

**uniteddiversity Sustainable Enterprise Agency.
Draft Proposal v0.2**

Sustainable Enterprise Agency

The Sustainable Enterprise Agency (SEA) is a membership organisation that promotes, develops and supports the work of sustainable enterprise (SE).

Sustainable

- Capable of being sustained or maintained
- 'meeting the needs of the present without compromising the ability of future generations to meet their own needs'

Source: *Webster's Revised Unabridged Dictionary*, © 1996, 1998 MICRA, Inc.
Source: *Our Common Future*, © 1987 World Commission on Environment and Development.

Enterprise

- Willingness or eagerness to engage in labor which requires boldness, promptness, energy, and like qualities
- A purposeful or industrious undertaking (especially one that requires effort or boldness)

Source: *Webster's Revised Unabridged Dictionary*, © 1996, 1998 MICRA, Inc.
Source: *WordNet* @ 1.6, © 1997 Princeton University

Agency

- The condition of being in action; operation.
- The means or mode of acting; instrumentality.
- A business or service authorized to act for others

Source: *The American Heritage® Dictionary of the English Language, Fourth Edition*
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Our mission is to make London the best and most sustainable city in the world. Research carried out by SEA demonstrates that there is a huge amount of as-yet-untapped potential for the development and support of London's diverse and dynamic sustainable enterprise sector.

Building on the foundations laid by the work of [partners](#), particularly **NEF's Enterprising Communities**, **Centre for Participation** and **Corporate Accountability** projects, and the **DTA**, we have developed three main tools that will help us get closer to completing our mission.

1. SEA Quality Standards and Sustainability Index
2. QualityQuids Trading Network
3. The London Fund for SEEDS

1. SEA Quality Standards and Sustainability Index

Although anyone can join SEA as an individual member, organisational membership is restricted to enterprises able to prove an active and long-term commitment to sustainability. Obvious examples include community businesses, development trusts, growers/producers/retailers of organic/fair trade/ethical goods and services, food co-ops, farmers markets, renewable energy companies, ethical investment companies, zero emission couriers, ecological construction firms, recycling businesses etc etc.

All member organisations must commit to an annual Sustainability Audit, to be carried out and designed by local stakeholder groups of individual SEA members using **NEF's Social Audit Workbook** as a starting point (and probably after completing a **Plugging the Leaks** mapping exercise, playing **DEMOCS** and using the **Roller Coaster Poster**, **Imagine**, **Future Search**, and **Visioning** etc). Once the auditing process is complete, enterprises are ranked according to their aggregate level of compliance with the ever-evolving [SEA Quality Standards](#) – SEAQuals (most likely to incorporate other standards such as **AA1000 Series/GRI** etc) – and an annual Sustainability Index is published (run in conjunction with [the inner city 100](#)). All members will receive free help and advice on how to improve their SEAQual score. The bottom quintile (albeit within a good group), however, will be issued with recommendations that must be acted upon in order to remain an active member of SEA and the QualityQuids Trading Network (see below). This process acts as a powerful incentive mechanism for member organisations to further their (already above average) sustainability efforts.

2. QualityQuids Trading Network

All members of SEA will automatically benefit from QualityQuids, a new currency to be launched by SEA in 2003 (with pilots starting soon). This smart card-based currency (a development of [Community Way](#) and [Open Money](#)) can only be spent or exchanged between members of the SEA community. B2B trade in QualityQuids operates just like conventional barter systems ([Bartercard](#) is a very good example – NOTE: I have borrowed a lot

of their wording), and C2B is just like using a credit or debit card. C2C transactions are much like in as in a [LETSystems](#).

As long as employee's agrees, wages can easily be partly paid in QQs. QQ wage payment must however be at the flat hourly rate set by SEA (based on a living wage, i.e. enough to purchase a member defined basket of goods and services). This restriction on flexible QQ pay rates is essential to ensuring that the core principle behind [Timebanks](#) (that everyone's time is of equal value) remains intact. This is of most benefit to the 'informal' sector and those traditionally excluded for mainstream economic activity. Members will also be encouraged to join traditional barter network (e.g. [Bartercard](#)) and to become members of the [IRTA](#) (International Reciprocal Trade Association)

How QualityQuids Work

The QualityQuids principle is quite simple. It is a just network of SEs who have recognised the benefits of, and have agreed to trade in, QualityQuids.

For example, an organic farmer purchases QQ500 worth of services from an electric delivery company. The delivery farmer's account is then debited by QQ500, whilst the delivery company receives a QQ500 credit. The delivery company does not have to buy from the organic farmer (although it might want to anyway), but can use its QualityQuids to purchase from any QualityQuids member - so giving access to a vast array of SEA approved goods and services.

Members pay a one-off membership fee to join SEA. Every member receives a membership card, an account number, and an interest-free line of credit (up to a fair but pre-defined limit, set using a member defined equation). The QualityQuids trading network is based on the "QQ=£" principle: one QualityQuid is equivalent to one Pound Sterling as seen by the Inland Revenue Department. Goods and services are bought and sold - or traded - between members, who each receive a monthly statement itemising every transaction made during that last month. SEA's role is to provide the core infrastructure for secure QualityQuids transactions. To raise membership levels and to increase trading activity between members (thus increasing the local wealth

multiplier effect), SEA will also employ a team of QQ Promoters who will assist and advise on trading within the very diverse QualityQuids Network.

QualityQuids members buy and sell products and services in the same way as they would in a cash transaction - the difference being, instead of cash, the medium of exchange is QualityQuids (QQ). SEA will supply secure realtime trading and accounting services to all members via its QualityQuids Internet Portal.

QualityQuids can be stored on smart cards (QQcards), so off-line QQ transactions are similar to, but even easier than, a credit or debit card transaction. The purchaser and seller simply insert their cards into a QQcard reader and enter the amount they wish to transfer from one card to another.

This flexibility is what makes QualityQuids such an attractive proposition to businesses that wish to grow and conserve cash at the same time.

Benefits

Businesses and individuals who use QualityQuids for making purchases have many advantages over the traditional "cash" currency.

Whenever you pay for goods and services with cash, there is no guarantee of return. Each time you spend in the QualityQuids system, however, you are guaranteed new business or support from another member.

For all the "QualityQuids" a business is able to earn and then spend with another SEA member, one "cash pound" is saved.

SEA will create its own very QualityQuids economy of thousands of goods and services.

The monitoring of cash flow is generally an important part of every business, and QualityQuids members are able to conserve their "hard-earned" cash by spending QualityQuids wherever possible. This will be one of the main contributors for a rapid growth in the levels of SEA membership and QualityQuids trading.

Members who actively participate in the Program as a buyer and/or seller will benefit most from QualityQuids. A number of these benefits are listed below:

Benefits as a Buyer (Customer)

- Reduced cash expenses by purchasing with QualityQuids
- Purchasing discounts that are built into the QualityQuids
- Provision of an easy-to-use plastic card/s
- Receipt of a regular Directory (Green Pages) of members
- Assistance from SEA customer service staff
- Access "account details" 24 hours a day by phone or Internet

Benefits as a Seller (Merchant)

- Increased sales
- Gaining an edge over competitors
- Extensive advertising locally, regionally or nationally
- Exclusive listing in the Directory
- Generating new cash customers by member recommendation
- Increased networking opportunities at SEA Trade/social functions
- Access to 24-hour authorisations for secure trading
- Assistance from SEA member service staff in businesses promotion and development
- Invitations to SEA Trade nights with opportunities to display products and/or services
- Constant exposure to a captive market

Benefits for all:

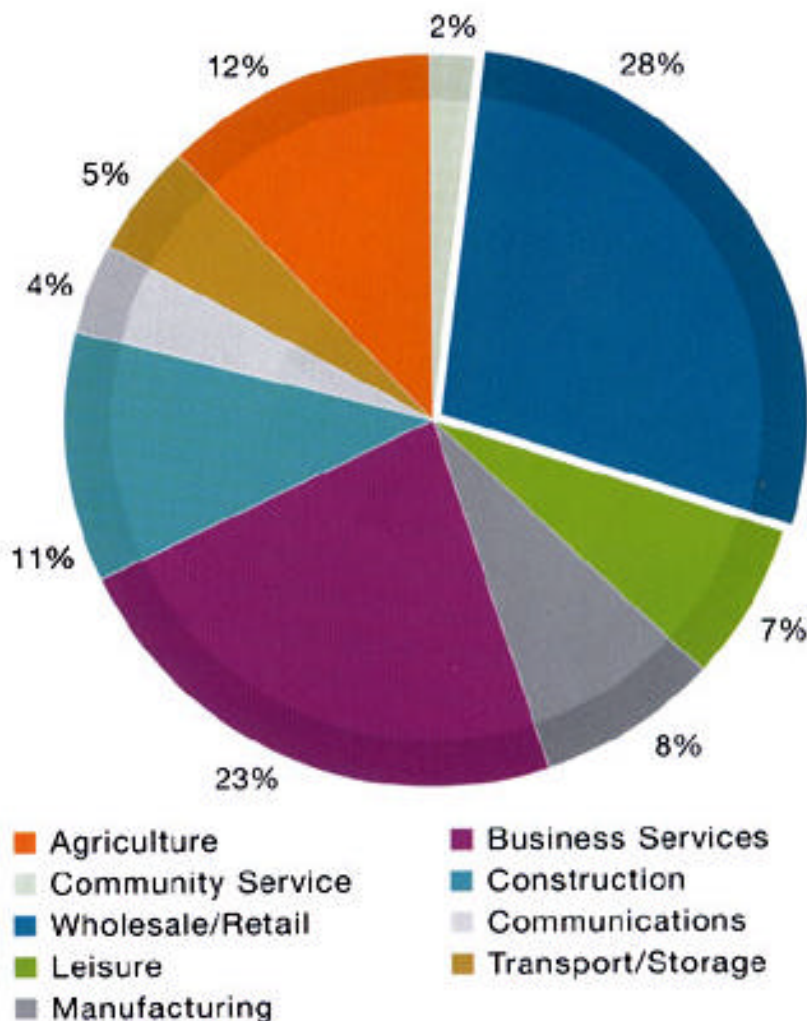
QQ help develop and strengthen local economic communities by financing, developing and supporting sustainable enterprises in your area. QQ money just keeps circulating round and round so more local wealth is generated. The QualityQuids Trading Network really helps SEA members. Some members will rely on QualityQuids's ability to increase their cash flow during quite business cycles and/or recession. Many members will realise that they can make more profits by doing business in both the

QualityQuids trading economy and the traditional cash economy. At the end of the day, it is the total amount of extra sales, extra profit and extra cash one member can generate in their business which determines their satisfaction with the QQ system. However, because QQs can only be spent locally, and only on SEA approved goods and services, many members report getting a warm and fluffy glow inside, safe in the knowledge that just by using QualityQuids they're doing their bit.

Organisations that can benefit from QualityQuids

Every business can profit from QualityQuids membership. In particular, those that have spare capacity or a desire to expand and diversify. The industries that have shown the greatest potential for QualityQuids involvement are:

Target Markets (source: www.bartercard.co.uk)



Any type of business which has idle capacity, excess stock or the desire to penetrate new markets will find QQ trading a useful business tool. The initial affiliation target area will be the retail sector such as restaurants, hotels, rental cars, media, trades people and professionals, because the benefits of the trading program are the most immediate for these types of businesses. Satisfying the needs of these initially targeted clients will draw in additional businesses which offer sought-after products such as retail traders, manufacturers, importers and suppliers. A third target market, corporate business is now being targeted as affiliation demands and market awareness increase.

3. The London Fund for SEEDS

TLF is a collection of financial funds delivered by SEA in partnership with the London Rebuilding Society. The funds will seek to take full advantage of the Community Development Tax Credit introduced by the Chancellor in the last Budget.

TLF will raise funds for SEEDS (Sustainable Economics Enterprise - Development & Support) and build on the work done for BizFizz pilot schemes, and projects such as Greenseeds in London or MERCi's (charity set up 4 years ago by Polly's sister and others) excellent proposed Facility for Advancement of the Social Economy - FASE, a development that builds on the joint successes of their SEEDS (Sustainable Economic Enterprises - Development & Support) and Bridge-5 Mill projects (see MERCi Latest News)

Via TLF Members of SEA will be able to choose any other member they wish to give £ support to in exchange for QQ (NOTE: you cannot exchange QQ for £).

The London Fund will also offer a range of instant win fixed rate QQ Bonds that will raise £ for SE (e.g. Individual purchases a 1 year QQ Bond a 10%APR for £100. The £100 is lent to a SE at 10%APR and in return for the loan the investor receives QQ10 and a QQ100 Bond redeemable in 1 years time.

Also an ISA product and venture capital fund that will invest in the SEA Sustainability Index 100, London's top sustainable enterprises, ranked by SEAQuals compliance and then turnover growth.