



Sustainable Enterprises
for innovation, growth, more and better jobs



ILO and cooperatives



Cooperatives Unit
Enterprises Department
ILO

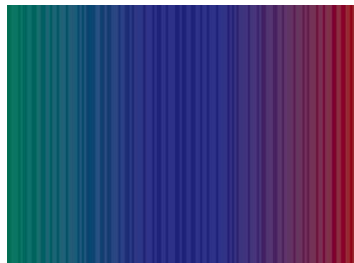
Agenda

1. ILO and cooperatives
2. The potential of cooperatives towards decent work
3. ILO's work on cooperatives
4. Challenges and opportunities





1. ILO and cooperatives



ILO's decent work agenda

Strategic Objectives
(Four pillars)



**Employment
creation**



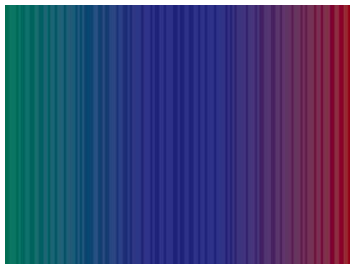
**Rights at
work**



**Social
protection**



**Social
dialogue**

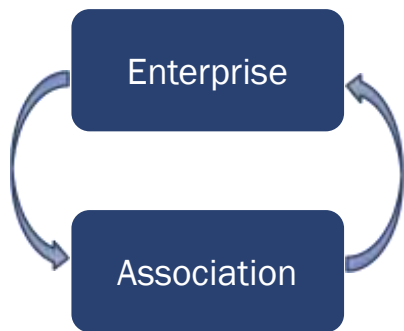


ILO and cooperatives

- The first Director General of the ILO, Albert Thomas, was a French co-operator and a member of the Central Committee of the International Co-operative Alliance
- The ILO Constitution (Art.12.3) gives cooperatives a consultative status
- ILO has a Cooperatives Unit since 1920 that serves ILO constituents on all matters related to cooperatives and other social and solidarity economy (SSE) enterprises
- ILO remains the only specialized agency of the UN with an explicit mandate on cooperatives

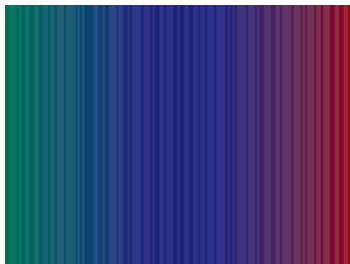


What is a cooperative?



- A cooperative is defined as “an ***autonomous association*** of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a ***jointly owned and democratically controlled enterprise***”
- The first modern cooperative business was established in 1844 by 28 weavers who faced miserable working conditions and low wages to access basic goods at a lower price by pooling their scarce resources

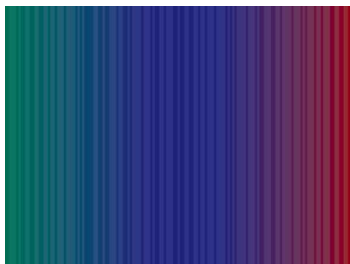




Specificities of a cooperative

- **Objective:** Better livelihoods and well-being of members
- **Ownership:** Jointly owned by members who use its products or services
- **Governance:** Democratically controlled with the governing principle of “one-member, one-vote”
- **Distribution of surplus:** Distributed in proportion to the individual member’s usage of the cooperative and/or used for the cooperative’s development





Types of cooperatives

Type of cooperatives	Interest of members	Type of members
Producer cooperative	Production activity	Producer-members - Enterprises such as small agricultural or craft producers - May or may not be incorporated
Worker cooperative	Work	Worker-members
Consumer/user cooperative	Consumption	Consumer-members - Clients, family of clients, non-profit institutions, producers, corporations
Multi-stakeholder cooperative	More than one interest	Producer-members Worker-members Consumer-members

20th
International
Conference
of Labour
Statisticians



International
Labour
Office
Bureau
international
du Travail
Oficina
internacional
del Trabajo

20^e
Conférence
internationale
des statisticiens
du travail

20.^a
Conferencia
Internacional
de Estadísticos
del Trabajo

Geneva,
10–19 October
2018



Size and prevalence

- Membership: More than 1 billion
- Total turnover of the top 300 cooperatives: US\$ 2.1 trillion
- Employment: At least 279 million (9.46% of the global employed population)



Agriculture
& food



Industry &
utilities



Banking &
financial
services



Insurance



Wholesale &
retail trade



Health,
education &
care



Other
services



2. The potential of cooperatives towards decent work

Job creation



- Cooperatives play a key role for producers and workers in the rural and/or informal economies particularly through:
 - 1) Developing businesses through collective action
 - 2) Providing essential goods/services
 - 3) Representing their voice and interests
- Social and labour market inclusion
 - Social cooperatives in Europe
 - Women's cooperative
 - Cooperatives of refugees and host communities

Social protection



- Cooperatives and mutuals has been used to cover workers in the informal and/or rural economy
- Cases from India
 - Yeshasvini Cooperative Farmers Health Care Scheme provides health insurance to two millions informal economy workers and their families in rural areas through a public-private partnership
 - VimoSEWA Cooperative provides various insurance for over 100,000 women informal economy workers
- ILO has engaged in a project to promote universal health coverage through cooperatives and mutuals in Cameroon and Kenya

Labour standards and FPRW



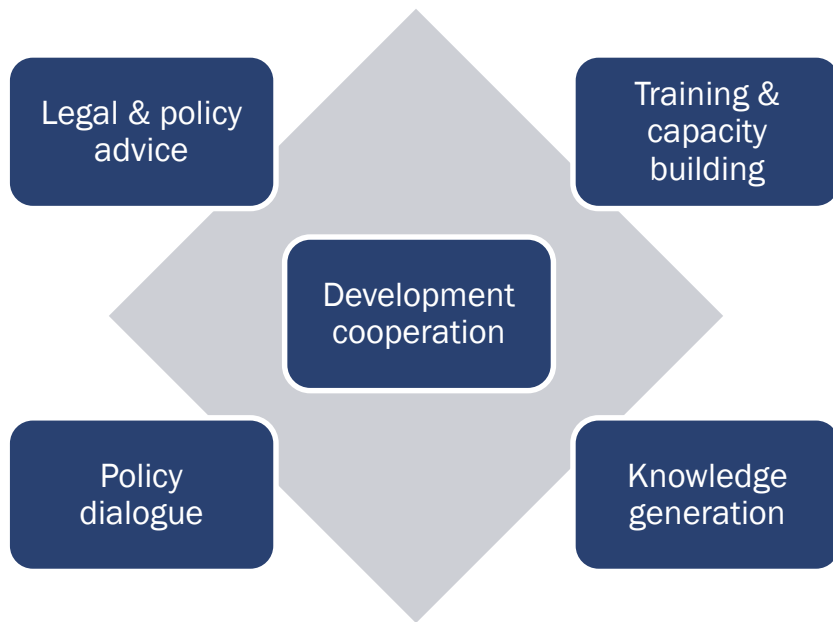
- Cooperatives can take initiatives to guarantee the FPRW within their organizations, communities and supply chains
 - CAKHS, producers' cooperative in Côte d'Ivoire has withdrawn 1,800 children from hazardous child labour and provided them with basic education and vocational training
 - Co-op Group, consumers' cooperative in the UK takes actions to prevent modern slavery in its supply chains
- Adoption of the Declaration on Decent Work and Against Harassment by International Cooperative Alliance (ICA) in 2018



3. ILO's work on cooperatives



ILO's work on cooperatives



Cross-cutting policy issues

- International labour standards
- Social dialogue
- Gender equality and non-discrimination
- Environment sustainability

The wider concept: Social and solidarity economy (SSE)

- *“A concept designating enterprises and organizations, in particular cooperatives, mutual benefit societies, associations, foundations and social enterprises, which have the specific feature of producing goods, services and knowledge while pursuing both economic and social aims and fostering solidarity”*
- Growing requests from constituents to support the development of SSE policies
- ILO currently chairs UN Inter-Agency Task Force on SSE



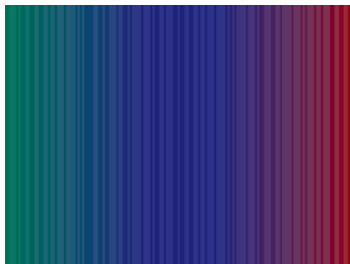
Legal and policy advice



- ILO provides technical assistance to its constituents to:
 - 1) Develop and revise cooperative policies and laws in line with the Recommendation No.193 (e.g. Sri Lanka, Trinidad & Tobago, Sierra Leone, Egypt)
 - 2) Develop social and solidarity economy (SSE) policies and legislation (e.g. Tunisia, South Africa)
- Key tools:
 - 1) ILO Guidelines for cooperative legislation
 - 2) ILO Guidelines concerning statistics of cooperatives – adopted at the 20th International Conference of Labour Statisticians in October 2018

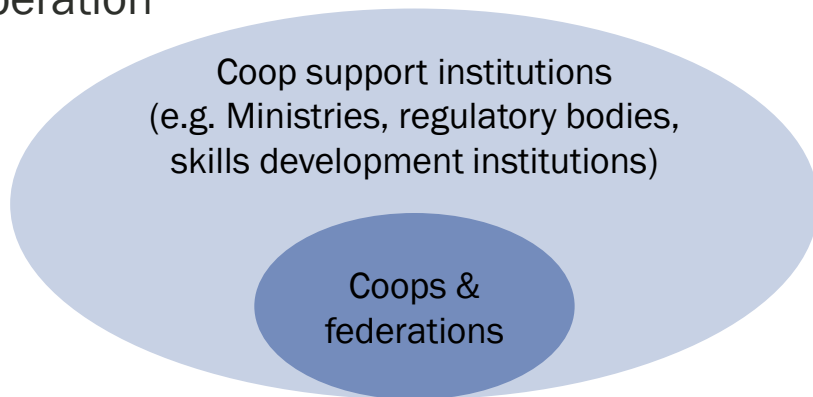
Policy dialogue: An example

- Tripartite international conference in Tunisia on the role of Social and Solidarity Economy (SSE) as part of ILO DC project on SSE for youth employment
- Tripartite delegations - Brazil, Cameroon, India, Kenya, Mali, Mauritania, Senegal, South Africa, Vietnam, and Zimbabwe
- Participants shared experiences on the role of SSE in formalizing the informal economy and validated an ILO strategy on this topic



Training and capacity building

- ILO provides training and capacity building services to:
 - 1) Enable cooperative enterprises to become more competitive and sustainable in the marketplace
 - 2) Enable cooperative enterprises to address decent work challenges in their operation

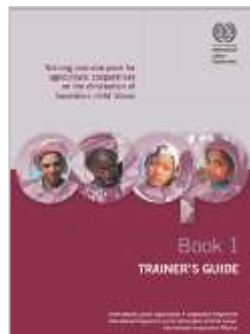




Training and capacity building: Key ILO tools



For agricultural
coops to improve
management



For agricultural
coops to address
child labour issues

Our.Coop family



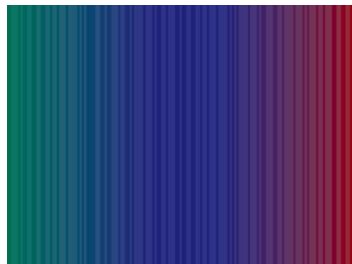
For any types of coops to learn, start, and
manage a coop



For apex organizations of financial cooperatives to
advance their policy and effectiveness



For ILO constituents, academics, and practitioners concerned with SSE
to share knowledge and experience



Training and capacity building: My.Coop



- A training programme to improve management of agricultural cooperatives
- A total of 24 country adaptations in different approaches (e.g. youth entrepreneurship in Colombia, rural development in Peru, ILO Local Empowerment through Economic Development (LEED) project with farmers and fishermen in Sri Lanka)





Training and capacity building: Think.Coop



- A simple sensitization module on importance of relationships, benefits of collective action, and the cooperative business model
- Peer-to-peer, activity-based learning methodology
- Quick and easy adaptation to different contexts
- Used in Cambodia, Myanmar, Laos, Peru, Ecuador, Bolivia, CAR, Madagascar, Mauritania and Turkey to support workers in the informal economy and smallholder farmers

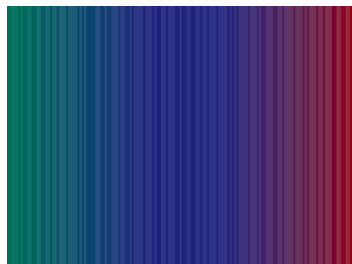




Training and capacity building: Start.Coop



- A step-by-step guide to start up a cooperative in a participatory manner
 - 1) Identifying core members; 2) Feasibility study of a business idea; 3) Development of a business plan; 4) Organizational set-up
- The same methodology with Think.Coop
- Used in Bolivia, CAR, Madagascar, Mauritania to support workers in the informal economy and smallholder farmers/fishermen



Training and capacity building: Manage.Coop



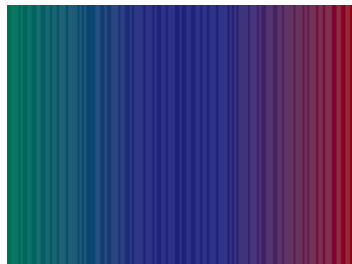
- A guide to manage cooperatives efficiently and effectively in line with the cooperative principles as they grow
 - 1) Governance and leadership; 2) Effective communication; 3) Conflict management; 4) Business growth strategies; 5) Human resource management; 6) Financial management
- The same methodology with Think.Coop & Start.Coop
- Final version will be ready by the end of 2019



Knowledge generation: Key areas



- Formalization
- Women empowerment
- Migrants and refugees
- Persons with disabilities
- Worker ownership
- Financial mechanism
- Green economy
- Care economy
- Rural economy
- Trade and value chain
- Statistics on cooperatives
- Public policies on SSE



Development cooperation: Examples

Algeria

Professional integration of young people through a stronger civil society

Tunisia

Promotion of Organizations and Mechanisms of Social and Solidarity Economy to create sustainable and decent jobs for youth

South Africa

Development of a social economy policy and institutional structure

Jordan

Advancing decent work in Jordan's agriculture sector: A compliance model (incl. coop component)

Occupied Palestinian Territory

Land and Rights – Paths to Social and Solidarity Economy in Palestine

Turkey

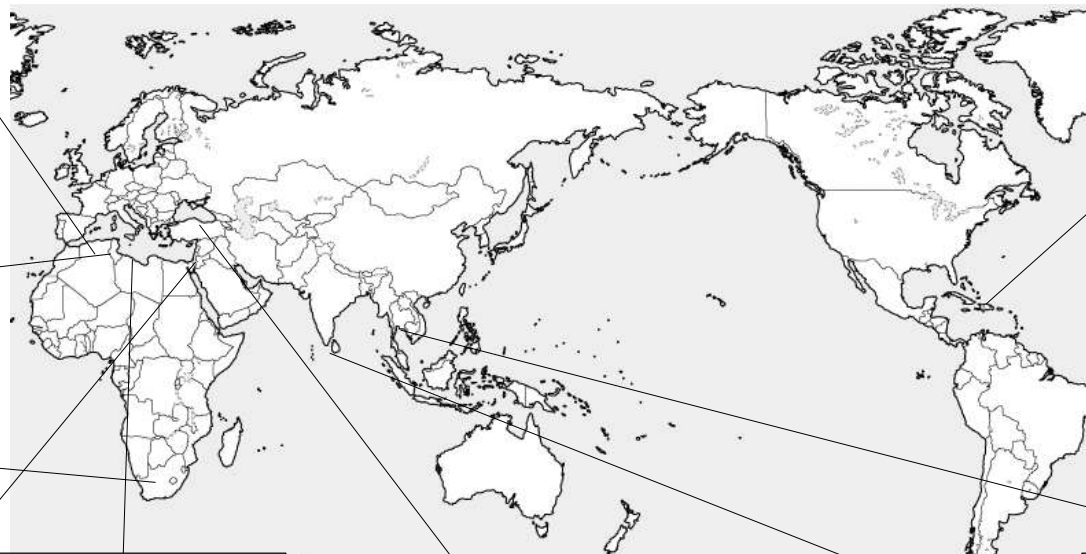
Promoting Decent Work Opportunities for Syrian Refugees and Host Communities in Turkey

Sri Lanka

Local empowerment through economic development; & Building peace through the economic empowerment of women (incl. coop component)

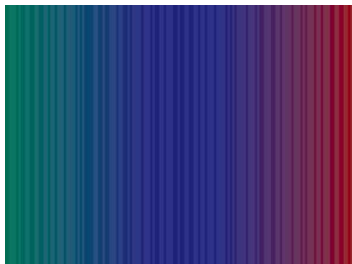
Cambodia and Laos

Cooperatives to strengthen youth empowerment and employment readiness among vulnerable groups



Haiti

Support to cooperative organizations in the fishery sector (part of an initiative to address education and skills gaps for vulnerable youth)



Way forward

- **Developing legal frameworks**
- **Reaching scale:** Intermediary institutions that can provide financial, educational and vocational, and organizational support to expand and replicate good cooperative practices need to be developed
- **Generating evidence-based data and knowledge:** Production of comparative statistics on cooperatives based on the guidelines; comparative analyses on the advantages and disadvantages of different enterprise governance models





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Thank you

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