



Organization

Labour

## Cooperatives and Social and Solidarity Economy (SSE): An ILO Perspective

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### Outline

- ILO on coops and social and solidarity economy (SSE)
- COPAC and UNTFSSE
- Workshop questions
- Boundaries, principles and values of coops and SSE
- Europe on social coops and social enterprises
- Cooperation with the ILO on coops and SSEs

# International Labour Organization (ILO)

- Oldest UN specialized agency responsible for world of work issues
- Only tripartite UN agency with government, employer & worker representatives from 187 member states (as of Aug 2017)
- Four strategic objectives which are also the pillars of the decent work agenda: employment creation, social protection, rights at work and social dialogue
- Recognized the importance of coops in implementing its mandate toward social justice and full employment
- Only specialized agency of the UN with an explicit mandate on coops with a Coop Unit since 1920 and a Recommendation (193) on promotion of coops
- The ILO Constitution gives cooperative organizations a consultative status
- ILO works closely with coop partners including the International Cooperative Alliance and its sectoral organizations and regional offices



### Promotion of Cooperatives ILO Recommendation 193 (2002)

- Adopted as guiding text, not binding in nature
- Notes that coops operate in all sectors and all countries

Refers to & uses as ICA definition, principles & values on coops

- Recommends governments create an enabling environment and facilitate access to support services for coops
- Suggests employers' and workers' organizations can promote cooperatives in their supply chains, among their members & communities
- Underlines the importance of coop to coop cooperation across sectors



Committee for the promotion and advancement of cooperatives

 COPAC is a multi-stakeholder partnership of global public and economic, social and environmental sustainable development. self-sustaining cooperative enterprises, guided by the principles of private institutions that promotes and advocates for people-centred,

International Co-operative

- Members include the ILO, ICA, WFO, FAO and UN DESA
- ILO is the current chair where this responsibility rotates every 2 years
- Current areas of work include:
- Activating coop engagement with the SDGs
- Showing concrete proof of coop contributions to the SDGs
- Advancing statistics on coops (e.g. employment, value added, etc.)





United Nations Department of Economic and Social Affairs

Division for Social Policy and Development



## Social and Solidarity Economy

governmental organizations with a direct interest in SSE as well as umbrella associations of international SSE networks. UN Inter-Agency Task Force on Social and Solidarity Economy (UN TFSSE) brings together UN agencies & inter-

#### It aims to:

- Enhance the recognition of Social and Solidarity Economy Enterprises and Organizations (SSEEOs) in sustainable development;
- Promote knowledge on SSE;
- Consolidate SSE networks;
- Support the establishment of an enabling environment within and outside the UN system;
- Ensure coordination of international efforts.
- ILO is currently chairing it in close coordination with FAO & UNRISD

|         | Members  UNESCO  UNIDO  UN Women  WFP  OECD |
|---------|---|
| UN-DESA | UN Women                                    |
| FAO     | WFP   |
| WHO     | OECD  |
| UNAIDS  | ECLAC                                       |
| ESWCWA  | UNECE                                       |
|         | UNCTAD                                      |

# Three Sets of Workshop Questions

- SSE boundaries and principles
- Europe on social cooperatives and social enterprises
- International collaboration

### **Defining SSE**



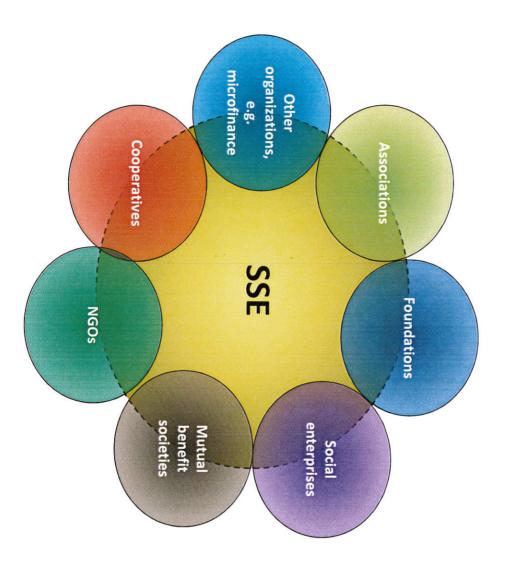
the following: While there is no internationally agreed definition of SSE, the UNTFSSE considers it an umbrella concept and uses

"Social and solidarity economy is defined as a concept designating enterprises and organizations in particular cooperatives, mutual benefit societies associations, foundations and social enterprises, which have the specific feature of producing goods services and knowledge while pursuing both economic and social aims and fostering solidarity"

ILO Promotion of Cooperatives Recommendation, 2002 (No. 193) calls for measures to be adopted for "establishment and expansion of a viable and dynamic distinctive sector of the economy, which includes cooperatives, that responds to the social and economic needs of the community"

UNTFSSE 2014: Social and Solidarity Economy and the Challenge of Sustainable Development. A Position paper.

### SSE Actors





# Common characteristics of SSE organizations

| Participation   | Autonomy<br>Voluntary involvement  | Solidarity  | Collective Dimension   | Economic and Social Function  |
|---|--|---|--|---|
| <ul> <li>Members/users/beneficiaries have the opportunity to be the owners of the organisation and/or to actively take part in the decision making process</li> <li>Participation can take various forms (from one person/one vote to more flexible ways) but should be defined and done on a systematic and explicit basis (as being mentioned in formal documents and/or clearly known and understood by all involved stakeholders)</li> <li>Participation should ideally give the possibility to control and/of imposing sanction</li> </ul> | Autonomy of the organisation in management and in decision making processes  No compulsory affiliation | Operating methods based on solidarity (either altruism or reciprocity)  • Goals not primarily oriented to accumulated capital or generating profits  • Aims to include rather than to exclude | <ul> <li>Based on the will of people/groups to join forces in order to meet their own needs or those of others</li> <li>Collective dimension depends on the definition and type of organisation</li> <li>Very strong in cooperatives (collective ownership);</li> <li>Less strong in some social enterprises</li> <li>Collective dimension is not in contradiction with a strong leadership</li> </ul> | <ul> <li>Combined social and economic objectives</li> <li>Produce goods and services on a permanent basis</li> <li>Do not seek profit maximisation but some SSEOs can be for-profit or generate surpluses (e.g. cooperatives)</li> <li>Legally-binding, strict rules on use of surpluses/redistribution of surpluses</li> </ul> |

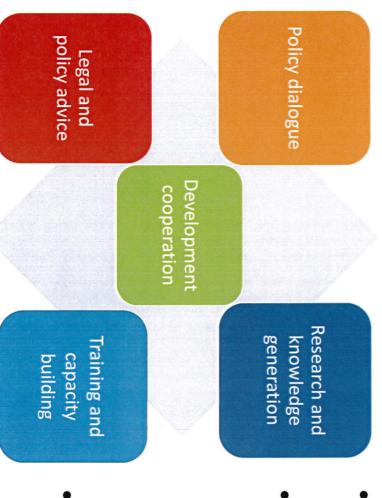
## Social cooperatives

- Mainly coops are in the service of immediate members. That has changed over the last 20+ years or so, particularly in social care
- Social coops emerged as a socially innovative response to a market failure in provision of public services in countries like Italy in the 1970s
- Users of social services, like those within a community of people with disabilities, organized into coops for better services for themselves
- There is a growth in these type of coops around the world in home care, child care, health care
- They are legal entities that enter into contract and negotiate legal agreements with the state for the provision of public services
- In some countries, the legislation is still catching up with them after the

### Social enterprises

- A social enterprise is any private organisation which undertakes, social utility and whose purpose is the general interest. either exclusively or at least for the most part, activities that are of a
- For social enterprises the ownership system, the decision making process and legal status can be at individual level
- For coops the method of organisation and ownership system reflect on social justice the mission, using democratic or participatory principles or focusing

## International cooperation



- Collaboration on the legal and policy advisory front is one entry point
- As important if not more so is to ensure the effective implementation of the adopted legislation and policy via:
- Policy dialogue
- Training and capacity building
- Research and knowledge generation
- Development cooperation is the path used in delivering on these services

## ILO's Legal and policy advice

ILO provides technical assistance to its constituents to:

- (e.g. Sri Lanka, Trinidad & Tobago, Peru, Sierra Leone) Revise and develop national cooperative policies and laws (in line with Recommendation 193)
- 2. Develop social and solidarity economy legislation and policies through technical cooperation projects

(e.g. in Tunisia and South Africa)



## Training and capacity building

### My.COOP

- Training package on the management of agricultural cooperatives
- Translated into more than ten languages (including English, Spanish, French, Arabic, Swahili, Bahasa Indonesia, Sinhala, Tamil, Nepali and Chinese) and adapted to over dozen country contexts





## Capacity building for specific groups

E.g. domestic workers in Trinidad and Tobago





### **MyFinCOOP**

- Training package for financial cooperative apex organizations and other support institutions to advance the effectiveness of financial
- To be tested in Zambia or Malaw

### Think.COOP

- Training module to support aspiring co-operators develop cooperatives using peer-to-peer approach
- Tested in Cambodia

### SSE Academy

- Interregional training opportunity for practitioners and practices and challenges from their work in the SSE policymakers around the world to share experiences, best
- Seven academies have organized in Italy, Canada, Morocco, Brazil, South Africa, Mexico, Costa Rica, and South Korea





# Research and knowledge generation

All the publications available at <u>ilo.org/coop</u>





cooperatives in the informal economy

ILO/WIEGO joint research on

ILO/COPAC joint research on Statistics on Cooperatives







COOPERATION IN A CHANGING WORLD OF WORK: fowards a cooperative future\* Actions of the Street or Colors of the Color

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Public policies for SSE case studies



# Examples of ongoing development cooperation

#### Algeria

Professional integration of young people through a stronger civil society

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Promotion of Organizations and Mechanisms of Social and Solidarity Economy ('PROMESS') to create sustainable and decent jobs for youth

#### South Africa

Development of a social economy policy

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Support ILO's programme "Work in Freedom:
Preventing trafficking of women and girls in South Asia and the Middle East" by documenting good practices of fair recruitment through cooperatives in the country

#### Sri Lanka

Local Empowerment through Economic
Development (LEED) project in post-conflict Sri
Lanka partnering with cooperatives in specific
value chain sectors to impact livelihoods

#### Haiti

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

#### **Philippines**

Pilot initiative to improve recruitment of migrant workers through the development of workers' cooperatives providing labour intermediation services (part of the Integrated Programme on Fair Recruitment)

### Thank you Ευχαριστώ