The Role of SSE Trajectories in the Implementation of the UN 2030 Agenda during an Era of Fiscal Constraints

Legal and Policy Lessons from Greece

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Implementing the Sustainable Development Goals: What Role for Social and Solidarity Economy
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Abstract

Greece, the EU Member State most impacted by the 2008/2009 financial crisis, introduced for the very first time in 2011 a modest *Social Economy and Social Entrepreneurship* fabric, which was replaced in 2016 by a broader *Social and Solidarity Economy* (SSE) framework. Moreover, it incorporated the UN 2030 Agenda in 2017 through a set of eight National Priorities, which are aligned with all Sustainable Development Goals (SDGs).

But the marginal number of SSE organizations, their limited activity and the lack of a *cooperative culture* between the state, the market and SSE, bring into question the SSE potential to strengthen the implementation of the UN 2030 Agenda. Although the current framework of SSE does not create serious barriers for their involvement in the SDGs discourse, the financial status of the country and a rather troubled social situation do not support the development of visible SSE activities. In this respect, this Paper a) describes the implementation progress of the UN 2030 Agenda and its SDGs by Greece; b) discusses the current SSE institutional and policy framework and c) highlights the factors that shape the involvement of SSE institutions as facilitators of social targets associated with the SDGs, particularly in regional and local settings.

Keywords

SSE Organizations, Financial crisis, Economic Adjustment Programmes, SSE Internal and External frameworks, Local Resilience Strategies

Bio

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Introduction

The implementation of the UN 2030 Agenda and its 17 Sustainable Development Goals (SDGs) by Greece does not constitute a key policy priority during the critical period after the successful conclusion of the Third Financial Stabilisation Mechanism of the Greek Economy (ESM Stability Support Programme) on 21 August 2018\(^1\), which ended a controversial process (Pagoulatos 2018) of external financial trajectories by lending international partners (European Commission, European Central Bank, International Monetary Fund), known as Economic Adjustment Programmes\(^2\) (Amitsis 2017). Although the Government incorporated the UN 2030 Agenda into the national framework in 2017 through a set of National Priorities (eight National Priorities have been adopted, which are aligned with all 17 SDGs) and published the first Voluntary National Review on the Implementation of the 2030 Agenda for Sustainable Development (July 2018), the UN 2030 Agenda has not received much attention within a complex political agenda, dominated so far by the controversial relations with neighboring countries, the social impact of the financial crisis (Greece recorded a government debt equivalent to 181.1% of the country’s Gross Domestic Product in 2018) and the refugee crisis.

In this context, the design of the relevant national SDGs framework emphasizes the role of traditional public policies and takes slightly into account the anticipated impact of the Social and Solidarity Economy (SSE) sector (Said and Yi 2017), although SSE institutions can facilitate the implementation of goals and targets associated with the core social aspects of SDGs (Utting 2018, 22) particularly in regional and local settings. But this situation may soon change by the new Government in power after the elections of July 2019 through a coordinated interplay process between the central administration, local authorities and SSE organizations, particularly those established after November 2016, whereas the current SSE legal framework was introduced.

This new pluralistic agenda may provide during a troubled financial situation alternative solutions to key social risks and needs - that bring into question the Sustainable Development narrative -, which traditional public policies and (national and international) market forces were not able to address in the Greek challenging context. Greece is the EU Member State (1) recording the lowest youth unemployment ratio\(^3\) (64.1% in 2018); (2) the highest unemployment rate (18.6% in 2018); (3) the highest long-term unemployment rate as a percentage of the total unemployment (64.1% in 2017); (4) the highest youth unemployment rate (36.8% in 2018) and (5) the second highest youth unemployment ratio\(^4\) after Spain (10.9% in 2017).

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\(^1\) The Eurogroup on 22 June 2018 welcomed the implementation of all the agreed prior actions for the fourth review of the ESM Programme, based on the Compliance Report submitted by the European institutions. This paves the way for the disbursement of the fifth and final tranche under the ESM programme, which will allow Greece to build up a sizeable cash buffer covering financing needs until mid-2020. In addition, the Eurogroup congratulated Greece on the successful completion of the ESM programme and agreed on a substantial package of measures to ensure the sustainability of Greek debt. Completion and continuation of key reforms under the ESM programme will be monitored under enhanced surveillance following the end of the programme.

\(^2\) The First Economic Adjustment Programme was launched in May 2010 and committed a loan package of € 110 billion, of which € 73 billion was disbursed. The Second Economic Adjustment Programme was agreed in March 2012 with a loan package of € 130 billion in addition to the amounts not disbursed from the First Programme. The Third Economic Adjustment Programme was agreed in August 2015 with a loan package of € 86 billion over three years (2015-2018).

\(^3\) The employment rate declined in almost all economic sectors, although recession particularly affected cyclical sectors, such as construction, manufacturing and trade.

\(^4\) High youth unemployment rates do reflect the difficulties faced by young people in finding jobs. However, this does not necessarily mean that the group of unemployed persons aged between 15 and 24 is large, as many young people are studying full-time and are therefore neither working nor looking for a job (so they are not part of the labour force which is used as the denominator for calculating the unemployment rate). For this reason, youth unemployment ratios are also calculated, according to a somewhat different concept: the unemployment ratio calculates the share of unemployed for the whole population.
On the other hand, 34.8% of the population (about 3,700,000 persons) were at risk of poverty and social exclusion in 2017 (23% of people aged 65+ and 36.7% of people aged 0-17), while 20.2% were living below the EU statistical poverty line (income set at 60% of the national median equivalized disposable income\(^5\)). 21.1% of the population were at a situation of severe material deprivation\(^6\) and 15.6% of the active population (people aged 0-59) were living in low work intensity\(^7\) households.

Apart from traditional social risks, other new risks were emerged during the 2010’s, as over-indebtedness and housing deprivation. The percentage of non-performing housing loans increased to 32.1% in 2016, from 31.6% in 2015, 28.6% in 2014, and 10% in 2010: this is the highest rate among Eurozone countries (Eurofound 2016). In 2015, Greece was the EU Member State recording by far the highest proportion (40.9%) of the population living in households where housing costs (they include rental or mortgage interest payments but also the cost of utilities such as water, electricity, gas or heating) exceeded 40% of their disposable income (Eurostat 2017). In addition, the share of the population living in overcrowded dwellings in Greece rose by more than 0.5 percentage points between 2014 and 2015, while the proportion of people experiencing severe housing deprivation rose by more than 0.7 percentage points.

1. The Greek approach to Sustainable Development

1.1. The historical context

Greece, a member state of the United Nations and the European Union, has been pursuing sustainable development and equitable growth in accordance with international and European policies and strategies for decades. At the international level, Greece had been a devoted member of the UN Commission on Sustainable Development (UNCSD) for 20 years, from 1992 to 2012.

Greece was an active participant at the UN Rio Summit (1992), at the UN Johannesburg Summit on Sustainable Development (Rio+10, 2002) and at the UN Rio+20 Summit (2012). Subsequent to the Rio+20 Summit, the UN High-Level Political Forum on Sustainable Development (HLPF) and the UNGA Open-Working Group (OWG) were established. Their purpose was to propose a set of global sustainable development goals. Greece participated constructively in the post-2012 negotiation process leading in September 2015 to the adoption of the 2030 Agenda and the SDGs.

Greece’s core priorities included the balanced integration of the economic, social and environmental dimensions of sustainable development, the rule of law, good governance and respect for human rights, and the democratic and transparent decision-making processes. Particular emphasis was placed on specific themes, including employment, and in particular youth employment, education, health, water and marine resources, migration, culture and sustainable tourism.

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\(^5\) Monetary poverty is measured by the indicator ‘people at risk of poverty after social transfers’, which measures the share of people with an equivalized disposable income below the risk-of-poverty threshold. This is set at 60% of the national median equivalized disposable income after monetary social transfers. Social transfers are benefits provided by national or local governments, including benefits relating to education, housing, pensions or unemployment.

\(^6\) Material deprivation covers issues relating to economic strain, durables and housing and dwelling environment. Severely materially deprived people are living in conditions greatly constrained by a lack of resources and cannot afford at least four of the following: to pay their rent or utility bills or hire purchase instalments or other loan payments; to keep their home warm; to pay unexpected expenses; to eat meat, fish or other protein-rich nutrition every second day; a week-long holiday away from home; to own a car, a washing machine, a colour TV or a telephone.

\(^7\) Very low work intensity describes the number of people aged 0 to 59 living in households where the adults worked not more than 20 percent of their potential during the past year.
The first National Strategy for Sustainable Development (NSSD) of Greece was elaborated in 2002, just before the Johannesburg Summit on Sustainable Development, with a strong environmental focus, while the second NSSD was prepared in 2007 by an inter-ministerial committee, aligned with the Renewed 2006 EU Strategy for Sustainable Development, also including four additional national priorities (culture, tourism, agriculture and spatial planning). In 2009, the country’s priorities shifted to “Green Growth”, as a response to the onset of the financial crisis and the need for more emphasis on climate change mitigation and adaptation.

1.2. The implementation of the UN 2030 Agenda

The incorporation of the 2030 Agenda into the Greek national framework took place in 2017 through a set of National Priorities, which were decided on by the political leadership of the country, according to the results of a wide social dialogue process. Eight National Priorities have been adopted, which are aligned with all 17 SDGs:

Outcome-oriented priorities

1. Fostering a competitive, innovative and sustainable economic growth (linked to SDGs 9, 8)
2. Promoting full employment and decent work for all (linked to SDG 8)
3. Addressing poverty and social exclusion, and providing universal access to quality health care services (linked to SDGs 1, 2, 3)
4. Reducing social and regional inequalities and ensuring equal opportunities for all (linked to SDGs 5, 10)
5. Providing high-quality and inclusive education (linked to SDG 4)
6. Strengthening the protection and sustainable management of natural capital as a base for social prosperity and transition to a low-carbon economy (linked to SDGs 6, 7, 11, 12, 13, 14, 15)

Process-oriented priorities

7. Building effective, accountable and transparent institutions (linked to SDGs 16, 17)
8. Enhancing open, participatory, democratic processes and promoting partnerships (linked to SDGs 16, 17)

The National Priorities for the SDGs are in line with the new National Growth Strategy adopted by the Greek Government in 2018, after a long period of public consultation in each one of the 13 Regions of the country.

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8 For the adoption of the National Priorities, the following factors were taken into account: (i) the basic thematic priorities of the Ministries, which reflect, inter alia, the relevant EU and international obligations of each entity; (ii) the views of basic stakeholders and social partners; (iii) the main goals of the National Growth Strategy (initiated by the Ministry of Economy and Development); (iv) the deliberations with the Hellenic Statistical Authority concerning the availability of specific SDGs indicators; (v) the three sustainable development dimensions (social, economic, environmental) and the five thematic pillars of the 2030 Agenda (People – Planet – Prosperity – Peace – Partnership); (vi) the five headline targets of the Europe 2020 Strategy (employment, innovation & research, education, fighting poverty & social exclusion, climate change & energy), as well as other relevant European frameworks and strategies, including the Rome Declaration of the 25th March 2017 adopted by the Leaders of 27 EU Member States and of EU Institutions.

9 This Strategy aims at reinvigorating the Greek economy, promoting social well-being and justice without exclusions, ensuring environmental protection and safeguarding the country’s unique ecological wealth. It focuses on the basic domestic economic growth aspects of sustainable development, and its implementation will contribute decisively to the achievement of the SDGs.
In order to define the national starting point and measure the distance for achieving the various SDG targets, Greece undertook for the first time an in-depth stock-taking exercise to track and evaluate the current state as well as progress. In this context, a detailed mapping of all national policies and of the legal frameworks relevant to the SDGs has been carried out. Its results were summarized in the first Voluntary National Review on the Implementation of the 2030 Agenda for Sustainable Development (VNR Report), drafted in July 2018 by the Office of Coordination, Institutional, International and European Affairs (OCIIEA) of the General Secretariat of the Government.

It is worth mentioning that the implementation of the 2030 Agenda in Greece and the setting of national priorities for the SDGs coincide with the completion of the Third Adjustment Programme in August 2018. Immediate next steps will capitalize on the experience of the VNR and the results of relevant public consultation process. The Government has promised to draft a National Implementation Plan for the SDGs in 2019 (not available till June 2019), engaging all stakeholders at all stages, from the design and implementation of actions to monitoring, evaluation and review. This Plan, apart from enhancing consistency with the National Growth Strategy and mobilizing resources for implementation, will also focus on identifying key cross-cutting priorities to be pursued through new cross-sectoral and vertical integration tools and arrangements that will produce a special added value for the implementation of the SDGs in Greece. The Hellenic Parliament will play an instrumental role in this overall follow-up process through the organization of joint parliamentary committees meetings to review progress, provide guidance to fine-tune line actions and ensure the mainstreaming of the SDGs in all legislative and policy frameworks.

2. The development of SSE in Greece

While cooperativism has a long history in Greece in relation to the agricultural and farming sector, prior to 2000 the SSE sector was extremely small in formal terms, and quite insignificant in numbers until 2011 (CICOPA 2013). Greece’s challenging socioeconomic context has played a major role in the growth of the SSE sector since 2010, including factors such as high unemployment rates, the lack of job security in the private and public sector, reduced public sector spending, and the emergence of political movements linked with the entrepreneurship aspect of the SSE culture (Nasioulas 2012, 151).

The first social enterprise form was established by Article 12 of Law No. 2716/1999 on the Development and Modernization of Mental Health Services, which introduced the so called Social Cooperatives of Limited Liability (Koi.S.P.Es). These are civil cooperatives “aiming at the socio-economic integration and work insertion of persons with severe psychosocial problems and contributing to their therapy and, as much as possible, to their economic self-sufficiency” and, thus, combine the legal status of “trader” with the legal status of a “Mental Health Unit”.

But the genuine institutional foundation of the SSE sector was introduced by the Socialist Government of George Papandreou only by the Law No. 4019/2011 “Social Economy, Social Entrepreneurship and other provisions”, which defined social economy and social cooperative
enterprises in Greece for the first time (Manoudi, Balourdos and Fotini 2014). This law established inter alia the so called Social Cooperative Enterprises (Koin.S.EP) as a new legal form, giving the possibility to create three types of cooperative enterprises with a social purpose: (1) the social cooperative enterprises for integration; (2) the social services' social cooperative enterprises and (3) the social cooperative enterprises with a collective and productive purpose. Koin.S.EPs. were obliged to registered in the Ministry of Labour and Social Insurance Registry for Koin.S.EP and Koi.S.P.E.

Law No. 4019/2011 was replaced by the Law No. 4430/2016, which came into effect on the initiative of the left wing Government of Alexis Tsipras in November 2016 and introduced a new framework for diverse types of organizations or enterprises with a clear collective and social impact, while also addressing key social needs. Art. 2 par. 1 of Law No. 4430/2016 defined the concept of SSE as "the set of economic activities which are founded on an alternative organizational form of relations in production, distribution, consumption and reinvestment, based on the principles of democracy, equality, solidarity, cooperation, as well as respect to the human being and the environment", while Art. 3 par. 1 established three legal forms of SSE institutions\(^\text{11}\): (1) all social cooperatives under the legal form of Koin.S.EP and Koi.S.P.E; (2) all workers’ cooperatives, and (3) any other legal person under private law with more than one members, which accumulates a set of mandatory characterististics: a) exercise of activities of collective or social benefit, b) special care for the information and the participation of its members and application of a democratic system of decision making, according to the one member – one vote principle, irrespective of each member’s contribution, c) statutory provision of specific (set by the law) limitations on the distribution of profits, d) application of a specific (set by the law) wage convergence system, e) aim of enhancing its economic activities and maximizing the produced social benefit through horizontal and equal networking with other SSE organizations and f) no participation in its founding or management of public agencies / authorities.

Koin.S.EPs may adopt the following types depending on the nature of their activity:

a) “Integration Koin.S.EPs”, which aim at the socio-economic inclusion of disadvantaged population groups through access to employment\(^\text{12}\). Depending on the type of the target group they support, Integration Koin.S.EPs are classified as (1) Vulnerable Groups\(^\text{13}\) Integration Koin.S.EPs or (2) Special Groups\(^\text{14}\) Integration Koin.S.EPs.

b) “Collective and Social Benefit Koin.S.EPs”, which aim at collective and social benefit objectives through activities of “sustainable development” and/or provision of “social services of general interest”.

SSE organizations are no longer defined in terms of their legal form, but by their legal status. In this respect, any legal form may qualify as an SSE organization, under the condition that it satisfies the following criteria set forth by the law: (1) entrepreneurial activity in the private

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\(^{11}\) A key shortcoming of the current framework is that Law No. 4430/2016 does not provide a legal definition for the terms “social entrepreneurship”, “social enterprise” or “social economy enterprise”. This approach excludes de facto from the social entrepreneurship sector (and even SSE in general) any social enterprise which has not adopted the cooperative’s organizational form either by nature (ex. a foundation exercising social entrepreneurship or a social entrepreneur operating as a sole trader) or by choice (ex. a social enterprise which has chosen the legal form of a commercial company).

\(^{12}\) Koi.S.P.Es are also considered as Insertion Koin.S.EPs.

\(^{13}\) This corresponds to “population groups whose socio-economic inclusion is prevented due to physical or mental conditions or delinquent behaviour” (ex. people with disability or mental illness, people with addiction problems, ex-prisoners etc.).

\(^{14}\) This corresponds to “population groups who are in disadvantage regarding their work integration due to social, economic and cultural reasons” (ex. single parents, long term unemployed of certain age, persons at risk of extreme poverty etc.).
market (revenues from public bodies should not exceed 65 per cent of total turnover within a three-year period); (2) democratic governance (one member – one vote), and (3) a well-defined social purpose with profit allocated to collective and social benefit (up to 95 per cent of yearly profits).

From an operational point of view, SSE institutions in Greece could be categorized as follows (British Council 2017, 38-39):

a) Category A: SSE organizations with SSE legal form and/or status according to Laws No. 4019/2011 and 4430/2016, which are registered with the Ministry of Labour, Social Insurance and Social Solidarity (MoLSISS). This category covers those organizations that meet the criteria for SSE organizations as set out in relevant legislation and which are already registered in the MoLSISS Registry, according to the following classification: (1) Koin.S.Eps; (2) Koi.S.P.Es; (3) Not-for-profit Worker Cooperatives with at least three members; (4) Civil non-profit organizations (AMKE); and (5) Civil cooperatives.

(b) Category B: other SSE organizations with legal status not on the MoLSISS Registry, according to the following classification: (1) Entities that meet the criteria of Law No. 4430/2016 for being registered with the MoLSISS but currently aren’t; (2) Entities that do not meet the criteria of Law No. 4430/2016 but could be described as SSE organizations, given that their main objectives revolve around solving a social problem through entrepreneurship; and (3) Other legal entities, including civil and rural cooperatives according to Law No. 1667/1986, AMKEs, and clubs and associations.

(c) Category C: non-formal SSE initiatives, without a legal status. This category includes self-organized, grassroots, locally based, democratically and participatory planned initiatives (e.g., social kitchens, social groceries, time banks, exchange bazaars, solidarity education entities, hacker-spaces, free software initiatives and self-organized social spaces that involve some sort of economic activity.

Apart from enterprises under the legal form of KoiSPE, the rest of the social enterprise sector in Greece is underdeveloped with very small enterprises (many of them newly created) with humble profit and employee number. An alarming characteristic, though, is the important gap between the total number of registered social enterprises (1,090) and the number of them which are actually “active” (374).

According to available public data (Special Secretariat for Social and Solidarity Economy 2018), the total number of registered social enterprises (Koin.S.EPs, Koi.S.P.Es and Workers’ Cooperatives) in 2017 amounted to 1,090, out of which 1,017 had the legal form of Collective & Social Benefit Koin.S.EP, 28 the legal form of Integration Koin.S.EP, 25 the legal form of Koi.S.P.E and 20 the legal form of Workers’ Cooperative. However, out of the total 1,090 registered enterprises, only 34% (374 enterprises) fulfilled their legal obligation to submit the 2017 progress report and, thus, only they are considered officially “active”.

The analysis of primary and secondary data (including the evaluation of the current legal framework) summarizes key conclusions about the development of SSE in Greece:

(a) SSE is currently significantly underdeveloped in relation to other European countries with the majority of SSE organizations been small in size and recently established, facing at the same time highly challenging economic conditions with regard to their start-up activities, financial sustainability and market growth.

(b) Supportive SSE public policies have not been fully implemented so far, given that: (1) the Social Economy Fund (a legal body supervised by the MoLSISS, which would serve as the financing mechanism for projects and activities supporting SSE organizations) has not been set
SSE organizations have no special fiscal treatment except an exemption from the “business tax” (a special flat rate regardless turnover tax paid extra to the income tax by all entrepreneurs and free-lance professionals) and only for the first five years after business set-up; and (3) there is very limited use of social clauses in public procurement processes\(^\text{15}\) (European Commission 2011a).

(c) There is great potential for the SSE to grow and expand its impact. SSE organizations are helping to tackle some of the country’s most significant challenges, notably poverty and unemployment, while they are also seeking to promote and demonstrate alternative business models that incorporate social benefit objectives alongside their economic activity.

(d) The current challenging economic and social landscape in Greece is viewed by SSE actors as a reason why a stronger SSE is needed in order to create new opportunities, address unemployment, and establish new economic and entrepreneurial models in areas where mainstream (public or market) policies have failed.

3. The expected contribution of SSE to the implementation of the UN 2030 Agenda

What SSE organizations in Europe share and what sets them apart from conventional (commercial) enterprises is the overall aim of their activities, which does not emphasize the pursuit of profit and its distribution to the owners as an ultimate goal (CIRIEC 2017). In fact, the main goals pursued by SSE actors include both the provision of goods and services, including employment opportunities to their members or community (Borzaga, Salvatori and Bodini 2017) and the pursuit of general interest goals (i.e. activities that benefit society at large, as the provision of services of general interest).

General interest services cover a wide range of activities that have a strong impact on the well-being and quality of life of a society at large. They range from basic infrastructure (energy and water supply, transportation, postal services, waste management) to key sectors such as health and education, care and social services. General interest services play a crucial role in contributing to a sustainable economic and social development in terms of satisfaction of basic needs, social inclusion, economic growth, and protection of the environment. Services of general interest are conceived of as one of the pillars of the European model of society and an essential component of European citizenship. Indeed, their provision is a pre-requisite for the enjoyment of fundamental rights.

Source: ec.europa.eu/services_general_interest

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\(^{15}\) Public authorities can engage in socially-responsible public procurement by buying ethical products and services, and by using public tenders to create job opportunities, decent work, social and professional inclusion and better conditions for disabled and disadvantaged people. Buying responsibly and ethically can also create incentives for entrepreneurs to commit to a more responsible and sustainable management of the production process and the employment of workers. This makes socially-responsible public procurement a strategic tool to drive social and labour policies forward in an effective manner, including the development of the SSE sector through legitimate access to public funding (given that public procurement accounts for about 17% of EU gross domestic product).
When compared to traditional SSE organizations, social enterprises may be seen as more oriented towards addressing not only the needs of their owners or members, but also of the entire community (including the needs of the most fragile segments of society), as they put more emphasis on the dimension of general interest rather than on purely mutualist goals. This does not mean, however, that social enterprises only work with the poor or the most vulnerable social groups – rather, they provide a variety of services of general interest, including for instance healthcare, child care and educational services (European Commission 2014) and they contribute to dynamic job creation processes (Organization for Economic Cooperation and Development 2013).

In this context, the current legal and operational status of SSE re-affirm its expected role as an innovative mechanism to strengthen the implementation of the UN 2030 Agenda in Greece, particularly with regard to key social challenges that are clearly defined in the following SDGs and targets:

**Goal 1. End poverty in all its forms everywhere** – targets No. 1.2 and 1.3

**Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture** – target No. 2.3

**Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all** - targets No. 8.2, 8.3, 8.4, 8.5 and 8.6

**Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation** – target No. 9.3

**Goal 10. Reduce inequality within and among countries** – targets No. 10.1 and 10.2

**Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable** – target No. 11.7.

But the marginal number of SSE organizations (particularly Integration Koin.S.EPs, Koi.S.P.Es and Workers’ Cooperatives), the limited business activity of Collective & Social Benefit Koin.S.Eps and the lack of a solid cooperative culture between the state, the market and SSE, are de facto problems which not only bring into question the potential for SSE organizations to strengthen the implementation of the UN 2030 Agenda in Greece, but also limit their popularity as research priorities between academics and networks involved in the debate about SDGs.

Although the current legal and operational framework of SSE does not create serious barriers (with the certain exception of the lack to provide a legal definition for the social entrepreneurship sector), the political, economic and social situation of the country is not a driving force for the development of SSE activities. This is why our analysis goes beyond the internal SSE framework and makes a critical enquiry into the external national (central government level) and the local (regional and municipal level) policy framework about the contribution of SSE to the implementation of the UN 2030 Agenda.

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16 It comes therefore as no surprise that even the Greek member of the UN Sustainable Development Solutions Network (SDSN) co-hosted by ICRE8: International Center for Research on the Environment and the Economy (Athens University of Economics and Business) and the Political Economy of Sustainable Development Lab (National and Kapodistrian University of Athens) has not paid attention to the impact of SSE organizations, given that it focused its activities on the following major thematic priorities:

- Natural Capital Valuation; Ecosystems, Water and Biodiversity: Inland, Coastal, Ocean
- Sustainable Development in Times of Crisis Interlinked themes: Economic crisis, Poverty, Refugees, Democracy
- Climate Change: Mitigation and Adaptation Policies.
4. The current policy framework about the contribution of SSE to the implementation of the UN 2030 Agenda

4.1. The national framework

Greece has adopted so far a rather restrictive national policy framework about the contribution of SSE to the implementation of the UN 2030 Agenda, given that the SSE sector is deemed to contribute only to the fulfilment of two National Priorities.

(1) SSE is identified as a policy tool within the context of Targets 8.5 and 8.6 in the SDG Goal No. 8, as laid down in the Outcome-oriented Priority No. 2 “Promoting full employment and decent work for all”:

“The development of the SSE constitutes a horizontal strategic priority for the Government, as it contributes to economic development, combating unemployment and social exclusion, and deepening democracy in production and work. By law 4430/2016, a new institutional framework was developed that expands “doing business with social value” beyond the so far known Social Cooperative Enterprises, setting rules and developing a conducive environment for a Social Economy addressing all citizens and all productive activities. The law aims at the clear institutional reconstruction and the renewal of the ecosystem of the SSE with the emphasis on the creation of collective and social benefits by the SSE entities, the dissemination of the SSE’s practices in all possible sectors of economic activity and the support of self-managed productive projects and collective social enterprises. The law provides for the establishment of the Special Secretariat for the SSE, as the first distinct administrative unit in the Greek administration for the sector. First major task of this unit was the mapping of the SSE entities based on both administrative data, as registered with the Social and Solidarity Economy Registry of the Ministry of Labour, Social Security and Social Solidarity, and real data, collected through field research. Taking into account the analysis resulting from the two sources of data, the “Action Plan for the development of the SSE ecosystem 2017-2023”, mainly financed by the PA 2014-2020, has been developed and can be summarised by the following Actions: (i) Support Structures for the SSE entities; (ii) Direct Subsidies for the SSE entities; (iii) Financial Instruments for the SSE entities; (iv) Systemic Interventions for the development of the SSE Sector; (v) Actions under the Technical Assistance of the European Commission” (Office of Coordination, Institutional, International and European Affairs 2018, 38-39).

(2) SSE is also identified as a policy tool within the context of Targets 16.6 and 16.7 in the SDG Goal No. 16, and Target 17.7 in the SDG Goal No. 17, as laid down in the Process-oriented Priority No. 8 “Enhancing open, participatory, democratic processes and promoting partnerships”:

“Furthermore, Greece puts forward measures and initiatives which seek to enhance the democratic and participatory decision-making in specific policy fields. To this end, the Greek government adopted in 2016 a new legislative framework (law 4384/2016) aimed at modernizing and strengthening agricultural co-operatives. This new framework provides for a simpler structure for agricultural cooperatives and the enhancement of co-operation and sustainable entrepreneurship.

The objective is to strengthen collegiality and operation based on the principles of voluntary and free participation, as well as to provide for cooperatives open to people without any discrimination, with democratic administration, equal financial participation of members, autonomy and independence, and promotion of cooperation between cooperatives and interaction with local communities. Additionally, this law contains provisions regarding the establishment
and the operation of women’s cooperatives, targeting the empowerment of rural women’s role in Greece. For the first time, women’s cooperatives are supported and regulated, providing a simplified administrative structure and specifying development measures, such as actions for information, networking and promotion, as well as exchanging of know-how and good practices” (Office of Coordination, Institutional, International and European Affairs 2018, 79-80).

It becomes clear that the current context of these National Priorities, subject to more detailed specification in the expected 2019 SDGs National Implementation Plan, gives prominence to the use of the SSE sector (including agricultural co-operatives) as a specific policy tool for the fulfilment of the SDG Goals No. 8, 16 and 17. But this approach, while acknowledging the crucial role that agricultural co-operatives can play (Fefes 2018), underestimates the strengths and the advantages of the SSE organizations (particularly social cooperatives under the legal form of Koin.S.EP and Koi.S.P.E) in addressing - as de facto general interest services providers - key challenges of the fragmented Greek Welfare State: relative poverty and social exclusion (SDG Goal No. 1); extreme poverty (SDG Goal No. 2); long term unemployment (SDG Goal No. 8); de-industrialization (SDG Goal No. 9); regional disparities (SDG Goal No. 10); and marginal regional development planning (SDG Goal No. 11).

4.2. The local framework

Besides of the national policy framework, the SSE sector has been identified as a broader policy tool for the fulfilment of the SDG Goals by local government institutions17, although they do not apply specific competencies for the development of the sector due to legal and economic constraints.

(a) The City of Athens18 has adopted in 2017 a concerted Resilience Strategy for 2030 (in the context of the 100 Resilient Cities Initiative pioneered by the Rockefeller Foundation Network)19, which builds on the outcomes of the Local Strategy on Social Innovation and Entrepreneurship drafted in 2013 by the Athens University of Applied Sciences (Amitsis 2016). 

The Athens 2013 Local Strategy on Social Innovation and Entrepreneurship was the first initiative of Greek municipalities to develop an enabling ecosystem for local Active Inclusion Partnerships between SSE organizations, public administrations and private enterprises. Against a very difficult financial background and the lack of any priority to boost local welfare policies in the Economic Adjustment Programmes of 2010 and 2012, this initiative not only developed a stable financial framework through EU funds and CSR actions, but: (1) it introduced an internal administrative framework at the City of Athens level to promote Social Innovation and Entrepreneurship policies; (2) it developed a broad range of advisory, training and business development services to support the start-up, development and growth of social and solidarity economy organizations; (3) it established forums and networks of stakeholders organizing awareness-raising, mobilisation and capacity building actions; and (4) it raised commitments of key stakeholders to facilitate and promote the start and development of Social Enterprises.

17 These include 13 Regions (legal bodies of public law) that constitute the second level and 325 Municipalities (legal bodies of public law) that constitute the first level of local government.

18 Athens is the capital of Greece with 660,000 inhabitants (around 20,000 migrants and refugees).

19 100 Resilient Cities (100RC) is dedicated to helping cities around the world become more resilient to the physical, social and economic challenges that are a growing part of the 21st century. It supports the adoption and incorporation of a view of resilience that includes not just the shocks—earthquakes, fires, floods, etc.—but also the stresses (high unemployment; an overtaxed or inefficient public transportation system; endemic violence; or chronic food and water shortages) that weaken the fabric of a city on a day to day or cyclical basis.
The Athens Resilience Strategy (City of Athens 2017) is framed by four Pillars, 65 Actions and 53 Supporting Actions, strongly connected with the SDG Goals. Although the majority of actions focus on the fulfilment of key objectives through traditional public policies (based on coordinated activities between central and local administrations), there is one specific action (Action B.2.2) that stresses the role of SSE organizations in the implementation of goals and targets associated with the social aspects of SDGs.

Action B.2.2 under the title “Work integration social enterprises” aims at promoting social activation of welfare beneficiaries (Amitsis 2013) through their participation in Work Integration Social Enterprises; it includes the following activities: (1) provide training for Social Services’ Employees; (2) link beneficiaries from vulnerable populations with social entrepreneurs; (3) monitor the beneficiaries’ progress; (4) develop a robust methodology for the integration of vulnerable groups to social enterprises and (5) develop a micro-loan scheme.

(b) The City of Thessaloniki has adopted also in 2017 a concerted Resilience Strategy for 2030 (in the context of the 100 Resilient Cities Initiative pioneered by the Rockefeller Foundation Network), as the result of a two-year intensive partnership with the Metropolitan Development Agency of Thessaloniki. This Strategy (City of Thessaloniki 2017) is framed by four main Goals, 30 Objectives and more than 100 Actions, each with multiple benefits for the resilience of the city and population. Actions include policies, projects, and initiatives (existing and new), from youth participation to clean power for mobility; from waste management to co-ownership of public space and risk reduction.

Although the majority of actions focus on the fulfilment of key objectives through traditional public policies (based on coordinated activities between central, regional and local administrations), the Thessaloniki Resilience Strategy includes two specific actions related with the role of SSE organizations in the implementation of goals and targets associated with the social aspects of SDGs. Both actions concern the main Goal No. 3 “Building a dynamic urban economy and responsive city through effective and networked governance”.

Action No. 06 under the title “Launch a regional development fund, including an impact investment fund” in the Objective A “Urban economy policy agenda” refers to the establishment of a fund that will create synergies and funding opportunities both for traditional and social enterprises. This fund will be designed in consultation with stakeholders, SMEs and citizen networks in the city, and in collaboration with nearby cities and small towns. It will recognize the urban economy assessment and address Thessaloniki’s local urban economy priorities and trends. This will make it better equipped to: 1) boost the role of SMEs, micro-enterprises, micro-manufacturers, and self-employed; 2) recognize and support emerging sectors, 3) improve local businesses’ access to finance; and 4) ensure transparency in financial management, and encourage further investment from national and international funds and investors. This fund will be launched

20 These are: (1) Open City, (2) Green City, (3) Pro-active City and (4) Vibrant City.
21 It is worth mentioning that one or more of the colorful 17 SDG pictograms appear in each page/action of the Strategy, creating in this way a clear correspondence between the Resilience Strategy Actions and the Sustainable Development Goals.
22 Thessaloniki is the second largest city in Greece; it has the largest youth population of any city in Greece, thanks to its wealth of learning and academic institutions and vibrant nightlife. The city hosts approximately 150,000 students each year through four public academic institutions, several private colleges, and numerous vocational training colleges. Youth empowerment is already a key topic on the city’s agenda, evidenced by the awarding of the title European Youth Capital in 2014.
23 These are: (1) Shaping a thriving and sustainable city with mobility and city systems that serve its people; (2) Co-creating an inclusive city that invests in its human talent; (3) Building a dynamic urban economy and responsive city through effective and networked governance and (4) Re-discovering the city’s relationship with the sea – integrated Thermaikos Bay.
in collaboration with a leading Greek bank and the *Hellenic Fund for Entrepreneurship and Development*\textsuperscript{24}. It will also include a strategy and fund for Impact Investing.

Action No. 02 under the title “Encourage cross-sector partnership models for development and impact” in the Objective C “New cross-sector partnerships” refers to the establishment of two partnership models:

a) *Collective Impact Initiatives Stakeholders* (funders, philanthropic and other, nonprofits, civil society and community organizations, private sector, academia). This includes the commitment of a group of actors from different sectors to a common agenda and specific problem, using common indicators and data to track progress.

b) *Social Development Partnerships Stakeholders* (local authorities, civil society / social economy actors). This is a new partnership model for local government and civil society, inspired by the *National Social Inclusion Strategy of 2014*\textsuperscript{25} (Amitsis 2015). In it, municipalities identify services to outsource (social services, management of parks, public spaces and cultural institutions, sanitation, etc.), and establish partnerships to source these services from social cooperatives or social-benefit enterprises.

5. Conclusions

The marginal number of SSE organizations, their limited business activity and the lack of a sound *cooperative culture* between the state, the market and SSE, are de facto problems which bring into question the potential for SSE organizations to strengthen the implementation of the UN 2030 Agenda in Greece. Although the current legal and operational framework of SSE does not create serious barriers, the political circumstance and the economic situation of the country provide little opportunities (and certainly not incentives) for the development of SSE activities related to the SDGs, especially in the provision of general interest services related to the social objectives of the SDGs. But this situation may soon change under the condition that a coordinated interplay between the central administration, local authorities and SSE will prevail in the policy formulation and treatment of SSE organizations, particularly those established after November 2016, whereas the current SSE legal framework was introduced.

In the light of a very challenging European context, three important lessons for further consideration could be drawn from the complex Greek case:

a) In countries without developed SSE regimes (European Commission 2014), the role of local authorities as promoters of common actions with SSE actors related to the SDGs agenda (Mendell

\textsuperscript{24} The Hellenic Fund for Entrepreneurship and Development (ETEAN SA) is the only 100% state backed financial intermediary in Greece, supervised by the Bank of Greece, which is functioning in reciprocity with the Greek banking sector. It seeks to harmonize EU regulation and local banking practices for the benefit of the national MSMEs, through the provision of low – cost financing solutions for business entities with limited access to customary bank financing.

\textsuperscript{25} The *National Social Inclusion Strategy* was drafted in December 2014 by the Ministry of Labour, Social Insurance and Social Welfare and received with positive comments in January 2015 by the European Commission. It introduced for the very first time *activation, empowerment and sustainability* objectives in the political economy of welfare in Greece, under a human rights and capabilities approach influenced by key legal and policy instruments of International Organizations, such as the *UN Millennium Development Goals*, the *Social Protection Floors Recommendation* (International Labour Organization, 2012), the *Revised European Social Charter* (Council of Europe, 1996) and particularly the *EU Active Inclusion* discourse, which states that national social inclusion strategies should focus (at least) on three basic strands: a) Adequate Income Support (through targeted benefits only for people without adequate resources and irrespectively of their working ability); b) Inclusive Labour Markets (using activation services only for those with working ability); c) Access to Quality Services (through personalized services adapted to specific needs).
should be acknowledged and supported by key stakeholders at national and international level. In this respect, Greek municipalities have started to invest progressively on synergies with SSE players (particularly in the context of SDGs No. 1 and No. 8), despite certain legal and economic constraints.

b) In countries without developed social welfare regimes, as is the case for the Mediterranean South model (Ferrera 1996, Klose and Moreno – Fuentes 2013) national policy makers should take advantage of the SSE potential towards the sound implementation of relevant SDGs (particularly No. 1, No. 2 and No. 3), given that SSE actors may either supplement public initiatives or introduce new programmes through social innovation (European Commission 2011b)\textsuperscript{26} methodologies and tools (European Commission 2010). In this respect, the Greek Government should adopt a new SSE narrative during the design of the National Implementation Plan for the SDGs, which shall combine welfare, employment and entrepreneurship principles, developing tools to gain a better understanding of the sector and increase its visibility.

c) In countries hit disproportionately by economic and financial shocks, SSE actors may contribute directly to addressing key societal challenges identified within the UN 2030 Agenda, particularly in cases where austerity programmes are imposed by national and international policy makers and funding donors. But this contribution should not be used as an unjustified argument to reduce public spending in critical social sectors (health care, social services) and jeopardize in the long term the social benefit objectives of the SSE movement (Utting 2015).

\textsuperscript{26} In its overall approach to the SSE sector, European Commission recognizes that social enterprises contribute to smart growth by responding with social innovation to needs that have not yet been met.
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