

Jenkins, Hamish

Working Paper

Historic breakthrough for social and solidarity economy at the International Labour Organization

UNRISD Working Paper, No. 2023-02

Provided in Cooperation with:

United Nations Research Institute for Social Development (UNRISD), Geneva

Suggested Citation: Jenkins, Hamish (2023) : Historic breakthrough for social and solidarity economy at the International Labour Organization, UNRISD Working Paper, No. 2023-02, United Nations Research Institute for Social Development (UNRISD), Geneva

This Version is available at:

<https://hdl.handle.net/10419/278334>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

Historic Breakthrough for Social and Solidarity Economy at the International Labour Organization

Hamish Jenkins

January 2023

Prepared under the UNRISD programme:
Alternative Economies for Transformation

UNRISD working papers are posted online to stimulate discussion and to raise critical comments.



The United Nations Research Institute for Social Development (UNRISD) is an autonomous research institute within the UN system that undertakes multidisciplinary research and policy analysis on the social dimensions of contemporary development issues. Through our work, we aim to ensure that social equity, inclusion and justice are central to development thinking, policy and practice.

UNRISD, Palais des Nations
1211 Geneva 10, Switzerland
Tel: +41 (0)22 9173060
info.unrisd@un.org
www.unrisd.org

Copyright © United Nations Research Institute for Social Development (UNRISD)

This is not a formal UNRISD publication. The responsibility for opinions expressed in signed studies rests solely with their author(s), and availability on the UNRISD website (www.unrisd.org) does not constitute an endorsement by UNRISD of the opinions expressed in them. No publication or distribution of these papers is permitted without the prior authorization of the author(s), except for personal use.

Summary

For more than two decades, a growing global movement has been promoting the social and solidarity economy (SSE) as a viable alternative socioeconomic approach to the manifold challenges of sustainable development. This growing movement has been advocating for the UN system and its Member States to adopt SSE in their development policy strategies. In a historic breakthrough, the International Labour Conference of the International Labour Organization (ILO) at its 110th session in June 2022 held, for the first time, a General Discussion on Decent work and the social and solidarity economy. This landmark event was also the first high-level debate in the UN system on the subject. The debates and negotiations resulted in the adoption of a Resolution containing agreed Conclusions that made advances towards a global consensus on the definition of the SSE and policy orientations best capable of scaling up its full potential around the world. The fact that all 187 Member States of the ILO and its social partners (workers and employers)—including from countries that do not have a tradition of SSE or SSE policy framework—engaged in a constructive discussion and agreed to meaningful substantive conclusions on SSE, was itself a remarkable achievement. The Resolution and Conclusions adopted strengthen the role and capacity of the ILO to play a leading role in promoting SSE at global and national levels, in partnership with governments, other international organizations and SSE stakeholders—including the United Nations Interagency Task Force on SSE.

The policy recommendations contained in the Resolution outline concrete ways that SSE can help address decent work deficits around the world, while simultaneously addressing other challenges, such as the shift to sustainable consumption and production patterns and climate change. Notably, the recommendations call for specific policy support measures for SSE that are distinct from measures for the conventional profit-maximizing private sector. They also provide a solid basis for forthcoming negotiations of a possible resolution at the United Nations General Assembly on the role of SSE in achieving the Sustainable Development Goals by 2030.

This working paper provides an analytic overview of some of the major political and substantive achievements of the ILO Resolution, as well as some of its limitations and elements that were not (or not sufficiently) addressed in this first global policy document on SSE. This paper benefitted from the insights and contributions of SSE organizations and experts that followed closely the negotiations.

Contents

Summary.....	i
Introduction.....	1
Structure of the General Discussion and ensuing Conclusions	2
Main political achievements	3
Main substantive achievements	4
Definition of SSE.....	4
Addressing decent work deficits through SSE.....	5
Recognition of the holistic nature of SSE	6
Inter-ministerial coordination and partnerships.....	6
SSE-specific policies.....	6
SSE demarcated from Corporate Social Responsibility	7
Scaling up productive and marketing capacities of SSE	7
Strengthening capacities to monitor and measure the SSE landscape	8
Limitations and possible ambiguities	9
Policy co-construction versus social dialogue	9
Democratic versus participatory governance	9
A developmental versus an overly legalistic approach	9
Limited reference to women’s empowerment and indigenous/tribal peoples	10
Limited reference to international development cooperation for SSE	10
Clarity needed on policy coherence for SSE in international economic governance.....	10
Going forward	11
References.....	12

Introduction

For more than two decades, a growing global movement composed of civil society organizations, academics, local and national governments, United Nations system agencies and other inter-governmental organizations, has been promoting the Social and Solidarity Economy (SSE) as an alternative socio-economic model for the advancement of human well-being, social justice and economic and sustainable development. In particular, the United Nations Interagency Task Force on SSE (UNTFSSSE) – founded in 2013 pursuant to demands by social movements for the UN system to promote SSE as a credible alternative to prevailing economic approaches – has demonstrated the strategic contribution of SSE to meet all 17 Sustainable Development Goals (SDGs) contained in the 2030 Agenda for Sustainable Development adopted at a UN Summit in September 2015 (www.unsse.org).

In a historic breakthrough of these global advocacy efforts, in June 2022, the International Labour Conference (ILC) of the International Labour Organization (ILO) at its 110th session held for the first time a General Discussion on “Decent work and the social and solidarity economy”. This landmark event was also the first high-level debate in the UN system on the subject. The two weeks of the discussion among the tripartite constituents of the ILO (governments, workers’ and employers’ organizations) were solidly informed by a comprehensive [report by the ILO Office \(ILO 2022a\)](#) which proved very valuable given the relative novelty of the subject for many delegations. The debates and negotiations resulted in the adoption of a [Resolution containing agreed Conclusions \(ILO 2022b\)](#), which made a major step forward in terms of reaching a global consensus on the definition of the term SSE, as well as policy orientations best capable of scaling up the full potential of SSE around the world. The Conclusions give scope to considerably strengthen the role and capacity of the ILO to play a leading role in promoting SSE at global and national levels in partnership with governments, other international organizations and SSE stakeholders. They also provide a solid basis for forthcoming negotiations of a possible Resolution at the United Nations General Assembly on the role of SSE in achieving the SDGs.

This UNRISD Working Paper provides an analytic overview of some of the major substantive and political achievements of the ILO Resolution, as well as some of its limitations and elements that were not addressed or sufficiently addressed in this first global policy document on SSE. The preparation of this Working Paper benefited from the insights and suggestions of SSE stakeholders and experts that followed closely the debates and negotiations as Observers.¹ Many of these comments on the Outcome made in preparation for this Working Paper are reflected in this document.

¹ David Hiez, University of Luxemburg and chief co-editor of RECMA; Marie Bouchard, Université du Québec and chair of Ciriec; Sonia George, Self Employed Women's Association (SEWA); Karin Pape and Laura Morillo, Women in Informal Employment: Globalizing and Organizing (WIEGO); Janhavi Dave, HomeNet International; Aude Saldana, Global Social Economy Forum (GSEF); Raymond Saner and Lichia Yiu, C-SEND; Yvon Poirier, Intercontinental Network for the Promotion of Social Solidarity Economy (RIPESS); Jürgen Schwettmann, former senior ILO officer and resource person on the UNTFSSSE; and Barbara Sak, Ciriec. Some of these were written contributions, occasionally cited in the text.

Structure of the General Discussion and ensuing Conclusions

The General Discussion began with two days of debate among governments (often speaking through regional groups) and representatives of workers' and employers' organizations (and included a limited slot reserved for accredited international non-governmental organizations speaking as Observers) to present their views on the following questions:

- What should be a universal definition of the social and solidarity economy?
- How can the social and solidarity economy contribute to decent work and sustainable development?
- What can governments, workers' and employers' organizations do to promote the SSE's contribution to human-centred recovery?
- What actions can the ILO take to promote the social and solidarity economy?

Based on these deliberations, the Office prepared and submitted tentative Conclusions for review and revision by a tripartite Drafting Group, which presented a draft text for plenary negotiations during the second week. The Conclusions were eventually structured in five parts as follows:

- Part I, "Introduction", recognizes the relevance of SSE to the ILO's mandate since the founding Constitution of the Organization in 1919 and its 1944 amendment (the Philadelphia Declaration). It stresses notably that the policy importance and visibility of SSE have grown significantly since the beginning of this century, citing relevant international labour standards and declarations that explicitly recognize the importance of the social and solidarity economy in its various forms, in promoting sustainable development, decent work, productive employment and improved living standards for all.
- Part II provides a clear and comprehensive "Definition of the SSE" based on a set of values and principles. This is the first agreed multilateral (in this case, tripartite) definition of SSE in the history of the UN system (see below).
- Part III spells out the "Guiding principles to address challenges and opportunities" to promote decent work and the social and solidarity economy for a "human-centred future of work".
- Part IV explains "The role of governments and the social partners [i.e., workers' and employers' organizations]" in fostering the SSE's economic, social and environmental contributions.
- Part V, entitled "The role of the ILO", provides recommendations for Office action and key principles that underpin such action.
- An Annex to these Conclusions provides a "non-exhaustive list of instruments of the International Labour Organization and the United Nations relevant to decent work and the social and solidarity economy".

Main political achievements

While awareness of SSE and political mobilization for its promotion has grown in many countries from all continents, SSE remains a relatively new or unknown concept for many policymakers around the world. From this standpoint, it is remarkable that not only was a General Discussion on this subject possible at an ILC annual session, but that a **global tripartite consensus supported by all 187 national government members of the ILO** and its social partners was achieved. Given that SSE, as an umbrella concept, has historically been developed and applied principally in Francophone and Iberophone countries, SSE experts Marie Bouchard and David Hiez noted: “It is impressive and a bit unexpected, that countries not familiar with SSE supported it, such as the United States and other countries of Anglo-Saxon tradition. This is a huge achievement for the SSE...”

In the first segment, it was possible to hear not only from countries or regional blocks with advanced SSE policies, such as Colombia and France (who, speaking on behalf of the European Union also presented the contours of the recently launched European Commission Social Economy Action Plan), but also from countries with no SSE policy framework, such as the United Kingdom, whose delegations strove to demonstrate how some of their domestic policies, such as to support social enterprises, contributed to the growth of SSE in their territories. Many African countries outlined their own SSE policy initiatives or were eager to learn how SSE could help address the major socio-economic challenges in their countries, notably the fact that the vast majority of their populations are unemployed or working poor in the informal economy.

There is little doubt that the leadership of the ILO Office and some key Member States, as well as the Workers’ Group was key to obtaining a decision by the ILO Governing Body to place SSE on the agenda of the 110th session of the ILC. The **pedagogical quality of the Office report** – explaining in great detail key aspects such as: the specific attributes of SSE (compared to the conventional profit-maximizing private sector); its contribution to achieving decent work for all and the 2030 Agenda; responding to multiple crises (including the climate crisis and the Covid-19 pandemic) and new challenges such as the digital revolution; as well as pointing to the growing number SSE-related laws and policies adopted North and South around the world – played no doubt a significant part in helping many delegations gain confidence in the solid foundations of SSE and prepare them to navigate through what may have appeared to them a new and difficult terrain to understand.

At the beginning of the discussion, the Employers' Group expressed views on various issues that were profoundly different from those of other parties. The Group had been originally opposed to an ILC General Discussion on SSE, considering it just another part of the conventional private sector. Their starting position during the discussion was that there should be no special and differential treatment of SSE vis-à-vis profit-maximizing enterprises. However, through skilful argumentation by the Workers’ Group and many governmental delegations North and South, the Employers yielded to accepting a range of guiding policy principles that underpin the specific nature of SSE and support measures required (see details below). It should also be noted however that to many observers, the Employers’ spokesperson showed a remarkable constructive spirit in seeking consensus on some of the more difficult parts of the negotiations.

A clear sign of political commitment to SSE is an agreement to “better integrate the SSE into the relevant outcomes, outputs and indicators of the ILO Programme and Budget, and examine ways to **reinforce the resources allocated to the work of the Office on the SSE;**” (Para. 16.(i)).

It is also noteworthy that the Conclusions constitute the **first multilateral endorsement of the UNTFSSE**. Its creation was the result of a bottom-up process of committed senior UN officials pursuant to demands by civil society and social movements at the “Peoples Summit” held in parallel to the 2012 “Rio+20” Summit on Sustainable Development, namely that the UN system incorporates SSE as a credible alternative to the conventional capitalistic model to address sustainable development challenges. (The UNTFSSE was founded in September 2013 without an inter-governmental mandate or decision by a formal UN inter-agency coordination mechanism.)

Finally, this first multilateral consensus document on SSE – although primarily focused on SSE and Decent Work – will certainly **ease negotiations on a possible UN General Assembly resolution** on the role of SSE in achieving the SDGs, starting in early 2023.

Main substantive achievements

Definition of SSE

The most substantive achievement of the negotiations was the first multilateral (or “universal”) definition of SSE that all parties could agree to (see full definition in Box 1).

Box 1. Definition of SSE

“The SSE encompasses enterprises, organizations and other entities that are engaged in economic, social, and environmental activities to serve the collective and/or general interest, which are based on the principles of voluntary cooperation and mutual aid, democratic and/or participatory governance, autonomy and independence, and the primacy of people and social purpose over capital in the distribution and use of surpluses and/or profits as well as assets. SSE entities aspire to long-term viability and sustainability, and to the transition from the informal to the formal economy and operate in all sectors of the economy. They put into practice a set of values which are intrinsic to their functioning and consistent with care for people and planet, equality and fairness, interdependence, self-governance, transparency and accountability, and the attainment of decent work and livelihoods. According to national circumstances, the SSE includes cooperatives, associations, mutual, foundations, social enterprises, self-help groups and other entities operating in accordance with the values and principles of the SSE.” (Para. 5.)

As noted by Marie Bouchard and David Hiez, one of the strengths is to “articulate a statutory approach with a substantive one.”

The definition begins with the substantive dimensions of SSE, outlining its fundamental principles and values, such as “...**the primacy of people and social purpose over capital in**

the distribution and use of surpluses and/or profits as well as assets... [putting] into practice a set of values which are intrinsic to their functioning and consistent with care for people and planet...” The formulation put forward in the Office report referred to rules that “prohibit or limit the distribution of profit.” While this formulation was based on existing SSE policies and legislation and most recent conceptual work, it did not make consensus. However, according to Bouchard and Hiez, the more positive agreed formulation (“primacy of people and social purpose”) in the distribution of profits, “implicitly refers to the limitations in the distribution of profits, whereas primacy in distribution of assets attempts the idea of asset lock.” While somewhat blurred, it could be seen as an improvement on the Office definition, which did not attempt a reference to asset lock, a key principle to avoid profit-motivated divestment.

The statutory part is open-ended, giving an indicative list of SSE entities (“cooperatives, associations, mutual societies, foundations, social enterprises, self-help groups...”), which provides a more understandable meaning of the SSE for those not familiar with the umbrella concept. The addition of “...and other entities...” allows for inclusion of other organizational forms as the SSE evolves and captures entities that may be “invisible” in statutory-based statistics, notably if operating in the informal economy.

While there is some ambiguity in the governance part of the agreed definition (discussed below), the fact that SSE principles and values are presented upfront serves as a kind of “screening tool” to help distinguish which foundations, social enterprises and even cooperatives are part of SSE or not. This may be essential for statistical purposes and in terms of targeted public policy support measures for SSE.

Addressing decent work deficits through SSE

The document outlines the many ways in which the SSE can contribute to addressing decent work deficits in all parts of the world. It calls on ILO Members to value its “**local anchoring**” (e.g., jobs that cannot be delocalized) and contribution “...to both **well-established and innovative solutions** to provide decent work opportunities and meet the needs of disadvantaged groups and persons in vulnerable situations, particularly women, including in rural areas...” (para. 6(d)), recognizing and promoting “...the **complementarity between SSE entities and other enterprises**, to enhance the achievement of inclusive and sustainable economic growth, employment and decent work for all...” (para.6 (h)). Its counter-cyclical function and resilience is recognized when referring to “... the potential of the SSE to **withstand crises and preserve jobs**, including in small and medium-sized enterprises, notably in some cases of enterprise restructuring through **transition to worker ownership**...” (para. 6 (k)).

Throughout the outcome document, the role of the SSE in the **transition from the informal to the formal economy** is emphasized, including the “special attention” that needs to be paid “to SSE workers and economic entities in the design, implementation and monitoring of strategies and measures to address the root causes of informality...” An important dimension in facilitating this transition is the realization of labour standards within SSE entities (see also below), including “universal, adequate, comprehensive and sustainable social protection systems” (para. 6 (f) – which SSE can both benefit from and help to achieve, notably through its comparative advantage in the care economy.

Beyond contributing to the generation of decent work opportunities, the outcome interestingly emphasizes an often overlooked “value-added” of SSE, namely its contribution “...to the **meaning given to work** in a time when **people aspire to decent work, meaningful to persons and the planet...**” (para. 6 (b)). From this perspective, the SSE can be a powerful source of inspiration and mobilization, especially for youth.

Recognition of the holistic nature of SSE

While the General Discussion was focused on the relationship between SSE and decent work, it did not narrowly focus on the SSE’s contribution to the achievement of SDG 8 (promoting “sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”), but to other Goals contained in the 2030 Agenda, expressed for example in terms of its contribution to **poverty reduction, reducing inequalities**, and “...a just transition towards **environmentally sustainable economies and societies** for all, promoting **sustainable consumption and production patterns** taking into account challenges, particularly **climate change...**” (para. 7 (c)).

Inter-ministerial coordination and partnerships

The definition of SSE provided in the Outcome clearly states that the SSE operates “in all sectors of the economy”. This guards against the risks of “ghettoizing” SSE into a silo. The outcome document thus recommends that ILO Members should “...establish a **mechanism for inter-ministerial collaboration and coordination** of SSE-related policies within and across national structures...” (para 9 (k)). The partnerships dimension of SSE-related governance, including at the sub-national level, is recognized, the Outcome calling for strengthening “the interaction and **partnerships between the SSE entities and public administration** at all levels, including **local and regional...**” (para. 9(g)). One observer noted that inter-ministerial policy coordination is a challenge, even in developed countries, especially to sustain over time. However, there are examples from around the world demonstrating that policy coordination undertaken in “co-construction” with organized SSE stakeholders is possible, in particular if supported by SSE laws that can help sustain SSE policies and their coordination across political cycles (see Jenkins et al. 2021).

SSE-specific policies

As noted above, the General Discussion successfully overcame the Employers’ Group’s attempt to rule out special and differential treatment for SSE in public policies. This was achieved through a combination of the following clauses:

- Para. 9 (a): “ensure a level playing field by treating SSE entities in accordance with national law and practice and on **terms no less favourable** than those accorded to other forms of enterprise...” The term “no less favourable” provides a minimum floor but does not rule out more favourable treatment.
- Para. 7 (a): “SSE entities face **unique challenges**, in addition to the difficulties that they share with many micro, small and medium-sized enterprises, including an unfavourable environment for SSE entities, such as lack of adequate participation, policies exacerbating informality, poverty, indebtedness, legal uncertainty, weak rule of law, inadequate access

to finance, unfair competition and trade practices and other deficits in the conditions for a conducive environment;” The term “unique” means that policies to support SSE cannot be limited to those for conventional SMEs, but imply additional SSE-“specific” measures as mentioned in the next paragraph on access to finance:

- Para. 7 (b): “facilitating improved access of SSE entities to financial services, including, where appropriate, through diverse and **specific financial measures and instruments...**” These instruments can help address SSE entities’ difficulties in accessing affordable long-term capital, a difficulty they share with many micro, small and medium-sized enterprises, but in a much more acute way, given the primacy of their social purpose as opposed to that of profit-maximization (Barco et al. 2019).
- Para. 7 (g): “...importance of **combating pseudo-SSE entities...**and the **risk of unfair competition with compliant enterprises** and responsible business...” This could be interpreted to mean SSE-specific special and differential treatment measures (e.g. tax benefits, reserved contracts for SSE, etc.) – which should not be considered a market distortion, but in a sense serve to **correct the inherent unlevel playing field** between SSE and profit-maximizing enterprises (Jenkins et al. 2021).
- 9 (h) “... introduce support measures to enable access to information, finance, markets, technology, infrastructure and well-regulated and **socially responsible public procurement...**” The exact substantive content of “socially responsible public procurement” varies across jurisdictions, but usually contains social, environmental and ethical criteria that favour public tendering processes that are not based on the conventional “lowest price only” perspective but on broader sustainable development objectives and should apply to all bidders. While not referring explicitly to SSE reserved contracts, as is the case in some jurisdictions, this clause at least opens a niche for SSE entities in public markets with a potential comparative advantage (given that these criteria are integral to their business model), and which can be validated for example through SSE certification schemes (ibid).

SSE demarcated from Corporate Social Responsibility

Despite attempts by some delegations to include **corporate social responsibility (CSR)** as part of SSE, constructive exchanges on how SSE is fundamentally different from CSR (which still predominantly adheres to conventional capitalistic logic) allowed for this problem to be averted. It would appear that some proponents put the idea forward primarily from a **lack of understanding of the specificity of SSE** than any deliberate attempt to undermine its meaning. Some observers have noted that keeping the definitional remit of SSE separate from CSR does not preclude mutually beneficial interaction between the two, whether in terms of peer learning or operational collaboration, as envisaged in some elements of the Conclusions described in the next section.

Scaling up productive and marketing capacities of SSE

For scaling up SSE from the margins toward becoming closer to mainstream of economic practice, the outcome document calls for “...recognizing and supporting the role of the SSE in enhancing productivity by enabling the **horizontal, vertical and transversal organization of**

SSE entities, harnessing the complementarity and possible synergies with other enterprises” (para. 7 (d)).

In this respect, the Conclusion envisages **a role for employers’ organizations** to notably “...facilitate SSE entities’ access to business networks and partners that can contribute to their development; enhance their business potential; entrepreneurial and managerial capacities; strengthen their productivity and competitiveness; and facilitate their access to international markets and institutional funding...” (Para. 12) However, caution must be exercised to ensure that such capacity-building support integrates the special characteristics of SSE differentiating them from conventional enterprises to **avoid the risks of “isomorphism”**, which can be said of some large cooperatives that operate no differently from large private corporations, as remarked by Raymond Saner of C-SEND. The Conclusions also see **a role for workers’ organizations** to notably “...provide inputs and counselling, especially for SSE entities in their formative stages, facilitate the provision of SSE goods and services for union members, and contribute to the establishment of SSE entities, as relevant...” (Para. 13).

More generally, the outcome calls on ILO Members to “...integrate the SSE into public education at all levels and invest in the education and training of workers and entities in the SSE, including on financial literacy, to improve their resilience and effectiveness...” (Para.9 (m)).

Strengthening capacities to monitor and measure the SSE landscape

A leitmotiv theme brought forward by many delegations throughout the General Discussion is the need to improve the capacity to monitor and measure the SSE landscape within territories through improved statistics. This could include “satellite accounts”, which enables international comparisons (albeit with limitations on what data can be collected) and “...collaboration between national statistical institutes and SSE institutional representatives, to inform the formulation and implementation of policies...” (Para. 9 (n)).

In this respect the ILO Office is tasked with supporting Members in “...further developing a **methodological framework** to measure the SSE’s economic and social contribution, collecting and compiling comparable, timely, reliable, and harmonized data on the SSE, and work towards the development of **international guidelines** on statistics concerning the SSE...” These efforts can certainly benefit from the work already undertaken by the UNTFSSSE project on “Opportunities and challenges of statistics on SSE”, aimed to enrich the discussions on statistics on SSE “within and beyond the UN system” and provide policymakers with information on current statistics on SSE and recommendations for production of better statistics on SSE.²

The Office should also “...examine the potential to establish an **international observatory on SSE data** in collaboration with SSE networks and representative bodies, national statistical offices and international organizations that will contribute to the promotion of decent work...” (Para. 16 (c)). The value-added of such an observatory would need to be assessed to avoid

² See UNTFSSSE Knowledge Hub web page on this project: <https://knowledgehub.unsse.org/project-opportunities-and-challenges-of-statistics-on-sse/>

duplication with existing international initiatives in this area. Some Government groups have proposed a step-by-step regional approach as one possible option going forward.

Limitations and possible ambiguities

Policy co-construction versus social dialogue

For many SSE observers consulted for this Working Paper one of the main limitations in the Conclusions is the participatory space given to SSE organizations to be directly involved in the **co-construction of SSE-related policies**. Para. 7 (e) calls “...to enable social dialogue **through** the most representative organizations of employers and workers for shaping measures which directly affect entities and workers of the SSE...” A more direct seat for “relevant and representative organizations of the SSE” at the policy-making table is only envisaged “**where appropriate**”. Some observers had hoped for a more resolutely unambiguous “tripartite plus” approach for SSE-related policymaking. Yvon Poirier of RIPESS cites the example of Quebec province, where a socio-economic summit in 1996 invited a “fourth social partner” (the “community development sector” revitalizing communities through an SSE approach) and endorsed its proposal to develop a provincial social economy policy, which has since become emblematic worldwide.

More generally, some observers noted that the **empowerment and emancipatory function of SSE** for local communities in politics and society, in particular in the informal economy, could have been given more prominence in the Conclusions and the Office report.

Democratic versus participatory governance

One outstanding ambiguity in the agreed definition of SSE is the reference to the principle of “democratic **and/or** participatory governance”. With the term “or”, the democratic principle of one-member-one-vote is thus optional, while “participatory” is a vague notion that can be interpreted in different ways. It could open the door to include in the SSE for example social enterprises that are still governed through the voting weight of capital invested by shareholders (even if constrained by “the primacy of people and social over capital in the use of surpluses and and/or profits as well as assets”), while potentially only paying lip service participation of workers. On the other hand, to juxtapose “democratic” **and** “participatory” (which was the formulation proposed in the Office report) could be interpreted positively, where “democratic” (equal voting rights of workers within the SSE entity) complements “participatory”, if understood as non-voting-based involvement of stakeholders and users of goods and services within the surrounding community. In any event, further work is needed to define more clearly the exact meaning of both concepts and how they intersect.

A developmental versus an overly legalistic approach

The Conclusions rightfully give considerable importance to ensuring that labour standards are adhered to within the SSE, highlighting in particular the role of labour inspectorates with respect to “...**effective enforcement of labour or other workplace-related legislation** applicable to the SSE to ensure that SSE entities are neither set up nor used for non-compliance with labour law or used to establish disguised employment relationships...” (Para. 16 (h)). Some observers

suggested that a developmental (as opposed to an overly top-down legalistic) approach should be applied to the application of labour standards in SSE entities. This is a potentially controversial issue requiring further discussion, notably in relation to the transition from informal to formal economy and in the case of SSE start-ups with insufficient seed capital, that could be addressed through constructive dialogue with organized SSE actors themselves. (Attendant administrative and tax-related issues to formalization would also need to be addressed in the same vein.)

Limited reference to women’s empowerment and indigenous/tribal peoples

Some observers felt that, while women and gender are mentioned in different parts of the document, the fundamental role that women play in the SSE, which contributes significantly to reducing gender inequalities, should have been more systematically integrated in the Conclusions. Likewise, there is one reference to indigenous and tribal peoples (para. 6 (j)), but it is referred to only in terms of respecting their traditional knowledge and cultures, rather than also their “inspiring conceptions to contribute to the elaboration of the SSE,” as Marie Bouchard and David Hiez put it.

Limited reference to international development cooperation for SSE

As an ILO-negotiated document, it is perhaps understandable that references to international development cooperation is contained only in the final section on the role of the ILO. Para. 16 (c) calls to “...integrate the SSE into ILO activities at regional and national levels, including through Decent Work Country Programmes, development cooperation projects, including South-South and triangular cooperation...” It would have been desirable that the essential role of international development cooperation in expanding SSE worldwide would have featured in the sections on guiding principles and the roles of governments including through other inter-governmental development organizations, but one can hope this dimension will be more comprehensively addressed in recommendations that could result from UN General Assembly negotiations on a resolution on the role of SSE in achieving the SDGs.

Clarity needed on policy coherence for SSE in international economic governance

Para 16 (k) gives a role to the ILO Office in “...promoting policy coherence within the UN system, international financial institutions, and other multilateral institutions, to mainstream international labour standards in proemployment macroeconomic and industrial policies **through global action on the SSE...**” While this gives a mandate to take on SSE with very powerful institutions that call the shots on macroeconomic policies and systemic issues, this passage may require further clarification as to what it means in concrete terms. The notion that multilateral policy coherence on hot button macroeconomic and industrial policy issues can be promoted “**through**” global action on the SSE could be interpreted as giving a form of normative superiority to SSE and its principles in guiding such policies, which opens up a still relatively uncharted territory. This could include, for example, ensuring that international trade and investment agreements do not impede (or are not interpreted to impede) the implementation of

pro-SSE policies, such as targeted preferential access for SSE entities to public markets – a concern which has been raised by a number of NGOs, notably in the European context.³

Going forward

Besides acting as a steppingstone for negotiations on SSE at the UN General Assembly, the Conclusions outline a broad spectrum of actions to be taken by the ILO Office, in cooperation with relevant partners. They include notably: provision of legal and policy advice; advocacy; knowledge generation; exchange and dissemination of good practices; training and education; capacity building; and development cooperation. These action points, detailed in Part V of the Conclusions, have been turned into an Office-wide strategy and work plan (ILO 2022c) that was adopted at the November 2022 session of the ILO Governing Body. The Plan is structured around three objectives: (1) improved understanding of realities and needs related to decent work and the SSE; (2) increased capacity to promote decent work and the SSE; and (3) enhanced coherence on decent work and the SSE.

Time will tell whether the Conclusions' definition and recommendations to foster an enabling environment for SSE will be adopted by Member States and reflected in future SSE laws and policies. From the perspective of SSE stakeholders consulted for this Working Paper, the outcome of this General Discussion is a major step forward and a very useful tool to advocate for supportive policies at different levels. However, much will depend on the capacity of SSE civil society movements and organizations to organize themselves effectively to advocate for the adoption and implementation of the recommended policy support measures. As Yvon Poirier noted, so far, most Official Development Assistance or international development NGOs do not have an approach to fund or support SSE capacity-building for the purposes of advocacy and policy co-construction. Marie Bouchard and David Hiez also point to the difficulties facing actors who comply with SSE principles and values in countries that do not usually refer to SSE nor have an SSE-specific policy framework. The challenge extends also to better educating philanthropic organizations on the strategic value of supporting SSE.

It can be hoped that continued international advocacy for SSE, notably through the ILO, other members of the UNTFSSSE and committed governmental and non-governmental actors, can build on the success of the 110th session of the ILC, especially as a means to step up realization of the 2030 Agenda – which all can agree that, against the failure of conventional approaches (especially in the face of major setbacks such as the Covid and worsening climate crises), requires much bolder alternative economic and social development approaches that people, especially youth, can find inspiration and believe in.

³ See for example joint civil society statement to the conference 'Social Economy, the future of Europe' organised under the French Presidency of the European Council in Strasbourg on 5-6 May 2022, especially Proposal 1.5: "Social and Solidarity Economy: A driving Force Towards Green and Digital Transitions". https://ripest.eu/wp-content/uploads/sites/4/2022/05/Social-and-solidarity-economy-a-driving-force-towards-green-and-digital-transitions_VF.pdf

References

- Barco Serrano, Samuel, Riccardo Bodini, Michael Roy and Gianluca Salvatori. 2019. *Financial Mechanisms for Innovative Social and Solidarity Economy Ecosystems*. Geneva: ILO (International Labour Office).
- ILO (International Labour Office). 2022a. “Decent work and the social and solidarity economy”. International Labour Conference, 110th Session, 2022. Report VI. Geneva: ILO.
https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_841023.pdf
- ILO (International Labour Organization). 2022b. “Resolution concerning decent work and the social and solidarity economy”. International Labour Conference, 110th Session, 2022. Resolution II. Geneva: ILO. https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_849349.pdf
- ILO (International Labour Organization). 2022c. “Matters arising out of the work of the 110th Session (2022) of the International Labour Conference: Follow-up to the resolution concerning decent work and the social and solidarity economy.” Governing Body, 346th Session, Geneva, October–November 2022. GB.346/INS/3/2. Geneva: ILO.
https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_857247.pdf
- Jenkins, Hamish, Ilcheong Yi, Samuel Bruelisauer and Kameni Chaddha. 2021. *Guidelines for Local Governments on Policies for Social and Solidarity Economy*. Geneva: UNRISD.

All documents pertaining to the ILC General Discussion, including reports and a summary of debates and negotiations can be found here: <https://www.ilo.org/ilc/ilcSessions/110/committees/sse/lang-en/index.htm>