

PROVINCIAL LAW No. 13 of 17 June 2010

Promotion and development of the solidarity economy and corporate social responsibility

(b.u. 22 June 2010, no. 25)

Art. 1 *Purpose*

1. In order to promote civil, social and economic development, the Province recognises and supports the solidarity economy within the framework of interventions aimed at enhancing the responsible and sustainable economy, based on criteria inspired, in particular, by social equity, solidarity, the centrality of the person, social cohesion and the relationship with the territory.

2. In particular, the Province:

- a) promotes and supports initiatives and actions for the development of the solidarity economy and the networking of actors carrying out initiatives in this field;
- b) promotes creation of solidarity economy centres;
- c) promotes the use of goods and services of the solidarity economy, also through the collaboration and involvement of local authorities;
- d) promotes initiatives and actions for the dissemination of the activities carried out by solidarity economy actors among citizens and in particular in schools, universities and training venues;
- e) promotes and organises events to foster encounters between the provincial community and solidarity economy actors.

Art. 2 *Definitions*

1. Solidarity economy' is understood as the performance of economic and cultural activity that enables the achievement of objectives collective interest that are higher than the thresholds set by the regulations in force; this mode is based on the valorisation of relations between subjects, on a fair distribution of resources, on respect for and protection of the environment, and on the pursuit of social objectives.

2. Solidarity economy activities are aimed at the creation and growth of initiatives operating according to the principles of cooperation, reciprocity, responsible subsidiarity, sustainability and energy-environmental compatibility, aimed at the production and exchange of goods and services.

3. Entities engaged in the solidarity economy are defined as organisations and enterprises that are non-profit or have 50 per cent of their annual turnover attributable to the activity of the solidarity economy, according to the criteria and cases defined by the provincial table for the solidarity economy, including cooperative societies that carry out, also in associated form, activities in the fields foreseen in Article 3, paragraph 2, and operate in compliance with the principles of the solidarity economy as set out in Article 3, paragraph 1.

Art. 3 *Principles and sectors of the solidarity economy*

1. The solidarity economy is informed by the following principles:

- a) eco-compatibility, to minimise the impact of production, distribution and disposal processes on the ecosystem, so as to promote health and quality of life;
- b) transparency, to make behaviour in the social and environmental field and in relations with workers, customers, consumers and other stakeholders controllable;
- c) fairness and solidarity, to redistribute the value created in an equitable manner, including by recovering surpluses covered by the provincial law on 'Reduction of waste, recovery and distribution of food and non-food surpluses and pharmaceutical products and amendments to related provincial laws', for the benefit of the needy and to rebalance socio-economic relations, both locally and globally and within production chains, in a spirit of solidarity;
- d) good employment, to be linked to the need to overcome the precariousness of labour relations and to enhance skills with a view to social inclusion;
- e) participation, for the involvement of workers, recipients of activities and other stakeholders in decision-making forums and moments;
- f) Awareness of human and natural limits and pursuit of efficiency understood as the best use of resources with the lowest environmental and social cost and maximum effectiveness.

2. The solidarity economy concerns the following sectors in particular:

- a) organic and biodynamic agricultural and agri-food products;
- b) trade;
- c) community welfare;
- d) short supply chain and food quality assurance;
- e) sustainable building and green building;
- f) energy saving and renewable energy;
- g) ethical finance;
- h) sustainable mobility;
- i) reuse and recycling of materials and goods;
- j) local exchange systems;
- k) free software;
- l) responsible and sustainable tourism;
- m) critical consumption and solidarity purchasing groups.

3. The sectors provided for in paragraph 2 are defined in Annex A; they may be supplemented and modified by the Provincial Council, on the proposal of the provincial solidarity economy table.

NOTES TO THE TEXT

Paragraph 1(c) was amended as follows by Article 11 of Provincial Law No 10 of 22 September 2017.

Art. 4

Provincial Solidarity Economy Table

1. The Province implements the measures foreseen by this law through the provincial table for the solidarity economy. The table is a forum for the promotion of the solidarity economy and social responsibility and offers technical and cognitive support for the preparation and monitoring of interventions also in relation to their coordination and integration with other socio-economic planning instruments.

2. The table has the following tasks:

- a) It formulates opinions and proposals to the Provincial Council on interventions in the solidarity economy sector;

- b) analyses the provincial economic-entrepreneurial and associative reality operating in the sectors envisaged in Article 3(2), including through studies and surveys;
- c) verifies management arrangements to ensure compliance with and implementation throughout the production chain of the principles and organisational arrangements inherent in corporate social responsibility as set out in Article 9;
- d) proposes actions to the Provincial Council for the promotion and support of the solidarity economy;
- e) promotes the dissemination and development of socially responsible practices, accountability models and certifiable business management systems, including integrated ones, as well as product or service certification, including social labelling;
- f) promotes the development and use of a Trentino solidarity economy logo or trademark.

3. The table is appointed by the Provincial Council for the duration of the provincial legislature and is composed of:

- a) by the President of the Province or a councillor delegated by him;
- b) by the heads of the departments responsible for industry, trade, tourism and agriculture;
- c) by a representative designated by the Council of Local Self-Governments;
- d) by six representatives expressed by the solidarity economy world through special elected assemblies of second-level associations, ensuring the representation of the solidarity economy sectors related to industry, trade, tourism and agriculture.

4. The Provincial Council determines by resolution:

- a) the procedures for appointing the members envisaged in paragraph 3(d), the modalities of functioning of the table and its possible articulation into sub-committees of which it may identify further members in a total number not exceeding ten;
- b) the modalities for favouring and promoting the coordination of the actions to be implemented, also through the participation in the meetings of the round table, in relation to their respective competences, of members of the Provincial Council, managers of the Province, and other persons outside the administration.

5. The table submits an annual report to the Provincial Council and the competent standing committee of the Provincial Council on the actions proposed and carried out within the scope of its competences.

6. Participation in meetings of the table does not entitle the participant to any remuneration.

Art. 5

Second-level associationism

1. The Province promotes the establishment of second-level organisations between the subjects provided for in Article 2, paragraph 3, in order to encourage co-ordination actions and the networking of subjects operating in compliance with the principles laid down in Article 3.

2. Second-level associations are the preferred interlocutors for the appointment of representatives to the provincial solidarity economy table.

Art. 6

Solidarity Economy Centres

1. In order to promote, encourage and enable greater dissemination and consolidation of experiences within the solidarity economy, their socialisation and

networking and the matching of supply and demand for the relevant goods and services, the Province, on the proposal of the provincial solidarity economy table, promotes the creation of solidarity economy centres.

2. Solidarity economy centres, in particular:

- a) they provide services for the solidarity economy, also to foster a more direct relationship between producers and consumers; they offer information, training, technical assistance, guidance, counselling, mentoring services and facilitate the meeting between the local supply of goods and services of the solidarity economy and citizens, also organised in purchasing groups or direct retailers;
- b) set up information and promotion desks for the solidarity economy, including through exhibitions, displays, meetings and the networking of actors in the solidarity economy.

Art. 7

Solidarity Economy Districts

1. The Province supports initiatives aimed at raising awareness of the activities carried out by those engaged in the solidarity economy and at the creation of solidarity economy districts provided for in Article 5 of Provincial Law no. 13 of 27 July 2007 (Provincial Law on Social Policies), as laboratories for civic, economic and social experimentation also with a view to enhancing the local dimension.

2. For the purposes of paragraph 1, the Provincial Table for the Solidarity Economy promotes the definition of programme agreements between the Province, local authorities and interested enterprises and associations.

Art. 8

Solidarity Economy Day

1. The Province, in order to facilitate the knowledge and dissemination of the solidarity economy as well as the meeting between the actors in this sector and the community, encourages the organisation of an annual solidarity economy day, taking into account the proposals of the provincial table for the solidarity economy.

1a. Within the framework of the Solidarity Economy Day, initiatives are also carried out to promote the aims of the provincial law on 'Reduction of waste, recovery and distribution of food and non-food surpluses and pharmaceutical products and amendments to related provincial laws' such as the limitation of waste and the recovery of surpluses for the benefit of the needy.

NOTES TO THE TEXT

Paragraph 1a was added by Article 11 of Provincial Law No 10 of 22 September 2017.

Art. 9

Guidelines Solidarity Economy Activities

1. In accordance with the principles contained in this law, the provincial solidarity economy round table defines for each sector set out in Article 3 the regulations for the solidarity economy drawn up in accordance with the instruments of provincial socio-economic planning and with the objectives of promoting eco-sustainable local development set out in Article 1 of provincial law no. 6 of 13 December 1999 (provincial law on incentives for enterprises). The Provincial Table for the Solidarity Economy

promotes actions aimed at the adoption of the specification, also in order to access the actions and incentives provided for by this law.

2. In line with EU guidelines on socially responsible behaviour and in particular the European Commission's Green Paper of

18 July 2001, the specification contains codes of ethics relating to each sector provided for in Article 3, to encourage the assumption of corporate social responsibility, understood as the voluntary integration of social and environmental issues in production and business activities and in relations with stakeholders.

3. It may also provide for codes of conduct and certifiable corporate management systems, even integrated with each other, on quality and safety in the workplace, equal treatment and non-discrimination, social responsibility, respect for the environment, proper human resources management and dialogue with stakeholders, as well as social reporting models, such as social and environmental reports, as tools for economic and social growth and evaluation.

IMPLEMENTATION

For the implementation of this article, see Provincial Council Resolution No 1270 of 29 July 2016.

Art. 10

Actions and Incentives

1. In order to achieve the purposes set out in Article 1, the Province:

- a) implements or promotes actions aimed at raising awareness of issues related to the solidarity economy and corporate social responsibility;
- b) promotes training and awareness-raising actions aimed at the development of solidarity activities;
- c) encourages investments by actors involved in the solidarity economy as well as services that enhance the solidarity economy, collaboration and networking between these actors;
- d) access to credit for the enterprises indicated in (c).

2. To implement the actions provided for in subsection 1(a) and (b), the Provincial Government is authorised to

- a) directly organise studies, surveys and initiatives, also in cooperation with other public and private entities;
- b) set up funds with suitable entities, chosen on the basis of criteria of reliability and cost-effectiveness in compliance with Provincial Law no. 23 of 19 July 1990 (Law on Contracts and Provincial Assets), stipulating in advance an agreement indicating the criteria and modalities for the implementation of the interventions, which in any case must not take on the nature of State aid, the modalities of administration, separate accounting and reporting of the funds, and the remuneration for the relative management;
- c) grant contributions to bodies and associations not organised as businesses for initiatives of provincial interest aimed at the cultural promotion of the principles and values of the solidarity economy, up to a maximum of 80 per cent of eligible expenditure, in accordance with criteria and procedures established by resolution of the Provincial Council.

3. Interventions under paragraph 2 are defined with the involvement of the provincial solidarity economy table.

4. For the granting of the incentives provided for in paragraph 1(c), the Provincial Council, within the framework of the regulations provided for by the provincial laws on aid to enterprises, shall lay down appropriate orders of priority in accessing the incentives, as well as conditions for their disbursement or maintenance, in relation to the objectives envisaged

by the same letter.

5. For the granting of the incentives provided for in paragraph 1, letter c), in the sectors of production and the processing and marketing of agricultural products, the Provincial Council shall lay down appropriate orders of priority in accessing the incentives, as well as special conditions for their disbursement, within the limits established by the provincial legislation on agriculture. In relation to the social relevance of the interventions, the Provincial Council may authorise specific exceptions to the constraints laid down by provincial law for the granting of concessions by the Province.

6. For the implementation of the measures provided for in paragraph 1(d), the Provincial Council is authorised to establish or supplement special funds pursuant to Article 34c(3)(ba) of the Provincial Law on Incentives for Enterprises.

Art. 11 *Financial Provisions*

1. The costs resulting from the application of Article 10(2) shall be covered by the expenditure authorisations already provided for in the budget on the basic provisional unit 61.22.110 (Interventions in economic sectors) for the purposes of Article 26 (Initiatives for the promotion of business culture and ethics) of Provincial Law No 3 of 11 March 2005.

2. The costs resulting from the application of Article 10, paragraphs 4 and 6, shall be covered by the expenditure authorisations already provided in the budget on the basic units 61.12.210 (Single Funds for the Economic System) and 61.12.220 (Annual Contributions to Enterprises).

3. The costs resulting from the application of Article 10.5 shall be covered by the expenditure authorisations already provided in the budget on the basic units 50.5.210 (Capital contributions to agricultural holdings) and 50.10.210 (Capital contributions to agricultural cooperatives and consortia).

Annex A *Solidarity economy sectors (Article 3)*

1. Organic and biodynamic agricultural and agri-food products

1.1. By 'organic and biodynamic agricultural and agri-food products' is meant products obtained according to the methods regulated by Article 2, paragraph 1, letter c) of Provincial Law no. 13 of 3 November 2009 (Norme per la promozione dei prodotti agricoli e agroalimentari di prossimità e per l'educazione alimentare e il consumo consapevole).

2. Fair Trade

2.1. Fair trade' refers to economic and social cooperation activities aimed at enabling or improving market access for producers or sellers of goods and services, also organised collectively, operating in economically disadvantaged areas of developing countries.

2.2. Fair trade takes place on the basis of the following conditions:

- a) payment to producers and sellers of a fair and agreed price that guarantees them an adequate and decent standard of living;
- b) payment to manufacturers and sellers, if required, of part of the price at the time of ordering;
- c) respect for the principles laid down in the European Charter of Fundamental Social Rights Workers;

- d) existence of an ongoing relationship between producers and buyers for the implementation by the latter of initiatives aimed at the gradual improvement of both the quality of the products or services and the living and development conditions of the local community to which the producers belong;
- e) progressive improvement of the environmental standards of production;
- f) transparency of all stages, including organisational ones, that constitute the activity of economic and social cooperation.

2.3. Fair trade organisations must have an accreditation issued, in compliance with the standards laid down in the Italian Charter of Fair Trade Criteria adopted by the Italian General Assembly of Fair Trade (AGICES), by the most representative national or international bodies.

2.4. trade organisations, in particular:

- a) carry out fair trade activities in the provincial territory by purchasing, distributing or marketing wholesale or retail the products indicated in point 2.5;
- b) they carry out their activities according to principles of transparency with respect to the distribution of the price between the parties involved in the production chain, under the conditions set out in point 2.2. and with respect to the production chain, with regard to the origin of the product and the parties involved in processing;
- c) carry out education, outreach and information activities on the topics of fair trade, the North-South divide, economic and social development, international trade and critical consumption;
- d) carry out training activities for operators and producers.

2.5. They are part of fair trade products:

- a) products certified by an ISO-compliant fair trade product certification body, which awards the seal of approval according to international standards;
- b) products made by manufacturers in possession of the accreditation provided for in point 2.3.

2.6. Fair trade products are identified in one of the following ways:

- a) the products come from a fair trade organisation, accredited in accordance with point 2.3;
- b) certification of products by bodies affiliated to Fairtrade labelling organisations international (FLO) through the awarding of a seal of approval.

3. Community Welfare

3.1. By 'community welfare' is meant the set of socio-welfare interventions provided for within the framework of provincial socio-welfare policies carried out by the entities indicated in Article 3 of the provincial law on social policies that operate within the integrated system regulated by Article 4 of the same law.

4. Short supply chain and food quality assurance

4.1. Short supply chain of agricultural and agri-food products' means the production circuit defined in Article 2(1)(d) of Provincial Law No. 13 of 2009.

4.2. The objectives of the short supply chain are:

- a) giving farmers a fair value for their produce;

- b) increase opportunities for the supply of local and quality products;
 - c) promote knowledge of Trentino products and their characteristics;
 - d) encouraging local consumption of local produce, also with the aim of reducing the environmental impact of transport and improving the seasonal consumption of products;
 - e) encourage the maintenance of locally important productions especially in the most marginal territories as possible factors of attraction;
 - f) increase the flow of food tourism to rural areas and their markets and outlets by indirectly stimulating all the activities of the other productive sectors present;
 - g) promote supply chain trade agreements between all stakeholders.
- 4.3. Agricultural and agri-food products of recognised and certified quality' are defined in Article 2(1)(b) of Provincial Law No. 13 of 2009.
- 4.4. Food quality assurance is defined as a set of pre-established and systematic actions aimed at providing the purchaser with adequate confidence that a manufacturer has the capacity to meet specified quality requirements on a regular and consistent basis, such as:
- a) healthiness, i.e. the absence of harmful substances that may be of a microbiological nature or due to the presence of toxins, pesticide residues, heavy metals; the environment must be respected and, consequently, agricultural, zootechnical, processing, marketing and consumption practices must protect ecosystems and biodiversity, safeguarding the health of consumers and producers;
 - b) organic quality, understood as nutritional characteristics and organoleptic aspects; organoleptic goodness is the result of the producer's expertise, choice of raw materials and production methods that do not alter their naturalness;
 - c) social justice, in the sense of guaranteeing working conditions that respect human beings, their rights, cultural diversity and traditions and ensure adequate gratification; all in a system of balanced global economies through the practice of solidarity.

5. Sustainable building and green building

- 5.1. Sustainable building' is understood to mean interventions carried out in accordance with Title IV of Provincial Law No. 1 of 4 March 2008 (Provincial Planning Law).
- 5.2. Sustainable construction and green building presuppose a supply chain for the design and realisation of building works and land transformation interventions in general that:
- a) includes careful conception, design, implementation and management to encompass the entire life cycle of materials and artefacts, from their use to their planned end-of-life disposal; rationalises the use of resources and limits their environmental impact;
 - b) promote the use of environmentally friendly materials of natural origin, preferably local, that are non-polluting at any stage of their life cycle;
 - c) excludes or significantly reduces the possibility of health hazards, both for the occupants of the buildings and for the workers during the production and implementation or decommissioning of materials and systems;
 - d) offers solutions that tend to be low-impact and low-tech, low-complexity, suitable for solving the issues at hand with optimal cost-benefit solutions;

- e) is integrated and dialogues with the other aspects of the different supply chains of the solidarity economy;
- f) provides guarantees and, where possible and appropriate, quality certifications of products and construction processes that provide adequate protection for the consumer and end user of building systems, characterised by green building and sustainable architecture qualifications, or similar definitions in current use, without excessive extra costs for this service.

6. Energy saving and renewable energy

6.1. 'Energy saving and renewable energy' refers to the activities regulated by Provincial Law No. 14 of 29 May 1980 (Provincial Law on Energy Saving) and Provincial Law No. 16 of 3 October 2007 (Energy Saving and Light Pollution).

7. Ethical finance

7.1. 'Ethical finance' means the collection of savings aimed at financing socio-economic initiatives of social and international utility such as microcredit, cooperation, fair trade, environmental protection and the cultural growth of society, conceived as a meeting point between savers who share the need for a more conscious and responsible management of their money, and socio-economic initiatives inspired by the principles of a model of sustainable human and social development, where the production of wealth and its distribution are based on the values of solidarity, civic responsibility, reciprocity and the realisation of the common good.

7.2. The activity of ethical finance is exercised:

- a) in the absence of discrimination of recipients on the basis of gender, ethnicity or religion as well as on the basis of wealth, considering credit in all its forms as a human right;
- b) Facilitating access to credit for the weaker parties, valuing forms of personal, category or community guarantees, considered on a par with asset-based guarantees;
- c) characterising ethical finance not as charity, but as an economically viable and socially useful activity;
- d) favouring the participation of savers in the choices of the company that collects savings, either through the indication of preferences in the allocation of funds, or through democratic mechanisms of participation in decisions;
- e) ensuring full transparency and accessibility of information that enables the client to know the financial institution's operating processes and its employment and investment decisions;
- f) rejecting enrichment based on the mere possession and exchange of money, so as to keep the interest rate as fair as possible, in relation to not only economic, but also social and ethical assessments;
- g) excluding financial dealings with entities and for economic activities that hinder human development and contribute to the violation of fundamental human rights, such as the production of and trade in arms, the financing and insurance of arms sales and exports, productions seriously damaging to health and the environment, activities based on the exploitation of minors and workers, or hindering trade union freedoms.

8. Sustainable mobility

8.1. 'Sustainable mobility' refers to initiatives that pursue and realise the objective of reducing the use of private vehicles through forms of transport with a lower environmental and social impact. These categories include the activities of

pedestrian and bicycle mobility, public and collective transport such as car pooling, car sharing.

9. Reuse and recycling of materials and goods

- 9.1. Reuse and recycling refers to the recovery, design, processing, distribution and marketing of materials and goods carried out to extend their life cycle and safeguard their use value, reduce the use of additional resources and the environmental impact of waste and its disposal.
- 9.2. Entities carrying out the activity of reuse and recycling perform it for the whole cycle or, at least, up to the transformation phase.
- 9.3. Transformation processes of materials and goods for new production consider the entire life cycle of the good up to its final disposal and take place through:
 - a) the use of environmentally friendly materials and techniques;
 - b) minimum consumption of natural resources;
 - c) the adoption of a production process that minimises or eliminates any pollution.

10. Local exchange systems

- 10.1. Local exchange systems' refers to initiatives in which actors exchange goods and services without the intermediation of money, including through local vouchers recognised on a voluntary basis and according to a relationship of mutual solidarity.

11. Free software

- 11.1. Free software' refers to the activity of producing, exchanging and promoting an open source computer programme released under a licence that allows anyone to use, copy, study and modify it.
- 11.2. Free software actors produce, transform, exchange or promote free software and related goods and services.
- 11.3. The free software activity is realised, in particular, through:
 - a) free access to the programme;
 - b) the execution of the programme without constraints on its use;
 - c) studying the programme works and adapting it to one's own needs or those of users;
 - d) supporting the dissemination of the programme and sharing its improvements;
 - e) maintenance and customisation to user needs.

12. Responsible and sustainable tourism

- 12.1. Responsible and sustainable tourism' refers to tourism initiatives organised with respect for the environment and cultures, recognising the centrality of the local host community and its right to be a protagonist in the sustainable and socially responsible tourism development of its territory, and favouring a positive interaction between tourism initiatives, local communities and travellers.
- 12.2. These include, in particular, accommodation activities with at least one of the certifications promoted by the provincial solidarity economy table, agritourisms, hotels and restaurants built in green building or using energy-saving recognised by the provincial solidarity economy table, restaurants in which mainly ingredients from organic farming are used and, finally, eco-museums, ethnographic trails, ancient crafts and nature museums.

13. Critical consumption and solidarity purchasing groups

- 13.1. By "consumption critical" si intends the activity of promotion of consumption

conscious, responsible and sober through which consumers do not only choose their purchases on the basis of the relationship between quality and price, but also on the basis of other values and conditions. In fact, the social and environmental characteristics of goods and services, the value chain and, above all, the players involved in it, to limit the consumption of resources and pollution of the ecosystem, become priorities for critical consumption.

- 13.2. Solidarity purchasing groups' are defined in Article 1(266) of Law No. 244 of 24 December 2007, as amended, which bring together and organise consumers for the collective purchase of solidarity economy products and carry out activities to promote critical consumption by offering information, training, organisation and protection to consumers.