

The Impact Multiplier/Booster

Information about how the Social Trade Organisation can contribute to consortia participating in Horizon Europe:

- ✓ The Impact Booster is a new instrument that contributes to a resilient local economy
- ✓ A variety of local Economic actors can use The Booster to leverage their impact in local recipient communities - leading to more resilient and attractive economies. This is done by channeling purchasing power towards local communities.

Please see: <https://www.youtube.com/watch?v=CFnTc3Wm2GY> for a short explanation.

Social Trade Organisation (STRO): Local focused, globally connected.

The Social Trade Organization (STRO) has been doing Research & Development for more than 30 years on the role of money and sustainability and the link between them. STRO's mission is to develop and promote sustainable economic models for a world full of development opportunities, high quality of life, and cultural and environmental diversity, based on sustainable production and consumption. We develop, test, and pilot innovative monetary methods to help lessen poverty and create more regenerative low-input local economies all over the world.

The Dutch Social Trade Organisation (STRO) is a renowned center of excellence that develops tools, strategies, and software to increase the efficiency of money for sustainable economic growth in depressed markets. As a global forerunner in using IT for socioeconomic development, STRO won the Innovation Award in 2014 of the International Electronic Transactions Association sponsored by the Bill and Melinda Gates Foundation. STRO develops Cyclos software which serves millions of users in economically depressed and emerging markets. Cyclos serves more than 10 million end users for financial inclusion and many economic and financial development institutions (MFI's, community/local banks etc.) globally. Cyclos can be used to maximize the economic impact of money circulation in depressed regions.

Horizon Europe

STROs Impact Booster is a flexible tool that can be tailor-made to fit various projects. An example of how STRO can contribute is to test in a pilot whether government payments can be guided to increase local demand for locally produced food, a durable energy project, targeted local city/neighbourhood/regional development etc. It can serve various types of projects. For this we use a technology known as the impact multiplier or Buy-Local-Booster (<https://territories4resilience.eu>). The fin-tech used in this approach provides local debit accounts with special ruling that forces the money/purchasing power paid to suppliers and

beneficiaries by the local government, to be spent locally for a longer but specific period of time before it can be used for payments to every type of bank account. We will select one of the participants of the territories4resilience consortium and test whether some dedicated efforts can boost the relations between the citizens and the food producers and *processors* in their direct territories. Money will be made to circulate locally, reinforcing local relations.

However, this Fintech innovation can be used to **support many target groups to reinforce their own goals**. Pilots can be created to provide practical innovations that research can be based on in Horizon Europe.

Identified Horizon calls:

We have identified the following calls that we could (potentially) contribute to:

Cluster 2: DESTINATION: INNOVATIVE RESEARCH on DEMOCRACY and GOVERNANCE

HORIZON-CL2-2021-DEMOCRACY-01-05: Politics and governance in a post-pandemic world

STRO's possible contributions to consortia dedicated to this call:

- ✓ STRO provides examples of economic models that can contribute to resilience of economies through focusing on increased money circulation in the local economy and activities/participations between different economic actors.
- ✓ Provide examples and/pilots of Economic Fintech solutions that can lead to a more resilient economies to counter economic impacts of the COVID 19 economic crisis on local SMEs, businesses and communities. Opens opportunities for local communities to become more resilient in the case of financial/economic crisis' to come so that SMEs will be less vulnerable to its effects.
- ✓ Provide case study to study the societal response of people's realization to support "their local businesses" as a counter of mass online shopping from "amazon". Could this tendency be seen as a societal response that can be used to shape the future economy as a coping mechanism of local societies?

HORIZON-CL2-2022-DEMOCRACY-01-02: The future of democracy and civic participation

STRO's possible contributions to consortia dedicated to this call:

- ✓ Can the cooperative movement in the past that is based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. be replicated today in a digital way to provide answers to ensure civic participation and resilience in their local economies?
- ✓ By working together in a digital network, local businesses and other economic actors to create economic advantages for each other.
- ✓ Study the economic model of Sardex that uses the STRO Fintech solution, Cyclos, as an example where digital cooperation in a network delivered not only economic profit for participating SMEs, but also changed the way business think.
- ✓ Trend towards improved business involvement and sense of community with strong social bonds and cohesion between local businesses, a sense of community and social cohesion.

- ✓ This touches upon the civic engagement for shaping a new form of economics of cooperation after the economic implications of the COVID 19 crises.

DESTINATION: INNOVATIVE RESEARCH on SOCIAL and ECONOMIC TRANSFORMATIONS

HORIZON-CL2-2021-TRANSFORMATIONS-01-03: Determining key drivers of inequality trends

STRO's possible contributions to consortia dedicated to this call:

- ✓ IMF report of 2019: Growing disparities between regions
- ✓ Imbalances in trade between regions in one country and between countries within one currency zone leads to growing poverty, social injustices, unfairness, inequalities and a destabilizing society. In its World Economic Outlook of April 2019, IMF defines the growing disparities between regions as a system failure.
- ✓ STRO has been investigating the role of money circulation, purchasing power as drivers of the inequalities between different territories, regions and neighbourhoods.
- ✓ Provide innovative method for redevelopment method.
- ✓ Digitalizing money and algorithms linked to that can reduce inequalities between regions by creating an “exchange rate” for trade between different regions, and hereby making it more fair – it can change the system and tackle the unsustainable system of the current monetary/capital system.
- ✓ European pilots can demonstrate a reversed the trend of increasing inequality and towards a more inclusive development of local economies.
- ✓ Provide examples of policy instruments on how to steer economic and societal transformations for regional and local government in order to reverse economic inequality between regions

Call - A sustainable future for Europe

HORIZON-CL2-2022-TRANSFORMATIONS-01-01: Public policies and indicators for well-being and sustainable development

STRO's possible contributions to consortia dedicated to this call:

- ✓ STRO's focus can be on developing examples of inclusive growth of local economies worldwide to create resilient economies and communities and therefore more sustainability of an economy.
- ✓ Identify possibilities through examples to adapt new economic development reality both in Europe (Sardinia, The Netherlands, and South Africa?) to research how local economic sustainable growth can be linked to local productivity targets and that they do not need to be mutually exclusive.
- ✓ Innovations to transition from a carbon-based linear, not sustainable economy to a carbon-free circular, sustainable wellbeing economy through implementing circular money that keeps the money within the local economy and directs concentration
- ✓ STROs Impact Booster can be used as a identifying policy options and regulatory solutions to address the possibilities

Cluster 5

Destination – Climate sciences and responses for the transformation towards climate neutrality

HORIZON-CL5-2021-D1-01-02: Modelling the role of the circular economy for climate change mitigation

STRO's potential contribution:

- ✓ specific measures needed to deliver a circular economy and propose a framework for revealing, demonstrating and quantifying the circular economy's potential contribution to climate goals – how circular money can strengthen the potential of the circular economy.
- ✓ Share lessons learned for shaping economic models that aligns with the needs of society to create a circular money systems that reinforces the circular economy.

HORIZON-CL5-2021-D1-01-07: Improved economic methods for decision-making on climate and environmental policies

Possible contribution of STRO to this call:

- ✓ Provide an innovative economic example of participation of local actors in a local economy as case study to base economic analysis for identifying new indicators for climate change and environmental policies.
- ✓ Economic participation, social cohesion and resilience at the base of the healthy circular economy as a base for a service orientated local economy with less greenhouse gasses.

HORIZON-CL5-2022-D1-01-02-two-stage: Socio-economic risks of climate change in Europe

Possible contribution of STRO to this call:

- ✓ Are there socio-economic risks for the Europe and local economies due to climate change? Provide an innovative pilot to understand whether socio-economic risks can be mitigated upfront through building more service - orientated and resilient economies through the Impact Booster?

Destination – Cross-sectoral solutions for the climate transition

HORIZON-CL5-2021-D2-01-12: Fostering a just transition in Europe

Possible contribution of STRO to this call:

- ✓ New scientific evidence to inform EU, national and regional policies in designing inclusive, socially fair, gender-sensitive and economically viable transition plans and post-COVID recovery packages that take due care of the most affected regions, cities,

- sectors and parts of society, including vulnerable individuals and households.
- ✓ Related to this: Pilot example of transformation possible towards local resilient communities

HORIZON-CL5-2022-D4-02-02: Solutions for the sustainable, resilient, inclusive and accessible regeneration of neighbourhoods enabling low carbon footprint lifestyles and businesses (Built4People)

Provide an example of how circular money system can contribute to strengthen regeneration of neighbourhoods in the Built4People context.

Cluster 6

Destination – Circular economy and bio-economy sectors

We can contribute with a pilot that tests the possible impact on the circular economy and bio-economy sectors if money circulates more often in the city and its surrounding regions.

HORIZON-CL6-2021-CIRCBIO-01-01: Circular Cities and Regions Initiative (CCRI)’s circular systemic solutions

Contribute to the following outcomes:

- Improved circularity and reduced GHG emissions in economic sectors, natural ecosystems, and efficient valorisation of local resources in cities, regions or their groupings.
 - ✓ Create pilot that tests the possible impact of increased and faster local circulation of money (digital form called circular money) on circular economy and bio-economy sectors.
- Creation of business opportunities in the circular economy at urban and/or regional scale.
 - ✓ Circular money circulates within the local/regional network of businesses in a specific economy – in this way there is more purchasing power available for new business of potential customers and a bigger chance to earn income. Participant Businesses, local government and other economic actors spend their income at other local businesses for the minimum of one year - after which the money can be spent on exports.
 - ✓ Creation of jobs in the short to medium-term perspective.

HORIZON-CL6-2021-CIRCBIO-01-02: Circular Cities and Regions Initiative’ project development assistance (CCRI-PDA)

We can deliver a pilot that show the possibilities of the Fintech Impact booster as a financing scheme: local business support and cover part of the costs of credit of other participant businesses.

Contribute to the following outcomes:

- ✓ Delivery of innovative financing schemes that are operational and ready to finance circular economy investments at local and regional scale;
- ✓ Delivery of a series of sustainable circular economy projects and innovative financing solutions/schemes at local and regional scale across Europe;
- ✓ Demonstration of innovative and replicable investment financing solutions, documenting feedback/uptake from potential replicators.
- ✓ An exemplary/showcase dimension in their ambition to increase circularity in specific

sector(s) at local and regional scale and/or in the size of the expected investments and leverage factors;

Resilient communities

HORIZON-CL6-2021-COMMUNITIES-01-01: Grasping rural diversity and strengthening evidence for tailored policies enhancing the contribution of rural communities to ecological, digital and social transitions

HORIZON-CL6-2022-COMMUNITIES-02-01-two-stage: Smart solutions for smart rural communities: empowering rural communities and smart villages to innovate for societal change

The emphasis here could be on a pilots that purchasing locally (through means of a Fintech solution in rural communities provides more opportunities for environmentally friendly services.

HORIZON-CL6-2021-GOVERNANCE-01-09: Revitalisation of European local communities with innovative bio-based business models and social innovation

Pilot that showcases the possibility of circular money contributing to preference for local services and resources for local demand as a base for recitalisation and resilient local communities.

STRO can provide several pilots across Europe that can serve as innovative “practice” that research can be based on.

Contact details:

We are interested to join consortia that are looking for partners to join in the above calls. Please contact us if you think our work can complement your work!

Please contact Zaan Olivier: suzanne.olivier@socialtrade.nl