



International
Labour
Organization

**PUBLIC POLICIES
FOR THE SOCIAL AND SOLIDARITY ECONOMY
AND THEIR ROLE IN THE FUTURE OF WORK**

THE CASE OF TUNISIA



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FOREWORD

The International Labour Organization (ILO) has a long tradition and extensive experience on the social and solidarity economy (SSE). In fact, the first official document making direct reference to social economy enterprises dates back to 1922 in the proceedings of the 11th Session of the Governing Body of the Organization. The ILO's commitment to the advancement of the SSE is grounded in its Constitution, in the 2008 ILO Declaration on Social Justice for a Fair Globalization and in the 2019 Declaration for the Future of Work in which it is indicated that the ILO should concentrate its effort in *“supporting the role of the private sector as a principal source of economic growth and job creation by promoting an enabling environment for entrepreneurship and sustainable enterprises, in particular micro, small and medium-sized enterprises, as well as cooperatives and the social and solidarity economy, in order to generate decent work, productive employment and improved living standards for all”*¹.

The SSE is a concept that is increasingly being used to refer to all economic activities involving organizations such as associations, cooperatives, foundations, mutual benefit societies and social enterprises that are guided by principles, values and practices concerned with participation, democracy, solidarity and commitment to the environment, and that prioritize the pursuit of a social aim.

The social and solidarity economy sector has not only proved to be resilient to economic crises in terms of employment, but it also represents a concrete response, from civil society, to its own needs through, for example, the provision of basic services that traditional welfare state systems are no longer in a position to provide and that the traditional private sector does not consider as profitable.

The SSE continues to grow in many countries and there is increasing recognition of its role in sustainable and inclusive development. In fact, more and more governments see the SSE as an area of work that is relevant for tackling challenges related to employment, service provision and the level of social cohesion, among others. The growth of the social and solidarity economy around the world, its positive social impact as well as the economic opportunities it creates, are important aspects highlighted in ILO Centenary Declaration for the Future of Work.

This paper studies the case of Tunisia, where a framework law on SSE has been formulated and supported by a tripartite process with ILO assistance. This paper aims to describe and explain the overall context and the evolution, from an historical and institutional standpoint, of the process that has fostered a more favourable policy framework. Moreover, it tackles the topic of the role that SSE can play in addressing the challenges of the Future of Work in Tunisia.

¹ International Labour Office (ILO). 2019. *ILO Centenary Declaration for the Future of Work*, International Labour Conference, 108th Session, Geneva.

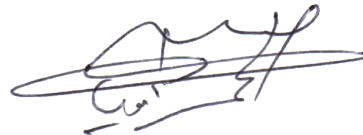
The most important aspects covered are:

- the context and the development of the SSE in recent years;
- the identification of key government measures (laws, public policies, programmes, institutional reforms, and so on) taken to support the SSE;
- analysis of the key challenges faced by the social solidarity economy;
- the SSE and the Future of Work.

We would like to thank the author, Dr Akram Belhaj Rhouma, for his research as well as the PROMESS project of the International Labour Office which provided the framework to carry out this study. We hope that the contents of this paper will be of use to those readers who would like to better understand how the SSE is steadily contributing to building an alternative model of production and consumption.



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MAJOR ACRONYMS

CRDA	Regional Commissary for Agricultural Development
GDAP	Agricultural and Fishery Development Groupment
INS	National Institute of Statistics
MARHP	Ministry of Agriculture, Water Resources and Fishery
MDICI	Ministry of Development, Investment and International Cooperation
MFPE	Ministry of Vocational Training and Employment
ONAT	National Office of Tunisian Handicrafts
PNDA	National Plan of Tunisian Handicrafts Development
SMSA	Mutual Society of Agricultural Services
SSE	Social and Solidarity Economy
SSEO	Social and Solidarity Economy Organization
UCPA	Cooperative Unit of Agricultural Production, exploiting Agricultural Public Lands
UGTT	Tunisian General Labour Union
UTAP	Tunisian Agriculture and Fishery Union
UTICA	Tunisian Confederation of Industry, Trade and Handicrafts

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INTRODUCTION

1. DEFINITION OF THE SSE

A generic notion, rich in human rights and universal principles, the SSE refers to democracy, citizenship, social justice, sustainable development, decent work, social well-being and human dignity. The SSE activities, legal forms and entrepreneurial initiatives are extremely variable. This development path swings back and forth between both the private and public sector. It is exposed to the contingencies of the public authorities' interference and to drifts towards profit-making economy. Based on the SSE draft Law, strategic study and Tunisian particularities, SSE can be defined as follows:

« All economic activities of production, transformation, distribution, exchange and consumption of both goods and services carried out by cooperatives, mutuels and some of the associations, as well as by every legal person under private law that respects the following cumulative principles;

1. Primacy of social utility over capital;
2. Open membership and liberty of withdrawal;
3. Independence from public authorities and political parties;
4. Democratic management according to the "one member, one vote" rule;
5. Limited profitability;
6. Ethical values such as solidarity, equality, citizenship, social cohesion, fairness, equity, and individual and social responsibility ».

Therefore, the SSE is constituted by **economic enterprises** that create wealth and jobs, and are involved continuously in the production of goods and services and having the ability to provide the enterprise with its own sufficient resources. However, the social and solidarity-based organization (SSEO) embodies an opposed vision compared to the for-profit enterprise. In an SSEO, Maximization of profits is not an objective in itself. It is rather a mean **to serve a social utility**. The human being is the center of gravity of the SSEO.

2. STATE OF THE FIELD

a. The SSE culture is deeply rooted in the Tunisian history

The "*Touiza*" is a customary practice that is known from the dawn of time. It mobilizes the tribal community around a general-interest project, agricultural collective work or mutual assistance for vulnerable people. The association will cover every interest and take all forms: irrigation unions, syndical associations of oasis owners, water groups etc. Similarly, the idea of building an autonomous cooperative sector, distinct from both private and public sectors appeared for the first time in Tunisia in the Tunisian General Labour Union (UGTT) program adopted at its 6th congress held on September 20th-23rd, 1956. The economic report underlines that « The UGTT considers that a truly democratic economic development must rely on

the application of cooperation and generalization of cooperatives in every form, limitlessly varied... It is not only the creation of isolated cooperatives that we aim for but also the establishment of a truly cooperative system that will ensure the efficient economic integration of Tunisia »¹.

b. Variability of SSE enterprises

The SSE is composed of several actors that are acting in all human activity fields and covering the whole national territory (nevertheless in a variable way). In addition to some types of commercial companies (such as economic interest groups and limited liability companies), the enterprises that are forging the backbone of the Tunisian SSE are classified into three big categories:

• Cooperatives

Under the terms of article 3 of the law No. 67-4 of 19th June 1967, on the General Statute of the Cooperation: «Cooperatives are enterprises with variable capital and staff constituted between persons having common interests, that come together in order to meet their needs and improve their material and moral conditions. They practice their activities in sectors defined in the National Development Plan and in accordance with specific principles of cooperation hereinafter stated:

- Principle of free membership and open door;
- Principle of democratic management;
- Principle of equity in the members contribution to social capital;
- Principle of the distribution of surpluses pro rata to operations carried out by the cooperator within the cooperative;
- Principle of limited remuneration of capital;
- Principle of social and educational promotion ».

Nowadays, the Tunisian cooperative sector is composed of:

- 340² mutual societies of agricultural services (SMSA³). In spite of the efforts of the public authorities, the rate of adhesion of farmers to these cooperatives does not exceed 5%⁴. The SMSAs are governed by the law No 2005-94 of 18th October 2005. These cooperatives are able to grant their members all necessary services to agricultural activity: purchase of raw material, conservation, transformation, storage, packing, transportation and sale of agricultural and Fishery products, sale of fuel, coaching and guidance....
- 18 Cooperative Units of Agricultural Production exploiting agricultural public lands (UCPA) ⁵ governed by Law No 84-28 of 12th May 1984. In the context of this kind of cooperatives, cooperators shall share their own means in order to develop, revive and exploit agricultural public lands.
- Cooperatives active in sectors other than agriculture (handicrafts, trade, habitat, consumption...) for which there is no exact data on their legal

¹ Free translation by the consultant. Quoted in M.L.F Moussa, *L'État et l'agriculture en Tunisie. Essai sur l'intervention de l'État dans le secteur agricole*, CERP, Tunis, 1988, p. 449 et s.

² 325 basic (or regional) SMSA and 15 centrals SMSA. Source: MARHP.

³ Despite their designation as « Mutuals », SMSAs are cooperatives.

⁴ Source : MARHP.

⁵ Source : MARHP.

and institutional constraints, number, location and social and economic contribution.

- **Mutuals**

They form insurance and social security enterprises. The mutual sector accounts 48 mutual societies⁶ governed by the Decree of 18th February 1954. According to the first article of this Decree, mutual societies are « permanent groupings that, through the contributions of their members, intend to carry out in their interest and their families', actions of purveyance, solidarity and mutual assistance towards covering risks inherent to the human being: illness, maternity, old age, accident, disability, death, etc. ». Besides this type, there are two mutual insurance companies governed by the Insurance Code: The Mutual Education Insurance (MAE) and the Tunisian Mutual Agricultural Insurance Fund (ACTAMA).

- **Associations**

« The association is a convention by which two or many persons work permanently to achieve objectives other than profit making », as stated in article 2 of the Law-Decree No. 2011-88 of 24th September 2011. In Tunisia, there are:

- more than 21.000 associations governed by the Law-Decree of 2011⁷;
- 3000 Fishery and Agricultural Development Groupments (GDAP)⁸ and
- 289 associations of microfinance (AMF) including 202 active ones⁹.

c. A rich and heterogeneous sector

SSEOs are active in several fields of action: economic and local development services, education, charitable and humanitarian activities, cultural and leisure activities, etc. They are present in the agribusiness and the agricultural services, in the social security and financial sphere. Despite difficulties, the agricultural sector forms the strong point of the SSE thanks to history deeply-rooted companies. Nevertheless, social and solidarity-based companies do not apply to a homogeneous economic logic. Some are well fit in the market and are in competition with the private sector actors. It is the case of the mutual-formed insurance companies and some central SMSA. Some other SSEOs are at a very low competitiveness level. They are acting for the maintainance and survival of small-scale farmers such as many basic SMSA and the groupments of the rural women. In addition, some companies deeply depend on the public financing in order to execute public services on behalf of State. This is the case of the association "Tunisian Union of Social Solidarity" and the cooperative "Central Mutual Wheat Company". In fact, they are simple subcontractors of the public policies and are subject to a public excessive interventionism. They have been transformed into semi-public semi-private hybrid entities.

⁶ Source: General Insurance Commette

⁷ In absence of SSE statistics, we don't know which are considered as SSEO among these associations.

⁸ Source: MARHP.

⁹ Source: Ministry of Finance.

3. OBJECTIVES AND METHODOLOGY OF THE REPORT

On the one hand, this study aims to identify, analyze and evaluate both the framework and content of the SSE public policies in Tunisia. The objective is to measure the impact of the social and political transformation on the positioning of the SSE in political choices; to describe the main public policies in force or being formulated (legal texts, strategies, programs, measures etc.); and eventually to evaluate the quality of these policies in their conception and execution.

On the other hand, this report analyzes the role of SSE in Tunisia against the challenges related to the transformation of labour market in the light of ILO's reports on the future of work. Thus, it introduces the key changes underwent by the labour market and their impact on the future of work. Then, it shows how and why investing in SSE in order to respond to changes of the employment market and create decent and sustainable work. Therefore, some key fields for a decent and sustainable work have been identified in the SSE sector. The study presents also the major fields of thought for future debates in terms of challenges and strategic actions.

Finally, the study suggests some recommendations in order to articulate all the initiatives and policies into an operational and unique national plan that meets the actors' expectations.

The report is based on both published and unpublished studies and on data from official state documents as well as on a field work through interviews carried out with actors of SSE public policies. It is divided into the following parts:

- Part I: The political economy of the SSE
- Part II: Public policies for the SSE
- Part III: Main challenges facing the SSE
- Part IV: SSE and the future of work in Tunisia
- Recommendations.

PART I: THE POLITICAL ECONOMY OF THE SSE

Since 2011, Tunisia has been in the middle of a political transition that has generated social and economic difficulties, which turned out to be hard to master. In these conditions, some SSE movements are emerging.

1. THE TRANSFORMATION OF THE SOCIO-POLITICAL CLIMATE

Popular claims, triggered on the 17th of December 2010, have eventually led to overthrow Ben Ali and his regime on the 14th of January 2011. This event, qualified by the new Constitution of 2014 as a revolution, generated a spectacular transformation of the political, social and cultural scenes. The revolution produces a democratization movement of the Tunisian society founded on dignity, freedom, justice and social well-being. While several SSE actors had been for a long time under the intervention and instrumentalization of the unique party, they are now floating in liberty. Tunisian Constitution proclaims a set of principles, values, rights and fundamental liberties that are in correlation with SSE values. “The State acts to ensure social justice, sustainable development and regional balance taking into account development indicators”, affirmed article 12 of the Constitution. It ensures the contribution of youth to social, economic, cultural and political development¹⁰. Thus, the Tunisian State is a state of citizenship¹¹, liberties¹² and participatory democracy¹³. It guarantees to « every male and female citizen the right to work under favorable conditions and with a fair salary»¹⁴ and ensures equal opportunities between men and women¹⁵. Indeed, placing these principles on top of the pyramid of legal rules will inevitably change the place of the SSE in the political choices and legal instruments.

Political pluralism, dialogue between political actors, the signature of the social contract on the 13th of January 2013 and the elections of the Parliament in 2014 and municipalities in 2018 have contributed to push some politicians, public structures and field actors around the SSE.

A social conscience is being consolidated day by day: the social and solidarity enterprise is no longer a forced structure or a prerogative of public power, as it was during the 60's cooperative experience and in some associations of public utility. Now, the social and solidarity-based enterprise is a democratic organization of freedom and social welfare.

¹⁰ Article 8 of the Constitution.

¹¹ Article 2 of the Constitution.

¹² Article 21 and 49 of the Constitution.

¹³ Article 139 of the Constitution.

¹⁴ Article 40 of the Constitution.

¹⁵ Article 46 of the Constitution.

2. THE NON-ABILITY OF THE PRIVATE AND PUBLIC SECTORS TO MEET ALL OF THE SOCIAL NEEDS

For decades, the Tunisian growth has not been inclusive. Since January 2011, the situation has become hard to master. Unemployment and social vulnerabilities harden more and more. Public services are degrading, and financial public resources are dropping. The administrative machine remains slow and bureaucratic. The delay of action, resistance to changing and the lack of initiative hinder the performance of the public action¹⁶.

The state dedicates about one billion dinars per year¹⁷ to support employment through an arsenal of active employment programs. Yet, the unemployment rate remains high: 15.5 % in 2019 against 13.0 % in 2010¹⁸. The private sector is little dynamic and innovative. Over the 1997-2013 period, Tunisia had recorded a net creation of approximately three hundred thousand companies, an average of 18 thousand companies per year; which represents an annual growth rate of 3.7%. Furthermore, the economic fabric is dominated by the individual enterprise. At the present time, more than 86 % of created companies do not recruit any employee¹⁹.

These indicators reflect structural failures of a bipolar development model founded on duality: public sector/private sector. However, each failure of these two sectors to meet social needs is an opportunity for the SSE. The SSE « emerged out of the need to provide goods and services that are not accessible from the public sector and conventional businesses »²⁰. Instead of claiming employment in public sector or private investments, especially in the disadvantaged regions, the citizens take things in hand. In fact, they create their own wealth in the territories through democratic entities of social utility.

3. SIGNS OF EMERGENT SSE MOVEMENTS

Some SSE movement's attempts are emerging steadily. In an environment that has become indulgent to liberties, the actors want to confront the difficulties of both private and public sectors in order to collectively meet their needs. Some social groups, including women active in informal economy, tend more and more to associate within formal structures such as cooperatives and associations. Furthermore, since, 2002, the editors of « Strategic study: Handicrafts by 2016 » noted that « The role assigned to SOCOPA (Commercialization Company of Handicrafts Products) could be entrusted to professional associations in the context of privatization of this public enterprise. The sector's professionals must take the sector in hand ». The SSE is progressively becoming a third pillar of development, another form to respond to social demands and another way of making business. While SSE marks a comeback in the socio-political context, SSE movements remain

¹⁶ MDICI et PNUD, *Étude stratégique sur l'économie sociale et solidaire en Tunisie*, élaborée par M^{ed} Haddar, Akram Belhaj Rhouma et Fathi Elachhab, Tunis, 2017, p. 175.

¹⁷ Source : Ministère des finances.

¹⁸ Source : INS.

¹⁹ MDICI et PNUD, *Étude stratégique sur l'économie sociale et solidaire en Tunisie*, élaborée par M^{ed} Haddar, Akram Belhaj Rhouma et Fathi Elachhab, Tunis, 2017, p. 175.

²⁰ ILO, "Cooperation in a changing world of work: Exploring the role of cooperatives in the future of work", *Cooperatives and the world of work* no.6, 2016, p. 1.

scattered and form neither a coordinated nor a unified ecosystem. Hence, there is no database of networking initiatives connecting SSE players.

Yet, a big part of the civil society, all social partners (UGTT, UTICA and UTAP), almost all political parties and many international organizations include the SSE promotion as a strategic axis in their programs. Perpetual advocacies campaigns are organized aiming to SSE's official recognition, institutionalization and visible integration into public policies. Can be quoted, for illustrative purposes, the initiative of a draft organic law on the SSE prepared by the UGTT and the advocacy for the SSE promotion in a form of a nationwide consultation held by that very organization from August 2017 to July 2018. Furthermore, almost every Ministry²¹ manages, in one way or another, SSE-related files, but with poor coordination. Some Ministries claim being historical founders of the SSE or at least, pioneers in that matter. Likewise, it is witnessed the emergence of the SSE discipline in some universities' programs. It is important to add that deputies of Assembly of the Representatives of the People have manifested their interest for the SSE sector:



INTERVIEW WITH:
DEPUTIES OF THE ASSEMBLY OF THE REPRESENTATIVES OF THE PEOPLE²²

Deputies, belonging to different political parties, have expressed their political commitment to support the SSE. The will is to establish a Basic Law and reform the specific legal texts in order to ensure the coherence and intelligibility of the entire current legal framework. According to some deputies, SSE promotion, as a third development lever requires not only legal texts and technical or financial instruments, but also a national awareness plan to mobilize Tunisians around this potentially promising sector. It is about time to put an end to the classic perception of cooperatives coming from the 60's failure and create a new generation of SSE entrepreneurs.

²¹ Ministry of Social Affairs; Ministry of Agriculture; Ministry of vocational training and employment; Ministry of women; Ministry of Finance, etc.

²² Interview of the consultant with deputies of the Assembly of the Representatives of the People on 17th March 2019 during a training he provided on the ESS to the deputies.

PART II : PUBLIC POLICIES FOR THE SSE

1. THE SSE: A STRATEGIC CHOICE OF THE TUNISIAN STATE

The SSE is being confirmed increasingly as a strategic choice of the Tunisian state.

a. The social contract

In the founding documents of public policies, the concept of SSE has appeared for the first time within the social contract signed by the government, UGTT and UTICA on the 14th of January 2013 in the presence of the Director-General of the ILO. Under the terms of the social contract, the promotion of the social economy is one of the pillars of a new development model that will ensure an integral, sustainable, balanced and fair development. Based on the fifth axis of the social contract relating to the institutionalization of a social and tripartite dialogue, the Law No 2017-54 of 24th July 2017 has created the national council of the social dialogue. This council is concerned by SSE. It is in charge of organizing and managing the national dialogue of the social and economic common-interest topics²³.

b. The Development Plan 2016-2020

In Tunisia, the Development Plan 2016-2020 and its Orientation Note has recognized in a structured way the SSE as a third development pillar, alongside with both private and public sectors. Let's not forget that the development Plan is the unified framework that includes all of the state's policies and strategies²⁴. The Development Plan is also a reference document for the annual Economic Budgets and the Finance Laws, under the terms of the article 4 of the Organic Law No°2019-15 of 13th February 2019 relating to the Organic Law of the Budget.

The Development Plan stipulates that the SSE is a third sector that completes both the private and public sectors. It is able to contribute to wealth and employment's creation and make life conditions better. In Chapter « Priorities and reforms», the Development Plan 2016-2020 defines five strategic reforms of the SSE:

- **Creation of a comprehensive and unified legal framework** for the SSE that meets the new requirements of the Constitution;
- **Establishment of a national and regional governance system**, through the possibility to create a public structure in charge of the SSE and a national council, as well as setting up a statistical system;
- **Setting up a financing system** compatible with the sector's originality, especially the creation of specific credit lines and provide simple procedures;
- **Development of skills and qualifications** through integration of the SSE in the various training courses in order to foster the SSE culture and encourage

²³ Art. 2 de la loi n° 2017-54.

²⁴ Article 1 of Law No 2017-28 of 25 April 2017, on approval of the 2016-2020 Development Plan.

the youth enrolment;

- **Setting up a plan of communication and awareness.**

c. The strategic study on the social and solidarity economy in Tunisia

The strategic study, first of its kind in Tunisia, falls within the scope of the implementation of the development Plan 2016-2020. Coordinated by the MDICI and assisted by the UNDP in October 2016, the study aims to realize three objectives: First, carrying out a legal, institutional, sociologist and economic diagnosis of the sector; then, establishing a strategy for the SSE foundation and development and finally, implementing an action plan. The study is led by a participatory and multidisciplinary steering committee. It identified the SSE concept in chapter I. The Chapter II detailed the SSE actors, namely cooperatives, mutual societies and associations. The third Chapter carried out a global and by actor swot evaluation. The diagnosis has resulted in :

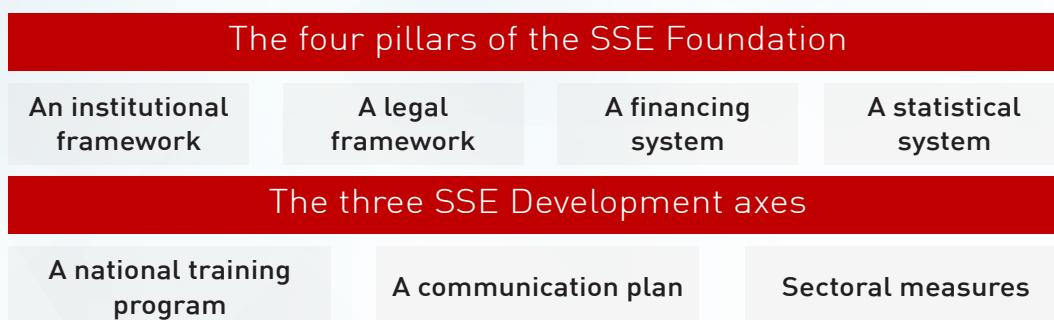
- The sectoral positioning of the SSE is heteroclite;
- The economic weight is marginal: 0.6% of employed working population and 1% of the GDP at its best²⁵ ;
- The legal and institutional barriers are various. The sector sees scattered reform initiatives and governed by unsuitable legal texts. The SSE is also fragmented in the various public departments and is overwhelmed by administrative bureaucracy;
- Funding barriers are multiple
- The absence of reliable statistic data.

One of the key results of this study is the absence of a systemic SSE sector in Tunisia, for three obvious reasons. First, several cooperatives, mutuals and associations, which are supposed to be SSEOs, derogate from the principles of SSE, particularly those of open doors, democratic management and independence vis-à-vis the public authorities. They are in fact social and solidarity pseudo-companies. Then, this economy is not articulated in a system. It is not structured and not organized in a set containing clear objectives or coordinated means of action. Finally, the existential pillars of the SSE are lacking absence of unified legal framework, institutional federator framework, statistical system and financing system suitable and specific to the sector.

Under the slogan « ***Creating the future... creating the social welfare*** » the strategic study built a strategy and an action plan based on the following vision: « ***By 2040, Tunisia is prosperous and solidarity-based country. The SSE, by the creation of wealth and employment and by its values of social cohesion and solidarity, would be one of the drivers of inclusive and sustainable growth and serving all the population*** ». The strategy suggests four pillars for SSE foundation which are an institutional framework, a legal framework, a statistical system and a financing system. As well, the study recommends three SSE development axes: a national training program, a communication plan, and sectoral measures. The action plan suggests 42 measures that are likely to execute the strategy. The architecture of the strategy is arranged in a whole unified, undivided, and interactive system, in a way

²⁵ According to approximate estimates of the strategic study.

that we cannot implement an element and delay the rest of components. The study was achieved by a national conference on the 5th of July 2017 under the auspices of the Tunisian Head of Government.



d. Other initiatives

The Economic Budget for 2013 Management contains a chapter entitled « Building the social and solidarity economy»²⁶. However, this chapter did not find a visible and clear echo in the Finance Law 2013. In May 2015, a strategic thinking procedure on the SSE has been triggered by the initiative of the ILO at a high-level tripartite conference on the “social and solidarity economy: Development and employment driving force”. Similarly, “The Tunis declaration for the employment: promoting decent jobs» of the 29th March 2016 proclaims to elevate the SSE to the rank of a future pillar, potentially generating employment. It was the result of the national dialogue for employment, organized with the support of the ILO.

2. VARIABILITY OF TEXTS AND LEGAL INITIATIVES

Legal texts and draft texts or reform initiatives are extremely variable.

a. The draft Law on the SSE

- **UGTT initiative on an organic SSE draft Law**

Strongly attached to the universal principles upon which stands the SSE and in conformity with its historical and national role as a force of public policies suggestion, the UGTT renews its enrolment to the SSE. During a national conference on the 30th of September 2015, the UGTT launched an initiative aiming to propose to the Government an organic draft Law text on the SSE with support of the ILO. Through a participatory process, the project aims to establish a common law text that will serve as a base for the update of the SSE various branches.

In its final version, the draft defines the SSE as a sustainable and inclusive development path. It includes the SSE universal principles and sets development objectives in Tunisia. The second title identifies the SSE perimeters and integrates in its ecosystem, besides the three classic entities, commercial SSE-labeled enterprises with social purposes. The third title provides the creation of a national

²⁶ This document provides a series of measures such as setting-up an observatory, creating of a citizenship fund and implementing national solidarity fund with new governance.

structure and local authorities that represent and federate SSE components as well as an advisory council and an observatory. The fourth title recommends creating a mutual bank and granting fiscal and financial advantages as well as opening SSE credit lines with public and commercial banks.

The draft was submitted by the UGTT to the Head of Government in November 2016. The Minister of Vocational Training and Employment is working on the file.

- **The draft Law on SSE drawn up by the Government and submitted to the Assembly of People's Representatives**

Widely supported by the ILO's PROMESS project²⁷, the government's initiative is coordinated by the Ministry in charge of employment. The project's preparations started in July 2017 through a participatory process. A Tripartite Steering Committee of the PROMESS project, composed by public structures and Social partners, was created for this purpose through a ministerial decision on the 26th of December 2017.

The project was validated by the committee on the 26th of April 2018 and was transmitted to the Presidency of the Government, followed by reserves of the stakeholders. The project was subject to two ministerial councils on the 8th of May and on the 27th of August 2018. It had been also submitted to national consultation during one month on the official government's website. The Presidency of the Government has completed the final version of the project in July 2019. After having been officially adopted by the government in a council of ministers held on December 11, 2019, the bill was transmitted to the Assembly of Representatives of the people.

According to the first article of the draft Law, the text aims to implement a reference framework for the SSE that defines its components, the modalities of its organization as well as the structures and process of its foundation and development. The goals assigned to the SSE are ambitious. Besides the private and public sectors, SSE aims to:

- Establish social justice and sustainable development;
- Generate employment and promote decent jobs;
- Create a territorial dynamic allowing to realize regional balance;
- Structure informal activities;
- Promote collective entrepreneurship and
- Create wealth and realize economic and social well-being.

The text of the bill is made up of twenty articles divided into five chapters. Chapter I, relating to general provisions, determines the definition of the SSE, its guiding principles, the categories of SSE companies and the scope of the law. Chapter II lays down the rules of governance, in particular the creation of a higher council for the SSE. The 3rd Chapter deals with the registration of social and solidarity enterprises, the database and the satellite account. Financial and fiscal incentives are the subject of Chapter III. The fourth and last chapter relates to various and transitional provisions.

b. The recognition of the SSE by the legal system

- **The Decree of 2012, setting the programs of the National Employment Fund**

In the Tunisian legal system, the SSE expression appeared for the first time within the Decree

²⁷ Projet PROMESS "Promotion of Organizations and Mechanisms of Social and Solidarity Economy" https://www.ilo.org/africa/technical-cooperation/rbsa/WCMS_540512/lang--fr/index.htm

No 2012-2369 of the 16th of October 2012, setting the programs of National Employment Fund and conditions and modalities to profit from it²⁸. This text has mentioned three times the expression “Social or solidarity economy” and «social and solidarity economy». The 2012 Decree was repealed and replaced by Decree No. 2019-542 of 28 May 2019. Article 41 of the 2019 Decree refers to “small enterprises in the field of the ESS”. These entities may take the form of a corporation (partnership or limited liability company) or a sole proprietorship. Nevertheless, like the 2012 Decree, the 2019 Decree has not defined the criteria that forge the conceptual identity of SSE. The term SSE, important as it may be, risk remaining vague and without an accurate legal consistency.

- **The 2018 Code of Local Communities**

Article 109 of the 2018 Local Communities Code requires municipalities to support the social and solidarity economy and the projects of sustainable development, through the conclusion of conventions in line with current legislation. Besides, the Communities shall allocate the necessary resources for the promotion of the SSE and projects aiming to integrate women and disabled people into the social and economic life. The same article 109 provides that the state is committed to support the SSE projects through contracts with the interested local authorities. In the absence of a general law that defines the concept of SSE, the above-mentioned article 109, although ambitious, risks to remain a vague political declaration without any legal effect.

c. The multiplicity of sectoral legal texts

The table below systematizes the main legal texts governing the actors of the SSE.

SSE Organisations		Legal Framework (main texts)
Cooperatives	General Statute of the cooperation	<ul style="list-style-type: none"> - Law No 67-4 of 19th January 1967, on General Statute of the cooperation as amended by the Law No 2001-28 of 19th March 2001, on administrative procedures simplification in agriculture and Fishery sector. - Law No 64-56 of 28th December 1964 on cooperatives accreditation.
	SMSA Mutual Societies of Agricultural Services	<ul style="list-style-type: none"> - Law No 2005-94 of 18th October 2005, on SMSA; - Decree No 2007-1390, on approval of Model Statutes of central mutual societies of agricultural services; - Decree No 2007-1391, on approval of Model Statutes of basic mutual societies of agricultural services; - Joint decision of the Minister of Agriculture and Water Resources and the Minister of Finance of 18th December 2007.
	UCPA Cooperative Units of Agricultural Production, exploiting Agricultural Public Lands	<ul style="list-style-type: none"> - Law No 84-28 of 12th May 1984 organizing Cooperative Units of Agricultural Production, exploiting Agricultural Public Lands; - Decree No 85-256 of 5th February 1985, on Model Statutes of Cooperative Units of Agricultural Production, as amended by Decree No 97-1536 of 4th August 1997.

²⁸ Articles 19; Article 12 bis (new) and Article 23 quater of the Decree.

Associations	Common Law of Associations	<ul style="list-style-type: none"> - Decree-Law No 2011-88 of 24th September 2011, on associations' organization; - Decree No 2013-5183 of 18th November 2013, setting the criteria, procedures and conditions for granting public funding to associations...
	GDAP Agricultural and Fishery Development Groupments	<ul style="list-style-type: none"> - Law No 99-43 of 10th May 1999, on Agricultural and Fishery Development Groupments, as amended by article 5 of the Law No 2001-28 of 19th March 2001, on simplification of administrative procedures in the agriculture and Fishery sector and by law No 2004-24 of 15th March 2004 - Decree n°99-1819 of 23rd August 1999, on approval of model statutes of GDAP as amended by the Decree No 2001-3006 of 31st December 2001; the Decree No 2005-978 of 24th March 2005 and the Decree No 2006-2559 of 25th September 2006.
	MFA Microfinance Associations	<ul style="list-style-type: none"> - Law-Decree No 2011-117 of 5th November 2011, on organizing the activity of Microfinance Institutions. - Law-Decree No 2011-118 of 5th November 2011 on tax rules of Microfinance Institutions.
Mutuals	Mutualist Societies	<ul style="list-style-type: none"> - Beylical Decree of 18th February 1954 on mutual societies; - Decision of Secretaries of State for Plan, Finance and Social Affairs of 26th May 1961, on approval of Model Statutes of mutualist societies; - Decision of Minister of Finance and Minister of Social Affairs of 17th September 1984, on amendment of Model Statutes of mutualist societies.
	Mutual Insurance Companies	<ul style="list-style-type: none"> - Articles 53, 55, 56 and 57 of Insurance Code; - Decree No 92-2257 of 31st December 1992, setting Model Statutes of Mutual Insurance Companies.

The Cooperation General Statute of 1967 is the only text that meets SSE principles

It is important to mention that, except for the Cooperation General Statute of 1967, not a single legal text is fully fit in the SSE conceptual framework. The Law n°67-4 of 19th January 1967, on the General Statute of Cooperation, and apart from a few shortcomings, remains the most developed text forming a particularly coherent and structured framework..

Furthermore, many Ministries have taken the initiative to develop reform drafts of the current

legal texts as enlisted below :

- i. A new Code on Mutual Societies, which contains 192 articles, launched by the Ministry of Finance since 2009 that will replace the Beylical Decree of 1954;
- ii. A draft Law amending Law n°2005-94 of 18th October 2005 on SMSA. A first draft was submitted to the National Constituent Assembly on the 4th of December 2013 that was not discussed by the Assembly. Alongside this draft, the Minister of Agriculture launched a second reform draft on the matter , which is still being discussed;
- iii. An initiative led by the Minister of Agriculture to overhaul UCPAs governed by the Law No 84-28 of 12th May 1984 ;
- iv. A draft being prepared by the Ministry of Finance on the restructuring of Microfinance Associations and reform of Law-Decree No 2011-117;
- v. An Organic draft Law being developed by the Ministry in charge of the relation with constitutional high authorities, civil society and human rights, for the reform of the Law-Decree No 2011-88 of 24th September 2011, on the organization of associations;
- vi. A draft legal text on crowd funding prepared by the Ministry of Finance and submitted to the assembly of representatives of the people.

3. INCREASING MULTIPLICITY OF SECTORAL POLICIES

The integration of SSE in sectoral policies is a logical response to field actors' movements and difficulties of both private and public sectors to meet social demands.

a. The strategy of promoting SSE in the agricultural sector 2018-2021

This strategy is developed by the Ministry of Agriculture, Water Resources and Fishery (MARHP). The results-based action plan of the strategy is supported by an implementation and follow-up mechanisms. It aims to achieve a central objective: contributing to SSE promotion and its actors in agricultural sectors. This objective is structured in five specific objectives:

i. Le Strengthening the capacity of human resources

An arsenal of measures has been implemented aiming to train SSE professionals and future entrepreneurs through initial training, continuous training as well as training trainers. The strategy recommends the integration of SSE discipline in the training programs of the higher education institutes and agricultural training.

ii. Implementing suitable legal framework

It is mainly a question of :

- Making the necessary reforms to the legal texts referring to SMSAs and UCPAs so that they fully adhere to the conceptual perimeters of the SSE;
- Creating new categories of agricultural SSE enterprises;
- Implementing necessary measures for a suitable legal and procedural environment to SSE enterprises such as strengthening fiscal advantages and simplifying the procedures of granting vacant public spaces to SMSAs and GDAPs.

iii. Creating a suitable institutional framework to SSE development

The action plan suggests the implementation of a central public structure and

decentralized ones with monitoring cells within Regional Commissaries for Agricultural Development (CRDA).

iv. Implementing a well-adjusted financing system for SSE

This objective aims to multiply the number of companies getting the investment loan; strengthen fiscal and financial perks for the benefit of SSEO and create a cooperative bank and a credit and mutual savings fund.

v. Improvement of employability and decent work of youth and women

This strategic axis is implemented through the following measures:

- Two action plans for the employment promotion in SMASs and UCPAs (creation of new UCPAs for unemployed youth) ;
- Supporting feminine professional organizations in marketing the products of rural women. For this reason, a circular No 226 of 13th October 2016 urges CRDAs to allocate spaces for marketing. Also, the project suggests the creation of sales points for the rural women;
- Encouraging the recruitment of young graduates within agricultural SSEs.

vi. Implementing a communication and awareness plan

The objective is to gather actors, especially those in rural regions, around the SSE in order to be widely convinced by SSE's potentialities.



INTERVIEW WITH: **MR. BOUBAKKER KARRAY,**
CHIEF OF THE CABINET OF THE MINISTRY OF AGRICULTURE²⁹

« For the SSE to be the third pillar of agriculture there has to be first a shared repository of knowledge, concepts and methodological tools », said the Chief of Cabinet of the Ministry of Agriculture. « SSE should not remain only a slogan; not only has it to be recognized, but also it has to be structured around a vision and entrusted to skilled and specialized people and to leaders able to convince and gather actors around a national project. I expect that in 2030, SSE will be the third driver of agriculture growth and social equity. The main virtue of SSE is that it ensures on one hand, a link between economy and social well-being, and between the agricultural and the rural, on the other hand. Solidarity between various entities of SSE integrates the agricultural activity in a local ecosystem of development that meets the set of social needs: health, education, social security, infrastructure and others. This will allow materializing, according to industry-based approach, the sustainability of the rural agriculture. Also, via granting labels to local products, SSE contributes to that spot's real recognition. Building a vibrant, social and solidarity-based agriculture, competitive and deeply rooted in the territory requires priming plan. This Plan consists in granting the most incentive measure to every form of group agriculture; executing a training plan and implementing a solidarity network between the actors. Finally, agricultural SSE should become international, in particular in a Mediterranean project ».

²⁹ Interview of the consultant on 7th Mars 2019 with Mr. Boubakker Karray.

b. The National Plan of Handicrafts Development (PNDA) 2017-2020

The PNDA 2017-2020 suggests within the framework of Axis III relating to enterprises and investment development, a project entitled « Design of innovative approaches of craftsmen collectives with solidarity interest (clusters/ groupments/ networks...) and development of some practical cases ». This formula, even inaccurate, means SSE, according to leaders of PNDA. Under the terms of this project, handicrafts are characterized by « atomicity, dispersion, reduced size, individualism and weakness of tools... This isolation of the craftsman holds him from gaining access to technical support, training sessions and mentoring that would allow him to upgrade his workshop and his activities....The mutualization of resources, cooperation, creation of synergies and membership in networks of sharing are possible alternatives that reduce the impact of these constraints. These are new forms of craftsmen organizations with solidarity interests that have been developed successfully in other countries, such as Cameroon, Brazil, Spain, France... ». The PNDA recommends reflecting calmly on these concepts by examining past experiences in Tunisia and those developed in other countries. This would make possible the implementation of pilot actions and the necessary means for their success. The Growth of the SSE in the handicrafts sector is very important. Handicrafts hold, according to the National Office of Tunisian Handicrafts (ONAT), 350 thousand active craftsmen in both formal and informal sectors in all country's regions. Handicraft employs a workforce with a female majority of 83%, with a GDP contribution of 5%, with almost 11% of active population³⁰. SSE could be one of structural solutions to a sector treated, since the 90's, by simple shallow reforms of regulation to a dysfunction³¹.



INTERVIEW WITH : **MR. FAOUZI BEN HLIMA**,
THE DIRECTOR-GENERAL OF THE ONAT³²

« Under the terms of the National Plan of Tunisian Handicrafts Development (PNDA) 2017-2021, the artisanal policy is to urge craftsmen to organize themselves in collective structures whether they are SSE entities³³ or others³⁴. The goal is double: to lighten the administrative and financial burden of the ONAT, on one hand and create a dynamic of solidarity between craftsmen, on the other hand. The era of the isolated craftsman must come to an end, said the Director-General. Solidarity makes access to markets easy, strengthens competitiveness and allows craftsmen to act collectively on different phases of the value chain from sourcing to after-sales services.

Three types of measures for the implementation of this policy are required. First, the conclusion of partnership contracts with SSEO. Therefore, they will be responsible for procurement services, extension, mentoring, financing and marketing, with the support and guidance of the ONAT. Then, setting up attractive and suitable legal instruments such as financial and fiscal advantages and privileges upon participating in fairs. Likewise, it is important to prepare Model Statutes for both artisanal enterprises of SSE, which are artisanal cooperative and the artisanal association.

Finally, the execution of a communication Plan in the form of a national campaign to disseminate the artisanal SSE to actors and youth, underlining its potential in order to obtain the widest enrolment».

³⁰ Source: PNDA.

³¹ Akram Belhaj Rhouma et Hamadi Mhadhbi, *La Restructuration de l'Artisanat et des Petits Métiers : sauvetage du secteur et investissement de ses potentialités*, Ministère du tourisme et de l'Artisanat, 2015 (En arabe).

³² Interview of Consultant with Mr. Faouzi Ben Hlima. On 4th March 2019. Was present at the meeting Mr. Riadh Lahmari, Director of Investments at ONAT.

³³ According to the interviewee, these entities are associations; cooperatives and groupments of procurement and marketing having the form of cooperatives.

³⁴ Such as groups of economic interest; clusters; commercial enterprises....

c. The National Strategy for Financial Inclusiveness 2018-2022

The financial inclusiveness rate in Tunisia is 27%³⁵. The National Strategy for Financial Inclusiveness developed by the Ministry of Finance was approved by a restricted Council of Ministers on June 25th, 2018. The strategy's axes have been integrated in the Economic Budget for 2019 Management. It is clear from the official text of the strategy, as presented and deliberated in the Council of Ministers, that the objective is to guarantee the financial inclusion of categories not yet covered or insufficiently covered by the financial sector (banks, microfinance, insurance and postal financial services). This would eventually reduce regional inequality, boost investment, and create livelihood resources and new jobs. The strategy contains an axis entitled «The social and solidarity economy » which aims to find adequate financing instruments for the SSE. The strategy proposes three measures:

- Developing new financial products such as “crowd funding» (the preparation of the legal framework is ongoing) ;
- Developing financing processes such as the creation of a fund through a legislative text or the extension of the scope of intervention of the National Guarantee Fund (FNG) for the inclusion of enterprises of the ESS and
- Allowing SSEOs to benefit from microfinance services through the reform of the Law-Decree No.2001-117 on the organization of microfinance activity³⁶.

d. The National Strategy for the Empowerment of Rural Women and Girls 2017-2020

This strategy, developed by the Ministry of Women, has been integrated in the Economic Budget for 2019 Management. Many actions on the SSE projects have been planned as part of the economic empowerment of rural women and girls.

i. Facilitating the transition from the informal sector to the formal sector:

- Organizing women working in SSEO and supporting them to strengthen their bargaining capacity and facilitating their access to the market;
- Creating a one-stop shop and bringing services closer together to facilitate the creation of SSEOs;
- Creating a solidarity fund to support women in the creation and management of their own mutual societies in order to ensure the sustainability of their businesses.

ii. Taking incentive measures in the context of countervailing inequality for the benefit of women's SSEO:

- Reserving at least 30% of the women's SSEOs products for the food supply of school restaurants;
- Granting women's SSEOs permissions allowing them to exploit forest products through technical specification.

iii. Facilitating access of rural women's products to markets

- Promoting solidarity marketing through a communication plan.

³⁵ Source: National Strategy for Financial Inclusion 2018-2022.

³⁶ The legal persons, including the SSEOs don't benefit from microfinance because microfinance institutions finance only natural persons.

e. Employment policies

Article 1 of Decree No 2002-2062 of 10th September 2002, setting the powers of the Employment Ministry gives it a general mission consisting of « ensuring the development of the government's employment policy, as well as ensuring its implementation and evaluation of its results ». For this purpose, other than sectoral measures initiated by the various ministries, the Ministry of Employment not only has it led the work on SSE draft Law, but also it has implemented some employment policies in the SSE sector.

In chapter VI entitled «Support for employment and improving employability », the Economic Budget for 2019 Management suggests two programs directly related to SSE:

- The creation of « trade nurseries » at the local level in accordance with the principles of SSE. These structures will have the mission of developing the skills of job seekers and supporting them in order to facilitate their integration into working life;
- The implementation of the « solidarity enterprise » program aimed at helping young people to look for jobs and start their own businesses

The 2016-2020 National Strategy of Entrepreneurship in Tunisia expects the need to create specific measures for the SSE financing. Also, in the project being formulated for the National Employment Strategy, the promotion of the SSE is one of pillars of the economic model.

f. The National Strategy for Social Inclusiveness and Fighting Against Poverty

This strategy, followed by an action plan, is developed by the Ministry of Social Affairs. It seeks to solve the problems of exclusion and vulnerability related to employment, access to services, housing, life conditions and territorial and environmental disparities. Axis 2 on Access to services provides two SSE measures :

- Decentralizing the organization and management of school transport at the local level, promoting cooperation between local authorities, civil society and the SSE.
- Developing extracurricular activities at the level of local authorities to support the performance of students, and more particularly with academic or learning backwardness, in cooperation with civil society and the social and solidarity economy.

Axis 4 entitled « Promoting productive inclusion» provides three measures:

- Launching every year a call for proposals for new SEE business strengthening projects;
- Offering training and management support services leaning to SSE especially for the least developed regions and
- Defining support for the professional integration and promoting the creation of specialized SSEOs for disabled people..

g. Fiscal and Financial incentive policies

Except for article 109 of the Local Communities Code, the Tunisian law does not contain any fiscal or financial measure that targets the SSE as a whole. Tunisian law treats this sector in a fragmented way which means by actor: cooperatives, mutuals and associations; without being unified under one policy. The following examples will illustrate this policy.

i. The financial support of SSE companies by local communities

Article 109 of the 2018 Local Communities Code states that local communities ensure the support of the SSE and the sustainable development projects through concluded conventions in accordance with current legislation. Under the terms of the same article, the local community is bound to allocate necessary resources to promote SSE and projects aiming at the integration of women and disabled people in social and economic life. Thus, the state is bound as well to support SSE projects through contracts with the interested local community, as stipulated in article 109. Therefore, the community and with the financial support of the State would be able to entrust to the SSEO the execution, exploitation or use of a public service, buildings, equipments or public goods³⁷.

ii. The public financing of Associations

The public financing of associations is governed by the 2013 Decree, setting out the criteria, procedures and conditions for granting public financing to associations³⁸. This financing is granted through three modalities:

- A direct request made by the association to promote its activities and develop its means of work;
- A call for applications launched by the public organism and
- A partnership agreement initiated by the association to achieve public utility projects within the framework of the public organism's activity.

To benefit from it, the association is bound to respect three cumulative conditions: to comply with the provisions of the 2011 Law-Decree; adopt the principles of transparency and democracy in its financial and administrative management and comply with obligations towards fiscal administration and public social funds. Moreover, the Law-Decree No 2011-117 authorized associations to have sources of funding, resulting from their goods, activities, projects and tenders participations.

iii. Advantages for the benefit of cooperatives

SMSAs benefit from the following subsidies:

- An investment subsidy of up to 30% of the exploitation cost;
- A subsidy of 60 % of the equipment acquisition cost³⁹;
- A transport subsidy for livestock feed (barley, hay) of 5 millimes/km;

³⁷ Cf. Akram Belhaj Rhouma, *Les sociétés mutuelles de services agricoles (SMSA) en Tunisie : Cadre juridique et Partenariat Public-SMSA*, Etude pour le compte du MARHP et CIHEAM-Institut Agronomique Méditerranéen de Montpellier avec l'appui de la Commission Européenne, 2018.

³⁸ Decree No 2013-5183 of 18th November 2013.

³⁹ While other investors in the agricultural and Fishery sector benefit from a rate of 55 %.

- A milk collection subsidy: 70 millimes/liter;
- A subsidy for organic production up to 10 000 D/year maximum⁴⁰.

Also, cooperatives are submitted to a favorable tax regime. On one side, some cooperatives (defined according to the category or branch of activity) are exempt from corporation tax:

- Service Cooperatives whose activity contributes to the marketing of agricultural products and operates within the wholesale markets;
- SMSAs;
- Workers' Cooperatives of Production⁴¹ and
- UCPAs⁴²

On the other side, some other cooperatives benefit from the lowest rate of corporation tax, namely 10 % in accordance with article 14 of the Finance Law of 2019 Management, which are :

- Purchasing centers for the benefit of retailers formed as service cooperatives, created in accordance to the General Statute of Cooperation of 1967;
- Service cooperatives formed between producers in order to wholesale their products and
- Consumer cooperatives governed by the General Statute of 1967 Cooperation.

4. THE START OF INSTITUTIONAL REFORMS

Absence of a unified institutional framework

In Tunisia, there is no institutional framework for the SSE, in other terms a structure with legal personality in charge of federating all initiatives of the sector and taking them to a unified policy.

Nevertheless, some signs for institutional reforms have been initiated with the designation of a Minister in charge of the SSE to the Head of Government during the cabinet reshuffle in November 2018. Even though it is not a creation of a Ministerial Department, this initiative opens the way towards the institutionalization of the SSE.

⁴⁰ Law No 2016-71, on investment and application texts.

⁴¹ Article 46 of Code of Income Tax «CIRPPIS».

⁴² Article 33 of the UCPA Law of 1984.

PART III : MAIN CHALLENGES FACING THE SSE

1. STATE CAPACITY

The strategies and public policies of the SSE listed in various official documents of the state have not been followed by an effective and visible implementation action. Except the two texts (Local Communities Code and the Decree on active employment programs), SSE does not appear in any legal text on public policies execution, including the finance Laws. Moreover, the majority of sectoral programs initiated by various Ministries are considered as fragmented initiatives and do not take part in a comprehensive and unified policy. Despite the efforts, no strategic axis provided by the 2016-2020 Development Plan and no action foreseen by the Strategic Study's Action Plan, developed as the Plan's extension, was set up.



INTERVIEW WITH: **MR BELGACEM AYED**,
THE PRESIDENT OF THE GENERAL COMMITTEE FOR SECTORAL
AND REGIONAL DEVELOPMENT⁴³

The President of the General Committee for Sectoral and Regional Development of the MDICI claims that Tunisia is among the countries that developed a strategy for the SSE. The 2016-2020 Development Plan, approved by the Law No 2017-28 of 25th April 2017, announces the necessary reforms to promote SSE.

According to the interviewee, foundation and development pillars of the SSE included in the strategic study have been approved by the Government following the declaration of study's results by the Head of Government at the national conference on the SSE, a development lever in Tunisia, held on July 5, 2017. In addition, all SSE actors were involved in the work of the strategic study and that very national conference. On the implementation of the SSE strategy, the President of the committee adopts a firm position: « In Tunisia, there are no policies for the SSE, so to say implemented instruments by the state to accomplish the strategy. SSE is victim of the absence of a clear and shared vision and weak political coordination ».



INTERVIEW WITH: **MR SAMI SILINI**,
THE CENTRAL DIRECTOR OF SOCIAL AFFAIRS OF UTICA,
IN CHARGE OF THE ESS FILE⁴⁴

"Nowadays, we need to collectively own the SSE concept on a national scale along with shared vision", says UTICA's central director of social affairs. "However, despite the recognition of the SSE by the social contract and the commitment of the social partners, the SSE remains the victim of attempts at monopolisation, individual appropriation by more than one party. I think that it is necessary to wait for the government of 2020 to develop a national project of SSE with the social partners in the framework of the social dialogue, says the central director of UTICA, This project must be based on three pillars:

⁴³ Interview of consultant with Mr Belgacem Ayed on 7th March 2019.

⁴⁴ Interview of the consultant with Mr Sami Silini on 30th May, 2019.

a common vision, a legal base and an institutional framework ”.

On the question of UTICA's vision towards the SSE, the interviewee states that “like any economy, the SSE consists of four components: a market, a product, producers and consumers. Every social and solidarity-based enterprise is created to produce goods and services by producers in order to collectively meet the needs of consumers who are satisfied by neither public nor private sectors. It should be noted that the SSE is not intended to compete with the private sector: I have already argued on several occasions that the social and solidarity-based enterprise must be submitted to the same rules of labour law and to the same market standards as the private sector, particularly in terms of fiscal and financial advantages. In fact, the real competitor of the SSE is the informal economy. Structuring the informal economy's workers in SSE enterprises ensures decent work. Finally, the SSE can only be developed within the framework of sponsors who provide SSE companies with technical assistance and project “bankability”. UTICA and other national organizations, state structures, local authorities, private sector and large social and solidarity-based enterprises can play the role of sponsorship ”.

2. PARTICIPATION

SSE support structures, namely the social partners and the majority of Ministers, are deeply involved in the SSE public policies negotiations. However, and due to the lack of federating structures representing them (unions, federations...), the real actors of SSE (cooperatives, mutuels and associations) are not sufficiently involved in the process of public policies formulation nor are they monitoring their implementation. The terms “a part of civil society” or “the most involved actors” are commonly used by public administrators to refer to the involvement of SSE companies in policy construction work. In these conditions, the majority of field actors, real SSE project holders, remain disconnected from the process of policies development. « The SSE draft Law went through a marathon of meetings with social partners, Ministerial Departments and social society. It was submitted, after the validation of the steering committee, to the national consultation for a month on the social government website », said the members of the team in charge of the coordination and preparation of the draft Law on SSE. Yet, the draft is so far under infernal negotiations and consequential amendments. As stated by an author⁴⁵, « We (associations, cooperatives and mutuels) are the greatest practitioners of the General Meetings of this country... In order to succeed, the debate shall allow the exchange of ideas during action, operational concepts and solutions. This is where SSE must lead and eventually, can win the battle of ideas ». Furthermore, several actors (SMSAs, GDAPs, Mutuels...) are not even aware that they are part of the SSE. Worse, some of them have never heard of SSE.

⁴⁵ Hugues Sibille, « Débattre et gagner ensemble la bataille des idées », <https://www.mediatico.fr/laboeess/debattre-et-gagner-ensemble-la-bataille-des-idees/>



INTERVIEW WITH: **MR HFAIEDH HFAIEDH,**
DEPUTY SECRETARY GENERAL OF THE UGTT IN CHARGE
OF THE DEPARTMENT OF LEGAL AFFAIRS⁴⁶

«The SSE is subjected to three types of handling,» says Hfaiedh Hfaiedh: this sector is frequently used in the form of a slogan to absorb and suck up social tensions and some political actors insist on orienting the sector to widen their electoral mass. These attempts infringe not only the civil character of the state, but also the very concept of the SSE. Indeed, this third sector is a citizen economy intended to create wealth, decent work and the well-being of citizens. The third and last type of manipulation is economic. Some private actors refuse to found a fully-fledged economic sector capable of competing with the private sector; they prefer that the activities of SSE companies remain on the fringes of the competitive economy with a strictly palliative role for the private sector».

Regarding the evaluation of SSE's public policies, the interviewee said: «There are no public policies in the field of SSE, but scattered sectoral initiatives. A public policy requires a national strategy and an action plan structured in clear and shared objectives, in performance, monitoring and evaluation indicators and in precise accountability of each public department. Public actions are far from being coherent. In these conditions, and in this initial phase of founding the sector, a member of the government must be solemnly in charge of this strategic sector to develop, harmonize and implement the state policy in the matter.

Strongly rooted in the history and doctrine of trade union organization, the SSE remains at the center of our main concerns, adds Mr. Hfaiedh. It is within this framework that the initiative of an organic bill on the SSE fits and the commitment of the UGTT in actions to mobilize employees to organize themselves within social and solidarity enterprises, to meet their socio-economic needs and ensure the conditions for decent work. The UGTT has already organized and continues to carry out training companions, advocacy and support for SSE projects. Recently, a CIREC-Tunisia section, the first in Africa and in the Arab world, was created in partnership with the UGTT».

3. AUTONOMY

To what extent does the SSE have ideological and political links with political parties and national organizations? Is the autonomy of the SSE caused by the effect of political interference?

First of all, it must be recalled that historically, the majority of SSEOs were closely linked to the power of the single party and manipulated by it. The cooperatives that appeared since the protectorate and during the first years of independence had nothing from the cooperative but the name. They have underwent a very intensive intervention from the public authorities and appeared as an extension of the public administration. Likewise, the cooperative experience in the agricultural sector established by the old law of 27 May 1963 on the cooperation in agricultural sector did not establish a cooperative regime in the exact sense of the term. The cooperative expression was deceiving. In reality, the Law established, under the cover of cooperatives, forced structures, real prerogatives of public policies. The same approach involves associations of collective interest (now called GDAPs). While they were qualified by law as « private organisms with civil personality », they did not have any autonomy. Having been subject to administrative interference and benefiting from the prerogative of public utility expropriation, these associations were rather “public establishments”.

⁴⁶ Consultant's interview with Mr. Hfaiedh Hfaiedh on February 5, 2020 at the headquarters of the legislative department of the UGTT.

This situation has left these traces in the current system. Many SSEOs undergo, by the very texts that govern them, an excessive interference of public authorities. As an illustration, the recruitment or designation of the manager or director-general of the central SMSA as well as the decision of this contract's termination must be presented to Ministers in charge of agriculture or finance for approval. Public authorities hold a weird prerogative that affects even the existence of SMSAs, which is the dissolution of the Executive Board, as if it were a territorial public community. Some SSEOs have been transformed into public service subcontractors. The position of the Administrative Tribunal regarding the legal nature of Water management GDAPs is significant. The Court says that « GDAPs, despite being private law persons, created in the form of an association of collective interest, have been promoted by the legislator to the rank of a public administration. In fact, the prerogatives they hold vis-à-vis its members are of the same nature as those held by public authorities. In addition, they perform a public utility activity related to the promotion of the agricultural and fishery sector and the protection of natural resources and the rationalization of their use, under the control of public authorities»⁴⁷.

Nowadays, in the absence of a text defining SSE, this sector is variably observed by political actors with significant ideological doses. This is why the draft Law provides as a criterion of the SSE « independence vis-à-vis public authorities and political parties ». This should be supported by control mechanisms that ensure the autonomy of the SSE and the neutrality of the social and solidarity-based enterprise against any political manipulation.

4. INSTITUTIONALIZATION

To what extent are political parties capable of transforming their electoral programs into state policies, once they have come to power? Several factors reduce the chances of political parties to fully implement their SSE policies.

First of all, the Tunisian political regime, instituted by the constitution of 2014, is essentially a parliamentary system. The government, responsible for the formulation and implementation of public policies comes from the Assembly of the Representatives of the People and remains under its control. The stability of the government depends on the trust granted by the absolute majority of the members of Parliament and therefore the hazards of the parliamentary coalitions. In such conditions, SSE public policies are exposed to the risks of political instability. The frequent changes of governments disrupt the strategies implementation. Not to mention that during periods of political changes, public administrations focus mainly on the day-to-day management of services. The majority of strategic issues remain on hold until further notice.

Then, Tunisian Law has adopted the « proportional representation with rule of highest remainder ». This mode doesn't allow any political party to have a parliamentary majority, annihilating thus any possibility to fully transform their political program into a governmental state policy.

Finally, in a phase of democratic transition, political parties (whose number exceeds 200) remain unstructured or unsuited to the exercise of power.

⁴⁷ Free translation of the consultant. Administrative Tribunal, *Chbil*, 8th June 2010, Case No. 16437.



INTERVIEW WITH MR. : **KORAYECH BELGHITH**,
THE MEMBER OF THE EXECUTIVE BOARD OF UTAP,
IN CHARGE OF THE SSE⁴⁸

On the topic of the UTAP's appreciation of the SSE public policies, Mr. Korayech Belghith emphasizes: "while everyone is talking about SSE, nobody took things seriously to set up a real strategy in this area. Why the strategic study on SSE, in which we were well involved throughout its preparation, has not been implemented and monitored by the government since the proclamation of its results at the national conference on July 5th, 2017? he wonders. Public policies are ambiguous and scattered. Instead of mobilizing all actors around a national project, the SSE became a subject of "struggle between ministries" and electoral manipulation. UTAP has always supported farmers to organize themselves in collective structures. We can mention in particular the agricultural pole of Kairouan in the process of being set up. This project provides, among other things, the creation of a central SMSA "Alaghaliba" uniting 29 basic SMSAs. However, the political will to promote SMSA remains doubtful, he explains. These cooperatives still confront not only financing difficulties and private companies' competition, but also the historical legacy resulting from the failure of the 60th cooperative experience".

On the UTAP's vision, the interviewee underlines that political will is essential to promote the SSE. Governments are called upon to implement a national plan for the dissemination and sharing of good experiences and to provide the most generous financial benefits to encourage farmers to join together. Lastly, the legal texts relating to cooperatives need to be redrafted in order to fully integrate these structures into the conceptual perimeters of the SSE and to remove legal and institutional obstacles.

5. POLICY COHERENCE

a. Fragmented public policies

The SSE is an indivisible whole, just like its founding principles. Nevertheless, Ministers' initiatives are scattered. Each public structure has launched an initiative⁴⁹ to promote a part of SSE. These initiatives are separate and do not form a coherent and integrated national project. In Tunisia, there is no national execution plan for the SSE strategy. In fact, the implementation of the Development Plan and its corollary (the strategic study prepared by the government) are pending.

The draft Law on SSE is until now subject to infernal negotiations and non-stop amendments. However, one of the major advantages of this future Law on SSE is integrating this sector in a visible and unified way in the legal instruments of public policies execution, especially in the finance Laws.

⁴⁸ Consultant interview with Mr. Korayech Belghith on June 13, 2019 at UTAP headquarters. Present at the meeting Mr. Khaled Arrak, member of the UTAP executive office in charge of planning and strategic studies; Mr. Mongi Saidani, coordinator of the SSE file at UTAP; Mr. Guy Tchami, member of the Cooperative Unit at the ILO in Geneva, specialist in policies and research on cooperatives and Mr. Karim Toumi, Senior National Coordinator of the PROMESS Project, ILO, Tunisia.

⁴⁹ See above, Part II.



**INTERVIEW WITH : MR. WISSEM ROMDHANE,
THE SSE MANGER IN MDICI⁵⁰**

« The fragmentation of the SSE file between public departments and the lack of a shared understanding of the SSE concept and state policy in that matter have jeopardized the achievement of the 2016-2020 Development Plan objectives. In order to put an end to that situation, there must be a real and clear political will setting up an independent and bureaucracy-free public structure. A democratic, flexible, light, participatory and efficient high authority must be created. It should possess the necessary power to coordinate the sector's policies, establish its foundations and ensure its growth ».

Public policies are dominated by a restrictive vision. Public services intervene through cyclical regulation measures (support, fiscal and financial incentives...) to a system in a structural dysfunction. In fact, the four existential pillars of the sector are lacking: the legal framework, the institutional framework, the information system and the financing system. Also, there is neither a training national plan, nor a running communication plan. As underlined by the strategic study, « SSE is a fragmented body where everything is scattered: the numbers, texts, administrations, ministries initiatives and actions carried out by the international organizations. It lacks the vision and coordination where every decision is made case-by-case. Many of institutional, legal, statistical and financing blockages hinder not only its development but also its very foundation ».

b. Key reasons of blockage: The methodological drift

The question that arises is the following: What are the reasons behind the low coherence of the SSE policies and the obstacles in their implementation, despite official recognition?

Besides the factors related to democratic transition and political system, the lack of a common and accurate understanding of the conceptual perimeter of SSE has disrupted public policies and complicated the formulation of the Law on SSE. The future one will truly be a "strategic" text. It is meant to translate in legal terms the state's strategy in the matter and its action plan in order to unify, found and develop SSE. Nevertheless, the decision-makers became directly involved in drafting the bill without first developing a conceptual framework and validating a Plan of Action. One of the incalculable consequences of this methodological drift is that, under the guise of the negotiation of the law, the debates really concern two work sites not yet completed: the concepts and public policies of the state in this matter. Therefore, we understand the major anomaly of the pursued process by decision makers who should have conceptualized SSE first; then validated an action plan and finally translated it into a Basic Law. This is how we could build an economy that creates wealth and jobs and confront a changing world of work.

⁵⁰ Interview of the consultant on 3rd April 2019 with Mr. Wissem Romdhane.

PART IV : SSE AND THE FUTURE OF WORK IN TUNISIA

« Labour is not a commodity to be traded in markets for the lowest price; workers are human beings with rights, needs and aspirations »⁵¹. Decent work⁵² is « a driver for sustainable development [...] more people in decent jobs means stronger and more inclusive economic growth. Improved growth means more resources to create decent jobs. It is a simple equation but one that has been largely neglected in international policy-making »⁵³.

In Tunisia, the labour market is suffering from structural failures. Unemployment rate remains remarkably high: 15.5 % in 2019⁵⁴. In the labour market, public policies are producing results totally contradictory to the ones they have been built for in the first place. The categories that should have benefited from those policies are the most affected by unemployment. Being young, graduated, female, and interior-area resident is the most vulnerable category in the labour market. From all the unemployed, 70% are young people between the ages of 20 and 34⁵⁵. Some results indicate that 25 % of young people aged between 25 and 29 are NEETs⁵⁶. Women suffer an unemployment rate of 22.9 % in 2019⁵⁷. In interior areas, the unemployment rate is 20.05 % (2015). During the period of 2011–2016, the interior regions showed an annual loss of 13.9 thousand jobs⁵⁸. To these indicators is added the phenomenon of work in the informal economy, which is generally characterized by significant derogations from decent work.

1. KEY TRENDS AND CHANGES IN THE LABOR MARKET

According to the report of the Global Commission on the future of work entitled « Work for a brighter future » (ILO, 2019), new forces are transforming the world of work. Economic transformations, technological, demographic shifts and climate change will have both disruptive and transformative effects on the future of work. As in the majority of countries⁵⁹, the Tunisian labor market is exposed to the following changes:

⁵¹ ILO, *Work for a brighter future*, Global Commission on the Future of Work, 2019. 38.

⁵² The ILO's decent work agenda is structured around four strategic components: promoting employment; develop and strengthen social protection measures; promote social dialogue and tripartism; and respect, promote and implement fundamental principles and rights at work.

⁵³ Guy Ryder, "Decent work is not just a goal – it is a driver of sustainable development", in ILO, *Decent work and the 2030 agenda for sustainable development*.

⁵⁴ Source: INS.

⁵⁵ Ministère des affaires sociales, *La stratégie nationale de l'inclusion sociale et de lutte contre la pauvreté*, financée par l'Union Européenne et réalisé par AECOM, 2019, p. 6

⁵⁶ NEET is the abbreviation of "Not in Education, Employment or Training". *CF.* « Tunisie, surmonter les obstacles à l'inclusion des jeunes », Banque Internationale pour le Développement et la Reconstruction, Groupe Banque Mondiale, 2014 ; Economist, 2013, « Youth Unemployment : Generation jobless, April, p. 27 ; ONEQ-MFPE et BIT, « Transition des jeunes tunisiens de l'école vers la vie active réalisé », 2014 et Fonds des Nations Unies pour la Population, *Défis de la jeunesse tunisienne*, p. 6 et Akram Belhaj Rhouma, Les politiques de l'emploi, UGTT, 2017.

⁵⁷ Source: INS.

⁵⁸ Development Plan 2016–2020.

⁵⁹ ILO, « Cooperation in a changing world of work: towards a cooperative future », the Future of Work Centenary Initiative, 6th Issue Note Series, 2017, p. 2.

- **Economic changes.** Since 2011, growth rates have been stagnating (2.2%⁶⁰) and inflation rates have been increasing more and more (7.1%⁶¹). Public resources are degrading and the state is facing difficulties to meet decent work and to ensure the quality of public services such as social security, health, transportation, education.
- **Technological transformations.** Artificial Intelligence, automation and robotics destroy old jobs and create new ones. While many jobs will be automated, new opportunities will arise in areas through technological innovation⁶². « The skills of today will not match the jobs of tomorrow and newly acquired skills may quickly become obsolete »⁶³. Technology is reshaping the skills needed for work⁶⁴. According to the World Bank (2016), two-thirds of jobs in developing countries are likely to be automated.
- **Demographic changes.** The high number of young people requires the state to create decent work for new generations entering the labor market. It is also obliged to ensure the fundamental rights of the elderly. By way of illustration, the forecasts⁶⁵ show that the percentage of the age group 60 and over will increase significantly, with a rate that will reach 14% in 2020 compared to 12% in 2014. Similarly, the proportion of population aged between 15 and 60 will decrease to 60% in 2020 against ⁶⁴. 5% in 2014. The population density continues to increase in coastal areas to 65% of the total population in 2020 against 62% in 2014.
- **Environmental changes.** The need to tackle climate change and protect the environment reshapes old jobs or destroys them and brings new jobs such as renewable energies and green works.

These mutations require « major investments that shape and guide these transformations to create decent work »⁶⁶. The following section analyses how SSE, through key action fields, would be able to adapt and respond to labor market transformations, in order to create decent jobs.

2. INVESTING IN SSE TO RESPOND TO CHANGES IN THE LABOUR MARKET

a. SSE's ability to adapt to change and create decent work

SSE arises from the need to respond collectively to the unmet needs of both public and private sectors. It is in fact designed to adapt to mutations. Its essential virtue is its ability to not only resist to economic and social difficulties, but also and mostly, evolve in times of crisis and change. SSE puts the creation of decent jobs at the core of its concerns. By its operating way of « open doors » and democratic management, the obligation to reinvest the greater part of the benefits and by solidarity, citizenship and social well-being that it defends, SSE is generating more

⁶⁰ Source: INS, 4th quarter of the year 2018.

⁶¹ Source: INS, March 2019.

⁶² ILO, « Cooperation in a changing world of work: towards a cooperative future », the Future of Work Centenary Initiative, 6 Issue Note Series, 2017, p. 2.

⁶³ ILO, *Work for a brighter future*, Global Commission on the Future of Work, 2019, p. 19.

⁶⁴ World Bank, *The Changing Nature of Work*, World Development Report, 2019, p.6.

⁶⁵ Source: Development Plan 2016-2020.

⁶⁶ ILO, *Work for a brighter future*, Global Commission on the Future of Work, 2019, p. 46.

decent jobs than the for-profit enterprise in Tunisia⁶⁷.

The mutual sector⁶⁸ provides a significant example. With a turnover of 9.8% of the total insurance market, the two mutual insurance companies were able to create 23.5% of all employment in the insurance market⁶⁹. Similarly, according to 2015 estimations, the 136 basic SMSAs that reported their employment statistics, have created 1575 jobs among which 85% are permanent jobs⁷⁰.

However, the contribution of several SSEOs to employment is low. For example, in 2013, the 772 Agriculture Development Groupments⁷¹ of water resources management that have reported their employees are hiring around 1027 employees, which represents only 1.4 job by Groupement⁷². According to the CNSS registers, in 2015, there were roughly 8199 active associations, among which only 1129 adopted regular or partial paid employment. Other associations rely solely on volunteer work. According to these registers, 12368 employees are working in associations. Young people under 30 represent only 16% of paid employment⁷³.



INTERVIEW WITH :
THE TEAM IN CHARGE OF THE SSE DRAFT LAW AT THE MFPE⁷⁴

« Placing social welfare at the center of its concerns, SSE is conceived to ensure the requirements of decent work, said team members in charge of coordinating the SSE draft law. However, it is mandatory to go beyond the restrictive vision limiting this sector and adopt simple mechanisms of precarious management of social needs. Decent work is only guaranteed by the establishment of a viable economic system that creates sustainable wealth and jobs. Some vital sectors, that determine decent work, are experiencing increased failure. This includes health, transport, education and social security. These sectors are considered priority areas for the intervention of SSE in order to ensure decent jobs».

b. Key areas for decent and sustainable work in the SSE

In the context of the third action field « Increasing investment in decent and sustainable work», the report of the Global commission on the Future of work entitled « Work for a brighter future », stipulates that countries must invest in «decent and sustainable work, [...] a term we use for the human-centered growth and development path to deliver decent work for all». The report recommends « Incentives to promote investments in key areas for decent and sustainable work».

⁶⁷ UGTT, *Plaidoyer pour la promotion de l'économie sociale et solidaire en Tunisie : Résultats et recommandations*, Rapport élaboré par Akram Belhaj Rhouma et Lotfi Ben Aissa, avec l'appui du programme PCPA, 2019, p. 31.

⁶⁸ MDICI et PNUD, *Étude stratégique sur l'économie sociale et solidaire en Tunisie*, élaborée par Med Haddar, Akram Belhaj Rhouma et Fathi Elachhab, Tunis, 2017, p. 134.

⁶⁹ The Mutual Education Insurance (MAE) and the Tunisian Mutual Agricultural Insurance Fund (ACTAMA).

⁷⁰ According to the sources of MARHP.

⁷¹ According to the sources of MARHP.

⁷² According to the sources of MARHP.

⁷³ MDICI et PNUD, *Étude stratégique sur l'économie sociale et solidaire en Tunisie*, élaborée par Med Haddar, Akram Belhaj Rhouma et Fathi Elachhab, Tunis, 2017, p. 110.

⁷⁴ Consultant's interview on March 22, 2019 with the coordinating team of the ESS project at the MFPE

What are the key areas to create decent and sustainable jobs, taking into account the changes of labour market and the particularities of the SSE in Tunisia?

i. SSEOs responses to economic changes

- **Workers recovery of companies in difficulty.** As part of the recovery of companies in economic difficulties, workers can recover the company and establish a workers' cooperative. Under Tunisian law, there is no specific rule for the sale of the company to employees. The recovery is carried out by application of the general rules of the Law No. 2016-36 on collective procedures. The "Fatimide Electronic Embroidery" (SOBREF-Mahdia), a limited liability company, has been recovered in 2018 by its employees with the support of the UGTT. Employees are transforming this company into a workers' cooperative. Many countries like Italy, Spain, Portugal, France, Brazil, Greece and Canada have recently adopted a financial and legal framework that facilitates the businesses rescue through its assignment to workers.
- **Financial Integration.** The financial inclusion rate in Tunisia is 27%⁷⁵. This field of action could be implemented through the creation of cooperative banks; the development of microfinance services and mutuals and the creation of new tools of solidarity-based financing.
- **Informal economy** through the encouragement of workers in the informal economy to organize themselves in SSEOs.
- **Rural economy** operated mainly by GDAP and SMSA;
- **Agri-food branches** realized by SMSAs and CUPAs;
- **The handicraft** especially for youth and women carried out by associations and cooperatives.

ii. SSEOs responses to technological changes

- **«Sharing» or «online platform» economy**, based on peer-to-peer exchanges of goods, services and tasks done via online platforms or mobile applications. This sector creates unregulated forms of employment and exposes workers to risks of insecurity. The creation of dematerialized cooperatives or other SSEOs, in the form of digital platforms collectively managed by the workers, could provide decent work for them⁷⁶.
- **Start-up companies** governed by the law No 2018-20. In order to collectively confront technological changes of the world of work, startupperes can gather up in SSEOs and especially in cooperatives. Furthermore, the Law No°67-4 on General Statute of the cooperation stipulates that « The cooperation is a development path that aims at... structures renovation, techniques modernization, production boosting **and human's promotion**».

⁷⁵ Source: Ministry of Finance.

⁷⁶ ILO, « Cooperation in a changing world of work: towards a cooperative future », the Future of Work Centenary Initiative, 6 Issue Note Series, 2017, p. 4.

iii. SSEOs responses to demographic changes

- **Employment services for youth and women.** It is a question of promoting SSEOs creation which provides young people and women with support, guidance and additional training.
- **Health Care services** for the elderly, children and disabled and the chronically ill. Some of these services are granted by associations. Cooperatives and mainly mutual societies should expand their scope to cover all the health care services, as provided by 1954 Beylical Decree.
- **Social security services** provided by mutuals societies and mutual insurance enterprises.
- **Human rights protection services for migrant workers and refugees.**

iv. SSEOs responses to environmental changes

- **Waste collection.** Nearly all workers in waste collection are informal workers with a significant deficit of decent work. Being organized in cooperatives or other SSEOs forms enables workers to improve their economic activities and their conditions of social security and occupational health.
- **Renewable energy and Green Economy.**

Nowadays, many sectoral programs and strategies⁷⁷ want to promote decent work through the development of SSE projects.



INTERVIEW WITH : **MRS. NAOUEL JABBES,**
THE SSE MANAGER IN THE MINISTRY OF AGRICULTURE CABINET⁷⁸

« Improving the employability and decent work of young people and women is one of the strategic pillars of the Action Plan for the SSE Promotion Strategy in the Agricultural Sector », said the SSE manager in the cabinet of MARHP. « 18 new UCPAs for young jobseekers must be created on public lands recovered by the state, covering an area of 10 thousand hectares. This project, validated by a council of ministers, is being implemented. It claims the training of young people in order to ensure the professionalization of these future cooperative structures. A second measure aims to support the marketing of rural products of women's professional organizations. Nowadays, eleven points of sale have been installed within CRDAs following a Ministerial Circular dated 13th October 2016 inviting theses structures to allocate space for the marketing of rural women's products ».

3. THE MAIN FIELDS FOR FUTURE REFLECTIONS

The SSE is constituted by democratic economic enterprises that ensure the primacy of the human being, rather than the capital. It shares a common feature with the lucrative economy: the ability to create wealth and produce goods and services in all fields. It shares universal values of sustainable development and fundamental liberties and rights with social and environmental movements. This conceptual duality gives the SSE the potential for resilience, sustainability,

⁷⁷ See above: Increasing multiplicity of sectoral policies of the Part II.

⁷⁸ Interview on 7th March 2019 with Mrs. Naouel Jabbes, Head of SSE at the Ministry of agriculture cabinet.

adaptation to change and decent job creation. Nevertheless, creating decent and sustainable jobs in a perpetually changing world of work imposes the following challenges:

- **Legal constraints.** Besides the lack of a unified legal framework (currently being formulated), legal texts on cooperatives, mutuals and associations are far from being homogenous and do not form an intelligible and coherent set. Except the General Statute of cooperation dated 1967, not a single legal text fully fits in the criteria of the SSE. This phenomenon emphasizes the sector's invisibility among actors and decision makers.
- **Absence of reliable statistical data on the SSE employment market.** The statistical system suffers from three major failures. The first is that SSEOs are not integrated in the National Accounts System of the National Institute of Statistics (INS); therefore, there are no official statistics. The second failure is the absence of database on the current and future needs of the SSE labour market, in terms of branches, territories and professional qualifications. Third, there is no accurate data on the real impact of the SSE on the creation of employment and decent work.
- **Financing difficulties.** The majority of SSEOs face difficulties to gain access to financing because of its actors' fragility and the sector's invisibility. Banks treat them as if they were private companies and public powers deploy scattered instruments.
- **Difficulties of the actors to gather in SSEOs.** The actors face difficulties in gathering in collective SSE structures. Because of the lack of information, the majority of actors do not know exactly what an SSEO truly is, as well as the legal statutes of the cooperatives and mutuals enabling them to gather.

Considering the above challenges, the future of work involves taking strategic actions in the following areas:

- **Overhauling legal frameworks.** Beyond the framework currently being formulated, it is important to consider the sectoral legal texts in order to simplify and integrate them into the conceptual framework of the SSE, which are legal texts on agricultural and non-agricultural cooperatives, mutuals, GDAPs and microfinance associations.
- **Producing reliable data on the employment market of the SSE.** This field of action involves three key measures. The first is to create an SSE Satellite accounts within the national statistic system. The second is to produce accurate data on the current and future needs of the SSE labor market facing the changes of the world of work. The third measure is to provide information about the real impact of SSE on the creation of employment and decent work.
- **Setting-up a financing system.** In addition to the financial support measures operated by public structures and international organizations, the foundation of a third sector creating wealth, decent employment and social justice involves setting up a financing system: it is an SSE self-financing system, in other terms SSE enterprises finance the sector of SSE.
- **Implementing national training, information and awareness programs.**

All of these programs shall be part of a strategic Action Plan, as detailed in the following section.

RECOMMENDATIONS

In a bushy and complex, but dynamic and innovative sector, goodwill is not enough. Two choices are possible: to continue in piecemeal policies made case-by-case or to found a full-fledged sector creating wealth, social cohesion and decent work. Public authorities must initiate a national project that can articulate all public policies in an implementation national plan structured in SMART objectives and by coordinated means of action. This national project would be executed with social partners (UGTT, UTICA & UTAP), SSE supporting organizations, researchers and field actors. The question is how to federate all the initiatives and policies in a unified and operational Plan that meets the actors' expectations? The following method is advised:

1. Developing a national SSE Guide

This operation consists in creating a shared repository of intellectual constructions in order to manage the heterogeneity, diversity and extreme instability of the SSE phenomena and thus to ensure the intelligibility and autonomy of the sector. The Guide contributes to the transformation of the SSE into a coordinated, organized and accessible discipline. Based on the diversity of cases, this work leads to the construction of methodological tools specific to SSE : legal standards, concepts, management and planning methods, monitoring and evaluation tools, statistical instruments This task meets the requirement to understand SSE as a science, which means a logical, rational and constructed knowledge and not as disparate phenomena and initiatives.

2. Validating and implementing an SSE National Action Plan

Based on the development Plan and Strategic Study on SSE, Government (MDICI) has prepared a draft action plan. As a first step, this plan requires validation by a Council of Ministers. In a second step, an effective and participatory task force should be built whose mission is to lead and coordinate the various operations of the Action Plan until the institutionalization of the sector.

3. Translating the state's strategy and the national action plan into legal texts

After having set up the Guide and formulated the Action Plan, the preparation of legal texts becomes an easy operation to implement. It is just a matter of translating the strategy and the Action Plan in the SSE Basic Law into legal terms. The sectoral measures will be translated into the specific legislative texts relating to the various branches of the SSE. The law No67-4 of 19th January 1967 on General Statute of Cooperation, even if it requires some adjustments, could be seen as an important source of inspiration.

Finally, SSE must be integrated in the programs of the National Council of social Dialogue created by the Law No 2017-54 of 24th July 2017.

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