The social and solidarity economy (SSE) for a human-centred future of work

Cooperatives Unit

Enterprises Department

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This presentation is organized around four areas:

• Context for the Social and Solidarity Economy (SSE)
• Constituents’ needs & realities in light of the ILO strategic objectives
• ILO’s work on cooperatives and wider SSE
• Implementation of the strategic and coherent approach and added value of an examination by the ILC
Context for Social and Solidarity Economy (SSE)
What is the Social and Solidarity Economy (SSE)?

Enterprises and organizations (cooperatives, mutual benefit societies, associations, foundations and social enterprises) which produce goods, services and knowledge that meet the needs of the community they serve, through the pursuit of specific social and environmental objectives and the fostering of solidarity.

-- ILO 2009 Africa Regional Conference on ‘The Social Economy: Africa’s response to the Global Crisis’

The components of the Social and Solidarity Economy; source: (Coraggio, 2015)
What is a Cooperative?

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*.

-- ILO Promotion of Cooperatives Recommendation, 2002 (No. 193)
Cooperatives and other SSE enterprises and organizations (SSEEOs) are driven by common values and principles

- Economic and social function
- Collective dimension
- Solidarity
- Autonomy
- Voluntary involvement
- Participation

Cooperatives and SSE are major contributors to employment and economic output

- Cooperatives have over 1.2 billion members worldwide.
- Cooperatives alone provide jobs for an estimated 279.4 million people (9.47% of the world’s employed population).
- The total turnover of the top 300 cooperatives and mutuals is USD 2.1 trillion in 2015.

- Republic of Korea: The number of SSE enterprises increased from 501 in 2010 to 11,421 in 2015.
- European Union: The social economy provided over 13.6 million paid jobs and contributed to 8% the EU’s GDP in 2015.
- Mexico: 61,717 SSEOs were registered in 2013.
- South Africa: 136,000 registered non-profit organizations (NPOs) and 100,000 cooperatives in 2015.
Challenges

Despite the rising importance of cooperatives and the wider SSE, important questions remain regarding the definition, measurement, size, impact, potential, and limits of the SSE. A general discussion around Social and Solidarity economy (SSE) for a human-centred future of work is timely.
Constituents’ needs & realities in light of the ILO strategic objectives
A growing number of countries are developing or have adopted measures to advance the SSE in the past two decades

- **Legal or policy frameworks** on the SSE adopted in Argentina, Brazil, Bolivia, Canada (Quebec), Cape Verde, Cameroon, Colombia, Djibouti, Ecuador, France, Greece, Honduras, Luxembourg, Mexico, Romania, Portugal, Spain, Tunisia and Uruguay, Venezuela;

- South Africa and the Philippines are among countries currently developing a **social economy policy**.

- **Ministries or departments** on SSE established in Colombia, France, Luxembourg, Spain, and Republic of Korea;

- **National and local programmes** promoting the SSE launched in Colombia, India, Nicaragua, Republic of Korea, Spain; and

- **Sectoral programmes** (for example, health) developed on the SSE in West Africa.
Calls for new models of development are raised by countries and other actors, especially now that the COVID-19 pandemic has exposed fragilities in our societies, economies and deepened existing inequalities.

As values-driven organizations, cooperatives and social enterprises, mutual benefit societies, and associations emerge with innovative solutions to creating and sustaining jobs.
Recent policy developments on SSE in Asia

▶ **Japan** enacted the Workers' Cooperatives Act in December 2020
▶ **Republic Korea** implemented wide array of policies to boost the social economy, especially during COVID-19. The Bill of Framework Act on Social Economy is currently under discussion
▶ In the **Philippines**, a E-Summit on SSE is being organised as part of a national consultation on the potential amendment of the Poverty Reduction through Social Entrepreneurship (PRESENT) Bill
▶ The **Malaysian** government has launched a RM 3m ($728,500) Social Outcome Fund (SOF) as part of an ambitious effort to boost its social economy in 2017
▶ **India**’s government schemes target social enterprises in health care, affordable housing, agriculture, education, clean and off-grid energy, water and sanitation
Calls for new models of development

SSE (..) as alternative model of growth aimed at finding a new balance between economic efficiency and social and environmental resilience (…) By empowering individuals through greater control over decision-making processes and resources, the social and solidarity economy fosters economic dynamism, social and environmental protection and socio-political empowerment.”

UN Secretary General, 2021

UN Secretary General’s Report on Socially just transition towards sustainable development: the role of digital technologies on social development and well-being of all, February, 2021
Calls for new models of development

"It is necessary to address the root causes of exclusionary and unsustainable development, in order to shape a different future. Rethinking the way we do business will be crucial in order to ensure a ‘people-centred and planet-sensitive’ recovery.

UNTFSSE, 2020

What services does ILO offer on cooperatives and the SSE?
ILO COOP celebrated its centenary last year

A number of activities were organized to mark this occasion

1. Photo competition & slide shows
2. ILO COOP 100 Symposium
3. ILO COOP 100 Webinars
4. ILO COOP 100 Interviews
5. ILO COOP Chiefs across time
6. Feature videos from ILO COOP
7. Special issue of APCE journal
8. Coop statistics publication
ILO services on cooperatives and the SSE

- Legal & policy advice
- Training & capacity building
- Development cooperation
- Research & knowledge generation
- Partnerships
The ILO addresses multiple areas of work on cooperatives and SSE

- Capacity Building and Training
- Care Provision through Cooperatives
- Child Labour
- Formalization of the Informal Economy
- Fundamental Rights
- Future of Work
- Green Agenda
- Legislation and Policy
- Migrants and Refugees
- Rural Economy
- Social and Solidarity Economy
- Statistics on Cooperatives
- Sustainable Development Goals
- Trade and Global Supply Chains
- Women's Empowerment and Gender Equality
- Worker Cooperatives
- Youth Employment
Legal and policy advice on cooperatives and SSE

- The ILO Recommendation on Promotion of Cooperatives, 2002 (R. 193) has been used by more than 120 countries to revise or develop national policies and laws on cooperatives.
- The ILO has ongoing coop policy and legislation support in Jordan and Peru.
- The ILO has also been supporting the development of SSE policy and legislation in Tunisia and South Africa.
- There are requests for ILO technical assistance in the implementation of coop & SSE legislation (oPt Djibouti, Cameroon)

Policy and legislation influenced by Rec 193 by region 1997-2014

- Europe & Central Asia: 21%
- Africa: 38%
- Asia-Pacific: 17%
- Arab States: 4%
- Americas: 20%
Examples of National Implementation of Rec No. 193

- The **Philippine Government** used Recommendation No. 193 in revising the **Cooperative Code of the Philippines**, No. 6938, and preparing the new one, the Philippine Cooperative Code of 2008, No. 9520, which contains full text of the cooperative principles.

- The **Government of Indonesia** used Recommendation No. 193 (which was translated into Bahasa in 2003) to revise the **cooperative law of 1992 in 2012** (Law 17/2012). The ILO was consulted about how to use the Recommendation in preparing the new law.
Development cooperation (DC) projects on cooperatives

- Elimination of child labour (Madagascar, Cote d’Ivoire, Uganda, Burkina Faso, Egypt, Nigeria, Mali, Tanzania, Zambia)
- Creation of income-generation opportunities in conflict / disaster affected communities (Ethiopia, Uganda, Sudan, Kenya, Jordan, Sri Lanka, Somalia, oPt)
- Promotion of the universal health coverage (Kenya, Cameroon)
- Promotion of decent work in the waste sector (Senegal, Cameroon)
- Trade facilitation (Tanzania) & youth empowerment (Cambodia, Laos)
- Italy-ILO cooperation to support Palestinian cooperatives
Development cooperation (DC) projects on SSE

- Promotion of Organizations and Mechanisms of Social and Solidarity Economy (‘PROMESS’) in Tunisia
- Support to Tunisian youth through social and solidarity entrepreneurship (“JEUNESS”)
- Strengthening the resilience and promotion of decent work of women-led SSE organizations in Tunisia (“FORTER’ESS”)
- Development of Social Economy Policy in South Africa
- Land and Rights – Paths to Social and Solidarity Economy in oPt
- “Dignità in campo”: SSE to prevent for of exploitation of migrant workers in agriculture (Italy)
Research and knowledge generation on cooperatives and SSE

- **Strengthening SSE Policy in Asia** - Research and capacity building initiative on Republic of Korea, China, Japan, Philippines, Indonesia, and Malaysia (underway)

- Research Initiative on “**The role of Social and Solidarity Economy and Social finance in sustainable development and the future of work**” (second phase on **Social innovation & SSE in Africa** launched)

- Research Project on "**Financial mechanisms for Innovative Social and Solidarity Economy Ecosystems**“ (completed)
Strengthening Social and Solidarity Economy Policy in Asia Project

The project aims to contribute to the development of the SSE policy in Asia and the Pacific region.

The project comprises of two phases:

- **Research**: Enhance the understanding on the SSE in Asia and the Pacific region;
- **Capacity-building**: Provide technical support to countries in need to develop/strengthen their SSE policy

Research phase culminated in an **international conference** in September 2020.
Workshop on Strengthening Social and Solidarity Economy Policy in Asia

This workshop is part of the capacity-building phase of the project (March 29-31, 2021)

Two main objectives of this workshop:

- **Raise awareness** about the role of cooperatives and wider SSE in realising inclusive and sustainable development, in the post-COVID-19 recovery and beyond;

- **Promote dialogue** among constituents and key SSE stakeholders increase their capacity in developing and strengthening SSE policies adapted to their national context.
Research and knowledge generation: Key publications

ILO COOP world of work series

ILO/COPAC joint research on Statistics on Cooperatives

COPAC series on Cooperative contribution to the SDGs

Financial mechanisms for Innovative SSE Ecosystems

Series of public policies for SSE case studies

All the publications are available at ilo.org/coop
Training and capacity building on SSE

- The **SSE Academy** brings together practitioners and policymakers from all around the world since 2011, with the 11 editions of the Academy.
- The **SSE Collective Brain** serves as an information hub of the ILO SSE Academy to facilitate exchanges and cooperation beyond face-to-face interactions during the Academy.
Training and capacity building on cooperatives in Asia Pacific Region

- Our.Coop training in India with SEWA, Cambodia, Myanmar, Laos, Indonesia, Timor-Leste
- My.Coop agricultural cooperative training in Nepal, Indonesia, Mongolia, Vietnam
- ApexFinCoop training in Nepal
Partnerships

ICA
- ILO signed a new MoU in 2019 using the Future of Work as frame
- Its sectoral organization CICOPA and its regional chapters
- ILO’s Director-General Statement for the International Day of Cooperatives

ICA

COPAC
- Multi-stakeholder partnership between representatives of the cooperative movement
- Present members: UNDESA, ILO, ICA, and FAO
- Working Group on Statistics of Cooperatives

COPAC

UNTF SSE
- ILO co-founded UN TF SSE to raise the visibility of the SSE in international knowledge and policy circles in 2013
- Currently chaired by the ILO, it has 18 UN Agencies and the OECD as members and 14 civil society organizations as observers.

UNTF SSE

Others
- JCCU: Study tour with African cooperative leaders
- Republic of Korea: Secondment from the Ministry of Finance
- Italian cooperative movement: Study visits, ILO COOP tool use
- Research institutions (e.g. CIRIEC) and universities (Belgorod University) for joint research, training and conferences

Others
Implementation of the strategic and coherent approach and added value of an examination by the ILC
The expected outcomes are conclusions and a resolution to provide further guidance for the ILO to:

- Provide 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 throughout their working lives;
- **Provide policy guidelines** for member States wishing to establish a conducive environment for national development of SSE;
The expected outcomes are conclusions and a resolution to provide further guidance for the ILO to:

► Equip the Office with **guidance** on how to engage in the promotion of the SSE worldwide, including through development cooperation; and

► Encourage the Office **to establish and maintain a wide range of partnerships with institutions**, organizations and agencies representing the SSE, or involved in the promotion of the SSE.
Thank you!