Decent work and the Social and Solidarity Economy (SSE)

Cooperatives Unit, Enterprises Department

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General Discussion on Decent Work and the SSE at the 2022 International Labour Conference

- Why a General Discussion on Decent Work and the SSE?
- What is the Office’s proposed definition on the SSE for discussion?
- What is the state of the art of the SSE at the global and regional levels?
- How can the SSE contribute to decent work and sustainable development?
- How is the SSE related to the work of the ILO constituents?
- What does the ILO do to advance the SSE?
- What are the next steps in the lead up to the general discussion?
Why a General Discussion on Decent Work and the SSE?
The decision

- Decision taken by the 341st Governing Body (GB) of the ILO in 2021 hold a General Discussion on “Decent Work and the Social and Solidarity Economy (SSE)”

- This is the first time that the International Labour Conference (ILC) will have a general discussion on the SSE
The global context leading to this ILC General Discussion

- Growing attention from governments and social partners on human-centred economic models.
- Opportunity to shed light on the growing diversity of enterprise models that combine social, economic and environmental objectives.
- The SSE has gained further recognition for its role during the global financial crises and the recent COVID-19 pandemic.
- Relevance of the SSE in building resilience in the post-pandemic era.
The expected outcomes of the ILC Committee on Decent work and the SSE

- Propose a universal definition of the term “social and solidarity economy”, including its associated principles and values

- Assess the contribution of the SSE to managing and promoting the overall support for people through the transitions they face in their working lives

- Provide policy guidelines for a conducive environment for the SSE

- Provide guidance to the Office on how to engage in promoting and advancing the SSE

- Encourage the Office to establish and maintain partnerships with SSE stakeholders
What is the Office’s proposed definition on the SSE for discussion?
The SSE is an umbrella term that covers institutional units based on values and principles

Values and principles have featured prominently in recent legislation on the SSE, based on a review of selected legislation on the SSE. Most common values include:

- Care for people and the planet
- Egalitarianism
- Interdependence
- Integrity
- Self-governance
A set of SSE principles operationalizes the set of SSE values

- Voluntary cooperation
- Social or public purpose
- Autonomy and independence
- Prohibition or limitation of profit distribution
- Democratic and participatory governance
The SSE includes organizational forms operating in accordance with values and principles.

They include:

- Cooperatives
- Mutual societies
- Associations
- Foundations
- Self-help groups
- Social enterprises
Proposed definition based on values, principles and organizational types

The Social and Solidarity Economy (SSE) encompasses institutional units with a social or public purpose, engaged in economic activities based on voluntary cooperation, democratic and participatory governance, autonomy and independence, whose rules prohibit or limit the distribution of profit.

SSE units may include cooperatives, associations, mutual societies, foundations, social enterprises, self-help groups and other units operating in accordance with SSE values and principles in the formal and the informal economies.
What is the state of art on the SSE at the global and regional levels?
A global overview of the SSE

Traditional and new forms:
- Terminology rooted in different traditions (e.g. social economy, third sector, non-profit sector)
- Traditional forms (e.g. associations, cooperatives, mutuals) and new forms (e.g. social enterprises) and sectors

Institutional support:
- Growing support from regional institutions (e.g. African Union, European Union, Organization of American States, Association of Southeast Asian Nations)

Policy and legislation:
- Emerging policies and laws on the SSE
- Update of existing policies and laws of organizational forms under the SSE

Statistics:
- Lack of internationally agreed guidelines on SSE statistics
- Few regions, countries with statistical initiatives, including by their SSE organizations (e.g. Quebec, Portugal)
- International federations (e.g. International Cooperative and Mutual Insurance Federation, International Cooperative Alliance) gather data on the organizational forms under the SSE
The SSE by region

- Africa
- Americas
- The Arab States
- Asia and the Pacific
- Europe and Central Asia
Overview of the SSE in Africa (1)

- Many traditional practices of cooperation exist in Africa across centuries
- Formal cooperatives prominent across the continent; mutual associations active in many countries of West Africa; social enterprises expanding in Southern, Eastern and North Africa
- Countries are adopting legal and policy frameworks on the SSE - Cabo Verde, Cameroon, Djibouti, Senegal and Tunisia
- Others have draft laws or policies being reviewed for adoption – Morocco, Algeria, Mali and South Africa

Overview of the SSE in Africa (2)

- Lack of reliable and comparable statistics on the SSE
- Growing institutional support and recognition by regional and national bodies (African Union and African Development Bank)
- SSE specific regional institutions being formed (African Network for the Social and Solidarity Economy)
- Strong presence of international development agencies in advancing the SSE
Overview of the SSE in the Americas (1)

- **Solidarity-based practices** found **before the establishment of the modern state** in the Americas
- **Indigenous peoples** have a long tradition of community-based cooperation
- The SSE has been referred to as the social/solidarity/popular economy and the social sector
- Governments are **adopting SSE policies and mainstreaming the SSE** into public policy frameworks
- Some countries (e.g. Colombia, Ecuador, Uruguay, Mexico, Honduras, province of Quebec in Canada) adopted **SSE framework laws**

Overview of the SSE in the Americas (2)

- **Lack of reliable and comparable statistics** on the SSE with a few exceptions such as Quebec in Canada and Mexico

- The SSE is represented in the **regional organizations** (e.g. Community of Latin American and Caribbean States, Southern Common Markets)

- Active **regional networks** on the SSE (e.g. Intercontinental Network for the Promotion of Social Solidarity Economy in Latin America and the Caribbean, Network of Latin American Researchers of the Social and Solidarity Economy)
Overview of the SSE in the Arab States (1)

- The use of the term SSE and its variants are **not common** in the Arab States.
- In the past few years some countries in the region have been reforming their cooperative policies.
- Currently there is no **policy or legal framework on the SSE** in the region.
- Formal **cooperatives** were introduced in the 1900s.
- **Mutual insurance institutions** and **foundations** are prominent in the region.
- **Social enterprises**, established largely by young people, emerged in recent decades although there is no policy or legislation in place at this time.
Overview of the SSE in the Arab States (2)

- Lack of reliable and comparable statistics on the SSE
- A few recent initiatives on promoting the SSE by **regional organizations** (United Nations Economic and Social Commission of West Asia; Council of Arab Economic Unity; Economic and Social Council of the Arab League)
- **International developmental agencies** have been supporting SSE initiatives in the region (e.g. ILO, European Union, etc.)
Overview of the SSE in Asia and the Pacific (1)

- Values of self-help, solidarity and mutualism rooted across the region’s diverse cultures and traditions
- The Asian financial crisis of 1997 reawakened the spirit of reciprocity rooted in many Asian countries
- Cooperatives constitute the backbone of the SSE; social enterprises have been gaining momentum in Asia in the past 20 years (e.g. Southeast Asia)
- Lack of legal and policy frameworks on the SSE, with few exceptions (e.g. draft SSE law in the Republic of Korea)

Overview of the SSE in Asia and the Pacific (2)

- **Lack of reliable and comparable statistics on the SSE** (some available but not standardized, as in Republic of Korea, Japan)

- Several **regional organizations** and **networks** support the development of the SSE:
  - Association of Southeast Asian Nations (ASEAN)
  - Asian Development Bank (ADB)
  - UN Economic and Social Commission for Asia and the Pacific (ESCAP)
  - Asian Solidarity Economy Council (ASEC)
Overview of the SSE in Europe and Central Asia (1)

- The historical roots of the SSE in Europe can be traced back to the **industrial revolution**
- The term SSE is used in some countries **while social economy and social enterprise** are more prominently used in others
- Following the fall of the Soviet Union, new types and forms of cooperatives emerged in the Commonwealth of Independent States. The term “social entrepreneurship” is becoming familiar in **Central Asia**
- Some countries have developed policies and programmes to support **social entrepreneurship** and foster **social enterprise development** (16 EU Member States have adopted new legislation on social enterprises)
- **SSE framework laws** are available in some countries (e.g. France, Spain, Portugal, Romania, Greece)


[ilo.org](https://ilo.org)
Overview of the SSE in Europe and Central Asia (2)

At the EU level, statistics on the SSE include:

- Over 19.1 million equivalent to 5.5 million full-time workers
- Satellites accounts on the SSE (e.g. Portugal)
- Some national statistical offices’ recent efforts (e.g. Italy)
- Limited statistics in most of the other countries

The SSE features in the institutions across Europe: European Parliament and its Social Economy Intergroup, Monitoring Committee of the Luxembourg Declaration, EU Commission, Expert Group on Social Economy and Social Enterprises (GECES)

Regional organizations and networks representing and supporting SSE development include: European Economic and Social Committee, Social Economy Europe, RIPESS Europe, Euclid Network
How can the SSE contribute to decent work and sustainable development?
Contributions of the SSE to decent work and sustainable development

- Employment and income generation
- Social protection and the provision of social services
- Rights at work
- Gender equality
- Social dialogue
- Transition to the formal economy
- Crisis prevention and recovery, and promotion of peace and resilience
- Just digital transition
- Just transition to environmental sustainability
The SSE and employment and income generation

- The SSE generates direct and indirect employment
- SSE units participate across various stages of supply chains
- SSE units provide a wide range of services to their members, and/or in their communities that improve incomes and livelihoods
- SSE units create jobs through worker-owned enterprises
- Access to finance remains a challenge for SSE units
The SSE, social protection and provision of social services

- The SSE facilitates access to social protection for their members
- SSE units provide health and care services to their members
- SSE units are established to provide health care and other care services (e.g. pharmacy cooperatives, care cooperatives, community associations)
- SSE units play a critical role for rural and informal economy workers who may face challenges accessing formal social protection system
The SSE and rights at work

- SSE units are required to comply with international labour standards (ILS) and national labour legislation in respect of their employment relationships.
- ILS refer to the SSE or organizational forms that fall under it (e.g. R. 193, R. 204, R. 205).
- The SSE promotes compliance with ILS among their members and undertake joint initiatives with other community actors to advance their rights.
- Labour laws must be applied to avoid the misuse of the organizational forms that fall under the SSE (e.g. pseudo cooperatives).
The SSE and gender equality

- SSE units promote gender equality and advance SDG 5 by:
  - strengthening participation of women in the SSE, in membership and leadership positions
  - developing SSE units in economic sectors with higher participation of women (e.g. care economy)
  - providing affordable and accessible services for women
  - giving women the opportunity to engage in decision-making and power-sharing

- SSE units may be constrained by legal provisions, social norms and historical inequalities

- When established by and for women, SSE units can help overcome social and cultural constraints
The SSE and social dialogue

- In some countries, SSE vertical structures take part in social dialogue institutions (e.g. cooperatives participate in the National Social Dialogue Committee in Niger)

- Representatives of SSE units can take part in cross-border social dialogue mechanisms, notably in regional integration communities (e.g. European Association of Co-operative Banks)
The SSE and the transition to the formal economy

- The impact of COVID-19 has been particularly severe on the world’s two billion informal workers (IW)
- Their earnings remain far below pre-pandemic levels
- Women IW are disproportionately burdened with unpaid care work within households
- Informal own-account workers can organize into SSE units to transition to the formal economy
- Vertical SSE structures of IW provide them with voice and representation
- SSE units help scale up informal economy units via:
  - Enhancing their bargaining position
  - Scaling up their activities through collective forms of entrepreneurship
  - Facilitating workers’ access to social protection
The SSE and crisis prevention and recovery, promotion of peace and resilience

- The SSE plays a role in preventing and recovering from crises caused by conflict and disaster
- SSE units were agents in addressing adverse effects of COVID-19 crisis
- SSE units support members & communities during economic downturns
- SSE units cooperate with governments and development partners seeking to address needs of refugees and host communities
- The SSE participates in rebuilding communities in post-conflict settings
The SSE and just digital transition

- SSE units contribute to making digital transitions fairer, by connecting businesses and customers to employees
- SSE units use digital work platforms to help transform business processes with implications for the future of work
- The SSE offers a range of alternatives for workers, producers and users of digital services, including online applications that they own and control
The SSE and the just transition to environmental sustainability

- SSE units in agriculture, housing and energy are greening their operations and lowering their environmental footprint.
- SSE units contribute to environmental sustainability by producing and selling products and services in green sectors (e.g. renewable energy, recycled materials, e-waste recycling).
- Waste pickers in informal economy have set up a variety of SSE units, mainly in Latin America and South and Southeast Asia.
- The SSE contributes to food networks associated with fair trade, solidarity purchasing and collective provisioning.
How is the SSE related to the work of the ILO constituents?
ILO Constituents and the SSE

- The promotion of the SSE to advance decent work and sustainable development calls for **new forms of cooperation** between governments, employers, workers and societies at large.
- Respecting SSE values and principles requires putting **workers’ rights** and the **needs, aspirations and rights of all people** at the heart of policies and enterprise-level practices.
- A **conducive environment** for the SSE can best be developed through tripartite participation and in consultation with other relevant and representative SSE organizations.
Governments

- Recognition of the SSE in policy and legislation (e.g. constitutional level, framework laws, strategies, decrees)
- Enactment of SSE policy and legislation followed by the creation or strengthening of government institutions that regulate and support the SSE
- Commitment to developing the SSE often generate policy coherence and coordination mechanisms across policy areas
- An environment conducive to sustainable SSE enterprises applies to sustainable enterprises more generally

- It is important to ensure a level playing field for SSE units, on terms no less favourable than those accorded to other forms of enterprise and social organization
Workers’ organizations

- Workers' organizations and SSE units share common values and principles, history, and occasionally intersecting institutions.
- Workers’ organizations have established SSE units in retail, affordable housing, small-scale finance, mutual insurance, education and training, and employment preservation to benefit their members.
- Workers’ organizations and SSE units collaborate in the informal economy.
- Workers’ organizations occasionally build alliances with the SSE to pursue common goals.

- Workers' organizations could advise and assist workers in the SSE to join workers' organizations, and assist their members to establish SSE units.
Employers’ organizations

- SSE units and SSE vertical structures may join existing employers’ organizations
- Employers’ organizations may develop structures and extend services to SSE units and their horizontal and vertical structures
- SSE units may also set up their own employers’ organizations
- Vertical and horizontal structures of the SSE may be represented in international private sector platforms along with other employers’ organizations

Employers’ organizations could consider, where appropriate, the extension of membership to SSE units and provide appropriate support services on the same terms and conditions applying to other members.
What does the ILO do to advance the SSE for decent work?
ILO’s Cooperatives Unit (ILO COOP)

- ILO COOP was established in 1920 by a decision of its Third Governing Body.
- It has worked on advancing cooperatives for over a century in responding to Constituents’ requests in partnership with cooperative organizations.
- In the past decade the ILO has been developing a portfolio of work on the wider SSE.
- The Office uses a “one ILO” approach in incorporating SSE units into its programmes.
ILO Services on the SSE

- Legal & policy advice
- Training & capacity building
- Development cooperation
- Research & knowledge generation
- Partnerships
Legal and policy advice

- The ILO provides legal and policy advice based on its Recommendation on the Promotion of Cooperatives, 2002 (No. 193)
- More than 117 countries have used the recommendation and the ILO’s guidelines for cooperative legislation to support the review and development of cooperative policies and laws
- The Office has been receiving requests from the Constituents in Member States to support development of SSE policies and legislation (e.g. Tunisia, South Africa, Costa Rica)
- Recent requests for support include technical assistance in implementing SSE policies (e.g. Cameroon, Djibouti)
Research and knowledge generation

- Improving the understanding of the role of cooperatives and the wider SSE in advancing decent work and sustainable development
- Advancing the international guidelines concerning statistics of cooperatives adopted at the 20th International Conference of Labour Statisticians for harmonized and comparable data on cooperatives
- Producing research papers and briefs (e.g. child labour, forced displacement, platform economy, renewable energy, and the creative economy)
- Dissemination of knowledge through the ILO topical pages on cooperatives and the wider SSE, monthly e-newsletters, videos on cooperatives and the wider SSE on, webinars, blogs, podcasts, interviews and conferences
Select ILO Publications

- Social and Solidarity Economy: Building a common understanding
- The contribution of ESS and social finance in the Future of Work
- Financial Mechanisms for innovative ecosystems of SSE
- Series of studies on the public policies for SSE
- Mapping the responses of cooperatives and SSEO to forced displacement
- Series of Cooperatives and wider SSE and the World of Work briefs

All publications are available at: ilo.org/coop
Training and capacity building - Key ILO tools

Our.Coop
Activity-based training tools for those who want to understand, create and manage cooperatives

My.Coop
Managing your agricultural cooperative

ApexFinCoop
Advance Policy & Effectiveness for Financial Cooperative Apexes

ilo.org
Policy dialogue & knowledge platforms

- **SSE Academy**: Brings together practitioners and policymakers from around the world to share experiences, good practices and lessons learned on the SSE.

- **SSE Collective Brain**: Knowledge hub of the ILO SSE Academy to facilitate exchange and cooperation beyond the face-to-face interactions during the SSE Academy.
Development Cooperation (DC)

The ILO’s DC projects support development of SSE units in advancing decent work and sustainable development.

- Formalization of the informal economy
- Promotion of universal health coverage
- Elimination of child labour and forced labour
- Advancement of youth employment and women economic empowerment
- Creation of income-generation opportunities in conflict/disaster affected communities and promoting peace and social cohesion
- Trade facilitation
Development cooperation: Focus on Africa

**Tunisia**
Support to youth employment through the SSE and Strengthening of the resilience of women-led SSEOs affected by COVID 19

**Sierra Leone**
Enhancing, conflict-sensitive, agricultural value chain and entrepreneurship development through cooperatives

**Senegal**
Promotion of cooperatives in the informal waste recycling sector

**Cameroon**
Promotion of women empowerment, resilience and social cohesion through cooperative development; Promotion of cooperatives in the informal waste recycling sector in collaboration with trade unions; and Support for the implementation of the SSE law

**South Africa**
Support for the formulation of the social economy policy

**Ethiopia**
Support for cooperative development in agricultural value chains

**South Sudan**
Support for rural development through cooperatives

**Kenya, Uganda, Sudan, Ethiopia**
Support for refugee populations and host communities through cooperative development

**Burkina Faso, Côte d'Ivoire, Nigeria, Malawi, Mali and Uganda, Tanzania**
Promoting fundamental principles and rights at work through cooperative development (focus on child labour) in the agricultural and mining sectors: cocoa, tea, coffee, gold panning and cotton

**Sierra Leone**
Enhancing, conflict-sensitive, agricultural value chain and entrepreneurship development through cooperatives

**Cameroon**
Promotion of women empowerment, resilience and social cohesion through cooperative development; Promotion of cooperatives in the informal waste recycling sector in collaboration with trade unions; and Support for the implementation of the SSE law

**South Africa**
Support for the formulation of the social economy policy
Development cooperation: Focus on Asia

China, Indonesia, Japan, Malaysia, the Philippines, Republic of Korea
Strengthening the SSE in Asia - 1st phase (2019-2021)

Cambodia, Kyrgyzstan, Laos, Mongolia, Thailand, Vietnam
Strengthening the SSE in Asia - 2nd phase (2021-2023)

Republic of Korea
Initiative on statistics of cooperatives (along with other four countries in other regions – Costa Rica, Italy, Tanzania and Turkey)
Development cooperation: Focus on Latin and Central America

**Mexico**
Collaboration with the National Institute of Social Economy to institutionalize the ILO tools on cooperative development (Think.Coop and Start.Coop)

**Bolivia**
Capacity building training for over 600 participants from 20 cooperatives in the mining sector from La Paz, Potosi, Oruro, Cochabamba and Santa Cruz

**Costa Rica**
Technical support to the development of the first public national policy on the SSE
Development cooperation: Focus on the Arab States

occupied Palestinian territory (oPt)
Support the development of cooperative sector through creating/strengthening policy, legal and institutional frameworks

Yemen
Contribute to reduced vulnerability, strengthen resilience of crisis-affected communities, and provide sustainable livelihoods opportunities and access to basic services, through cooperatives and other community-based organizations

Iraq and Lebanon
Support refugee populations and host communities through cooperatives and other SSE units

Jordan
Support refugee populations and host communities through macro, meso and macro level interventions on cooperatives and other SSE units
Partnerships

UN Task Force on the SSE (UNTFsSE)
▶ The ILO co-founded and currently chairs the UNTFSSE
▶ 18 UN Agencies and the OECD as members and 13 civil society organizations as observers

SSE organizations and research centers
▶ SSE umbrella organizations at international (e.g. GSEF, RIPESS) and national level (e.g. JCCU, Legacoop)
▶ Research institutions, such as: CIRIEC international; EURICSE; HIVA, EMES

Cooperative focused partnerships
▶ The ICA has a General Consultative Status at the ILO since 1919 and has an MoU signed in 2019 using the Future of Work as a framework
▶ The ILO is member of COPAC, a multi-stakeholder partnership between representatives of the cooperative movement

Regional focused partnerships
▶ African Union (AU): The ILO supports the development of SSE strategy
▶ European Commission (EC): The ILO participates in the Expert Group on Social Economy and Social Enterprise (GECES)
What are the next steps in the lead up to the general discussion?
Challenges and Recommendations

- Despite the growing momentum around the SSE, significant challenges remain regarding data, legislation, support institutions and services.

- A conducive environment for the SSE should be developed through tripartite participation with representative organizations of employers and workers.

- Based on the conclusions of the general discussion, the Office is expected to further fine-tune its services on the SSE in support of its Constituents and in partnership with SSE organizations.
How to engage with the general discussion on Decent Work and the SSE

Download and read the report (available in Arabic, Chinese, English, French, German, Hindi, Indonesian Bahasa, Italian, Japanese, Portuguese, Russian and Spanish).

Disseminate the report and hold discussions around it in your countries

As ILO constituents or observers, follow the ILC general discussion in June 2022 at the ILC
Thank you!

For more information, see:

- ILO topical page on cooperatives
- ILO topical page on the SSE

To stay connected:

- Sign up for ILO’s monthly enewsletter on cooperatives and the wider SSE
- Follow twitter accounts on the ILO’s work on cooperatives and the wider SSE (@coopsemploy and @sseacb)