

Social Solidarity Economy (SSE) as a tool and public policy to localize SDGs: CASE OF SEOUL

GLOBAL SOCIAL ECONOMY FORUM

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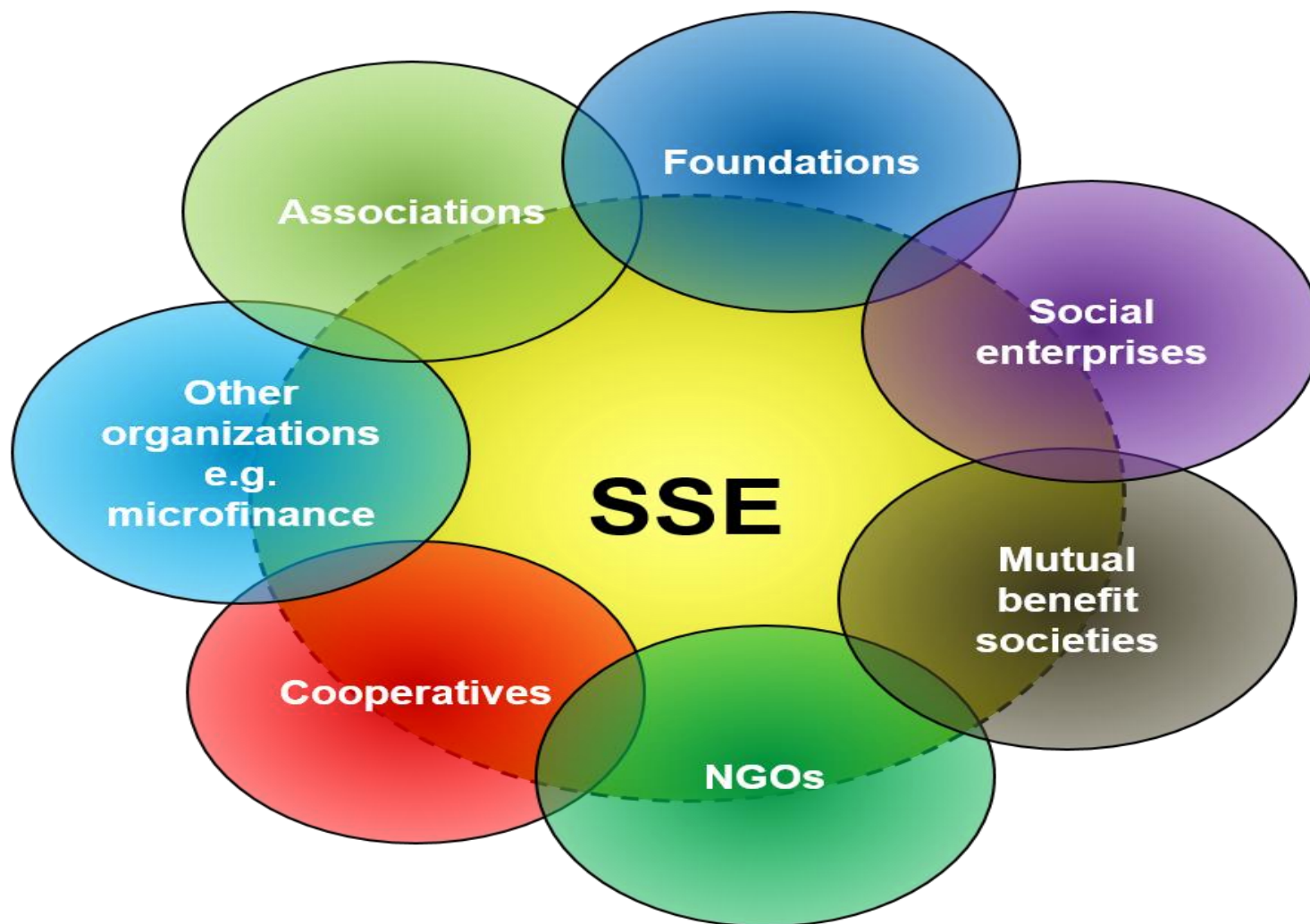
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▷ THE PART OF PPT SLIDES ARE FROM THE PRESENTATIONS (2015, 2016) BY URBAN REGENERATION HEADQUARTERS OF SEOUL METROPOLITAN GOV. AND TOAD HOUSING INC (2016).

The Social and Solidarity Economy (SSE): Key concepts

- The SSE is an umbrella concept designating **social and solidarity economy enterprises and organizations**, in particular cooperatives, mutual benefit societies, associations, foundations, non-profits and social enterprises, which have the specific feature of **producing goods, services and knowledge while pursuing both economic and social aims guided by principles, values and practices concerned with participation, democracy, solidarity and commitment to the environment.**

Who are SSE actors?



Common characteristics of SSE Organizations

Common features	Comments
Economic and Social Function	<ul style="list-style-type: none"> • Combined social and economic objectives • Produce goods and services on a permanent basis • Do not seek profit maximisation but some SSEOs can be for-profit or generate surpluses (e.g. cooperatives) <ul style="list-style-type: none"> ◦ Legally-binding, strict rules on use of surpluses/redistribution of surpluses
Collective Dimension	<ul style="list-style-type: none"> • Based on the will of people/groups to join forces in order to meet their own needs or those of others • Collective dimension depends on the definition and type of organisation <ul style="list-style-type: none"> ◦ Very strong in cooperatives (collective ownership); ◦ Less strong in some social enterprises • Collective dimension is not in contradiction with a strong leadership
Solidarity	<p>Operating methods based on solidarity (either altruism or reciprocity)</p> <ul style="list-style-type: none"> • Goals not primarily oriented to accumulated capital or generating profits • Aims to include rather than to exclude
Autonomy	Autonomy of the organisation in management and in decision making processes
Voluntary involvement	No compulsory affiliation
Participation	<ul style="list-style-type: none"> • Members/users/beneficiaries have the opportunity to be the owners of the organisation and/or to actively take part in the decision making process • Participation can take various forms (from one person/one vote to more flexible ways) but should be defined and done on a systematic and explicit basis (as being mentioned in formal documents and/or clearly known and understood by all involved stakeholders) • Participation should ideally give the possibility to control and/of imposing sanction

Goal of the SSE:

- **equality and fairness in the provision of basic needs** of individuals and communities (jobs, food, housing, clothes, education and social services),
- **safety of life, development of local economy, economic inclusion, social protection, reduction of ecological footprint**

What are the relations between SDGs and SSE ?



Realizing the 2030 Agenda through SSE...

SSE can be an alternative model of development by promoting its inclusive, democratic and sustainable values and practices.

SDGs

Poverty eradication, equality and good governance
(SDG 1, 10, 16)

Social services and assistance
(SDG 3,4)

Employment, infrastructure, and inclusive growth
(SDG 8,9)

SSE value and practices

Fair employment generation, enhancing rights to economic resources, women's economic empowerment

Prominent in health care, elderly and child care, education sector

Decent jobs, fair access to social and energy infrastructure, energy, finance, facilitating economic diversification.

and.. Other SDGs goals can be also realized through SSE.

SE in the Republic of Korea

- developed **by the public sector through various ministries and their policies** to define and foster several SE organizations especially after 1997 FC (Top-down).
- **In the 20's, legal framework relevant to SE was developed:**
 - the size of SE increased,
 - various public/private support mechanisms have been offered to SE organizations such as social enterprises, rehabilitation enterprises, cooperatives and community enterprises.
- Now **SE emerged as a key component** in society, expanding its base by **creating social/financial values.**

SE in Seoul: Policy and legal development since 2009

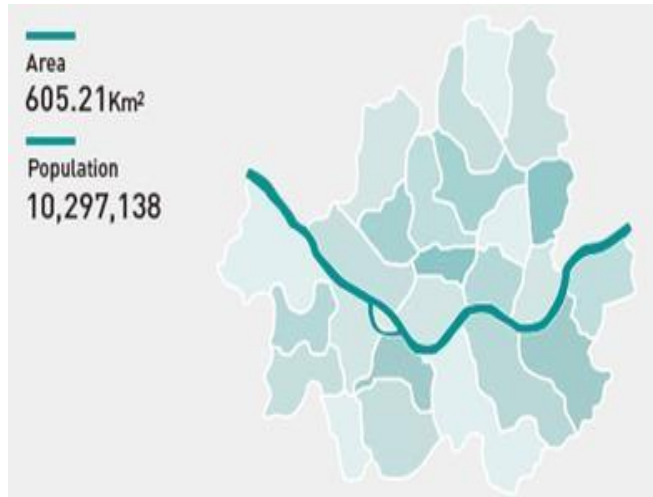
- The SMG amended a number of municipal laws including:
 - the Municipal Ordinances on Fostering Social Enterprises
 - the Creation and Administration of the Social Investment Fund
 - the Municipal Ordinances on Supporting Cooperatives and other related projects.
 - the enactment of the Basic Municipal Ordinance on the Social Economy, etc.
- The SMG completed a comprehensive system of support for the SE, extending to the formation of a new business ecosystem and international relations (establishment of GSEF).
- **There are currently 52 municipal ordinances**, including **6 at the SMG and 46 borough-specific ones**, which provide the statutory basis for the social economy policies of the SMG and local boroughs.

Localizing SDGs through SSE : employment, infrastructure and inclusive growth (SDG Goals 8 and 9)

- The role of SE in generating employment in the aftermath of the global financial crisis.
- SE contributes to countering the growth of precarious employment and the inability of the traditional economic sector to fulfil its role of absorbing surplus labor : rates of “Inheritance of enterprises” is 84 % (in ROK) vs 20 % (global).
- The role of SE in relation to infrastructural development is mainly centered on social and energy infrastructure, Seoul has developed an eco-system that burgeoning fast growth of SE.

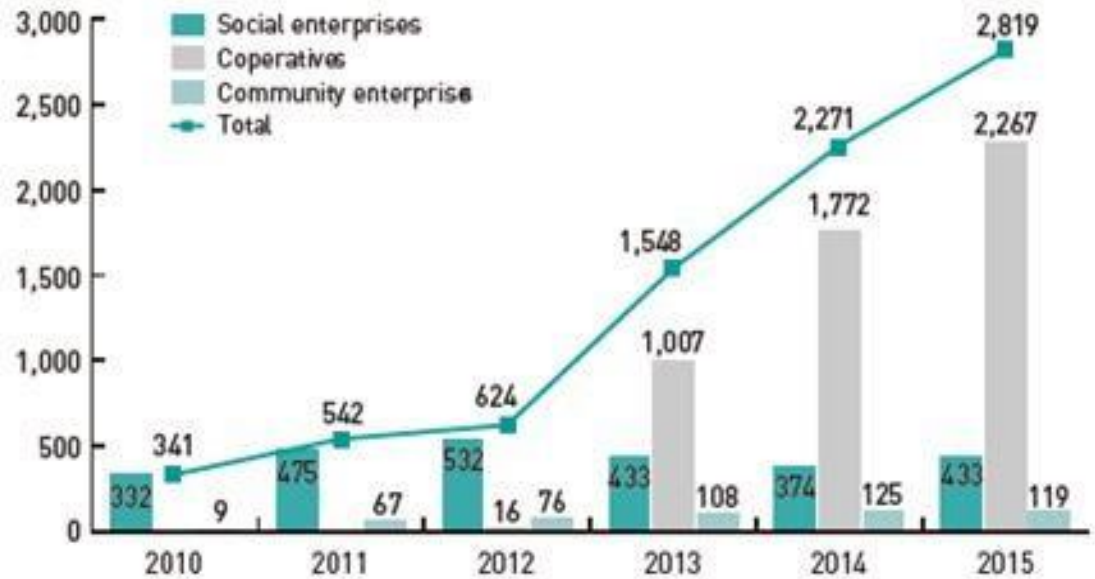
Social Economy of Seoul : fast and sustainable growth (in 2017, 519 SE, 2926 C, 103 CE)

Basic info on Seoul



Administration: 25 self-governing gu (boroughs), 424 dong (neighborhood unit)

- Average gu-size: Area 24.2Km², Population 413,980
- Average dong-size: Area 1,43Km², Population 24,285

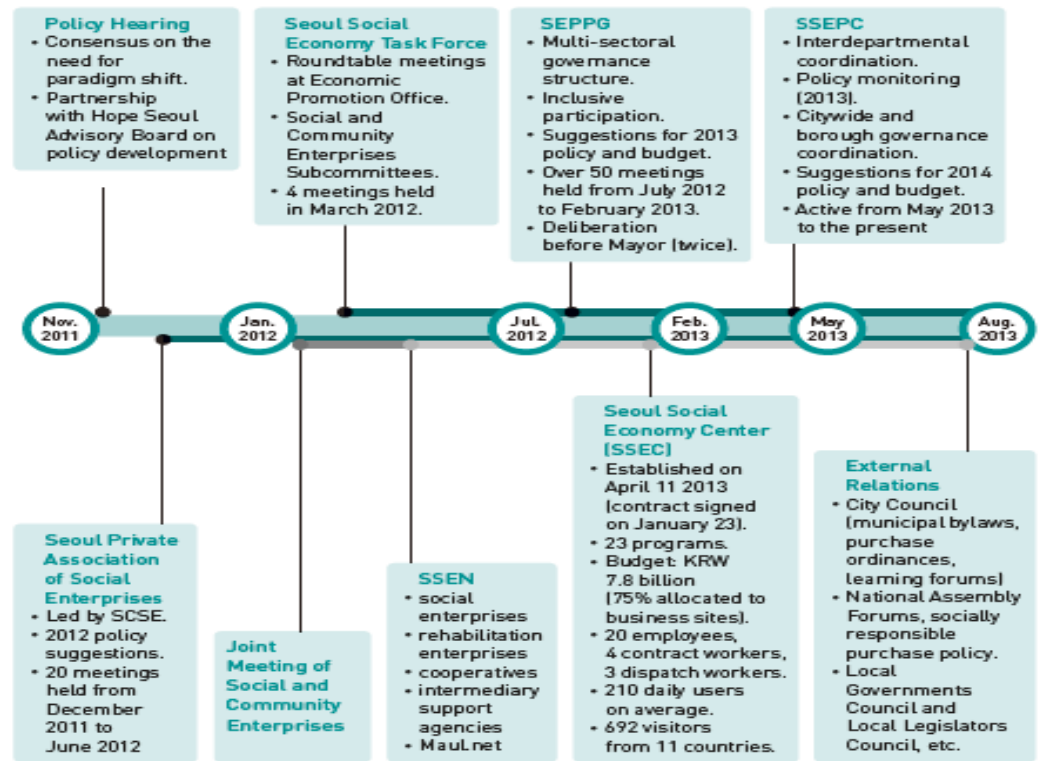


| Annual Growth of the Social Economy in Seoul |

The quality of life in human settlements (SDG Goals 10 & 11)

Establishing multi-sectoral partnership with the active citizenship associated with SE was a key to promote participatory governance system that are essential for community renewal and inclusive development in all urban districts of Seoul.

[Figure 3] Formation of the multi-sectoral partnership on the Seoul social economy



Source: Lee (2014).

Gentrification

Seoul's gentrification and its characteristics

Gentrification of commercial areas

- Artists and artisans establish a unique commercial district, where rent is generally more affordable
- Floating population increase, leading to more franchise stores in the area → Leads to rent rises
- High rent drives the artists and artisans out of the district → Neighbourhood loses its identity



Gentrification

Seoul's gentrification and its characteristics

Gentrification of residential areas

- New Town and urban renewal projects leading to rising rent and deposit
- As a result, residents (both homeowners and tenants) do not return → they migrate to other areas, while the middle-class and the affluent pour in from other areas



Securing sustainability in urban regeneration

WinWin Partnership Lead Gentrification Policy

Anchor facilities to preserve neighborhood identity

- 위치/규모 : 성수동1가1동 656-235번지 외 1필지 (연면적 약 860㎡)
- 사업비 : 건축비 26억원 (마중물 17억원+ 연계사업 9억원)
- 시설계획 : 앵커시설에 영세 임차상인 지원시설 포함



Urban
Regeneration
Center

Urban Regeneration & Maeul Community Center,
Maeul Sharing Workshop,
Young people Support Center,
Cultural Center for old people

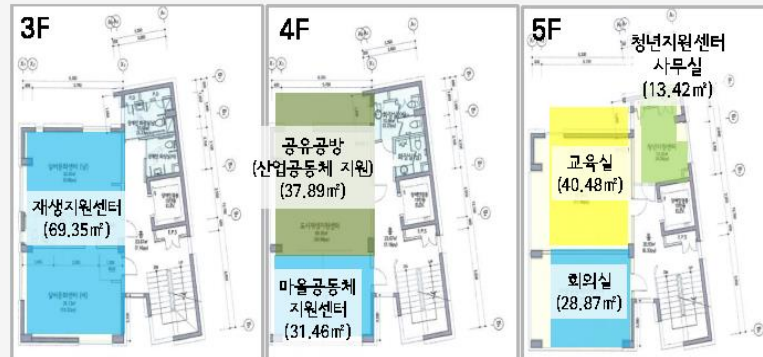
Social Economy
Support
Center

Social Economy Support Center
(연계사업)

Sky view



Floor Plan



Securing sustainability in urban regeneration

Ways to induce a positive gentrification

WinWin Partnership Agreement through strengthening Governance(4 Areas)

- 창동상계('15.10) / 세운상가('16.1) / 성수지역('15.12) / 신촌 ('15.9)

세운상가 상생협약서

- 규약을 통한 젠트리피케이션 방지책 마련
- 임대차 분쟁조정 위원회 구성 지원
- 표준계약서 작성 및 배부
- 5년 영업 보장 및 임대료 상승 9%제한 명기



최근 2년간 임대료 35% 폭증



산업, 사회적경제, 예술문화활성화 + 소상공인 상가임대차 상담

장기임대료 동결 유도

워크숍

간담회

협업·연계 활동

공모사업



Management of an exclusive lawyer in each urban regeneration areas (42 times)

- 성수동 (39회) / 세운상가(3회)

■ ■ ■

To ensure sustainable regeneration of the entire city,
SMG sets the scope and direction of urban regeneration,
which is as follows:

**Underdeveloped
areas with low usage**



▼

**Nurture the growth of
new economic centers**

**Deteriorated
industrial zones**



▼

**Revitalize the local economy
in deteriorated areas**

**Areas with historic &
cultural resources**



▼

**Strengthen natural, historical,
and cultural identity**

**Decrepit residential
areas**



▼

**Transform and revitalize
decrepit residential areas**

Community Empowerment

A citizen-led urban regeneration project

- Securing the anchor facilities, maintaining infrastructure, and pushing forward various business for community vitalization

- securing the anchor facilities for community

- making the safe town

- installing CCTV
- upgrading security lights

- promoting a pleasant village

- improving main roads
- promoting the environment of allies
- supporting to make 'green zone'

- making 'Ssamzi park' etc.

- Building up unused open area as 'Ssamzi Park'
- rearranging public space
- making trails around village





SOCIAL HOUSING

Increase Burden of Housing expenses

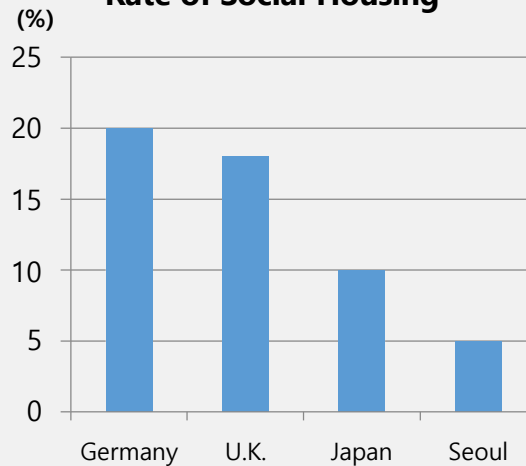
RIR : 08' 17.5%, 14' 20.3%



Affordability

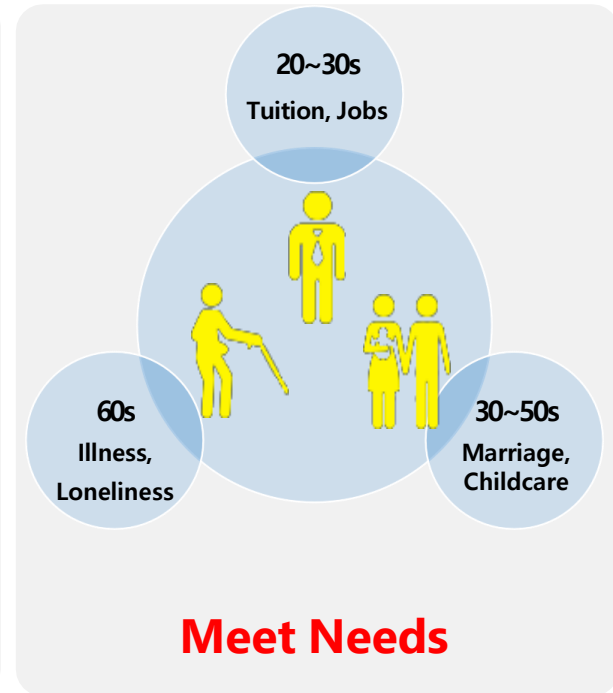
Complement the Market with Government

Rate of Social Housing



Alternative

Diverse Needs



Meet Needs

Social Housing of Seoul

Policies

Social investment Fund	Land-Leasehold Social Housing
<ul style="list-style-type: none">- Fund-raising : Seoul Metropolitan Government funded + Private company donated- Condition of loan :<ul style="list-style-type: none">• Must be Social-economy organizations• 70% of social housing business expenses• 2% interest for 5 years	<ul style="list-style-type: none">-Leasing city land for maximum of 40 years to the social economy organization for building social houses- Under 80% compare to the market rent price- Increase of rental fee cannot exceed 5% within every 2 years
Vacant House Project	Social Housing Support Center
<ul style="list-style-type: none">- Rent a vacant house by social-economy organizations → Renovate → Re-lease as a Share House to Single households- Support : 50% of the renovation cost(max. 40 million KRW ; 261k HKD; 40k USD)- Rental fee is under 80% of the market price	<ul style="list-style-type: none">- What the Center do :<ul style="list-style-type: none">• Discover and promote the main agents of supply• Research the condition of housing, resource investigation and management• Link network between supply and demand

Social Housing of Seoul

The process

Start of Policy

- Established Social Invest Fund of SMG

2012.7

- Announced Private Investment Business
- But Interrupted

2013.1

- Enact an Ordinance of Supporting the Social Housing

2015.1

Set the Foundation for a System

- "Saving Vacant House" Project Started

2015.2

- Adopting Land Lease-hold Housing

2015.6

Start a Business

- Opening Social Housing Association
- 30 Private organizations Joined the association

2015.8

2016.2

- Start of Social Housing which renovated from inn, office, and other vacant spaces

Before 2012

- Promoted Social Housing by Private Sector only

The foundation to stabilized housing and revitalized communities Living together, sharing space

Community housing?

externality



Community shared space

육아, 회의실 등 공동체 지향에 적합한

Public purpose facility



Community rules

공동체 생활관련

Operating program for residents' practice



function



Sharing talents/goods



Sharing space



Sharing time

Resolving daily life problems by communication

Case of Toad Housing

version of social Housing

1



Vacant house into Social housing, 'GONG GA'

- Rent a vacant house → Renovate → Lease as a Share House to Single households
- Currently 8 houses, 40 residents living
- Helped to establish a policy as the Vacant House Project of SMG

2



Land-leasehold Social Housing

- Leasing city land for maximum of 40 years and build a social house (open in Dec 16')
- Located at Newtown(urban renewal project) cancelled area
 - Combine Social Housing and Urban Regeneration project of Seoul
- 10 units for family and a share house units for 12 single households

3



Challenge to solve the community issues with Social Housing

- Youth(age 20-30s) : Supply social house cooperating with private companies, universities, and Community organizations
- Supply social houses for family in crisis of being homeless, female victims of domestic violence, and other socially underprivileged

Case of Toad Housing

Gong Ga - Background



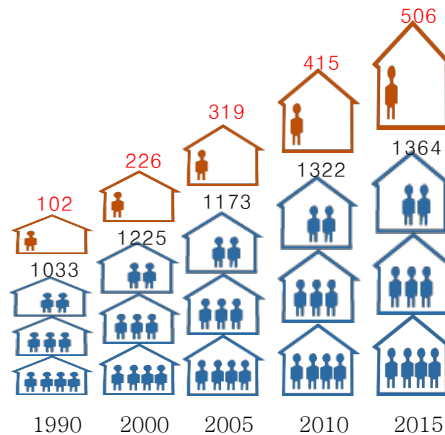
Possibility of vacant houses



of vacant houses
78,702(3%)

Violence/trash/fire...
BUT, focus on possibility of unused space

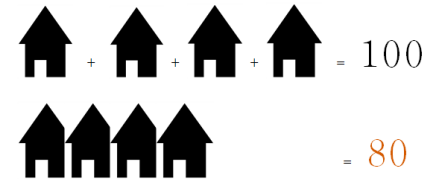
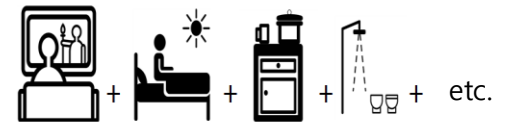
Single households



RIR of the youth Single household

Over 30% = 58.2%

Sharing Space



SHARE HOUSE

Case of Toad Housing

1. Gong Ga - Houses



Gongga #5

- Location : Galhyeon-dong, Eunpyeong-gu, Seoul
- For Singlehouseholds
- 2 Rooms



Gongga #9

- Location : Samyang-dong, Gangbuk-gu, Seoul
- For Singlehouseholds
- Opening on Sept. 2016



Gongga #7

- Location : Galhyeon-dong, Eunpyeong-gu, Seoul
- **Welfare Secured Rental House**
- 2 rooms
- For housing vulnerable group



Gongga #6

- Location : Galhyeon-dong, Eunpyeong-gu, Seoul
- For Singlehouseholds
- 3 rooms



Gongga #10

- Location : 230-75, Seoul
- **Land Leasehold**
- 10 family, 12 single
- Opening on Sept. 2016

Gongga #2

- Location : Eungam-dong, Eunpyeong-gu, Seoul
- For Singlehouseholds
- 8 Rooms



Gongga #4

- Location : Seongdong-gu, Seoul
- **Women Secured Rental House**
- 3 rooms
- For female victims of domestic violence and sexual abuse



Gongga #8

- Location : Nokbeon-dong, Eunpyeong-gu, Seoul
- For Singlehouseholds
- 8 rooms
- Opening in June 2016



Gongga #3

- Location : Sindaebang-dong, Dongjak-gu, Seoul
- **Student Secured Rental house**
- 3 Rooms
- Sungsil Univ. Housing Scholarship Sharehouse

Gongga #1

- Location : Jeungsan-dong, Eunpyeong-gu, Seoul
- For Singlehouseholds
- 7 Rooms



Poverty eradication, equality and good governance (Goals 1, 10, 16) : The SE public policy tools are most effective when coordination at all levels of governments (national, regional and local) happen : Case of Community Enterprise both in Rural and in Urban areas of Seoul



Source: MOI [2016], pp. 8-9.



Sansae Maeul: A typical aging residential area, nestled under Mt. Bongsan



- Sansae Village was named because people can hear birdsong from Mount. Bong
- However, there were maintenance problems



Satellite View



Barren Space



Uncomfortable Road



a Deteriorated House



Dumped Trash



an Empty House



Transforming abandoned areas into public space: Powered by citizen's initiatives

- Residents spontaneously improved the environment



Transforming abandoned areas into public space: Ugly rubbles turned into a public space for all

- The residents took in onto themselves to revamp this empty lot, which had been left abandoned and trashed for almost 30 years.

#1. 폐 건물 철거작업



#2. 주민의 손수 정비



#3. 주민들이 함께 행복을 심다!



#4. 마을 텃밭과 함께하는 마을공 Various events were held



GLOBAL SOCIAL ECONOMY FORUM (GSEF) ?

- The international network of Local Governments and Social & Solidarity Economy Organizations to promote SSE initiated by the Seoul city in 2014.

Projects

- Capacity Building and Training
- Knowledge Exchange
- SSE Research and Publication
- Regional Policy Dialogue Platform
- International Advocacy
- GSEF Bi-annual Forum

(2014 in Seoul, 2016 in Montreal, 2018 in Bilbao)

GSEF Foundation in 2014...



GSEF's Recent History ...



GSEF's Activity Objectives:

- **To promote sustainable partnership between Local Governments and SSE organizations for the harmonious development of economy (market, public and social economy) for sustainable ecosystem of SSE,**
- **To share good experiences of SSE entities around the world based on the cooperation of national & local public organizations, SSE actors & communities involved**
- **To integrate decent work into many problems**
- **To achieve fair growth, participatory democracy and sustainable development.**

GSEF recent activities...





**THANK YOU FOR YOUR
ATTENTION
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