



► Decent work and the Social and Solidarity Economy (SSE): **Focus on Asia and the Pacific region**

Cooperatives Unit, Enterprises Department

April 15, 2022 version

► General Discussion on Decent Work and the SSE at the 2022 International Labour Conference

- Why a General Discussion on Decent Work and the SSE?
- What is the Office's proposed definition on the SSE for discussion?
- What is the state of the art of the SSE at the global and Asia and the Pacific region?
- How can the SSE contribute to decent work and sustainable development?
- How is the SSE related to the work of the ILO constituents?
- What does the ILO do to advance the SSE?
- What are the next steps in the lead up to the general discussion?

► Why a General Discussion on Decent Work and the SSE?

► The decision

- Decision taken by the 341st Governing Body (GB) of the ILO in 2021 hold a General Discussion on “Decent Work and the Social and Solidarity Economy (SSE)”
- This is the first time that the International Labour Conference (ILC) will have a general discussion on the SSE



▶ The global context leading to this ILC General Discussion

- ▶ Growing attention from governments and social partners on **human-centred economic models**.
- ▶ Opportunity to shed light on the growing **diversity of enterprise models** that combine social, economic and environmental objectives.
- ▶ The SSE has gained further recognition for its role during the **global financial crises** and the recent COVID-19 pandemic.
- ▶ Relevance of the SSE in **building resilience** in the **post-pandemic era**.



▶ The expected outcomes of the ILC Committee on Decent work and the SSE

- ▶ Propose a **universal definition** of the term “social and solidarity economy”, including its associated principles and values
- ▶ **Assess the contribution of the SSE** to managing and promoting the overall support for people through the transitions they face in their working lives
- ▶ **Provide policy** guidelines for a conducive environment for the SSE
- ▶ **Provide guidance to the Office** on how to engage in promoting and advancing the SSE
- ▶ Encourage the Office to **establish and maintain partnerships** with SSE stakeholders



What is the Office's proposed definition on the SSE for discussion?

▶ The SSE is an umbrella term that covers institutional units based on values and principles

Values and principles have featured prominently in recent legislation on the SSE, based on a review of selected legislation on the SSE. Most common **values** include:

- ▶ Care for people and the planet
- ▶ Egalitarianism
- ▶ Interdependence
- ▶ Integrity
- ▶ Self-governance



▶ A set of SSE **principles** operationalizes the set of SSE values

- ▶ Voluntary cooperation
- ▶ Social or public purpose
- ▶ Autonomy and independence
- ▶ Prohibition or limitation of profit distribution
- ▶ Democratic and participatory governance



► The SSE includes **organizational forms** operating in accordance with values and principles

They include:

- Cooperatives
- Mutual societies
- Associations
- Foundations
- Self-help groups
- Social enterprises



► Proposed **definition** based on values, principles and organizational types

The Social and Solidarity Economy (SSE) encompasses institutional units with a **social or public purpose**, engaged in economic activities based on **voluntary cooperation, democratic and participatory governance, autonomy and independence, whose rules prohibit or limit the distribution of profit.**

SSE units may include **cooperatives, associations, mutual societies, foundations, social enterprises, self-help groups** and other units operating in accordance with SSE values and principles in the formal and the informal economies.



► **What is the state of art on the SSE at the global level and in Asia and the Pacific?**

▶ A global overview of the SSE

Traditional and new forms:

- ▶ Terminology rooted in different traditions (e.g. social economy, third sector, non-profit sector)
- ▶ Traditional forms (e.g. associations, cooperatives, mutuals) and new forms (e.g. social enterprises) and sectors

Institutional support:

- ▶ Growing support from regional institutions (e.g. African Union, European Union, Organization of American States, Association of Southeast Asian Nations)

Policy and legislation:

- ▶ Emerging policies and laws on the SSE
- ▶ Update of existing policies and laws of organizational forms under the SSE





Statistics:

- ▶ Lack of internationally agreed guidelines on SSE statistics
- ▶ Few regions, countries with statistical initiatives, including by their SSE organizations (e.g. Quebec, Portugal)
- ▶ International federations (e.g. International Cooperative and Mutual Insurance Federation, International Cooperative Alliance) gather data on the organizational forms under the SSE

Overview of the SSE in Asia and the Pacific (1)



- ▶ Values of self-help, solidarity and mutualism **rooted across the region's diverse cultures and traditions**
- ▶ The **Asian financial crisis** of 1997 reawakened the spirit of reciprocity rooted in many Asian countries
- ▶ **Cooperatives** constitute the backbone of the SSE; **social enterprises** have been gaining momentum in Asia in the past 20 years (e.g. Southeast Asia)
- ▶ Lack of **legal and policy frameworks on the SSE**, with few exceptions (e.g. draft SSE law in the Republic of Korea)

-  COUNTRIES WITH A NATIONAL CONSTITUTION THAT REFERS INDIRECTLY TO THE SOCIAL AND SOLIDARITY ECONOMY (NON-EXHAUSTIVE LIST)
-  COUNTRIES WITH A NATIONAL LAW ON THE SOCIAL AND SOLIDARITY ECONOMY
-  COUNTRIES WITH A DRAFT LAW ON THE SOCIAL AND SOLIDARITY ECONOMY IN THE PROCESS OF BEING ENACTED
-  COUNTRIES WITH REGIONAL, FEDERAL OR PROVINCIAL LAWS ON THE SOCIAL AND SOLIDARITY ECONOMY

Source: David Hiez. *Guide to the writing of law for the Social and Solidarity Economy*. ESS Forum International, 2021.

► Overview of the SSE in Asia and the Pacific (2)

- **Lack of reliable and comparable statistics on the SSE** (some available but not standardized, as in Republic of Korea, Japan)
- Several **regional organizations and networks** support the development of the SSE:
 - Association of Southeast Asian Nations (ASEAN)
 - Asian Development Bank (ADB)
 - UN Economic and Social Commission for Asia and the Pacific (ESCAP)
 - Asian Solidarity Economy Council (ASEC)



► Overview of the SSE in Asia and the Pacific (3)

- **Increasing number of policies in support of the SSE** including:
- Bill of Framework Act on Social Economy is currently under discussion in the Republic of Korea
 - Malaysia to launch a Social Enterprise Blueprint 2021-2025 in 2022
 - Thailand established Social Enterprise Office in 2010 and adopted Social Enterprise Promotion Act in 2019
 - Indonesia and the Philippines in the process of establishing national policies to promote social enterprises
 - India promotes the SSE through national and local programmes



► SSE in the region

Republic of Korea

- **Vibrant and diverse policy ecosystem** backed with strong institutional support
 - Ministry of Economy and Finance (MOEF)
 - Secretary of the Social Economy under the Office of the President
 - Korea Social Enterprise Promotion Agency (KoSEA)
- **Local governments pass ordinances** to support the social economy (e.g. Seoul Metropolitan Government)
- Increasing **support from and collaboration with the private sector** (e.g. Lotte Home Shopping, SK Group)
- the **Framework Act on the Social Economy (FASE)** currently pending before the National Assembly

► SSE in the region

China

- **More than 30,000 cooperatives in 2020**
 - 60 per cent in the provinces of Zhejiang, Beijing, and Guangdong
 - Urban cooperatives employed 690,000 persons

India

- Cooperative members grew significantly over the years:
 - 1984-85: 316,000
 - 2016-17: 290 million
- More than 30 million citizens, mostly women, participate in 2.2 million self-help groups
- Self-Employed Women's Association (SEWA) have 153 collective social enterprises, involving 480,000 women

► SSE in the region

Japan

- 30 per cent of the population is a member of one of 591 consumer cooperatives
- 10,000 associations and foundations provide services at the national or regional levels
- Over 50,000 specified non-profit corporations operate in the fields of vocational skills and employment, health and social care, social education and community development, science, culture, arts and the environment

New Zealand

- The top **30 cooperatives**, mutuals and societies have a total revenue of **US\$30.5 billion**
 - 1.4 million members
 - Employing 48,500 individuals

► **How can the SSE contribute to decent work and sustainable development?**

▶ Contributions of the SSE to decent work and sustainable development

- ▶ Employment and income generation
- ▶ Social protection and the provision of social services
- ▶ Rights at work
- ▶ Gender equality
- ▶ Social dialogue
- ▶ Transition to the formal economy
- ▶ Crisis prevention and recovery, and promotion of peace and resilience
- ▶ Just digital transition
- ▶ Just transition to environmental sustainability

▶ The SSE and employment and income generation

- ▶ The SSE generates direct and indirect employment
- ▶ SSE units participate across various stages of supply chains
- ▶ SSE units provide a wide range of services to their members, and/or in their communities that improve incomes and livelihoods
- ▶ SSE units create jobs through worker-owned enterprises (e.g. trade unions in the 1950s in Japan established workers' welfare organizations, such as worker-oriented consumer cooperatives, workers' insurance cooperatives, and workers' housing associations)
- ▶ Access to finance remains a challenge for SSE units



► The SSE, social protection and provision of social services

- The SSE facilitates access to social protection for their members (e.g. cooperatives facilitate enrolment of their members with the national health insurance agency in the Philippines)
-
- SSE units provide health and care services to their members
- SSE units are established to provide health care and other care services (e.g. long-term care and senior housing in Hong Kong, Japan, the Republic of Korea and Singapore)
- SSE units play a critical role for rural and informal economy workers who may face challenges accessing formal social protection system



▶ The SSE and **rights at work**

- ▶ SSE units are required to comply with international labour standards (ILS) and national labour legislation in respect of their employment relationships
- ▶ ILS refer to the SSE or organizational forms that fall under it (e.g. R. 193, R. 204, R. 205)
- ▶ The SSE promotes compliance with ILS among their members and undertake joint initiatives with other community actors to advance their rights
- ▶ Labour laws must be applied to avoid the misuse of the organizational forms that fall under the SSE (e.g. pseudo cooperatives)



▶ The SSE and gender equality

- ▶ SSE units promote gender equality and advance SDG 5 by:
 - strengthening participation of women in the SSE, in membership and leadership positions
 - developing SSE units in economic sectors with higher participation of women (e.g. care economy)
 - providing affordable and accessible services for women
 - giving women the opportunity to engage in decision-making and power-sharing
- ▶ SSE units may be constrained by legal provisions, social norms and historical inequalities
- ▶ When established by and for women, SSE units can help overcome social and cultural constraints (e.g. Self Employed Women's Association, a national union of 1.8 million informal women workers in India provide health, childcare, insurance and financial services)



► The SSE and **social dialogue**

- In some countries, SSE vertical structures take part in social dialogue institutions
- Representatives of SSE units can take part in cross-border social dialogue mechanisms, notably in regional integration communities



The SSE and the **transition to the formal economy**

- ▶ The impact of COVID-19 has been particularly severe on the world's two billion informal workers (IW)
- ▶ Their earnings remain far below pre-pandemic levels
- ▶ Women IW are disproportionately burdened with unpaid care work within households
- ▶ Informal own-account workers can organize into SSE units to transition to the formal economy
- ▶ Vertical SSE structures of IW provide them with voice and representation (e.g. National Association of Street Vendors of India drafted the National Policy on Urban Street Vendors, granting legal status to street vendors)
- ▶ SSE units help scale up informal economy units via:
 - Enhancing their bargaining position
 - Scaling up their activities through collective forms of entrepreneurship
 - Facilitating workers' access to social protection



► The SSE and crisis prevention and recovery, promotion of peace and resilience

- The SSE plays a role in preventing and recovering from crises caused by conflict and disaster (e.g. Australian Mutuals Foundation ran a campaign to support communities affected by the bushfires, receiving contributions from mutuals around the world)
- SSE units were agents in addressing adverse effects of COVID-19 crisis
- SSE units support members & communities during economic downturns
- SSE units cooperate with governments and development partners seeking to address needs of refugees and host communities
- The SSE participates in rebuilding communities in post-conflict settings (e.g. cooperatives in Nepal, Sri Lanka and Timor-Leste have played a critical role in post-conflict reconstruction by creating jobs for returning displaced persons and ex-combatants, rebuilding businesses and homes and giving refugees and returnees access to markets)



► The SSE and **just digital transition**

- SSE units contribute to making digital transitions fairer, by connecting businesses and customers to employees
- SSE units use digital work platforms to help transform business processes with implications for the future of work
- The SSE offers a range of alternatives for workers, producers and users of digital services, including online applications that they own and control (e.g. Vrutti, a social enterprise in India supports 26,000 smallholder farmers organized in farmer producer organizations through a digital platform to provide demand and price forecasts, direct linkages to end consumers, and credit, distribution and logistics)



► The SSE and the just transition to environmental sustainability

- SSE units in agriculture, housing and energy are greening their operations and lowering their environmental footprint
- SSE units contribute to environmental sustainability by producing and selling products and services in green sectors (e.g. renewable energy, recycled materials, e-waste recycling)
- Waste pickers in informal economy have set up a variety of SSE units, mainly in Latin America and South and Southeast Asia (e.g. Solid Waste Collection Handling, a worker cooperative of 3,000 women worker-members who are waste pickers and itinerant waste buyers in India, has entered a contract with Pune Municipality)
- The SSE contributes to food networks associated with fair trade, solidarity purchasing and collective provisioning



► **How is the SSE related to the work of the ILO constituents?**

▶ ILO Constituents and the SSE

- ▶ The promotion of the SSE to advance decent work and sustainable development calls for **new forms of cooperation** between governments, employers, workers and societies at large
- ▶ Respecting SSE values and principles requires putting **workers' rights** and the **needs, aspirations and rights of all people** at the heart of policies and enterprise-level practices
- ▶ A **conducive environment** for the SSE can best be developed through tripartite participation and in consultation with other relevant and representative SSE organizations



▶ Governments

- ▶ Recognition of the SSE in **policy** and **legislation** (e.g. constitutional level, framework laws, strategies, decrees)
 - ▶ Enactment of SSE policy and legislation followed by the creation or strengthening of **government institutions** that regulate and support the SSE
 - ▶ Commitment to developing the SSE often generate **policy coherence** and **coordination** mechanisms across policy areas
 - ▶ An **environment conducive** to sustainable SSE enterprises applies to sustainable enterprises more generally
- ▶ It is important to ensure a **level playing field** for SSE units, on terms no less favourable than those accorded to other forms of enterprise and social organization



Workers' organizations

- ▶ Workers' organizations and SSE units share **common values** and **principles, history**, and occasionally **intersecting institutions**
- ▶ Workers' organizations **have established SSE units** in retail, affordable housing, small-scale finance, mutual insurance, education and training, and employment preservation to benefit their members
- ▶ Workers' organizations and SSE units collaborate in the **informal economy**
- ▶ Workers' organizations occasionally build **alliances** with the SSE to pursue common goals

- ▶ Workers' organizations could **advise and assist workers in the SSE** to join workers' organizations, and assist their members to establish SSE units



Employers' organizations

- ▶ SSE units and SSE vertical structures **may join existing employers' organizations**
- ▶ Employers' organizations may **develop structures and extend services** to SSE units and their horizontal and vertical structures
- ▶ SSE units may also **set up** their own employers' organizations (e.g. Vietnam Cooperative Alliance)
- ▶ Vertical and horizontal structures of the SSE may be represented in **international private sector platforms** along with other employers' organizations
- ▶ Employers' organizations could consider, where appropriate, **the extension of membership** to SSE units and provide appropriate support services on the same terms and conditions applying to other members



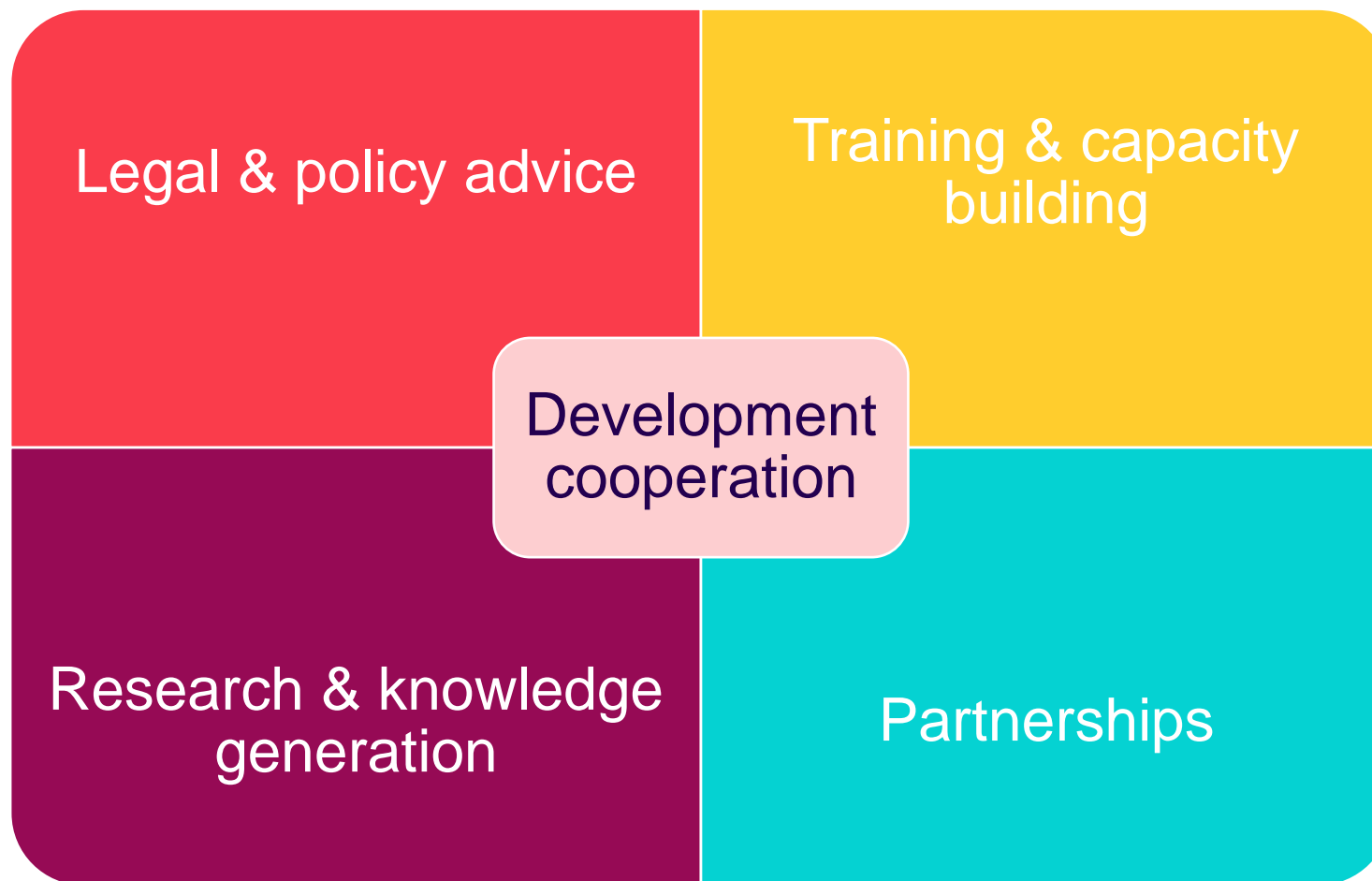
► **What does the ILO do to advance the SSE for decent work?**

ILO's Cooperatives Unit (ILO COOP)

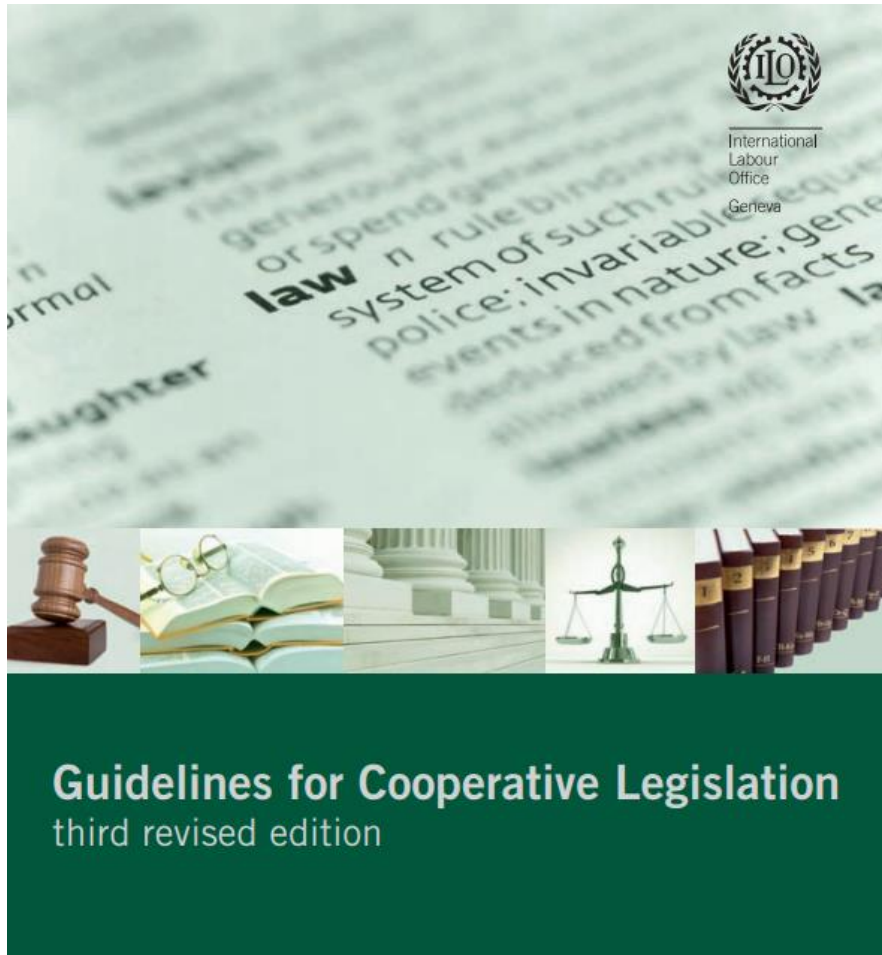
- ▶ ILO COOP was established in 1920 by a decision of its Third Governing Body
- ▶ It has worked on advancing cooperatives for over a century in responding to Constituents' requests in partnership with cooperative organizations
- ▶ In the past decade the ILO has been developing a portfolio of work on the wider SSE
- ▶ The Office uses a “one ILO” approach in incorporating SSE units into its programmes



► ILO Services on the SSE



Legal and policy advice



- ▶ The ILO provides legal and policy advice based on its Recommendation on the Promotion of Cooperatives, 2002 (No. 193)
- ▶ More than 117 countries have used the recommendation and the ILO's guidelines for cooperative legislation to support the review and development of cooperative policies and laws
- ▶ The Office has been receiving requests from the Constituents in Member States to support development of SSE policies and legislation
- ▶ Recent requests for support include technical assistance in implementing SSE policies

Research and knowledge generation

- ▶ Improving the understanding of the role of cooperatives and the wider SSE in advancing decent work and sustainable development
- ▶ Advancing the international guidelines concerning statistics of cooperatives adopted at the 20th International Conference of Labour Statisticians for harmonized and comparable data on cooperatives
- ▶ Producing research papers and briefs (e.g. child labour, forced displacement, platform economy, renewable energy, and the creative economy)
- ▶ Dissemination of knowledge through the ILO topical pages on cooperatives and the wider SSE, monthly e-newsletters, videos on cooperatives and the wider SSE on, webinars, blogs, podcasts, interviews and conferences



Monthly newsletter >



Statistics on Cooperatives Countries in Focus series >



Transforming our world: A cooperative 2030 series >



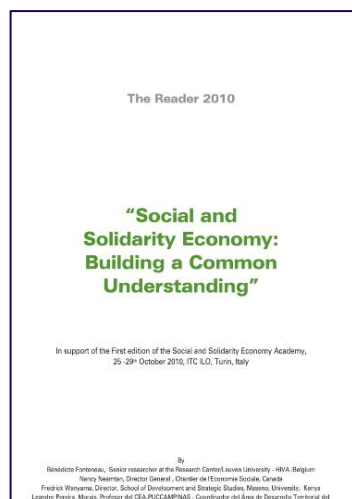
Cooperatives and the World of Work Series >



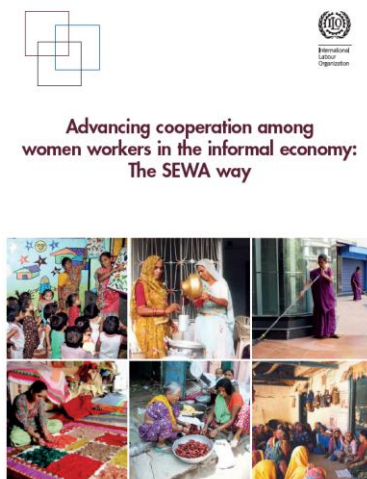
Cooperative legislation and policy >

Some ILO publications

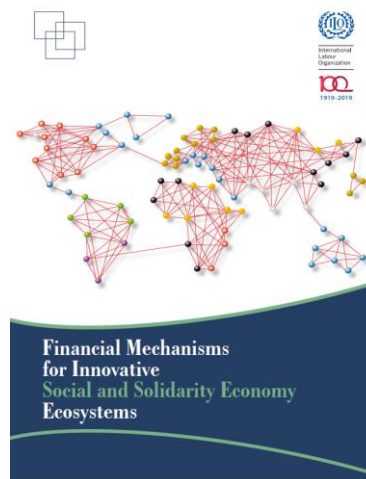
Social and Solidarity Economy: Building a common understanding



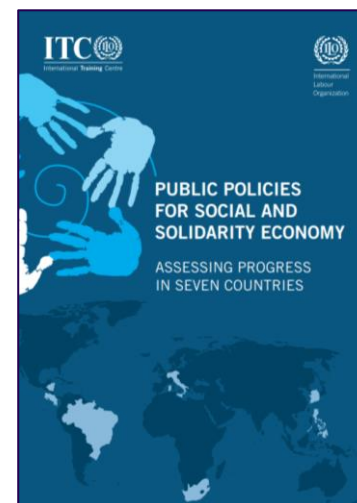
Advancing cooperation among women workers in the informal economy: The SEWA way



Financial Mechanisms for innovative ecosystems of SSE



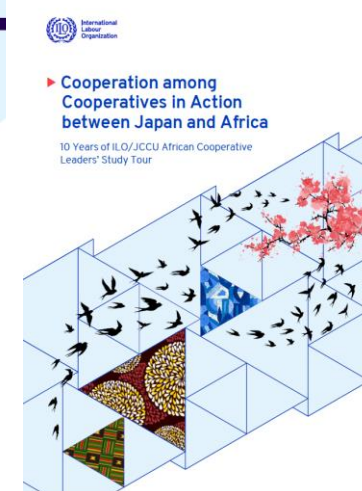
Public policies for Social and Solidarity Economy



Mapping the Social and Solidarity Economy Landscape in Asia



Cooperation among Cooperatives in Action between Japan and Africa



Training and capacity building - Key ILO tools

Our.Coop
Activity-based training tools for those who
want to understand, create and manage
cooperatives



► Policy dialogue & knowledge platforms

- **SSE Academy**: Brings together practitioners and policymakers from around the world to share experiences, good practices and lessons learned on the SSE
- **SSE Collective Brain**: Knowledge hub of the ILO SSE Academy to facilitate exchange and cooperation beyond the face-to-face interactions during the SSE Academy



► Development Cooperation (DC)

The ILO's DC projects support development of SSE units in advancing decent work and sustainable development.

- Formalization of the informal economy
- Promotion of universal health coverage
- Elimination of child labour and forced labour
- Advancement of youth employment and women economic empowerment
- Creation of income-generation opportunities in conflict/disaster affected communities and promoting peace and social cohesion
- Trade facilitation

Development cooperation: Focus on Asia and the Pacific

**China, Indonesia, Japan,
Malaysia, the Philippines,
Republic of Korea**

Strengthening the SSE in Asia -
1st phase (2019-2021)

**Cambodia, Kyrgyzstan,
Laos, Mongolia, Thailand,
Vietnam**

Strengthening the SSE in
Asia - 2nd phase (2021-
2023)



Republic of Korea

Initiative on statistics of cooperatives
(along with other four countries in
other regions – Costa Rica, Italy,
Tanzania and Turkey)

Partnerships

UN Task Force on the SSE (UNTFSSSE)

- ▶ The ILO co-founded and currently chairs the UNTFSSSE
- ▶ 18 UN Agencies and the OECD as members and 13 civil society organizations as observers

SSE organizations and research centers

- ▶ SSE umbrella organizations at international (e.g. GSEF, RIPESS) and national level (e.g. JCCU, SEWA Cooperative Federation)
- ▶ Research institutions, such as: CIRIEC international; EURICSE; HIVA, EMES International

Cooperative focused partnerships

- ▶ The ICA has a General Consultative Status at the ILO since 1919 and has an MoU signed in 2019 using the Future of Work as a framework
- ▶ The ILO is member of COPAC, a multi-stakeholder partnership between representatives of the cooperative movement
- ▶ ILO/JCCU African Cooperative Leaders' Study Tour Programme

Regional focused partnerships

- ▶ ASEAN, ESCAP, Asian Solidarity Economy Council (ASEC), CIRIEC Japan

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What are the next steps in the lead up to the general discussion?

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Challenges and Recommendations

- ▶ Despite the growing momentum around the SSE, significant challenges remain regarding data, legislation, support institutions and services
- ▶ A conducive environment for the SSE should be developed through tripartite participation with representative organizations of employers and workers
- ▶ Based on the conclusions of the general discussion, the Office is expected to further fine-tune its services on the SSE in support of its Constituents and in partnership with SSE organizations



How to engage with the general discussion on Decent Work and the SSE

Download and read the report (available including in Arabic, Bahasa Indonesian, Chinese, English, French, German, Hindi, Italian, Japanese, Portuguese, Russian, Tagalog, Sinhala and Spanish)

Disseminate the report and hold discussions around it in your countries

As ILO constituents or observers, **follow** the ILC general discussion in June 2022 at the ILC



Thank you!

For more information, see:

- ▶ [ILO topical page on cooperatives](#)
- ▶ [ILO topical page on the SSE](#)

To stay connected:

- ▶ [Sign up for ILO's monthly enewsletter on cooperatives and the wider SSE](#)
- ▶ Follow twitter accounts on the ILO's work on cooperatives and the wider SSE ([@coopsemploy](#) and [@sseacb](#))

