



Toledo Declaration 2020

“The Social and Solidarity Economy as a key driver for an inclusive and sustainable future”

Five years ago, in an unprecedented milestone, the Member States of the European Union unanimously agreed to promote the Social and Solidarity Economy as a key driver of economic and social development, as reflected in the Conclusions of the Council of the European Union of 7 December 2015. The change made possible by said agreement led six EU Member States to form a group to ensure its implementation, and to adopt the Luxembourg Declaration on the Social Economy. The signing of that Declaration marked a decisive moment in the journey towards greater economic, social and territorial cohesion in the EU, representing the firm support of a core group of EU Governments for the promotion and development of the Social and Solidarity Economy.

This first Declaration, signed in Luxembourg, was followed by the Bratislava Declaration (2016), the Ljubljana Declaration (2017), the Madrid Declaration (2017) and the Paris “Pact for Impact” Manifesto (2019). Over this same period, a growing number of Member States have joined the work of the Monitoring Committee of the Luxembourg Declaration, whose purpose was to ensure the achievement of one primary goal: the recognition of the Social and Solidarity Economy as a fundamental driver of the European and international political agenda. In parallel, the Social and Solidarity Economy has consolidated its role as an essential driver of change and sustainability in our societies, seeking to build a decent future for all the people and territories of Europe.

The distance covered together so far shows that open dialogue between countries and with the European Commission, the European Parliament, the Council, the European Committee of the Regions and other European and international institutions—including the European Economic and Social Committee (EESC), the Organisation for Economic Co-operation and Development (OECD), the International Labour Organization (ILO) and the United Nations Task Force of the Social and Solidarity Economy (UNTFSSSE)—is an essential element for moving forward.

It is thanks to the combined efforts and dedication of many of the people and institutions represented in this Declaration that we are able to speak today of a European Social and Solidarity Economy ecosystem that is on its way to becoming consolidated. The European Action Plan for the Social Economy, currently being prepared for approval in 2021, reflects the political will to recognize and support the SSE. In these times of economic and social



difficulties, the interest in the Social and Solidarity Economy demonstrated by people, entities, unions, public administrations, governments, other agents of the ecosystem and other social actors whose daily work makes it possible is driving us forward towards a shared future.

For decades now, the Social and Solidarity Economy has promoted the transformation of economic models, championing responsibility towards each other and towards the planet and solidarity between people and generations as essential values for creating enterprises and building a people- and planet-centred economy. These values comprise the cornerstone of the action principles of the Social and Solidarity Economy, which include prioritizing people and social aim over capital, reinvesting the majority of profits back into the organization itself to guarantee its sustainability, rendering services to the people who work for it and to local communities, and actively contributing to social innovation.

These values and action principles contribute—through more than 2.8 million companies and entities, 13.6 million paid jobs, and over 232 million members—to the well-being of people, communities and territories, generating approximately 8% of EU GDP.

Social and Solidarity Economy entities and other social enterprises have deep roots in their territories and communities, making them an essential feature of local economies and societies and difficult to delocalize. Because of such ties, these entities are fully aware of the limits to the natural resources of their environments, and therefore contribute to the progressive decarbonization of the economy towards a climate neutral future and a just transition. Europe is committed to the transformative power of citizen-led social enterprises with a transformative and innovative spirit, as reflected in the European Pillar of Social Rights and the European Green Deal. Moreover, the progressive digitalization of Social and Solidarity Economy enterprises pursuant to models based on accessibility, collaboration and solidarity constitutes an essential driver for underpinning their consolidation and territorial roots.

As a result of its commitment to people and territories, the Social and Solidarity Economy and its entities make an active contribution to social cohesion. The inclusion of vulnerable individuals and groups, the visibility and empowerment of women as agents of change, the commitment to creating quality jobs, the implementation of equal conditions between women and men and the emphasis placed on the participation of people offer a glimpse of future horizons for Europe in which well-being, justice and innovation go hand in hand.

Social and Solidarity Economy entities are not only present in all economic sectors, they are also at the vanguard of innovation in sectors that are vital to the transformation of current production models, such as agroecology and healthy food systems, care services, culture, renewable energy and efficient and affordable housing.



The Social and Solidarity Economy has demonstrated a high level of resilience, generating decent and quality jobs even in times of economic crisis. This is why the Social and Solidarity Economy constitutes an essential pillar from which to begin to rebuild Europe, supporting social innovation and its diffusion throughout the territory together with resilient economic systems.

The Social and Solidarity Economy is an indispensable ally not only in the long-term economic recovery of Europe but also in the implementation of the Sustainable Development Goals (SDGs) for 2030. The human and economic development model favoured by the Social and Solidarity Economy embodies the spirit of that Agenda. The aims pursued by the SDGs echo the values of responsibility, equality and solidarity that characterize the Social and Solidarity Economy, as well as the importance of well-being, decent jobs, and the active participation of people. Moreover, the Social and Solidarity Economy plays a role in localizing SDGs, taking root in territories and fostering the multi-stakeholder partnerships needed to provide innovative responses to the complex and growing needs of communities.

Together with the efforts made to ensure the monitoring of the Social and Solidarity Economy agenda by Member States, the designation of a specific city or large town each year as the European capital of the Social and Solidarity Economy underscores the importance of local communities and territories. **In the wake of three other European Social Economy capitals, here in the city of Toledo—a symbol of understanding and peaceful co-existence between different cultures—the signatories of this Declaration commit to and urge all Member States, as well as European and international institutions and organizations, to:**

1. **Raise the visibility and recognition of the Social and Solidarity Economy through public policies, plans and specific actions in collaboration with the people and entities that comprise it.** In particular, it is essential that we make it easier for young people and potentially vulnerable and marginalized groups to engage in collective social entrepreneurship, and that we promote advanced research and education in the Social and Solidarity Economy at all levels so as to promote the values and the opportunities of the Social and Solidarity Economy to new generations.
2. **Promote the economic, social and environmental development model of the Social and Solidarity Economy.** Specifically, stress the significance of its potential for cross-pollination with other business models with its values so as to consolidate social and environmental responsibility and good governance in the economic and business sphere.



3. **Support the generation of ecosystems favourable to the Social and Solidarity Economy**, fostering the creation of synergies between public administrations and Social and Solidarity Economy agents. This may include creating legal frameworks, programmes, plans and strategies in collaboration with the entities themselves to ensure that regulatory conditions are favourable to the development of this ecosystem.
4. **Seek to ensure the necessary financial support is in place for the consolidation of a viable and sustainable Social and Solidarity Economy.** In particular, we urge that sufficient national and European funding be made available to the people and entities that comprise the SSE ecosystem, including the use of European funds from the 2021-2027 Multiannual Financial Framework and of the recovery funds envisaged in the Next Generation EU instrument.
5. **Recognize the critical role of the Social and Solidarity Economy as a crucial driver in shaping a sustainable, inclusive and just post-COVID 19 recovery throughout Europe**, as some international bodies have already done. In particular, it is essential to encourage initiatives for sustaining incipient local Social and Solidarity Economy ecosystems in the long term, and for the transfer of know-how and practices between agents of the Social and Solidarity Economy and other socioeconomic agents.
6. **Contribute to the international expansion of the Social and Solidarity Economy.** In particular, by supporting the internationalization of Social and Solidarity Economy entities pursuant to endogenous development models, by raising their profile in official multilateral and bilateral institutional spheres, and by promoting knowledge and experience exchanges between agents from this ecosystem and from other areas and sectors. It is also a priority to establish a UN Resolution on the Social and Solidarity Economy that recognizes and promotes these enterprises and entities in their contribution to inclusive and sustainable economies with positive effects for people and the planet.
7. **Generate and maintain high-level cooperation and dialogue mechanisms to coordinate actions supporting the Social and Solidarity Economy, promoting social innovation and innovative public policy.** In particular, we encourage collaboration with the Social and Solidarity Economy in the framework of the European Action Plan for the Social Economy to promote it as a model for the future, a model with the potential to generate more plural economies for sustainable, egalitarian and just societies.



This text is signed by

Yolanda DÍAZ

Minister of Labour and the Social Economy of Spain

[Complete with the list of signatories]