

ILO Presentation at the UNTFSSSE Webinar

Cooperatives and Wider Social and Solidarity Economy in Times of COVID-19

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July 10, 2020

The unfolding crises around the pandemic is affecting us all. But it is not affecting everyone in the same way. We may all be facing the same storm but we are not on the same boat. Some of us are not on any boat, and do not even have life jackets.

Migrants, refugees, indigenous peoples, marginalized communities, persons with disabilities, workers in the informal economy are among the worst affected.

According to the ILO, three fourths of the world's 2.1 billion informal economy workers are severely affected by the pandemic. There may be an estimated 60 percent decrease in their earnings.

Among informal workers in Africa and Latin America, the decline is expected to be higher than 80 percent. With the pandemic, a bad situation is likely to get worse with workers who lose their formal jobs having to move to the informal economy.

Self-help groups, collectives, saving and credit unions, worker cooperatives and mutuals that are part of the SSE ecosystem have been among preferred forms of organizing in the informal economy.

- During the pandemic, HomeNet South Asia, an organisation of home-based workers, noted that 10 % of their 900,000 members who still had work and income during this crisis belonged to cooperatives and producer companies.
- In Brazil where 90 per cent of recycling is done by waste pickers there are close to 1,300 waste-pickers' cooperatives and associations which serve their members in accessing social protection, occupational safety and health, and negotiate with public and private sector actors for their integration into waste management chains.

- WIEGO conducted a survey of 150 waste picker cooperatives and associations in 21 states of Brazil on their responses to the pandemic: 98 per cent reported to providing their members with guidelines on virus prevention and essential safety measures, distributing protective equipment, hygienic supplies and launching solidarity funds and crowdfunding initiatives.

Historically, values of co-operation, mutualism, and self-help witness a surge in popularity. In such times there is increasing interest in existing SSE institutions; expansion of their missions to address emerging needs; and in forming new ones.

- During the global financial and economic crisis, there was an increase in membership and turnover of credit unions and food cooperatives.
- Responses to the Argentinian financial crisis included workers taking over bankrupt companies turning them into worker cooperatives.
- During the Greek debt crisis new SSE efforts like social initiatives for refugee housing, and community gardens and kitchens emerged.
- With public health epidemics such as AIDS, existing SSE initiatives expanded their work to address the emerging needs like orphan's care.
- Mutual insurance providers have been developing crop insurance for relief from increasing number of natural disasters due to climate crisis.

Toward fulfilling its mandate in creating decent work and promoting social justice, the ILO has had a Cooperatives Unit which is responsible for the work on cooperatives and the wider SSE since 1920. There is a strong normative element to this work. International labour standards have addressed cooperatives since 1947.

The Promotion of Cooperatives Recommendation, 2002 (No. 193) calls for establishing and expanding a viable and dynamic distinctive sector of the economy, which includes cooperatives, that responds to the social and economic needs of the community. More recent standards like the Declaration on the Future of Work have mentioned cooperatives and the wider SSE together.

There is interest from ILO's member states and social partners, especially workers' organizations in having a discussion at an upcoming International Labour

Conference on cooperatives and wider SSE. The 20th International Conference of Labour Statisticians adopted Guidelines concerning statistics of cooperatives in October 2018. There are recent efforts by members and observers of the UNTF on SSE on advancing SSE statistics as well.

The ILO has a dynamic and growing portfolio of development cooperation projects, research and training initiatives on cooperatives and wider SSE.

- Since the elaboration of an SSE definition and a regional action plan at a conference in Johannesburg in 2009, the ILO has organized ten SSE Academies with over 1,500 policy makers, researchers and practitioners.
- Research initiatives on SSE have explored financial mechanisms for Innovative SSE Ecosystems, and the role of SSE and Social finance in sustainable development and the future of work. A more recent research and capacity building initiative is focusing on the policy and institutional environment for SSE in six countries in East and South East Asia.
- ILO is supporting the elaboration and implementation of cooperative development policies in Sri Lanka, and oPt.
- In Tunisia, the ILO has been working with the government, social partners and SSE stakeholders for the past six years. These efforts have culminated in the adoption of an SSE bill in the Tunisian parliament last month. A similar SSE policy is in the making in South Africa with ILO support.

These are timely for creating a conducive environment for SSE to help build resilience against future crises.

There are lessons learned from the pandemic.

- First, systemic problems require systemic solutions. Toward that end governments need to invest in a plurality of business models beyond the shareholder model. There is strength in diversity.
- Member owned cooperatives, mutuals, employee owned businesses, and other SSE institutions that prioritize social and environmental goals are more resilient during crises.

- For better preparedness against future shocks, public and private sector will need to invest in those that provide quality services such as health care, education, sanitation and social protection. These are sectors where SSE actors abound.
- The first wave has also shown us the value of localized, community-level actions. SSE actors are critical in strengthening local communities in partnership with other public and private sector institutions.
- Multi-stakeholder partnerships are also key to designing relevant and innovative policies and actions to better overcome crises and to make much-needed changes for transformation of our societies and economies.

I would like to conclude my words with an old saying: If you want to travel fast, travel alone, but if you want to travel far, travel together.

Let us travel together.

Thank you.