Accessing Social Protection through Social and Solidarity Economy: **The FIWON Story**

- by the general secretary of the federation of informal workers' organizations of Nigeria (fiwon), July 3, 2025

The Cooperative Movement and the Solidarity Economy

- Co-operatives are guided by values of self-help, democracy, and solidarity, along with ethics like honesty and social responsibility.
- The cooperative movement in Nigeria began in 1935, following a 1934 report by British expert C.F. Strickland, who was commissioned to assess its feasibility.

A little history

- The cooperative movement in Southwest Nigeria grew rapidly in 1952 through deliberate efforts by the Western Nigeria regional government, leading to the creation of the Cooperative Union of Western Nigeria (C.U.W.N). The union played a key role in establishing apex bodies like the Association of Nigeria Exporters Ltd., Cooperative Press Ltd., Cooperative Transport Ltd., Cooperative Cocoa Ltd., Cooperative Bank of Western Nigeria, Cooperative Supply Association, and Cooperative Investment and Trust Society Ltd.

Importance of the Cooperative Movement to Economic Development

- E.F.G. Haig, Nigeria's first Registrar of Cooperatives, highlighted the cooperative movement's central role in cocoa production, processing, and marketing in Southwest Nigeria. It organized 20,000 members into 300 primary societies, which were grouped into 12 unions—9 of them part of the Association of Nigerian Cooperative Exporters (ANCE). Up to the 1960s, the movement significantly contributed to economic development, employment, and high-quality production.

SACCOS and the FIWON Experience

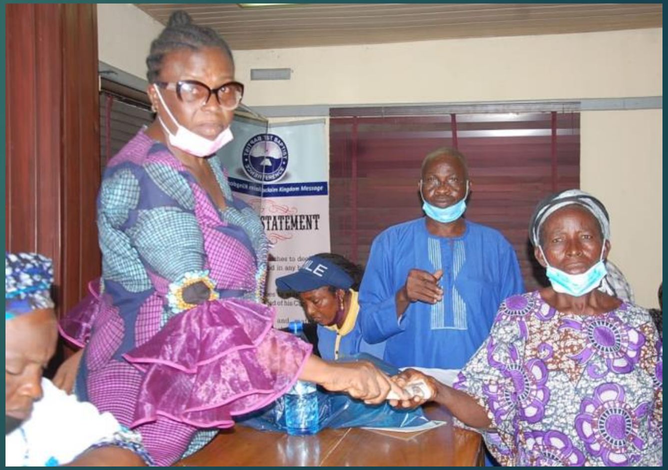
- A savings and credit cooperative society (or credit unions as they are known as in some countries) is a cooperative that provides financial services to their members – i.e. members can save their money and borrow when in need. Like consumer cooperatives, the owners of SACCOS are at the same time the customers – that is, the people who save their money are also the ones that borrow from this type of cooperative.

- FIWON Cooperatives Society: was launched in 2017 to deal with the challenge of the ever-present need of members to save on a regular basis and with their pool of savings, enabled to access basic social protection services such as health insurance, old age pensions, mortgages, equipment leasing and affordable loans to promote their businesses.

- The co-operative society is driven with an e-platform which enables savers to be updated each time they save through a mobile alert. This has helped to boost the transparency of the cooperative society as well as instilling a lot of confidence in members.

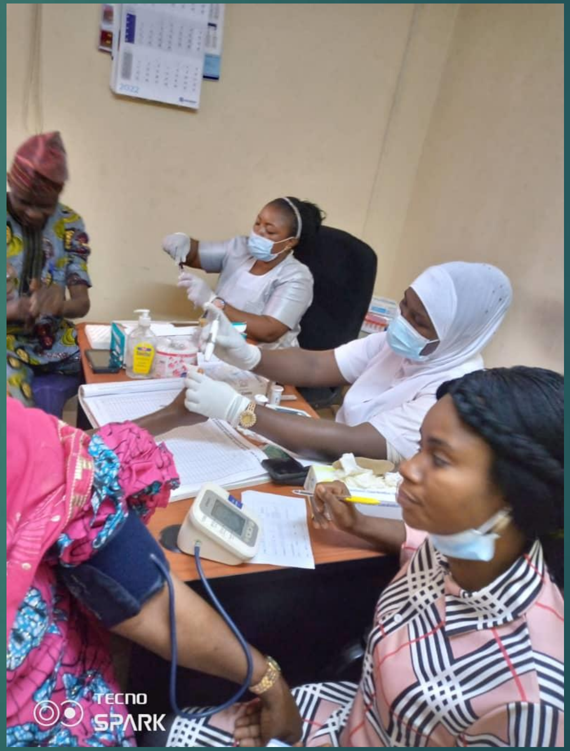
The FIWON Experience

- The FIWON Multipurpose Cooperative Society has achieved modest success since its inception in 2017.
- Its most valuable achievement has been the insight gained into savings habits in Nigeria's informal sector, and the potential to use these savings for sustainable access to social insurance.
- At first, savings were collected twice a month during FIWON meetings, but this method proved ineffective—by 2019, 37% of members had saved only 3–5 times in two years, mainly due to irregular attendance and financial constraints.
- It became clear that informal workers tend to save consistently only when visited daily by a thrift collector.
- However, traditional thrift collectors pose risks, as they may face theft, illness, or act dishonestly, endangering members' savings.
- There is also widespread skepticism toward cooperatives due to frequent fraud by some traditional thrift collectors.



FIWON Attempt at leveraging the cooperative movement to provide social insurance in the informal sector

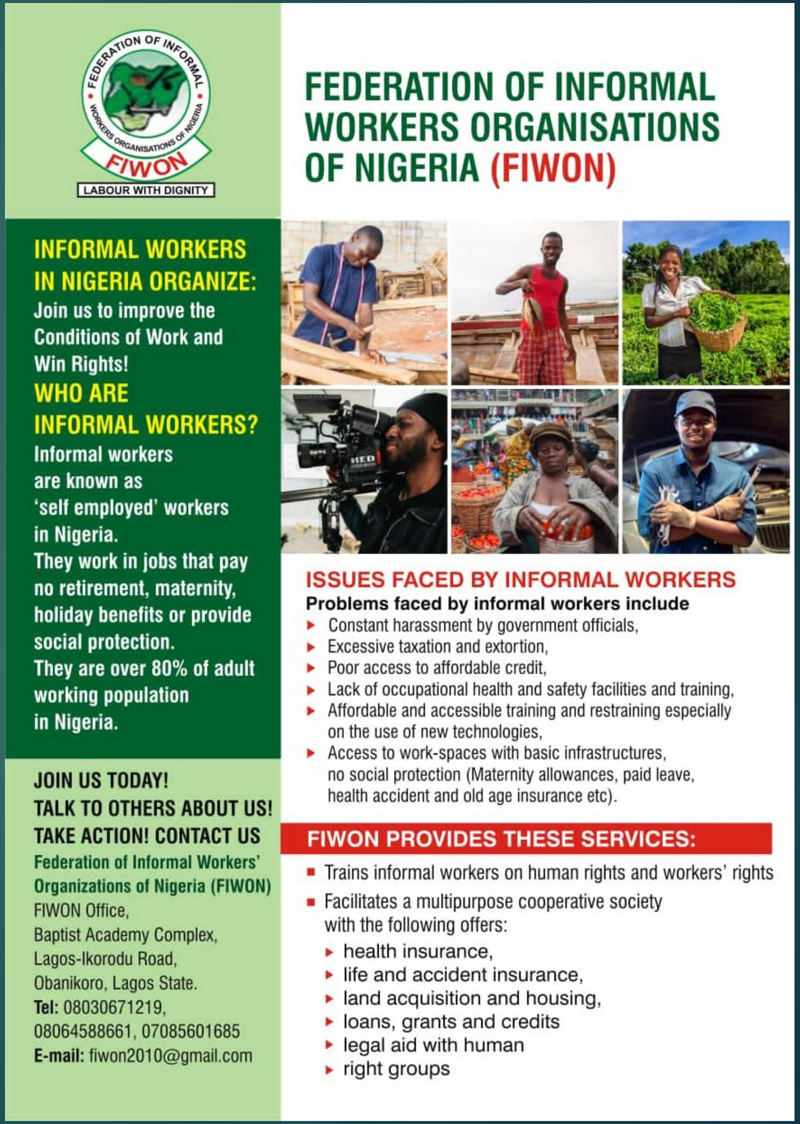
- By 2020, the cooperative had gained momentum but faced financial and operational challenges. The Covid-19 pandemic worsened the situation, leading many members to withdraw savings, and few resumed afterward. A modest recovery grant from StreetNet International later provided crucial support, helping consistent savers regain stability.

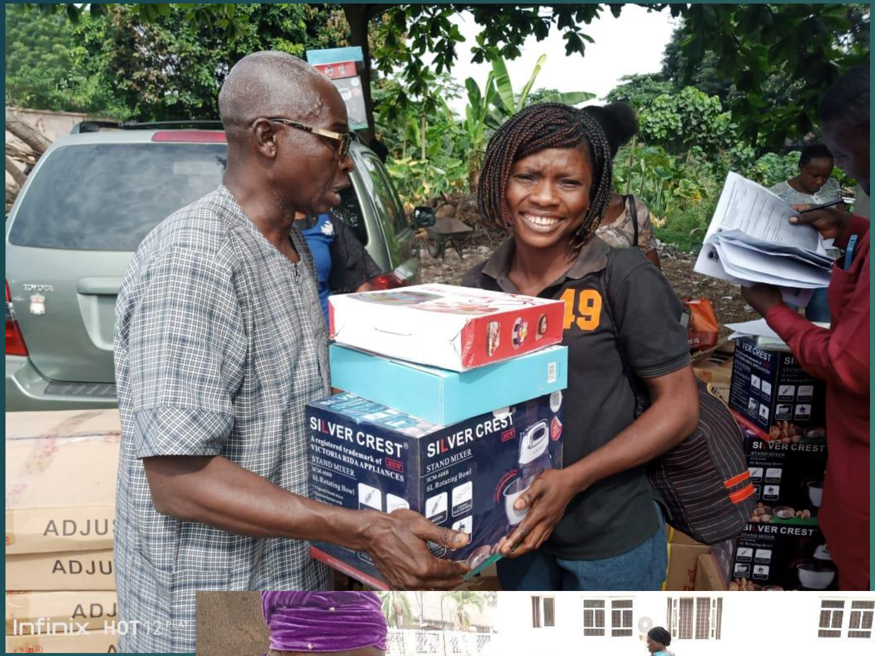


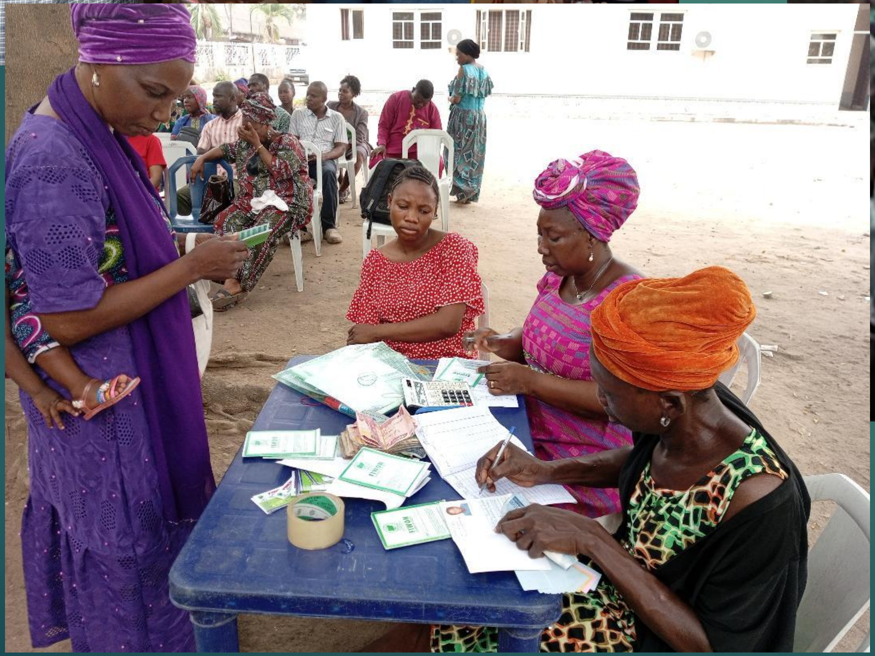
FIWON Cooperative Services

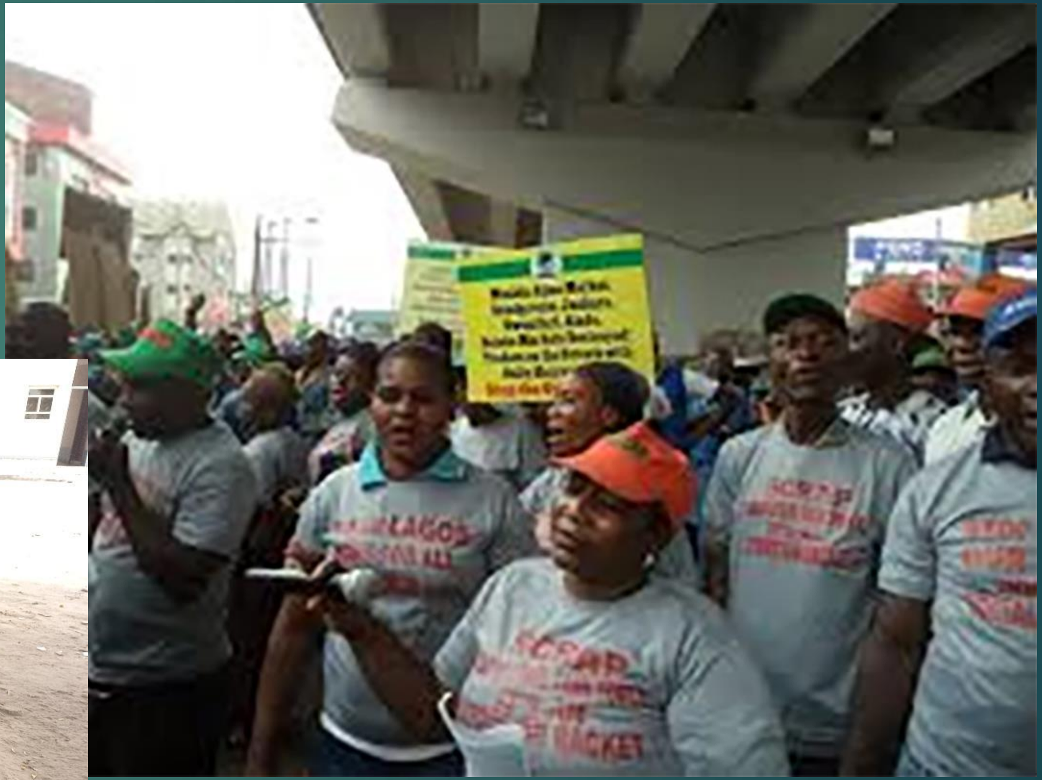
Today FIWON Cooperative has close to 3000 regular savers with operations spanning 3 states: Lagos, Osun and the Federal Capital territory. The following are some of the services on offer to members:

- A platform to save
- A source of cheap credits
- A means of equipment purchase with easy repayment schedule
- A means of property acquisition
- Subsidized health insurance
- Solar energy products acquisition with ease of repayment




SILVER CREST
STAND MIXER
Infinix HOT 12





References

- THE COOPERATIVE ENTERPRISE AS A PRACTICAL OPTION FOR THE FORMALIZATION OF INFORMAL ECONOMY" by Sam Mshiu Expert in Cooperative Development The ILO Cooperative Facility for Africa (ILO COOPAfrica.
- Cooperatives in Nigeria, E.F.G Haig African Affairs, Volume 49, Issue 194, January 1950, Pages 41-56, https://doi.org/10.1093/oxfordjournals.afraf.a093783
- IMPACT OF COOPERATIVE SOCIETIES IN NATIONAL DEVELOPMENT AND THE NIGERIAN ECONOMY ROWLAND A. EFFIOM GLOBAL JOURNAL OF SOCIAL SCIENCES VOL 13, 2014: 19-29