
The Social Balance: measurements for improvement



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ABSTRACT

The aim of this research project is to answer the following question: How sustainable is a company? While companies continue to pursue the maximum rate of return, the maximum profits for their shareholders, the biosphere can no longer support it all. This is based on another key question for this study: Is it possible to achieve sustainability while the economy is continuously growing? This research project will provide answers to these questions, showing that there are different alternatives. To imagine the future and the design of our economy it is useful to know the alternatives that have been proposed so far. In this sense, the social balance sheet will be a key piece that will analyse companies in terms of environmental and social justice issues. Finally, an analysis of two companies in the food sector (Vida Meva and Foodcoopbcn) will be carried out within the Social Balance and improvements to the tool will be proposed.

Keywords: Social Balance, sustainability, economic growth, Catalan Social Market, social impact, social and solidarity economy

TÍTOL

El Balanç Social: mesures de millora

RESUM

L'objectiu d'aquest projecte és respondre a la pregunta següent: Fins a quin punt és sostenible una empresa? Mentre les empreses encara persegueixen la màxima taxa de rendibilitat, els màxims beneficis per als seus accionistes, la biosfera ja no ho pot suportar tot. Això es basa en una altra pregunta clau per a aquest estudi: És possible assolir la sostenibilitat alhora que l'economia creix contínuament? Aquest projecte de recerca donarà les respostes a aquestes preguntes, mostrant que hi ha diferents alternatives. Per imaginar el futur i el disseny de la nostra economia és útil conèixer les alternatives proposades fins ara. En aquest sentit, el balanç social serà una peça clau que analitzarà les empreses en funció de les qüestions mediambientals i de justícia social. Finament, es farà una anàlisi de dues empreses del sector alimentari (Vida Meva i Foodcoopbcn) dins del Balanç Social i es recomanaran millores a l'eina.

Paraules clau: Balanç Social, sostenibilitat, creixement econòmic, Mercat Social català, impacte social, economia social i solidària

“What is not defined cannot be measured. What is not measured, cannot be improved.
What is not improved, is always degraded.”

William Thomson Kelvin (1824 – 1907)

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I. Introduction

The current socio-economic system is turning us into individualistic, materialistic, competitive, and rival society. Therefore, we forget the most important part, which is that we are facing a decisive historical moment. We are facing a global crisis, a collapsing climate emergency. We need to change the goal. The goal of continuing to believe that growth is sustainable in the world we live in, without thinking about the planet and its limits. How can companies continue to make the most of their profits without considering the repercussions they have on the world in which we live?

This is where the idea for my final paper comes from. If we measure something, we can improve it. Hence, my goal is to measure the sustainability of companies because the main problem is that if we don't define something, we can't measure it. If we cannot measure something, how can we improve it? The social balance is the core piece of my final thesis. It is an impact measurement tool that aims to evaluate companies from different perspectives. Furthermore, it is a tool for continuous improvement and self-diagnosis of companies. Apart from being a key piece for evaluation, there is another use of the social balance emerges that is not obvious at first sight. The social balance is necessary and vital for economic reconstruction, giving another transformative economic perspective. With the socio-health crisis we have experienced, it is evident that there are limits to growth. Epidemics are nothing new, they have existed throughout the decades. But this last one has helped us to reflect that the market fails, that we are interdependent people and not selfish as we believe the socio-economic landscape has turned us into. Moreover, taking care of each other should be at the basis of human activity. The Social Balance was born out of the need to make the solidarity economy movement visible and to make the organizations that form part of it visible. This paper will explain transformative economies, referring to a set of proposals that want to transform the current socio-economic panorama, and it will analyse the movements that have emerged over the decade and try to understand the scenario in which we live.

The methodology applied was, first, to attend the meetings that were held in the Social Balance Committee. The Social Balance Committee is in charge of conceptualising and developing the Social Report. I was able to participate in the committee where we discussed and proposed improvements with the committee members. I have worked with them to perform my case study project. I carried out two social balances for two companies in the food sector and after analysing them I proposed improvements to the application. The results will not be presented publicly since the companies are not yet aware of them and because this project focuses on the process and the proposal of improvements and not on the presentation of the results.

Finally, I would like to thank Dr. Montserrat Termes for her help and guidance in the project. Also, to Guillem Subirachs, Social Balance technician, for involving me in the commission and his assistance. Lastly, I would like to thank Cristina and Silvio for placing their trust in me to carry out their Social Balance.

II. Motivation

In September 2018, I started studying economics at the University of Barcelona. The first thing I did before starting my degree was to buy a book by Adam Smith, the father of economic liberalism. I wanted to understand what worried previous economists because I wanted to become the kind of economist that the 21st century needed.

Following the example of Marx, the great knower of capitalism, I wanted to build my own historical edifice. In other words, to study in depth the ideas of past authors, to reconstruct their theories and from that to create my own intellectual edifice. I started like any other economics student, learning about economic theory and its complex mathematics. It was there that I began to question the growing climate crises that surrounded us and that the reality-simplifying abstract models of orthodox economic theorists added as an externality. When the economy is actually incarnated in the biosphere. I realised that the economic development, we live in is based on increasing social inequality and degrading the biosphere. At that point, I became interested in other economies and tried to expand the horizons of my knowledge not only with what I was studying during the four years of my degree. With basic macroeconomics, I started to study economic growth models. The neoclassical Solow-Swan growth model made me rethink several things. Why did economies grow? I understood that it was because of investment, education of the population, technological progress. However, why had growth been accepted as a good thing? For most of history, economic growth was barely perceptible and steady state economics were the fully accepted status quo. Even Adam Smith or Thomas Malthus saw growth as progress in economic life, but they were also aware that it could not continue to grow indefinitely on a finite planet. As a result, I was able to rethink why corporations wanted to grow and grow and to maximize profits for their shareholders if resources are finite and we are exceeding the planetary boundaries. Therefore, my goal is to analyse how sustainable the firms around us were and not to fall into the traps of greenwashing. Improving measures using tools such as the Social Balance is fundamental to reduce environmental impacts.

Therefore, the Social Balance was born out of the need to measure the social, environmental, and good governance impact of companies. It is a tool that objectively evaluates equality, environmental and social commitment, democracy and quality of work and business. It is the fundamental piece to change the objective of wanting to continue growing without taking into account the planet.

Finally, the structure of the project is divided into nine chapters. The first four are used to introduce the motivation, objectives and understanding of emerging movements and to contextualise the social and solidarity economy. The fifth is the explanation of the case study and the introduction of the Social Balance. The last four chapters focus on the case study, difficulties, conclusions and reflections on future work that can be done after this project.

III. CAPITALIST PARADIGM

The predominant socio-economic system in most societies is capitalism. This system is promoting a set of values detached from community interest, collective welfare, and social commitment. This rupture originated in 1979, when Margaret Thatcher came to power and Jean-François Lyotard published *The Postmodern Condition*, explaining the decline of communal progress and the division within society (Ramoneda, 2020). Although, for authors like Margaret Thatcher, society does not exist, there are only individuals.

In the transition from industrial capitalism to financial capitalism, the idea of nihilism conquers the mentality and philosophy of the time. Nihilism is understood as the possibility of doing everything, without the existence of limits. Therefore, there are no limitations to growth. In conjunction with Milton Friedman's idea in 1970, the only responsibility of a corporation is to maximise its profits. Or, in other words, to maximise value for its shareholders. This idea has derailed into an aristocratic capitalism (Arias et al., 2021). The management of only focusing on shareholders and forgetting about the workers and the territory where the activity is carried out.

In this context, orthodox economics has continued to pursue the strategy of unlimited economic growth (O'Neill, 2013). An economy that perpetuates the increase of both consumption and production in pursuit of maximising growth on a finite planet with limited resources.

The numbers tell us something:

- Since 1960, global carbon dioxide concentration has persistently increased. In 2021, carbon dioxide levels were 416 parts per million. ¹
- The global average temperature in 2021 was approximately 1.09-C above the 1850-1900 average. We are on track to exceed the 1.5 agreed by the Paris agreement. ²
- One of the effects of globalization has been that high income countries have outsourced or exported their climate and energy crisis to lower income countries. ³
- Rich countries are responsible for 74% of the excess use of materials. ⁴
- The size of ocean areas without oxygen has quadrupled since the mid-20th century. Specifically, more than 400 ocean areas are lifeless. ⁵

¹ <https://www.statista.com/statistics/1091926/atmospheric-concentration-of-co2-historic/>

² <https://www.ipcc.ch/sr15/faq/faq-chapter-1/>

³ <https://www.ipcc.ch/report/ar6/wg2/>

⁴ [https://www.thelancet.com/journals/lanplh/article/PIIS2542-5196\(22\)00044-4/fulltext](https://www.thelancet.com/journals/lanplh/article/PIIS2542-5196(22)00044-4/fulltext)

⁵ <https://www.ipcc.ch/report/ar6/wg2/>

- About 2% of adults control more than half of the assets of the world's households.⁶

These numbers show us that it is time to change the goal. A new economy that meets the needs of individuals without harming the earth we are living in. More and more contributions are coming from all corners of the world to create and raise awareness of the need for change. Proposing an economy with values more linked to collectivity and cooperation, while at the same time promoting social interest and long-term thinking. We are facing a "real change in the zeitgeist" (the spirit of the times). For this reconstruction of society, a new social contract is needed.

1. A new social contract

Xosé Carlos Arias and Antón Costas have written a new joint book, *Laberintos de la prosperidad* (The Labyrinths of Prosperity). The authors in 2021 talk about a new social contract and the new paradigm to be faced.

The author's leitmotiv is that a crisis is an opportunity, in this case, the pandemic can be seen as a possibility to face the unexplored. To understand the concept of the social contract and the solution that can be proposed, we will use the ideas proposed by the authors. The concept of social contract is an idea developed by thinkers such as Jean-Jaques Rousseau, Thomas Hobbes, John Locke or John Rawls. Anton Costas describes the concept of social contract "as a voluntary and internal commitment existing within a society and at the same time serving as an invisible glue making society function harmoniously". If a social contract exists, economic, social, and political progress advances. However, if the three progresses are uncoordinated, prosperity will not be inclusive and democracy regresses. The health crisis showed us that the current economic system was dysfunctional and did not guarantee the social progress it had been offering for years. However, the problems had existed long before the pandemic, where economic growth did not go hand in hand with prosperity for individuals in society. The lack of inclusive prosperity generated malaise. Today the cause of that social malaise or political polarization is shown by two forces. Firstly, by the loss or absence of prosperity and, secondly, by the uncertainty of the transition to transformations, decarbonization and digitalization. Therefore, we are facing a double transition, digital and ecological, both of which require political and economic innovation. No one should be left behind in this transition. For that reason, it is time for a change of direction and a major transformation for a new social contract that reconciles democracy, social progress, and political progress. A new social contract that strengthens the innovation of the economy and the pursuit of the objects of digitalization and decarbonization. (Arias et al., 2021).

⁶ <https://www.nationalgeographic.com/environment/article/dead-zones>

IV. TRANSFORMATIVE ECONOMIES

At first, this chapter had the title of other alternatives, referring to the set of ideas and practices that differ from the majority framework, i.e., a set of proposals that want to transform the current socioeconomic environment. However, after reading Ruben Suriñach's book "*Economies transformadores de Barcelona*", I reflected on not falling into the trap of creating new labels, since, as the author explains, any denomination would be imprecise by nature. But in order to explain the terms shown below, a title, an umbrella term to refer to these new social movements, was dispensable. So, it was decided to choose the same one proposed by the author "Transformative Economies". Therefore, transformative economies are understood as "proposals for socioeconomic reorganization that introduce points of criticism on the dominant economic framework and formulate proposals for socioeconomic change, both in theory and in practical actions. They try to transform this framework and prevent or alleviate the negative effects it generates" (Suriñach, 2016).

It is important to differentiate between the concepts of movement and phenomenon. The concept of movement has a social base that is organized in an environment with a common socio-political project and with incidence in the political sphere to generate various changes in the dominant framework (Altres economies, 2020). While unlike the term movement, a phenomenon is a socio-economic practice and may lack an organized social base. These practices may have a common characteristic, but may start from differentiated frameworks of thought.

In the present chapter it will focus on the social movements of degrowth and the social and solidarity economy. These two movements are relevant proposals in Barcelona and, specifically, the Social and Solidarity Economy is in full development in the city of Barcelona. Barcelona City Council has created a plan for the promotion of the social and solidarity economy 2021-2023 to generate, encourage and diffuse the values of the social economy with the aim of reducing social inequalities in the city.

In figure 1, the degree of closeness of each movement's proposal with respect to the dominant framework has been represented. Thus, the entire ecosystem of transformative economies is represented. The graph shows two Cartesian axes that divide the graph into four. The vertical axis represents the organizational forms and the distribution of power. And the horizontal axis refers to the degree of social and environmental impact of the organizations. In addition, the left band represents the practices where social and environmental internalization is less prioritized and the right band represents the practices where internalization is more prioritized.

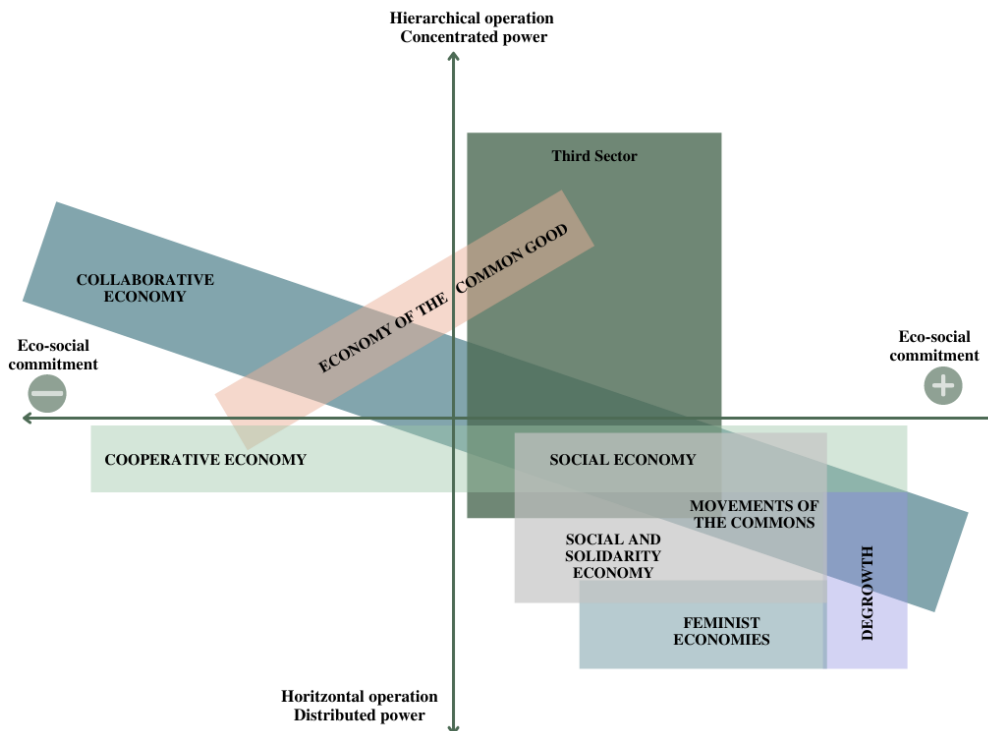


Figure 1. Alternative economies. Source: Ruben Suriñach, *Economies transformadores de Barcelona*, p.128.

With this representation it can be seen that the movements described below; degrowth and social and solidarity economy are close to each other, and in the lower right quadrant.

1. Degrowth

The concept of degrowth does not have a single definition, nor is it a single discipline (Nesterova, 2022). It is in fact a social movement, which pursues the sustainable and harmonious coexistence of nature and humanity. The roots of the term are born as a critique of the prevailing economic system, which does not take into account the effects of the pursuit of economic growth, such as ecological and social degradation.

The term degrowth is nothing new, it has been the subject of philosophical debates for decades. Between the 1960s and 1970s several authors warned that further growth could only lead to disaster. Within these discussions the French term *Décroissance* was used. In 2001, the activist slogan "*Décroissance*" was created in France and in Catalonia it appeared in 2006 as *Decreixement*. However, the English term did not appear until the first degrowth conference in Paris in 2008. That moment was decisive for the beginning of academic research and debate.

Therefore, the concept of degrowth is understood as "the case for degrowth is a case for stopping the pursuit of growth and for reorienting lives and societies toward wellbeing" (The case of degrowth, 2020). However, it should be clarified that degrowth is not the opposite of growth. If growth is understood as GDP growth, then degrowth would be GDP reduction. But this is not the case, it is not a reduction in GDP, but rather a reduction in energy and material output. It should also be clarified that de-growth has nothing to do with recessions. With

COVID-19, many opponents of the movement mentioned the crisis as an example of why degrowth would be a disaster. In fact, this is not a valid argument, as degrowth is very different from a recession. While a recession is unplanned, degrowth is planned in order to reduce environmental impacts, inequalities and improve welfare.

Finally, degrowth should not be universally applied, as Jason Hickel explains in his article *What does degrowth mean?* There are some countries that still require energy to grow for their members' needs. Specifically, the countries that need to degrow are those countries with high income levels and that exceed planetary boundaries (Hickel, 2019).

2. Social and Solidarity Economy

The concept of social and solidarity economy do not represent the same thing, although they can be considered as a merged concept and are currently used in a complementary way. The social economy has existed throughout the history of humanity, but it began to spread as we know it today in the 19th century. The working and popular class gave rise to organisations of a social and cultural character with the aim of meeting the needs of individuals not satisfied by the market system and the state. After 1945, during the post-war expansion, the Social Economy began to progress in harmony with the Fordist regime. From 1970 onwards, new social movements began to emerge, demanding a different kind of economic alternative, values based on environmentalism, feminism and criticising the linear and automatic paradigm of the capitalist system. The Solidarity Economy is beginning to be recognised as an economic model (Transformative Economies, 2016).

In the Catalan sphere, emerging socio-economic activities have intensified in recent years. This led to the birth of the Xarxa d'Economia Solidària de Catalunya (Solidarity Economy Network of Catalonia), a process that began to take shape in mid-1990 between Catalan and Brazilian cooperatives at the World Social Forum in Porto Alegre. The birth of the XES ended with the manifesto of its constitution in 2002, where they adopted the term solidarity economy to designate "the subordination of the economy to its purpose, which is to provide, in a sustainable way, the material bases for the personal, social and environmental development of human beings" (Founding Manifesto of the XES, 2002).

Therefore, in order to define the concept of Social and Solidarity Economy, the definition elaborated by the XES in the proposal for the Social and Solidarity Economy Law (2015) is quoted.

“Economia Social i Solidària (ESS): conjunt d’iniciatives socioeconòmiques els membres de les quals, de forma associativa, cooperativa, col·lectiva o individual, creen, organitzen i desenvolupen democràticament i sense que necessàriament tinguin ànim de lucre, processos de producció, d’intercanvi, de gestió, distribució d’excedent, moneda, de consum i de finançament de béns i serveis per satisfer necessitats. Promovent relacions de solidaritat, cooperació, donació, reciprocitat i autogestió; defensant els béns comuns naturals i culturals i la transformació igualitària de la economia i la societat; amb la finalitat del bon viure i la sostenibilitat i la reproducció de la vida del conjunt de la població”.

The ultimate goal of the Social and Solidarity Economy is the achievement of all the basic needs of human beings and taking into account the environment. Far from the objective of maximising profits, it prioritises the objective of satisfying the needs of its members over profit, which is limited or non-existent in some cases.

The Social Economy has elements of common initiatives that define its innovative character and is represented by three backbones:

- **Democratic and participatory governance.** In order to achieve a democratically managed and participatory economy, the hierarchical model where only a few people can manage, or control resources has to be changed. In this case, the social and solidarity economy introduces the democratic concept into enterprises and the economy.
- **Focus on human needs.** If today's economy is to move towards an economy oriented towards the needs of its members, for instance: food, clothing, job security and friendship, we must focus on an economic system that involves an economy at the service of people dedicated to managing resources and exploiting them in a sustainable way.
- **Community engagement.** If an economy committed to the community is what we want, the social and solidarity economy contributes to improving that society by creating jobs, providing services, linking it to the territory, helping innovative social movements and financing solidarity initiatives in low-income countries.

However, the implementation of the social and solidarity economy is uneven across the territory. The places where the social and solidarity economy emerged are still the places with the greatest visibility and impact: Latin America (Argentina, Brazil, Bolivia and Ecuador), Southern Europe and Quebec. In Catalonia, specifically in Barcelona, it is one of the territories with the greatest impact and where the social and solidarity economy is most visible. According to the Barcelona City Council report (2020), it is estimated that in 2019 there were 4,500 enterprises with social and solidarity economy initiatives (figure 2). Furthermore, as stated in the study, *l'economia social i solidària en Barcelona (2016)*, there are 2400 third social sector entities, 1197 labour companies, 861 cooperatives and 260 community economy initiatives. All the socio-economic initiatives of the social and solidarity economy account for approximately 53,000 people employed in these companies as workers or members. More than 100,000 people are voluntary workers, more than 500,000 are consumer members and 113,000 are mutual members. All these companies represent approximately 2.8% of the total of 167,000 companies registered in Barcelona. And they have an aggregate economic volume of 3,750 million euros, more than 7% of Barcelona's GDP.

As the map (figure 2) shows, there are differences in the social distribution of each neighbourhood in Barcelona. These self-organisational differences reflect the public policy to be designed for each neighbourhood. It can be observed that the spatial distribution of initiatives is not random. Rather, high values tend to be spatially concentrated. In other words, Sarrià Sant Gervasi has a high value and is close to Gràcia, which also has a high value. The same is true for low values. Therefore, it seems that there is a positive spatial autocorrelation scheme in the spatial distribution of social and solidarity economy initiatives.

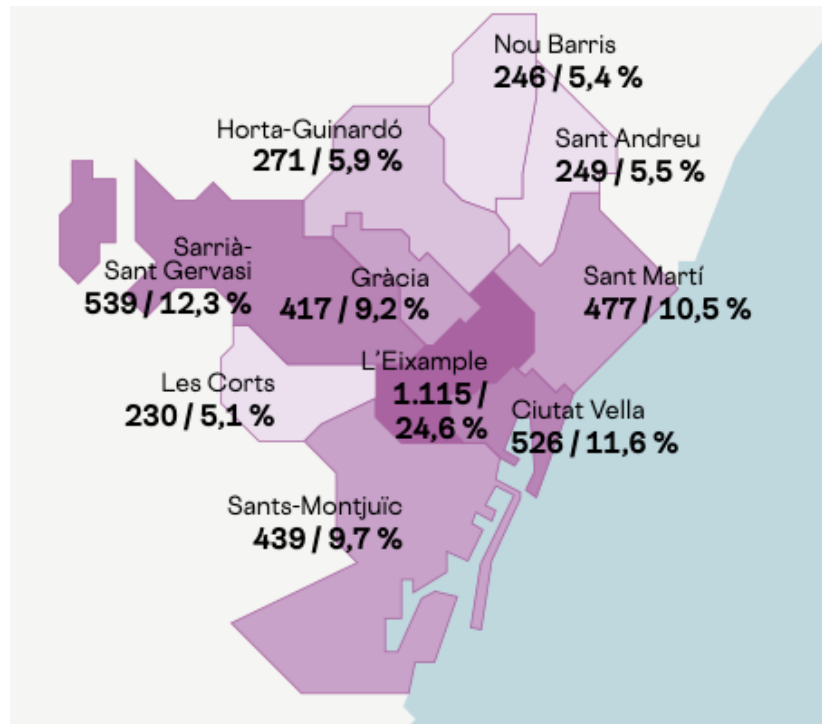


Figure 2. Social distribution of each neighbourhood in Barcelona. Source: Principales indicadores económicos del área de Barcelona (2020).

As a sign of the impact of the social and solidarity economy the Barcelona foundation of the European network, RIPESS Europe, was born and as mentioned above, the social base of the XES, according to the 2021 social market report, has more than 242,000 members, 9100 workplaces and generates 325 million euros in turnover. Tools have also been developed to make the social and solidarity economy more dynamic and strengthen it, one of these examples is the social and solidarity economy fair. The Solidarity Economy Fair in Catalonia was born in 2012, it emerged as a response from an economic system that respects the food, the land and the environment and that works under democratic, horizontal, transparency, equity and participation criteria. It is organised by the XES and is the largest and at the same time the most concrete representation of the Catalan social market. It is a showcase of products and services aimed at satisfying the necessary needs of the members of society: food, leisure, fair trade, ethical finance and insurance, renewable energies, education, etc. This fair is a consolidated process and is held annually, based on meetings and exhibitions that bring together the diversity of social and solidarity economy practices in the Catalan territory. Approximately 200 exhibitors come together over the weekend to showcase their organisations and projects. In

addition to being a showcase for participating organisations, it creates a diverse programme of activities and a space for debates and presentations, where each year a theme is chosen as the backbone of these debates. This year, the social and solidarity economy fair 2022 will be held from 21 to 23 October at the Fabra i Coats exhibition centre in Barcelona. Finally, the objectives pursued by the Social and Solidarity Economy Fair are as follows:

- To raise awareness of the meaning of solidarity economy and the improvements it brings to people's day-to-day needs.
- The dissemination of other alternatives that arise from the solidarity economy.
- To give visibility to the business and commercial fabric of the social and solidarity economy.
- To promote cooperation between members of the solidarity economy.
- To increase the awareness of the economic model with the initiatives of the solidarity economy.
- To increase the number of XES participants, whether they are consumers, entrepreneurs or suppliers.
- Consolidate to become a reference in the social market in Catalonia and a key event for Europe.

2.1. Social Market

«Crear mercats socials en el si de la societat capitalista podria representar per al postcapitalisme el que van suposar les repúbliques urbanes durant l'edat mitjana per al naixement del capitalisme.»

Jordi Garcia Jané

The first contextualisation of the term social market is in 2002, where Jordi García explains in his article Objective: social market, that it is a chain of production, distribution and consumption of goods and services that work in a democratic way and is formed by social entities, consumers, town councils, schools, etc. Hence, the social market is a pragmatic representation of the economic chain and satisfies the needs of its members in accordance with the values of the social and solidarity economy. (Social Market Report, 2015). Contrary to the market of neoclassical economics, the social market is collective in nature, because what is regulated or the capacity to act in certain actions is not predefined by its purchasing power or competitive capacity but is based on the recognition given to the community that belongs to the social market that is managed in a democratic and participatory manner (Suriñach, 2015).

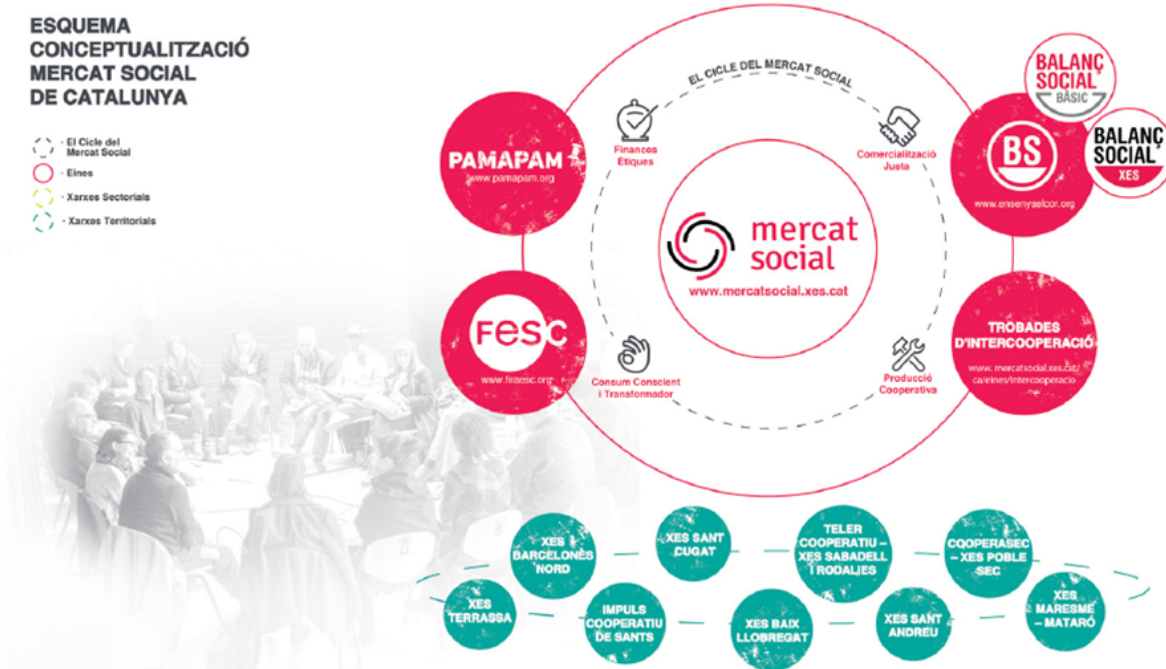


Figure 3. Outline of the conceptualisation of the Social Market in Catalonia. Source: Social Market Report (2019).

While the social market is still under construction, this building is favoured by exchanges and economic flows between consumers and social and solidarity economy organisations. To make this possible, in Catalonia, the XES has been the precursor in launching a strategic plan to disseminate an ecosystem to aggregate companies and members of the economic space surrounding the social and solidarity economy. To do so, there are various tools and processes that facilitate these exchanges. In the case of the XES, the instruments can be divided into two blocks, the first block based on tools and the second block based on articulation processes. As can be seen in figure 3, the first block from which the XES has been working is based on the Social and Solidarity Economy Fair, the Social Balance, the collaborative map of Pam a Pam and the stimulation of interoperation, a concept of interoperation understood as García Jané explains, by buying from each other, choosing suppliers who have solidarity economy values. The second block deals with sectoral articulation processes, experiences such as the Xarxa de Restauració Cooperativa, Xarec or the creation of local networks. Local networks are clusters of members and organisations in a given municipality, district or neighbourhood that come together to foster the values of the social and solidarity economy. There are currently eight active local networks in Catalonia: Baix Llobregat (local de Gats and Eticom located in El Prat de Llobregat), Barcelona North (Sargantana in Badalona or Ateneu Popular Júlia Romera in Santa Coloma de Gramanet), Sabadell (Casal Cam Capablanca), Sant Andreu (Fabra i Coats factory site), Sant Cugat (Casa Cultura), Terrasa (Ateneu Terrassenc), Sants (Local Ciudad Invisible, La Col, Espai Veïnal Autogestionat de Can Batlló) and Cooperasec (Ateneu Cooperatiu La Base).

In conclusion, the social market is a fundamental key to strengthening the social and solidarity economy. Because in this case entities do not compete with each other but integrate economically to transform the rules of the game. It is a different market and an alternative to the capitalist market. And, in this case, it is not a single social market, but several markets due to the nature of the operation between the members of the social and solidarity economy, it has a decentralised and distributed character (Transformative Economies, 2016).

2.2. *Pam a Pam*

As mentioned above, Pam a Pam is one of the main tools used by the XES to help in the construction of the social market. Both the Social Balance and Pam a Pam are tools for collecting and systematising information. The Pam a Pam initiative arose in 2012 as a pilot test in the city of Barcelona, in response to people from SETEM, an NGO dedicated to campaigns to denounce injustices in trade or exploitation in the labour sphere of the clothes we wear, who wondered how to consume more responsibly. With the success of the sample of alternatives on fabrics, food and banking in 2014, XES, responsible today for managing the project, begins to cooperate together to expand the project and test it throughout the Catalan territory and in 2015 launched its mobile application. Therefore, it is not only a collaborative map tool but also a tool to show all the initiatives with social and solidarity economy values in the Catalan territory.

In addition, Pam a Pam is a collective and open project, with the participation of the "xinxetas" who form part of the social base of the project, people who collaborate in an activist way and carry out interviews and participate in giving meaning to Pam a Pam's strategies. But how does it work? In order to appear as an entity on the map, a member of the team visits the entity and conducts an interview. The interview collects a variety of data containing 15 criteria for the internal assessment, i.e. its role in the social market, environmental impact and social impact (Social Market Report, 2021). Not all criteria need to be fulfilled, they are graded from 1 to 5 and are done in a standardised way. For each criterion, five indicators have been developed, each scored as 0, 0.5 and 1. And, therefore, the entities will be published on the map where one or more of these indicators are met.

In the year 2020 new entries were analysed where a total of 143 new points emerged, generating a total of 1454 new posts where 815 are women (56%), 636 men (43.8%) and 3 people with non-binary entity (0.2%) (Social Market Report, 2021). The main promoters of the project were the XES and cooperative associations that carried out the Pam a Pam methodology. In contrast to the functioning of the Social Balance, the entities consolidated in Pam a Pam that are on the map and are partners of the XES are no longer interviewed. However, young or recently created entities are accompanied and interviewed by the team. As can be seen in figure 4, the data analysed for 2020 concluded that the average age of the entities analysed was 9.02 years and 75% were born after 2015.

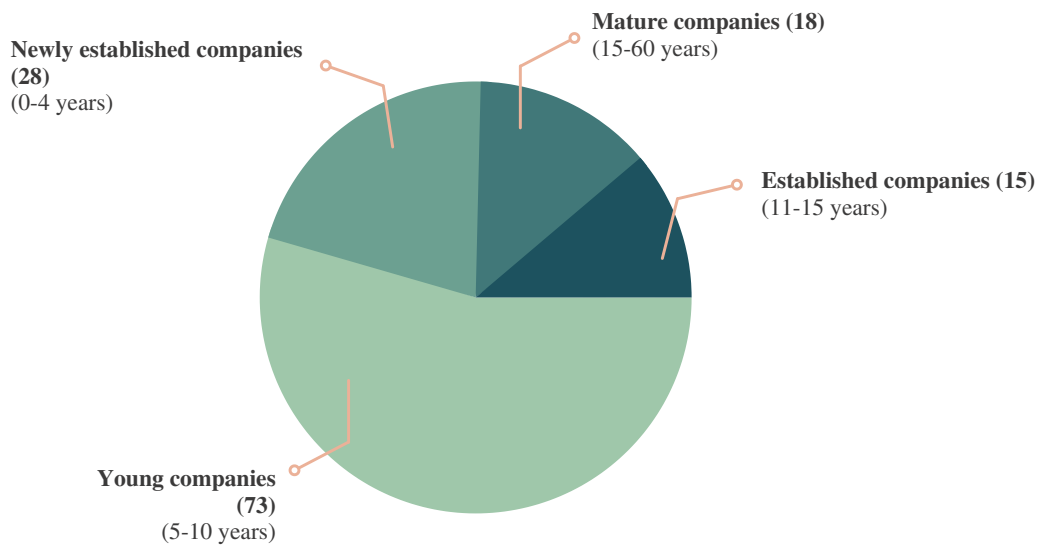


Figure 4. Distribution of Pam a Pam initiatives by seniority group. Source: Social Market Report (2021).

The following graph shows the distribution of the new initiatives mentioned above. The food sector predominates among the other sectors, with 30% of entities. This result is explained by the Abastiment Agoecològic1 project.

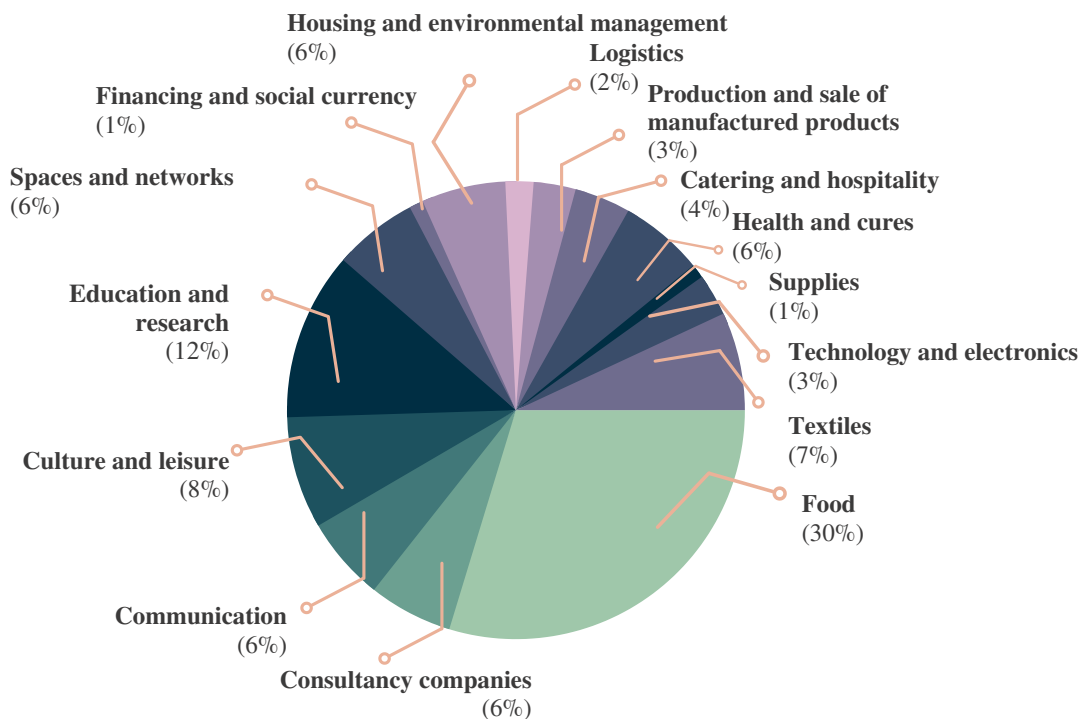


Figure 5. Distribution of the main sectors of new initiatives from Pam a Pam. Source: Social Market Report (2021).

As in the case of the Social Balance, the legal form is not a determining or decisive aspect in order to form part of Pam a Pam (see next chapter). However, most of the companies that form

part of the project are SL and SCP. In this case, 35% are cooperatives, 24% are associations and 28% are self-employed (Social Market Report, 2021).

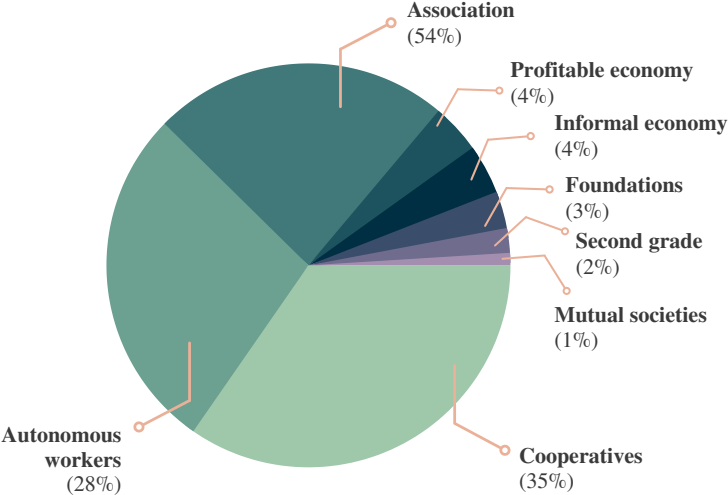


Figure 6. Distribution of the legal form of Pam a Pam initiatives. Source: Social Market Report (2021).

Finally, in terms of spatial distribution in 2020, according to the data collected in the social market report, the highest concentration of organisations is in Barcelona (54%), followed by Girona (33%), Lleida (9%) and Tarragona (4%). This distribution is also affected by the magnitude of cooperative associations and activists.

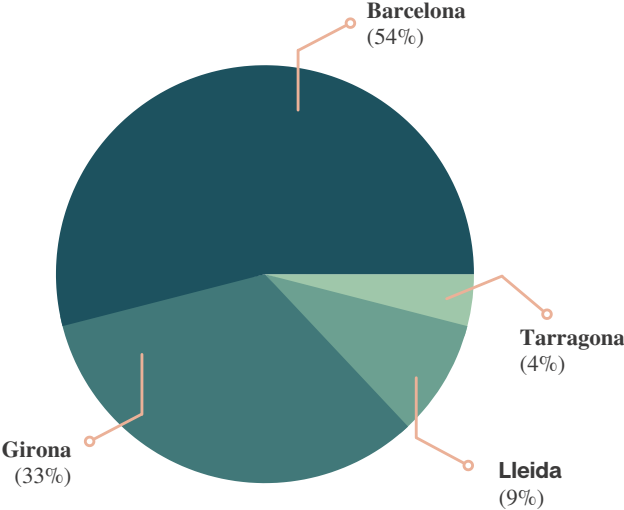


Figure 7. Territorial distribution of Pam a Pam initiatives by province. Source: Social Market Report (2021).

In conclusion, the Pam a Pam tool helps to make entities that promote the social and solidarity economy visible. It is also a commitment to technology and digitalisation. And it is a benchmark application that has given impetus to other projects such as Tornallom, promoted by REAS del País Valencià (Social Market Report, 2019).

V. CASE STUDY

1. The Social Balance

1.1. Background

The Social Balance was born in 2007 from the need to make the principles of the social and solidarity economy visible. There was a need to create a self-diagnostic and continuous improvement tool to analyse the reality of the social and solidarity economy and the organisations that form part of it in Catalonia. When the tool was created, three aims were formulated, as Jordi Garcia Jané, president of the XES, explains in the foreword to the 2011 aggregate report.

The first is the desire to know. It is the desire to get to know each other among the organisations that form part of the social and solidarity economy movement and not to remain only with the first impression or the day-to-day to get to know the reality of the organisations.

Secondly, the desire to show that a new way of doing business and a transformative economy that is fairer, more democratic, sustainable and equitable than the current dominant economy is being created.

And finally, the will to improve. The way to improve towards a better economy that is fairer and socially responsible.

The Social Balance can be defined, as stated on the organisation's website, as "a tool for measuring social and environmental impact and good governance that contributes to the transparency and self-assessment of organisations and to certification based on the criteria and practices that define the Solidarity Economy". The social balance analyses systematically, objectively and periodically six main characteristics of a company: democracy, environmental commitment, equality, social commitment, quality of work and professional quality.

In terms of target group, the Social Balance is an open tool for all types of organisations. This means a change of trend with the concept with which the social and solidarity economy was associated. Since it was much linked to a certain legal form. Therefore, behind the Social Balance what matters is not the legal form but the business practices that are carried out to determine what is social and solidarity economy and what is not. Moreover, you can draw up a Social Balance whether you are a member of the XES or not. However, a feature that is different from all other Social Balance campaigns is the obligation to make a Social Balance if you are a member of the XES. The Ordinary General Assembly of the XES, held on 29 February 2020, approved the compulsory Social Report as of the 2022 campaign.

In order to be able to carry out the Social Balance, an online IT tool must be accessed which gives access to the questionnaire. The platform of the online tool is: <https://ensenyaelcor.org/>. If you are a member of the organisation and have already completed a previous social report

for other campaigns, all you have to do is enter your e-mail address and password. However, if you have never done a Social Balance before, you have to fill in a registration form and choose modules according to the motivations of the company. After registration, the request is analysed within the Social Stocktaking Organisation and if accepted, credentials are received. The organisation itself has created tutorials to make it easier to understand the online tool.

As far as the Social Report is concerned, it is completely free of charge. Whether you pass the assessment and get the report of the results and the seal. Since 2018 the social report commission offers the option to have the infographic and the report of recommendations for improvement which are optional, i.e., they have a price. The price depends on whether you are part of the XES or not.

Since collective bargaining, at the end of 2015 the social balance commission decided to design two modalities of balance, the basic and the complete one. As the Social Balance works on a campaign basis, you can opt for one of the two modalities. The basic modality consists of twenty minimum indicators that are essential to be able to analyse the criteria of the social and solidarity economy. In addition to being able to be part of the XES social market. While the complete modality has sixty indicators and external questionnaires for volunteers, partners, clients or workers. But how do they differ? The two modalities have the same thematic blocks, but the full modality has a higher proportion of questions. In the basic mode, the aim is to capture the structure of the company at the economic and compositional level. Secondly, it analyses the practice of the company to see if it meets the criteria of social and solidarity economy. While the full modality includes all the questions of the basic modality but also incorporates more detailed questions on some other concepts. In addition, a minimum number of workers, depending on the size of the organisation, answer the quality of work questionnaire. With either of the two modalities, the organisation can obtain the corresponding seal if it passes the evaluation and can obtain, although it is optional, an infographic and a report with recommendations for improvement. In case of doubt if it is the first time it is carried out. You can initially do the basic modality and if you later want to do the other modality, all the answers are automatically saved. However, the Social Report Commission recommends that you opt for the complete modality as it provides more information on the organisation and on the social and solidarity economy.

The Social Balance Commission recommends three things before carrying out a Social Balance:

1. First, reading the question guide for the two modalities, basic and full. You may need to contact members of the entity in order to answer some questions.
2. When you have selected one of the modalities, send the labour questionnaires to the workers of the firm.
3. To understand more in detail download the navigation tutorial.

Once the Social Balance has been produced, its use and functionality can be extended. Organisations can draw up a social responsibility report using the template devised in 2015 by the social balance sheet committee. This template has a table of technical equivalences with the Global Reporting Initiative indicators. In addition, it provides a differentiating instrument through the seal that each company obtains. It strengthens the entities because it is a tool for internal improvement and self-diagnosis. And, finally, it serves to strengthen the world of the social and solidarity economy through aggregate sectoral comparability. In three words, social reporting provides visibility, transparency and differentiation. It is teaching from the heart.

Since December 2015, following the approval of a strategic plan and from the XES, local networks of the Social and Solidarity Economy have been created. This creation of local networks has a significant importance in terms of the Social Balance. Since 2015, there has been a growing interest in the social and solidarity economy movement. This interest is linked to political terms. It is related to the 2015 municipal elections in the city of Barcelona. Barcelona En Comú won the elections. In the 2015 electoral programme, a change of model is proposed. "For a fairer Barcelona, which promotes sustainable forms of production, distribution, consumption and mobility, which generates decent employment and defends the public and common". In addition, the programme proposes defending local commerce. To do so, they defend the incorporation of sites and spaces such as XES, Coop57 or Fiare. Finally, they propose to promote the social and solidarity economy from the city council by promoting initiatives of a social and solidarity nature in the territory and plan their objectives according to what is dictated by the XES (Barcelona En Comú, 2015). For this reason, linked to political terms, many administrations have wanted to promote public policies of social and solidarity economy, the main example being the creation of the Xarxa de Municipis per a l'Economia Social i Solidària de Catalunya (Network of Municipalities for the Social and Solidarity Economy of Catalonia). In the framework of the International Meeting on Municipalism and Solidarity Economy, on 23 October 2015, the city councils of Barcelona, Badalona, Santa Coloma and Sabadell signed an agreement declaring to work for a network of municipalities that promote the social and solidarity economy. Today, approximately forty municipalities have signed up to the agreement. This shows a development at the local level of wanting to do this type of transformative economies. Currently, the local networks are as shown in the map on the following page:

Xes del Ripollès	Xes de Terrasa	CoopCamp	Xes de l'Hospitalet
Xes de la Garrotxa	Teler Cooperatiu de Sabadell	Xes Horta-Guinardó	Xes Barcelonès Nord
Xes de l'Empordà	Xes de Sant Cugat	Xes Sant Andreu	Xes Mataró
Xes de Manlleu	Xes Baix Llobregat	Taula Eix Pere IV	Ponent Coopera
CooPoblet	Impuls Cooperatiu de Sants	Cooperasec	Coòpolis and Proa a la Mar

Figure 8. Local networks. Source: Xarxa d'Economia Solidària de Catalunya

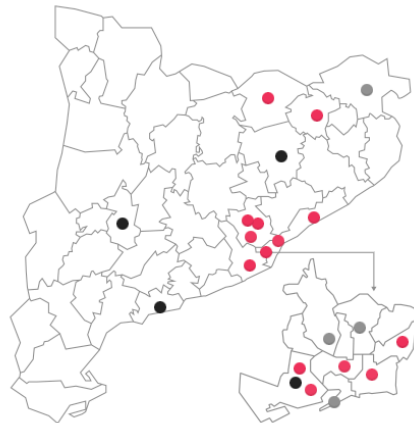


Figure 9. Spatial distribution of local networks. Source: Xarxa d'Economia Solidària de Catalunya

Each local network, that is to say, each group of entities and people in a given territory promotes its own lines of work and helps to complement the other territories and create a collective knowledge to become a territorial reference point for the social and solidarity economy. All the local networks share common strategies, create a network for learning together, intercooperating, helping to make the local fabric visible, building a social market and promoting an economy at the service of the inhabitants. These local networks have increased the use of the social balance sheet as it is an essential tool for building the social market.

In 2018, Reas Red de Redes de Economía Alternativa y Solidària (REAS RdR) started using the technology platform of the XES. REAS RdR is a non-profit, non-partisan association created in 1995 with twenty organisations. The aim of this entity is to promote cooperation and foster business projects that understand economy as a sustainable development of the territories.

It is currently made up of fifteen territorial networks: REAS Aragón, REAS Andalucía, Red Anagos-Canarias, REAS Balears, REAS Castilla La Mancha, REAS Castilla y León, REAS Euskadi, REAS Extremadura, REAS Galicia, REAS Madrid, REAS Murcia, REAS Navarra, REAS Rioja, REAS País Valencià and XES-Xarxa de Economia Solidaria de Catalunya. And, by four sectoral networks; Asociación Española de Recuperadores de Economía Social y Solidaria (AERESS), Mesa de Finanzas Éticas (MFE) made up of Fiare Banca Ética, Coop57, Oikocredit, REFAS and the insurance company CAES, the Unión Renovables network and the Coordinadora Estatal de Comercio Justo (CECJ). These networks have entities with total income, according to the data of the Social Audit Report of 2021, 1007 million euros, creating 23 thousand jobs and 25 thousand volunteers.

Since that year, Reas RdR territories have used the platform to carry out social audits. Until that year, social audits were carried out by a tool developed from Reas of the Basque Country and Navarre. This sectoral articulation gave way to the development of a joint workspace with a common technological infrastructure through the "Teach with the Heart" project in the field of the social and solidarity economy. This tool made it possible not only to collect data from the Catalan territory but also from other territories. This phenomenon gave way to a process of registration and certification as data collection in the spatial territory of the social and solidarity economy. According to data from the 2021 Reas State Social Audit report, in 2021, 603 companies and associations participated in the self-assessment process. There is a positive correlation between a higher number of responses associated with the existence of a Social Market in the territory. The high response is found in REAS Aragón, Red Anagos, REAS Balears, REAS Euskadi, REAS Madrid, REAS Navarra, REAS Galicia, REAS Murcia, REAS País Valencià and XES. As can be seen in the table based on the data collected from the State Social Audit report, there is greater participation at the national level in Catalonia, followed by Madrid, Euskadi and Aragon.

	Total	Catalonia	Madrid	Euskadi	Aragon
2021	603	233 39%	93 15%	84 14%	35 6%
2020	495	194 39%	81 16%	80 16%	33 7%
2019	530	226 43%	86 16%	70 13%	39 7%
2021 vs 2020	+22%	+20%	+15%	+5%	+6%
2021 vs 2019	+14%	+3%	+8%	+20%	-10%

Table 1. Entities reached in the Social Audit 2021 and evolution. Source: REAS, Social Audit Report (2021).

1.2. Evolution

The trend shown by the Social Balance is useful to analyse the level of territorial approach to the social and solidarity economy. It serves to define what is and what is not social and solidarity economy and shows us whether enterprises are changing the direction of their business decisions towards other, more democratic, ethical and sustainable methods. It also gives us a representation of the importance of building a social market, analysing what kind of legal forms or what criteria of operation the social and solidarity economy realises.

First of all, an analysis will be carried out from 2007 to 2015 on the organisations that have carried out a social balance sheet. This time frame has been chosen because 2007 was the starting point of the social balance sheet and in 2015 there was a change of trend. In 2007, the XES offered a social audit tool, what we know as a social balance sheet, to companies and organisations in Catalonia. Fifteen years after its inception, it is interesting to analyse the challenges that this tool has faced, its improvements and to see the change in the mentality of companies, which now show their hearts.

Many social and solidarity economy firms were doing good social responsibility practices, but there was nothing to analyse how well they were being done. There was no way to measure that impact. This was one of the main reasons for the creation of a tool, created and promoted by XES. The social balance started in 2007, but it was based on a proposal from six years earlier, in 2001. In an article "*Una proposta de balanç social*" Jordi Garcia determined a first proposal for a social balance sheet. This first model had thirteen indicators divided into six chapters; democracy, equality, sustainability, cooperation, community participation, etc. This social balance was intended to be simple, open, participatory, period and universal. Criteria that remain the same today. As the author of the article explains, the social balance sheet had to be understood as a tool that taught social commitment and the spirit of commitment to a social and solidarity economy. Since that idea twenty-one years ago, things have been modified and aspects have been improved with proposals for social audits promoted by REAS, European Foundation for Quality Management (EFQM), Eco-Management and Audit Scheme (EMAS), Balanç del Be Comú de l'economia del Bé Comú, Social Return of Investment (SROI), L'RSE.Coop and L'RSEPime. Currently the Social Balance is an open and online questionnaire which generate a final report.

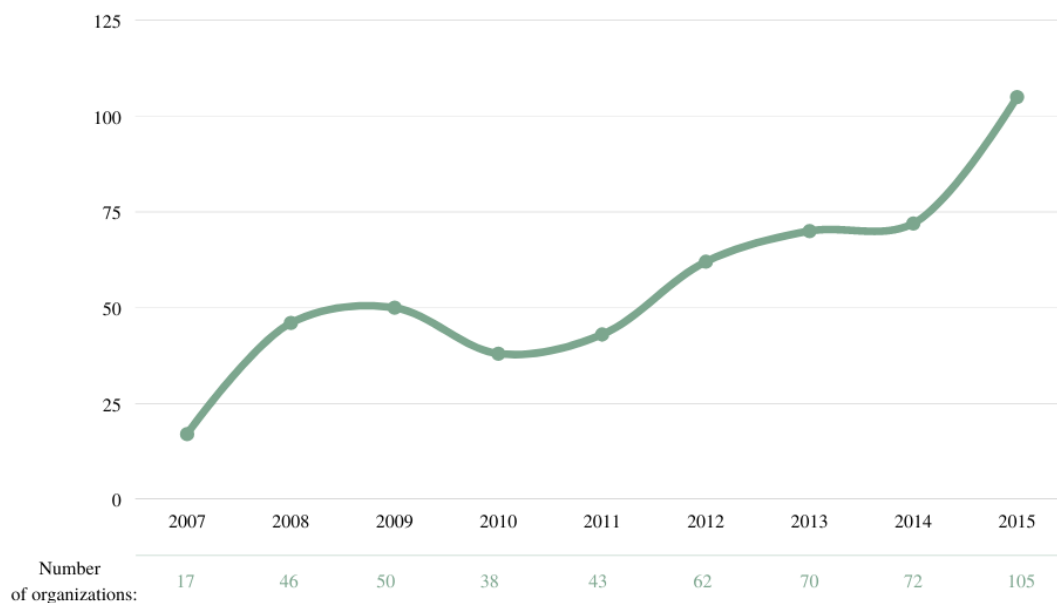


Figure 10. Number of organisations that have done Social balance, 2007-2015. Source: Social Market Report (2015).

The 2007 campaign started with seventeen entities. But compared to 2015, eighty-eight entities have joined in showing their hearts. That shows a change in the trend. If we compare 2014 to 2015, it represents an increase of about 50%. According to data from the Social Market Report in 2015, seventy-two entities carried out full modality and thirty-three basic modalities. The graph shows that in 2007 the number of entities increased exponentially, from seventeen entities to forty-six, showing the willingness of many entities to take part in an initiative that promotes social commitment.

However, we see a setback from 2009 to 2010, twelve entities did not join the campaign. This may be due to the economic crisis of 2008, which brought with it the most devastating data in terms of the unemployment rate. In 2011, the positive trend began to recover, and it was in 2014 when the social balance sheet applied three new features. This may be a significant fact to explain the increase in the number of organisations in the 2015 campaign. Firstly, the organisations that applied for the social balance sheet seal were guaranteed personalised monitoring. The social balance commission helped the organisations to comply with the proposed improvements, putting them in contact with other entities to get advice on a specific area of improvement and creating training activities and workshops. Secondly, the XES signed collaboration agreements with mapping projects of existing economic alternatives in the Catalan territory; Barcelona+Sostenible, shared with companies and third sector entities with the Barcelona City Council. La Consumpèdia del CRIC (Opcions magazine) and Pam a Pam, promoted by Setem and XES. These projects create incentives for companies to appear on these maps representing responsible consumption alternatives and communicating their internal

ethical values. Thirdly, in 2014, the proposal was launched that once the Social Balance has been drawn up, a final report and a template will be obtained. This makes it easier to enter the data in a social responsibility report. This makes the Social Balance more attractive to different stakeholders who are reporting on the sustainability of their companies.

In 2015, there was an exponential increase in the number of companies involved in the Social Balance. This increase may be due to two factors. As mentioned above, in December 2015, a strategic plan was approved and local networks were created. This creation of local networks boosted the motivation for the creation of public policies regarding the social economy and promoted the construction of a social market throughout the Catalan territory. On 23 October 2015 an agreement was signed to work in a network of municipalities to promote the social and solidarity economy. From the graph it can be seen that it has worked since the name of entities that have joined thirty-three more companies to the realisation of the social balance. Another explanatory factor is the creation of the two modalities: basic and complete. The complete one as explained above are more detailed questions and a minimum number of workers is needed to answer the quality of work questionnaire. This shows that in 2015 seventy-two companies decided to go for a more detailed balance sheet and that they had a similar volume of workers, they met the minimum. While thirty-three decided to go for a basic balance sheet. In reference to the legal form of the balance, the predominant form is cooperatives, specifically worker cooperatives, which account for 48%. According to the 2015 report, the most representative sectors are education, communication, and housing. And, as explained in the report, 76% of the entities that have carried out the social balance are members of the XES. This has risen from 31% to 46% of the entire social base with respect to the total number of partner organisations. In other words, approximately more than half of the social organisations of the XES have carried out the social balance sheet.

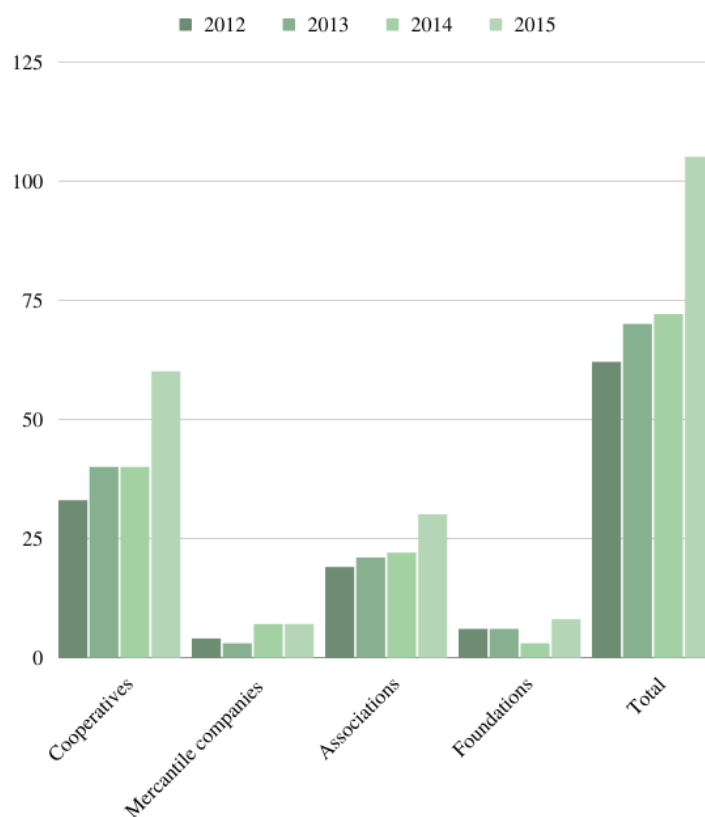


Figure 11. Number of organisations that have conducted Social Balance by legal form, 2012-2015. Source: Social Market Report (2015).

According to the territorial distribution, after the dynamic process of creating local networks and the mapping process. Barcelonès stands out with a higher participation, representing 60.77%. This percentage, in the first place, is due to the differentiation of the geographical density and existing businesses in Barcelona with respect to the rest of the Catalan territory. Secondly, it is also influenced by the existing dynamism in the organisation of Pam a Pam in the city of Barcelona, where activities are organised and there is a local group that creates different workshops.

In 2020, it was not possible to produce a social market report as in the past, as priority was given to analysing the impact of covid-19 and the social and solidarity economy. However, they produced a social market report for the year 2021 with the data collected from pam a pam and the social balance for the year 2020.

In the report "*L'impacte de la covid-19 sobre l'ESS: solidaritat malgrat les dificultats*" they conclude that the social and solidarity economy demonstrated both economic and labour resilience to face the economic crisis experienced in the first half of 2020. It showed resilience in the first half of the year, but in the second half of the year the companies determined that they would have to increase their level of indebtedness to cope with the situation. These entities had a complex cash flow situation as many were dependent on subsidy receipts and government contracts. The structure of enterprises promoting the social and solidarity economy had a profile

of labour instability and a high level of indebtedness. In the covid impact analysis report, 109 organisations were analysed, which responded to the questions on the impact of covid-19 and at the same time carried out a Social Balance.

There is an interesting phenomenon that can be explained by looking at the evolution of income, expenditure and the need for funding from the data collected. In the half year of 2020 there is a drop in revenue, namely 16% less compared to the half year of 2019. However, the most remarkable thing is that there was no decrease or increase in staff expenditure, it was maintained. This fall in income was compensated by the reduction in spending on contracting goods and services, the use of own funds and the use of financial resources. The worst affected sectors as noted in the report were the culture, leisure and textile sectors. These sectors were most clearly impacted in terms of personnel expenditure. These sectors had lower staff spending in 2020 compared to 2019. They did not reduce the number of jobs, but used ERTES. In contrast, housing, environmental management, technology and electronics sectors spent more on staff in 2020 compared to 2019.

Another approach is to analyse total expenditure. Of the 109 entities analysed, a variation in total expenditure was observed. Thirty-one companies or 28% of the companies had more expenditure in 2020 than 2019. As opposed to 32 companies that reduced expenditure from 2020 to 2019. The sectors that increased spending are supply, food, technology and electronics sectors. On the other hand, the sectors with the lowest spending are textiles, culture and leisure, space and networks. These sectors are the ones that were previously mentioned as having lower spending on personnel.

On the revenue side, there was no significant change in the trend from one year to the next. According to the report analysed, sales of goods and services (+2%) compensated in aggregate terms for the reduction in subsidies (-29%). There is a relationship between the change in income and the change in expenditure. That is, the supply, food, technology, and electronics sectors had a positive year, while cultural fabrics, partners and spaces and networks had lower revenues than in 2019. These differences in revenues between sectors may be influenced by the evolution of the use of financial tools to reduce the impact of the cash flow situation discussed above. In 2019, there were 35 companies using financial resources and in 2020 there were 40. What is remarkable, however, is that they asked for much higher amounts. This indicates that if at the beginning of the year they were already in a situation of indebtedness at the end of the year they would be even more indebted. In 2020, ethical and solidarity finance institutions contributed 19% more resources, which shows their growing weight and importance within the social and solidarity economy.

The evolution of job naming is characterised by the use of ERTES in the first half of 2020. In addition, the use of teleworking and the recovery of jobs after the end of the lockdown. The evolution of names of working people followed a similar trend to the one referred to above. The number of jobs was maintained, and the number of working names exceeded that of 2019.

The data explained above give us a basic idea of the trend in 2020. It can be reflected that given the complex economic and financial situation experienced in 2020. Most of the companies decided to maintain jobs and some sectors even increased them. The sectors of textiles, spaces and networks, culture and leisure significantly reduced their income, but this did not imply a reduction of workplaces. Other types of expenditure were reduced. It can be concluded that most of them bet on maintaining jobs or even hiring more people. But the question that arises from this statement is whether the same working hours were maintained.

As the report notes, those sectors that maintained workplaces also maintained working time. These sectors are textiles, culture, leisure, spaces, and networks. The sectors that hired more people also maintained the hours worked.

In conclusion, with the situation experienced, spending on personnel was 4% higher than in 2019. The textiles, culture, leisure and space and networks sectors were the most affected, but maintained jobs. In terms of jobs, a recovery trend was observed, with working hours and jobs being able to be maintained after the return from confinement. In terms of income, there was a difference between sectors, with the textiles, culture, leisure, space, and networks sector suffering a reduction in income. In contrast, the supply, food, and technology sectors have seen their revenues increase. Finally, with reference to the financial sector, the entities that started out with higher indebtedness at the end of the year found themselves with higher indebtedness. But the use of financial resources such as ethical and solidarity finance loans were key to the cash flow situation suffered by some companies.

Analysing now the social balance of the 2021 report, we can see that, with the above mentioned, there is a decrease in 2020. It was the first year of decline after ten consecutive years with a positive trend. However, the trend that started in 2015 is resuming. In the year 2021, 235 companies made social balance, of which 114 made the full modality and 121 the basic modality. These data show an increase compared to the previous year, 18% more than the 199

that did so last year. In addition, the number of participating companies has doubled in the last six years. From 105 in 2015 to 235 today.

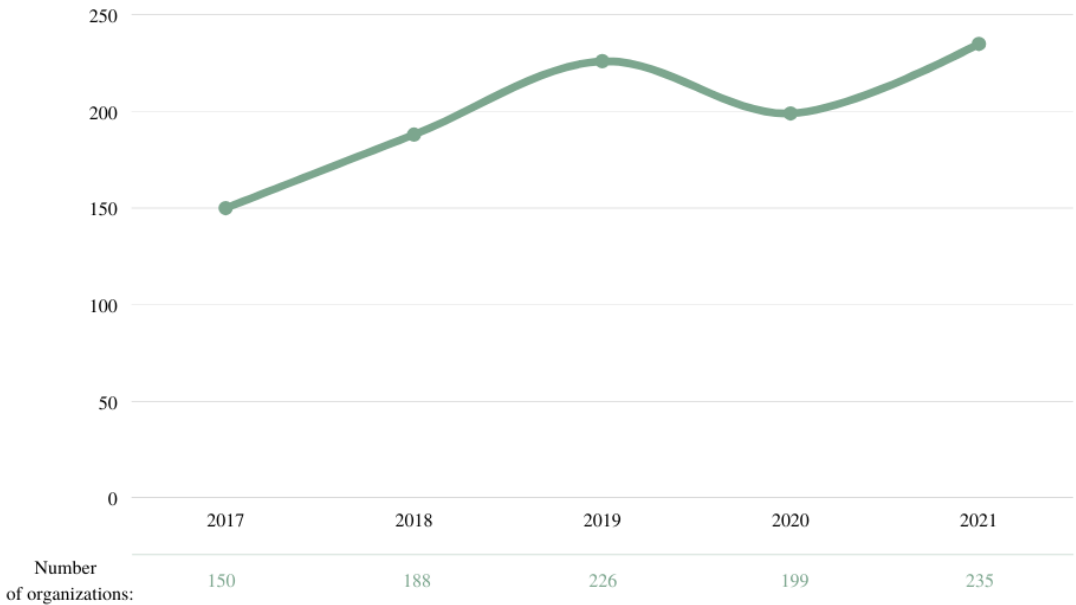


Figure 12. Number of organisations that have done Social balance, 2017-2021. Source: Social Market Report (2021).

There are two organisations that did not pass the evaluations of the 235 organisations that made the Social Balance. Hence, they did not enter the social market and will not be taken into account in the statistical analysis. From now on, the analysis will be carried out with the 233 companies that have carried out the social balance sheet and passed it. Of these 233 companies, 113 have completed the basic modality and 120 the basic modality.

In the analysis of the 2015 report, the trend between choosing the basic or full modality was different. The creation of the two modalities; basic and full modality took place in 2015. In that year, seventy-two companies decided to go for a more detailed balance sheet and, having a similar volume of workers, complied with the minimum. While thirty-three decided to go for a basic balance sheet. The trend in recent years has been to go for the basic rather than the full balance sheet. This factor can be influenced by the number of workers, the questions in each questionnaire or by subjective criteria.

If we analyse the legal forms, co-operatives and associations have a majority share and are the most predominant. They represent 54% and 27%, i.e., 81% of the total. Worker cooperatives are the most predominant legal form, accounting for 42%, followed by associations with 23% and foundations with 10%.

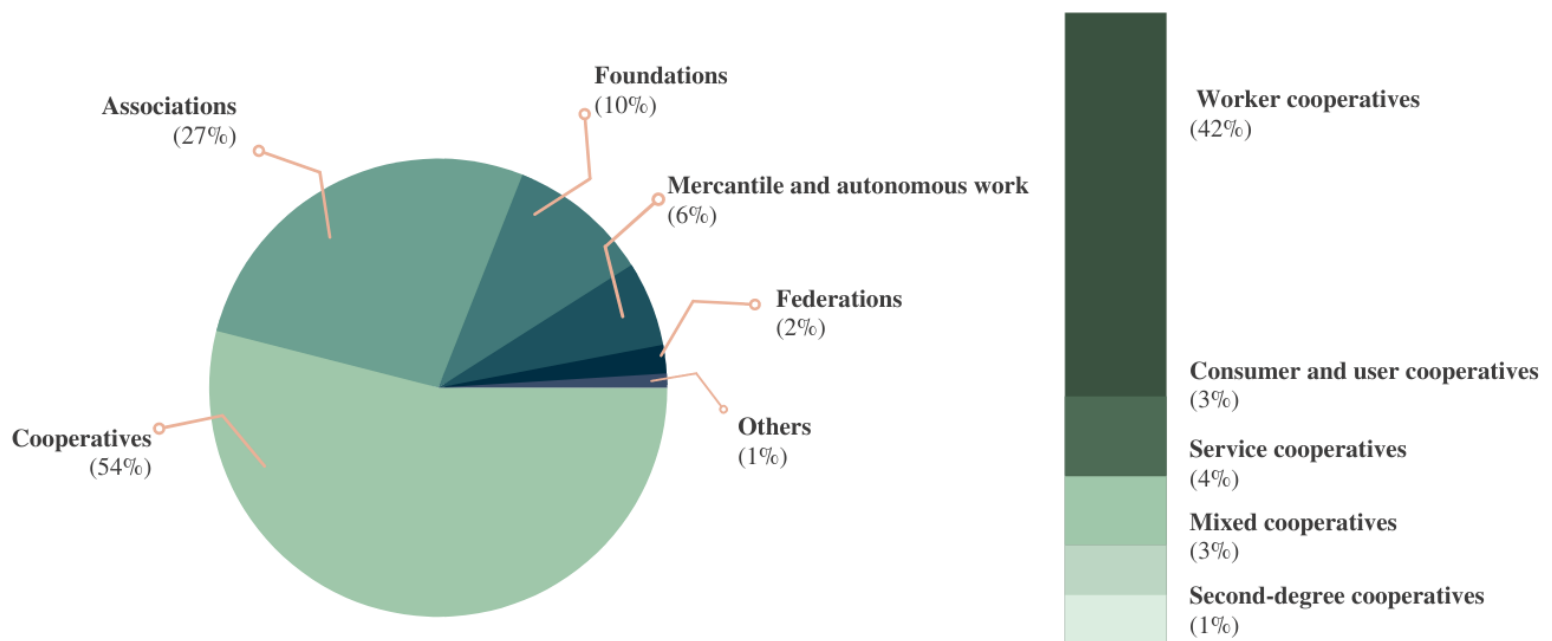


Figure 13. Number of organisations that have produced a Social Balance by legal form, 2021. Source: Social Market Report (2021).

It can be seen that the trend over the years is still predominantly cooperatives, in particular worker cooperatives and associations, as the main legal forms. However, foundations and trading companies as self-employment have increased their share over the years. There is a positive correlation between the entities that are part of the social and solidarity economy and the companies that carry out the Social Balance, where there has been an increase in worker cooperatives. The sector that generates the most jobs, according to the report, is the education and research sector. This is partly the sector with the highest share in the Social Balance, followed by the health and care sector, which is becoming increasingly important in the statistics, with 35 (15%) and 31 (13%) organisations.

The economic magnitude of the Social Balance organisations represents a social base of 141,287 people, 7591 jobs are generated, and they generate an income of 301.45 million Euro. The sectors of worker cooperatives, worker-owned companies and trading companies create workplaces in relation to their smaller social base compared to other types of sectors and social base. The associations, second-degree and consumer cooperatives sector has a higher share of income and a larger social base, however, it does not generate as many jobs as the worker cooperatives, worker-owned companies and trading companies sector. Finally, the associations and foundations sector have a larger social base than the sectors mentioned above and generates the highest level of employment. If we extrapolate these data from the 2021 report, the member organisations of the Social and Solidarity Economy Network involve 242,000 people who create 9,100 jobs and generate 325 million euros.

Looking at the number of people employed according to the report, 27% of companies have fewer than five workers. While 23% have between five and nine employees. In other words,

55% of the companies that have carried out the Social Balance have fewer than ten employees. The entity's sample shows that there is an average of 33 workers and a median of 8. As can be seen, the participation of the number of companies that have carried out the social balance sheet has increased significantly over the years. In fact, since 2013 it has multiplied by 3.7. However, it should be clarified that this growth is not that it has been higher. This explanation refers to the fact that the number of employed persons and the income have increased by an even higher proportion, namely 5.8 and 6.3. But the social base has increased at a slower rate.

This is due to the fact that the companies that carried out a social balance had a structure mainly of cooperatives and associations, as can be seen in the graphs. Companies such as Som Energia have increased the number of workers within the organisation, from 51,500 to 69,445 people. Coop57, Som Movilitat, Sostre Civic, l'Economat Social or Colectic are also examples of similar data in reference to the increase of jobs. A second explanation for the increase in income and workers is the relative weight that the third social sector is gaining in the social and solidarity economy. This third social sector explains the entry of associations and foundations with a different type of structure and dimension, which also increases the figures. The third sector is made up of a smaller social base and many employees. But it is one of the sectors with the highest percentage of income. The second sector with the highest share of income is the health, supply and care sector. The supply sector has a larger social base but does not have as many employees.

In conclusion, the structure of the organisations that are part of the Social Balance is small, namely less than ten employees. In reference to the increase in numbers, there have been two existing phenomena that can explain this trajectory. Firstly, the internal growth of the organisations that belong to the XES and the Social Balance and, secondly, the integration of new organisations, specifically the entry of the Third Social Sector. This dynamic also influences the trajectory of the social and solidarity economy, as it has already been mentioned above, which is correlated to the companies that make social balance sheet and companies that belong to the social and solidarity economy. The report reflects three growth dynamics of the social and solidarity economy. Firstly, the number of cooperative micro-SMEs has multiplied. Secondly, there has been an internal increase in the number of organisations linked to the social and solidarity economy; Coop57, Sostre Civil, Som Energia, etc. Finally, new legal forms dedicated to the service of people, foundations and associations, have entered the market.

1.3. Consolidation

The year in which we were able to observe a growing trend in the number of organisations, 2015, was also a time of consolidation for the Social Balance. That same year it was considered in the field of the social and solidarity economy as a methodology for collecting and systematising consolidated data (Alquézar, 2019).

Currently, as previously mentioned, the Social Balance is a tool for self-diagnosis and continuous improvement that allows the social, ethical, and ecological impact of companies and

organisations to be analysed over the course of a financial year. The technological tool approach varies between full and basic modes. The way it works has not changed, companies enter their qualitative and quantitative data on the platform. At the closing of the report, all data are checked. However, the tool also carries the process of continuous improvement, which is why in 2016 the technological platform was renewed. It was renewed in order to be able to attract more organisations, entities representing the social and solidarity economy and the public administration. The new functionalities that were integrated into the application were the balance itineraries. These itineraries are adapted to different sectors and create new uses of the Social Balance. For example, with the creation of the itineraries, the Community Balance was created. This balance was created to analyse processes of community management of spaces and equipment in the city of Barcelona. This community balance project was developed by Barcelona City Council's *Patrimonio Ciudadano* and XEC (Red de Espacios Comunitarios) to focus on the community management of certain needs of entities.

Another factor that has affected the dissemination and extension of the tool has been the use of the REAS RdR solidarity economy networks. The use of the tool was shared and now all networks share common minimum indicators defined by a political agreement. Each network can then develop an itinerary based on the needs they seek to analyse.

In addition, in 2020, an agreement was reached at the Catalan level to collect the data of the agents within the platform *Ensenya el cor* (Teach with the Heart) so that there would be common shared indicators. This agreement was reached by the entities represented in the Catalan Social Economy Association (AESCAT).

With regard to public administrations, the usefulness of the Social Balance has become increasingly important. Barcelona City Council implemented social, environmental, and good governance clauses in several contracting processes. In addition, the Social Report has cooperated to help the installation of the platform *Ensenya el cor* within the City Council's systems to improve the implementation and compliance with the clauses. Another element in reference to the contracting policy carried out by the City Council is to have Social Balance as a differentiating tool in the Online Directory of Social Enterprises of the Barcelona City Council, created to provide ease in the search for companies that supply in compliance with clause 3.1. on Subcontracting of Social Economy Enterprises of the Decree on Sustainable Contracting.

Finally, another factor that has helped to consolidate the balance sheet is the creation of a catalogue of various suppliers that promote the social and solidarity economy, created by the Manlleu City Council. The creation of this catalogue also influences the creation of the Social Balance Sheet, as well as participation in the construction of the social market.

Regarding the Social Balance questions, more questions and indicators have been added over the years. The aim of this is to improve the analysis and to give visibility to the organisations. The revision of questions is an open process in which not only the social balance sheet

committee but also committees such as feminist economies, procomuns, ecology, etc. participate. In fact, at the last meeting on 25 April 2022 social balance I was able to participate in the review of new questions for the year 2022.

This 2022 campaign has incorporated six more indicators. These indicators refer to the areas of diversity, ethical and solidarity finance and social commitment and cooperation.

From the diversity block, these questions have been added:

- ind322 Have positive actions been implemented to promote diversity?
- Ind190 Is functional diversity/disability taken into account and is the inclusion of all persons promoted and/or facilitated?
- Ind329 Number of people with functional diversity
- ind178 Average age of employees, by gender

This question has been added from the ethical and solidarity finance block:

- Ind40: Indicator of % of economic resources in ethical finances over total savings in financial entities.

From the social commitment and cooperation block, two questions have been added:

- Ind42: Indicator of % of purchases from social market suppliers of the XES.
- Ind254: Total % of purchases of goods and services made from social market entities and social and solidarity economy entities.

In reference to the evaluation system carried out, the evaluation is done on several levels. The first level refers to quantitative data, this is based on a series of parameters established in each indicator. It aims to measure the social, environmental and governance impact and also to make an evaluation. These criteria arise from a combination of practical and political criteria that determine what is social and solidarity economy and what is not.

These political criteria are discussed in XES spaces. For example, the wage scale is evaluated according to the proposed laws of the social and solidarity economy and the ratio that is above 1/5 is not given a score. Another way of weighting is the result of questions taken from previous years and reflecting the situation of the organisations. This makes it possible, for example, to set different levels according to the legal form and to evaluate the organisations more precisely. In 2020, the evaluation system was defined from the top down. First, the weighting of the six areas to be evaluated (economy and profit policy, gender and feminist perspective, equity and democracy, environmental sustainability, social commitment and cooperation, and quality of work) was decided, and then the weighting was given to each block. The blocks, as well as the indicators, are weighted according to political criteria that are discussed in the XES spaces. However, it may seem that, if a lower weighting is given to one block than to another, it may

seem that less importance is given to it, but this does not have to be the case; it is a consequence of having less information when evaluating quantitatively. The weightings of the quantitative assessment for the year 2022 are as follows:

BLOCKS	INDICATORS
ECONOMICS AND PROFIT POLICY 17%	<ul style="list-style-type: none"> • Dependence subsidies 20% • Ethical and solidarity finance 40% • Surplus 40%
GENDER 17%	<ul style="list-style-type: none"> • Participation 25% • Positions of responsibility 25% • Salaries 25% • Language, protocol and equality plan 25%
EQUITY AND DEMOCRACY 17%	<ul style="list-style-type: none"> • Participation 25% • Transparency 25% • Positions of responsibility 15% • Salaries 20% • Diversity 15%
ENVIRONMENTAL SUSTAINABILITY 17%	<ul style="list-style-type: none"> • Environmental policy 25% • Energy and water consumption 15% • Paper consumption 15% • Waste prevention and selective waste collection 15% • Other consumption 15% • Mobility 15%
SOCIAL COMMITMENT AND COOPERATION 17%	<ul style="list-style-type: none"> • Social Market and Intercooperation 30% • XES Social Market tools 20% • Advocacy 12,5% • Contribution to the commons 12,5% • Participation in the neighbourhood/municipality 12,5% • Community economies and support networks 12,5%
QUALITY OF WORK 17%	<ul style="list-style-type: none"> • Occupational health 20% • Benefit regulation 20% • Training and development 20% • Reconciliation 20% • Care spaces 20%

Figure 14. Weightings of the quantitative assessment, 2022. Source: Data obtained from the Social Balance Commission.

If the entities obtain four points out of ten, they pass the quantitative assessment. All entities that pass the assessment are eligible for an audit, which is carried out every year on 10% of the companies. This audit is not random and has predefined criteria for selecting certain entities to be audited. The selection of these companies is defined by the following criteria:

- Organisations with inconsistent data with year-to-year or technical variations.
- Organisations that have a positive but not very high assessment score between four and five.
- Organisations with a very high score in one block and a very low score in the others.
- Diversity of legal form and typology. Small, medium-sized and large companies are more likely to be audited than micro-companies with less than five people.

The documentation to be provided may be the following: annual report, minutes of the Ordinary General Assembly or of the organisation's governing bodies, minutes of meetings, documents showing the organisation chart, protocol documents, etc.

Finally, data collection for the 2022 campaign will be from 26 April to 15 July. It is done in this timeframe as there may be more accompaniment. And, this year it is compulsory for all XES member organisations to make their commitment to the environment visible from a perspective of equity, feminism and environmental sustainability.

1.4. Features and objectives

As has been explained throughout the project, at the time of the creation of the Social Balance, three wills were stipulated: the will to know, the will to show and the will to improve. After a long journey, the objectives remain the same, but the concept of building a social market has been incorporated, as the Social Balance is a gateway to the creation of this market.

The objective of the Social Balance Sheet is to measure the social, environmental, and good governance impact that contributes to the transparency and self-evaluation of organisations, as well as to help certification based on criteria and practices that define what the social and solidarity economy is (XES, 2021).

With the data obtained from the Social Balance it is possible to obtain an x-ray of the state of the Catalan social market. And as a tool for self-evaluation of the entities internally.

In reference to the characteristics, firstly, the Social Balance contributes to socio-economic change. The fabric of the social and solidarity economy reflects symptoms of economic weakness due to recently created initiatives, the high temporary nature of hiring and dependence on subsidies. The social balance sheet helps to make social and solidarity economy practices visible.

Secondly, the Social Balance is highly correlated with the Sustainable Development Goals that the United Nations is implementing in the 2030 Agenda. Specifically, goal five on gender equality which addresses the fight against discrimination against women and girls in developing

countries, where the goal on schooling or inequalities in the labour market is promoted. The Social Balance refers to the wage gap experienced between men and women and also refers to the presence of women in leadership positions in the entities.

Goal seven refers to affordable and clean energy, guaranteeing access to electricity for the world's population and reducing dependence on fossil fuels by switching to renewable energies. The Social Balance analyses the measures adopted in environmental management such as waste recycling, promotion of energy saving and efficiency as well as the contracting of renewable energy suppliers.

Objective eight refers to decent work and economic growth, the social balance refers to aspects of work-life balance, job stability and non-discrimination based on gender or origin.

Objective ten is about reducing inequalities. The Social Balance focuses on questions of redistribution of wealth to reduce social inequalities. Where the wage scale does not exceed a ratio of 1-5, the construction of common goods or the saving of ethical and solidary financial entities.

The twelfth objective is related to responsible production and consumption. The Social Balance has indicators in reference to corporate governance, labour quality, recycling and waste reduction in order to achieve sustainable growth.

Finally, objective thirteen works on climate action. In this case, the Social Balance has indicators that measure CO₂ emissions from electricity, gas, and diesel consumption to evaluate the effects of companies. As can be seen, the Social Balance is correlated with six of the seventeen sustainable development goals. It is therefore an essential element for change, innovation, and the incentive to create and strengthen the social and solidarity economy by enhancing the capacities of each territory and providing a service to meet people's needs.

Finally, what are the advantages of a Social Balance? It brings four elements to the companies that carry it out. Firstly, the commitment to social and solidarity economy criteria is recognised by public administrations and citizens. One of the objectives that has been pursued for years is the recognition and incorporation of the social balance sheet into the decision-making process of the public procurement processes of the administrations. What has been achieved so far are the subsidies to the social and solidarity economy by the Barcelona City Council. Secondly, the Social Balance opens a door to the Social Market of the XES, where a network of production, distribution and consumption cooperating with criteria of the social and solidarity economy is established. Thirdly, the Social Balance contributes to a periodic self-evaluation that aims to continuously improve the internal functioning of each enterprise. Fourthly, the Social Balance has tools such as the seal, infographics and results that allow to communicate in a transparent way the will of each company to promote social and solidarity economy under good governance, social and environmental criteria.

2. Participants

One of the activities that generates the greatest ecological impact is food. Counting all food supply chain, i.e., production, distribution and consumption, according to the study carried out by (Aguilera et al., (2020)) it is estimated that these phases are responsible for 27% of global anthropogenic GHG emissions. The results of the aforementioned work estimate that in Spain the carbon footprint of food has multiplied by 2.5 in per capita terms between 1960 and 2010. In addition, animal production of pork, beef, milk and fish are those that cause the greatest amount of emissions derived from production, accounting for 80% of the total.

Another contributor to greenhouse gas emissions that can be associated with the food chain is food waste. This accounts for 15% of greenhouse gas emissions. Food waste is a cause of biodiversity loss, but it also represents a problem of inequity in the food system. An ethical problem that shows that in the European Union 88 million tonnes of food are wasted, according to the WWF study, while there are households at risk of social exclusion where they do not have access to healthy diets. Reducing food waste is currently promoted in target 12.3 of the Sustainable Development Goals for 2030.

The above data show that the food industry is one of the sectors in the fight against climate change. For the same reason, I wanted to analyse the Social Balance of supermarkets that strive to sell organic, local and fair trade food and responsible consumption. Initiatives such as these demonstrate a transformation of the food and retail sector, showing a responsible and ethical commitment. Analysing the Social Balance of each company will show their practices and commitment. In this project, I have analysed two companies with different legal forms. On the one hand, self-employed and on the other hand a consumer cooperative. Another difference is the Social Balance: the cooperative did the Social Balance last year, while the other shop did it for the first time. During the Social Balance they share some similar views and different opinions that help to improve the Social Balance and future initiatives. The case study presents the participants, their vision with social performance and results. Finally, metrics have been presented to measure and compare with the original Social Balance resulting from the discussions with the analysed companies.

2.1. *Vida Meva*

Vida Meva is a pioneering food shop that sells organic, local, seasonal food. Where they believe that true ecological food grows in the sun and at the pace set by the earth and not by man. Vida Meva is a meeting point for the best organic food in Catalonia, where a direct relationship is established between producer and client, allowing them to obtain information about the product and where a network of responsible consumption is generated.

The Vida Meva timeline is as follows:

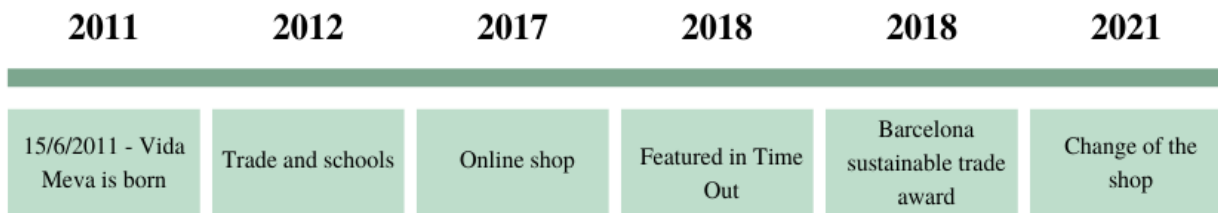


Figure 15. Vida Meva timeline. Source: Vida Meva website.

On 15/06/2011 Vida Meva was born from the vital desire of David Capdevila and Cristina Sancho. The first shop is born in the Poblenou neighbourhood with exclusively seasonal, bulk, organically produced products, with a direct relationship between local producers and fair trade. In 2012 they became part of the project known as "trade and schools" promoted by Barcelona City Council. The project was created with the aim of bringing students and teachers closer to the education of a healthy and balanced diet. Five years later, the online shop was created and they appeared in the Manzaning App. In 2018 they appeared in Time Out, with the philosophy of Vida Meva, the rhythm is set by the earth, not by man. In the same year Vida Meva wins the Barcelona sustainable trade award. And finally, three years later, in 2021, they moved to a new shop at Carrer de Ramon Turró, 201, 08005 Barcelona.

Vida Meva has a long history, specifically ten years of experience working with the best producers in Catalonia. They work every day to offer the best fresh produce and every day they receive freshly picked fruit and vegetables for consumers to enjoy and every week they receive fresh, top quality organic meat. In addition, as a result of their sustainable practices, dry products such as pulses, flour, cereals and seeds are available in bulk so that customers only buy as much as they need and they have a 3% discount promotion which encourages customers to bring their own containers to buy in bulk. They are committed to fair and responsible trade so they ensure that the produce they bring in from abroad is fair trade to ensure that both producers and farmers have a dignified life. Finally, Vida Meva has become a reference shop in the organic food sector.

Vida Meva was asked to carry out the Social Balance because it was a candidate company to be able to do so, as its practices demonstrated its ethical, democratic and sustainable commitments to the environment and to its workers. Thanks to the Too Good To Go app, an app that works as an intermediary between restaurants and shops where they put products they have not sold for food waste, I was able to meet the Vida Meva shop. From the very first moment they were interested in helping me and asked me to carry out the Social Balance for them.

Cristina and David were not familiar with the project and the application of the Social Balance. This was an advantage, but also a disadvantage. Regarding the advantage, it was important to know the vision of a person who did not know the application when carrying out the Social

Balance and to see what he/she thought about the process of carrying it out and the questions and results obtained. In addition, it was a golden opportunity to make the social report known to other companies and to increase the number of participants in the tool in Catalonia. However, the lack of knowledge about the social report revealed the degree of promotion and success of the campaign carried out by the XES or the Social Report Commission.

Cristina's first impressions when the Social Balance was discussed were that it was thought that the Social Balance was aimed at cooperatives or foundations and that the self-employed could not carry it out. This thought arose from the guide of questions that I provided them with before carrying out the Social Balance. However, the Social Balance can be carried out by any entity, regardless of its legal form. What matters are the practices, because these are what determine the fact of doing social and solidarity economy. However, when analysing data from various social market reports, as has been discussed throughout the project, the predominant figures that carry out the social balance according to data from the Social Market Report 2021, are Associations, representing 54%, Cooperatives where they represent 35% and Self-Employed where they represent 28%. These data may generate a thought like Cristina's where there may be a greater awareness of these tools or promotion in legal entities such as associations or cooperatives.

As for the implementation of the Vida Meva Social Report, before starting, they have to register on the *Ensenya amb el Cor* computer platform. This process took a few days because the Social Report Commission has to accept the request based on internal criteria that they follow. Therefore, it is not automatic, and it is supervised by staff from the Social Balance Committee. Once the codes for the social report had been obtained, Cristina organised all the data needed to answer the questions and a day was arranged for a video call. The procedure for the social balance took one afternoon and one morning, approximately eight hours. At first, it was thought that it would take less time, since the social balance was done in the basic mode, but as it was the first time that the social balance was done, it was understandable that it would take so long.

Cristina's opinion after the Social Balance was that the procedure was a bit difficult because in some questions where it was necessary to make calculations and there were questions that were not very clear and if they were clarified, some of them made reference to the General Accounting Plan. For example: the highest gross salary or the highest salary to be calculated with the highest gross salary and the remuneration for attending meetings. Finally, Cristina told me that she did not know whether to continue with the Social Balance for next year because it is difficult to consider the self-employed as doing social and solidarity economy. Because they cannot be constituted as cooperatives, and it is more difficult to obtain social aid. However, for her it is important to recognise the practices and not the legal forms.

2.2. *FoodCoopbcn*

FoodCoop is a cooperative and participatory supermarket in Barcelona that born in October 2019 and started operating at the beginning of 2022. The idea of creating this project arose on

15 March 2018, the Day of Consumers, at the Cochera de Sants with 250 participants. During several meetings of debates to make a change in the world of agroecological cooperativism led to some calls on 14 and 15 March on the occasion of the Day of Consumers by the City Council, Coòpolis, the Metropolitan Strategic Plan of Barcelona and the magazine of Food Sovereignty. In May 2018, the Association for the Promotion of Cooperative Supermarkets and the Social Market (Food Coop BCN) was established. The aim of the association is to promote the first cooperative and participatory supermarket in Barcelona. They are not the first in the world, but they are the first in Barcelona. They were inspired by other models of cooperative supermarkets such as the projects of: La Louve in Paris, Bees Coop in Belgium or La Cagette in Montpellier. As models closer to home: Landare, Labore or Bio Alai in the Basque Country or. Som Alimentació in Valencia.

Therefore, Foodcoop BCN opened its doors at the beginning of 2022 with products in line with the philosophy of the project: sustainable, local, fair and responsible consumption. The cooperative supermarket is a project open to the public. You can participate as a consumer member or collaborating member in all the assemblies and actively participate in decision making. Being a member of Foodcoop means being a participant, customer and owner. Every month they hold Foodcoop Cafés where you can get to know the project and learn about it. There are currently more than 450 members who participate in the project in an inclusive way and promote conscious, value-based, non-profit and sustainable consumption in the city of Barcelona. Their goal is to reach 500 members in order to make the changes a reality. They are part of the XES, Federació de cooperatives de consumidors i usuaris de Catalunya (Coopsconsum) and Ateneu Cooperatiu de Barcelona (Coòpolis). And they receive funding from Fiare Banca Ètica and Barcelona City Council. FoodCoop was discovered thanks to social networks (@foodcoopbcn) and sent an email proposing to do the Social Balance as it considered that its practices were similar to what the Social Balance promotes.

Regarding the notion of Social Balance, last year, 2021, FoodCoop already carried out a Social Balance of the basic modality. This proved to be an advantage to be able to compare both the time taken to carry out the Social Balance and the opinions and impressions with a company that had not carried it out, which in this case was Vida Meva. Food Coop did not publish the results of the Social Balance in 2021 for internal reasons.

On this occasion, they did not register on the *Esenya amb el cor* computer platform because they had last year's codes. Hence, they only had to collect the missing data to answer the questions and make a video call with Silvio to make the Social Balance. The completion of this Social Report was quicker, as it was not the first time it had been done and the data from the 2021 Social Report was available to verify the information. However, all the blocks were completed in one afternoon except the one on economics and profit policy because the financial data were not yet available. One of the advantages of the Social Balance can be seen here. It allows you to save all the data and to continue answering at another time. At the top of the screen, you can see the progress of the answers and how much time is left to close it.

Silvio's first impressions when completing the Social Report were that among the answers, he found that the option "it is being done or is currently being worked on" was missing. The proposal to improve the response options would be the one that can be seen in the following prototype image as an improvement:

3402b L'entitat disposa d'un pla d'igualtat vigent i dels recursos per fer el corresponent seguiment i avaluació?

Sí

No

La mida de la nostra organització dificulta la formalització o protocolització d'aquest aspecte però les nostres pràctiques diàries l'incorporen de manera informal.

We are working on it

3403b L'entitat disposa d'un protocol per a la prevenció i abordatge de l'assetjament sexual, per raó de sexe, d'identitat de gènere o de preferència sexual?

We are working on it

Sí

No

La mida de la nostra organització dificulta la formalització o protocolització d'aquest aspecte però les nostres pràctiques diàries l'incorporen de manera informal.

Figure 16. Proposed improvements to the Social Balance response, 2022. Source: Tool from *ensenya el cor*.

Other proposals that emerged from the debate with Silvio were that new questions could be incorporated. Silvio reflected that a governance question was missing, for example: If the entity has a public organisation chart or one that is known to the members. Then, another question on access to information and transparency was reflected upon, for example: Is there a space where all members of the organisation can easily find the minutes of meetings, assemblies? Also, questions on the level of data protection, questions about the governing council or an equivalent body and finally in the field of sustainability, if there is a waste or waste reduction plan.

3. Metrics to measure and comparison against the original social balance

This section discusses the metrics and form of each question and compares the Social Balance with another certificate.

Within the general data section, together with the discussion with Cristina, from Vida Meva. Question Q0101, name of members, suggested that this type of question was aimed at co-operatives, as the question explains that the name of members and non-employed collaborators must be indicated, such as consumer, service, farm or professional members in the case of worker co-operatives. Consumer, service and second-degree members in the case of associations or collaborators depending on the nature of the type of activity of the organisation.

In the economics and profit policy block, specifically in the profit policy section, question Q1101 Total number of workplaces expressed in full hours during the last financial year, includes a calculation referring to whether a person has worked 12 months at 50% of the working day, the calculation would be: $1 \text{ person} * 12/12 \text{ (months worked/12 months of the year)} * 50/100 \text{ (% of the working day divided by 100)}$. This simple calculation can be a disincentive for a person who wants to carry out the basic social balance quickly and as a solution and proposal for improvement I would incorporate a calculator that would automate the process within the application without the need for the person to carry it out, they would only have to enter the numbers to facilitate the carrying out of the social balance.

In the section on environmental sustainability, for example, question Q46010: Do you incorporate or offer any alternative related to transport? The option could be included, as mentioned above, that you are working on it, or in those questions that ask about action plans or environmental management systems. This would allow us to know the incentive and motivation of the entities that are working on this proposal and to be able to focus other types of questions based on this information.

In the section on social commitment and cooperation, in question Q50B, it names the networks and initiatives for social transformation in which the entity participates effectively, an Excel file is provided with all the entities in order to visualise them. However, an illustrative map such as Pam a Pam could be provided to better visualise each organisation distributed in the territory in order to speed up the process. Within this block, in the section on economic solidarity contributions, question 5202, are you a member of or do you operate with ethical and solidarity finance organisations? It only gives the option of yes and no. As a result of the debate with Cristina, it would be possible to incorporate the option of answering this question as to why she is not a member or why she is in order to be able to analyse the opinions of the entities that are or are not part of these ethical finance entities and improve their promotion and success. The prototype image for this improvement would be the following.

5202 Sou sòcis/es o opereu amb entitats de finances ètiques i solidàries?

Why? Sí No

Figure 17. Proposed improvements to the Social Balance response, 2022. Source: Tool from *ensenya el cor*.

Within the same question, not only ethical financing entities should be considered, but also other financing entities that, even if they are not ethical, can be compared because they carry out their transactions there and not in ethical entities, in order to improve and understand the opinions of each entity.

In question Q5302, total annual amount of purchases of goods and services from entities in the XES social market, we are provided with an Excel file, the same as in question Q50B, to see with which entities we cooperate, but it is a little difficult and discourages us because of the waste of time having to look at all the entities with which we cooperate. As a solution, I would propose an illustrative and interactive map with all the organisations using programmes such as Geoda to analyse the spatial distribution of each entity.

In the same block, question Q5327, do you participate in any of the territorial networks? Different territorial networks could be incorporated as an improvement, as they already appear, but with links so that each entity could visualise the options and become interested in forming part of each territorial network.

Finally, the quality of work block also provides some questions with answers of yes or no or the size of our organisation makes it difficult to formalise or protocolise our practices. In questions such as Q6601, does the organisation have an internal regulation or protocol that

includes measures to improve the working conditions established in the applicable agreement? It could be included that this is being worked on if the entity has been created recently. The same applies to question Q6801, Are measures to improve the leaves established by law in terms of reconciliation of family, personal and working life contemplated and formalised in writing? This could be included if the organisation is newly created or is trying to work on the proposal.

Once the metrics have been analysed, the improvement of the Social Balance can be compared with other types of certificates. For this purpose, Bcorp has been chosen and the following SWOT analysis has been carried out, a tool to know the situation of the Social Balance where weaknesses, threats, strengths and opportunities are defined.

The B Corp movement was born in 2006 in the United States together with B Lab, a non-profit organisation. They emerged with the aim of showing other types of initiatives in the economy that take into account the social and environmental impact. Obtaining the B Corp certificate implies that the company meets high standards of social and environmental performance, accountability and transparency. The basic principles are set out in the B Corp Declaration of Interdependence. The assessment for the certificate measures five areas: community, employees, environment, governance and customers. A free online tool that assesses these five aspects is available on the website. Companies that meet the requirements for transparency and legal responsibility are re-evaluated every three years.

Being a B Corp has advantages, among the benefits are better economic results, differentiation and leadership, excellence for continuous improvement, attracting talent and capital and contribution at public and private level related to the Sustainable Development Goals to be achieved by 2030. Currently in Spain, the B movement has been consolidated, growing by 63% compared to 2020. It has incorporated thirty-one companies in 2021, with a total of 110 entities at national level. Entities such as Danone, Veritas, Heura, Holaluz, Isdin are part of this movement.

Both the Social Balance and the B Corp certificate aim to measure the social and environmental impact of companies by analysing the six main characteristics of an entity. The two movements emerged in similar years and show the interest of many companies to show their values. As differences observed, it can be highlighted that in B Corp most of the entities are multinationals, but family businesses, start-ups and SMEs are also part of it. This is in contrast to the Social Balance, where the majority of entities are cooperatives and associations. Another difference is the extension of B Corp worldwide, currently there are 5100 companies that are part of B Lab, 890 in Europe. This shows that there is a greater awareness and promotion of this certificate compared to the social balance, which is known at the level of the Spanish network. Another difference that helps to make the B Corp certificate better known are the Webinars that B Corp organises, which help to raise awareness of the movement and also create events to promote it

and broaden knowledge. In terms of design and functionalities of the B Corp impact assessment application, it has a more modern and attractive design, unlike the social balance application.



Figure 18. B Corp tool design. Source: Webinar from the B Corp website.

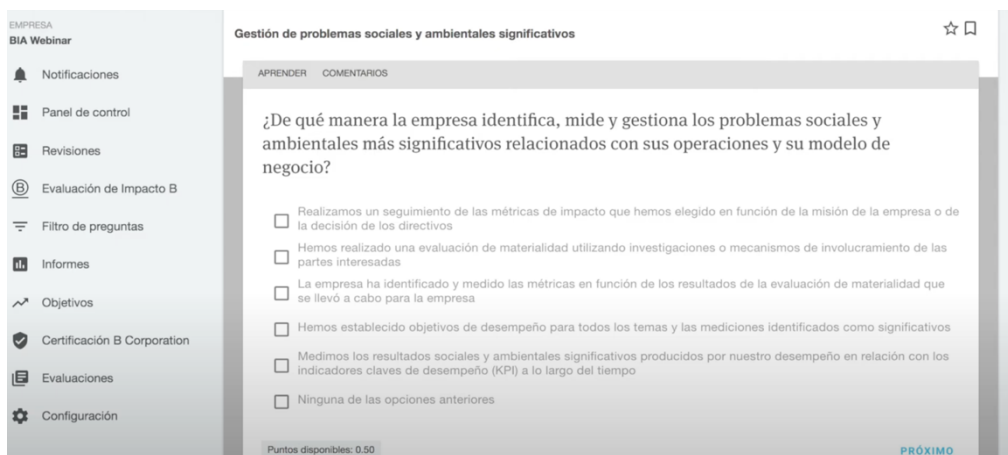


Figure 19. B Corp tool questions. Source: Webinar from the B Corp website.

As you can see, there are more possible answers, and you can mark several answers. Underneath you can see the score obtained and the person who carries it out can have an idea to see what the score will be.

With this information we can make a SWOT analysis of the Social Balance, the opportunities and threats are external, therefore they depend on the environment of the Social Balance and the strengths and weaknesses are internal, in these points we can analyse possible improvements.



Figure 20. SWOT analysis of the Social Balance. Source: Own elaboration.

VI. DIFFICULTIES AND DEVIATIONS

This chapter aims to show the difficulties and deviations that have been experienced throughout this project. One of the difficulties in starting this project was to get out of the comfort zone. During the four years of my studies, I have been able to learn about sustainability and some subjects have given me the right analytical knowledge to be able to draw economic conclusions. However, I was not familiar with this type of certification and the movements that have emerged over the years. But stepping out of the comfort zone has allowed me to increase my knowledge in the area of sustainability and research skills.

When I started this project, I needed to make a case study to analyse the companies, at that moment new difficulties and deviations arose. Initially the main idea of the case study was to analyse clothing shops. The objective was to analyse companies in the textile sector because in recent years the greenwashing of the big brands has been increasing. Fast fashion involves big marketing campaigns that want to sell themselves as sustainable, eco and green and create confusion among consumers about what is and is not really sustainable. However, when we contacted several companies in the textile sector, such as We Are Bonito, firstly, they did not know about the Social Balance and secondly, they considered that they did not have enough content to make a Social Balance. That was one of the first barriers. Then I contacted Velvet BCN, MusBombon, Firiri, GreenLifeStyle, which are sustainable and ethical fabric shops, but I didn't receive any response either because they didn't know about the certificate or because they didn't trust me. Later I contacted a shop in Madrid because it could be interesting to have two shops in the textile sector, one in Catalan territory and the other one in Madrid territory and compare the questions and results. The shop in Madrid is Ms Worker, a textile shop that is conscious of sustainability, ethics and social responsibility. Olga was involved and motivated throughout the whole process to carry out the Social Balance and we had already arranged a day to do it and look for data, however, the Social Balance Commission of Madrid did not give me answers to register the entity and I could not access the platform to do its Social Balance. At that point I decided to change sectors and analyse the food sector, which is also an important factor that causes major environmental impacts.

The work was diverted towards the food sector, and I was able to complete the Social Balance of Vida Meva and Foodcoopbcn, two entities with different legal forms and that one was new to carrying out the Social Balance and the other was not. This allowed me to analyse their results and differences. Throughout the process I was able to attend the meetings of the Social Balance committee and learn new concepts.

The last deviation was to compare the social balance sheet with B Corp, but due to lack of time I was only able to analyse a part of it and make a SWOT analysis. For future work it would be interesting to compare them in depth and propose improvements to the Social Balance application.

VII. CONCLUSIONS

The aim of this project, as mentioned throughout the work, is to analyse how sustainable a company is based on the analysis of the Social Balance tool. The social balance has been carried out in two companies in the food sector: Vida Meva and Foodcoopbcn and I have focused on the procedures and on what can be improved but not on the results. I have not included the results in the work because the evaluated entities are not yet aware of them, as the commission of the Social Balance do not provide the documents or carry out the evaluation until the end of the campaign.

When I started writing this project, my idea was that companies and the current socio-economic system were turning us into an individualistic, materialistic, competitive and rival society. However, after analysing the two companies and seeing the progress of the Social Balance in the Catalan territory and other certifications such as B Corp, I have been able to change my perspective. Today's society is transforming and is becoming more aware of the climate emergency we are experiencing. The business world is undergoing a metamorphosis and the business world is transforming more than we imagined.

The assertion that companies only want to maximise profits is now an outdated idea. Businesses today should want to include and show consumers their values and ethics, their social and sustainable commitments to people and the environment. For this reason, it is essential to have tools that certify good business practices. Because as William Thomson Kelvin, the British physicist and mathematician, said, "if something cannot be measured, it cannot be improved". That is the essence of tools such as the one I have been introduced to, the Social Balance Sheet. If we can measure and quantify how sustainable a company is, we can incorporate improvements in other companies or in the company itself to improve standards of sustainability, democracy, quality of work or equality.

With the Social Balance I was able to experience the learning curve on how to analyse a company's practices within six areas that characterise any company that wants to be socially responsible: democracy, equality, social and environmental commitment, quality of work and professional quality. In addition, two real case studies were carried out in the food sector, which allowed me to gain in-depth understanding of the values of companies and the motivation for wanting to cooperate and carry out the Social Balance. These analyses have improved my analytical skills. Although I would have liked to apply concepts from the spatial econometrics elective that I learnt during my degree to analyse the data in depth.

After carrying out the SWOT analysis, one of the weaknesses is that it is not widely known and that the design can be improved. These weaknesses are an opportunity to improve the promotion and success of the Social Balance. The application is not badly designed, but it could be more visual and attractive like B Corp's to attract the attention of entrepreneurs. In addition, the

questions could be more understandable and with fewer calculations or automate those processes. Another improvement would be to attract other types of legal forms and ask other types of questions so that the Social Balance is not only focused on cooperatives, as Cristina also pointed out. Another improvement would be to create other types of promotions to publicise the Social Report through panels or advertisements, as B Corp does. Following on from the design, the response time for obtaining the results for each company could be improved and not having to wait ten months to obtain certification. And, also streamline the registration process with something that would be more automatic. These improvements would encourage companies to want to carry out the Social Balance.

Another of the weaknesses analysed is that the Social Balance is a very local initiative and linked to the local council. In fact, electoral programmes such as that of Barcelona en Comú in 2015 proposed the promotion of the social and solidarity economy and proposed objectives along the lines of the XES. For this reason, in 2015 the Social Balance begins to have a growing trend in the Catalan territory linked to political terms that promote this initiative. It is not internationalised like the B Corp certification and this can show a comparative disadvantage in front of the B Corp certification which is not linked to political terms and is internationalised, therefore it can be known by more companies in the world. Furthermore, the legal form component is different in B Corp, where large companies and multinationals predominate, and in the Social Balance, cooperatives and associations.

If we analyse the impact of each initiative, in 2021, 944 entities at national level made the Social Balance, with a greater number in Catalonia with 233 entities and 93 in Madrid. In contrast to the number of entities that in 2021 did the B Corp certificate, which were fewer, 110 companies. However, at a global level, the number of companies was much higher in 2021, at 4400 companies. This explains why the Spanish government does not support companies with these initiatives, which is why a movement has been created to ask the Spanish government for a law that promotes companies with purpose, companies that create social and environmental value and do not only focus on economic benefits. This initiative is part of B Lab and calls for the formation of a new legal form "Sociedades de Beneficio e Interés Común" (SBIC) (B Lab Spain, 2021). These initiatives are already regulated in other countries such as in the United States, Benefit Corporation, in France, Enterprise à mission or in Latin America, Sociedades de Beneficio de Interés Colectivo.

In my view, in the future it should be mandatory to be able to analyse the values of each company so that consumers know where they buy and where the products are created and with what values. With this idea we can improve the world we live in and take care of the planet and people in a sustainable, ethical and social way. But we need a legal law from the Spanish government and public authorities that identifies and legally recognises companies that promote social, environmental, transparency and good governance initiatives (Manifiesto, 2021). If we do not have these laws, we will not be able to get to know in depth in Spain the certificates and movements such as Social Balance and BCorp.

VIII. FUTURE WORK

The purpose of this chapter is to present this project and the ideas that can be applied in future works. There is still a lot of work to be done in this area and I propose some lines of work that can emerge from this project.

As an extension of this work, it would be possible to analyse other Social Balances, such as what was originally intended. To analyse the degree of questions from one autonomous community to another and to see their differences. It would also be possible to analyse the degree of promotion, campaigns and success of the Social Balance in other communities and propose improvements. This would help to promote and raise awareness of the social report card.

Following this, another line of work is the comparison of different social responsibility certificates such as B Corp. To make a deeper analysis of all the questions, make comparisons, see the degree of knowledge of the companies about each certification and make a practical analysis of each certificate. This would also help to implement different improvements of each certification and make them better known.

Finally, another proposed line of study as a continuation of this work would be to analyse different sectors and see what environmental, democratic, and quality of work results emerge. For example, comparing the issues of the food sector with the Social Balance of the textile sector. This line would also help and involve more promotion of the Social Balance and would lead to improvements in the application.

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