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

**September 2017, At**

**Vic Van Vu**

**Dire**

**Enterprises Depart**

**International Labour Organiza**

# 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)



largest **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

# ILO Recommendation 193 (2002) Promotion of Cooperatives

- 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



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

Members include the ILO, ICA, WFO, FAO and UN DESA

WFO 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.)



Food and Agriculture  
Organization of  
United Nations



United Nations Department of Economic and Social Affairs  
Division for Social Policy and Development



# UN

## Inter-Agency Task Force on **Social and Solidarity Economy**

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

Its objectives are to:

- Promote 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;
  - Enhance coordination of international efforts.
- The Task Force is currently chairing it in close coordination with FAO & UNRISD



### Members

UNRISD	UNESCO
ILO	UNEP
UNDP	UNIDO
UN-DESA	UN Women
FAO	WFP
WHO	OECD
UN-NGLS	TDR
UNAIDS	ECLAC
ESWCWA	UNECE
	UNCTAD



### Some observers

EESC
GSEF
MedESS
EMES
SSE International Forum (formerly Mont Blanc meetings)
International Co-operative Alliance (ICA)
RIPESS
CSEND



# Three Sets of Workshop Questions

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

# Defining SSE



Since there is no internationally agreed definition of SSE, the UNTFSSSE considers it an **umbrella concept** and uses the following:

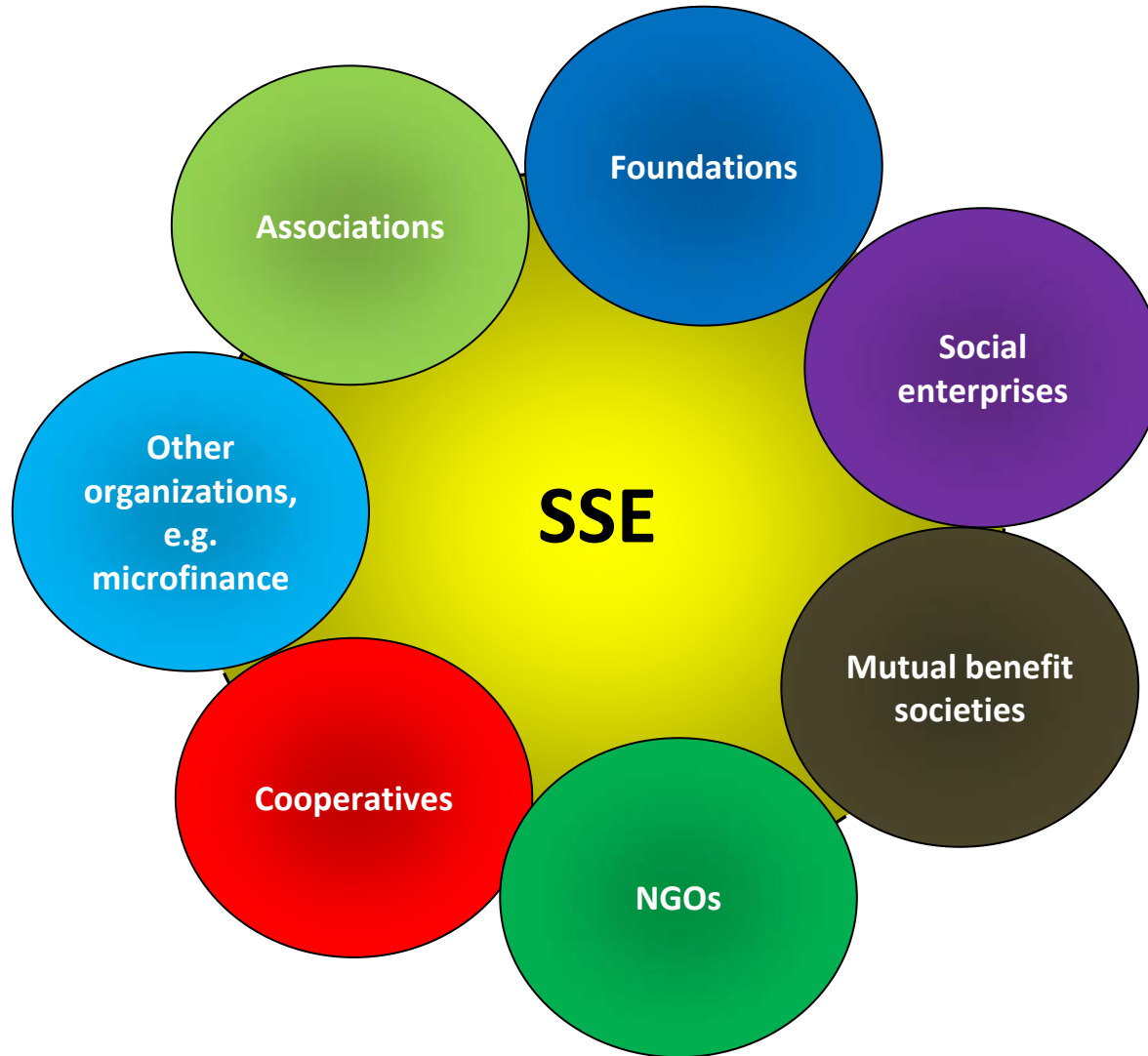
“Social and solidarity economy is defined as a concept designating enterprises and organizations, in particular cooperatives, mutual benefit societies, associations, foundations and social enterprises, which have the specific feature of producing goods, services and knowledge while pursuing both economic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

ILO Promotion of Cooperatives Recommendation, 2002 (No. 193) calls for measures to be adopted for the “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”

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



# SSE Actors



# Common characteristics of SSE organizations

Common features	Comments
Economic and Social Function	<ul style="list-style-type: none"> <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)               <ul style="list-style-type: none"> <li>○ Legally-binding, strict rules on use of surpluses/redistribution of surpluses</li> </ul> </li> </ul>
Collective Dimension	<ul style="list-style-type: none"> <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               <ul style="list-style-type: none"> <li>○ Very strong in cooperatives (collective ownership);</li> <li>○ Less strong in some social enterprises</li> </ul> </li> <li>• Collective dimension is not in contradiction with a strong leadership</li> </ul>
Solidarity	<p>Operating methods based on solidarity (either altruism or reciprocity)</p> <ul style="list-style-type: none"> <li>•Goals not primarily oriented to accumulated capital or generating profits</li> <li>•Aims to include rather than to exclude</li> </ul>
Autonomy	Autonomy of the organisation in management and in decision making processes
Voluntary involvement	No compulsory affiliation
Participation	<ul style="list-style-type: none"> <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>

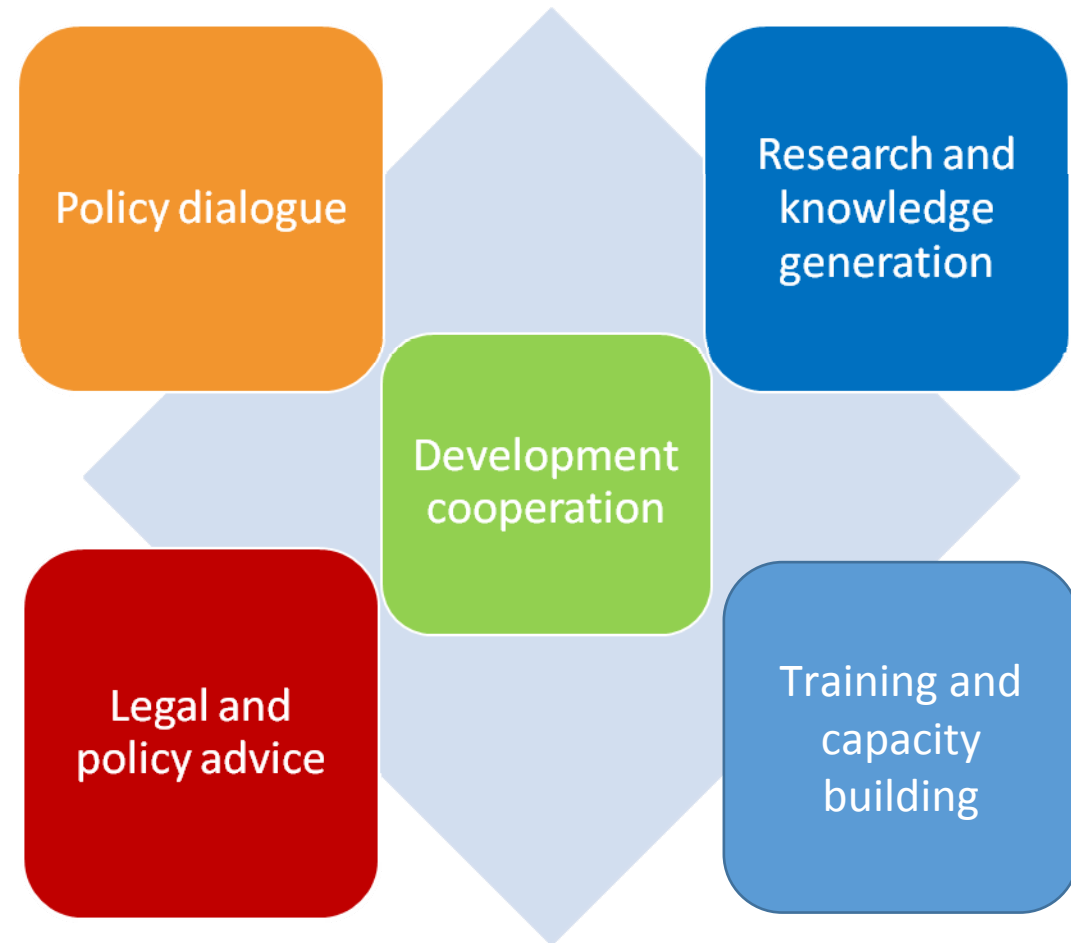
# Social cooperatives

- 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 fact.

# Social enterprises

- A social enterprise is any private organisation which undertakes, either exclusively or at least for the most part, activities that are of a social utility and whose purpose is the general interest.
- 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 the mission, using democratic or participatory principles or focusing on social justice

# 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 part used in delivering on these services

# ILO's Legal and policy advice

provides technical assistance to its constituents to:

revise and develop national cooperative policies and laws (in line with Recommendation 193)

(e.g. Sri Lanka, Trinidad & Tobago, Peru, Sierra Leone)

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



## MyFinCOOP

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

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



## Capacity building for specific groups

e.g. domestic workers in Trinidad and Tobago





# Research and knowledge generation

- All the publications available at [ilo.org/coop](http://ilo.org/coop)

ILO/WIEGO joint research on cooperatives in the informal economy

**COOPERATION AMONG WORKERS IN THE INFORMAL ECONOMY: Focus on home-based workers and waste pickers**

A Joint ILO and WIEGO Initiative

The cover features a photograph of a group of people, including a man in a green uniform and several women, in what appears to be a market or workshop setting. Logos for ILO and WIEGO are visible at the top.

ILO/COPAC joint research on Statistics on Cooperatives

**STATISTICS ON COOPERATIVES COUNTRY IN FOCUS: CANADA**

This is one of the notes prepared for the Centres in Focus on Statistics of Cooperatives series produced by the International Labour Organization (ILO) and the Committee for the Promotion and Advancement of Cooperatives (COPAC) as part of a larger initiative to increase understanding of the ways in which countries around the world are producing and using statistics on cooperatives. Currently reliable and comparable statistics on cooperatives are missing in most countries of the world. These statistics are essential to measuring the impact of cooperatives on members, workers and the economy as a whole.

**Cooperatives in Canada**

The Canadian structure of federalism (power-sharing between the ten provinces and three territories with the federal government) influences the regulatory disposition towards cooperatives. In Canada, cooperatives are usually classified as financial or non-financial. Finance Canada provides oversight to financial cooperatives while the provincial or federal government regulates non-financial cooperatives. Only non-financial cooperatives with business activities in more than one province are subject to federal regulation. Non-financial cooperatives with business activities in only one province are subject to that province's regulatory framework.

**How are statistics on cooperatives generated in Canada?**

Despite providing oversight, Finance Canada does not disclose data on financial cooperatives. The Canadian Credit Union Association (CCUA) and Statistics Canada both collect data on financial cooperatives. CCUA collects data from members for internal reporting including credit unions, caisses populaires and regional centres. Statistics Canada releases financial data on credit unions in the survey on Financial and Taxation Statistics for Enterprises.

Since 2013, the Cooperative Policy Unit of Innovation, Science and Economic Development Canada has collected and published data on non-financial cooperatives. As of 2015, the Cooperative Policy Unit issues a biannual publication covering all provinces (except for Quebec) and territories. Cooperatives in Quebec are required to submit annual reports to the Quebec Ministry of Economy, Science and Innovation (MESI), which then shares aggregated data with the Cooperative Policy Unit every two years. Combining the information collected from MESI with their own survey, the Cooperative Policy Unit issues publications on cooperatives throughout the country. The survey response rate ranges between 60 and 75 per cent.

Cooperatives and the future of work

**The Future of Work Centenary Initiative Issue Note Series**

**COOPERATION IN A CHANGING WORLD OF WORK: Towards a cooperative future\***

This note looks at the ways in which cooperatives respond to technological, demographic, economic and environmental changes that are taking place within the world of work. It then examines the key issues as well as the challenges and opportunities that need to be taken into account in future debates.

**1. Setting the scene: key issues and overview**

Around the world cooperatives exist in all sectors of the economy, and while they are businesses, they operate within a broader set of values and principles, not only focusing on generating profit. Cooperatives and other forms of collaborative organizations and enterprises, such as mutual benefit societies, social enterprises and associations, are part of the social and solidarity economy.<sup>1</sup> They have historically emerged out of the need to provide goods and services that are not accessible from the public sector and conventional businesses. A common feature of these entities is to produce goods and services while pursuing both economic and social benefits (ILO, 2009). In addition, cooperatives and mutualistic associations are membership-based enterprises, where members are also the owners of the organization, and decide democratically on the major issues affecting them.

In the rapidly changing world of work, as described in this Future of Work Issue Note Series, cooperative enterprises are seeing a renaissance to meet the expanding and increasingly complex needs of members, providing services, advancing livelihoods and creating jobs. Cooperative employment is estimated to involve at least 250 million people worldwide (ICOPAC, 2016), and the largest 500 cooperatives across 25 countries had a turnover of 2.5 trillion USD in 2015 (OCA & EURACIS, 2016). Cooperatives are critical to the subsistence and livelihoods of millions of people, in sectors including agriculture, finance and housing. However, the full potential of cooperatives in responding to the challenges in the future of work will be only realized when proper actions are taken in a coordinated and timely manner.

Cooperatives and the world of work series

**COOPERATIVES AND THE WORLD OF WORK No.1**

**Leveraging the cooperative advantage for women's empowerment and gender equality**

This brief is a part of the ILO COPAC Cooperatives and the World of Work series. For more information and other articles and tools on the series, visit [www.ilo.org/coop](http://www.ilo.org/coop).

**INTRODUCTION**

Gender equality refers to the enjoyment of equal rights, opportunities and treatment by men and women in all spheres of life. It asserts that people's rights, responsibilities, social status and access to resources do not depend on whether they are born male or female.<sup>1</sup>

Despite commitments in many international agreements and treaties to the principle of gender equality, women worldwide continue to face oppression, discrimination and human rights violations. These take many forms, from violence against women to restricted access for women to education and health services.

Inequalities between women and men also exist in the world of work, both in quantity of job opportunities and quality of employment. On average, men earn more than women undertaking equivalent work, and men continue to fill the leadership and management positions. Gender equality in the world of work signifies equality of opportunity and treatment, equality of remuneration and access to safe and healthy working environments, equality in association and collective bargaining, equality in obtaining meaningful career development, maternity protection, and a balance between work and home life that is fair to both men and women.<sup>2</sup>

This brief provides insights into questions such as: How can cooperative enterprises help promote gender equality? What are ways women can make use of the cooperative advantage to access opportunities that are otherwise denied to them?

**Cooperative Principles**

1. Voluntary and open membership
2. Democratic member control
3. Member economic participation
4. Autonomy and self-reliance
5. Education, training and information
6. Cooperation among cooperatives
7. Concern for community

The internationally agreed Cooperative Values and Principles commit the cooperative movement to the values of self-help, self-responsibility, democracy, equality, equity and solidarity. Democratic member control, on the basis of one member one vote and without gender, social, racial, political or religious discrimination lies at the heart of cooperative values.

Public policies for SSE case

**Public policies for social solidarity and environmental protection: The case of the Republic of Serbia**

The cover features a circular graphic with hands in different colors (red, blue, green) reaching towards each other, symbolizing solidarity and cooperation. The background shows a landscape with trees and a building.

# Examples of ongoing development cooperation

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**Africa**  
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**Haiti**  
Support to cooperative organiza  
in the fishery sector (part of an  
initiative to address education  
skills gaps for vulnerable youth

**India**  
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

**Philippines**  
Pilot initiative to improve recruit  
of migrant workers through the  
development of workers' cooper  
providing labour intermediation  
services (part of the Integrated  
Programme on Fair Recruitment)

**Thank you**  
**Ευχαριστώ**