and intense. These phenomena aggravate from year to year the tension on the water, in more and more areas. Conflicts over water management are likely to grow, particularly in low-income countries, which are on the front lines of global warming. The latter creates a context of water scarcity, exacerbated competition for access to this resource, in areas that often suffer from a low level of mastery of technologies allowing a greater valorization of this property. We are also witnessing the phenomenon of financialization of water, which is becoming a private property subject to speculation, for example in Australia, or in California, United States.

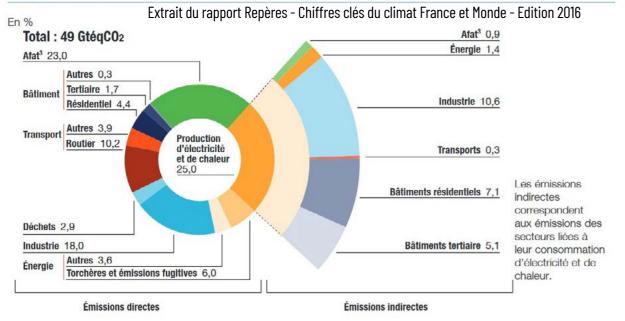
### According to the IPCC report in 2014(3rd working group), the energy sector accounted for 35% of global GHG

emissions in 2010 [15]. This represents direct emissions from the energy sector, but also indirect emissions from other sectors, industry, buildings, etc. In second place, we find the agricultural sector (Agriculture, forestry, etc.) with 23% of emissions, industry with 18%, transport with 14.1%, buildings with 6.4% and waste with 2.9%.

## The structures of the SSE propose to reconsider energy as a common good and are therefore at the origin of solidarity citizen initiatives around energy

**issues.** The idea is to bring citizens and consumers closer to environmentally friendly production and distribution systems by bringing more transparency and democracy to their governance. The structures of the SSE are almost systematically positioned on renewable energies (wind, photovoltaic in particular). They can make it possible to trigger the climate-energy plans set by states and regions (e.g., in France, the territorial climate-air-energy plan (PCAET)).

### Répartition des émissions mondiales de GES par secteur en 2010



#### 3. Afat : agriculture, foresterie et autres affectations des terres.

16

#### Source: Giec, 3º groupe de travail, 2014

### b. Type of activities :

Citizen and participatory renewable energy projects are a real lever for the energy transition. The structures of SSE are the best catalysts for open and transparent governance and management practices and the use of technologies that are more environmentally friendly, more compatible with a local vision and common good of energy. Many cooperatives bringing together citizens are already present on the production of renewable energies. They generate benefits for the community.

### Germany is regularly cited as a pioneer in this area

where citizen production is not a niche phenomenon and shows that this model can become widespread on a large scale. In 2017, 32% of renewable energy installations in Germany were managed by citizens. However, the momentum was driven by guaranteed purchase rates. They were abolished in 2014 as part of the competitive tendering of projects via calls for tenders aimed at reducing the cost of supporting renewable energies, which are more suitable for large energy companies [16]. The German example shows us that the model of citizen cooperatives can remain fragile and dependent on regulatory changes, in a very standardized framework as is often the case in high-income countries.

#### **Examples of initiatives :**

- In Spain, <u>Som Energia</u> is a REScoop(Renewable Energy Sources Cooperative) that brings together 65,000 members and 100,000 electricity consumers.
- In France, projects have developed thanks in particular to crowdfunding since 2014. One example is the <u>ERCISOL</u> cooperative, which produces and distributes renewable energy via hydropower plants, wood-energy or biomass boilers, etc.
- > <u>ENERCOOP</u> is an electricity supplier in SCIC cooperative (Cooperative Company of Collective Interest), whose governance is managed collectively and associates consumers, producers, employees and partners of the cooperative.

### To strengthen and develop their presence in the EET, SSE actors can pool to form cooperative regional suppliers.

They can also broaden their field of action by developing collective self-consumption, by creating renewable heat networks and energy efficiency cooperatives, or by engaging in the field of shared electric mobility (see Part E.). They can also call on other structures to support them in the launch and financing of an energy project, particularly on technical and administrative support for these complex projects. In France, <a href="Energie Partagée">Energie Partagée</a> supports, promotes, and finances citizen projects for the production of green electricity in the form of a cooperative. In addition, governments can mobilize public aid to finance feasibility studies and part of the investment and set support tariffs (for the purchase of energy produced) to achieve the balance and economic profitability of projects.

The trend towards the decentralization of energy systems is also structured in the form of smart grids (intelligent electricity grids). They allow both better energy efficiency by reducing online losses and by optimizing the efficiency of the means of production used according to instantaneous consumption. And they make it possible to bring the energy system closer to the citizens with decentralized and territorialized networks of micropower plants or small producers giving citizens the opportunity to participate in production, in parallel with their consumption. The colossal investments required for smart grids constitute a significant barrier to entry and the actors of the SSE are still little present. But they have the necessary skills to set up micropower plants and take citizens in the process, and therefore to integrate into these large-scale projects.

In low-income countries and social economy actors ensure access to energy for rural populations.

#### **Examples of initiatives:**

- > In Bangladesh, **GRAMEEN SHAKTI** initiated rural electrification via solar photovoltaic technology in the 1990s and has since developed other programs, such as improved cooking systems that reduce indoor pollution from combustion fumes, and composting plants for biogas manufacturing.
- In Africa, many entrepreneurs like **OOLU SOLAR** and **BAOBAB+** in West Africa have developed solar kits for rural households. The kit is gradually being reimbursed via the phone and «pay-as-you-go» technology allows solar kits to be controlled remotely [17].
- > The NGO **SOUTHSOUTHNORTH** develops renewable energy programs and projects in low-income countries. For example, the Programmatic Clean Development Mechanism (CDM) in Low and Middle Income Housing program in South Africa and Cape Verde initially consisted of a training for young people on the renovation of roofs for energy performance and the installation of solar photovoltaic equipment. Then, in a second step, the program allowed the establishment of a community trust fund to oversee the establishment of a sustainable community energy services company.
- > While electrification and access to energy are of crucial importance for the security and development of areas, many SSE projects make it possible to achieve innovative solutions in the long term. Thus, the **FEDACAM** project is an initiative led by the Cameroonian section of REFELA (Network of Local Elected Women), which aims to equip 10 regions of Cameroon with energy with adapted technical solutions, including photovoltaic systems.

Energy poverty is also an issue in high-income countries, where low-income populations may struggle to pay their energy bills. The public authorities can overcome this precariousness by regulating the price of energy (gas and electricity for heating and cooking). They can also allocate budgets to encourage households to provide thermal insulation for their homes. However, these measures are often underused because they require people to be informed of the aid to which they have access. On the other hand, when this aid is granted after the renovation costs have been in committed, it may deter households from taking the necessary steps.

Beyond rethinking an energy production and distribution system that is closer to consumers and produced from renewable energies, the challenge is also to seriously consider sobriety and energy efficiency. There is also the question of analyzing the entire life cycle of energy systems: what raw materials, how are they produced, where do they come from? Indeed, renewable energies are not without environmental constraints: raw materials for the manufacture of equipment, land use and natural spaces, etc.

**SSE also allows for more sustainable management of natural resources,** including resources that should
be protected, such as forests. Thus, the municipality of
Dzeng (Cameroon) has signed an agreement with the Local
Network of the Social and Solidarity Economy (RELESS) of
its territory, a public-private partnership to involve more
actors of the social economy in the management of forest
massifs, and in particular by establishing a participatory
and sustainable management of forests.



### **B. AGRICULTURE & FOOD**

a. Issues :

The subject of agriculture and food is fundamental since it crystallizes the **social issues** of feeding all populations, with the necessary nutrient inputs, at a fair price both accessible for consumers and remunerative for producers, and the environmental **issues** of land use, deforestation, use of chemical inputs, distribution, and consumption patterns, and of course climate change in relation to GHG emissions.

Malnutrition, which covers both undernourishment and overeating, is present in every country in the world.

In 2020 one in nine people suffered from hunger and one in three was overweight or obese (Global Nutrition Report 2020). The United Nations estimates that malnutrition will affect an additional 2 billion people by 2050 [18]. The Covid pandemic has worsened the situation, the UNDP announced that "the total number of people living in extreme poverty in low and medium human development countries would increase to a range between 626 million under a 'COVID Baseline' and 753 million in a 'High Damage' scenario. COVID-19 could also increase the number of people suffering from malnutrition by 12.8 million in this subset of countries by 2030 compared to a 'No COVID' world."

In parallel, quantities of food are wasted: in 2011 the FAO estimated that about 1/3 of the food produced in the world was wasted, or 1.3 billion tons, this represented 20% of meat, 35% of fish and seafood, and up to 45% for fruits and vegetables. **Intensive agriculture,** where productivity ratios are pushed to the highest level in order to produce enough to feed everyone, is therefore not necessarily the solution and generates significant negative environmental externalities: use of phytosanitary products (pesticides and insecticides) that contribute to the erosion of biodiversity, the pollution of soils and groundwater, deforestation, etc. The use of chemical inputs also impacts the health of agricultural workers (e.g., chlordecone in the French West Indies). Finally, agriculture is the second largest emitter of GHGs which, in the world, come mainly from methane emitted by livestock, agricultural soils (especially nitrogen fertilizers), and methane from rice production.

It is the entire sector, from the field to the plate, that must rethink its modes of production, distribution, and consumption to be more sustainable: return to local and resilient food systems, of local and seasonal products, limit the irrational trade flows of exports and imports of the same products, etc. This goes hand in hand with a fair and solidarity-based agriculture-food system. But the issues are very diverse from one region of the world to another. Middle- and low-income countries suffer from competition from subsidized agricultural commodities in rich countries, sometimes seeing their agricultural commodities as the basis of their food become inaccessible because of the demand generated in high-income countries (avocado, guinoa, etc.). They also suffer, in particular, from an agriculture that suffers the consequences of climate change, which are more severe in these countries. A large part of the population in many of these countries depends on local subsistence and rain-fed agriculture. Agriculture is highly subsidized in high-income countries, where farm managers and agricultural employees are rather aging and where the peasant profession lacks attractiveness because it is very time-consuming, low-paying, and generates debt situations. Finally, financial speculation around agricultural raw materials, which destabilizes farmers' incomes and impacts the purchasing power of certain populations.

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### b. Types of activities :

The structures of the SSE have long been positioned on the subjects of agriculture and food because the social issue is very significant at all stages of the sector.

### They support and train farmers for the transformation of their practices :

- > Support for installation through access to land (e.g., in France, Les champs des possibles, Terre de liens, etc.)
- > Training in organic or agricultural, ecological and market gardening practices (e.g., <u>Dream in Tunisia</u> in Tunisia which accompanies and trains young women in agricultural ecology in arid and semi-arid areas affected by climate change. Another example is <u>the IECD Family Agricultural Schools</u> program in several African countries).
- > Training in administrative and financial management tasks, partnership building, etc.
- > Structuring of agricultural-ecological sectors (e.g., Accacias for all, which structures agricultural-ecological sectors in Tunisia with a focus on women: women's groups in cooperatives, fair production contract, logistics and distribution under a common brand, etc.).

## They are building new distribution methods in short and local circuits, which serve as a lever to promote virtuous agriculture and ensure better remuneration for farmers:

- > Distribution in short circuits that promotes the link between a farmer and a community of citizens (ex <u>AMAP in France</u>),or the employment of employees in integration.
- > Distribution platform to reduce intermediaries between farmers and consumers (e.g., <u>Farm Trust in Tunisia</u>, offering organic products for home delivery).
- > Production cooperatives of collective interest that can even transform and market their products to local professional customers (collective catering or distributors specialized in organic). For example, in Tunisia, Wiki PAM is a network of 11 ADG (Agricultural Development Group) around aromatic and medicinal plants that brings together more than 500 artisans, 92% of whom are women.
- > Participatory production cooperatives, where the pooling of income makes it possible to spread the risks of income variation and makes it easier to create processing units that diversify incomes and increase the cooperative's margins.

Through urban agriculture, they operate agricultural activities in the city to bring citizens closer to agriculture, raise awareness, improve the quality of life, create short circuits, create social links:

- > Shared gardens and family gardens,
- > Urban farms (e.g., in France, <u>Agricool</u>, the Suspended Saffron of <u>Bien Elevées</u>, <u>The Mushroom Box</u>,etc.)

## They manage training tools for a responsible transformation and provide opportunities for farmers who respect sustainable practices:

- > Food processing such as vegetables to valorize unsold fruits and vegetables disqualified for sale, generate a local collection channel and outlets with collective catering or local distributors, sometimes in integration workshops.
- > Processing of local products using ancestral techniques (e.g., <u>Tazart</u> in Tunisia, social enterprise for drying and packaging fruit).

### **They run stores in consumer cooperatives** that promote alternative agricultural models :

- > Cooperative distribution networks (open to all consumers, including producer groups, store representatives, consumer and employee associations can be directors, e.g., <u>Biocoop</u> in France).
- > Cooperative stores (reserved for members and involving their participation in the management, decision-making and offer of the store, e.g., <u>La Louve</u> in Paris).

### They participate in the fight against the waste of food, at all stages of the food chain:

- > Historical actors, foundations, and charitable associations of food aid (e.g., <u>Salvation Army</u> on the international stage) which recover the unsold of the distribution to sell them at reduced prices to the most deprived and thus fight against poverty and exclusion.
- > Start-ups such as digital platforms for connecting surplus holders and potential users.
- > Collective catering (education, companies, and administrations, medico-social): activity in clearing because the packaging is not adapted to the revaluation, but possible outlets in solidarity canteens (e.g., <a href="Excellent Excedents">Excellent Excedents</a> in France).

- > Household awareness: Communities often rely on SSE associations to conduct environmental and sustainable development education (ESDE). This awareness could also be extended to companies and their employees who also need to be educated and sensitized.
- > Recovery of bio waste from professionals or individuals in compost or methanization : collection, sorting and local treatment devices that can be provided by SSEOs.

Governments have different operating margins on this subject via incentive or binding policies and via public procurement, etc.

- Establish a share of products from sustainable or organic culture, from short circuits, in public collective catering (education, medico-social, administration, etc.).
- Prevent food waste by relying on SSEOs.
- Impose the donation of unsold food from mass distribution and collective catering while regulating it (prevent the risk that associative structures serve only as subcontractors in the management of waste & unsold and anticipate the cost of the logistics function often difficult to remunerate when the beneficiaries of donations have low incomes).
- Impose the valorization of unsold animal feed or compost/ methanization.
- **Preserve agricultural land** with a land portage fund to facilitate the installation of farmers.
- **Support the diversification** of farms and conversions to organic farming.
- Encourage the production of photovoltaic energy and biogas.



### C. SUSTAINABLE TRANSPORT & MOBILITY



#### a. Issues :

The transport sector is predominant in GHG emissions, especially road transport, both of people and goods. In addition, it generates negative externalities (noise that is a nuisance on the quality of life and sleep, road accidents, air pollution). On the other hand, mobility topics are often at the crossroads of social and environmental issues. The car, which symbolizes autonomy and independence, is necessary to find a job and go to work daily. Depending on the area and the existing public transit infrastructure, its daily use will be more or less important. The challenge is therefore to find and promote means of transport that are sustainable and accessible to all. The electrification of means of transport is the most developed 'green' solution at present. Electric individual cars and electric bikes are not the miracle solution, the batteries they need consume a lot of raw materials and are still very little recycled. But they are among the most interesting options.

The question of sobriety and rethinking the modalities of organization of the life of the city that reduce the need for transport (circular economy, «location», teleworking, etc.) is also a big part of the solution, beyond cleaner and more sober modes of transport.

#### b. Types of activities :

The actors of the SSE already offer carpooling and car-sharing platforms. If these services are also offered by traditional actors of the economy, the SSE offers cooperative modes of governance so that the wealth and strategic orientations of the platforms remain in the hands of users (E.g., Mobicoop in France). In addition, they are economic tools for inclusive mobility. Solidarity garages are also a way to maintain the life of vehicles, by offering repair and maintenance services at solidarity prices, and are often managed in integration structures because the trades are very adapted to professional integration.

### They also participate in the development of cycling as an alternative mode of transport, especially in urban areas.

The bicycle sector generates a multitude of activities on which SSE players have positioned themselves for a long time. Participatory bicycle workshops can offer different services and materials to users: provide equipment, knowledge, manage the reuse and recycling of bicycles then offered for sale and ensure the maintenance and repair of bicycles. They can also provide bike-school activities, awareness-raising, sports activities, workshops for the artisanal creation of equipment, bicycle marking, etc. They often operate on the basis of volunteering and/or integration. The positive externalities of bicycle use in terms of health and preservation of the urban environment mean that one euro invested in a participatory bicycle workshop generates 11.5 euros in benefit for the community [19].

With regard to public transport, collective services often provided by public actors or managed in public service delegation, links must be created between private operators and SSE actors. For example, operators could be encouraged to propose an inclusive mobility component in their offer and create partnerships with inclusive mobility actors. This allows these SSE structures to stabilize their economic model by being part of a long-term partnership. In France, for example, Wimoove is one of the first beneficiaries of social impact contracts, to develop a user path that will facilitate the return to work of people whose mobility is a barrier to employability and keeps them in a precarious situation. Through a social impact contract or in other forms, public procurement can be a lever to create markets and outlets accessible to social economy actors and allow them to ensure their profitability and solidify their activity.

### D. HOUSING & BUILDINGS



#### a. Issues:

As much in the construction phase, as during their use, and finally on the end of their life, the issues are numerous to make our buildings more sustainable. This sector concentrates different issues:

- In the construction phase, the nature and origin of building materials (cement manufacturing, for example, is a major source of GHG emissions), as well as the eco-design of buildings.
- Energy consumption, especially for heating, which is often a major item at national level.
- The production of waste from the construction sector both in public works (roads, etc.) and buildings.

The concept of «building» includes all tertiary buildings (offices, shops, buildings dedicated to education, administrative buildings, hospitals, etc.), industrial, agricultural, and housing.

The issues surrounding buildings vary according to the area where you are: whether rural, urbanized, or semi-urbanized, and therefore naturally more or less populated. The concentration of the population leads to a tension on the management of space, on the cohabitation of the different services and expected uses (transport, housing, workspaces, places of commerce, etc.). They also vary fundamentally according to a country's income level (low, medium, or high). We will focus globally on urbanized areas and practices that allow us to design more sustainable cities, because the tension around buildings and the issues of quality of life and of access to housing is particularly important.

### b. Types of activities:

On eco-construction, in high-income countries, the importance of standards and labels can make the positioning of SSE actors complicated, but the offer is present : cooperatives of craftsmen or designers specialized in eco-construction (e.g., Alter-Bâtir in IDF), constructions in raw or natural earth (e.g., Ecodôme Morocco in Morocco, Terramano in France). As is often the case, SSEOs have the capacity for training and project management on, for example, the implementation and sharing of alternative and ecological practices in architecture, crafts and urban planning (e.g., La Facto) the promotion and development of participatory housing approaches and projects (e.g., Collectif d'Animation de l'Habitat Participative - CAHP).

SSEOs are pioneers in supporting communities to design sustainable habitats.

### **Examples of initiatives :**

> The association **LA VOUTE NUBIENNE** is very active in Africa (Burkina Faso, Benin, Mali, Senegal, Ghana) through the promotion of a traditional low-tech construction technique with very good ecological and energy performance. > Similarly in Cameroon, **DÉSIR CONSTRUCTION** builds ecological and modern housing using local materials such as earth, clay, stone, or rock. The company thus offers decent housing at an affordable price to people with a modest income and participates in the fight against housing difficulties.

In Germany, the Netherlands, the United States, and the United Kingdom, these sustainable habitats are particularly developed in the form of community land trusts or more informally. The social economy also responds to the needs of contact with nature of impoverished communities that live in highly urbanized environments that do not benefit from, for example, urban developments for the re-naturalization of city centers. For example, GreenPop, in Cape Town, South Africa, participates in the greening of living spaces in disadvantaged urbanized neighborhoods by planting trees with disadvantaged populations, and thus recreating islands of biodiversity within the city. This foundation also carries out reforestation projects in 4 countries in Sub-Saharan Africa and supports tea producers in Malawi to adapt their production to climate change.

Beyond the design of the building, it is also its use, or even its reuse that brings together environmental and social issues. SSE actors can participate in the management of participatory habitats. They support urban development projects so that they are more respectful of the environment in terms of buildings, land use, etc., and more in line with the needs and lifestyles of local populations.

One of the major contributions of the social economy to energy issues is the fight against energy poverty and the management of energy renovation solutions and support for affected households. Energy renovation makes it possible to render homes and buildings less energy-consuming, which has a



positive economic impact for households thanks to the reduction of their energy bill and improves the quality of life within their home. This is a first response to reconcile the environmental and social issues related to energy consumption. As the social aspect is largely predominant, the SSE is very present on this subject, particularly through local support and volunteering skills. For example, in the UK RetrofitWorks designs, implements, and manages energy efficiency and renovation programs, most often in a defined geographical area to mobilize the communities involved in the projects.

More broadly, the challenge of energy renovation of buildings is a lever of the energy transition to consume less energy for heating and cooling buildings, especially with the increase in temperatures. Governments can encourage the renovation of buildings by requiring landlords and managers of building assets to carry out the energy renovation of their buildings, such as the installation of heat pumps in order to meet energy efficiency standards. For example, in France, the tertiary decree requires tertiary actors to manage and reduce the energy consumption of their buildings of more than 1000m2, with a staggered objective of -40% in 2030 to -60% in 2050 [20]. The levers of job creation linked to energy renovation are substantial, but they require a certain degree of training.

Finally, regarding the end of life of buildings, the actors of the SSE participate in alternative solutions to the rapid and arbitrary deconstruction of buildings whose primary use had reached the end of the cycle. The first axis is to **reuse the buildings** to give them a new use. Here, the mission of governments is fundamental and meets the challenges of the circular economy. As with an object, renovating and modifying a building for alternative use costs less energy and materials than deconstructing to rebuild. When deconstruction is inevitable, it can be done in an intelligent way thanks to the selective removal to recover the elements, rather than deconstructing, and to valorize them via a logistics platform to connect the supply of materials and the demand for reused products in the area. The materials to be upgraded are furniture (equipment, windows, doors), technical components (electrical and electronic) as well as less noble materials (deconstruction rubble). In France, the Territorial Pole of Economic Cooperation (PTCE) «Construire Solidaire» brings together integration structures around the ecological construction of participatory habitats. For example, the <u>R-ARE</u> workshop recovers quality wood from windows to make parquet, furniture, greenhouses, etc.

These associations ensure the diagnosis of deposits, collection, prototyping and manufacturing. If the volumes from deconstruction sites can potentially be very large, and that the collection, sorting and reclamation involve a lot of human work adapted to integration, the activity of these sites is unpredictable, and it is difficult to establish partnerships because reuse has not yet entered the habits of construction contractors.

To improve the reuse rate of materials from deconstruction, governments can activate several levers :

- Diagnosis of pre-demolition waste, essential to carry out a qualitative demolition.
- Obligation of sorting by material on construction and deconstruction sites to encourage reuse or recycling.
- Creation of an EPR (extended producer responsibility) sector to encourage construction stakeholders to take charge of their deconstruction waste (see Part A. on the circular economy).

Governments can also change the way major infrastructure and urban development projects are designed so that they are not developed above ground (enclaves closed to local populations) and that their environmental footprint is as low as possible. To do this, they can integrate social economy structures at different stages:

• **Upstream project design:** ensure a phase of consultation and consideration of the needs of the various stakeholders in collaboration with the structures of the SSE, in order to prepare a use of the premises that makes them more alive and multiply the possible use of buildings and infrastructures. For example, administrative headquarters can be designed to be open to the surrounding urban environment, so as not to disrupt the flow of travel of local residents, and with businesses providing services to workers and residents.

- **Construction :** systematize collaborations with social entrepreneurs, vectors of integration, and favor materials and construction methods that respect the environment.
- **Use of infrastructure:** give a place to the SSEOs as tenant operators of the premises. For example, real estate projects for offices or business areas should allocate a share of the surface to actors in the social economy. Similarly, shopping and service areas should also favor actors in the social economy.

### E. CIRCULAR ECONOMY & WASTE



#### a. Issues :

The circular economy is a set of strategies and business models that are fundamental when considering new modes of production and consumption, more sober and more respectful of the environment, and the jobs that result from them. However, this environmental issue of waste and recycling is not a central issue of the climate issue. Too often, the two subjects (climate and waste) are mixed. The n°1 environmental topic of the circular economy is therefore not the climate, but the pressure on non-renewable raw materials (see, e.g., the indicator of depletion of fossil natural resources expressed in kg antimony equivalent [21]) and the pollution generated by waste. That said, the links with the climate obviously exist: emissions related to the energy required to extract the raw material and manufacture-use-dispose of products, GHG emissions (notably methane) of certain waste, and more indirectly: pollution generated by waste that impacts soil, water, biodiversity and human health and therefore ultimately the ability of ecosystems and humans to adapt to climate change.

The SSE, which has long been positioned on these themes, already offer new models generating jobs and integration. The potential

of these solutions is very important. The circular economy imposes a more complex ecosystem vision than our current system of production and consumption, which is by nature extractivist, linear and resource-destroying. The circular economy requires that different actors in a sector, a certain territory, an area of activity agree to create flows to one another and allow some to benefit from the waste of others. This helps to create production lines in short circuits. This is industrial and territorial ecology, one of the pillars of the circular economy. Beware, however, of the illusion that the circular economy could operate in a "perfectly cyclical" way, which is not and will never be the case. Not everything can be recycled/reused at a constant level of consumption compared to today: it must be combined with sobriety.

For the majority of equipment and consumer goods, it is the production phase of the raw materials needed for manufacturing that has the most environmental impacts, ahead of assembly, transport, distribution, or use. The issues are of importance, especially for the fashion industry, which is one of the most polluting industries. According to the WWF, it produces 1.5 billion tCO2 per year, equivalent to the CO2 emissions of all international flights and maritime transport combined. The challenge is to reduce the pressure of human activities on the resources produced by the planet through

the extraction of raw materials for materials and energy necessary for the production phase. The challenge is also to reduce the pollution of our industries, both in GHG emissions and toxic discharges (in the atmosphere, water, soil, etc.). The «5 Rs» rule makes it possible to reduce the production of waste: refuse, reduce, reuse, repurpose, recycle. While eco-design is to be systematically favored for new products, it does not treat the stock of products [22]. To extend the life of objects, several solutions are possible: repair, resell or make them available, recover materials if the object is too damaged, or direct materials to recycling channels.

The actors of the social economy are key actors of the circular economy since this requires a significant work of recovery of «waste» object by object and therefore a lot of human work, specific to professional integration. They often offer, in parallel with sorting and sales, participatory workshops to raise awareness of the culture of reuse and repair. These places of collection, reuse, and resale at solidarity prices animated by the SSEOs constitute a response to the dilemma «end of the month, end of the world» [23] which requires a decision between social and environmental issues. They also have the ability to bring together stakeholders in support of local governments that have this territorial and collective vision. In summary, the positive externalities for the region are numerous: provision of goods at a solidarity price, creation of jobs in integration, animation of local life, awareness, etc.

#### b. Activities:

**The ressourceries** are a first proposal of the actors of the SSE, they can integrate an insertion workshop to sort between the objects

according to whether they can be reused or revalorized, and then sold at solidarity prices. They also very often raise awareness about behaviors and consumption to reduce waste production through **repair and upcycling workshops**, collective think tanks, etc. These activities make it possible to diversify the value proposition of the structures and to centralize the demand in one place. Recyclers differ from resourceries in that they can select the flows they must support, while resource plants must carry out a skimming collection and therefore accept almost all flows (except hazardous waste and certain objects such as mattresses for hygiene and public health issues). Thus, some recyclers may specialize in electrical and electronic equipment waste (WEEE). In France, the Emmaus and Envie networks have many recycling (e.g., Envie Autonomie, an integration workshop reconditioning equipment for the autonomy of seniors) and resourcing facilities.

Some **platforms also offer objects and equipment for rent rather than for purchase** or even for borrowing, and this sometimes also covers the provision of services (computer troubleshooting, school support, animal care, etc.). These structures animate local networks, between neighbors. One example is AlloVoisins in France on the rental of objects and the sharing of know-how, or the <u>Library of Things</u> in the United Kingdom, which focuses solely on the rental of objects.

Other actors act rather on the **recycling of non-reusable waste of everyday life.** They therefore have both a role in raising users'
awareness of sorting and recycling, and a role in managing waste
sorting and recovery sectors. The intensity of human resources to
ensure these tasks of collection, sorting and revaluation explains
the important positioning of SSE actors on these professions.

### **Examples of initiatives:**

- > In India, the NGO <u>CONSERVE INDIA</u> was at its creation in 1997 an advocacy actor for sustainable development and energy efficiency. It has gradually created waste recovery and income-generating solutions for waste pickers (e.g., Handmade Recycled Plastic, leather made from single-use plastic bags).
- > In France, **LEMONTRI** is positioned in train stations and airports, workspaces, catering, schools, events, and encourages users to sort thanks to educational collectors, collects thanks to employees in integration and finally recycles the waste in short circuits.
- > In Tunis, <u>TUNISIA RECYCLAGE</u> raises awareness, collects at home, and resells materials for recycling. This association was created following an awareness campaign on the cleanliness of the city to meet the desire of the inhabitants to sort their waste.
- > In Belo Horizonte, Brazil, the <u>MUNICIPAL GARBAGE AND CITIZENSHIP FORUM</u> brings together 6 associations and cooperatives of collectors and workers and benefits from the support of the municipality (provision of collection equipment and storage and sorting facilities).
- > Some SSE players recover used cooking oils from restaurateurs to transform them into biofuel (e.g., <u>OLEOVIA</u> or <u>GECCO</u> in France).

More particularly on the digital world, the challenges of recycling are high given the number of precious materials that go into the composition of machines and material and energy in manufacturing processes. Here again, the ESS is very present on the reconditioning of computers, etc., but also on small and large household appliances.

## Local and national governments have different ways to support and develop the circular economy, and the integration of SSEOs, to achieve the local reduction, reuse & recycling targets.

- The creation of Extended Producer Responsibility (EPR) chains is defined by the OECD [24] as an «environmental policy approach in which a producer's responsibility for a product extends to the post-consumer stage of its life cycle». It is characterized by (1) the transfer of responsibilities (physical and / or economic; total or partial) upwards from municipalities to producers; (2) Encouraging producers to take environmental considerations into account when designing their products. While other policy instruments tend to target a single point in the chain, EPR seeks to integrate signals related to the environmental characteristics of products and production processes throughout the production chain. This makes it possible to integrate part of the cost of repairing their environmental impacts into the selling price of products. The EPR is generally applied by an intermediate structure called eco-organization, private non-profit, and mutualizes the obligation of producers. These EPRs can relate to packaging and paper, but more recently to waste electrical and electronic equipment, batteries and accumulators, textiles, furniture, etc. These EPR sectors are a major opportunity for SSE actors: they can diversify their sources of income by contracting with eco-organizations for the collection, sorting or processing of objects in these sectors.
- The creation of new markets to ensure the deposits of the actors of recycling & reuse. Governments can set up the systematic recovery of the old equipment when purchasing new equipment, which would constitute a significant exploitable deposit for the structures of the SSE positioned on the recycling, and thus improve their collection rates. Public procurement can also be an important lever for the sector's actors. Public procurement can promote circular economy approaches by referring to the life cycle of the product and by strengthening goods from reuse and recycling in the public procurement of supplies.
- Tools to fight against the obstacles to reuse. Reuse and recycling structures need to be located in dynamic and densely populated areas to benefit from sufficient flows of products and at a lower cost of collection, but also from outlets to sell stocks. In less dense areas, incentive pricing allows households to contribute to the public waste management service by encouraging them to deposit

### **Examples of initiatives :**

- > In the UK, <u>CIRCULAR COMPUTING</u> refurbishes computers by disassembling, repairing, and improving them to give original machines a new life cycle.
- > As for phones, the Dutch <u>CLOSING THE LOOP</u> collects used phones in low-income countries in Africa at the end of their useful life (phones that have often lived a first life in high-income countries), to reuse and recycle materials.

objects that could be reused or recycled rather than throwing it away. This pricing must be accompanied by pedagogy to be implemented more easily, and here again the actors of the SSE have the key know-how. In denser areas, access to land can be an obstacle on the creation of these structures and their economic model remains rather fragile since objects are sold at solidarity prices and the costs in human labor of collection, sorting and recycling are quite high. The public authorities therefore have a role to play in taking charge of these activities, through social integration policies or environmental policies.



3. CHALLENGES AND LEVERS FOR ACTION FOR THE SSE

SSEOs, frontline actors during the Covid-19 pandemic, have once again shown that they can be mobilized effectively in situations of crisis (climate, health, etc.). More structurally, in many territories, SSEOs are hopeful because they carry local initiatives that complement the actions of the State, and thus constitute a safety net for many communities. Thus, and as mentioned in the first part, the actors of the SSE carry within them the key factors of success of the implementation of the ecological and energy transition (EET), which is a coherent and promising framework. However, they have several challenges and issues to meet to fully participate in the ecological and energy transition. Local and national governments have an interest in supporting the development of SSEOs as local solutions to the transition and bearers of modes of operation and governance compatible with new economic models that are more respectful of the environment and people.

There are different levers of action and challenges to be met for the social economy to strengthen its contribution to the EET, in coherence with its strengths and skills:

- Multiply the action of advocacy and awareness-raising actors to mobilize and change practices.
- Upgrade the knowledge and skills of actors who are not yet sensitized, on the topics of climate and the environment.
- Propose new models of consumption and production, and therefore the activities and jobs that will participate in building a new paradigm of more social development.
- Participate in relocating production tools and developing offers in accordance with local resources to capitalize on the local and territorial anchoring of the social economy, a lever for the EET and the refocusing on the real economy.
- Initiate changes and legislate on the occasion of the green and **social recovery** and seize the opportunity of the pandemic to change practices and develop new economic models.

### A. MULTIPLY THE ACTION OF ADVOCACY AND AWARENESS-RAISING ACTORS TO PARTICIPATE IN THE EET

One of the difficulties of our societies to integrate the magnitude of climate change and the climate emergency is the trend towards overconsumption. It is difficult to abandon the practices rooted in our consumption habits in favor of more virtuous practices, which require an effort because they represent a cost, financial or of time. The challenge of mobilizing all actors, public and private, and citizens is therefore fundamental. Awareness often facilitates behavioral changes. SSEOs have different key competence that local and national governments must take advantage of and encourage:

• Proximity to communities: As already mentioned in the first part, the SSE has historically had a very strong local presence with people and communities, these structures are more anchored with communities than large companies and public authorities. In addition, we find very frequently in their activities a part dedicated to the organization of events, gatherings, workshops, dedicated to awareness, information, learning, etc. For example, in India, the CEED-India association (Centre For Environment, Energy and Development-Indiatrust) carries out numerous awareness-raising programs and projects and helps rural populations to develop income-generating and environmentally friendly activities. It is therefore a lever to change behaviors in a playful and incentive way, rather than through the use of constraints and guilt. Local and national governments can rely on SSEOs to continue and strengthen this advocacy role and support them with assignments and contracts. For example, La Fresque du climat is one of the very promising initiatives to raise awareness and train all types of audiences, from children to business leaders, and with variations on other environmental topics related to the climate (The Fresco of Waste, The Fresco of the Digital, etc.). Since its creation, more than 160,000 participants have been sensitized in 40 countries.

- Citizen engagement: On the other hand, one of the major axes of SSE is to integrate and mobilize citizens in decision-making and project construction. Citizen engagement is an important lever in the transition, as it is an alternative to decentralized binding measures whose difficult acceptability can compromise their effectiveness.
- Education and training: Beyond raising awareness among actors and citizens, SSE actors have a culture of sharing expertise that must be deployed more widely to be a lever for change in the face of the climate emergency. Indeed, some studies show that the lack of knowledge of citizens, leaders, and politicians is quite significant. According to an lpsos study conducted in 30 countries, the most effective measures to combat climate change at the individual level (e.g., having one less child or not owning a car) are considered the least effective by respondents. This is called the "peril of perception" [25]. Actors such as the campuses of the transition professions: Schumacher College (United Kingdom), Sustainable Institute (South Africa), Campus de la transition (France), must multiply and participate in collective education around these subjects. There is also the issue of education (including from an early age) in initial and continuing formation, on which the SSE could also play

an advocacy role in connection with students, young graduates, etc.

On the other hand, social economy actors could be better integrated and gain visibility on occasions when they participate in the orga**nization of citizen consultations on climate.** They multiplied in 2019 and 2020 on climate issues. These consultations have taken different forms of conventions or conferences, which cover very different realities in terms of their mandate or the form of their governance. At the end of 2020, the OECD listed 25 citizens' consultations in 2019 and about thirty in progress or announced in October 2019 [26]. While these consultations are more or less measures faithful to the conclusions of the debates, these conventions demonstrate the ability of citizens to mobilize and their interest in positioning themselves on these subjects when they are formally and seriously invited to do so. Of course, in the long term, the multiplication of these consultations will only be possible if the conclusions and recommendations issued by the citizens are heard by the public authorities. Civil society consultation could be deployed more widely with the help of SSEOs and participate in building climate action frameworks in international COP discussions.

### Finally, SSE actors need to generate a coalition spirit to scale up this advocacy capacity and defend their vision of the economy:

- To demand an economy without inequalities and decarbonized, and to do this, to defend indicators that are favorable to them and that measure the usefulness of a company not by the GDP it generates but by the social and environmental impact it produces.
- Defend the vision of the company as a common good, belonging to three spheres: employees, communities, and shareholders, and therefore in the pursuit of objectives more varied than the simple maximization of profit.
- Appear in advocacy as a lever for the ecological transition: the SSE is a contributor to the public debate via NGOs, foundations, but there was an issue to position itself as a key lever.

### **B. UPGRADING THE KNOWLEDGE AND SKILLS OF ACTORS** WHO ARE NOT YET SENSITIZED

Some actors of the social economy are already completely anchored in the ecological transition, and they have been the subject of all the sectoral focuses of the second part of this guide. But this is not the case for all actors. Indeed, there is also a challenge to train and upgrade the knowledge and skills of social economy actors on these very technical subjects. And the more they are trained, the more they will be able to raise awareness among public, private, and civil society actors. Many entrepreneurs are aware of the impact of climate change on their lives and businesses, such as weather incidents for farmers. However, they may lack the technical skills and funding to make changes and adapt. Local training adapted to their context can meet their needs and can be operated by a social economy actor. Exchanges of good practices can make it possible to share on the factors and impacts of climate change. The social economy can ensure its training and exchange actions. Local governments can participate in the financing of social economy actors in training and supporting entrepreneurs in the field [27].



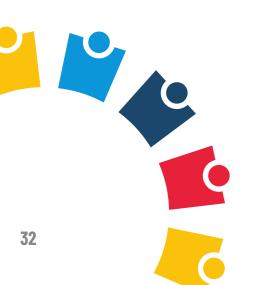
This approach to upgrading skills can be accompanied by a questioning of SSEOs about their own purpose and mode of operation. Indeed, the first step is to verify that the economic model and the value proposition of an actor are indeed respectful of the environment and people, with the objective of being on the trajectory at 1.5 ° C. Public structures and actors must ask themselves the question: does my economic activity, my service proposal contribute to the EET? To do this, they can carry out the <u>Doughnut Theory</u> exercise designed by the British economist Kate Raworth, where the response to basic human needs and environmental preservation is visualized in the form of a doughnut.

#### **DOUGHNUT THEORY**

• This theory invites all types of actors, social entrepreneurs, local, national, and international associations, and NGOs but also actors in international cooperation and development, to ask themselves the following questions: what social parameters does my activity respond to? How do I contribute to social parameters? They thus determine the social floor, the social border, which their activity makes it possible not to exceed, it is the interior of the doughnut. The idea is to «leave no one at the center of the doughnut" because it is the vulnerable audiences that SSEOs are addressing. Each actor responds to one or more societal objectives and can thus take stock of its current social contribution, and its potential contribution to the social objectives to which it does not currently respond. Then they have to ask himself: what is my environmental contribution? It then determines the environmental ceiling that their activity allows to respect on the basis of the 9 planetary limits mentioned in the first part. This concept helps to formalize the necessary transformation. It also makes it possible to reconcile social and environmental issues and not to oppose them, by finding solutions that respond to the various challenges in a harmonious way.

• Beyond the structures of SSE, the approach is particularly relevant for local and municipal governments. It is set up by Amsterdam, Brussels, Copenhagen in Europe, Dunedin (New Zealand), Nanaimo (Canada), Portland and Austin (United States). The city level is where citizens and economic actors feel most concerned and where they see the impact of the transformations in which they participate. It is also the ideal level to bring together the actors, which is necessary for the partnership dynamic, key to the theory of the doughnut. For example, the city of Amsterdam implemented in 2020 its development plan based on the doughnut theory, which translates concretely into measures such as the true-price initiative to offset the carbon footprint, increase the pay of impoverished workers, pay producers more fairly, or the initiative to recover and rehabilitate computers for families in need during pandemic-related lockdowns of Covid [28].

<u>C40 Cities</u> brings together many cities around the world that are taking part in the fight against climate change. 16 networks are animated around the themes and challenges faced by cities: adaptation to change, air quality, buildings & energy, transport & urban planning, etc. These networks allow local government leaders to meet experts on these topics to find solutions in their cities, and to co-build solutions with other cities.



### C. PROPOSE NEW CONSUMPTION AND PRODUCTION MODELS

As part of the reflections around the response to climate change, infinite economic growth, the pillar of the capitalist system, and GDP as a performance indicator are increasingly questioned as being at the origin of the unreasoned exploitation of the planet's resources and the reaching of planetary limits. Within high-income countries, the notion of degrowth is finding an increasingly important echo. It must be considered as a priority in saturated and already developed economies since, as indicated in the introduction, growth is often necessary for development, for middle- and low-income countries, and reduction efforts must be the most substantial in high-income countries since they are responsible for the majority of GHG emissions.

The structures of the SSE must be a force for proposing activities that generate employment in the ecological and energy transition. Social innovation must make it possible to invent new models that are both more respectful of the environment and that make it possible to combat poverty and exclusion. This paradigm shift and sobriety in business models can be reflected in different ways:

- **Refocus the production of goods and services** on what is needed to meet basic needs, focusing innovation on meeting real and basic needs.
- Deploy the circular economy and the sharing economy to limit the
  pressure on natural resources and energy consumed, in a multitude of
  sectors: production of consumer goods, transport but also infrastructure,
  urban planning and use of places and spaces, etc.
- Systematize eco-design in the design of new consumer goods, and fight against planned obsolescence.
- Create more resilient financing models by using locally the financial resources available within local actors, so as to manage risks within communities.

Environmental accounting contributes to the emergence of new production and distribution models that are more respectful of the environment. It consists in internalizing the environmental impact of a structure in the calculation of its performance. By indexing a company's performance to its ability to generate a positive impact or limit its negative impact on the environment, we recreate a more environmentally friendly «economic» performance accounting system. To change public policies, SSE can test models and solutions, bring the field vision, play the role of laboratory, head researcher that may be missing from political decision-makers. For example, in France, the Fermes d'Avenir network is a driving force in experimenting and advocating around triple capital accounting.

### D. PARTICIPATE IN THE RELOCATION OF PRODUCTION TOOLS

The territorial anchoring of SSEOs is a fundamental lever for action to be activated within the framework of the ecological and energy transition:

• SSEOs are inherently located in territories and within communities,

they are actors in local development that regenerates and redevelops local territories through the creation of local jobs often non-relocatable, the mobilization of local resources (financing, know-how, etc.), risk management within the community, and the retention and reinvestment of profits locally.

• SSEOs have the **capacity to simultaneously pursue several objectives, which can therefore be compatible with local interests:** strengthening local markets and economies, creating trust and social ties, playing a role in participatory local governance. [29]

All these aspects converge with the needs of the ecological transition and the refocusing on the real economy.

One of the causes of global warming is globalization and the concentration of production tools in certain places on the planet (where wages are lowest, so as to lower production costs). Low transport costs make it possible to supply all regions of the world with these standardized products. Industry is an important foundation for a resilient economy. Even in tertiary economies, many service activities are aimed at industrialists, and are therefore threatened by deindustrialization that would eliminate their outlets. The Covid-19 pandemic, which has resulted in tensions on raw materials, border closures, limitation of production due to lockdowns, has shown that international or even national production chains can be easily weakened and are not sufficiently resilient (risk management, transparency in the supply chain, collaboration and cooperation, diversification).

- There is therefore an important challenge in **reconstituting an industrial base, while allowing SSE actors to take part in this project.** Traditional companies and the social economy can work together in this perspective: combining the debt capacities & know-how and processing techniques of traditional companies with raw materials, local resources, and the support of SSE communities. To push the positive environmental impact of this reindustrialization to its maximum, it is ideal that the products from these new industries are eco-designed since relocation is not automatically accompanied by eco-design.
- This notion of collaboration between traditional companies and the social economy can be pushed further. In a logic of decarbonizing the economy, it is certain that the largest emitters of CO2 who must massively reduce their emissions are mainly private actors. Indeed, SSEOs are mainly small service structures, and therefore overall, their emissions are relatively low. However, they have a role to play in the global decarbonization of the economy by operationalizing the carbon neutrality strategies and commitments of companies and manufacturers as local solutions. Field solutions to honor their commitments are often difficult to find for large contractors, while SSE actors know the area and have solutions to offer locally.

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Traditional social economy-enterprise linkages could be much more systematic to ensure the development of local, inclusive, and sustainable economies.

- The actors of the social economy could appropriate the languages and modes of communication of companies, make themselves known, and develop their outlets through collaboration with "classic" companies. This collaboration must be conducted on an equal footing to maximize the benefits for all parties involved.
- "Traditional" companies could turn more systematically to SSE actors, and this on different needs: advocacy and internal awareness, taking into account and knowing the needs of the stakeholders of a project, operationalizing the deployment of low-carbon strategies locally to make them inclusive, etc. Cooperation with social economy actors is a real operational and strategic lever to seize their social responsibility and implement their low-carbon transition.
- Local and national governments have an important role to play as facilitators: facilitating partnerships and exchanges via dedicated platforms or meetings by region, supporting this cooperation by laying down legal frameworks such as social joint ventures.

There are many examples of cooperation, especially under the social joint venture model.

### **Examples of initiatives :**

- > For example, Danone and Grameen Bank have joined forces in Bangladesh to set up yogurt production plants. The goal is to invest as little capital as possible while paying a high price for labor and raw materials and without resorting to subsidies. Thus, grameen **DANONE FOODS SARL** (GDFL) designs production plants with the fewest complex machines in order to maximize the need for labor to create jobs, milk comes from local microfarms, and yogurt meets the nutritional needs of the poorest families in rural areas, while being marketed in cities in a profitability issue [30].
- > In Brazil, the company Natura and the NGO Imaflora and local communities have joined forces for the production of the Ekos line of beauty products that seeks to highlight Brazil's biodiversity by using products that only native peoples previously used. Communities with the know-how are involved in the project and benefit from the benefits of the product line, and the extraction of raw materials meets criteria of economic, social, and ecological sustainability [31].

### E. INITIATE CHANGES AND LEGISLATE ON THE OCCASION OF THE GREEN AND SOCIAL RECOVERY

In the context of the COVID pandemic, it is necessary to direct public funding for the recovery so that it is social and green. The idea is to anchor «in stone», in «ratchet effect» (no more possible backtracking), structural choices towards a low-carbon and resilient horizon. This crisis is the opportunity for us to «recover better» from this crisis. Many stimulus packages are focused on green recovery, such as the European Commission's Green New Deal. However, it is difficult to know how much of this funding is intended for social economy actors which would make it possible to respond to both social and environmental issues. The ecological and energy transition will require us to do more with resources (natural, economic) in contraction. This will therefore require a great deal of optimization work and therefore of choices to be prioritized as a matter of urgency. Many policies are accompanied by large financing plans, but it is difficult for funds to reach social entrepreneurs.

The State and legislative bodies have a fundamental role to play in changing the practices of businesses and consumers. They must legislate to put in place the measures necessary to achieve the objectives of the Paris Agreement, and integrate the actors of the SSE. The effectiveness of the role of the state is sometimes questioned on different aspects. Highly developed legislation can result in laws that are difficult to understand because they are too numerous and complex, or in the lack of follow-up to ensure compliance, which makes them ineffective. But even if many pitfalls persist, laws and regulations remain essential levers to change things quickly.

- The challenge is to legislate in consultation with the relevant stakeholders, to carry out reforms that are fair and equitable while being effective in responding to the climate emergency. Legislators can, for example, accompany incentives & constraints, penalties & prohibitions to initiate and encourage behavior change. Prohibitions remain the most effective tool in this area, incentives must be used as a complement to regulatory measures. For example, in parallel with a surcharge on polluting products, the eco-tax refund [32] would be a way to exempt environmentally friendly products from taxation and therefore to «reward» virtuous practices.
- In this perspective of legislating to change practices and support virtuous practices, **governments can legislate by integrating the social dimension and the actors of SSE, so as not to oppose social and environmental objectives.** For example, it would be appropriate to change the specifications of public procurement in favor of the actors of the social economy. Conditioning markets with requirements

for sustainable and environmentally compatible practices and including criteria favorable to SSEOs would allow them to strengthen their contribution to the ecological transition while remaining faithful to their social heart. This would allow them to integrate competitions more favorably against traditional companies. It is important for governments to recognize the potential of SSE structures and to become aware that current legal and economic frameworks are often unfavorable to them compared to traditional companies.

• Public actors are increasingly encouraged to take into account the social challenges of the ecological and energy transition. The ecological crisis and the social crisis are two converging movements. Ecological or economic measures put in place without taking into account varying social and regional realities often result in increased inequalities and can therefore be the cause of social conflicts. The examples are numerous: the Red Hats in France in 2013 (ecotax on heavy goods vehicles, among others), the Yellow Vests movement in France in 2019 (ecotax on fuels, among others), the popular insurrection in Chile in 2019 (several austerity measures including the increase in the price of the metro ticket). Beyond the acceptability of ecological measures, the issue also relates to the need to integrate humans into new models that respect the environment.

**Finally, public procurement can play a structuring role:** with an equivalent service, a public authority could promote an SSEO. Local and national governments can, for example, value in public procurement specifications the territorial anchoring of a supplier, shared governance, the redistribution of profits in favor of the structure or objective of social impact, as well as criteria such as the share of products from organic farming for catering contracts, or insertion. All these subjects still appear too little in the specifications, but they could become more systematic criteria.

The needs of social economy structures are widely addressed in the Alliance's Financing guide. In particular, impact investing, which must pursue social or environmental impact objectives, in parallel with financial objectives, is widely studied in this guide. The challenge is to guide investment capacities towards the actors of the ecological transition. In this regard, in South Africa, the non-profit organization supporting the green economy GreenCape has created a fund to support SMEs and micro-enterprises the le Green Outcomes Fund This fund aims to encourage greater capital allocation to green companies by local fund managers, and also to encourage higher and better reporting of environmental impacts.

The question of cost and financing is decisive since the ecological and energy transition is rarely profitable in the short term, and costs overwhelmingly more than it brings in, from a strictly financial and short-term point of view. It all depends on the matrix with which we reason and the time scale. If we take into account the environmental and climate costs, the action is obviously much more profitable in the long term. The notion of avoided costs is an essential element and balances the balance in favor of economic models benefiting from public or private subsidies: subsidies allow savings in the medium and long term by avoiding ecological and social costs. While social costs are more widely accepted (unemployment insurance, social minimums, health insurance, etc.), environmental costs are increasingly officially recognized. For example, the insurance industry warns of the costs of climate change and environmental disasters. The more the risks of natural disasters related to climate change increase (forest fires, floods, storms, or hail), the more insurers will have to adjust their prices upwards according to these risks, it is even likely that they will refuse to insure in the worst case. In the long run, this could become a social problem [33].

## ANNEXES

#### LIST OF PEOPLE MET

- Anita AHUJA, Co-founder & President of Conserve India
- Monique AYI Epse NKAMGNA, Mayor of Dzeng & President a.i. of the REMCESS
- Sue RIDDLESTONE, CEO, and co-founder of Bioregional & founding member of Catalyst 2030
- Armelle WEISMAN, Operational Director of the Versailles Campus, President of the Réseau Entreprendre Paris & Member of the Campus de la Transition
- Xavier de BENAZE, Secretary General of the Campus de la Transition and Jesuit
- Carlos DE FREITAS, Executive Advisor, Global Fund for Cities Development (FMDV)
- Vincent JECHOUX, Head of Pole & Andrea SEGURA, «Sustainable Development» Project Manager, Climate and Development Division, Permanent Mission of France to the UNITED Nations
- Marianne NGOM, AGreenLab Project Manager at Makesense Africa
- Bertil de FOS, Director at AUXII IA
- Valentin HERVOUET, Program Management Specialist, Planète Urgence
- Louis PREVOST, Director of Oribi Village
- Wafaa NAIM EL IDRISSI, Director & Thomas PERARD, Head of Development, Bidaya
- Rachid ABIDI, Director of Lab'ESS
- Pauline PIGOTT, Senior Consultant Deloitte Sustainable Development

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