

GSEF Asia Policy Dialogue 2018

Draft Program

Theme:

Public policies for financing the social and solidarity economy to strengthen its values and competitiveness

Background:

Growth of the social and solidarity economy in Asia

As the need for alternative form of business practice and distribution system is sharply growing after financial crises in the last decades, public attention to the social and solidarity economy organizations-especially with the emerging sector of social enterprises-has increased in most Asian countries with few exceptions. In order to tackle the social and environmental issues in the region including environmental degradation, natural disasters, increasing gap between the rich and the poor, transformative change in employment accompanied with technological innovation and increasing needs of public care for an aging population, social businesses in various sectors were newly established.

In a few countries in Asia, governments led the change by implementing various policy measures to increase the impacts of social enterprises and cooperatives. Comparatively, in some countries in Asia the private sector or civil society organizations have built its own ecosystem to nurture the new social economy initiatives and then are asking for required modification to their regulatory system or public support.

With these efforts, the numbers of social economy enterprises in Asia has been rapidly increasing, and the supporting organizations for the enterprises to survive in the market while pursuing their social mission-including incubators, consulting firms, intermediary organizations, social finance institutions or impact investors-also has been grown accordingly.

Values and competitiveness of SE enterprises: role of social financing system

Although the number of SE enterprises has increased in a relatively short period of time in Asia, the majority is still small/micro-size enterprises in many countries and experiencing everyday threats to its survival in the mainstream market under no-protection to the competition with major companies. Also the notion of social economy has not been recognized widely among the consumers of the region, therefore the non-monetary value of those social enterprises is not considered much in the act of purchasing products or services in many cases.

Therefore the task of scaling up the SE enterprises is the top priority in most countries in Asia, and many intermediary institutions are offering programs to build the individual enterprise's business capacity such as marketing and management strategy, investment

readiness, or business model innovation.

Besides the capacity building programs, the expanding access to finance, which is necessary in each developmental phase of enterprises is dealt with great importance under urgent need for strengthening competitiveness of SE enterprises. Mainly the funding sources for social economy in Asia can be categorized as follows: public funding from central or local governments, donation from traditional charity or CSR fund, impact investments, and citizens' fund. Although each funding scheme has their own purpose and managing principals, there are need for policy innovation and regulatory support from governments for establishing an effective financial ecosystem for SE enterprises.

The role of local governments in fostering social and solidarity economy

There has been several attempts to make a platform to discuss public policies on SSE for more vibrant and powerful ecosystem for SE in Asia. Because the phase of development in social economy in each country in Asia varies and also the used terms and definitions related to SSE are different from each region in their historical, cultural, and socio-economic context, the need for a common ground of interregional dialogues has continuously raised in the region.

The Global Social Economy Forum (GSEF), an international network of local governments and SSE networks to promote social economy, also joined the attempts to facilitate the regional policy dialogues in Asia since its establishment in 2014. With partners including the British Council or AVPN, the GSEF held an Asia Policy Dialogues every year with the belief that the role of policy to nurture social economy for more inclusive and sustainable local development is significant.

Especially the GSEF has been focused on the role of the local governments, since the maximum impact of social economy come from the local community when its activities are deeply rooted in the region and strongly supported by the citizens. Also the SE enterprises could make meaningful changes in the lives of citizens-regional production, consumption patterns, quality of employment, or regional development, if the local government, the closest public office to the citizens' lives, are trying to build a supporting network for SE enterprises and raise awareness on the potential of SSE to the local people.

This year the fourth bi-annual forum of the GSEF will be held in Bilbao, Spain from October 1~3. The main theme of the forum is "Social Economy and Cities: Values and Competitiveness for an Inclusive and Sustainable Local Development". As a pre-discussion of the Bilbao forum and a continuous effort to activate regional dialogues in Asia on SSE policies, the GSEF Asia Policy Forum 2018 will be prepared to discuss how the values and competitiveness of SE enterprises can be interpreted in the Asian context, and will navigate the local government and SE practitioners' effort and challenges to build a supporting system to strengthen the SE enterprises, with the focus on the financing for scaling up. The GSEF hopes that this platform to give Asian practitioners inspirations for their work and opportunities for practical collaboration across the region.

Objectives:

- To interpret the theme of the GSEF2018, “Social Economy and Cities: Values and Competitiveness for an Inclusive and Sustainable Local Development” in the context of Asia, especially focused on the financial system for supporting SSE organizations as a pre-discussion of the GSEF2018.
- To discuss what kind of policy measures to be adopted in order to expand the SSE organizations’ social impacts and competitiveness in the market and how the process of policy making and implementation should be done.
- To offer opportunities for participating GSEF members and partners to brainstorm and search for a more specific and viable collaborative project through the network.
- To develop the Asia Policy Dialogue as a regular forum on social economy policies in Asia and a networking platform for policymakers, advocates, and practitioners of SSE, based on the evaluation and outcome of the last four policy dialogues of GSEF.

Key Questions:

- What are the characteristics of the social economy in Asia to be recognized in its social values and competitiveness for and inclusive and sustainable local development?
- How the funding and financial system to promote social economy could be established and strengthened?
- What are the suitable social finance schemes according to the stage of growth among Asian social economy enterprises in their local economic and social contexts?
- **What kind of legal consideration and policy initiatives are required for the finance for social economy to be properly managed in order to maximize social impacts of SSE enterprises?**
- How can the cooperation between cities through international network could strengthen each region’s social finance ecosystem?

Date & Time:

- **July 5~6 (Thu.~Fri.) 2018**

Venue: Seoul City Hall & Other SSE sites in Korea

Expected Participants: total 40~50 ppl.

25 panelists + around 20 participants

- 10 panelists from East Asian Countries (China, Korea, Japan, Hong Kong, Taiwan)
- 10 panelists from South East Asian Countries (5 ~ 6 countries: Philippines, Malaysia, Singapore, Thailand, Vietnam, or Indonesia)
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- 3 panelists from inter-regional agencies (UCLG ASPAC, RIPESS Asia, AVPN)