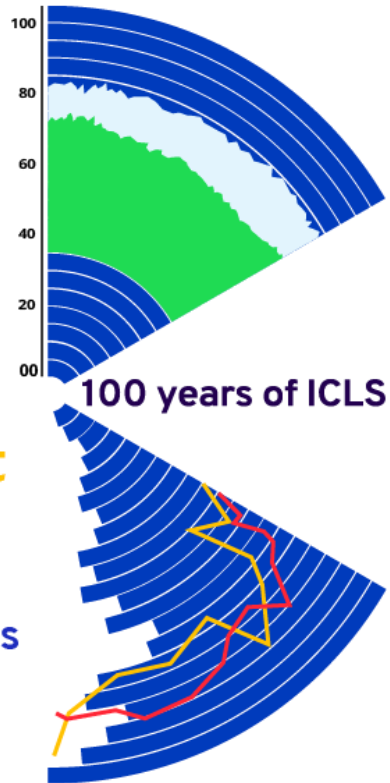




International  
Conference of  
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11-20 October 2023



# Measuring the social and solidarity economy (SSE): A roadmap towards Guidelines concerning statistics of the SSE

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## Measuring the social and solidarity economy

### Mesure de l'économie sociale et solidaire

### Medición de la economía social y solidaria

Participants in the Conference are invited to: (a) review the room document reporting on the current situation regarding statistics concerning the SSE and the need to work towards guidelines concerning statistics of the SSE; (b) comment on the outstanding issues and recommendations outlined in the room document; and (c) indicate their support for and interest in contributing to the ongoing work in collaboration with the Office.

Les participants à la Conférence sont invités à: *a)* examiner le document de séance sur la situation actuelle des statistiques de l'ESS et la nécessité d'élaborer des lignes directrices dans ce domaine; *b)* donner leur avis sur les questions en suspens et les recommandations figurant dans le document de séance; *c)* exprimer leur soutien aux travaux en cours et de leur intérêt à y participer en collaboration avec le Bureau.

Se invita a los participantes en la Conferencia a que: a) examinen el documento de sala que informa sobre el estado actual de las estadísticas sobre la ESS y la necesidad de trabajar en unas directrices relativas a dichas estadísticas; b) comenten las cuestiones pendientes y las recomendaciones que figuran en el documento de sala, y c) indiquen su apoyo y su interés en contribuir a la labor en curso en colaboración con la Oficina.

## Outline of this room document

- ▶ 1. Introduction and background
- ▶ 2. What is the social and solidarity economy?
- ▶ 3. Background and history around the statistics of the SSE
- ▶ 4. Current state of international frameworks for SSE statistics
- ▶ 5. Recent discussions and initiatives of the Office and other international entities
- ▶ 6. A roadmap towards harmonized statistics of the SSE

### ▶ Room document\* : 15

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A roadmap towards Guidelines concerning  
statistics of the SSE



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International  
Labour  
Organization

# ▶ 1. Introduction and background

## 1. Introduction and background (1)

The social and solidarity economy (SSE) is not a new reality, but it has come to the fore of policy agenda in the recent decades.

There is now a world consensus about the need to promote and improve statistics concerning the SSE.

There are however several issues with regards to measuring the SSE with harmonized statistical standards.

Based on the current state of the art of SSE statistics and of mapping of the various definitions, along with their scope, strengths and limitations, this room document suggests a roadmap towards improving statistics concerning the SSE.

## 1. Introduction and background (2)

### The ILO 2022 Report, Resolution and Strategy on Decent Work and the SSE

The ILO 2022 report on **Decent work and the social and solidarity economy** recognizes that the SSE is an important pathway to decent work, sustainable economic development and employment opportunities.

At its 110<sup>th</sup> session in 2022, the ILC adopted a **Resolution** that includes a definition of the social and solidarity economy (SSE).

The **Strategy and action plan** (2023-2029), adopted by the at the 346<sup>th</sup> Session of the ILO GB in 2022, comprises in its objectives to “work towards the development of international guidelines on statistics concerning the SSE”.



## ► The 110<sup>th</sup> ILC adopting a Resolution on Decent Work and the SSE

- The SSE encompasses enterprises, organizations and other entities that are engaged in economic, social, and environmental activities to serve the collective and/or general interest, which are based on the principles of voluntary cooperation and mutual aid, democratic and/or participatory governance, autonomy and independence, and the primacy of people and social purpose over capital in the distribution and use of surpluses and/or profits as well as assets. SSE entities aspire to long-term viability and sustainability, and to the transition from the informal to the formal economy and operate in all sectors of the economy. They put into practice a set of values which are intrinsic to their functioning and consistent with care for people and planet, equality and fairness, interdependence, self-governance, transparency and accountability, and the attainment of decent work and livelihoods. According to national circumstances, the SSE includes cooperatives, associations, mutual societies, foundations, social enterprises, self-help groups and other entities operating in accordance with the values and principles of the SSE.



## ▶ 1. Introduction and background (3)

### Other international entities recently adopted definitions of the SSE

- ▶ European Commission, 2021
- ▶ OECD 2022
- ▶ United Nations 2023 (same as the ILC definition)

### Many common features

- ▶ Combination of a list of entities and the reference to some SSE values and principles.
- ▶ All definitions are inclusive and opened, the list of entities may vary in each jurisdiction.
- ▶ All place importance on the primacy of people over capital and on democratic governance (with some flexibility).

### Main difference

- ▶ Informality

Considering that SSE entities are a common form of organization for workers in the informal economy, the ILC definition has to reflect this reality.

The ILC 2022 Resolution also mentions that SSE entities aspire to the transition from the informal to the formal economy.



## ▶ 1. Introduction and background (4)

### An encompassing definition of the SSE

The SSE exists in all parts of the world, although under different names and definitions.

The ILC definition is the first one consensually adopted by a tripartite international organization. It is meant to be encompassing and flexible.

This definition is based on existing SSE policies and legislations, and on an Office review of existing definitions adopted in different international organizations. It is also informed by the most recent conceptual work on SSE policy and statistics, and consultations with key SSE stakeholders.

### Challenges with SSE statistical measurement

- ▶ Uneven unfurling of the SSE in the world.
- ▶ Multiple definitions and scopes of the SSE in national contexts.
- ▶ Contrasting sources and methodologies for SSE measurement.
- ▶ Inconsistencies of existing international statistical frameworks for the SSE.
- ▶ Incompleteness of frameworks with regards to the ILC definition of the SSE.

## ▶ 2. What is the social and solidarity economy?

## 2. What is the social and solidarity economy? (1)

### A specific part of the economy

A unifying concept that refers to:

- ▶ An economic model based on social and solidarity-based values and principles.

and

- ▶ The set of enterprises and organizations (institutional units) in which these values and principles are enshrined into legal statutes or official bylaws. In some cases, it includes informal or enregistered entities.

- Primacy of people over capital
- Voluntary participation
- Democratic governance
- Independence and autonomy
- Limited or prohibited distribution of profits

- Cooperatives
- Mutual societies
- Non-profit organizations, associations, public-benefit foundations
- Other similar organizations or forms of exchanges adopting SSE values and principles

## 2. What is the social and solidarity economy? (2)

### Distinctive organizational features

- ▶ People-based entities with social the purpose of serving the people and communities' unmet needs and aspirations.
- ▶ Combination of entrepreneurial features (autonomous and taking economic risks) with public and common interest goals.
- ▶ Invested capital and generated surpluses are only a means for achieving the social purpose.
- ▶ Reinvestment helps perpetuating the purpose and scaling up the activity.

### Recognized roles

The SSE plays distinctive and important roles in many aspects of human life.

Promoting social innovations, showing resilience in times of crises, it is gaining increased recognition for its key role, namely since the Covid-19 pandemic, in creating and sustaining jobs and providing services for members, users, and communities.

**Also often called: Social economy**

## 2. What is the social and solidarity economy? (3)

### The SSE: A bridging concept

#### Other notions and terminology

- ▶ **Social economy:** legal forms of SSE enterprises
- ▶ **Solidarity economy:** community and civil society initiatives led with environmental and justice preoccupations
- ▶ **Non-profit sector:** non-profit institutions, some of them sharing certain SSE values and principles
- ▶ **Third sector:** broad non-Market and non-State sector (associated to the Non-profit sector)
- ▶ **Social enterprise:** newer term, in growth of popularity
  - ▶ Used as a generic name for lack of a shorter word easy to translate into different languages.
  - ▶ Or to qualify: Non-profit organizations engaging in economic activities; or non-collective (private) for-profit businesses that pursue a social goal and may (or not) limit profit distribution to shareholders.
- ▶ **Popular economy (*economía popular*) :** alternative, mostly informal, organizations insuring work and material survival of people in countries with insufficient social protection

## ▶ **3. Background and history around statistics of the SSE**

### ▶ 3. Background and history around statistics of SSE (1)

#### Progressive unfurling of SSE statistics in the world

Statistics concerning the SSE as a whole are still scarce and unevenly developed.

- ▶ **Europe:** most advanced region with regular exercises (e.g., France, Portugal, Spain) and others starting more recently (e.g., Greece, Luxembourg, Romania, Poland, Slovenia).
- ▶ **Americas:** recent initiatives in Latin America (e.g., Brazil, Columbia, Costa Rica, Ecuador, Mexico, Uruguay), and in Québec (Canada).
- ▶ **Africa:** Recent laws on the SSE (e.g. Cabo Verde, Cameroon, Djibouti, Morocco, Senegal, and Tunisia), some of them providing for the development of statistics on the SSE.
- ▶ **Asia and Oceania:** The notion of the SSE has not yet spread widely. The focus is on a few types of organizations. The Republic of Korea is an exception.

### 3. Background and history around statistics of SSE (2)

#### Recent practices in producing statistics concerning the SSE

- ▶ National statistics: Various definitions and scopes of the SSE. Different data sources and methodologies (census, surveys, satellite accounts).
- ▶ International mappings: Sectoral (e.g., non-profit sector or cooperatives); sectoral and regional (e.g., mutual and cooperative insurance in Europe; or regional (e.g., mappings of SSE national statistics in Europe).

Regional and world mappings and studies show the diversity of perimeters and methodologies. For example, in Europe, where the SSE is most recognized, “existing data on the social economy are often scarce, incomplete and difficult to compare” (EC, 2021: 20).

At the world level, “definitions, methodologies and sources vary, replicability and periodicity are not guaranteed, and many of these studies do not present robust statistics” (Compère *et al.*, 2021).



## ▶ **4. Current state of international frameworks for SSE statistics**

## 4. Current state of international frameworks for SSE statistics (1)

### Existing international frameworks before 2018

- ▶ UNSD 2003 Handbook of Non-Profit Institutions in the System of National Accounts
- ▶ CIRIEC 2006 Manual for the Satellite Account of Companies in the Social Economy (cooperatives and mutuals)
- ▶ 2008 System of National Accounts
- ▶ ILO 2011 Manual and 2021 on the Measurement of Volunteer Work

### International frameworks since 2018

- ▶ UNSD 2018 Handbook for Satellite Accounts on NPIs and Related Institutions and Volunteer Work
- ▶ ILO 2018 Guidelines Concerning Statistics of Cooperatives

- ✓ The UNSD 2018 replaces the UNSD 2003.
- ✓ The CIRIEC 2006 is still in usage, namely in Iberoamerica (Latin America, Portugal and Spain).
- ✓ The 2008 SNA is under revision.
- ✓ The ILO 2021 replaces ILO 2011.
- ✓ The UNSD 2018 doesn't include the ILO 2018.
- ✓ The UNSD 2018 and ILO 2018 are presently being tested

## 4. Current state of international frameworks for SSE statistics (2)

Author, date	Conceptual frameworks for SSE statistics	Entities
UNSD, 2003	Handbook of Non-profit Institutions in the System of National Accounts	NPI + organized volunteer work
CIRIEC, 2006	Manual for Satellite Accounts of Companies in the Social Economy	Cooperatives and mutual societies
UNSD, 2018 (replaces UNSD, 2003)	Handbook for Satellite accounts on Nonprofit Institutions and Related Institutions and Volunteer Work (Third Sector or Social Economy = TSE)	NPI + some social enterprises, cooperatives and mutual societies + direct volunteer work (without involving organizations)
ILO, 2018	Guidelines concerning the statistics of cooperatives	Cooperatives
	Other international standards related to SSE	Entities
2008, SNA	System of National Accounts	All
ILO 2021 (replaces ILO 2011)	Volunteer Work Measurement Guide (Manual on the Measurement of Volunteer Work)	Volunteerism and volunteer work

## ▶ 4. Current state of international frameworks for SSE statistics (3)

### Inconsistency of existing international SSE frameworks

- ▶ In-scope entities are not the same.
- ▶ The profit distribution constraint is not defined and operationalized the same way.
- ▶ Democratic control is not always recognized as an operational criterion.
- ▶ The scope of volunteering is not the same.

### International frameworks with regards to the ILC definition of the SSE

- ▶ All frameworks were developed before the adoption of the ILC Resolution in 2022.
- ▶ Existing frameworks may include entities not mentioned in the ILC definition.
- ▶ The ILC entities may include entities that are not mentioned in existing statistical frameworks.
- ▶ One example of this are informal or unregistered entities, which none of the existing frameworks cover.

## ▶ 4. Current state of international frameworks for SSE statistics (4)

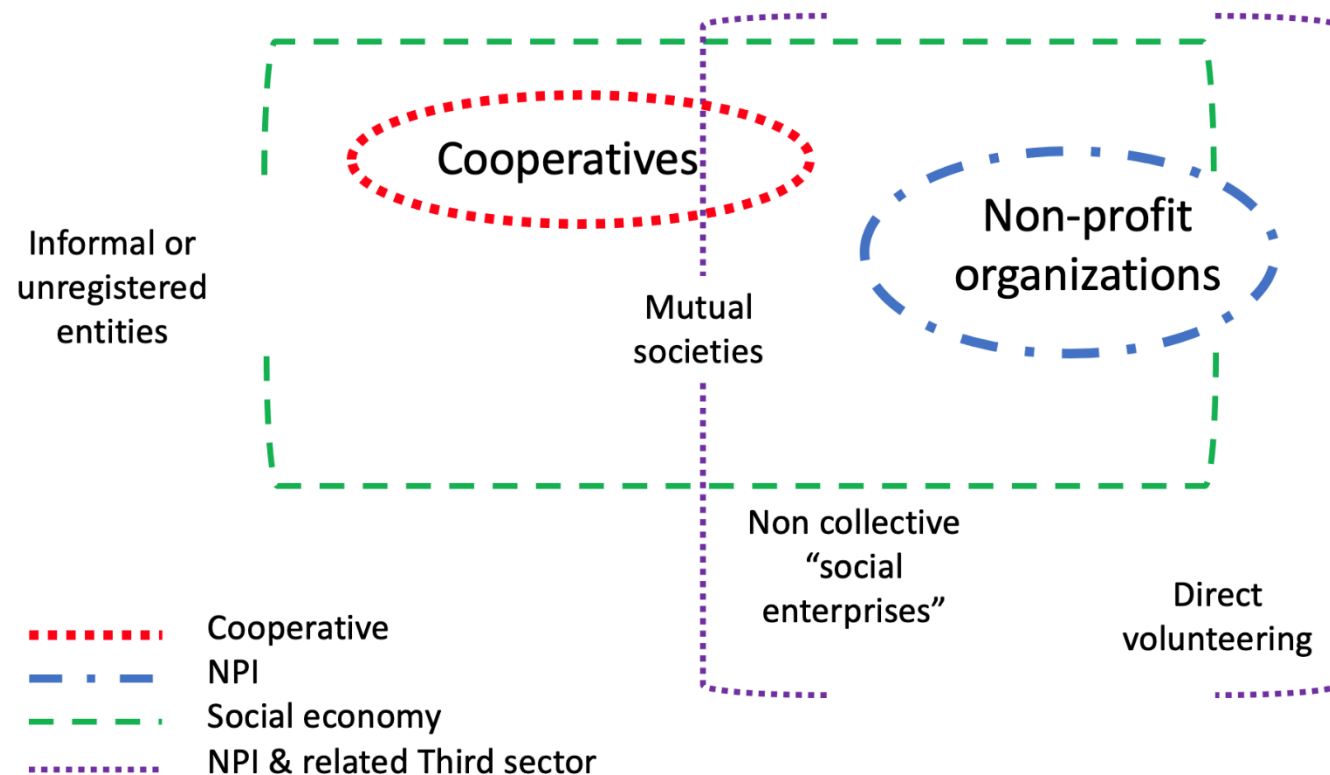
### Statutory and substantive approaches to defining the SSE

- ▶ Identifying entities in scope with the ILC definition will require combining screening by legal statuses and by other screening methods.

### Main conceptualization and ideal types of the SSE

- ▶ The Non-profit organization, identified by the profit distribution constraint and associated with the concept of Third sector.
- ▶ The Cooperative, identified by its democratic governance and associated to the concept of Social economy.
- ▶ The Social enterprise, still weakly institutionalized, some collectively owned (Non-profit or Cooperative), others not (For-profit private business with a social purpose).

## Figure 1. Entities and concepts covered by different international frameworks for SSE statistics



Source – Author's own elaboration

## **5. Recent discussions and initiatives of the Office and other international entities**

## ► 5. Recent discussions and initiatives of the Office and other international entities (1)

### ILO and ICLS – Cooperatives

- 2018 : The 20<sup>th</sup> ICLS recommends the adoption of the ILO Guidelines concerning statistics of cooperatives.
- 2021: The ILO initiative on Advancing the Guidelines conducts studies in 5 countries: Costa Rica, Italy, Republic of Korea, Tanzania, Türkiye.
- 2023: The ILO presents a Global report on Measuring cooperatives at the 21<sup>st</sup> ICLS, towards the development of a Manual, for presentation and discussion at the following 22<sup>nd</sup> ICLS.

### ILO, ICLS and UN – SSE

- 2022: The 110<sup>th</sup> ILC recommends the adoption of a Resolution on Decent Work and the SSE.
- 2022: The ILO SAP on the SSE plans work on the improvement of SSE statistics.
- 2023: The UN adopts a Resolution promoting the SSE for Sustainable Development.
- 2023: The ILO presents a Room document at the 21<sup>st</sup> ICLS on Measuring the SSE, a roadmap toward Guidelines concerning statistics of the SSE (this document).



## ► 5. Recent discussions and initiatives of the Office and other international entities (2)

### OECD and European Union – SSE

- 2017 : Seminar on Satellite Accounts for Third Sector and Social Economy. Recommendation to “combine approaches in reason of the diversity of national traditions and situations”.
- 2020: The OECD launches a Global Action Promoting SSE Ecosystems funded by the European Union.
- 2021: The European Union adopts a Social Economy Action plan. It launched a study on the SSE in the EU in 2023.
- 2022: The OECD adopts a Recommendation on the Social Economy and Social Innovation.


### UNTFSSSE, UNRISD, ICA, CIRIEC, Social Economy Europe – SSE

- 2019: Expert meeting to discuss Challenges and Opportunities of Statistics on the SSE. A research project is launched.
- 2021: The UNTFSSSE publishes three research papers on SSE statistics: Overview of SSE statistics approaches and methodologies; Mapping of international SSE mappings; Policy recommendations.

## ▶ **6. A roadmap towards harmonized statistics of the SSE**

## 6. Proposed actions starting with the 21<sup>st</sup> to the 23<sup>rd</sup> ICLS (1)

- ▶ The Office will support Members in further developing a methodological framework to measure the SSE's economic and social contribution, and in collecting and compiling comparable, timely, reliable, and harmonized data on the SSE. **It will work towards the development of international guidelines concerning statistics of the SSE.** It will also assist Members to improve statistics on the SSE, such as through satellite accounts and collaboration between national statistical institutes and SSE institutional representatives, to inform the formulation and implementation of policies. The Office will schedule presentations and discussions on statistics of cooperatives and statistics of the SSE **at the 21st and 22nd International Conferences of Labour Statisticians (ICLSes)** in 2023 and 2028, respectively.

 International  
Labour  
Organization GB.346/INS/3/2

### Governing Body

346th Session, Geneva, October–November 2022

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Institutional Section INS

Date: 29 September 2022  
Original: English

Third item on the agenda

**Matters arising out of the work of the 110th Session (2022) of the International Labour Conference**

Follow-up to the resolution concerning decent work and the social and solidarity economy

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**Purpose of the document**

This document contains the proposed strategy and action plan on decent work and the social and solidarity economy to give effect to the conclusions adopted by the Conference at its 110th Session (2022) (see the draft decision in paragraph 30).

Relevant strategic objective: All.

## 6. Proposed actions starting with the 21<sup>st</sup> to the 23<sup>rd</sup> ICLS (2)

With guidance from the ICLS, the ILO can work towards proposing Guidelines for statistics concerning the SSE, based on solid conceptual grounds, and leading to the development of a technical manual and practical methods for data collection.

This will help to measure the SSE with comparable, timely, reliable, and harmonized data at the world level.

Among the statistics needed are: the number and types of entities, the number of memberships and of beneficiaries, the number of workers engaged, the value of production, expenditure, accumulated assets, and value added.

The measurement of the economic contribution of the SSE faces the same issue that it does for cooperatives, and poses others, such as informality.

### Attention needed:

- ▶ The SNA is under revision.
- ▶ The notion of Social enterprise is quickly evolving.
- ▶ Some concepts and methods relevant for cooperatives will be relevant for other SSE entities.
- ▶ To explore approaches for measuring the part of the SSE that is informal.

## ▶ 6. Proposed actions starting with the 21<sup>st</sup> to the 23<sup>rd</sup> ICLS (3)

### Carrying out research

- ▶ SSE national statistics and international statistical frameworks + other statistical standards.
- ▶ Indicators and methods to measure the specific SSE contribution.
- ▶ Consultation of users and producers of SSE statistics, workers and employers' organizations, researchers.

### Constitution of a Working group on SSE statistics

- ▶ ILO constituents and observers, national authorities responsible for SSE statistics, researchers and experts in the SSE field, other relevant stakeholders including ILO Cooperative statistics Global and national advisory committees.

### Next ICLSes and further

- ▶ 22nd: Roadmap towards new guidelines for statistics concerning the SSE
- ▶ 23rd: Guidelines for statistics concerning the SSE
- ▶ Plan the work towards Technical and practical methods for collecting data concerning the SSE.
- ▶ Ongoing strategic watch and international dialogue.

► **Thank you !**