
Setting up a consortium of social cooperatives: insights from the consortium Sale della Terra in Italy

Consortium of social cooperatives can contribute to maximize territorial social impact as they can potentially leverage greater resources in order to carry out a **more overarching and systemic development policy and vision** that goes beyond and encompasses the direct social outcomes of a single social cooperative.

The ensemble of coordinated and coherent actions of a multitude of territorial organization pursuing a strong and shared social mission generates a **potential for a systemic and innovative change in the local economic, social and welfare systems as a whole**, while, at the same time, providing context-specific activities and services tailored to territorial needs. In this regard, potential insights can be drawn from the experience of the Consortium Sale della Terra which has been operating since 2016 in the Benevento Municipality and surrounding areas in Campania Region (Italy) and then expanding also to other 3 Italian regions.



¹ Sen, A.K. (1999), *Development as freedom*, Oxford University Press, Oxford.

The Experience

The Consortium “Sale della Terra” was formed in 2016 in Benevento, a small and unpopulated town in the Campania Region, in Southern Italy. The latter is a lower-income region experiencing a poverty rate two times higher than the national level (ISTAT, 2018¹).

Throughout several sustainable entrepreneurial and social/environmental initiatives such as social farms, inclusive and sustainable agriculture, inclusive craftsmanship, sustainable tourism, community markets, pastry shops, as well as a variety of welfare services, the Consortium broadly addresses social exclusion of anyone “left behind” or at risk of marginalization by providing them with job opportunities and placing them at the centre of a local regeneration and development strategy.

The success of the latter managed to expand its logic to a growing number of territorial stakeholders and actors. In fact, the success of its “**Welcoming Small Municipalities**” network joined by surrounding municipalities shows that the strategy has the potential for a systemic and innovative change in the local economic, social and welfare systems as a whole. Moreover, the number of social cooperatives joining the Consortium has grown over the years, magnifying its

range of impact. This is emblematic of the suitability of the Consortium of social cooperatives model which allows pursuing systemic and coherent local development policies while providing context-specific activities and services tailored to specific territorial needs.

The Consortium actively collaborates and partners with different types of actors ranging from the private sector, the public sector and third sector (i.e., state and local public administration entities and institutions, pastoral organizations, third sector organisations, private enterprises and financial institutions). Furthermore, the Consortium engages with multi-level stakeholders varying from different municipalities, the Campania Region, State Agencies, Ministries and National Authorities. Ultimately, the activities carried out by the social cooperatives of the Consortium collectively foster a sustainable, inclusive local development strategy boosting the local economy, safeguarding the environment, regenerating unused and abandoned land and premises and recovering ancient craftsmanship traditions, among other impacts. In turn, these positive effects concur to leverage local resources, reduce the territory’s fragilities and, conversely, boost its social and transformative resilience.

¹ https://www.istat.it/it/files/2020/05/15_Campania_Scheda_DEF.pdf.

The Consortium carries out a sustainable, inclusive and cohesive local regeneration and development strategy. As such, it explicitly and concretely pursues and catalyses the following SDGs through sustainable and socially inclusive solutions:



ROADMAP

Organizations interested in this model can rely on the following insights and recommendations concerning key phases, actors, resources and actions.

PHASE 0. TRIGGERING FACTORS

The reason for setting-up the Consortium stands in the willingness of its founding organisations to respond to the needs of people experiencing hardship and social exclusion. At the beginning, target beneficiaries were specifically people suffering from mental illness, but soon the social vocation addressed all people experiencing social exclusion. Moreover, the four founding social cooperatives of the Consortium were also aware that social inclusion couldn't and cannot be pursued without a broader discussion and reflection encompassing a wider local regeneration and development strategy. Hence, joint and coordinated efforts were understood to be fundamental to achieve this purpose.

PHASE 1. GATHERING KEY ORGANISATIONS

- Map your local context to identify, if any, social enterprise or similar organizations already active in employing people experiencing social exclusion.
- Make sure these local actors and organizations have a strong common understanding of the social inclusion and local development strategy as well as shared core values and mission. Most importantly, makes sure these actors are willing to cooperate to pursue them.
- Adapt your offered goods/services to the real public or private demand in order to secure sources of revenue for the work-integration strategy.

PHASE 2. INTERCEPTING RESOURCES AND OPPORTUNITIES FOR STARTUP

- Raise the necessary funds to carry out the social and work-integration programs and strategies, i.e., public funds through tendering processes, funds provided by external funders or programs supporting socially-oriented initiatives in your territory.
- Seek also for other types of support, apart from direct funding, such as available/unused/abandoned premises and land which you can transform into assets to carry out your activities. Strategic partnerships and collaborations are usually necessary for this purpose (i.e., with the municipality or other public bodies, pastoral organizations, private citizens, third sector organizations, private companies).
- As the number and variety of your offered goods and services increase, be ready to make appropriate internal organizational changes: i.e., perhaps differentiate the organization in more than one operational branch or create/engage with other complementary organizations sharing the same purpose but each delivering specific goods/services.

PHASE 3. FORMALIZING COLLABORATION UNDER A CONSORTIUM MODEL

- Formalise the collaboration of key organizations (i.e., social enterprises) under an umbrella organization (i.e., a Consortium of social enterprises) pursuing a common local development strategy and maximizing territorial impact. A Consortium can have different institutional and organizational set up according to its functions. The latter

are mainly identifiable in the provision of support services to its member cooperatives, (i.e., administrative services, advice, training, facilitation of access to credit, etc.); political representation; and an entrepreneurial function mainly by acting as a general contractor.

SUSTAINABILITY

- Design, implement and invest in activities and projects which are able to self-sustain over time: i.e., entrepreneurial activities pursued with fitted organizational models such as social enterprises, or community cooperatives.
- Future perspectives may not simply be those of growing in terms of activities, products and services, staff or revenues, but also in sharing one's own best practice and success in order to inspire other territories to imitate and replicate the same development strategy although tailored to local needs.

KEY DETERMINANTS FOR EFFECTIVE IMPLEMENTATION AND REPLICABILITY

<p><i>Actors and institutions</i></p>	<ul style="list-style-type: none"> • People experiencing social and economic exclusion. • Organizations which can carry out social and welfare programs and/or entrepreneurial activities aimed valorising the territory and/or at employing people experiencing social and economic exclusion (such as work integration social enterprises/social cooperatives) able and willing to work under a common umbrella organization (i.e., a consortium), hence sharing a common vision and local development strategy. • Clients of the abovementioned organisations (i.e., Work-Integration Social Enterprises, cooperatives or similar organizations), whether private consumers, public or private subcontractors (such as, for example, the local municipality subcontracting public services), hence constituting a market demand.
<p><i>Governance framework</i></p>	<ul style="list-style-type: none"> • A Consortium of social enterprises (or similar organizations) builds, first of all, on a shared objective and social mission, on strong collaboration and coordination among its members and the core willingness to join forces in order to maximize the social impact. • A Consortium can have different institutional and organizational set up according to its functions. The latter are mainly identifiable in provision of support services to its member cooperatives, (i.e. administrative services, advice, training, facilitation of access to credit, etc.); political representation; entrepreneurial function acting as a general contractor.
<p><i>Human capital</i></p>	<ul style="list-style-type: none"> • Strong social vocation, motivation and engagement. • Strong willingness to collaborate and to join forces in order to achieve a greater social impact. • Strong entrepreneurial mindset and skills able to set up self-sustaining and revenue-generating activities.
<p><i>Economic resources</i></p>	<ul style="list-style-type: none"> • The existence of market demand for the produced goods/offered services is the most fundamental condition for any entrepreneurial organization, especially if having the vocation to provide job opportunities for socially and economically excluded people.

Value-added as a driver for sustainable human development and SDG localization

Consortium of social cooperatives can, indeed, represent a potential driving force for sustainable human development. In fact, as each of its member organisations actively addresses social needs and social inclusion, the Consortium model potentially allows them to coordinate their single efforts, scale their impact and promote a systemic effect on the territory. In other words, the Consortium of social cooperatives enables "social" economies of scale, in the sense that it can cut costs by centralizing strategic planning and management, external communication and internal information system, HR management, administration, facilitate credit access and other core entrepreneurial activities. Moreover, it allows for a greater contractual weight than single cooperatives when participating to tendering processes, whether public or opened by other types of organizations. In turn, this enables to access a greater pool of opportunities in terms of increased, more differentiated and higher quality service delivery and project implementation as well as increased market opportunities for work-integration social cooperatives. Consequently, more beneficiaries can be targeted and reached, more people experiencing social and economic exclusion can be trained and employed. In addition, Consortiums also give the possibility to include, under the same governance structure, different organizations, such as social cooperatives, social enterprises, cooperatives, companies, in order to implement specific local development projects and strategies.

The ensemble of coordinated and coherent actions of a multitude of territorial organization pursuing a strong and shared social mission and vision generates a potential for a systemic and innovative change in the local economic, social and welfare systems as a whole.

Furthermore, the organizational model of a Consortium of social cooperatives (or similar organizations) allows for a flexible and adaptable response to localized territorial needs, hence showcases a high potential for successful application in different contexts. In other words, it is a versatile and suitable model that provides an organizational umbrella to local organizations pursuing a common human development vision. However, an underlying and fundamental assumption for the implementation of this model is that these territorial actors and organizations (i.e., social cooperatives, cooperatives, social enterprises, companies) share the same understanding of human development as well as the same strategy to achieve it (i.e., through social inclusion and social cohesion). Moreover, these actors should be willing to collaborate and join forces to achieve this social vision. In this sense, creating a Consortium is, indeed, a bottom-up process stemming from local, active and motivated organization, rather than a top-down set-up.

Policy Guideline elaborated by ARCO (Action Research for CO-development)
Full version available [here](#).



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Insights from the Consortium Sale della Terra in Italy**

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Contacts

ARCO
Action Research for CO-development

Piazza Ciardi, 25 - 59100 Prato, Italy
Phone. +39 0574 602561
Mail. info@arcolab.org

WWW.ARCOLAB.ORG

Funded by

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