



International
Labour
Organization

The Social and Solidarity Economy

A new enterprise model is emerging

The Social and Solidarity Economy

“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.”

ILO Regional Conference on Social Economy, Africa’s Response to the Global Crisis, October 2009.

Today’s challenges - unemployment, exclusion, inequality, economic shocks, poverty and global warming - oblige us to rethink the way we do business. The needs of large groups in society in industrialized as well as developing countries are neither met effectively by conventional markets nor by the state. One product of this rethinking has been the emergence of social enterprises - businesses with primarily social objectives – as part of a growing “Social and Solidarity Economy” that also includes the economic activities of community and voluntary organizations. Social and solidarity economy enterprises complement other channels of providing goods and services. This includes the reintegration of vulnerable groups into working lives and the extension of social protection.

While remaining a grass-roots movement, the social and solidarity economy has grown over the past decades to become a significant economic factor in many parts of the world and increasingly an area of public policy making. Cooperatives, including mutual societies in the insurance and finance sectors, for example are estimated to employ over 100 million people around the world. In the European Union, about 10% of companies and 6% of total employment are estimated to be within the social and solidarity economy.

The ILO approach to social and solidarity economy



Common operating principles of Social and Solidarity Economy Enterprises and Organizations

The social and solidarity economy (SSE) contributes to the four dimensions of the ILO’s overall goal of creating decent work for all: productive employment, social protection, the respect for rights as well as voice. The ILO therefore supports the emerging SSE through advocacy, partnerships, capacity building and policy advice:

- **Enhancing** the recognition of social and solidarity enterprises and organizations and increase the number of partnerships with them;
- **Promoting** the role of social and solidarity enterprises and organizations during major ILO international and regional events;
- **Building** partnerships between social and solidarity economy stakeholders in the North and South, as well as South-South partnerships;
- **Increasing** the capacity of ILO constituents and other key stakeholders to promote social and solidarity enterprises and organizations;
- **Facilitating** the exchange of experiences and practices between ILO constituents, social and solidarity economy stakeholders, policymakers and development partners;
- **Supporting** the creation and strengthening of existing networks of social and solidarity economy promoters, relying on national platforms of coordination, advocacy and dialogue and other existing national networks.

- **Creating** a network of expertise on the promotion of social and solidarity enterprises and organizations, designed for social and solidarity economy actors, promoters and policymakers to gather and share experience and good practices;
- **Developing** collaboration between United Nations agencies and development partners to strengthening social and solidarity enterprises and organizations.
- **Supporting** the establishment of an enabling legal, institutional and policy environment for social and solidarity enterprises and organizations and to strengthen and promote social and solidarity economy structures at the national level.

The ILO in action: Supporting the social and solidarity economy



ILO Social and Solidarity Economy Tools

- Cooperative Project Design Manual
- My.COOP –Training toolkit for agricultural cooperatives
- Introduction to Social Enterprise (ISE)
- Generate Your Social Business Idea (GYSBI)
- Generate Your Social Business Plan (GYSBP)
- Social Business Plan Competition Handbook
- Guide to Finance for Social Enterprises in South Africa
- Guide to Legal Forms for Social Enterprises in South Africa
- Innovative Cooperative Training: A Trainer's Source Book

Advising on policy and law

The ILO provides advice on the design and implementation of policies and laws on cooperatives, and on SSE policies relating to social security, financial inclusion, HIV/AIDS and occupational safety and health. It also collaborates with national authorities on transport and education policies. At the local level, the ILO acts as a facilitator of dialogue between the public and private sectors and local communities.

Improving access to finance

The ILO aims to improve access to finance through the promotion of SSE organizations such as microfinance and microinsurance schemes. It promotes the role of socially-oriented financial institutions in being a conduit for various dimensions of decent work such as child labour and working conditions, through a package of financial and/or non-financial services.

Building capacity

The ILO provides a wide range of capacity-building tools to sustain the social and solidarity economy.

It has initiated an annual **Academy on Social and Solidarity Economy** (<http://socialeconomy.itcilo.org/>) to develop knowledge and capacity among government policymakers, employers' and workers' representatives, the business sector, academics and practitioners. The first four editions of the Academy were organized by the International Training Centre of the ILO (ITC-ILO) in Turin (Italy) in 2010, in Montreal (Canada) in 2011, in Agadir (Morocco) in 2013 and in Campinas (Brazil) in 2014.

The ILO has been working on the realization of an **interactive Distance-Learning platform on the Social and Solidarity Economy**. This tool is accessible in a variety of formats, it is available in three languages (English, French and Spanish) and it provides to users the general background in the area.

The ILO publishes the **SSE Reader** drafted by an international team of high level experts, with guidance, guidelines and technical inputs from ILO officials. Reviewed by ILO experts and partner organizations, the ILO Reader on SSE is part of the training package delivered during the Academies.

The **Collective Brain** (<http://www.sseacb.net/>) is a virtual interactive space aiming to enrich the ILO Social and Solidarity Economy Academy. It is a virtual multilingual space which tries to reproduce and enhance, all year long, the interactive dynamics of the Academy.

Providing research-based advocacy

The ILO produces case studies and other material highlighting the relevance of the SSE for social protection, employment creation, rights at work, social dialogue and “green” jobs. It has initiated partnerships on the SSE at international, national and local level with academic and research institutions and the International Co-operative Alliance, and participated in events to promote, disseminate and advance ILO principles and the links between decent work and the social and solidarity economy.

A snapshot of our work: Fostering social and solidarity economy in South Africa



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The New Growth Path - South Africa's development strategy - identifies the potential to create 260,000 new jobs in the social and solidarity economy. To help seize this opportunity, the project **Private and Public Procurement and the Social Economy (PPPSE II)** funded by the Government of Flanders supports SSE businesses in South Africa to penetrate the regulatory space for the preferential procurement of their goods and services through Government and the corporate sector. The overall outcome of the project is more and better jobs for men and women in sustainable social enterprises operating in the Kwa-Zulu Natal Province and the Free State Province.

The project offers a mix of

1. Advocacy;
2. policy advisory services targeted at procurement officials in Government and public and private sector corporate business;
3. training for social business development services organizations and;
4. capacity building support for owner-managers of social enterprises.

For more information please contact the ILO Pretoria Office & Decent Work Country Team for East and Southern Africa: www.ilo.org/pretoria.

UN Inter-Agency Task Force on Social and Solidarity Economy



© UN Task Force

Since 2006 the ILO has expanded its cooperative work to embrace the broader Social and Solidarity Economy, and in September 2013 it became a founding member of the UN Inter-Agency Task Force on the Social and Solidarity Economy (TFSSE).

The UN Inter-Agency TFSSE includes more than 20 members and

observers, bringing together UN agencies and inter-governmental organizations with a direct interest in SSE as well as umbrella associations of international SSE networks. The aim of the TFSSE is to raise awareness and improve the visibility of SSE within the UN system and enhance momentum towards mainstreaming the issue of SSE in international and national policy frameworks. As the United Nations discusses the contours of the post-2015 development agenda and promotes development pathways that simultaneously foster economic dynamism, social and environmental protection and socio-political empowerment, the members of the Task Force will undertake collaborative activities that aim to:

- enhance the recognition of social and solidarity economy enterprises and organizations;
- promote knowledge on social and solidarity economy and consolidate SSE networks;
- support the establishment of an enabling institutional and policy environment for SSE;
- ensure coordination of international efforts and strengthen and establish partnerships.

The work of the Task Force takes into account country priorities and circumstances, in consultation with national partners.

For more information please visit: <http://www.unrisd.org/tfsseSSE>

The ILO and Sustainable Enterprises

The ILO Sustainable Enterprise Programme helps create more and better jobs through enterprise development. It connects business growth and competitiveness with the needs of people to make a decent living in a healthy environment - today and in the future. Anchored in the ILO's mission to create decent work for all women and men, this programme is centred on three pillars:

- An enabling environment for enterprises - Creating the right framework that enables businesses to start, grow and create decent jobs;
- Entrepreneurship and business development - Helping entrepreneurs, in particular youth, women and marginalized groups, to start and build successful enterprises;
- Sustainable and responsible workplaces - Demonstrating the link between productivity gains and improved working conditions, good industrial relations and good environmental practices.

The programme combines evidence-based policy development with capacity building and enterprise support services, delivered at the international and country levels, through advisory services and a large portfolio of technical cooperation. It works with governments, employers' and workers' organizations, in partnership with other UN agencies, financial and academic institutions, donors and others.

Useful links

ILO and Cooperatives - www.ilo.org/coop

ILO Social and Solidarity Academy - www.itcilo.org/socialconomy

Collective Brain of the SSE Academy - www.sseacb.net/

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