

# GOLD VI

**Case-Based Contribution  
to Chapter 8: Prospering**  
*GOLD VI Report on Pathways  
to urban and territorial equality*

**Social, solidarity, and circular**

**economy to build alternative economic**

**paths**

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# Social, solidarity, and circular economy to build alternative economic paths

## ORGANISATION NAME

UCLG Commission on Local Economic Development

## CITIES/COUNTRIES IT COVERS

SSE: Seoul, Montreal, Liverpool, Barcelona, Durban.  
Circular Economy: UE and Spain, Amsterdam, Malang, Finland

## CHAPTER

8: Prospering

## SUMMARY

Analysis of different experiences emphasises the importance of participatory process (formal like partnership, agency in the case of **Seoul** (Korea) or **Montreal** (Canada) or informal in the first steps of the case or **Barcelona** (Spain)) to the success of design and implementation. Most of them have been focused on capacity building (by training, assessment, etc.) providing programs and creating forums or spaces to share knowledge, such as the case of the living lab in **Amsterdam** (Netherlands) to promote circular co-solutions for current problems. The implication of different levels of government and their grade of autonomy has consequences in the different legal frameworks and political measures, such as **Montreal** (Canada) and **Liverpool** (UK). Another element presented in most experiences including **Barcelona, Montreal, Durban** (South Africa) and **Liverpool**, is the existence of a Strategy Action Plan to develop the policy measure which is elaborated with the participation of different agents (governmental and non-governmental), and adapted to the territorial context.

The Circular Economy approaches analysed include different methods: strategies such as the Strategic Plan for Circular Economy for the **European Union**, a City Strategy as in the case of **Amsterdam** (Netherlands) but also private initiatives like Garbage Clinical Insurance which act as a benchmark to promote solutions for social problems.

The Social and Solidarity economy (SSE) includes organizations and enterprises with social and often environmental objectives, guided by principles and practices of cooperation, solidarity and democratic self-management where decision-making power is not linked to the weight of held capital (in Guidelines for Local Governments on Policies for Social and Solidarity Economy. Geneva: UNRISD.)

Social and Solidarity Economy (SSE) and their enterprises take an important role to facilitate inclusive and sustainable development, doing business differently, and incorporating social innovation. The different organizations, such as cooperatives, non-profit organizations, associations engaged in economic activity, mutuals (often formed to organize finance-related activities), foundations or social enterprises put people in the middle of their business models, including the social, economic and/or environmental challenges and goals within them. The relevance of SSE as a tool to boost local, regional, and national economies from a different paradigm or value, make local, regional and national governments and international organizations interested in helping the SSE.

The promotion of diverse SSE needs government policies and programmes, designed legal frameworks that include different levels of governments, investment in social innovation and education, monitoring and assessment systems for these policies and, in some cases, specialist bodies to promote and coordinate instruments and programmes.

## 1.

**Seoul Metropolitan Government** (Republic of Korea) sharing a local vision and central government approach to SSE, the local government action based on a vision of SSE, showing that an integration system

of public support has been better (in terms of effectiveness and efficiency) than a fragmented support system (with different departments for different types of SSE). Another relevant element is the participation of public and private agents by the partnership. The Public-Private Policymaking Partnership for the Social Economy in Seoul is the place where they discuss and establish basic plans and measures for the social economy policy. Also, the Seoul Social Economy Centre as an intermediary agency of the Municipal Government supports SSEs, supported in a public-private partnership. With the help of all these bodies, policy measures have been implemented introducing legal provisions for official policy support; enabling social finance initiatives, by developing a special intermediary in charge of social finance; according to preferential treatment to SSEs in public procurement and helping them pioneer markets; supporting and enhancing the management of SSE capabilities; and providing education and training to develop competent actors for the social economy.

Capacity building is another strategic point. The Social Economy Academy was formed with the mission of providing basic capability development and practical training necessary to start and manage SSEs, supported the development of 45 courses, the administration of 131 courses, and helped a cumulative total of 7,960 people complete their courses. For five years (until 2016), it hosted the Wiki Seoul Project<sup>1</sup> (as one of the Mayor's policies), encouraging citizens to submit creative ideas for solving social problems, and recruiting and supporting innovative actors to foster the social economy accordingly. Nowadays there are two main programmes: Strategic Training and Technological Training Programmes.

1. <http://www.pssdlab.com/Wiki-Seoul-Business-Model-development-Workshop>

The Social Investment Fund has been created to support SSEs and their projects for society by providing them with the required investments and loans. The Seoul Metropolitan Government had initially commissioned a nongovernmental social investment institution to manage and administrate this fund, however the amendment of the Framework Act of the Management of Local Government Funds in 2016 made it illegal to commission the management of a public fund to a private party. Upon reviewing how the fund had been managed until then; the conclusion was that it had almost exclusively benefitted companies with high credit ratings and the ability to repay their loans, thus failing to cater to the demand of new and small enterprises. It was thus important to address this situation by developing a special intermediary in charge of social finance. It was also necessary to secure additional contributions and resources from the nongovernmental sector to enlarge the fund. With the vision of making the Social Investment Fund a major source of relational finance and patient capital, the SMG decided to openly recruit diverse partners of social finance. These partners would receive the Social Investment Fund in the form of investments and loans, on the condition that they would match the amounts they received one-to-one, or one-to-three at the very least, and reinvest or loan the money to social economy enterprises, meaning the Social Investment Fund would serve the financial needs of these social enterprises. The municipal government's plan for the Social Investment Fund in 2019 involved providing 10 billion Korean Won for programmes supporting SSEs and social investment from the metropolitan budget of 35.7414 trillion Korean Won. The main aims of this plan were to provide loans necessary to start or manage enterprises and implement social projects that deliver social values (seek to solve social, environmental, and cultural problems in Seoul).<sup>2</sup>

The Seoul Metropolitan Government's partner on SSE, the Seoul Social Economy Centre has introduced various programmes to support public purchases, and the Seoul Metropolitan Government's purchases from these enterprises amounted to around 1.3% of its total procurement. One of the most well-known among them is the Group Supporting Social Economy Enterprises' Marketing for Public Procurement. The Seoul Social Economy Portal<sup>3</sup> is a website run by this institution, that allows the accumulation and sharing of a wide range of information.

Seoul has become an example for other local governments and for its central government in terms of legal regulation and creation of public bodies (agencies) that help enterprises to find economical resources or training.

## 2.

With a policy structure based on a nested national and regional government, actions taken by the City of **Montreal** (Quebec, Canada) cannot be considered separately from the provincial and federal levels of government. The limitations of policy autonomy at the municipal level apply equally to identifying support organizations in the City of **Montreal**, frequently established and managed at the provincial level. One of the areas in which the province of Quebec does grant resources and responsibilities to municipal governments has been to directly support new enterprise development. This mandate has supported local action in development of the social economy in emerging sectors, innovations in traditional sectors, an increased contribution from universities and youth and the intersections with new trends such as the circular economy and the commons.

2. As of December 2019, Seoul was home to 22.9% of Framework Act on Cooperation defined cooperatives (Seoul Coop Support Centre 2020), as well as 18.9% of all social enterprises (Lifein 2019), and as of June 2019 it has also been home to 6.0% of all community enterprises (Lifein 2019), and 11.9% of self-reliance enterprises as of February 2016 (Central Self-Sufficiency Foundation [CSSF] 2017)

3. <https://sehub.net/multilingual?lang=en>

The main elements that define this study case are the importance of adopting and maintaining an integrated, “ecosystemic” approach, with relations based on partnerships and not on the subordination of the social economy to a political or public administrations agenda, and the importance of integrating the social economy into an overall vision of ecological and social transition.<sup>4</sup>

The City, presented its new Economic Development Strategy for 2018-2022, comprising 8 distinct action plans. The Action Plan for Social Innovation 2018-2022 established the actions that the City could take to promote and integrate the social economy into its socio-economic development strategy as well as into its overall operations and into the daily lives of Montreal citizens. Aligning the social economy with a place-based territorial model outlines three specific strategies to support the development of the social economy: implement a strategic diversification programme and merge sectors for the social economy; offer coaching for pre-start up social economy enterprises and organize a forum on the social economy in *Montreal-Nord* to share experiences (also international). The main goal was to delve deep into the culture of collaboration and collective action to mobilise civil society actors in favour of an ecological and social transition based on co-knowledge.

**Montreal** has relied heavily on social economy organisations to develop accessible and affordable community housing,<sup>5</sup> managed provincial funds for social and community housing and established *Accès Logis Montreal*, a municipal programme similar to the provincial one, but better adapted to the local context. The City Council also adopted a motion to create a Food Policy Council, with the mission to assure food security for vulnerable

populations, access to healthy food for all and to develop a food system for Montreal. The *Système alimentaire Montréal* (Montreal Food System) is the operating body of this initiative and works with social economy organisations, public bodies and foundations. Its projects include urban agriculture and community gardens, ‘solidarity markets’ in areas considered food ‘deserts’ and reduction of food waste.

The City mainly promotes awareness of the social economy. One of the most significant initiatives has been *J’achète Montréal*, and its directory of local social economy organizations and enterprises operating in the city. Another initiative, *Faire Montréal* has launched an online platform which introduces projects related to innovation, social development and economic development, among others.

### 3.

Much of the SSE in the **Liverpool City Region** (in northwest England)<sup>6</sup> is an example of how SSE can contribute to resolving socio-economic problems resulting from population loss and economic decline, particularly in housing and labour markets. The Liverpool City Region (LCR) Combined Authority is seeking to incorporate social value in all policy, aiming to have a direct positive impact for the SSE especially in terms of accessing public markets and protecting community land and buildings. The SSE was recognized as an important part of the wider city region’s attempt to build a more inclusive economy by the Combined Authority which incorporated it into its local industrial strategy.<sup>7</sup> New collaboration has led to an important finance initiative to deliver better forms of social investment into the sector. The LCR Social Economy Panel, which helped build the platform required for each of the city region’s SSE sectors to work together in a more systematic

4. According to National Statistical Portrait of the Social Economy of Quebec (2019), and based on 2016 data, there are more than 11,000 social economy enterprises in Quebec, of which 2,780 are in Montreal, with a gross revenue of CAD 47.8 billion, employing over 220,000 people (Institut de la Statistique du Québec, 2019). The social economy represents approximately 4.5% of the number of registered establishments in Montreal. From Mendell, M., Neamtan, N. and Yi, H. (2020)

5. “As of 2018, among the 60,071 social and community housing units in Montreal, less than 35 % are public housing; 30% are nonprofit and 24% are housing cooperatives.” From Mendell, M., Neamtan, N. and Yi, H. (2020)

6. In their 2019 Annual Report Co-operatives UK suggest 7,215 independent co-operatives operate in the UK, with 13 million members, 234,000 employees and an aggregate turnover of just under GBP 38 billion. Available: <https://www.uk.coop/resources/annual-report-2019> from Heap, H., Southern, I. and Thompson, M. (2020). These authors estimated around 1,400 trading SSE organizations in 2016 that accounted around 2% of all businesses in the city region (Heap, Southern and Thompson 2017). In 2016, almost 45,000 people were employed in this economy in the city region. The sector had an income of some GBP 3 billion and an asset base of over GBP 4 billion. Key SSE industry sectors in the city region are housing, education, and health and social care, accounting for half of all organizations and almost 90% of annual income, employment and net assets. The city of Liverpool accounted for over half of all social economy organizations in the city region, which generated over 50% of total revenue and accounted for two thirds of all assets. Amongst the other districts, Halton SSE organizations make up only 5% of the total number, while Knowsley constitutes 9%, St Helens 6%, Sefton 11% and Wirral 18%. Of the type of SSE organization, we recorded 623 registered charities, 276 social enterprises (CICs), 113 clubs and membership organizations, 5 universities, 122 other educational establishments, 127 social businesses and 103 cooperatives. (For more detail Heap, H., Southern, I. and Thompson, M. (2020) page 13 et following)

7. <https://www.liverpoolcityregion-ca.gov.uk/growing-our-economy/>

manner, has meant that for the first time, the SSE has a recognized and formal voice within the governance structures of the city region and can shape policy, and they will discuss with the Metro Mayor the priorities and progress made on any such plans. In this way, the Spatial Development Strategy seeks to protect the SSE against loss of land and buildings in any spatial development and to support the development of new social economy uses.

The success of this experience contributed to creating the SSE Reference Panel, which empowers SSE practitioners and activists to work with public policymakers; early achievements include the city region consultation on social value and inclusion of the sector in the Local Industrial Strategy (like a space for the collaborative work between public policymakers and SSE practitioners).

Kindred (still in its early formation) is established as an independent Community Interest Company governed by the LCR SSE, with public funding offering finance that is more caring to the needs of the SSE. It is developing solidarity funding and 'pay it forward' reciprocity (the money Kindred invests will be used time and time again, as the investee businesses pay it forward, and value will be measured by both financial returns and social impacts) to overcome the alienating language of 'loans', 'capital' and 'investors'.<sup>8</sup>

One of the most direct ways local government strengthens SSE access to markets in the region is via public procurement.

Public policies within the city region to support capacity building in the SSE are limited. Mostly, capacity building in the SSE is largely delivered from within the sector by national agencies.

One of the key recommendations of the LCR Land Commission is for an Accelerator programme to act as a capacity-building hub for both community groups and public officials and create a conduit between local authorities seeking to divest of land holdings and SSE organizations looking for plots of under-used land for various community or ecological uses.

This collaborative work between public policy-makers and SSE practitioners brings together three important components to co-construct new policy tools and approaches to joint working: the political voice for the SSE has been firmly established; the pursuit of inclusive growth in their Local Industrial Strategy and Spatial Development Strategy positions the SSE in a critical economic development role (to seek to protect the SSE against loss of land and buildings in any spatial development and to support the development of new social economy uses); and the formulation of Kindred – and potentially the Accelerator – is an innovative response to what is desperately needed by organizations in the SSE: patient capital and affordable land and workspace.

#### 4.

One of the priorities of the local government of **Barcelona** (Catalonia, Spain) was to develop an SSE policy, which was realized through the Plan to Boost the Social and Solidarity Economy (2016–2019). One institutional innovation of the Plan was the creation of the *Participatory Area* of the SSE policy, as an informal consultative and joint decision-making body on matters of public policy on SSE. To implement the SSE public policy from a co-construction approach, the new Cooperative and Social and Solidarity Economy Commission carried out several participatory activities (more than 300 meetings in two years).

8. <https://kindred-lcr.co.uk>

These bilateral dialogues over time evolved into multilateral ones and went from being occasional to regular events, subsequently shaping the *Participatory Area*. In this case, two factors proved central to the successful informal arrangement of the co-construction process of public policy: (i) the determination of the city council to engage diverse SSE entities in SSE policy; and (ii) a budget allocation favourable to its development.

A significant characteristic of the Plan is that it promotes a cross-sectoral policy to the SSE. It fosters both socio-entrepreneurial and social-community initiatives, including ethical finance, fair commercialization, responsible consumption, commons goods, and social currencies.

The application of this public policy approach has required three elements: a space for participation and dialogue of its own, a “participated area”; a public policy action adapted to this partnership approach and aimed at achieving intragovernmental and intergovernmental coordination; and a sector of SSE structured both at the cognitive and organizational level that can be the interlocutor of the administration.

The two general objectives of the plan were: Impetus included efforts to raise awareness/general social recognition of SSE and efforts to promote and enable the creation of new SSE initiatives and the transformation of conventional businesses into SSE bodies or an approximation of them; and Reinforcement included measures to reinforce and improve SSE initiatives and their organizational and economic structuring.

To implement these objectives, the plan presented six lines of work: mentoring and training; funding; cooperation (among stakeholders); communication and reporting; facilities and resources; territorialization and community action.

Regarding the scope of activities, those were also extended to products or services not distributed through the market, such as those offered by the community economies or the sharing economy of the commons goods.

The plan also included monitoring and evaluation elements which involved both quantitative and qualitative assessments through participatory processes.<sup>9</sup>

The different instruments articulated in the PIESS were: financial support; cognitive support instruments; instruments for technical support; instruments to support access to public markets; singular and referential instruments; and instruments to support the creation and development of social and participatory capital.

The total budget of the Plan for the period 2015-2019 was 24,286,442 EUR, of which 8,271,000 EUR was for investment.

A key supporting organization for its implementation is *Barcelona Activa*, a municipal entity devoted to employment and local development.

## 5.

The city of **Durban** (eThekweni Metropolitan Municipality, KZN Province,<sup>10</sup> South Africa) is emerging as an example for creating an enabling environment for the SSE by co-construction process of policy making with relevant stakeholders and the implementation of these policies in a consultation process.

The local government policy implementation for the SSE is based on a policy cascading from national level to the provincial level and then to the local level. Each level of government and the concerned stakeholders add value in each stage from design to implementation and evaluation.

9. Some conclusions in: [https://www.barcelona.cat/infobarcelona/ca/empresa/veniu-a-fer-un-cafe-balanc-de-la-politica-publica-dess-i-descobriu-innova\\_775766.html](https://www.barcelona.cat/infobarcelona/ca/empresa/veniu-a-fer-un-cafe-balanc-de-la-politica-publica-dess-i-descobriu-innova_775766.html)

10. KZN Province represent 31.7% of the total amount of cooperative in South Africa.

Together with partners and stakeholders the local government has established its own SSE environment by means of its Cooperative Development Plan. This Plan includes different stakeholders, such as national government departments and agencies, provincial administration, the municipality itself, universities, banks, SSEOs and for-profit enterprises.

The Cooperative Development Plan provides administrative and technical assistance and training to improve SSE performance and sustainability.

The Cooperatives Incentive Scheme (CIS) providing start-up capital and equipment to a maximum of 350,000 ZAR per cooperative; gaining access to business incubation services. The city of **Durban**, in partnership with the local branch of the national Small Enterprise Development Agency (SEDA), incorporated an incubator element for cooperatives in SEDA's existing training programmes. The Cooperative Development Plan facilitates training.<sup>11</sup> Training takes place close to where these cooperatives are clustered (for instance suburbs or towns) to avoid cooperative members having to travel. Training is conducted on demand or arising from information gauged through previous evaluation. The unit gains information through their interaction with the cooperatives when providing them with advice.

Apart from involving all the relevant line departments within the municipality, consultation with all stakeholders contributed to the success of the design process and the implementation of the policy.

## 6.

**The circular economy** is a production and consumption model that involves sharing, renting, reusing, repairing, renewing and recycling existing materials and products as

many times as possible to create added value. In this way, the life cycle of the products is extended. The achievement of a sustainable development model, in congruence with the objectives of the 2030 Agenda for the protection of people, the planet and prosperity, implies a change in economic consciousness (factors of competitiveness, production and consumption) that implies the transition from linear models to circular models ("natural cycles") with the potential to solve environmental challenges and generate business opportunities and economic growth.

**Practices that foster a circular economy model redefine the concept of growth by focusing on positive benefits for the whole of society based on three key principles of transformation:**

1. Preserve and enhance natural capital, controlling finite stocks and balancing the flows of renewable resources.
2. Optimize the use of resources, rotating products, components and materials with maximum utility at all times, both in technical and biological cycles.
3. Promote the efficiency of the system, revealing and eliminating negative externalities.

## 7.

The **European Union** is promoting the Strategic Plan for Circular Economy, which challenges the traditional methods of manufacture, use and disposal of goods, and the transition to renewable energy sources. The EU Action Plan for the Circular Economy, called 'Closing the loop', includes a package of 54 measures and, according to monitoring and evaluation reports, the most effective are being applied in the area of waste. The measures affect different stages of the life cycle of the products (design and production, consumption, waste man-

<sup>11</sup> 72 incubators have already been established all over South Africa by the DSDB through the Incubation Support Programme (ISP) to develop incubators and create successful enterprises with the potential to revitalize communities and strengthen local and national economies. There are different types of incubators. A virtual incubator is a "walk-in" incubator with a hotdesk, training areas and meeting facilities for cooperatives and prospective clients, from. Steinman, S (2020)



agement and use of the resources contained in the waste through its reintroduction into the economy); and five areas that the Commission considers priorities: plastics, food waste, critical raw materials, construction and demolition and biomass and bio-based products.

On the other hand, the Action Plan for a cleaner and more competitive Europe,<sup>12</sup> within the policies of the European Green Deal, promotes initiatives throughout the entire life cycle of products promoting circular economy processes and sustainable consumption with the aim of ensuring that the resources used are kept in the EU economy for as long as possible.

The aim is to reduce the EU's consumption footprint and double the rate of use of circular material in the European space in the next decade, while boosting economic growth.

The following areas are identified as key: electronics and ICT, textiles, plastics, construction and buildings, containers and packaging, batteries, vehicles and food.

The Spanish public administration has also made progress with the approval of regulations and plans that seek to promote the production and consumption model. At the state level, the Spanish Circular Economy Strategy, *España Circular 2030*, lays the foundations to promote a new production and consumption model in which the value of products, materials and resources are kept in the economy for as long as possible, the generation of waste is minimized and where it cannot be avoided they are reused to the greatest extent possible.

## 8.

The Circular Economy Strategy of the city of **Amsterdam**<sup>13</sup> (Netherlands) aims to significantly reduce the use of new raw materials, thus

contributing to a sustainable city, to halve the use of new raw materials by 2030 and achieve a fully circular city by 2050. To this end, three value chains have been defined: Food flows and organic waste; Consumer goods (mainly about products such as electronics, textiles and furniture); and Environmental construction (including the design, construction and renovation of houses and buildings, and also to the design of public spaces, from roads and bridges to playgrounds and parks, as well as choice of construction materials). And in order to develop these three chains and their localized areas of improvement, a dual mechanism or level of participation is recognized: on the one hand, the central government and the European Union as higher-level government structures that have also expressed and shared concerns about the development of the circular economy, to make the world cleaner and society more equitable (an example of a collaborative area is that of taxation on labour to taxation on raw materials and energy). On the other hand, the role of the different local agents is recognized, so that the city works with the 7 districts of the city and with local initiatives, knowledge institutions and residents. Further expanding the influence to the metropolitan area. In addition, the role of the business sector (as an agent that will create economic, social and environmental value by providing valuable goods and services in a cost-effective manner) in relation to sustainable development is defined. For example, products are promoted to last longer and allow repairs, measures are imposed for restaurants and hotels to donate food to discard, or so-called "materials passports" are created, which account for reusable materials in demolition or promote the use of more sustainable materials in the construction of buildings.

12. The plan sets out the EU agenda for achieving a sustainable Europe through the promotion of a circular economy. It includes legislative and non-legislative measures in different areas, including the circularity in regions and cities. [https://ec.europa.eu/jrc/communities/sites/default/files/new\\_circular\\_economy\\_action\\_plan.pdf](https://ec.europa.eu/jrc/communities/sites/default/files/new_circular_economy_action_plan.pdf)

13. <https://www.amsterdam.nl/en/policy/sustainability/circular-economy/>

It also defines the role of civil society, which is recognized as the out-of-state area, the market and the family, and which includes among other non-governmental organizations, non-profit organizations, civil society organizations, trade unions, informal groups and communities, social movements, religious communities, base organizations and cooperatives, and some of which are increasingly engaged in business activities. Finally, associations are identified as being able to achieve more through the implementation of a joint strategy than through the implementation of individual strategies through greater coordination and trust.

In its Circular Strategy, the city recognizes the importance of using communication as a tool to “appreciate and strengthen leaders’ initiatives and share them as inspiration.” To do this, they have a [www.nieuwamsterdamsklimaat.nl](http://www.nieuwamsterdamsklimaat.nl)<sup>14</sup> (NAK) platform that uses examples of circular initiatives and clear action perspectives to encourage all Amsterdam residents to get to work for themselves or the [www.Van-amsterdamsebodem.nl](http://www.Van-amsterdamsebodem.nl)<sup>15</sup> platform that provides an overview of food initiatives and events in the city. In this communication strategy NAK is developing as a sustainable brand that also relates to out-of-network citizenship for example, through sustainable events and centres in the city.

Awareness-raising and communication actions are designed and developed for different actors, such as: residents of Amsterdam and businesses that have not yet begun their circular transition. Participation meetings are organized with interested citizens and meetings are planned with another initiative: the Amsterdam Neutral Climate Roadmap.

For companies, through communication they are encouraged to collaborate in chains (vertical approach) and sectors (horizontal approach). Within the communication strategy, the focus is on medium and large companies. An example of sectoral collaboration is the ‘Circular Hotels Frontrunner Group’, a network of 22 leading hotels working with the city and its suppliers to find measures to reduce food waste and unnecessary material consumption.

The administration itself is also taken into account through an effective communication strategy to align the actions of persons employed in local administration with circular principles. To do this they have the Green Office, the body of the city that oversees the sustainability of its own municipal organization.

Stressing the participation tools for co-creation such as the “living lab”, which are places where innovative solutions are tested in living spaces such as neighbourhoods or commercial areas. The central axis of this tool goes beyond cooperation with other parties, and establishes it in co-creation, in which the consultative character is overcome and in which all parties are involved from the beginning, and on a plane of equal relevance and importance. An example of a laboratory is the ‘*Circular Buiksloterham*’ developed by the city of Amsterdam within the framework of its Circular Strategy. It includes multiple agents both above and below level, which recognize their potential in achieving a better implementation of the common objective.

Tools are available that through participation and co-creation can provide solutions to everyday problems (living lab).

Design and development of a clearly defined communication strategy, which takes into account the different actors involved in the process.

14. [www.nieuwamsterdamsklimaat.nl](http://www.nieuwamsterdamsklimaat.nl)

15. [www.Van-amsterdamsebodem.nl](http://www.Van-amsterdamsebodem.nl)

## 9.

**Garbage Clinical Insurance (GCI)** in **Malang** (East Java, Indonesia) is a micro health insurance program that uses garbage as a financial resource. With this program, the community pays clinical services by using garbage in an insurance scheme. Instead of paying for healthcare in money, community members hand in their trash to the GCI Team. The revenue made is used to finance a health clinic, to which all members have free access. The main goal of Garbage Clinical Insurance is to organize communities to create sustainable financing from their own resources in order to improve the access and the quality of public health programs from promotive, preventive, curative, and rehabilitative aspects. At the same time, the programme offers an incentive for the community to start proper waste management and waste entrepreneurship from the household level.

In Indonesia, the country's medical services cover only 33% of the population. To change this panorama, Gama Albinsaid, "Doctor Trash," developed a new currency system. That is why he has created Garbage Clinical Insurance (GCI) in his hometown (**Malang**, East Java). It is a new health insurance program that allows the poorest to pay for their consultation with the available "bargaining chip": their garbage.

Garbage Clinical Insurance wants health services in Indonesia to be more inclusive and to be enjoyed by everyone. Now, 15 doctors and 12 nurses who work in the GCI clinics receive their salary thanks to the waste that reaches the medical centre. Almost a hundred volunteers also collaborate with the project. Currently, the program reaches about 2,000 beneficiaries and has spread to other cities such as **Bandung** (West Java) and **Yogyakarta**.

Initiatives like these should be implemented in each country, not only to protect the environment, but also to provide effective solutions to combat other problems that society faces, such as lack of resources.

## 10.

**Finnish Innovation Fund Sitra**<sup>16</sup> is the catalyst for the transition to the circular economy in Finland, as it plays a key role in accelerating this economic model, budgeting up to 10 million EUR specifically for grants applied to circular businesses. Sitra has been the entity in charge of elaborating the innovative roadmap of the circular economy of Finland 2016-2025. To build it, it brought together more than 1,000 participants from all sectors of society to define a common agenda. The implementation of the roadmap has already started. It also organized the first World Circular Economy Forum in 2017, together with the Nordic Council of Ministers, the Ellen MacArthur Foundation, the European Commission, and the United Nations Environment, which brought together 1,600 change-makers from 92 countries.

## 11.

**Banyan Nation**<sup>17</sup> is the first vertically integrated plastics recycling company in India to use data intelligence to include a largely informal supply chain and proprietary plastics cleaning technology to produce Better Plastic™, of virgin quality that brands can use to make new products and packaging.

Banyan's cloud and mobile technology platform integrates the sector of last mile collectors who recover more than 70% of plastics in India. Banyan's IoT-based smart waste management platform detects, aggregates and analyses data to help cities make waste management more effective and economical. Its plastic cleaning technology

16. <https://www.sitra.fi/en/>

17. <https://www.banyannation.com>

removes dirt, leftover products, inks, paints, and adhesives from plastics to restore their near-virgin quality. Banyan Nation is stopping the leakage of plastics into the environment and helping reputable brands to include recycled plastics in their products and packaging. At the same time, they are working with cities to avoid diverting valuable resources that end up in landfills, thereby solving India's garbage crisis. It created a data-tracking platform where it could monitor waste-flows in **Hyderabad** (India). Banyan Nation's IoT platform provides a "bird's eye view" of waste streams in **Hyderabad**. This model can be scaled across cities and states considering the amount of waste India generates every year. This company has recycled more than 7 million pounds of plastics and integrated more than 2,000 informal sector waste workers into its value chain.

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## PROSPERING

This paper has been produced as a Case-Based Contribution to the sixth Global Report on Local Democracy and Decentralization (GOLD VI): the flagship publication of the organized constituency of local and regional governments represented in United Cities and Local Governments. The GOLD VI report has been produced in partnership with the Development Planning Unit (University College London), through the programme Knowledge in Action for Urban Equality (KNOW). GOLD VI focuses on how local and regional governments can address the local manifestations of growing inequalities and contribute to create “Pathways to urban and territorial equality”. The GOLD VI report has been produced through a large-scale international co-production process, bringing together over a hundred representatives of local and regional governments, academics and civil society organizations. This paper is an outcome of this process and is part of the *Pathways to Equality Cases Repository*, which collects the over 60 Case-Based Contributions produced as part of the GOLD VI report.

In particular, the present paper has contributed to Chapter 8 on “Prospering”, which focuses on prosperity as a culturally specific and multi-dimensional concept, including income but not only. The chapter explores key drivers of urban inequality reflected in the scarcity of decent work and in social-spatial disparities in the location of different productive activities within cities. The chapter analyses how local and regional governments can increase decent work opportunities, and, drawing on the impacts of COVID-19, how they can mitigate the effects of future pandemics and of climate change on decent work, urban prosperity and inequality.

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