



MedTOWN Whitepaper on SSE and Co-production of Social Policies in the Mediterranean Region

MedTOWN project

**Co-production of social policies with
social & solidarity economy actors to fight
poverty, inequality and social exclusion.**

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ACRONYMS

| | |
|---|-----------------------------------|
| ENI CBC Med | European Cross Border Cooperation |
| Social Solidarity Economy | SSE |
| Demonstrative Actions | DAs |
| Public-Private Partnerships | PPP |
| Non-Governmental Organization | NGO |
| Asamblea de Cooperación por la Paz | ACPP |
| European Union | EU |

1. EXECUTIVE SUMMARY

This whitepaper presents a comprehensive analysis of the MedTOWN project, an ambitious initiative funded by the European Union under the European Neighborhood Instrument, aimed at fostering social, economic, and environmental sustainability across the Mediterranean region through the innovative integration of the Social and Solidarity Economy (SSE) and co-production methodologies. Spanning six countries—Spain, Greece, Jordan, Palestine, Portugal, and Tunisia—the project has sought to demonstrate how collaborative efforts between public, private, and social sectors can address some of the most pressing challenges facing the region today.

Purpose

The purpose of this whitepaper is to distill the learnings, achievements, and challenges encountered by the MedTOWN project, offering actionable recommendations for policymakers, practitioners, and stakeholders interested in leveraging SSE and co-production as tools for sustainable development. It serves as both a reflection on the project's journey and a roadmap for future initiatives aiming to replicate or build upon its successes and lessons learned.

Key Findings

The MedTOWN project illuminated the significant potential of SSE and co-production in creating more inclusive, resilient, and sustainable societies. Key findings include:

- **Enhanced Collaboration:** The project successfully fostered robust partnerships among diverse actors, demonstrating the power of collective action in addressing societal challenges.
- **Effective Demonstrative Actions:** Implementing pilot projects across the participating countries showcased the practicality and impact of co-produced social policies in real-world settings.
- **Legal and Regulatory Insights:** A critical analysis revealed varied levels of support for SSE across the region, highlighting the need for improved legal frameworks to fully unleash the potential of SSE and co-production.
- **Capacity Building and Community Engagement:** The project emphasized the importance of empowering SSE actors and involving communities in the co-production process, ensuring solutions are both relevant and sustainable.

Recommendations

Based on the project's experiences, the whitepaper outlines a series of integrated recommendations aimed at enhancing the efficacy and reach of SSE and co-production initiatives:

1. **Strengthening Legal and Regulatory Frameworks:** Urgent development and refinement of supportive laws and regulations are crucial for creating an enabling environment for SSE and co-production.
2. **Enhancing Co-production and Public-Private Partnerships:** Encouraging more strategic collaborations can amplify the impact of social policies and ensure their alignment with community needs.
3. **Financial Mechanisms and Sustainability:** Innovative financing solutions and fiscal incentives are essential to provide SSE organizations with the resources needed for long-term sustainability.
4. **Building Capacity and Community Engagement:** Ongoing investment in training and participatory processes is vital for the success and scalability of SSE initiatives.
5. **Monitoring, Evaluation, and Adaptation:** Establishing robust frameworks for assessment and feedback will ensure the continuous improvement and relevance of SSE projects and policies.

Conclusion

The MedTOWN project stands as a testament to the transformative potential of SSE and co-production in the Mediterranean region. Its achievements and challenges provide valuable insights for future efforts to harness these approaches for sustainable development. By embracing the recommendations outlined in this whitepaper, stakeholders across the region can advance towards a future where economic development, social inclusion, and environmental sustainability are interwoven into the fabric of Mediterranean societies, offering a model of resilience and collaboration for the world.

2. INTRODUCTION

The Mediterranean region, characterized by its rich cultural diversity and historical interconnectedness, faces a unique set of social, economic, and environmental challenges. These challenges, ranging from social inequality and poverty to environmental degradation and climate change, demand innovative and collaborative solutions. It is within this context that the MedTOWN project emerges as a beacon of hope and innovation, aiming to harness the transformative power of the Social and Solidarity Economy (SSE) and co-production to address these pressing issues.

The MedTOWN project, funded by the European Union under the European Neighborhood Instrument, is a comprehensive initiative designed to explore and demonstrate the efficacy of co-producing social policies with SSE actors across six countries in the Mediterranean region: Spain, Greece, Jordan, Palestine, Portugal, and Tunisia. This initiative is grounded in the belief that sustainable development and the wellbeing of communities can be achieved through collaborative efforts that bridge public, private, and social sectors.

The importance of SSE and co-production in this endeavor cannot be overstated. SSE encompasses a range of organizations and enterprises that prioritize social objectives, democratic governance, and the welfare of communities over profit. These entities offer a resilient and equitable model of economic development that can effectively address local and regional challenges. Co-production, on the other hand, represents a methodological shift towards more inclusive and participatory approaches to policy-making and service delivery. By involving stakeholders and beneficiaries in the design, implementation, and evaluation of policies and services, co-production ensures that solutions are tailored to meet the actual needs of communities, thereby enhancing their effectiveness and sustainability.

The MedTOWN project seeks to leverage the synergies between SSE and co-production to create a paradigm shift in how social, economic, and environmental challenges are addressed in the Mediterranean region. By fostering collaboration among diverse actors, promoting innovative social policies, and building the capacities of SSE organizations, the project aims to demonstrate the potential of these approaches to catalyze positive change.

This whitepaper delves into the insights, experiences, and lessons learned from the MedTOWN project, offering a comprehensive analysis of its achievements, challenges, and the overarching impact of integrating SSE and co-production into the fabric of Mediterranean societies. Through detailed discussions and recommendations, this document aims to inspire policymakers, practitioners,

and communities to embrace and advance the principles of SSE and co-production, paving the way for a more sustainable, equitable, and resilient future in the Mediterranean region and beyond.

3. BACKGROUND: THE MEDTOWN PROJECT

Overview

The MedTOWN project represents a pioneering initiative aimed at fostering sustainable development across the Mediterranean region through the innovative concept of co-production in social policies, leveraging the strengths of the Social and Solidarity Economy (SSE). Funded by the European Union under the European Neighborhood Instrument, MedTOWN brought together a diverse consortium of partners from six countries: Spain, Greece, Jordan, Palestine, Portugal, and Tunisia. This collaborative effort sought to demonstrate how public, private, and SSE actors could work together to address pressing social, economic, and environmental challenges.

Objectives

The primary objective of the MedTOWN project was to enhance the role and capacities of SSE actors, facilitating their collaboration with public and private entities to co-produce social policies aimed at combating poverty, inequality, social exclusion, and environmental degradation. By doing so, the project aimed to:

- Strengthen the SSE ecosystem across the Mediterranean, providing tools, connections, and a shared community of practice for SSE actors.
- Promote the adoption and improvement of regulatory frameworks supportive of SSE and co-production.
- Implement demonstrative actions (DAs) in participant countries to showcase the efficacy of co-produced social policies and services.
- Enhance local resilience and promote the transition towards fair, resilient, and sustainable societies in the Euro-Mediterranean region.

Methodology

The MedTOWN project employed a participatory and action-oriented approach, grounded in the principles of co-production and social innovation. The methodology involved:

- **Community of Practice:** Establishing a transnational network of SSE actors, policymakers, and researchers to share knowledge, best practices, and foster collaborative learning.
- **Demonstrative Actions:** Designing and implementing a series of pilot projects across the participating countries, each tailored to local contexts and challenges, to serve as models for co-production in social policy.

- **Capacity Building:** Conducting training sessions, workshops, and seminars to enhance the skills and knowledge of SSE actors and stakeholders involved in the project.
- **Policy Advocacy:** Engaging with policymakers at local, national, and regional levels to advocate for supportive SSE and co-production policies, informed by the findings and successes of the demonstrative actions.

Significance of SSE and Co-Production

The MedTOWN project underscored the critical role of SSE and co-production as vehicles for achieving sustainable and inclusive development. SSE organizations, characterized by their commitment to social objectives and democratic governance, emerged as key players in co-producing solutions to societal challenges. The project highlighted how these entities could effectively collaborate with public authorities and private enterprises to deliver social services, innovate in policy-making, and drive socio-economic transformation.

Co-production, as a methodology, proved instrumental in fostering a more participatory, inclusive, and efficient approach to social policy development and implementation. By actively involving beneficiaries and stakeholders in the design, delivery, and evaluation of services, the project demonstrated the potential for co-produced policies to yield more sustainable, responsive, and impactful outcomes.

In conclusion, the MedTOWN project illuminated the path towards a more collaborative and solidarity-based approach to addressing the complex challenges facing Mediterranean societies. By showcasing the effectiveness of SSE and co-production, the project not only contributed to the immediate well-being of communities but also laid a foundational stone for the broader adoption and institutionalization of these practices across the region.

4. ACHIEVEMENTS AND CHALLENGES OF THE MEDTOWN PROJECT

4.1 Key Achievements

The MedTOWN project, through its innovative approach to co-producing social policies with Social and Solidarity Economy (SSE) actors, has led to several significant achievements across the Mediterranean region. Among these, the project successfully:

- **Enhanced SSE Capacities:** Strengthened the role and capacities of SSE actors, enabling them to effectively participate in the co-production of social policies. This was achieved through a shared Community of Practice and the development of improved regulatory frameworks, which facilitated greater collaboration among public, private, and SSE entities.
- **Promoted Sustainable Practices:** Implemented experimental co-production actions that not only improved service delivery but also served as test-monitoring mechanisms for policy design. These actions contributed to addressing critical issues such as poverty, inequality, social exclusion, and environmental sustainability.
- **Fostered Regional Collaboration:** The project established a solid foundation for cross-border cooperation, involving six countries in the Mediterranean. This regional perspective was crucial in demonstrating the collective potential of SSE agents, citizens, and local authorities to co-produce social policies.
- **Advanced Policy and Legal Frameworks:** Contributed to the evolution of policy and legal frameworks supporting SSE in the Mediterranean region. The project's efforts in research, evaluation, and advocacy have highlighted the need for more conducive legal environments for the SSE sector.

4.2 Challenges Faced

Despite these achievements, the MedTOWN project encountered several challenges that provided valuable lessons for future initiatives. The primary challenges included:

- **Navigating the COVID-19 Pandemic:** The outbreak of COVID-19 and subsequent restrictions posed significant obstacles to project implementation. The pandemic highlighted the need for resilience and adaptability in project planning and execution, especially in international cooperation efforts.

- **Legal and Regulatory Hurdles:** The project faced challenges related to the diversity of legal and regulatory environments across participating countries. These hurdles emphasized the importance of understanding and navigating different legal frameworks to support SSE and co-production effectively.
- **Coordination and Communication:** Ensuring coherent coordination and communication among a wide range of stakeholders across multiple countries was challenging. This underlined the necessity for robust management structures and communication strategies in regional projects.
- **Sustainability of Initiatives:** Achieving long-term sustainability for the project's initiatives emerged as a challenge, particularly in securing financial and institutional support to continue the efforts beyond the project's lifespan.

4.3 Lessons Learned

From these challenges, the MedTOWN project derived several key lessons:

- **Importance of Flexibility:** The ability to adapt to unforeseen circumstances, such as a global pandemic, is crucial for the success of international projects.
- **Need for Comprehensive Legal Analysis:** A deep understanding of the legal and regulatory landscapes is essential to navigate and advocate for supportive SSE frameworks effectively.
- **Engagement and Collaboration:** Active engagement and collaboration with a broad spectrum of stakeholders, including local communities and policymakers, are vital for the co-production of social policies.
- **Focus on Sustainability:** Early planning for the financial and institutional sustainability of project outcomes can ensure the continued impact of the initiatives.

5. LEGAL AND REGULATORY FRAMEWORK ANALYSIS

Overview of Current Legal and Regulatory Frameworks

The legal and regulatory landscapes governing the Social and Solidarity Economy (SSE) in the six Mediterranean countries of the MedTOWN project — Spain, Greece, Jordan, Palestine, Portugal, and Tunisia — vary significantly due to their unique historical, economic, and social contexts. Here's a brief overview:

- **Spain, Portugal, and Greece** have established legal frameworks for SSE, with regulations that started to take shape around 2010. These laws typically encompass general principles and guidelines for SSE activities, aiming to support and promote the sector's development.
- **Tunisia** has recently entered the SSE legal arena with legislation approved in 2020, marking a significant step towards recognizing and structuring the SSE sector within its national economy.
- **Jordan and Palestine** currently lack specific legislation governing SSE, representing a gap in the legal recognition and support of SSE initiatives within these countries.

Comparative Analysis: Similarities, Differences, and Gaps

- **Similarities:**
 - The European countries in the project (Spain, Greece, and Portugal) share similarities in their SSE regulations, reflecting a broader European approach to defining and supporting SSE. These include the acknowledgment of SSE organizations, the promotion of social objectives, and a tendency towards creating supportive ecosystems for SSE entities.
 - A common theme across the countries with existing legislation is the emphasis on general principles and the need for specificity in the application of these laws to facilitate actual SSE activities.
- **Differences:**
 - The level of detail and implementation strategies vary among the countries. Spain and Portugal have more developed frameworks that integrate SSE into various levels of public administration, whereas Greece's latest regulations are more specific, reflecting its iterative learning and legal refinement over time.
 - Tunisia, while having recent legislation, faces challenges in implementing regulations and needs further development of specific legal instruments for effective SSE practice.
- **Gaps:**

- Jordan and Palestine's lack of SSE-specific legislation represents a significant gap, offering both a challenge and an opportunity to build a supportive SSE legal framework from the ground up.
- Across the board, there is a need for more detailed regulations that move beyond general principles to actionable guidelines that can directly support and facilitate SSE activities. This includes clearer definitions of SSE entities, more specific support mechanisms, and tailored financial incentives.
- Legal frameworks in some countries fail to fully recognize the diversity of SSE organizations and their specific needs, particularly in terms of financing, governance, and operational support.

Key Recommendations for Legal and Regulatory Framework Improvement

1. **Drafting and Approval of Specific SSE Legislation:** Countries lacking SSE-specific legislation should prioritize the establishment of legal frameworks that clearly define and support SSE activities, drawing inspiration from successful models in other nations.
2. **Refinement of Existing Laws:** Countries with existing SSE laws should focus on refining these regulations to ensure they offer clear, actionable support for SSE entities. This includes specifying the roles of different SSE actors, creating detailed support mechanisms, and establishing clear guidelines for public-SSE collaboration.
3. **Enhancing Legal Recognition of SSE Diversity:** Legal frameworks should be adapted to recognize the diverse forms of SSE organizations, providing a flexible yet comprehensive legal foundation that accommodates various SSE models and practices.
4. **Promoting Local Autonomy and Participation:** Encourage greater involvement of local and regional administrations in SSE development, granting them the authority and resources to tailor SSE support mechanisms to local needs and opportunities.

6. INTEGRATED RECOMMENDATIONS FOR ENHANCING SSE AND CO-PRODUCTION

6.1 Strengthening Legal and Regulatory Frameworks

To fortify the foundation for SSE and co-production activities, targeted efforts are needed to both create and refine existing legal frameworks.

Recommendations include:

- **Drafting New SSE Legislation:** Urgently establish comprehensive legal frameworks in countries lacking specific SSE regulations, ensuring these laws are inclusive, actionable, and supportive of SSE principles.
- **Refining Existing Regulations:** In nations with SSE laws in place, updates and refinements are necessary to address gaps, remove ambiguities, and add specifics that facilitate practical SSE activities and co-production efforts.

6.2 Enhancing Co-production and Public-Private Partnerships

Building strong, effective, and equitable partnerships between public entities, private sector actors, and SSE organizations is crucial for co-producing social policies. Actions recommended are:

- **Fostering PPPs:** Encourage the development of PPPs with a clear focus on social impact, ensuring these partnerships leverage the strengths of each sector towards common social goals.
- **Incorporating Social Clauses in Public Contracts:** Mandate the inclusion of social and environmental clauses in public procurement processes to ensure that contracted services and goods align with broader social objectives and SSE principles.

6.3 Financial Mechanisms and Sustainability

Ensuring the financial viability and sustainability of SSE initiatives is fundamental. Recommended strategies include:

- **Public Funding and Tax Incentives:** Increase direct public funding opportunities for SSE projects and introduce tax incentives for SSE activities to stimulate growth and sustainability.
- **Innovative Financing Solutions:** Explore and implement innovative financing mechanisms, such as social impact bonds, SSE-specific investment funds, and complementary local currencies, to provide alternative funding sources for SSE organizations.

6.4 Building Capacity and Community Engagement

The strength of SSE lies in its community roots and participatory approach. To build on this, recommendations are:

- **Capacity Building Among SSE Actors:** Offer targeted training programs, support networks, and resources to enhance the operational, financial, and strategic capacities of SSE organizations.
- **Community Engagement Strategies:** Develop and implement strategies that actively involve communities in the design, execution, and evaluation of SSE projects, fostering a sense of ownership and alignment with local needs and aspirations.

6.5 Monitoring, Evaluation, and Adaptation

Adaptive management and continuous learning are key to the success and scalability of SSE initiatives. Thus, it is recommended to:

- **Establish Monitoring and Evaluation Mechanisms:** Set up comprehensive monitoring and evaluation frameworks for SSE projects to assess their impact, learn from experiences, and adapt strategies as needed.
- **Policy and Project Adaptation:** Ensure policies and projects remain flexible to accommodate findings from ongoing monitoring and evaluation, allowing for iterative improvements and responsiveness to changing contexts.

6.6 Cross-cutting Recommendations

To amplify the impact of SSE and co-production efforts, broader strategic initiatives are required, including:

- **International Cooperation and Knowledge Exchange:** Foster international dialogue and exchange of best practices in SSE and co-production among Mediterranean countries and beyond to build a global SSE community.
- **Areas for Future Research:** Identify and address knowledge gaps through focused research on emerging SSE models, co-production methodologies, and their social, economic, and environmental impacts, guiding future policy and practice.

7. CONCLUSION AND FUTURE IMPLICATIONS

The journey of integrating Social and Solidarity Economy (SSE) principles and co-production methodologies into the fabric of Mediterranean societies, as illuminated by the MedTOWN project, has unveiled both the profound potential and the complexities inherent in steering social innovation towards sustainable development. The recommendations derived from this extensive exploration not only aim to address immediate gaps and challenges but also set a strategic direction for the future of SSE and co-production in the region. The implications of these recommendations, if effectively actualized, reach far beyond the confines of policy documents and project evaluations, hinting at a transformative shift in how communities, economies, and ecosystems can co-evolve for mutual benefit.

Expanding the SSE Ecosystem

The potential impact of strengthening legal and regulatory frameworks for SSE cannot be overstated. By providing a solid legal foundation, countries across the Mediterranean have the opportunity to nurture a vibrant SSE ecosystem that is both resilient and responsive to local needs. This involves not only the drafting and refining of SSE-specific legislation but also the creation of a supportive environment that encourages innovation, inclusivity, and sustainability. As these frameworks become more robust and attuned to the nuances of SSE practices, we can anticipate a surge in SSE initiatives that are diverse in their approaches yet united in their commitment to social and environmental goals.

Reimagining Partnerships

The emphasis on enhancing co-production and public-private partnerships (PPPs) represents a paradigm shift in how societal challenges are addressed. By fostering collaborations that leverage the strengths and resources of public, private, and social sectors, the Mediterranean region can unlock new avenues for social innovation. These partnerships, grounded in principles of equity, transparency, and shared value, have the potential to catalyze systemic changes that are both scalable and sustainable. As these collaborative models mature, they will likely become a cornerstone of policy-making and social entrepreneurship, setting a benchmark for participatory governance and community-led development.

Financing the Future

The financial mechanisms and sustainability strategies highlighted in the recommendations address a critical bottleneck for SSE initiatives—access to

resources. By innovating financial solutions and creating incentives for investment in the social economy, the region can pave the way for a new economic paradigm that values social impact alongside financial return. This includes tapping into unconventional funding streams, such as social impact bonds and crowdfunding, as well as leveraging fiscal policies to support SSE growth. The ripple effects of these financial innovations could significantly enhance the resilience and impact of SSE organizations, enabling them to scale solutions to some of the region's most pressing issues.

Building Capacities and Communities

At the heart of SSE and co-production is the empowerment of individuals and communities. The recommendations underscore the importance of capacity building and active community engagement as mechanisms for deepening the impact of SSE. By investing in people—through education, training, and participatory engagement—SSE initiatives can harness the collective wisdom and creativity of communities. This approach not only ensures that projects are grounded in local realities but also fosters a sense of ownership and agency among community members, driving sustainable change from the ground up.

Navigating the Future

Looking ahead, the landscape of SSE and co-production in the Mediterranean is poised for significant evolution. The recommendations set forth a vision for a region that harnesses the power of collective action to address complex social and environmental challenges. However, realizing this vision will require concerted efforts across sectors, disciplines, and borders. It will necessitate a commitment to continuous learning, adaptation, and innovation.

The future implications of these endeavors are vast. As Mediterranean countries embrace SSE and co-production, they have the opportunity to lead by example, demonstrating how diverse economies can thrive on principles of solidarity, sustainability, and shared prosperity. In doing so, they will not only transform their own societies but also offer valuable insights and models for the global community.

In conclusion, the journey of SSE and co-production in the Mediterranean is not just about economic development or social policy. It is about reimagining the very fabric of society—how we live, work, and coexist with our environment. The MedTOWN project has laid a foundational stone in this expansive mosaic, offering a glimpse into a future where economy and empathy walk hand in hand. The path forward is complex and uncharted, but with collaborative spirit, innovative thinking, and unwavering commitment, the Mediterranean region can navigate towards a sustainable and inclusive future.