

Powerful and Innovative Approaches for Financing Development – UN headquarters – February 10, 2015, 1:15-2 :45, Room 1 – French Mission Speech

- Thank you so much for inviting me on behalf of my government. This is a most timely and relevant event. It is nice to be here and be part of this distinguished panel.
- Actually I think you know that France is quite supportive of the “économie sociale et solidaire” (the “social and solidarity economy”). My Development Minister, Ms Girardin, was there during the UNSG Climate Summit and she took this opportunity to express strong support for this initiative. I am not going to repeat what she said. But you can find her speech on our website.
- What is “solidarity economy”? It covers lots of different practices : self-management, solidarity lending, local exchange trading systems, fair trade organisations, worker-cooperatives, give-away shops, and trade unions, economy for the common good.
- But, at least from my perspective, there are three key common features :
 - o 1- it is not profit-driven : it is cause-driven and value-centered
 - o 2- It is bottom-up and people-centered
 - o 3- it seeks to address the plague of poverty in an environmental-friendly manner.
- These features make the SSE extremely attractive. And we think it could be a good way of ensuring that the new post-2015 agenda works.
- What I would like to do is just to share a couple of thoughts about :
 - o why the SSE is good for the new post-2015 agenda.
 - o where it can make a difference (and already does).
- **1- Why the SSE is good for the new agenda ? 5 reasons to support SSE**
- Well, there are quite a couple of reasons why it is so helpful for the new development agenda. The new development agenda is broad, ambitious : it aims at eradicating poverty ; and it aims to do that in a sustainable manner. It is a good agenda and there is a lot of consensus right now around the new SDGs.
- Now the question is : can we make it work ? Will it be implemented in due time ? Will it really benefit those most in need ? That is what the next steps of Addis and New York will be about.
- Well to do this we need to do more ; but also wa also need to do things differently ; change the way we think about development ; change the way we do development ; try new approaches, expand/widen the spectrum of practices.
- And I feel that that is where the social and solidarity economy comes in : it could be a game changer in terms of makings things happen.

- Reason n°1 : leave no-one behind : our market economies have a good record in terms of creating growth and generating wealth ; but the record is mixed in terms of dealing with poverty and especially extreme poverty. There are winners and losers. The market ensures that winners could potentially compensate losers ; but the incentives are not there. And the post-2015 agenda is all about eradicating poverty. The solidarity economy can be very helpful there : it can help empower the poor and enable them to have a say on matters that they are concerned with.
- Reason n°2 : build trust : to build a new development agenda and to make sure it will be properly implemented we need ownership and confidence. Governments and multilateral institutions do this ? Yes, they do their utmost. But they can't fix everything. Their message gets lost. They need help and intelligence on the ground from a variety of stakeholders. The new post-2015 agenda is ambitious and quite demanding. It calls for a strong sense of trust across a wide range of players. And that is where the social and solidarity economy comes in : it helps build that sense of ownership and trust.
- Reason n°3 : deal with public goods and commons. These are typical market failures. Markets may be created to deal with some of these problems (carbon market for example when it comes to global warming). But there are many problems that markets struggle to deal with.
- Reason n°4 : encourage broad access to technology (actually Brazil will talk about internet in a few moment) : the market economy is good at creating new technologies ; less so at making sure everyone get access to the technologies they need. The new agenda calls for innovation. Technological innovation will help a great deal ; and surely this will be one of the key issues at the Addis conference. But social innovation matters a lot. It enables people to get access to technology and make sure they get the right kind of technology.
- Reason n°5 : deal with adverse selection especially in the area of lending : adverse selection adversely impacts the poorest people. We know the banking system is quite poor at dealing with that problem. It has in-built limitations. Community-based lending is one possible way out. It can make a real difference for those most in need.

2-So this new economy has a great potential. But you may think : this sounds good on paper. But does it really work ?

Well, let me take a few examples of areas where I feel the SSE could make a difference and actually already makes a difference :

- Environment-friendly practices : the evidence is clear. The SSE is quite good at that. It helps raise environmental awareness. It helps cut the carbon footprint and better manage natural resources.
- Decent jobs : cooperatives employ a lot of people especially in the developing countries ; they help poor people gain access to technology and finance ; they give them a say ; they enable them to get better information.

- Access to energy : the SSE has a good record in helping very poor people get access to energy in poor countries.
- Sustainable cities : social and solidarity economic organizations do a good job at the local level. A strong community-based approach is key to more sustainable cities.
- Gender equality: women tend to play a big role in SSE ; and the SSE helps protect their rights and empower them.
- Food security : cooperatives play a key role for small farmers ; help them to get access to finance and technology ; make them more sustainable.
- Universal Health Coverage : SSE plays a key role to help the poor, the elderly, the disabled better access medical care.
- Innovative financing : community-based loans, micro-credit and risk sharing can make a difference.

So in conclusion :

1-The Social and solidarity economy has a great potential. The new post-2015 agenda requires to do thing differently. SEE can be a game changer. It is a useful and innovative way of making sure the new development agenda really works ; it is one of the ways, in particular, we can make sure it will help eradicate poverty and keep the planet on the safe side at the same time ; it is a useful complement to the market economy ; it ensures everyone is on board and moves at the same speed in the same direction. It creates a sense of a shared agenda and a sense of ownership ; and that is the number one condition to build a lasting consensus on sustainable development.

2-But make no mistake. There is no silver bullet. We are not there yet. There is still a long way to go. We need to think hard about how these innovative ways of doing development can deliver. But the post-2015 agenda is a great opportunity to take this new economy forward.

Thank you for your attention.