

Cooperatives in the social and solidarity economy:
Sustainable development and decent work in Africa's
informal economy

J. Th. Schwettmann

PhD 2021

Cooperatives in the social and solidarity economy:
Sustainable development and decent work in Africa's
informal economy

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CO-OPERATIVE
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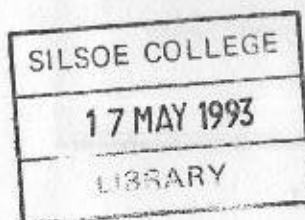
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Co-operatives in Economies Under Reconstruction: Cameroon, Tanzania and Uganda

*J. Schwettmann**

Why have these three countries been selected as the subject of this article? There might be no obvious reason to compare the co-operative movements - and their responses to structural adjustment - of Cameroon, Uganda, and Tanzania. Because of her history, Cameroon has an administrative system which is quite different from those of the two Eastern African countries. Cameroon has a stronger and more diversified economy than Tanzania and Uganda, and she has a convertible currency, which makes her economy more open.

Table 1
Basic Country Data

Country	Area	Pop	GNP/		1st	Agric Prod		Cash Crop Production in Metric Tons				
	Sq. Km	Mill/Dens	Capita	HDI		SAP	GNP	EXP	coffee	cocoa	tea	cotton
Cameroon	475,442	11.7	23	1,173	119	1988	19%	56%	138,000	130,000	3,200	50,000
Tanzania	945,087	27.3	28	183	127	1982	38%	77%	45,000	-----	15,000	85,000
Uganda	241,139	18.8	52	260	134	1987	57%	99%	184,000	-----	3,400	8,000

Despite these differences, the co-operative movements of the three countries, and their role in their respective economies, are quite similar. Furthermore, all three countries have adopted structural adjustment programmes (SAP), which are seriously affecting the co-operative movements. As a result, the three countries have adopted similar policies to solve the "co-operative crisis". However, the way in which these policies have been designed and are being implemented differs very much from one country to another; and that is the reason why they have been chosen for this article(2).

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Table 2
Co-operative Movements

Country	Agricultural Co-ops			Credit Unions			Other Co-ops		National Organisations			Staff of Co-op dept
	Unions	Prim	Mem	Numb	Mem	Savings	Numb	Mem	Apex Unions	Coll	Bank	
Cameroon	8	59	302,524	240	72,358	36.6	50	800	no	1	2	no 350
Tanzania	47	5,359	?	537	112,115	1.9	350	7,200	yes	1	1	yes 2,000
Uganda	32	3,000	1,500,000	421	211,573	1.0	?	?	yes	5	1	yes 1,500

The purpose of this article is to demonstrate that co-operative reform programmes can succeed only when (i) the co-operative movement itself plays a significant role in formulating the programme, and (ii) when all parties involved, including the government, are fully committed to the programme.

A Common Problem: Structural Adjustment

Co-operatives in the three countries emerged in the 1920s and 1930s. Their main role was - and still is - to purchase and to process agricultural cash crops supplied by members, and on behalf of produce marketing boards. In all three countries, co-operatives were granted a monopoly for the marketing of major cash crops, and for the distribution of agricultural inputs. Such monopolies were introduced, officially, to "protect the interest of smallholder farmers". In reality, it appears that governments aimed at controlling the marketing of cash crops, which are the biggest hard currency earners, and which, through various levies, are making significant contributions to the state budget. It is, in fact, much more difficult to control the activities of thousands of private traders operating in remote rural areas, than those of registered co-operatives and their unions.

However, because of the monopolies, co-operatives did not protect their members' interests, but rather exploited them. Co-operatives absorbed a steadily increasing share of the value added for their own overhead costs, and became, at the same time, less and less efficient; produce was not collected in time, payments to farmers were delayed for months or even years, inputs arrived late or not at all. Co-operatives made losses every year, and accumulated huge numbers of debts. In essence, co-operatives behaved exactly like parastatal companies, and membership involvement was minimal. In fact, why should a member bother to participate in co-operative activities, when he or she had to sell his produce to the co-operative anyway, when all major decisions (like prices, margins, etc.) were taken by government, and when the co-operative's leaders were imposed from outside?

At the same time, in their efforts to monitor the flow of cash crops,

governments began building up enormous, and very expensive, co-operative "development" departments. New co-operative acts were approved, conferring dictatorial powers to these departments (in order, of course, to "protect the interests of members"). Co-operative Departments became responsible for co-operative promotion, education and audit. Yet, co-operative officers were not trained in business administration or accounting, they had no transport and, quite often, not even the most rudimentary office equipment. The co-operative departments did, in fact, little more than preside over the rapid economic decline of the movements they were supposed to develop.

As administrations tend to remain static, it is unlikely that this picture would have changed without the financial crisis the three countries (and many others in Africa) are presently going through. The drastic decline in world market prices for agricultural produce, a trend which began in 1986 and which still continues, made it impossible for governments to maintain their then level of expenditure. As the International Monetary Fund (IMF) and the World Bank and, in line with them, almost all other multilateral and bilateral donors, made it a prerequisite for further lending that economic policy changes were implemented, these countries had no choice but to adopt structural adjustment programmes. Such SAPs vary from country to country, but their main components are the same everywhere:

- ◆ economic liberalisation (price de-control, removal of monopolies, streamlining of administrative procedures, etc.);
- ◆ devaluation of the national currency, and liberalisation of foreign exchange operations (unsuccessful so far in the CFA (Crédit Foncier d'Afrique) monetary zone);
- ◆ decrease in the budget deficit (removal of subsidies, closing down of parastatals, pay-cuts, dismissal of civil servants etc.).

Such measures have had immediate and severe effects on the co-operative movements of the three countries. "Economic liberalisation" means that co-operatives suddenly lose their marketing and supply monopolies, and must enter into competition with private traders; that is something for which they had not been prepared at all. In addition, governments no longer grant subsidies to co-operatives, nor guarantee the seasonal loans co-operatives used to obtain from para-statal banks. In countries where co-operative monopolies were removed, their market share plummeted, from one season to another, from 100% to 20% at most. Co-operatives were unable to adjust their overhead costs to the new situation, and many of them went bankrupt.

The question is: if private traders are able to replace co-operatives so rapidly and so efficiently, is it a **problem** that co-operatives disappear in these countries? Yes, it is, for three reasons:

1. Private traders will concentrate their activities on regions with a

high agricultural production; if co-operatives disappear altogether, farmers in other regions will have no market outlet at all.

2. The bargaining power of smallholder farmers is insignificant, and private traders know how to exploit this situation. It is, for example, a widespread practice to keep farmers in a permanent state of indebtedness.

3. Most private buyers of cash crops in the three countries are foreigners who do not necessarily work in the interest of their host country.

It is precisely for these reasons that co-operatives in Africa emerged in the first place. For the same reasons, it is likely that, after the collapse of the "parastatal" co-operative movements in the three countries, a genuine movement will reappear once again.

The Same Strategy: Liberalisation

In the framework of their structural adjustment programmes, governments in the three countries decided to confine their involvement in co-operative affairs to a minimum, i.e. registration, arbitration and the enforcement of the law. The co-operative acts have been revised to this effect (Cameroon: 1992; Tanzania: 1991; Uganda: 1991), and the functions of co-operative departments have been drastically cut. Co-operative support services, such as education, training, promotion, audit and management advice, are being privatised, which means that co-operatives must now pay for such services - or organise them themselves. While some privileges, such as tax exemptions, have been maintained, co-operatives are now supposed to operate just like any other private business. Simultaneously, regulations for cash crop marketing have been simplified and liberalised.

While the three countries have adopted the same strategy, the role of co-operatives in formulating that strategy was quite different.

Co-operative Reform Programmes

Cameroon: Donors Push

In the English speaking part of Cameroon (one fifth of the territory), co-operative development until independence was very similar to that which took place in most former British colonies. In the French speaking provinces, the colonial government introduced, as in all her former African colonies, so-called "Sociétés Indigènes de Prévoyance", which had nothing to do with co-operatives, but which later gave birth to "official" co-operatives responsible for cash crop marketing. In 1972, the two parts of the country formed the United Republic of Cameroon, and the central administration in Yaoundé began immediately to "restructure" the co-operative movement in the English-speaking region. In French-speaking

Cameroon, **one** co-operative covered **one** administrative division, some of which were larger than the Netherlands; in the English-speaking parts, there were hundreds of little village co-operatives, a situation the central administration found anarchic. A new very restrictive co-operative act was approved in 1973.

Henceforth, agricultural co-operatives in both parts of the country were state-controlled. With a few exceptions, co-operatives operated as agents of powerful marketing boards. In the cocoa growing regions of Southern Cameroon, co-operatives were never really involved in the physical marketing of produce, but received substantial payments, as well as loans and grants, for their monitoring function. Virtually everything was decided by government: the producer price, the marketing margins, the buying and selling points and dates, the appointment of the co-operative's manager (usually a civil servant), the type of equipment co-operatives could buy, etc. Farmers had only a vague idea of what a co-operative was, and many of them did not know that they were actually members of a co-operative. In other parts of the country, co-operatives performed better, but were not much more cost effective.

From 1985 onwards, several donor agencies began to meet regularly to discuss ways of promoting a genuine co-operative movement in Cameroon. At that time, government, although admitting the overall inefficiency of co-operatives, categorically rejected all proposals for a fundamental change; its concept of a co-operative society was very narrow, and left no room for informal groups or "anarchic" co-operatives. However, it accepted the idea of organising a national seminar on co-operative development in Cameroon. The donor community then sponsored a number of preliminary studies, on the basis of which discussion papers for the seminar were prepared. The national seminar itself was organised in August 1988; the participants came up with a series of over 50 recommendations, some of which looked almost revolutionary at that time ("Dissolution of Marketing Boards!", "Abolishment of the Co-operative Department!", "A new Law!" etc.).

It is unlikely that anything tangible would have ensued from these recommendations, if Cameroon had not entered into a severe economic crisis whose effects became visible in 1987. Now, for the first time, government admitted that something fundamental had to change in the cash crop marketing system, and asked the donor community for assistance in designing a reform programme. There was a common understanding amongst the major donors that the most urgent reforms to be undertaken were:

- ✦ The liberalisation of the co-operative movement, by revising the co-operative law and its decree of application; the objective was to considerably reduce the powers of the registrar and other authorities. This was seen as the only way to make farmers more responsible, and thus reduce state expenditures.

- ♦ The liberalisation and streamlining of the cash crop marketing system through fundamental legal and institutional reforms.

Although each donor agency prepared individual projects, all agencies agreed to collaborate in a so-called "technical unit", which had the task of designing legal and institutional reforms, and of co-ordinating the reform process.

However, government departments directly concerned with co-operatives remained strongly opposed to changes which would reduce their control over the movement. The idea of privatising co-operative support services was deemed unrealistic - although everybody agreed that the Co-operative Department was, despite considerable human resources, unable to provide these services. It took a long time to make government accept that, in future, several co-operatives might co-exist in the same village, and that even "informal groups" might henceforth become registered. The transformation of the co-operative authority from a department with offices in each province and each district, to a simple registration service with only provincial offices, was (and still is) strongly disputed. Yet, as donor agencies made it clear that they would discontinue their support to the co-operative movement if such reforms were not implemented, government finally accepted the programme. A new co-operative act was promulgated on August 14th, 1992.

The co-operative movement itself contributed very little to the design of the reform programme. At best, the movement reacted to reform proposals submitted by the "technical unit", but did not come forward with own ideas. For too long, marketing co-operatives had been used to spoon-feeding from government - the idea of becoming fully responsible for their own affairs, and being in competition with private traders, was a nightmare to them. Co-operative leaders liked the idea of less government control - but still claimed that government must "protect" and "assist" co-operatives.

In fact, an outsider has the impression that most government officials and many co-operative leaders believe that nothing was wrong with the old law, with the former co-operative structure, or with the former cash crop marketing system. The crisis, they believe, was caused by the rapid depreciation of world market prices for cash crops; that is, they believe that the only real problem is the lack of liquidity. Yet, the crisis existed long before, but was concealed by virtually unlimited state support.

Tanzania: Government Acts

When Tanzania became independent in 1961, the country had a strong, well-structured and economically viable co-operative movement which was involved mainly, but not exclusively, in the marketing and processing of agricultural produce. After independence, the ruling party (then Tanzanian National Union (TANU), now Chama Cha Mapinduzi

(CCM) developed the theory of African Socialism, according to which co-operatives have to play a key role in changing the society. As a result, the co-operative movement became the privileged instrument of the party and the government for the implementation of that theory.

Role of Co-operatives in "African Socialism"

1961 - 66: Government launches a crash programme of co-operative promotion. The movement expands rapidly, and the Co-operative Bank and the Co-operative College are established.

1968: A new Co-operative Act strengthens the position of the registrar; marketing monopolies are extended. Government takes over the management of 16 regional unions, and declares co-operatives "socialist institutions".

1969: The geographical coverage of regional unions is confined to administrative boundaries.

1972 - 76: All co-operatives and unions in rural areas are abolished, while each village is supposed to become a multipurpose co-operative itself (the Ujamaa policy). The functions of regional unions are taken over by marketing boards.

1977: The Co-operative Union of Tanzania (CUT) becomes a mass organisation under the ruling party.

1980: A presidential commission of enquiry recommends the re-establishment of former co-operative structure.

1982: A new Co-operative Act effectively re-establishes the regional unions, but they must be multipurpose. At the same time, the Ujamaa policy continues.

1985: An amendment of the Co-operative Act makes it compulsory for villages to become registered as multipurpose co-operatives; economic viability is no longer a criteria for registration, and a mass registration campaign starts.

In 1989, it became obvious that something had to be done: regional unions had become increasingly inefficient in both produce marketing and input supply, and they had accumulated debts worth double the total agricultural production of Tanzania. Membership participation in primary societies was very low, because these primaries behaved like local branches of the CCM, and membership was compulsory anyway. The Co-operative Department had built up a huge machinery with over 1,500 officers, but was unable to provide them with any equipment. The Co-operative Audit and Supervision Company, a parastatal, has never been able to fulfil its legal obligation of auditing each co-operative society once a year. The two commercial banks of Tanzania (both parastatals) were almost bankrupt because of their loans to regional unions. But still government obliged them to grant new loans because, otherwise, the entire cash crop marketing system would have collapsed. The donor

community made it clear that it would no longer support Tanzania's structural adjustment programme, unless government implemented drastic reforms in the produce marketing system, in the banking system and in the co-operative sector.

There was one institution which, since its inception, had maintained a relative independence: the Co-operative College. Over the years, the College had become not only a regional centre of excellence in co-operative training, but also the think-tank of the Tanzanian movement. As soon as it became politically acceptable, the College began preparing a co-operative reform programme, and drafting a new Co-operative Act. The new Act, which came into force on August 5th, 1991, has the primary objective of liberalising the co-operative movement, and of restoring the movement in its original form. These are also the objectives of the co-operative reform programme, which has already started, and which has the following elements:

- ♦ **Statement of Affairs.** All registered co-operatives in Tanzania will be audited; this is a prerequisite for their re-registration under the new law. (This exercise is already completed).
- ♦ **Re-registration, Amalgamation or Liquidation.** Only co-operatives which, after having been audited, meet the viability criteria elaborated by the Co-operative College, will be re-registered. Others will be encouraged to amalgamate, while dormant or non viable co-operatives will be liquidated. In many cases, amalgamation will result in the restoration of original co-operative societies; many former primary societies covered several villages, but were forced to split up under the "villagisation" programme.
- ♦ **Promotion.** The Co-operative Department will organise a vast education and training campaign, aiming at informing co-operative members about the new legislation, and the financial situation of their societies. Thereafter, new boards of directors will be elected at all levels.

Simultaneously, the formation of sectoral apex organisations will be encouraged, a process which is expected to culminate in the creation of a genuine co-operative federation which may replace the Co-operative Union of Tanzania.

Shortly before the enactment of the new Co-operative Law, government appointed the Principal of the Co-operative College as Commissioner of Co-operative Development. Consequently, the Co-operative Department is fully committed to the reform programme, although it will lose most of its powers. Several donor agencies have agreed to co-finance the programme. Yet many co-operative leaders, especially those of secondary and tertiary co-operatives, are opposed to the programme, because it is unlikely that they will remain in power once

free elections are organised.

However, Tanzania's co-operative reform programme will succeed only if the overall environment in which co-operatives operate changes too. Marketing co-operatives are affected by many factors over which they have no control: the performance of marketing boards, the fixing of producer prices and marketing margins, the loan policy of parastatal banks, the possible abolishment of marketing monopolies etc. These are decisions on which the Co-operative Department, too, has very little influence. Obviously, it is a contradiction to declare that co-operatives are private enterprises, and to appoint them, at the same time, as buyers of last resort for agricultural produce. One cannot expect co-operatives to reimburse their debts when producer prices are fixed above the world market prices for the same produce. And one cannot expect them to become more efficient when marketing monopolies are maintained. All this has happened in Tanzania during the last and the current season, and this indicates that not all government authorities understand, or agree with, the reform programme.

Be that as it may, Tanzania's co-operative reform programme seems to be irreversible, especially after the introduction of multipartism in early 1992.

Uganda: The Movement Takes Initiative

Uganda's first co-operative society was created in 1913 with the goal of taking control of the crop marketing which, so far, had been the domain of Asian and European traders. That example was followed in many parts of the country; in 1926, the Buganda Growers Association came into being as an organisation of African farmers.

The early co-operative groups were persecuted by the colonial state in collusion with Asian traders who sought to preserve their marketing monopoly. Because of their intervention, a first attempt to enact a co-operative bill failed in 1937. However, a (very restrictive) Co-operative Societies Ordinance was enacted in 1946. From then on, co-operative groups, in particular those organised under the Federation of Uganda African Farmers, began struggling for their liberation and full recognition as equal business partners. That struggle succeeded six years later. In 1962, co-operatives held a market share of 20% in cotton and of 45% in coffee. However, the rapid growth of the movement was not accompanied by membership education and management training, and many co-operatives became the prey of interest groups or individuals.

In the second half of the 1960s, the co-operative movement became an instrument of Uganda's political "move to the left". After the 1971 military take over, they were viewed as an institutional vehicle for the Ugandanisation of the economy. Co-operative acts (1963 and 1970) granted the Registrar dictatorial powers; in a nutshell, the co-operative movement was "incorporated" by the state. Co-operatives in Uganda

degenerated into parastatal companies, and it is only because of state paternalism that they survived the tragedy that befell Uganda during the Idi Amin regime and the subsequent liberation wars. The movement emerged from that era reasonably well intact, but as an amorphous organisation in which membership participation was minimal.⁽³⁾

In 1986, the Uganda Co-operative Alliance (UCA) elected new leaders who saw their main task as restoring the credibility and the vitality of the movement. UCA has produced a comprehensive five-year co-operative development programme which aims at regaining the autonomy and the efficiency of the movement. UCA has spearheaded the revision of the 1970 co-operative act, and a new act was approved by Parliament in September 1991. In addition, UCA formulated a Five-Year-Education and Training Plan for the Co-operative Movement, which is being implemented with external financial assistance. The objectives and strategies of the co-operative reform programmes of Cameroon, Tanzania and Uganda are quite similar - what is different in Uganda is the way in which the reforms have been designed and are being implemented:

- ♦ Uganda's reform programme was designed under the leadership of the UCA; donors and government were invited to provide additional expertise, but strategies, objectives and policies were defined by the movement, not by donors or the state.
- ♦ Co-operative movements in all three countries claimed more autonomy - but only the Ugandan movement seems to be prepared to accept the increased responsibility resulting from greater autonomy.
- ♦ The movements in the three countries are operating in a rapidly changing economic environment - but only the Ugandan movement has formulated clear strategies, and has taken concrete actions, to prepare co-operatives for the new challenges.

Already, most co-operative support services have been privatised in Uganda: the UCA Audit & Accounting Services Ltd., a UCA subsidiary company, is gradually taking over the audit function from the Co-operative Department; audit backlogs have already been reduced considerably. UCA Business Services, another subsidiary, provides the movement with management advisory, consultancy and training services; the company already generates enough income to cover 80% of its costs. As soon as co-operative unions were allowed to export coffee directly on the world market, UCA established the Union Export Service which acts as a broker for unions. In the near future, UCA will take over the responsibility for the Uganda Co-operative College and the so-called "co-operative wings" of agricultural training centres.

The reform programme is fully supported by the Co-operative Department, although it is likely that it will disappear altogether in the process. Moreover, UCA receives substantial financial and technical

assistance from USAID and the Swedish Co-operative Center for the implementation of its programme, but this assistance is provided under a programme designed by UCA - not by the respective donor.

There is a risk, however: the risk that UCA might become too powerful, that the Alliance starts running the movement instead of chairing it. It was therefore a right decision to establish the two subsidiaries as independent companies, and not as departments within the UCA. Even the Co-operative College will become a private company.

Lessons Learned

In all three countries discussed in this article, governments have tried, at one stage or another, to "incorporate" the co-operative movement. In Cameroon, government used co-operatives to control the marketing of cash crops. In Tanzania, co-operatives became instruments for the realisation of African Socialism. In Uganda, they were a vehicle for the "Ugandisation" of the national economy. In all three countries, "incorporation" resulted in inefficiency, corruption, member disengagement, and huge losses at all levels. The first lesson is therefore: co-operatives must be free from state interference and from political influence.

The second lesson is that freedom means responsibility. Co-operative members must be prepared to contribute personally and financially to their society. They must join the movement to solve their own economic problems - not because the co-operative is a channel for subsidised inputs, cheap loans, or donor grants. Responsibility also means that the movement itself must be able to organise and to finance co-operative support services. It means that the movement must become self-reliant.

Experience has proven that the vertical integration of co-operatives is indispensable. Cameroon has no national apex organisation, and thus no spokesman representing the movement as a whole. That is one reason why the movement has had no say in the design of the reform programme. The Tanzanian apex organisation used to be, until very recently, a mass organisation of the ruling party, and consequently represented the interests of that party, not of the movement. Only Uganda has a genuine co-operative apex organisation.

Another lesson is that co-operatives will invariably fail if co-operative members, leaders and employees do not have the necessary management skills. For too long, co-operative education has focused on the "golden principles of co-operation", on the "rights and duties of a co-operative member" etc.; but that did not enable a member to check a cash book or to understand a balance sheet. In many countries, co-operative managers were recruited from agricultural colleges, because co-operatives dealt with agricultural produce. Those people might have been excellent agriculturists, but they did not know anything about business administration. Management skills are even more crucial today, when co-

operatives are suddenly exposed to competition from private traders.

In all three countries, donor agencies have participated in building up the same "parastatal" co-operative movements whose dismantlement they demand today. Donors too have used co-operatives as instruments for the implementation of their own development theory, or as agents for agricultural development projects. Donors too have failed to recognise that co-operatives are autonomous business ventures. Donors too have undermined the self-reliance of co-operatives by spoon-feeding them. The last lesson learned is therefore: donor agencies must consider co-operatives as project partners, not as development targets.

A Possible Scenario for the Future

It is most probable that the co-operative movements of Cameroon, Tanzania and Uganda will rapidly decline in terms of membership and turnover, as soon as all elements of the structural adjustment programmes are implemented. Many state-controlled co-operatives will simply disappear, and private traders will take their place. However, the Ugandan movement has the best chances of survival, because it has a clear policy, and the institutions necessary to carry out that policy are already operational. In Tanzania, co-operatives will probably continue to operate, although at a much smaller level than before, in regions with a strong co-operative tradition, such as the coffee growing areas. The same is true in Cameroon: marketing co-operatives in Cameroon's four Western provinces should be able to withstand the competition of private traders.

Yet there is hope that, while the state-controlled movements collapse, new co-operatives will spontaneously emerge in all regions and in all economic sectors. The new co-operative acts of the three countries make co-operative registration much easier, and members must no longer fear excessive government interference. In addition, the overall policy of economic liberalisation encourages the creation of new business ventures, be they co-operatives or not. Finally, the political development in the three countries (all of them have adopted multipartism, although political parties are suspended in Uganda for the time being) should prevent co-operatives becoming "incorporated" once again.

NOTES

1. Data has been extracted from various sources and refer generally to 1988. "HDI" means the "Human Development Indicator" defined by UNDP. Countries are ranked from 1 to 169 in descending order.
2. The data on agricultural co-operatives in Table 2 should be taken as an order of magnitude only. In Cameroon, there are about 2,700 semi-autonomous centres coopératifs, which are the buying points of

the 59 co-operatives. In addition to Tanzania's 5,000 primary societies, there are 8,212 villages which have been registered under the Ujamaa system.

3. This section is an excerpt of the document "Uganda's Co-operative Movement at Seventy-Five: Lessons and Prospects for the Future" (Prof. Opio-Odong, UCA, Kampala, 1988).

Cooperatives and Employment in Africa

by Jürgen Schwettmann

ILO Cooperative Branch

This discussion paper is circulated in a limited number of copies to stimulate discussion and critical comment

International Labour Office - Geneva

Foreword

The role of cooperatives in employment creation has always been a major concern of the ILO and its constituents. The ILO Recommendation No. 127 of 1966 concerning the Role of Cooperatives in the Economic and Social Development of Developing Countries lists employment creation among the main objectives of cooperative development.

It is for this reason that UNDP and the ILO have decided to include cooperative aspects into their joint TSS-1 exercise entitled “Job Creation and Poverty Eradication in Africa” which aims at formulating an employment promotion programme for sub-saharan Africa. The TSS-1¹ funds have enabled the ILO Cooperative Branch to conduct the present study that gives a general overview of the employment creation potential of cooperatives in Africa and proposes a strategy to exploit this potential to its fullest extent. A planned, second volume will contain country studies on the same subject.

The present document is partly based on the study “Cooperatives and Employment in Developing Countries” that was prepared in 1994 by Mr. Roland Lindenthal for the ILO Cooperative Branch. It has greatly benefitted from the contributions received from cooperative apex organizations and governmental cooperative departments of many African countries. Moreover, we wish to acknowledge with gratitude the contributions made by colleagues in the Cooperative Branch, in particular Mr. M. Levin, Mr. G. Renard and Mr. H. Polat, by ILO experts working in cooperative development projects, in particular Ms. S. Becker, Ms. S. Bockstal, and Mr. S. Mshiu, and by Mr. E. Kamdem of the ILO Multidisciplinary Team in Abidjan.

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Enterprise and Cooperative Development Department

¹TSS-1 means Technical Support Services at the Programme Level; it is a facility established by UNDP to support UN-agencies in the field of programme formulation.

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List of Abbreviations

AAFCOOP	Association des auditeurs et formateurs des coopératives (Cameroon)
ACCZ	Association des conducteurs de chariots du Zaïre
ACOPAM	Appui associatif et coopératif aux initiatives de développement à la base (ILO, Dakar)
AMS	Agricultural Marketing and Supply (Cooperative)
BAS	business advisory services
CFD	Ciasse française de développement (France)
CICOPA	International organization of industrial, artisanal and service producers' cooperatives
CODEC	Cooperative Development Centre
CODIMAS	Coopérative de distribution du matériel scolaire (Benin)
DASICO	Dar es Salaam Industrial Cooperatives (Tanzania)
DESWOS	Deutsche Soziale Wohnugsbau Stiftung (Germany)
ESOP	Employment Stock Ownership Programme
EU	European Union
FAO	Food and Agriculture Organization of the UN
FCFA	Franc de la communauté financière africaine
FG	Franc Guinéen
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HASIDA	Handicraft and Small Industrial Development Organization (Ethiopia)
HIC	handicraft and industrial cooperative
ICA	International Co-operative Alliance
IEC	Inter-Enterprise Cooperation
ILO	International Labour Organization/Office
INTERCOOP	ILO programme for the promotion trade among cooperatives
MATCOM	Materials and techniques for cooperative management
n.a.	not applicable
NCBA	National Cooperative Business Association (USA)
NGO	non-governmental organization
NUM	National Union of Mineworkers (South Africa)
SAP	Société Africaine de prévoyance
SDID	Société de développement international Desjardins (Canada)
SIDO	Small Industrial Development Organization (Tanzania)
SIP	Société indigène de prévoyance
SME	small and medium-sized enterprise
UCA	Uganda Cooperative Alliance
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
WOCCU	World Council of Credit Unions
WSM	World Solidarity Movement (Belgium)

Executive Summary

Cooperatives are successful in economic development because they are commercial organizations that operate by a broader set of values than those associated with the narrow pursuit of profit alone. Cooperatives are first and foremost businesses, but at the same time they practice economic fairness by ensuring equal access to markets and services among an open and voluntary membership base. Because they are owned by the consumers of the services they provide, cooperatives tend to make decisions that balance the need for profitability with the greater interests of the community which they serve.

More than 40% of all households in Africa are members of a cooperative society. Taken as a whole, the cooperative movement is Africa's biggest non-governmental organization; cooperatives play a significant role in many national economies, and have created a great number of salaried jobs and self-employment opportunities in Africa.

Yet, the role of cooperatives in employment creation has been neglected by employment planners, cooperative promotion agencies, social partners and donor organizations alike. In many African countries, cooperatives were considered primarily as tools to execute certain economic or political functions on behalf of the government, not as autonomous, member-based organizations that create and consolidate self-employment. This policy of "incorporation" has done great damage to cooperative development in Africa. Fortunately, government policies towards cooperatives have changed after the economic reforms and the democratization process that have taken place in most African countries. Today, the economic, political, legal and administrative environment of many nations is conducive to the development of genuine, self-reliant and autonomous cooperatives and similar organizations which can greatly contribute to job creation and to the empowerment of the poorest. This opportunity must be seized.

The present report shows that African cooperatives have created a sizeable number of salaried jobs; yet, their biggest employment creation potential lies in the field of direct and indirect *self-employment*. Cooperatives do have a comparative job creation advantage over other types of enterprises: they are labour intensive by nature, they are cost-effective because of member commitment and participation, they generate economies of scale and scope through horizontal and vertical integration, they establish links between the informal and the formal sectors, and they put economic and social development on a broader base. Worker-owned cooperatives provide their members with decent, permanent

jobs; client-owned cooperatives, which are predominant in the agricultural sector, can stabilize existing self-employment in rural areas; financial cooperatives can mobilize savings among the poorest and thus accumulate capital for productive investment; and social cooperatives provide self-employed workers with a minimum of social security while creating jobs in the social service sector.

This report proposes a three-pronged strategy to exploit the employment creation potential of cooperatives fully:

- (i) *Support to macro reforms and to capacity building in organizations that provide assistance to cooperatives:* Policy, legal and institutional reforms are still necessary in some countries to create a favourable climate for cooperative development. The design and implementation of such reforms usually require highly specialized, short-term expertise that development partners should make available. Secondly, many agencies, including NGOs, promote cooperatives and similar associations without having the appropriate expertise. Follow-up programmes to cooperative reforms should therefore include capacity-building at this level.
- (ii) *Inclusion of cooperative development aspects into relevant development projects:* This refers to investment programmes in infrastructure, agriculture and community development that should be combined with the cooperative organization of beneficiaries, so as to ensure the productive use and proper maintenance of these investments. It also refers to projects that strengthen the informal sector and micro-enterprises; by organizing independent entrepreneurs into cooperatives, one can stabilize their precarious self-employment situation, create additional jobs and build a bridge to the formal sector. Micro-entrepreneurs can establish cooperative networks that produce economies of scale without affecting the independence of their members.
- (iii) *Promotion of worker-owned cooperatives, social cooperatives and financial cooperatives:* Worker-owned cooperatives, which have received very little support until now, have a high potential to create *additional* employment in industry, transport, services and other sectors with relatively small investment; they can also participate in the privatization of public enterprises through workers takeovers. Worker-owned cooperatives can be successful when they have access to appropriate technical assistance and financial institutions. Social cooperatives, which are almost unknown on the African continent, can create self-employment opportunities for social

workers (in the broad sense) and provide those who are not covered by formal social security schemes with a minimum of social protection. Financial cooperatives have proven their efficiency in mobilizing large amounts of savings and in administering cost-effective credit schemes.

Cooperative action has become even more important in the context of structural adjustment that has, in many countries, adversely affected the rural and urban poor. Cooperatives are not a miracle solution to unemployment and other problems, but they are a development option that must not be neglected.

1. Situation analysis

1.1. Cooperatives in Africa

A cooperative society is *an association of persons who have voluntarily joined together to achieve a common end through the formation of a democratically controlled organization, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking, in which the members actively participate*². This definition covers also groups and associations that are less “formal” than registered cooperatives, provided these groups are based on democratic principles and pursue an economic goal. On the other hand, the definition draws a clear line between cooperatives and capital-based enterprises, community-based organizations and NGOs (although cooperatives and NGOs share certain common characteristics).

In all African countries, we come across traditional forms of cooperation which have survived the impact of colonialism and the structural changes which accompanied the so-called modern society. Such traditional self-help groups may be classified into two main categories: work groups whose members help each other in rotation or jointly carry out farming, construction and communal works, and rotating savings and credit associations whose members make regular contributions to a revolving loan fund. Such groups can be found in every country of sub-saharan Africa, and still play a very important role.

"Modern" cooperatives, i.e. those falling under the definition given above, have been introduced in Africa by colonial governments to increase cash crop production and to control (and tax) economic activity in rural areas, but also to protect farmers against exploitation from money-lenders and traders.

In the former British colonies, cooperatives were created in the 1930s according to the British-Indian pattern of cooperation and accompanied by a special cooperative act and the establishment of an implementing agency, i.e. the Registrar of Cooperatives. Later, the colonial administration undertook systematic efforts to develop cooperatives into powerful business ventures that, through a vertical structure, controlled much of agricultural production, marketing and processing in rural areas.

The French colonial administration introduced so-called "Sociétés Indigènes de Prévoyance" in the early 1920s. These SIPs were parastatal organizations used as instruments for rural development. In 1955, the administration introduced a special act for "state-sponsored" cooperatives and established cooperative supervising authorities

²ILO Recommendation on Cooperative Development in Developing Countries (1966, No. 127)

which, however, did not undertake cooperative development activities. Although the SIPs changed their names several times, they remained parastatal structures that gained little economic importance.

The situation was largely identical in the former Belgian possessions in Africa. In lusophone Africa, the colonial administration did not promote cooperatives at all, at least not among the indigenous population.

After independence, most governments of sub-saharan Africa laid much emphasis on cooperative development in the agricultural sector; although based on different approaches which are outlined in paragraph 2.1, the governmental cooperative promotion efforts had often the same result: an inefficient, state-controlled cooperative movement that did not meet member needs, but became a heavy burden on the state budget. Genuine cooperatives could develop only outside the agricultural sector, where many of them achieved remarkable progress.

The state-controlled “cooperatives” were severely affected by the structural adjustment programmes that many African states adopted in the mid-1980s, and by the democratic reforms carried out in the early 1990s. The “para-statal” cooperatives lost protection and support, while their members became more aware about their democratic rights. This resulted in a sharp decline in the number and turnover of “para-statal” cooperatives and the emergence of a multitude of grass-roots initiatives. Many African govern-

The French Versus the British Cooperative Model

The French “*sociétés indigènes de prévoyance*”:

- ▶ were centrally organized and of semi-public status, and did not observe cooperative principles;
- ▶ had to serve primarily national economic development goals;
- ▶ were administered by colonial officers;
- ▶ required compulsory membership, but not the active participation of cooperators.

In general, cooperatives under British colonial rule with the Indian pattern of cooperative development, had more autonomy and were more member-orientated. At least theoretically, the assistance provided by the colonial government was planned:

- ▶ to be of temporary nature for an initial period of guidance and supervision;
- ▶ to encourage the development of self-reliant, economically viable cooperatives;
- ▶ to prepare for the creation of cooperative apex organizations that could partly replace the “Registrar”

ments adopted cooperative reform programmes (see paragraph 2.3) to create a “favourable climate” for such initiatives. Today, we witness the development of a *third generation* of cooperatives in Africa, after those introduced by colonial powers and those imposed by the state.

No recent, complete statistics on the cooperative movements of Africa are available. The following table is based on data collected by the ILO in 30 countries between 1989 and 1996.

Data on Cooperatives in 30 African Countries (members in million)							
Agriculture		Consumers		Savings & Credit		Others	
Societies	Members	Societies	Members	Societies	Members	Societies	Members
41,352	13.9	19,838	7.1	5,324	2.7	9,834	3.3

(Source: internal ILO mission reports)

The average “cooperative density” in the 30 countries, expressed as the percentage of cooperative members in the total population, amounts to 7%. As there is usually only one cooperative member per household, and assuming an average household size of six persons, the “cooperative density” exceeds 40% of the total population. The cooperative movements of Africa are therefore, despite their shortcomings and weaknesses, an important element in the societies and national economies of their respective countries.

1.2. The Employment Creation Potential of Cooperatives

It is important to underline that most cooperatives are *not* instruments of employment promotion, but enterprises that give their members economic services. This notwithstanding, “cooperative enterprises provide the organizational means whereby a significant proportion of humanity is able to take into its own the tasks of creating productive employment, overcoming poverty and achieving

It is not claimed that the creation and maintenance of cooperative business enterprises is the only solution to unemployment. Not all cooperatives succeed as business enterprises. Not all are productive and capable of withstanding changing market conditions. Nevertheless, there is convincing evidence (..) that for many millions of persons cooperatives have meant employment instead of unemployment, acceptable working conditions instead of exploitation, security instead of constant threat of dismissal.

An ICA Statement of 1994

social integration”³. The present report will demonstrate that cooperatives can effectively create and maintain self-employment in both the rural and urban areas of Africa.

1.2.1 By Type of Employment

Theoretically, cooperatives can create employment in five different ways:

(a) *Cooperatives as a common workplace*: this is the case when cooperative members work together in a joint production unit. In other words, members have formed the cooperative society primarily as a form of "organized self-employment". Typical examples are collective agricultural cooperatives and small industrial cooperatives. In 1993, the International Organization of Industrial, Artisanal and Service Producers' Cooperatives (CICOPA) estimated that there were a little more than 100 million members of such cooperatives in all parts of the world.

(b) *Cooperatives as employers*: the case of client-owned cooperatives⁴ which employ salaried staff who are *not* necessarily cooperative members. An example is a consumer cooperative that employs storekeepers, cashiers and shop attendants. Such employment effects are often enhanced through diversification, i.e. when cooperatives diversify into activities outside their core business.

Examples of Wage Employment in Service Cooperatives	
Country	Employees
Germany ('89, all sectors)	250,000
Switzerland ('91, all sectors)	160,000
Japan ('91, agriculture)	298,000
China ('96, supply & market.)	5,800,000
European Union ('89, agric.)	720,000
USA ('94, 100 largest coops)	750,000

(Source: ICA)

(c) *Cooperatives promoting or enabling self-employment*: this is the case when client-owned cooperatives strengthen the businesses or households of their members. A typical example is an agricultural marketing and supply cooperative that provides independent cash crop farmers with essential pre- and post production services.

³Report N° A/49/213 of 01 July 1994 of the Secretary-General to the General Assembly of the United Nations

⁴In a client-owned cooperative, members run individual enterprises and/or households and use the jointly owned cooperative society to obtain goods and services that are necessary for their production unit or household. In a workers' cooperative, the individual members are both workers and employers of the jointly owned cooperative enterprise.

This refers, for example, to the 13.9 million members of agricultural cooperatives in those 30 African countries for which statistics are available (see table above).

- (d) *Cooperatives inducing wage employment*: jobs are created because of the very existence of cooperatives; this includes governmental cooperative departments, cooperative training institutions and cooperative audit companies.

Induced Employment in Selected African Countries (1995)															
Item	CVI	ETH	GAM	KEN	LES	MAG	MAL	MOR	NAM	RSA	SWA	URT	UGA	ZAM	ZIM
Personnel in Coop Dpt.	87	2,042	38	1,648	85	386	602	148	11	90	33	832	283	655	2,152
Cooperatives per Officer	2.1	2.1	?	3.8	3.0	0.8	6.0	33.7	8.3	6.6	5.4	5.2	21.0	4.4	1.1
Personnel in Coop College	n.a.	?	3	120	36	n.a.	n.a.	n.a.	n.a.	n.a.	38	400	20	79	n.a.

Source: Data compiled by ILO COOP Branch

- (e) *Spill over effects*: just as any other business, a cooperative creates jobs in those enterprises with which it maintains commercial relations. A housing cooperative, for example, is likely to create jobs in the building material industry.

Few surveys on the number of jobs created by cooperatives in Africa have been carried out. The following table is based on data collected by the ILO from various sources; it does not include the option (c) above, because this would simply mean to count all the members of client-owned cooperatives, nor option (e), because the spillover effects are impossible to quantify:

Jobs created by cooperatives in selected African countries					
Country	Year	Source	Direct self-employment (a)	Wage employment (b)	Induced employment (d)
Botswana	1991	G'vt	177	1,097	170
Cameroon	1987	GTZ	500	2,242	695
Cape Verde	1995	ICA	209	306	87
Gambia	1996	G'vt	6	168	41
Ethiopia	1993	ILO	60,486	30,067	1,080
Ghana	1996	G'vt	91,035	3,235	751
Madagascar	1996	G'vt	300	6,770	386
Mauritius	1994	G'vt	1,110	101	180
Morocco	1996	G'vt	27,792	42,709	148

Jobs created by cooperatives in selected African countries					
Country	Year	Source	Direct self-employment (a)	Wage employment (b)	Induced employment (d)
Namibia	1996	G'vt	315	2,045	31
South Africa	1997	G'vt	220,713	58,468	90
Togo (only credit unions)	1996	FUCEC	n.a.	230	n.a.
Uganda	1996	UCA	32,168	8,455	303
Zambia	1996	G'vt	9,500	2,253	732
Zimbabwe	1996	ZNCF	23,424	494	1,243
Total			467,735	158,640	5,937

At one stage, the cooperative movements of several African nations had become the second largest employer of their countries after the government. However, this was largely a result of cooperatives being parastatals that enjoyed monopolies, subsidies and all sorts of privileges. This, and widespread phenomena such as inefficient management, lack of internal control and nepotism, led to overstaffing which was detrimental to the interests of cooperative members.

Not all of the above employment creation options are specific to cooperatives. In the context of this report, it is important to identify those areas in which cooperatives have a comparative advantage over other types of enterprises or the public sector in the field of job creation.

The Comparative Advantages of Cooperatives in the Field of Employment Creation and Stabilization

- *Economies of scale*: through the cooperative organization, independent entrepreneurs, rural and urban households and workers in the informal sector can carry out joint purchasing and marketing operations and thus realize economies of scale.
- *Economies of scope*: this refers to the fact that joint production facilitates division of labour and specialization and therefore enhances productivity.
- *Increased bargaining power*: the cooperative society combines the offer and demand of its members and thus increases their bargaining power.

- *Member participation and motivation:* the active participation of members in the management of the cooperative is likely to reduce costs and thus to enhance cost-effectiveness, and to facilitate capital mobilization.
- *Membership value* (as compared to shareholder value): the overriding objective of any cooperative is to provide services to members, not to remunerate capital. A cooperative thus aims at preserving the self-employment of its members. The production process in a cooperative is therefore generally more labour intensive than in capital-based companies.
- *Representation of interests:* through the (officially registered) cooperative society, members can much better defend their interests than individually, in particular when the cooperative is part of a vertical structure.
- *Stability:* Because of risk sharing between members, cooperative societies are generally more stable than individual enterprises.
- *Innovation:* one important reason for members to join a cooperative is to learn from others in order to innovate jointly.
- *Legal protection:* by joining a cooperative, small scale producers obtain legal protection and limited economic liability.

Cooperatives may exploit these comparative advantages in two different ways:

- *Worker-owned cooperatives* formed as joint production units by persons who would not succeed economically as individuals, most often because of the lack of capital or expertise. This includes four sub-options:
 - (i) the traditional workers' cooperative in industry and agriculture with a joint production unit and no distinction between management and staff;
 - (ii) the labour-contracting cooperative whose members offer joint services on a contract basis, most often in the fields of public works, construction and forestry.
 - (iii) the cooperative network of individual entrepreneurs or micro-enterprises through which certain economic functions are organized. Examples are the net control stations operated jointly by independent taxi drivers and organized as a cooperative; such cooperative enterprise networks are the "bottom-up" alternative to the franchise system;

- (iv) the employment stock ownership programmes through which employees become co-owners of their enterprise and are thus taking part in management decisions and share the risks and profits of the enterprise.
- *Client-owned cooperatives* formed as pre- and post production service centres by individual farmers, traders, craftsmen etc. in geographical regions or economic sectors in which neither the private sector nor the state is active. An example are small scale coffee farmers producing in a remote area of a country that is not covered by marketing boards or private traders.

1.2.2 By Economic Sector

Both client-owned and worker-owned cooperatives may operate in any conceivable economic sector. In Africa, the most prominent sectors where cooperatives are active are, by order of importance, (i) agricultural marketing & supply, (ii) savings & credit, (iii) handicrafts & small industry (iv) consumers, (v) housing and (vi) services and transport.

These different types are explained in detail in chapter 5. The following table gives an overview of the *cooperative-specific* employment creation potential of the various types. The table focuses on self-employment only, because the specific wage employment creation potential of cooperatives is the same for all types: they can create a limited number of jobs in places and economic sectors that are not profitable enough for capital-based enterprises.

Cooperative-specific Employment Creation Potential		
Type	Direct self-employment (Worker-owned)	Indirect self-employment (Client-owned)
Sector		
Agricultural Services	Collective agricultural cooperatives appear to succeed only when formed by war-affected communities (ex soldiers, refugees, displaced people, disabled)	Agricultural service cooperatives enable farmers in remote areas to become or remain self-employed by providing adequate supply & marketing services.
Savings and Credit	Not applicable.	Provide the financial basis for self-employment by (i) enabling people to accumulate capital, (ii) granting productive loans at affordable conditions and (iii) establishing a central finance facility for larger investments
Handicrafts and Industry	Can create a significant number of jobs through pooling capital, labour and expertise of individuals who produce in jointly owned premises. Some cooperatives employ trainees or apprentices.	Provide the organizational framework that enables individual craftsmen and artisans to produce and market according to market requirements.

Cooperative-specific Employment Creation Potential		
Type	Direct self-employment (Worker-owned)	Indirect self-employment (Client-owned)
Sector		
Housing	Only in case of workers' cooperatives formed by construction workers	None.
Services, trade and transport	May create a large number of jobs when organized as joint labour-contracting or service-providing cooperatives	Provide the organizational framework enabling independent service providers, traders and transporters to enhance productivity and cost-effectiveness through inter-enterprise cooperation.

2. Promotion Policies

2.1. Cooperative Development Policies After Independence

After independence, the governments of sub-saharan Africa have adopted different strategies regarding cooperative development:

- the policy of *cooperativization* that was pursued in many (formerly) socialist countries such as Madagascar, Ethiopia, the Sudan, Tanzania, Zambia and Mozambique; in these countries, cooperatives were seen as mass organizations of the ruling party and as instruments to collectivize the ownership of production factors. This policy failed wherever it was applied, and was abandoned in the early 1990s.
- the policy of *incorporation* that was applied in many French speaking countries, but also in several Eastern and Southern African countries; this policy consisted of using cooperatives as a means to control the production and marketing of vital cash crops. Cooperatives were given supply and marketing monopolies and various privileges and grants, but were made subject to stringent government supervision and control, and consequently lost their autonomy.
- the policy of *indifference* applied in Zaire, Gabon, Central African Republic and others. In these countries, governments did not take any special measures to promote cooperatives, nor did they obstruct their development.
- the policy of *oppression* pursued in Malawi and Namibia (when it was under South African occupation) whose governments considered cooperatives as a threat to one-party rule (Malawi) or to white supremacy (Namibia).

Because of structural adjustment and democratic reforms, most countries have now adopted a liberal approach to cooperative development.

Almost every African government has considered cooperatives primarily as instruments for organizing, mobilizing and supervising the *rural* population. Consequently, the policies outlined above were mainly directed towards agricultural cooperatives⁵. Other types of cooperatives (manufacturing, services, housing, savings and credit, consumers etc.) were largely neglected and operated outside the government's sphere of interest.

⁵With the exception of some countries (Sudan, Ethiopia, Angola, Mozambique) which strongly supported consumer cooperatives as a channel for subsidized "ration commodities". The same happened in Tanzania during the high noon of "Ujamaa" (1976 - 1994), when consumer cooperatives were imposed as market outlets for scarce commodities.

As the rural population consists mainly of self-employed people, employment generation was seldom a top priority of cooperative promotion in Africa.

2.2. Structural Adjustment, Democratization and Policy Change

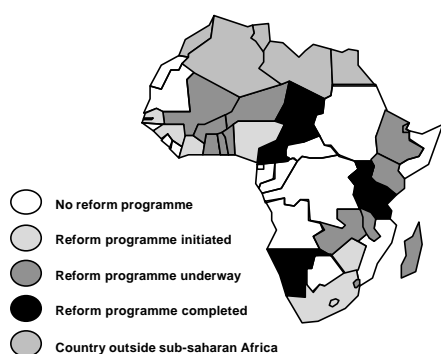
The impact of structural adjustment programmes (SAP) on cooperatives is generally negative in the immediate perspective, but positive in the long term:

- SAPs seriously threaten existing, government-controlled cooperative structures and their support institutions; many of these structures will disappear, leaving behind a vacuum that cannot be filled immediately by the private sectors or new cooperative organizations. Marketing and supply systems will be temporarily disorganized. A large number of employees in the cooperative movement, in the governmental cooperative departments and in cooperative support institutions will lose their jobs⁶.

Successful cooperative adjustment

Until the late 1980s, Cameroon's cooperative movement consisted mainly of about 50 district marketing cooperatives that monopolized the domestic coffee and cocoa trade and were managed by civil servants. They provided hardly any service to members, but absorbed enormous amounts of state funds. After a reform programme initiated in the early 1990s, most of these "cooperatives" have disappeared; at the same time, over 6,000 of "common initiative groups" have emerged. As a result, state expenditures for cooperatives dropped by 8 million US-\$ per year, while the members of the CIG earn 15% more for their crops than non-organized farmers.

Cooperative Reform Programmes in Africa



- On the other hand, new, more genuine cooperatives will emerge, partly to replace the old structures and partly to occupy new grounds. Cooperative values and the cooperative spirit will

⁶In Zambia, for example, wage employment in the cooperative sector declined from 7700 to 2253 since the economic reform programme started in the late 1980s.

become more important than ideologies. Member orientation and management efficiency will replace submission to authorities as guiding principles of cooperative leaders.

Cooperative action will enable people to organize the economic and social services they need, thus relieving the burden of the state and contributing to the success of structural adjustment; it will make people more aware of their freedom and responsibility to determine and control their own destiny, thus making democratization irreversible; and it will strengthen popular participation and decentralized decision-making so as to put national development on a broader base.

However, cooperatives need a *conducive environment* before they can play this beneficial role. Such an environment requires:

- A new cooperative development policy that defines the relation between the state and the cooperative movement in a way that respects the principle of cooperative autonomy;
- A new cooperative legislation that translates this policy into legal rights and obligations and guarantees the autonomy of cooperatives;
- A cooperative administration that confines itself to regulatory functions;
- The establishment or strengthening of the vertical structure of cooperatives.
- A system of cooperative support services (mainly education and training, business advisory services and external audit) that is largely managed and financed by the cooperative movement itself.

As shown in the map, many African governments have already embarked upon comprehensive cooperative reform programmes and thus provided the basis for a genuine cooperative movement in their country.

2.3. Donor Policies

During the period 1960 to 1985, many multilateral and bilateral donors have granted substantial technical and financial assistance to cooperative development in Africa, especially in the agricultural sector and, to a lesser extent, in the financial sector. Most of these projects were pursued with the following objectives:

- *cooperatives as agents of change*: cooperatives were seen as a way to protect farmers from the exploitation of "capitalist" intermediaries and to build a socialist society. Under this approach, cooperative development became an end in itself and led to the formation of state-controlled cooperative structures.

- *cooperatives as instruments to boost production*: cooperatives were seen as conveyor belts between rural development projects and individual farmers; they were used to distribute inputs, provide extension services, administer rural credit schemes etc. Under this approach, cooperatives were established to suit the needs of the project, not the needs of the farmers.

Both approaches have largely failed, and this has caused the widespread opinion among donors that “cooperatives do not work in Africa”. Yet, a more thorough analysis would have revealed that the projects failed because cooperatives cannot be developed from outside, but must evolve from within a community that has a common bond and a common goal.

After a period of disillusion, many donors have rediscovered cooperatives as an irreplaceable tool to organize rural and urban producers. Most projects dealing with agriculture, the informal sector or SME development include an element of cooperative organization, although it has become fashionable to replace the term “cooperative” with “farmers’ group”, “producers’ association” or a similar “neutral” term. Moreover, many donors have realized the importance of the aforementioned “conducive environment”, and are offering assistance in revising cooperative policies and laws, or make such revisions a prerequisite for development aid.

2.4. Cooperative Development and Employment Promotion

Both governments and donors have promoted cooperatives primarily to improve the living conditions of the rural population through increased production; in other words, they aimed at improving the *quality of self-employment in rural areas*, but not at increasing the *number of jobs* or self-employment opportunities. The employment creation potential of cooperatives has been generally neglected, and cooperatives were seldom considered in employment promotion policies (including those prepared with ILO assistance). The reason for this may be that many governments did not recognize cooperatives as enterprises, but as some form of social or political organization. Moreover, governmental cooperative departments are usually placed under the ministry responsible for agriculture or rural development which, as technical ministries, are not primarily concerned with employment promotion.

3. Institutions, Structures and Support Services

3.1. Legal Framework

The need of promulgating a specific cooperative act has sometimes been questioned. The ILO is in favour of adopting such acts, because they recognize the special nature of cooperative societies, improve the legal protection of cooperative members, and facilitate transactions between cooperatives and third parties.

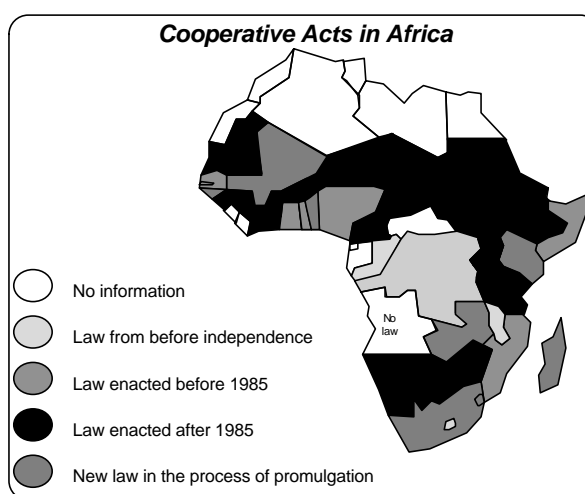
Most African countries have adopted a single cooperative act for all types of cooperatives. At independence, these laws were largely inspired by, if not copied from, “model laws” introduced by the colonial powers. Although subsequent revisions gave a more national character to the cooperative legislation of each country, the influence of the colonial laws can still be felt.

Several former socialist countries, however, have promulgated separate laws for different cooperative sectors.

Despite the change of the political system, these laws remain in force in countries such as Ethiopia and Mozambique. Several West African countries have recently adopted specific laws on savings and credit cooperatives that, because of their nature, need special provisions and supervisory mechanisms.

Until the mid-1980s, a common feature of cooperative legislation of most African countries was the strengthening of the state's and/or the ruling party's supervisory and regulatory functions. Each revision of the cooperative act further restricted the autonomy of cooperative societies and curbed the rights of their members to a degree that cooperatives became simply parastatal organizations. This trend was reversed in the mid-1980s, largely as a result of structural adjustment and democratic reforms. The cooperative acts adopted after 1985 are therefore generally more liberal and politically neutral.

The cooperative act is, of course, not the only piece of legislation that affects cooperatives. Equally important are regulations governing agricultural marketing, competition, taxation etc. A liberal cooperative act does not change much if, for example, cooperatives retain the monopoly of cash crop marketing, so that farmers are *de facto* obliged to become members. A law removing the marketing monopoly from



cooperatives can be quite unfair if the same law obliges cooperatives to act as “buyers of last resort”⁷.

This notwithstanding, we can state that the legal framework for cooperatives in Africa has considerably improved over the last ten years, and that many current national laws provide a good basis for genuine cooperatives.

3.2. Governmental Cooperative Departments

Most African governments have set up a single cooperative department that was usually placed under the Ministry of Agriculture and responsible for all types of cooperatives. Some countries, such as Kenya, have established a fully fledged Ministry of Cooperative Development. Those countries that had adopted sectoral cooperative laws have also shared the responsibility for cooperatives among different ministries and parastatals. Cooperative departments, which are usually decentralized in the same way as their parent ministry, are responsible for statutory functions such as registration, supervision and liquidation of cooperatives. In many countries, however, they were in addition responsible for promotional activities and the provision of support services such as training, management advice and external audit.

Following the enactment of more restrictive cooperative laws, the cooperative departments gained ever more power and became responsible for almost every aspect of cooperative management. Decisions concerning loans, investments, the appointment of senior staff, the holding of elections etc. had to be cleared by the Registrar or Commissioner of Cooperatives. In addition, cooperatives became subject to interference from other agencies (marketing boards, development banks, local authorities) and the ruling party, so that their elected Boards of Directors were left with little decision-making powers. As a result, the efficiency of cooperatives (in terms of services rendered to members and competitiveness) declined, while the costs of the cooperative promotion and supervision machinery grew out of proportion.

Staff of Cooperative Departments before and after Reforms		
Country	Before	After
Cameroon	650	100
Kenya	880	56
Tanzania	1,700	832
Uganda	1,180	283

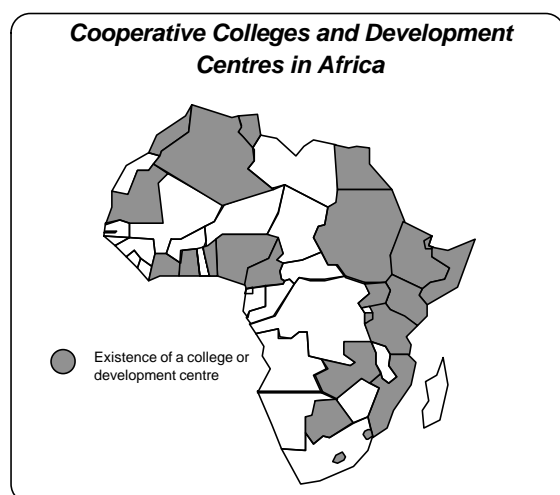
(Source: data collected by ILO)

In the context of structural adjustment, governments had to review their cooperative development policies and to redefine the role of cooperative departments. Cooperative Acts adopted after 1985 (see above) generally confine these departments to

⁷This happened, for example, in Zambia, where cooperatives lost their maize marketing monopoly, but remained under the obligation to buy maize from any farmer and in any region.

the aforementioned statutory powers and leave promotional, technical and managerial functions to the cooperative movement itself or to non-governmental organizations. Consequently, the workforce of many cooperative departments has considerably shrunk, and is likely to decline further.

3.3. Specialized Support Service Institutions



After independence, many African nations have established specialized cooperative colleges or cooperative development centres⁸. Such colleges offer long-term training courses for the personnel of cooperative societies and of cooperative departments, as well as medium and short-term courses for elected cooperative leaders. Some colleges have developed additional activities such as general membership education, distance learning programmes, training material production, consultancy services and research. Most cooperative colleges in Africa have

received substantial, long-standing donor support and are still largely subsidized by the state. It had been the ultimate goal of governments and donors to hand over the colleges to the cooperative movements themselves, but this failed due to lack of financial resources within the movements and lack of motivation. In the context of structural adjustment programmes, the budget allocations to cooperative training institutions are being cut drastically, and several of them are facing severe financial problems. In addition, the colleges must adapt their curricula to the new environment, which requires additional resources. The colleges have developed a variety of strategies to cope with the situation, and it appears that some of them will become financially self-reliant and thus survive as independent institutions.

Data on Cooperative Colleges in Seven African Countries							
	BEN	LES	KEN	SWA	TAN	UGA	ZAM
Teachers	5	6	26	8	70	14	6
Other Professionals	34	7	8	0	60	0	3
Support Staff	20	23	86	30	320	6	79

⁸Cooperative Development Centres are supposed to provide a broader range of support services than training and education; in reality, however, most "CODECs" function as training institutions.

Data on Cooperative Colleges in Seven African Countries							
	BEN	LES	KEN	SWA	TAN	UGA	ZAM
Annual Budget (in '000 US-\$)	375	388	548	570	?	128	176
Resident Students	57	28	240	25	500	120	450
... from Cooperatives	10%	90%	75%	95%	16%	45%	87%
... from Government	90%	10%	25%	5%	84%	55%	13%
Students per teacher	11.4	4.7	9.2	3.1	7.1	8.6	75.0
Budget allocation per student	6,579	13,857	2,283	22,800	?	1,067	391

(Source: data compiled by ILO COOP in 1995 and 1996)

Other technical support services, i.e. management advice and external audit, used to be provided by cooperative departments. Due to financial constraints, and due to the low quality and lack of timeliness of these services, they are now being privatized in many countries. Today's general view is that the cooperative movement of a country should generate enough resources to finance its own technical support services. In this context, we should mention that the credit unions of many African countries are already organizing and financing technical support services through their national "leagues". They could serve as an example for other types of cooperatives.

Financial support to cooperatives, which has sharply declined during the last decade, was given in various forms:

- Direct cash contributions from governments and donors;
- Indirect subsidies through secondment of staff, preferential hard currency allocations, subsidized interest rates and tax exemptions;
- Hidden subsidies through excessive marketing margins that were guaranteed by marketing boards⁹.

3.4. Non-governmental Promotion Organizations

The Cooperative Centres of Denmark, Finland and Sweden, the Rabobank Foundation of the Netherlands, DESWOS Germany, SDID Canada, WSM Belgium, NCBA USA, the World Council of Credit Unions (WOCCU) and others are specialized cooperative development NGOs formed by the cooperative movements of industrialized countries; they are particularly active in Africa where they apply the "movement-to-movement" approach which consists of transferring expertise and techniques from one cooperative movement to another. This approach has been more successful in the development of

⁹However, the opposite happened, too. In some countries, cooperatives were obliged to pay producer prices that were higher than what the marketing board would pay after processing.

credit unions and self-help housing schemes than in the field of agricultural marketing and supply cooperatives, which is largely due to the “para-statal” character these cooperatives used to have (see above).

The great majority of the thousands of local, national and international NGOs working in Africa are promoting cooperative-type groups and associations as part of their development projects. However,

- Many NGOs lack the expertise to develop appropriate management systems and to train the group leaders accordingly;
- Many NGOs are advocating a particular ideology, religion or development approach and therefore protect “their” groups from contact with groups promoted by competing NGOs. This practice is highly detrimental to the building of a national cooperative movement;
- Many groups are formed because the NGO wants them, not because the members need them.

The situation is better in countries which have developed a clear cooperative development policy which can serve as a guideline for NGOs.

3.5. Credit

Cooperatives need loans for two purposes:

- to finance their own business operations (prefinancing of crop and input purchases, export financing, purchase of physical assets etc.);
- to grant short-term loans to their members.

In many African countries, agricultural cooperatives used to obtain such loans from parastatal development banks at preferential conditions and without collateral. The non-repayment of such loans seldom entailed any sanctions, so that the cooperatives accumulated huge and ever growing arrears¹⁰. This system has stopped in most countries because of the restrictions imposed by structural adjustment programmes. Nowadays, cooperatives must obtain loans from commercial banks at market conditions. The decline of many “state-sponsored” cooperatives is largely due to the stringent loan conditions of such banks.

Agricultural marketing and supply cooperatives were often used as credit channels to small farmers: they were supposed to redistribute loans received from a development

¹⁰One example: in 1990, the combined arrears of Tanzania's district cooperative unions was equivalent to *twice the total agricultural output of the country*.

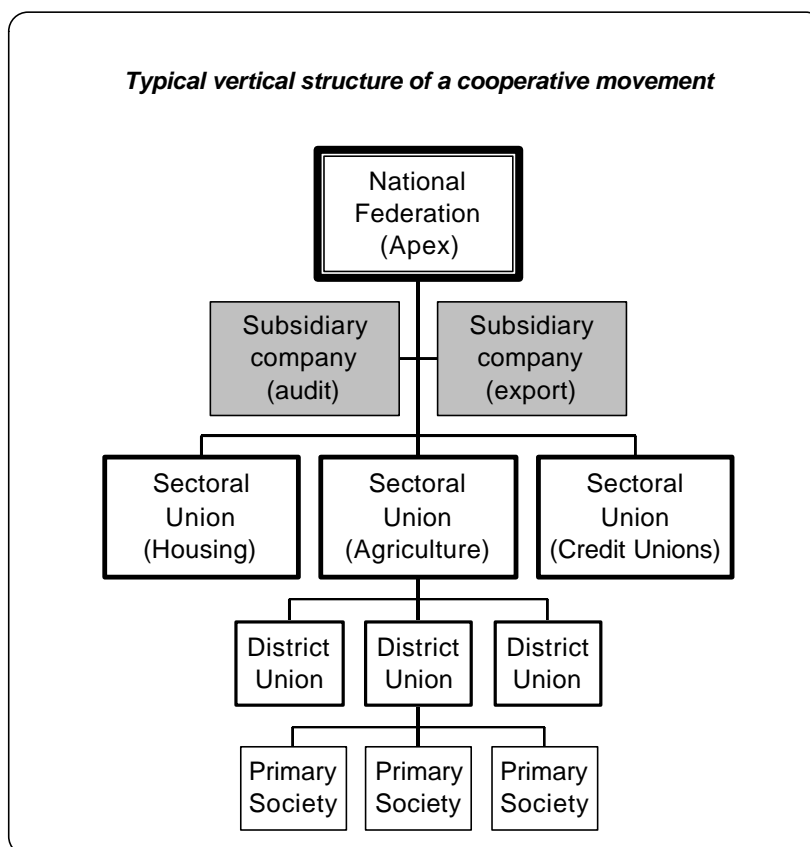
bank to their members and to collect repayments on behalf of the bank. Experience has shown that agricultural cooperatives can hardly cope with this additional function.

A few countries in Eastern and Southern Africa have established specialized cooperative banks that should cater for the particular financial needs of the cooperative movement. However, such banks have been successful only when they opened their doors to the general public and applied strict loan conditions.

In many African countries, savings and credit cooperatives mobilize enough savings to satisfy the credit needs of all other types of cooperatives. However, they prefer investing their excess liquidity in government bonds or other secure financial instruments because cooperatives cannot offer sufficient loan guarantees. A guarantee fund, as it had been successfully tested in Haïti¹¹, could enable credit unions to lend to non-financial cooperatives and thus make the movement financially self-reliant.

3.6. Vertical and Horizontal Integration

A distinct feature of cooperatives as compared to other types of enterprises is their propensity to create vertical structures similar to the one shown in the graph. Such structures exist in most English speaking and a few French speaking countries of Africa, although each country has developed a particular organizational



¹¹In 1986, UNCDF had deposited an amount of 500,000 US-\$ with a commercial bank as a guarantee fund for loans from credit unions to coffee marketing cooperatives; the fund covered 80% of the loan default risk, but did never disburse because repayments were made in time. Similar schemes have been experimented in Rwanda and elsewhere.

setup. Regional unions provide services such as processing and transport to the affiliated primary societies. Sectoral unions at national level provide services such as bulk purchase of fertilizer to regional unions, while the national federation is the movement's mouthpiece and lobby that does not normally provide economic services¹². The objective of the vertical structure is to retain as much value added as possible within the movement. The higher-level structures are owned and controlled by the lower-level structures; in practice, however, cooperative unions and federations may develop a tendency of directing primary societies, in particular when they enjoy marketing and supply monopolies. This aside, secondary cooperative organizations consolidate the benefits of primary societies (bargaining power, economies of scale etc.) at a higher level and are indispensable for the development of the movement.

Horizontal integration refers to the collaboration among different types of cooperatives and aims at retaining financial and physical transactions in the movement. This is the case when, for example, agricultural cooperatives use the services of transport cooperatives, or when credit unions lend money to other types of cooperatives. This type of collaboration is not yet very developed in Africa.

Vertical and horizontal integration is the cooperative equivalent to trust building by capital-oriented enterprises. A cooperative seeks collaboration with others, whereas a shareholder company would opt for a takeover.

3.7. Governance and Participation

Genuine cooperatives are democratic institutions that have a high potential of mobilizing people to participate in national affairs and of ensuring good governance at all levels. By applying democratic principles at grassroots level, they can prepare the people for local and general elections; by organizing those whose voices remain usually unheard, they can influence national policies towards the poor; and by creating vertical structures, they can participate in national decision-making. There are many examples where this actually happened.

Unfortunately, many cooperatives in Africa are not (or were not until recently) "genuine", because they served the state, a political party or individuals instead of their members. When the state "incorporates" cooperatives, they can become instruments of oppression instead of participation. An example are the (now dissolved) peasant associations of Ethiopia which forced farmers into collective production against their will.

¹²In some countries, namely Uganda, the Sudan and Zambia, the national federation has established subsidiary companies which are not cooperatives themselves, but belong to the movement and provide specialized services to its members.

The democratization process that is ongoing in many African countries has been highly beneficial to cooperatives; yet, it has brought new risks, too. It has been reported from several countries that political parties are trying to “incorporate” cooperatives in order to broaden their electoral base.

4. Tripartism, Labour Standards and Social Partners

4.1. Labour Standards and Cooperatives

The Recommendation concerning the role of cooperatives in the economic and social development of developing countries (1966) is the only ILO standard that deals specifically with cooperatives. Although 30 years old and subject to change¹³, the Recommendation is still widely used as a reference by cooperative policy and lawmakers in Africa and elsewhere. Together with the principles adopted by the International Cooperative Alliance, Recommendation No. 127 is the only international guideline in the field of cooperative policy and legislation, and the definition of a cooperative given in the Recommendation (see 1.1) has inspired many recent cooperative acts.

The proposed revisions of the Recommendation are aimed at reducing the role of the state and external promoters in cooperative development and simultaneously strengthening the role and participation of members.

Some other international labour standards are of interest to cooperatives:

- (a) Convention No. 87 of 1948 on the freedom of association;
- (b) Convention No. 141 of 1975 and its accompanying Recommendation No. 149 which establishes the right of all rural workers to organize freely;
- (c) A variety of Conventions and Recommendations on occupational safety and health, on social security, and on employment and working conditions that contain specific references to cooperatives and their employees.

Cooperatives are enterprises which must apply labour standards just as any other employer. This is generally the case, although cooperatives in many countries have a reputation of offering less attractive working conditions than comparable enterprises. This is due to the fact that cooperative members, who mostly belong to the poorer strata of the population, are reluctant to grant cooperative employees working conditions that are better than their own.

¹³The ILO meetings of experts on cooperatives held in 1993 and 1995 made detailed proposals for the adaptation of the recommendation in light of the changes in the socio-economic environment of cooperatives .

The statement above is true for client-owned cooperatives. The case of worker-owned cooperatives, whose members are co-owners and co-employees of the joint enterprise, is quite different. Therefore, the members of a worker-owned cooperative may decide to refrain from certain privileges of the labour law in order to stay competitive. In other words, they have the right to exploit themselves to save their jobs. In fact, labour laws and social security regulations are not fully applicable to worker-owned cooperatives whose members do not normally conclude a labour contract with their enterprise.

4.2. Cooperatives and Trade Unions

Cooperatives and trade unions share common values and have a long tradition of working together. Trade unions have played, and continue to play, a significant role in promoting cooperative enterprises among their members. In doing so, they lay emphasis on credit unions, consumer cooperatives and housing cooperatives whose services are of great benefit to workers. The biggest credit unions of Ethiopia and Swaziland have, for example, been initiated by trade unions. In many African countries and elsewhere, trade unions have established consumer cooperatives at enterprise level or for the member of a specific profession. In recent years, trade unions have become active in promoting cooperatives for retrenched workers (see box) and are considering the possibility of promoting the workers takeovers of enterprises that would otherwise go bankrupt.

However, alike many other cooperative promoters, trade unions tend to perpetuate their control over the cooperatives they have helped to establish. Trade union leaders must understand that cooperatives are autonomous economic entities irrespective of their member's possible affiliation to a trade union, or the trade union's promotional role.

The South African National Union of Mineworkers (NUM) is South Africa's largest trade union. It was formed in 1982, and represents 360,000 of the 550,000 black miners in the country, including those from neighboring countries. This union has designed a development strategy for retrenched and retired miners which includes the promotion of cooperatives for the self-employment of ex-miners.

Until 1993, the NUM had promoted thirty cooperatives with ten to twenty members each in Southern Africa. They were active in agriculture, horticulture, brick making, poultry raising, textile, mining and handicrafts. The NUM considers cooperatives as a more advanced element within its overall employment promotion strategy.

(From an ILO mission report of 1993)

***Cooperatives Promotion Through Trade Unions -
An Example***

In several African countries, cooperative apex organizations are actually playing the role of a “trade union of the self-employed”. In Uganda, for example, the apex organization UCA is a member of a government committee that fixes the minimum producer prices for the country’s main export crops. As the UCA represents about 75% of all rural households in Uganda, it has a considerable influence in the committee and thus on the level of farmers’ “salaries” (the producer prices). In Cameroon, elected delegates of cooperative organizations participate in a committee that regulates the marketing conditions for coffee and cocoa. In many countries, cooperative apex organizations had a considerable influence on the revision of cooperative laws that directly affects their members.

4.3. Cooperatives and Employers’ Organizations

Larger cooperatives are employers just as any other enterprise and are therefore entitled to join employers’ organizations (which they have done in several countries such as Kenya and Swaziland). However, the relation between employers’ organizations and cooperatives was strained in many countries due to the fact that cooperatives were looked upon by private entrepreneurs as state-controlled and state-sponsored bodies and thus as unfair competitors. This has changed since cooperatives must now operate in a market economy.

We should mention that many employers are very favourable to the establishment of cooperatives formed by the employees of their enterprises, because they can organize services such as savings and credit facilities, supply of consumer goods or low cost-housing that otherwise the employer would have to provide. In Botswana, for example, a large mining company in Selebi-Phikwe has given office space to a credit union formed by mine workers. Ethiopian Airlines is actively supporting the credit union of its staff members, which has become the biggest in the country. In Swaziland, a large paper pulp factory has provided storage room for a consumer cooperative established by its workers.

The promotion of socially oriented cooperatives is of interest to all tripartite constituents:

- governments support such cooperatives because they may reduce the state’s expenditure on social services;
- workers’ organizations support them because they improve the living conditions of their members;
- employers’ organizations support them because they reduce costs.

5. Experiences, Methods and Tools of Employment Creation Through Cooperatives

5.1. Client-owned Cooperatives

5.1.1 Agriculture

Agricultural marketing and supply cooperatives (AMS) are, due to historical reasons, by far the most important types of cooperatives in Africa (and in most other regions of the world¹⁴). AMS provide farmers with agricultural inputs and sell their crops to local whole-sellers, marketing boards or overseas customers. Many AMS own processing facilities and offer additional services such as extension, consumer goods distribution and financial intermediation.

In theory, an AMS is established *by* farmers who want to buy inputs in bulk (and those at lower prices) and jointly sell their crops in order to increase their bargaining power. In Africa, however, most AMS were set up *for* farmers by the colonial administration (see above) and later by government. In many countries, the AMS obtained supply and marketing monopolies, so that farmers were *de facto* obliged to become members. As monopolistic traders that were strongly protected and heavily subsidized by the state, such cooperatives degenerated into parastatal agencies. In several African countries, the AMS and their regional unions became the country's second largest employer after the government - but such employment was largely due to overstaffing and financed indirectly by farmers. "State-controlled" AMS have disappeared in most countries, and the number of jobs created by such AMS has sharply declined.

Yet, there is no doubt that *genuine* AMS can play a valuable role in *creating or stabilizing self-employment in rural areas*, in particular where no other marketing and supply opportunities exist: in *Burundi*, cooperatives organized the collection of milk that was processed by a parastatal. In *Zaire*, a group of farmers specialized in the production of strawberries which they sold through their cooperative to supermarkets in Kinshasa. In *Kenya*, small scale cut flower growers established a cooperative to sell their produce to private exporters based in Nairobi. In all three cases, the cooperative was the only available marketing instrument and thus created self-employment.

¹⁴A recent ICA survey in 23 European countries estimates the number of agricultural cooperatives at 53,000 with 19,3 million members and an annual turnover of 216 billion US-\$.

Larger AMS usually employ permanent and seasonal workers¹⁵; they are sometimes the only providers of wage employment in rural areas. A prominent example are the thousands of cotton marketing groups that exist in all cotton growing regions of West and Central Africa. Although these groups have been introduced by ginneries¹⁶, they are fully member-controlled and can be considered as genuine cooperatives. Each group employs at least one seasonal administrative clerk who is usually recruited from among the village youth.

AMS involved in cash crop marketing have a considerable spill over effect that stimulates the local economy and thus creates additional employment. For example, during the harvesting season, the coffee and cotton growing regions of Africa are visited by hundreds of nomadic traders who sell consumer goods to rural households.

Genuine agricultural service cooperatives can protect farmers' interests in a market economy and thus maintain self-employment or improve self-employment conditions. In fact, economic liberalization can work only when markets are competitive and transparent. Without effective, voluntary rural organizations, farmers will be exploited by intermediaries; they may abandon cash crop production and return to subsistence agriculture. The promotion of rural organizations should therefore be a key element of economic reform programmes in Africa. However, expecting that farmers organize themselves without any assistance is unrealistic. This requires first and foremost the establishment of a favourable legal and institutional

About 20,000 small scale farmers in Burkina Faso are cultivating green beans that are sold almost exclusively on overseas markets. Green bean production is very labour intensive (one million work-days for harvesting alone), but does not require expensive inputs and does not affect food crop production. Production techniques are relatively simple, but export marketing requires highly specialized skills. The ILO INTERCOOP programme has therefore helped a cooperative union of Burkina Faso to explore markets, to link up with European importers and to fulfill contractual obligations. Today, the union is able to export without external assistance, thus guaranteeing its member a stable income.

Burkina Faso exports Green Beans

¹⁵In this context, we refer to "genuine" AMS, not the "parastatal" AMS that create jobs through overstaffing.

¹⁶Most of these ginneries are joint ventures between the respective government and the French CFDT which considers cotton collection through cooperatives as the most profitable marketing system.

environment as outlined above, and secondly the provision of adequate technical support services to groups and cooperatives.

Another way in which agricultural cooperatives can help creating employment is through the joint use of public investments. This can be illustrated by the cooperatives formed by the settlers on reclaimed land in Egypt. Since 1950, the Egyptian government has reclaimed two million acres of new land along the river Nile valley. Cooperatives play an integral part of the land reclamation and settlement programme. There are now some 240 cooperatives with a membership of 140,000 farmers cultivating about 700,000 feddans of reclaimed land and one million feddans of land under perennial irrigation. Displaced, landless and unemployed people receive reclaimed land on a priority basis. Their cooperatives provide a broad range of services such as input supply, crop marketing and joint use of machines, and promote agro-based and handicraft services. An ILO/DANIDA project has been providing technical assistance to settlers' cooperatives in fifteen zones since 1984; in its current, third phase, the project focuses on graduate settlers and women activities, and has become involved in agricultural extension, agro-processing and loan administration. The project has been successful in building local and national capacity in cooperative management and agricultural extension, and has thus contributed to the creation and stabilization of thousands of jobs.

The El-Tura'a Al-Khadra cooperative in the White Nile Province of the Sudan was formed in 1993 by the 614 beneficiaries of an irrigation scheme financed by UNCDF and several bilateral donors, and received initial technical assistance from UNDP and ILO. Thanks to the irrigation scheme, the 614 families have reached self-sufficiency and earned a net income of 21,000 Sudanese pounds (in 1993). In addition, livestock herds were growing, so that a nearby cheese factory resumed production. The income of the cooperative was sufficient to finance the operation and maintenance of the irrigation scheme.

An Irrigation Cooperative in the Sudan

ILO's regional ACOPAM¹⁷ programme has gained considerable experience and expertise in different types of agricultural cooperatives that have a considerable impact on (self)-employment in the Sahel.

¹⁷Originally, ACOPAM meant "Appui Coopératif aux Activités de développement assistés par le PAM en zone soudano-sahélienne"; the acronym has been maintained, although the programme's mandate has much evolved since its inception in 1978.

ACOPAM has promoted 247 cooperative grain banks that have improved the food security of 86,000 households in three countries. Through this system, farmers could maintain their farms and remain economically independent.

In Burkina Faso, ACOPAM has introduced an innovative system of joint cotton marketing that provides rural villages with additional income paid as a service charge by the cotton ginnery. Much of this additional income is used for community development projects which improve the living conditions in villages. This system has been so successful that today, 80% of the cotton grown in the Sahel is marketed by cooperative groups.

In Mali, Mauritania and Senegal, ACOPAM has initiated in collaboration with the European Development Fund the formation of self-help irrigation groups. A case study carried out in the 16 irrigation groups of the Niger Delta estimates that 600,000 workdays of labour per year are required to cultivate the 1,000 hectares of irrigated land of this scheme. Forty per cent of this labour is done by seasonal workers who receive an estimated 168 million FCFA (336,000 US-\$) in salaries, while the landowners (who carry out the remaining 60% of the labour) earn a net income of 517 million FCFA (1,0034,000 US-\$) per year. Through the cooperative organization of small scale producers, the irrigation investments of the state, donors and the producers are made productive and are maintained by the beneficiaries themselves. In addition, the revenue generated by the irrigation groups stimulates the local economy and creates additional employment in the villages.

A third domain of ACOPAM intervention is called "gestion des terroirs" which

In August 1992, the government of Cameroon passed a new cooperative act that *de facto* dissolved the hitherto existing "para-statal" cooperative structures which were used to control farmers and their production. Simultaneously, the cash crop marketing system was liberalized. Two years later, the farmers in the cocoa growing region of Cameroon had formed over 3,500 "common interest groups" which are presently controlling over 60% of primary cocoa marketing. Due to increased bargaining power, farmers organized in groups obtain a 15% higher producer price than non-organized farmers. As the groups have established quality control systems, the overall quality of Cameroonian cocoa is slowly improving, and as a result of higher producer prices, Cameroon's cocoa production is increasing. Farmers are now receiving 60% of market prices instead of 40% ten years ago, while the state is saving every year almost 40 million US-\$ in unnecessary overhead costs which it used to spent to maintain the former "para-statal" cooperatives structures.

Higher Earnings through cooperation

can be translated approximately as “natural resources management” in a highly endangered environment. In Burkina Faso, ACOPAM has supported the self-organization of 8,000 people who had been displaced due to a dam construction. The settlement area had a high development potential, but agricultural production was severely affected by ecological deterioration. With ACOPAM's help, the village groups drew up a plan for the rational use of natural resources and adopted ecologically friendly agricultural production and cattle raising methods and were thus able to prevent the environment from deteriorating further.

The examples above have one element in common: the cooperatives described did not *create* jobs or self-employment opportunities; this was done by the farmers themselves, by the government or by donors. However, cooperatives were indispensable to *secure* the employment opportunities through the joint action of their members. Only through joint action were farmers able to obtain higher producer prices, to maintain investments and to preserve the environment.

5.1.2 Savings and Credit Cooperatives

Savings and credit cooperatives (credit unions) have been particularly successful in Africa, which may be due to the fact that they are nothing but a “formalized” form of the rotating savings and credit associations which are very widespread and popular all over the continent. Introduced in the early 1960s (often by missionaries or specialized agencies), credit unions have developed into powerful financial institutions that provide financial services in regions where private and public banks are absent.

The following statistics have been published by the World Council of Credit Unions (WOCCU)¹⁸

Credit Unions in Africa (million US-\$)					
Year	Credit Unions	Members	Savings	Assets	Loans
1990	20,003	6,214,927	503.0	n.a.	439.3
1991	20,133	5,196,842	524.9	674.6	447.2
1992	20,918	5,700,056	533.6	585.0	443.6
1993	20,403	5,023,423	455.5	486.3	393.5

¹⁸The apparent decline between 1992 and 1993 is due to the fact that, in 1993, several WOCCU member countries did not report their statistics, and the massive devaluations in many African countries.

Credit unions create little *direct* employment¹⁹; in fact, most primary credit unions employ just one cashier, while all managerial and supervisory functions are carried out by elected members. The credit union leagues, i.e. the regional or national federations which play the role of the movement's central bank, employ a limited number of qualified staff who carry out advisory, supervisory and educational functions. Despite this, credit unions have a considerable potential to create employment *indirectly* by providing capital for productive purposes:

- Credit unions do not normally require any loan guarantee besides the security given by other credit union members, and therefore lend money even to people who would not qualify for bank loans. Many small businesses in rural and urban areas have been financed this way.
- It has been observed in many African countries that credit unions in rural areas generate excess liquidity which is transferred to the "central finance facility" of the national league. The league can use these amounts to grant larger investment loans.
- Many credit union organizations have developed special loan programmes with preferential interest rates and repayment schedules for productive investments.

Uganda: Employment Creation through Credit Unions

Realizing that smaller credit unions and the national league cannot meet their current expenditures from the interest margin alone, the Uganda Cooperative Savings and Credit Union (the league) has set up several income generating activities (carpentry workshop, stationery supply, transport) that provide additional income and create employment. In addition, the central finance facility grants loans to affiliated credit unions for the financing of income generating activities at primary level. This has greatly contributed to the financial self-reliance of Uganda's credit union movement.

Although credit unions do not consider employment creation as their primary goal, most of them lay much emphasis on the *productive use* of the loans they grant to members, because such use increases their repayment. Although there are no statistics available, credit unions have, without doubt, financed thousands of SMEs and informal sector initiatives by:

- (a) enabling people with a low, irregular income to save in a financial institution and thus to accumulate capital for productive investment;
- (b) granting loans without much red tape and at reasonable conditions;

¹⁹We should, however, mention that credit unions have created 12,497 jobs in Korea, 22,081 jobs in France and 650,000 jobs in China (Source: International Cooperative Alliance and ILO).

- (c) building central finance schemes whose assets can be used for institutional lending and larger investment loans.

A more detailed description of the employment creation potential of financial cooperatives is given in the component report on credit schemes.

5.1.3 Handicrafts and Industry

Industrial client-owned cooperatives are enterprises formed by independent craftsmen for the joint organization of raw material supply, product marketing and other services. This can be illustrated by the Dar es Salaam Small Industrial Cooperative (DASICO) which receives technical assistance from an ILO project.

DASICO was formed in 1976 by 384 craftsmen in an industrial cluster in the outskirts of Dar es Salaam. Today, the cooperative has 527 active members and 395 youths (apprentices) who work in five different trades: general engineering, woodworking, welding, paper bag making, and handicrafts. DASICO has the objectives of providing its members with training, official recognition (and thus protection against harassment by local authorities), marketing and basic social services. Members produce in their individual sheds and for their own account, but pay 7% of their sales to cover the cooperative's overhead expenditures. The ILO project supports the cooperative through training and various technical and managerial fields, management system development and business advisory services.

A Workers' Takeover in Zimbabwe

"Spring Master" was Zimbabwe's biggest furniture manufacturer when its European owners abandoned the company after the country gained independence in 1980. The company was liquidated in 1984, but a group of its former employees had decided to form the "Spring Cabinet Cooperative" in order to save their jobs. After a difficult inception period, the cooperative managed to expand its range of production and to hire more workers, including university graduates for management posts. By 1995, the cooperative had created 206 full-time jobs (up from 7 ten years earlier), accumulated 7 million Z\$ in capital (up from 130 \$) and reached a turnover of 16.3 million Z\$. It is now planning to export to neighbouring countries.

(From a case study prepared by the Zimbabwe National Cooperative Federation)

The main benefit of client-owned industrial cooperatives results from their organizational function which provides micro-entrepreneurs working in the informal sector with a certain degree of legal protection, job security and social welfare. The cooperatives thus stabilize and "formalize" the informal sector.

5.1.4 Trade, Transport and Services

Consumer cooperatives have been very prominent in centrally planned economies such as the Sudan, Ethiopia, Angola and Mozambique. In these countries, certain basic commodities were available only (or at highly subsidized prices) through consumer cooperatives, so that virtually every citizen became a member. As expected, these “cooperatives” disappeared as soon as the countries introduced market economy principles. A few genuine consumer cooperatives exist in most African countries. Nevertheless, they have been successful only in Botswana (where they control a significant share of the retail market), Namibia (where they are *de facto* confined to the white population) and, to a lesser extent, in Swaziland.

The direct employment creation potential of consumer cooperatives is limited, although the figures collected in some non-African countries look quite impressive²⁰. Even the indirect employment effect is small, because most African consumer cooperatives sell imported goods and thus stimulate production *outside* their own country. The promotion of consumer cooperatives is therefore not a priority with regard to employment promotion.

Jobs created by consumer cooperatives (1995)	
Country	Employees
Estonia	7,650
Georgia	20,100
Germany	25,000
Hungary	30,225
Japan	64,134
Romania	56,735
Russia	727,000
Sweden	35,000
Switzerland	44,000
United Kingdom	84,364

Housing cooperatives exist in many different shapes and forms²¹, the main types being:

- (a) as self-help housing groups whose members help each other building homes; such groups are similar to traditional self-help associations and do not create direct employment;
- (b) as long-term savings and credit cooperatives similar to building societies. These cooperatives deal only with the financial aspect of housing and operate like credit unions;

²⁰Information provided by the International Cooperative Alliance, Geneva Office

²¹For example: (i) workers' cooperatives formed by workers in the construction sector, (ii) cooperatives of individual house owners, (iii) cooperatives of collective house ownership, (iv) cooperatives of tenants, (v) cooperatives for self-construction of houses, (vi) cooperatives of collective housing services, and (vii) building societies (or credit unions for construction).

- (c) as joint builders: the cooperative members agree on a standard construction plan and negotiate favourable conditions with a building contractor. Such cooperatives create temporary employment in the building industry.

All three types have of course indirect employment effects in the building material industry. Such indirect effects are important when membership in a housing cooperative is the only way for a household to acquire real estate. In fact, one can safely assume that thousands of houses in Europe would *not* have been built without the existence of building societies.

Although many surveys have shown that housing improvement ranks among the top priorities of most African households, housing cooperatives are not very widespread on the African continent. They can be found in Egypt, Ethiopia, Kenya, Morocco and Senegal, because the governments of these countries granted substantial benefits to housing cooperatives (see box). Such "state sponsored" cooperatives should be considered as interest groups which are formed primarily to benefit from government subsidies. In Kenya, housing cooperatives are fairly successful because of donor support.

The following two examples illustrate the job creation potential of non-traditional, client-owned cooperatives:

The "*Kampala Shoe Shiners Cooperative*" began as a savings and

credit cooperative, because shoe shiners need to save parts of their daily income in order to finance monthly expenditures such as rent. The second activity of the cooperative was to equip each member with a standardized desk, which gave them some professional image. In November 1994, the cooperative was planning to establish

Housing Cooperatives

The 1,700 housing cooperatives of **Egypt** have 3 million members, mostly urban citizens. The members of these cooperatives are building 100,000 to 150,000 (mostly prefabricated) flats *every year*. The main incentive to join a housing cooperative is the low interest rate of 4% to 6% per year (market rates are as high as 20%) and the long duration (40 years) of construction loans. In addition, housing co-operatives are exempted from various taxes and duties, and have preferential access to land.

In 1992, there were 599 housing cooperatives in **Ethiopia** that had built 18,000 houses; 178 others were in the process of building 4,912 houses; and 1,260 "young" cooperatives with 32,853 members had not yet begun construction. Housing cooperatives were entitled to preferential allocation of land, to highly subsidized building material, to loans without prior obligation to save, to subsidized interest rates and to free construction plans and free technical assistance.

(from internal ILO mission reports of 1993)

a small manufacturing unit for shoe polish and brushes. The cooperative has presently 3,000 members in Kampala and is expanding beyond the capital city.

The “*Association des Conducteurs de Chariots du Zaïre (ACCZ)*”, an association of wheelbarrow pushers which is active in Kinshasa (30,000 members) and Lubumbashi (20,000) members, was originally a workers’ union which negotiated standard terms of contracts between wheelbarrow *owners* and *pushers* (very few wheelbarrow drivers are independent). In the course of the years, the association organized a number of social services, such as a “life insurance” (which paid a certain amount of money to the dependants of drivers killed in traffic), a primary school and primary health care centres. In 1992, the European Union agreed to finance an innovative project which involved the ACCZ and the union of vegetable cooperatives around Kinshasa: vegetable farmers were using household refuse (supplied by ACCZ members) as manure, but found it very difficult to sort out the non-organic material. The EU project therefore financed an industrial site in the outskirts of Kinshasa, where the household refuse was cleaned before being delivered to farmers. The estate included also a workshop for the maintenance and repair of wheelbarrows.

It appears that service, trade and transport cooperatives have an important employment creation potential that remains largely untapped in Africa. The cooperative organization of independent service providers, traders and transporters can stabilize self-employment by increasing productivity, enlarging the business scope, producing economies of scale and facilitating the division of labour.

5.1.5 Other Types

There are many other types of cooperatives in Africa, such as the fishery cooperatives that exist in most African nations, the cultural cooperatives in Zambia, the home industry cooperatives in South Africa, the taxi driver cooperatives in Swaziland and Togo, the doctor’s cooperatives in Benin, the pharmaceutical cooperatives in Niger

Non-traditional Cooperatives in Uganda

A survey conducted in 1995 by the Uganda Cooperative Alliance revealed that the country had 948 active “non-traditional” cooperatives with 80,580 members active in 26 different trades. The provided employment to 17,064 member-workers and to 5,688 salaried workers. Female membership was much higher than in “traditional” (agricultural marketing) cooperatives.

and the community development cooperatives that exist in many African countries. They all create employment, and many of them could serve as interesting case studies of innovative self-help. Unfortunately, the “non-traditional” cooperatives have been neglected by governments, donors and even the cooperative apex organizations, so that we know little about them. However, available evidence suggests that such cooperatives have the highest potential to create *additional* employment in all sectors of the economy.

It is therefore suggested to specifically include non-traditional cooperatives into the terms of reference of the country studies to be undertaken in the context of Jobs for Africa.

5.2. Worker-owned Cooperatives

5.2.1 Agriculture

Collective agricultural cooperatives have seldom succeeded, because farmers anywhere in the world want to own their plots. Yet, they *can* work when people are bound together by special circumstances, as it was and still is the case of the Israeli Kibbutzim. An example from Africa is the Union of Green Belt Cooperatives around Maputo in Mozambique. These (collective) cooperatives were formed by 20,000 displaced women who had fled the civil war. Thanks to substantial assistance from various NGOs and UN agencies, the Union has become Mozambique’s biggest poultry producer and contributes significantly to the capital city’s food supply while providing their members with a decent income. In Eritrea, ex-freedom fighters are planning to set up collective cooperatives, because the fight for independence has created such a strong bond among them that they want to continue living and working together. In many Sahelian states, women groups are cultivating collective farms which could be considered as worker-owned cooperatives.

These examples suggest that collective agricultural cooperatives may be a (temporary?) solution for war affected groups: ex-combattants, refugees, war victims and displaced people.

5.2.2 Handicrafts and Industry

Handicrafts and small industrial cooperatives (HIC) are generally established in the form of a worker-owned cooperative by people whose own financial resources are not sufficient to finance an individual production unit; another reason is that joint production in a HIC allows for division of labour and thus improves productivity. Such cooperatives are not yet very prominent in Africa, except in countries such as Ethiopia and Tanzania where governments have created specialized promotional institutions.

In *Ethiopia*, the former Handicrafts and Small Industries Development Agency (HASIDA, now a department of the Ministry of Industry) provided technological, educational, managerial and financial support services to handicraft cooperatives, so that, in 1991, 719 such cooperatives existed in the countries. Membership (and thus the number of

jobs created) amounted to 46,000, and the annual turnover to 25,000,000 US-\$. Most cooperatives were active in the textile sector where they had achieved

The first Mondragon cooperative was formed in 1956 by five men. 32 years later, the movement had grown to 21,000 members working in over 100 industrial cooperatives. The success of this complex has been attributed to the following factors:

- continuous education in technical, economic and social matters;
- a financial structure that preserves worker ownership and control;
- horizontal integration among the different cooperatives of the complex, and vertical integration through a common general management;
- the design of a cognitive framework that is made up of basic values, objectives, policies and guiding principles;

(Source: G.B.Hansen, Lessons...)

The Mondragon Cooperative Complex in Spain

some degree of vertical integration²². Many cooperatives have obviously been established under HASIDA's influence, and are therefore not totally "genuine"; on the other hand, the HIC resisted better than other types of cooperatives when the Ethiopian government adopted, in March 1990, an economic reform programme during which most government support to cooperatives was sharply reduced. In fact, the number of handicraft cooperatives in Ethiopia had risen to 757 in 1995, and membership to 60,858, while virtually all agricultural producers' cooperatives (collectives) had been dissolved by their members.

In *Tanzania*, the Small Industrial Development Organization (SIDO) began promoting handcraft and small industrial cooperatives in 1973. By the end of the 1980s, about 350 cooperatives with 7,000 members had been established with massive government support. In 1991, the government of Tanzania adopted a new, liberal cooperative development policy, enacted a new cooperative law and drastically cut subsidies to the cooperative sector. As a result, many of the former "state sponsored" cooperatives went dormant or were transformed into capital enterprises. On the other hand, many new industrial cooperatives or micro-enterprise associations were formed to take advantage of the market economy.

Industrial cooperatives are well developed in Asia and certain European and American countries, but are almost unknown in most African countries. The examples of Ethiopia and Tanzania show that such cooperatives can be developed into viable businesses with a careful mix of assistance. In both, governments and donors have established parastatal support agencies that provide HIC with a broad range of technical and financial services. It seems that without such assistance, HIC cannot flourish, because their members lack capital and managerial skills.

Marketing assistance (especially export marketing) is very important, because

"Wakitamani" is a joint venture of six handicrafts producer groups and cooperatives from Kenya, Uganda and Tanzania. It was formed with legal, organizational and financial advice from ILO INTERCOOP. Wakitamani coordinates its members' marketing and export activities and thus strengthens their position on overseas markets. By working together, the cooperatives can offer a broader range of East African crafts to overseas customers and afford promotional measures such as the participation in trade fairs. Through Wakitamani, the affiliated cooperatives can export directly and thus retain a greater share of the value added.

Handicraft Exports

²²"Spinning" cooperatives supplied yarn to "weaving" cooperatives which sold cloth to garment making and embroidery cooperatives.

most individual craftsmen are unable to sell directly on overseas markets and must therefore share their value added with local middlemen. Yet, placing products on overseas markets can increase production and revenue, thus creating additional employment. The ILO INTERCOOP programme collaborates with several handicraft cooperatives in Kenya and Tanzania whose characteristics are shown in the table below:

Basic Data on INTERCOOP Partner Cooperatives in East Africa						
Cooperative	Type	Members	Staff	Turnover (US-\$)		
				Total	INTERCOOP	Per member
Matinyani	Carpets	70	2	72,700	33,500	479
Turkana	Basketry	300	2	15,000	22,670	76
Tabaka	Soapstone	20	0	10,000	1,630	82
NAWOU	Basketry	1,000	5	65,000	21,640	22
Nairobi Craft	Wood Carving	800	7	120,000	9,020	11
Kisii	Soap stone	400	8	330,000	16,460	41
Meru Herbs	Herbal tea	360	5	?	13,000	36
Kilimanjaro Guides	Tourist Services	12	0	12,000	11,760	980
Mwenge	Wood carvings	700	0	?	24,800	35
Total		3,662	29	624,700	154,480	42

(Data supplied by project INT/93/MO3/FRG)

Experience and research have shown that HIC can be successful if:

- the cooperative has a dedicated leader, and members are committed to a common goal;
- there is a genuine demand for the cooperative's products;
- the cooperative enterprise is fundamentally viable and run according to business principles;
- members have the necessary skills or can acquire them.

Several authors are of the view that promotional organizations such as SIDO in Tanzania and HASIDA in Ethiopia are indispensable for the successful development of industrial cooperatives.

5.2.3 Labour Contracting Cooperatives

This type of cooperative, whose members offer their labour as a group to entrepreneurs (mostly building contractors), is widespread in Asia, but almost unknown in Africa. In India, for example, labour contracting cooperatives had been promoted by the Armed Forces after the Second World War to help demobilised soldiers return to civilian life; shortly afterwards, the federal government applied the scheme to landless labourers and granted labour contracting cooperatives preferential treatment. In 1977, India counted 5,714 labour contracting and forest workers cooperatives with 648,000 members and a work-value of 703 million Rupees.

The only example of labour contracting cooperatives in Africa known to the ILO comes from Guinea Conakry, where some ex-employees of a privatized water supply company have formed a cooperative that offers pipe fitting services to the public.

Labour contracting cooperatives seem to have a great employment creation potential that remains largely untapped in Africa. It would be highly desirable to adapt the experience from Asia and other regions to the African situation.

5.2.4 Trade, Transport and Services

Worker-owned cooperatives involved in the above sectors have gained little importance in Africa. In Benin, 10 primary level, *provider-owned* health cooperatives have been set up as community health clinics with support from Government, the ICA and several UN-agencies (including the World Bank). Cooperative members are recently graduated health professionals (doctors and medical assistants) who were unemployed because of retrenchments in the public sector. The clinics have become financially self-reliant although their services are cheaper than comparable private and public clinics. In addition, the cooperative members train other health workers at a third of the costs of public health schools. In Cameroon, a group of ex-employees of a liquidated, para-statal cooperative development agency have established an association called "Association des Auditeurs et Formateurs des Cooperatives (AAFCOOP) that provides training, audit and business advisory services to cooperatives. AAFCOOP has gained

a good reputation and is being hired by NGOs and donors to provide technical assistance to cooperatives and similar groups. A third example are the Kilimanjaro mountain guides who have formed a cooperative to offer their services directly to overseas travel agencies instead of working under precarious conditions for local tour operators. By selling complete tourist packages to European tour operators, the new cooperative has considerably increased the income of its members. In addition, the cooperative has developed a savings scheme that will help its members to spread their income earned during the relatively short tourist season over the whole year.

5.3. ESOP-type Enterprises and Workers Takeovers

The Employment Stock Ownership Plan (ESOP) started in 1974 in the USA with the objective of enabling workers to buy shares in the company that employs them. ESOP was devised as a means whereby rank-and-file workers could cooperatively gain access to the capital which was denied them individually. The plan would allow them to use their company's credit and productive capacity to borrow money from a bank to buy capital stock in their own company. The company in turn would use the fresh money to acquire capital equipment for expansion and would repay the bank loan out of the additional earnings.

In the US, an ESOP operates through a legal device called an ESOP Trust which is set up by the company and, sometimes, the employees. The Trust holds the shares purchased from private shareholders on behalf of the employees. The loan that was used to purchase the shares are paid back by the company, and the shares are allocated to employee accounts in the ESOP trust. The scheme is supported by substantial tax preferences granted by the federal government. Since 1974, about 11,000 ESOPs have been created, covering about 12 million workers or about 10% of the US workforce. However, only 3% of the total productive capital in the US is presently owned by employees.

Originally devised as an instrument to broaden the capital base of US companies, the ESOP scheme has served different purposes; some ESOPs are used as employee benefit schemes (40% of all ESOPs) or capital generating tools (rare), some are used to privatize government agencies (1-

A Workers' Take-over in Benin

The cooperative CODIMAS was established in 1987 after the liquidation of the parastatal company SODIMAS which held a monopoly for the import and distribution of office stationary. It was formed by eight former SODIMAS employees; despite stiff competition from private traders, CODIMAS has managed to increase its turnover from 10 million CFA in 1987 to 27 million in 1993, and to break even.

(From ILO internal mission report of 1995)

2%), others are set up to prevent the immediate closure of a business by its owner (3-4%) or to buy the company from departing or retiring owners (45%) and still others are used as a management defence against a hostile takeover (individual cases). This suggests that the ESOP movement has taken a different direction than its promoters had in mind: instead of primarily mobilizing capital among workers, ESOPs have evolved into an instrument that preserves employment. A study by the US-Center for Employee Ownership found that ESOP firms in the US grew 3 to 4 percent per year faster than they would have without the scheme, and that this growth created almost 50% more jobs in the ESOP companies.

ESOPs are unknown in Africa, but the continent has to offer interesting cases of *workers takeovers* through the formation of *worker-owned cooperatives* or associations. One example is the aforementioned AAFCOOP in Cameroon. A second example is the “Coopérative des Transporteurs des Produits Pétroliers” of Guinea Conakry which was formed by 36 workers of the liquidated “Office des Hydrocarbures de la Guinée”, a parastatal that had the monopoly of fuel transport in the country. The cooperative received from the state a loan in kind of 150 millions FG²³ (five lorries) and began transporting petroleum products for private distributors. Today, the cooperative has fully reimbursed the loan, was able to buy six additional secondhand lorries and has hired 20 workers (who are not members of the cooperative). It has become the sole transporter for a large petroleum company. This is not the only example of successful workers’ takeover in Guinea.

In Zimbabwe, many small and medium enterprises abandoned by their owners after the independence of former Rhodesia have been taken over by workers in the form of a cooperative. Many of them are quite successful and have entered export marketing.

Workers’ takeovers as an alternative to the privatization or liquidation of parastatal companies has been neglected in Africa. This option could save thousands of jobs by making productive use of already available investment. We therefore suggest to include a workers’ takeover feasibility study into all privatization programmes in Africa.

²³ 1 USD = 1,000 Francs Guinéens

5.4. Women and Cooperatives in Africa

Women are generally under-represented in African cooperatives. This is mainly due to the fact that land is traditionally owned by men. As landowner, the husband - and not his wife - becomes the member of a cooperative, even though the wife contributes considerably to agricultural production. In fact, women are generally devoting more time than men to agricultural production. On the other hand, women remain in the village after the harvest, when many men go to town in search of seasonal jobs. This is why women actively participate in mixed rural cooperatives and cooperative-type organizations created by village communities to organize pre- and post production services. When women have access to education and training, including functional literacy training, they often assume leadership, management and secretarial functions in the local cooperative.

Sometimes, cooperatives are created exclusively by women to develop, organize and manage rural economic activities such as horticulture, handicraft production, small animal husbandry and food crop marketing that are traditionally carried out by women. Women also organize thrift and credit cooperatives both in rural and urban areas to finance these activities and to raise funds for community investments such as village health care centres, pharmaceutical depots, consumer shops and storage facilities. Here again, female cooperative members have greater access to permanent or seasonal salaried posts (shopkeepers, accountants, managers etc.).

It has been found in many African countries that the percentage of female membership is much higher in handicraft cooperatives and credit unions than it is in agricultural cooperatives. In addition, it has been proven that women are better credit union managers, more regular savers and more reliable borrowers than men. Many African credit unions would not survive without their female members.

It is interesting that female membership in all types of cooperatives is very high in some Southern African countries. This is a result of male labour migration from these countries to South African mines and farms. The women, who remain in the home country, bear alone the responsibility for their families and must therefore manage the family farm and household.

Experience has shown that the best way to increase the participation of women in national cooperative movements is to organize cooperatives around those economic functions that fall traditionally under the responsibility of women (as for example food crop marketing). Such cooperatives may *de facto* become women's cooperatives without being called such.

5.5. Prerequisites for Job Creation through Cooperatives

Experience in the field has shown that cooperatives in Africa can create sustainable employment when the following conditions are fulfilled:

Prerequisites for Job Creation through Cooperatives

- *the existence of a favourable climate* for cooperative development. The ILO considers this to be achieved when a country (i) guarantees the freedom of association, (ii) provides the legal instruments allowing cooperatives and similar organizations to obtain an official, recognized status, (iii) clearly draws a line between the management autonomy of cooperatives and the supervisory role of the state, (iv) puts cooperatives on an equal footing with other types of private enterprises and (v) makes technical support services available to cooperatives.
- *economic viability*: cooperatives are first and foremost enterprises that must break even. They can play a social role only when their business generates profits. Many cooperatives have failed because no proper economic feasibility study was carried out before their formation.
- *commitment and participation*: cooperatives must be based upon the common goal and the common bond of their members. If created from outside, members will not feel committed and will not participate, and the cooperative will fail.
- *access to technical support services*: cooperatives are usually formed by disadvantaged population groups who did not have the chance of a decent education. Therefore, cooperative members need education and training, business advisory services and external auditing to run their joint enterprise successfully.
- *access to capital*: just as any other business, cooperatives need access to working and investment capital.

5.6. Promotional Tools

5.6.1 Education and Training

In the 1960s and 1970s, cooperative education and training focused very much on cooperative values, principles and ideology, but neglected cooperative management. This approach prepared (or accompanied) the “cooperativization” process that took place in several African countries and largely contributed to the negative image of cooperatives.

Bearing this in mind, the ILO and other agencies are now of the view that:

- cooperative education should enable members to participate in business operations and to supervise their elected leaders and the cooperative personnel;
- cooperative training should qualify elected cooperative leaders and cooperative personnel for their management functions.

Relevant training material has been produced by many organizations and is readily available in different languages²⁴.

A second question is *how* cooperative training should be organized and *who* should dispense it. Several African countries have established specialized cooperative colleges (see the chart on page 16), but in none of them the problem of sustainable financing has been solved, although several colleges have developed interesting alternatives to state and donor funding. Besides this, it is questionable whether it is justified to establish special training institutions for a subject which is - by and large - not very different from general business management. In some countries, the training function has been taken over by the cooperative movement itself, which is probably the best solution. In other countries, cooperative training is carried out by local NGOs (which are not always fully competent in the subject matter) or has been integrated into the curriculum of universities or vocational training schools. In Cameroon, donors have contributed to a cooperative support fund that partly subsidizes the training activities of NGOs and private institutions. In Eastern and Southern Africa, cooperative colleges have created a network for the exchange of material, techniques and teachers, an initiative that will reduce the overhead costs of each participating country. Several countries are testing distance education as a new method of cooperative training.

²⁴For instance, the “Material and Techniques for Cooperative Management” (MATCOM) developed by the ILO which cover all aspects of cooperative management and have been translated into many vernacular languages, likewise the manuals prepared by ILO ACOPAM and INTERCOOP.

These examples show that an integrated approach to cooperative training will include a variety of options tailored to the specific circumstances of each country and institution. Donors should, as far as possible, make use of existing institutions and structures rather than creating new ones, and should focus on enhancing the training capacity of these institutions rather than directly training the target groups.

5.6.2 Management System Development and Business Advisory Services

This aspect covers everything from basic bookkeeping systems for a cotton marketing group to sophisticated management information systems for a cooperative union. Virtually every cooperative development project has designed management systems for its specific target group, and several universal systems are available²⁵. Unfortunately, the management systems developed by different actors are not always compatible, not always appropriate and sometimes of doubtful quality; this is in particular the case in countries with a large number of NGOs. In addition, many management systems have become obsolete due to the changes caused by structural adjustment.

We recommend that donors concentrate on producing appropriate, universally applicable cooperative management systems, on developing methods to adapt these systems to the needs of individual cooperative societies, and on training those who implement the system.

Management system development and business advisory services (BAS) go hand in hand. In many African countries, BAS were the exclusive domain of the Cooperative Department whose staff did not always have the necessary competence and commitment. With the downsizing of the civil service, other solutions have to be found. On the other hand, BAS have become very important in the turbulent period of structural adjustment.

The participants in a recent workshop on the privatization of cooperative support services concluded that BAS should be demand-oriented, problem-

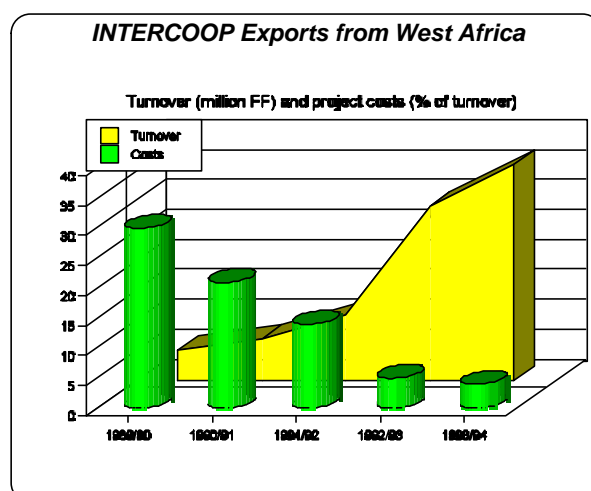
²⁵Such as GACOPEA (Gestion appropriée des coopératives des petits exploitants agricoles) developed by FAO and DSE.

solving in nature, transparent, and tailor-made to suit the needs of the recipient organization. Furthermore, BAS should be primarily financed by the beneficiary cooperative; any external funding should be phased out over a limited period; external assistance for the establishment of a BAS at the apex organization or the college should focus on capacity building and human resource development. Such aid should include the injection of working capital.

Marketing is of particular importance to many producers organizations, yet it has been neglected by many developing projects. In fact, many projects are focusing on production only, but do not help the producer to *sell* his or her products. As far as major cash crops (coffee, cotton, tea etc.) are concerned, producers can rely on established marketing channels; yet, no such channels exist for many varieties of vegetables and fruits, for handicrafts, and for the wide range of innovative products African producers have to offer. As domestic markets are limited, while overseas markets are inaccessible to small producers, the levels of production, income and employment remain low. The ILO has therefore designed the aforementioned INTERCOOP programme which helps producers in Africa establishing contacts with overseas buyers and fulfilling contractual obligations. The programme has further developed an export marketing manual for cooperatives and is operating an “observatory” on cooperative exports from Africa. The INTERCOOP is now being applied by several other ILO cooperative projects.

5.6.3 Organizational Development

We understand by “organizational development” the promotion of, and assistance to, the self-organization of producers through the formation of a cooperative or a similar group. This is a delicate issue: on the one hand, the very nature of a cooperative as a self-help organization implies that it is formed by its members without any external interference or assistance. On the other hand, experience has shown that cooperatives do not simply emerge spontaneously, but have been initiated by “born leaders”, by the state or by development projects. It is a fact that the great majority of existing cooperatives in Africa have been initiated from outside the group of cooperative



members. Besides this, the lack of producers organizations is being considered by many as one of the key factors affecting economic development in Africa. The key issue is therefore: how to promote producers organizations (including cooperatives) without paralysing the self-help spirit of their members.

It is certainly not advisable to make the granting of privileges, grants and loans subject to the formation of a group, as it has been done in many projects. This simply leads to the establishment of opportunistic organizations that disappear as soon as external funding ends. Cooperative promoters should instead prove the potential benefits an individual can derive from the economies of scale and the increased bargaining power of a group. However, the decision to create a group (or to join an existing one) must be taken by its members alone. Once this decision has been taken, the promoter may provide technical assistance (formulation of byelaws, education and training, system development etc.) without interfering into the decision-making process. The ILO (MATCOM, ACOPAM and other projects), the FAO (Peoples' Participation Programme) and other agencies have developed, tested and documented successful methods of organizational development that can be applied (after adaptation) to all sub-saharan African countries.

Organizational development should not become an end in itself, nor the objective of an external actor, but a tool of producers to reach a common goal. Governments and donors should support organizational development by providing a conducive environment and technical and financial assistance.

5.6.4 Loans and Grants

This aspect will be dealt with in the component report on credit systems. We would, however, like to emphasize that cooperatives are not only potential receivers of loans, but can play an important role in savings mobilization and loan administration (see 5.1.2).

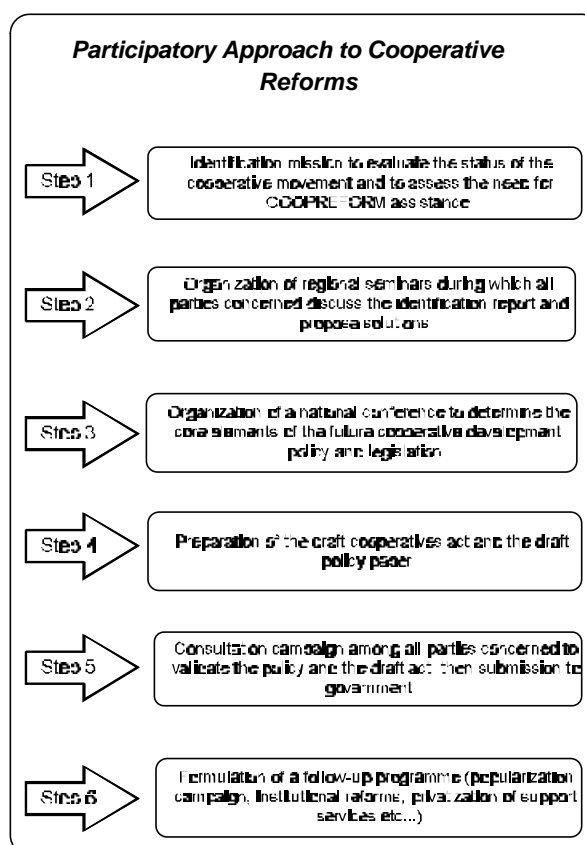
6. Lessons Learned

6.1. Best Practices

6.1.1 Support to Macro Reforms and Follow-up Programmes

We have stressed several times in this report the need to create a conducive environment for cooperative development before embarking upon cooperative promotion at grassroots level. In many countries, this will require a cooperative reform programme which includes the design of a new cooperative development policy, a revision of the cooperatives act, the privatization of cooperative support services, institutional reforms and a follow-up programme that provides longer term assistance for the actual implementation of the reforms in the field. The ILO recommends adopting a participatory approach to cooperative reforms in order to associate all parties concerned with the required changes.

Donors should support cooperative reforms with technical assistance in such highly specialized fields as cooperative policy and legislation, and with limited financial assistance to meetings at regional and national level. Even though the amounts required are relatively small, it is advisable to set up a consortium of interested donors who agree on the objectives and methods of the reform.



The ILO has gained considerable experience in the design and implementation of cooperative reforms in Africa, and has been accepted by several multilateral and bilateral donors (UNDP, World Bank, EU, CFD, USAID, GTZ) as “primus inter paribus” in this field. Several cooperative reform instruments (policy manual, legal checklist, legal database etc.) are now available.

6.1.2 Combining Investment with the Organization of Producers

We refer to the examples under 5.1.1 which describe how different types of investment into agriculture and rural development have been made sustainable by setting up self-reliant producers' organizations. This might be the only way to preserve the investment, to maintain the equipment and infrastructure they have financed, and to stabilize the jobs (or income opportunities) they have created. In organizing producers, it is important to observe the following rules:

- Producers must be associated right from the start, that is, when the investments are being planned. Sometimes, governments or donors have financed infrastructures and then asked producers "to form a cooperative and take them over". In this case, producers did not feel committed and did little to preserve the investments.
- Producers' organizations must be based upon the common goal as defined by their members; this goal may not necessarily be the objective pursued by those who financed the investment.
- the organization of producers requires a considerable amount of system development, training and advisory services; wherever possible, this function should be delegated to local NGOs, development projects or relevant government structures which may, however, require training themselves.
- Producers' organizations should be set up according to natural boundaries (a village, a sub-canal in an irrigation scheme etc.) so as to preserve the coherence of the groups. Instead of forming one large organization, it is more advisable to promote the establishment of secondary structures such as a union of farmers groups.

6.1.3 Capacity Building in Support Institutions

Cooperative development projects carried out by governments or multi and bilateral donors should focus on strengthening the technical capacity of local cooperative support organizations (NGOs, private sector, parastatal agencies, local government authorities, general development projects with a cooperative component). In many African countries, a large number of such support organizations are involved in the promotion of cooperatives or similar organizations without having the appropriate technical capacity to do so. This often results in the failure of the cooperative societies and leads to frustration among the beneficiaries. On the other hand, multi and bilateral agencies do have the appropriate technical skills, but are far too expensive to operate at grassroots level. These agencies should therefore develop system, methods and

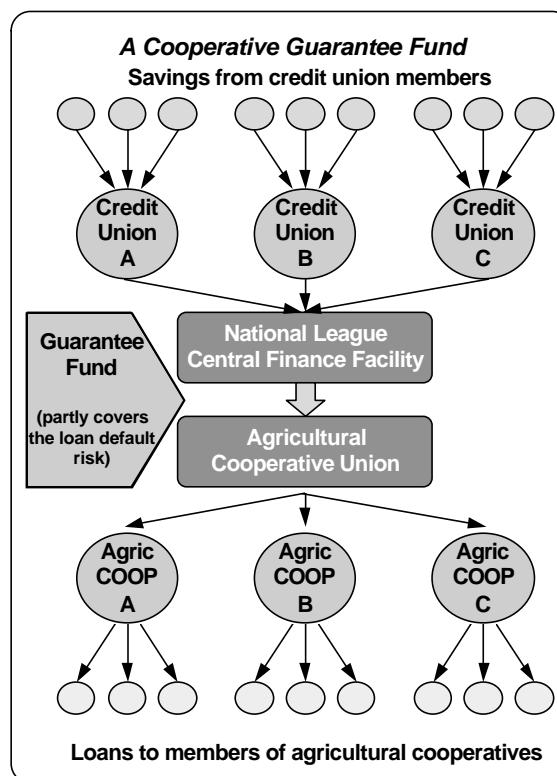
material, and train the local support organizations. This approach has been successfully applied by the ACOPAM programme in West Africa (see 5.1.1) .

In an era of structural adjustment, it is no longer justified to strengthen governmental Cooperative Department. There is now a general view that these departments should confine themselves to functions that cannot be transferred to the private sector (registration, liquidation, arbitration etc.), and should delegate all other functions to the private and non-governmental sectors.

6.1.4 Capital Mobilization and Loan Administration through Cooperatives

As stressed earlier in this report, savings and credit cooperatives have proven to be the most appropriate financial institutions for mobilizing savings in rural areas and in the informal sector, and for administering loans to small producers (and consumers) in a cost-efficient way. Wherever in Africa credit union development projects have been implemented, they were successful and led to rapid growth in membership and savings.

It has been observed in most African countries that *rural* credit unions generate substantial net savings which can be used for lending to agricultural cooperatives which usually have an important demand for short-term loans. However, the top priority of credit unions is to protect the savings of members, while agricultural cooperatives do not always have sufficient guarantees and collateral to offer. Such funds partly cover the loan default risk, thus enabling credit union leagues to grant short-term loans to unions of agricultural cooperatives for lending to their members. In several countries, guarantee funds that function according to the model on the right have been successfully implemented. A more detailed description of the functioning, advantages and risks of guarantee funds is given in the component report on credit systems.



6.1.5 Horizontal and Vertical Integration

The European cooperative movements derive much of their economic power from horizontal and vertical integration (see 3.6). The same is true for several African movements (especially in English speaking Africa). Horizontal and vertical integration generally improves the sustainability of the movement, enhances its autonomy and

makes it independent in the field of support services. Donors can support the formation of cooperative unions and federations by carrying out feasibility studies, designing appropriate management training, dispensing high-level management training, and providing seed capital.

6.1.6 “Formalizing” the Informal Sector

Cooperatives and similar organizations can play a key role in stabilizing the informal sector (and thus creating and preserving employment) by providing its members with economic and social services and with official recognition. In this context, it is important to identify the suitable organizational form (organization of producers by trade, by gender, by age, by location or a combination of these criteria), to find the appropriate legal status (cooperative, association, company etc.), to evaluate the economic viability of the planned organization and to provide a complete range of technical and financial support in the start-up phase. By forming a cooperative, informal sector workers can build a bridge to the formal sector; more on this issue is given in the component report on the informal sector.

6.2. Innovative Practices

The following chapter presents cooperative development methods that have never or seldom been applied in Africa, but have been successful in other parts of the world. In the context of “Jobs for Africa”, it should be studied whether these methods can be adapted to the African situation.

6.2.1 Promotion of Non-agricultural Worker-owned Cooperatives and ESOPs

Cooperative development projects in Africa have almost exclusively focused on agricultural supply and marketing cooperatives and, to a lesser extent, on credit unions and other types of client-owned cooperatives. The neglect of worker-owned cooperatives (in all economic sectors) may result from prejudices which associate the term “worker-owned” with socialism. On the other hand, CICOPA estimates that worker-owned cooperatives have created *100 million jobs* all over the world and in every political context. Beginning in the early 1970s, a resurgence of interest and support for workers’ cooperatives and other forms of worker ownership and participation have resulted from the search for greater economic democracy and for solutions to increasing unemployment rates. In spite of this, little has been done in Africa to promote workers’ cooperatives, because:

- both governments and donors seem to resist new ideas in the field of cooperative development;

- cooperative acts are usually designed for client-owned cooperatives and fail to include suitable provisions for workers' cooperatives;
- cooperative development agencies in Africa are ill-equipped to promote non-agricultural workers' cooperatives;
- trade unions do not seem to take much interest in the promotion of workers' cooperatives;
- there is a lack of strategies to promote this type of cooperative.

As worker-owned cooperatives and ESOP-type enterprises have a proven employment creation potential, cooperative promotion agencies should:

- encourage countries to evaluate their cooperative laws and, where necessary, assist them to modify existing legislation or draft new laws specifically designed for workers' cooperatives and cooperative-type joint stock companies;
- develop basic strategies, models, training material and approaches which can be used to promote, incubate and finance worker-owned cooperatives;
- execute technical cooperation projects designed to expand employment through cooperative forms of entrepreneurship;
- include the option of workers' takeovers as an alternative to the privatization or liquidation of parastatal agencies or state companies;
- include labour-contracting cooperatives, i.e. workers-owned cooperatives whose members jointly sell their labour to earn an income, into the promotional scheme.

Worker-owned cooperatives and ESOP-type companies could be developed in different economic sectors: agriculture (bearing in mind the limitations outlined in 5.2.1), industry, transport, trade and

In 1985, the Italian government passed the "Marcora Law" which created two funds, one of which grants loans at preferential interest rates to workers' cooperatives while the other finances the participation of investment companies (belonging to the cooperative movement) in the capital of such cooperatives., thus financing, for example, the worker buy-out of bankrupt companies. Each cooperative member had to put up a minimum capital of 2,500 US-\$ and was no longer entitled to any benefits from the public welfare system. The new cooperative society had to present a sound feasibility study before obtaining any funds. Within seven years, the scheme financed 105 cooperatives with 3,700 working members and a turnover of 250 million \$

***Job Creation through Workers' Cooperatives:
The Italian Experience***

services (including social and health services). The specially designed capital structure of these cooperatives establishes a realistic cooperative basis of ownership, equity and distribution of surplus.

6.2.2 Inter-enterprise Cooperation

In principle, each client-owned cooperative whose members are independent producers can be considered as a network of micro-enterprises that promotes inter-enterprise cooperation (IEC). In a narrower sense, the term IEC refers to a *system of independent small firms, organized on a local or regional basis, belonging to the same economic sector (including all upstream and downstream activities), the individual firms tending to specialize in a particular production phase, organized together, and with local institutions, through relationships of both competition and cooperation*²⁶. Such a system may take the form of a cooperative, of an informal network, of an employer's organization, or of a joint company. Its aim is to achieve economies of scale and economies of scope (the ability to react faster to market developments). It allows for a division of labour, for specialization and differentiation at enterprise level, for the rapid dissemination of information, and for skill development thus improving the productivity of the system as a whole.

In French speaking Africa, IEC has been promoted around certain products (called "filières", or production, marketing and distribution chains). In some countries, for example, all those involved in coffee production and marketing (farmers, buyers, processors, transporters, exporters, bankers) meet regularly in order to discuss common issues and to defend the interests of the coffee business as a whole. Several Francophone African countries have promulgated laws that allow for the formation of Economic Interest Groups, which provide an appropriate legal basis for IEC. However, this kind of IEC is still rare and largely influenced by external donors. There has been no systematic effort to promote IEC in other countries or in other sectors of the economy.

It appears that horizontal and vertical IEC could be of great benefit to informal sector enterprises in Africa, as demonstrated by the aforementioned examples of Tanzania (DASICO), Zaïre (ACCZ) and Uganda (shoe shiners). It is therefore proposed to include an element of IEC promotion into any informal sector development programme.

²⁶From F. Pyke, *Industrial Development Through Small-firm Cooperation*

6.2.3 Promotion of Cooperatives for Social Services

By “social cooperatives”, we mean organizations that are based on cooperative principles and are formed by the users or providers of social services (primary health care, basic education, community services etc.). In Africa, where only a privileged minority of people is covered by formal social security systems, traditional mutual help groups are indispensable for providing the rural population and the informal sector with a minimum of social protection. As a response to the limited capacity of governmental social security and social welfare system, one observes an expansion of voluntary, self-financed and self-managed mutual groups that organize basic social services for their members. However, there are presently no links *among* these groups which operate as closed units, nor *between* the groups and the state. The substantial amounts of money accumulated by these groups have therefore little macro-economic impact, and the bargaining power of individual groups remains small. The challenge ahead is to make the traditional systems of mutual self-help more efficient and more comprehensive without destroying their character as self-help institutions. This can be achieved by transforming the traditional systems into formal social cooperatives (belonging to the users or providers of social services) or mutual benefit organizations and helping them to form a vertical structure. Besides improving the social welfare of the population, such cooperatives can create a sizeable number of jobs. In Sweden, for example, more than 1,000 child daycare cooperatives have created 4,000 permanent employment opportunities. In the same country, several hundreds of new jobs have been created by cooperatively organized “neighbourhood services” that have taken over former public services such as mobile home services and primary health care.

Social Cooperatives in Italy

The first social cooperatives in Italy were formed in the 1960s as a response to the failure of the state to provide social services to all citizens. These voluntary organizations extend basic social services to excluded population groups such as the handicapped, the elderly, homeless people and drug addicts. At present, there are over 2,000 social cooperatives in Italy whose contributions are equivalent to 13% of state expenditures for social sectors. Recognizing the important role these cooperative are playing, the Italian Parliament passed a law in 1991 that takes account of their specific nature.

Social cooperatives are new to Africa, but can be built upon existing systems of traditional mutual help. The development of such cooperatives can ease the burden that structural adjustment has put upon the population of many African countries, and create new jobs for highly qualified people.

6.3. Inefficient or Harmful Practices

Experience from more than three decades of cooperative promotion in Africa has shown that several development practices are inefficient, if not harmful:

- *“traditional” cooperative education and training* which consists of raising the level of “cooperative spirit” among the target population. First, the existence of a multitude of self-help or mutual help groups in every African country proves the strong cooperative spirit of the African people. Secondly, people join cooperatives to improve their personal situation through joint action, not because of an obscure ideology. Thirdly, cooperative development is not a goal in itself, but a tool to achieve more general development objectives.
- *technical assistance at micro-level* is certainly not cost-effective insofar as bilateral or multilateral development agencies are concerned. Such agencies should rather concentrate on macro issues and on raising the technical competence of national institutions, apex organizations and local NGOs.
- *institution building at government level* (namely to strengthen governmental cooperative departments) has largely contributed to the cooperative crisis in many African countries. Such departments have a tendency of “incorporating” the cooperative movement through stringent control and supervision without having the competence of providing adequate technical support services; the same is true for parastatal cooperative development centres.
- the *top-down approach to cooperative promotion* has failed everywhere even when it was based on very good intentions. In many countries, this approach has discredited the cooperative movement so much that the term “cooperative” can no longer be used.
- *preferential treatment of cooperatives* in the form of grants, aid, subsidies, monopolies and credit allocations causes distortions which diminish their competitiveness. The withdrawal of such privileges in the context of structural adjustment has therefore caused the collapse of many state-sponsored cooperatives in Africa. However, the nature of cooperatives as member-oriented businesses that do not make profits (but surpluses) may justify tax exemptions.

7. Annex: Literature List

Note: The publications printed in bold letters have been extensively used for this report and are recommended for further reading

Author	Title	Year
André, Bernard	Les PIV et l'emploi en milieu rural	1996
Babassana Hilaire	Emploi, production et revenus dans les groupements précoopératifs et dans les unités de production individuelles des membres des groupements (projet PNUD/ BIT PRC/79/002)	1982
Carré, Côté (ICA)	1995 Profile. Agricultural Cooperation throughout the World	1996
Chariwa (ZNCF)	The Role of the Cooperative Movement in Employment Creation in Zimbabwe	1994
Develtere	Cooperation and Development	1994
Diallo (ILO ACOPAM)	La problématique de l'emploi local et du développement dans le contexte associatif et coopératif en Afrique de l'Ouest/Sahel	1993
Guri	Proposition de restructuration interne en vue de la rentabilisation de la coopération CETIMAF	1996
Hansen	The role of cooperatives in the promotion of employment and income in the rural informal sectors (Report 3 for the ILO Meeting of Experts on Cooperatives, Geneva, 29 March - 2 April 1993)	1993
Hansen	A Modern Tragedy: the Failure to Enlist Workers' Cooperatives in the Battle Againstdate Unemployment and Poverty	
Hansen	ESOPs in the USA (unpublished presentation)	1993
Hansen	Lessons from the past: Selected readings on the systematic development of workers' cooperatives to generate employment and income	1993
Harper (ILO COOP)	Producers' Small Scale Industrial Cooperatives: some case studies from developing countries	1991
Hussi et.al. (World Bank)	The Development of Cooperatives and Other Rural Organizations	1993
ICA	The expansion of Productive Employment and the Reduction of Unemployment	1994
ICA	The impact of the activities of cooperative business enterprises on the expansion of productive employment, the alleviation of poverty and the enhancement of social integration	1994
ICA-BRAO	Banque Régionale de Données Coopératives (phase 1: Burkina Faso, Cap Vert, Côte d'Ivoire, Sénégal)	1996
ILO and European Union	Local Employment and Economic Development Strategies (International Workshop Aarhus, Denmark)	1993
ILO	projet Niger RAF/86/M01/DAN "Appui aux Femmes Rurales" - Rapport Final	1993
ILO project URT/90/MO3/BEL	Diagnostic Survey of the Dar es Salaam Small Industries Cooperative Society	1994
ILO	From Want to Work - job creation for the urban poor	1993
ILO	Evaluation of INTERCOOP East Africa phase I (project INT/93/MO3/FRG)	1995

Author	Title	Year
ILO	Promoting Employment, Productivity and Income of Cooperative Settlers in New Lands, Egypt - Report of the Tripartite Evaluation mission	1994
ILO	A review of cooperative development in the African region: scope, impact and prospects (report III for the 7th ILO African Regional Conference Harare, November-December 1988)	1988
ILO JASPA	Ethiopia: Towards sustained employment promotion	1993
ILO	Atelier Régional sur les Reformes Coopératives en Afrique Francophone et Haïti	1996
ILO (project URT/90/MO3/BEL)	Strengthening small industrial cooperatives - progress report 1993/94	1994
ILO	The Challenge of Job Creation in Egypt - Report of the ILO Multidisciplinary Mission on Return Migrants from the Gulf	1991
ILO COOPREFORM	Structural Adjustment and Cooperatives in Africa	1996
Jönsson	The Contribution of Cooperatives to Job Creation - The Swedish Case	no date
Kiwirra, Dülfer, Pelcé (ILO)	The impact of labour law, industrial relations systems and international labour standards on cooperatives and cooperative law	1995
Levin	Alternative schemes for financing Cooperative HRD Systems	1996
Lindenthal (ILO COOP)	Cooperatives and employment in developing countries	1994
Mauge, (ILO COOPREFORM)	Etudes de cas sur le developpement cooperatif dans un contexte de reformes structurelles - Senegal	1996
Ministry of Agriculture, Republic of Botswana	Review of the Cooperative System in Botswana	1987
Muenkner and Shah (ILO COOP)	Creating a favourable climate and conditions for cooperative development in Africa	1993
Münkner (ILO)	Review of the impact of the Recommendation concerning the role of cooperatives in the economic and social development of developing countries	1993
National Union of Mineworkers (South Africa)	Development Strategy for Retrenched Mineworkers	1993
Oakley (Ed.), (DSE/FAO)	The challenge of Rural Poverty - how to meet it	1987
Ouedraogo, Kane, Beba, (UNDP)	Assistance preparatoire pour le developpement des institutions cooperatives a base pour aliger la pauvreté (CHD/93/008) - Rapport d'évaluation	juin 1996
O'Connor, Robert	Workers Cooperatives^: Thei employment potential	1985
Pickett, (ILO COOP)	Organizing development through participation	1988
Pyke (ILO)	Industrial Development through Small Firm Cooperation	1992
Schwettmann (GTZ)	Etude préparatoire pour le séminaire national sur le mouvement coopératif au Cameroun - analyse meso-économique	1987
Schwettmann (ILO COOP)	Final Report of the Regional Advisor on Cooperatives for Eastern, Southern and Central Africa (October 1988 to March 1994)	1994
Schwettmann (ILO COOP)	Cooperatives in Economies Under Reconstruction in East Africa - Background Paper	1995

Author	Title	Year
Transitional Government of Ethiopia	Country statement for the subregional ILO workshop on Privatization of Cooperatives Support Services	1995
UCA	Survey of non-traditional cooperatives in Uganda	1995
Uganda Cooperative Savings and Credit Union	Annual Report fro the Financial Year 1990/91	1991
UN General Assembly	Status and role of cooperatives in the light of new economic and social trend - Report of the Secretary-General (A/49/50)	1994
Vingwe, Madzonga, Lindenthal, (ILO COOPREFORM)	Country Studies on Cooperative Development and Structural Adjustment - Zimbabwe	1996
WOCCU	International Credit Union Statistics 1990 -1993	
Zevi, Alberto	Creation of Jobs through Workers' Cooperatives - the Italian Experience	no date
Zvi Galor, Histradut	The Production Cooperative - A Tool for National Development	no date



International Labour Office

Geneva

The Role of Cooperatives in Achieving the Sustainable Development Goals

- the economic dimension -

Jürgen Schwettmann

Prologue

With 2.6 million cooperative societies, over 1 billion members and a combined turnover of 3 trillion US-\$ (Grace 2014) the global cooperative movement is the largest organization in the world, bigger in terms of membership than the trade union movement, economically more powerful than several G20 nations, and providing employment to many more people than all multinational companies taken together. In theory, such a potent movement should be central to the international development agenda. Yet, despite its size and power, the movement has not been very influential in the post-2015 debate:

Number of times cooperatives are mentioned in the document: “Realizing the Future We Want for All: Report to the Secretary-General by the UN System Task Team on the Post-2015 Development Agenda” (June 2012): 0 on 58 pages

Number of times cooperatives are mentioned in the document: “Outcome document of the UN Conference on Sustainable Development (Rio +20); The Future we Want” (July 2012): 3 on 53 pages

Number of times cooperatives are mentioned in the document: “The Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda” (May 2013): 2 on 84 pages

Number of times cooperatives are mentioned in the document: “A life of dignity for all: accelerating progress towards the Millennium Development Goals and advancing the United Nations development agenda beyond 2015; Report of the Secretary-General” (July 2013): 0 on 19 pages

Number of times cooperatives are mentioned in the document: “A Million Voices: The World We Want; A Sustainable Future with Dignity for All” (September 2013): 3 on 172 pages

Number of times cooperatives are mentioned in the document: “Open Working Group proposal for Sustainable Development Goals (July 2014)”: 0 on 24 pages

Number of times cooperatives are mentioned in the document: “Synthesis Report of the Secretary General (December 2014)”: 0 on 47 pages

Number of times cooperatives are mentioned in the document: “Addis Ababa Agenda for Action” (outcome document of the 3rd Financing for Development Conference: 2 on 35 pages

Number of times cooperatives are mentioned in the document: “Transforming our world: the 2030 Agenda for Sustainable Development” (draft outcome document of the SDG summit): 2 on 29 pages

The above seems to indicate that the true potential of cooperatives to contribute to the future Sustainable Development Goals has not been appropriately assessed and recognized. Fortunately, there is still time to correct this situation!

Introduction

This short paper seeks to identify the possible contribution of cooperatives and the wider social and solidarity economy (SSE) to the *economic dimension* of the future sustainable development goals. In doing so we found it important to determine which *specific, if not unique*, contributions cooperatives could make to the proposed Sustainable Development Goals SDGs and their associated targets¹. The

¹ The author strongly believes that comparative advantage of cooperatives does not depend on their size and/or economic might (the “top 300”), but on their nature and identity. In our view genuine, locally based, community-oriented and

specificity of such contributions derives from the principles, values and governance structure of cooperatives. In some cases cooperatives may be more efficient than other forms of business and social organizations to achieve a certain goal or target: take rural electrification in remote areas (target 7.1), which may be too expensive for the State and not sufficiently profitable for private investors, but could be achieved through a cooperative self-help venture. A few targets may be suitable for cooperatives *alone*, such as, for example, financial inclusion which, almost everywhere, is driven by credit unions, mutuals and less formal types of rotating savings and credit associations.

Four aspects might be useful to take into consider when examining the subject of this paper;

1. The current list of 17 goals and 169 associated targets seems biased towards the environmental dimension of sustainability²; within the goals and targets that have an economic element, the access to finance seems to overshadow others aspects, such as access to markets. Moreover, several targets combine under a single topic many different aspects³. Finally, the rights-based approach to development does not seem sufficiently reflected in the current set of goals and targets.
2. The future SDGs will have three dimensions, i.e. economic, social and environmental. But these three dimensions are not neatly separated but rather interrelated, often complementary and sometimes conflicting. Health (goal 3), for example, is considered “social”, but the provision of health care is a vital economic factor and an important creator of jobs. Economic growth, seen as indispensable for poverty reduction and many other SDGs, may have a negative impact on the environment. And the provision of energy to all (goal 7) has both economic, social and environmental aspects. In other words: the economic dimension of the SDGs cannot and should not be examined in isolation.
3. By their very nature cooperatives play a triple role: as economic actors they create opportunities for jobs, livelihoods and income; as social organizations built on a common goal and a common bond they extend protection and security, and contribute to equality and social justice; and as democratically controlled associations of individuals they play a constructive role in communities and nations, in society and politics. These three roles cannot be dissociated one from another because they are inherent to the very nature of cooperatives.

Social Economy entities differ from other types of enterprises and social organizations in that they....:

....recognize the primacy of people and work over capital;

.... are flexible and innovative to address changing social and economic circumstances;

.... Incorporate the principles of solidarity, mutuality, reciprocity, cooperation and proximity;

.... emphasize the importance of social capital in producing healthy societies;

.... highlight the complementarity of the social, socio-political and economic dimensions

.... foster voluntary participation, member empowerment and commitment.

democratically controlled cooperatives and SSEs are more relevant for the achievement of the SDGs than the “cooperative giants”, many of which are cooperatives by name only, not by nature.

² Which is not surprising, since those goals were developed by the “Open Working Group”, which emerged from the Rio+20 process.

³ For example target 2.3: “by 2030 double the agricultural productivity and the incomes of small-scale food producers, particularly women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets, and opportunities for value addition and non-farm employment”

4. In many respects cooperatives constitute just the tip of an iceberg formed by the less visible but more widespread social and solidarity economy (SSE). The SSE consists of a wide variety of organizations, associations and institutions that, despite the lack of a common definition, observe universal principles such as those listed in the text box above. Not all SSE organizations are cooperatives, but all of them provide a platform for cooperation, mutuality, solidarity and reciprocity. Clearly the SSE has much to contribute to the achievement of the SDGs and their targets.

Methodology

We applied the following methodology to assess the potential role of cooperatives in achieving the economic dimension of the SDGs:



First step: We looked at the SDG *targets*, not the goals, because most goals address more than one SDG dimension. Goal 7, for example (ensure access to affordable, reliable, sustainable, and modern energy for all) addresses simultaneously the economic, social and environmental dimensions of the SDGs.

We examined each of the 169 targets to assess if they would fall under the economic category of the SDGs, or at least address the economic dimension in a significant way.

For example,

- Target 3.a: “strengthen implementation of the Framework Convention on Tobacco Control in all countries as appropriate” was considered “non-economic”, although the implementation of this Convention might have a negative (but secondary) economic impact on cigarette manufacturers and tobacco growers;
- Target 12.2: “by 2030 achieve sustainable management and efficient use of natural resources” was seen as “semi-economic” because, although falling under an “environmental goal”, the management of natural resources does have an important impact on the economy;
- Target 8.1: “sustain per capita economic growth in accordance with national circumstances, and in particular at least 7% per annum GDP growth in the least-developed countries” was seen as principally economic, for obvious reasons.

In many instances this categorization was rather subjective and could be subject to debate. But it was seen as the most practical way to address the theme of the paper, bearing in mind that it is rather artificial to divide the SDGs into economic, social and environmental goals.

Second step: Among the SDG targets considered economic or “semi-economic” we identified those to which cooperatives and other social economy organizations could make a strong or at least useful contribution.

For example,

- Target 12.1: “implement the 10-Year Framework of Programmes on sustainable consumption and production (10YFP), all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries” was seen as economic, but we did not think that cooperatives could make major contributions to its achievement;
- Target 10.c: “by 2030, reduce to less than 3% the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5%” was seen as economic, and we considered that coops could play a useful role.
- Target 1.2: “by 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions” was seen as economic, and we believed that cooperatives could provide important, if not critical contributions.

Third step: we analysed the subset of targets described under 3.b and 3.c above with a view of identifying those roles and functions that were *specific* to cooperatives and SSEs. In other words: we sought to determine the cooperative’s contribution that could be derived from their specific nature and identity, not from them being *just another* business, institution, organization or association.

For example,

- Target 15.3: “by 2020, combat desertification, and restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land-degradation neutral world”

was considered as having an economic aspect, and was seen as a target to which cooperatives could potentially contribute, but not necessarily *because* they of their cooperative nature. This target was therefore not retained for further analysis.

These three steps, i.e.:

- identifying targets that addressed the economic dimension of cooperatives;
- identifying among those to whose achievement cooperatives could make an important or useful contribution;
- identifying among those where the contribution was seen as cooperative specific,

resulted in 31 SDG targets (out of 169) that we retained for the next steps.

Fourth step: For each of these 31 targets we determined the nature of the cooperative-specific contribution, resulting from factors such as:

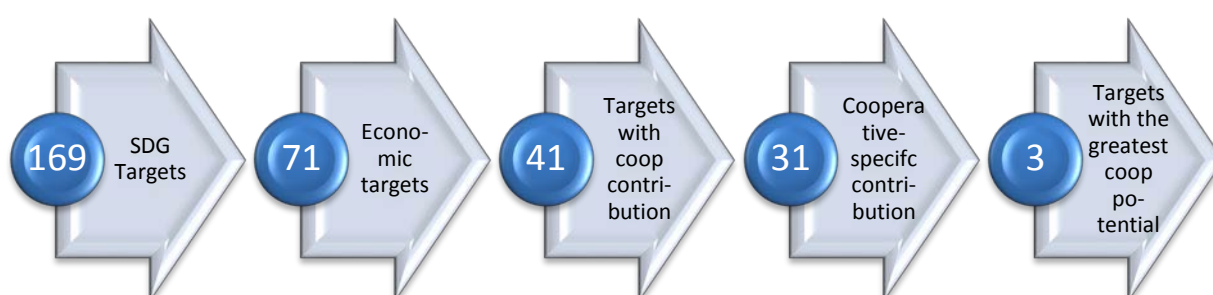
- Economies of scale and scope that are the result of cooperation;
- Increased bargaining power, voice and representation of producers or consumers united through a cooperative venture;
- The self-help, voluntary character of cooperatives, which explains why they can successfully deal with small and dispersed products and services (microfinance, rural electrification, crop

marketing in remote areas etc.) that the state and the private sector cannot handle in a profitable way.

- Outreach capacity to the informal economy and rural areas.
- Local rootedness and community orientation.

Where possible we then cited an example of a cooperative or social economy organizations that already contributed to the selected target in a cooperative-specific way.

Fifth step: after analysing the above we drew general lessons that could be helpful in assessing the potential contribution of cooperatives and the social economy to the economic dimension of the future SDGs, and developed recommendations aiming at enhancing the role and recognition of cooperatives and the SSE in the SDG process, and the implementation of the future goals. We then sought to identify, again in a rather subjective manner, those three targets which would best benefit from cooperative support. Finally, we proposed a short text under each of these three targets for submission to the team that develops the implementation modalities of the future SDGs.



Cooperatives and the Economic Dimension of the SDGs: Target by Target

Goals and Target	Cooperative specificity	Examples
Goal 1. End poverty in all its forms everywhere		
1.1 by 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day	Poverty alleviation was the original <i>raison d'être</i> of the cooperative idea, and remains the driving force for cooperative initiatives in many parts of the world. Cooperatives mobilize self-help mechanisms that simultaneously create opportunities, extend protection and facilitate empowerment. These three elements, opportunity, protection and empowerment, are seen as the essential ingredients of any poverty reduction strategy. Cooperatives can reduce poverty in instances where the state and individuals fail.	We could cite thousands of examples but it might suffice to go back to the roots of the modern cooperative, initiated by the pioneers of Rochdale in 1844: "They were all more or less poor" (Birchall, Johnston 2003) (MacPherson and Yeo 2005), and by Raiffeisen: "Motivated by the misery of the poor part of the population, Friedrich Wilhelm Raiffeisen, then a young mayor, founded during the starvation winter of 1846/47 the "Verein für Selbstbeschaffung von Brod und Früchten" (Society for bread and grain self-supply)". This was precursor of the Heddesdorf "Thrift and Loan Society" in 1864, Germany's first rural cooperative. (International Raiffeisen Union 2014)
1.2 by 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions		
1.4 by 2030 ensure that all men and women, particularly the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services including microfinance	Owing to the "one member – one vote" principle cooperatives provide an ideal organizational environment for the joint, equitable and democratic ownership and management of resources, and the provision of basic services.	Joint land ownership and use: the Israeli Kibbutzim; joint management of natural resources: "gestion des terroirs" groups in West Africa; joint use of modern technology: coffee processing cooperatives in sub-saharan Africa; microfinance: credit unions and similar financial cooperatives all over the world
1.5 by 2030 build the resilience of the poor and those in vulnerable situations, and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters	Cooperatives and mutual associations enhance resilience by providing (micro)-insurance coverage based on the principles of mutuality, solidarity and reciprocity (rather than seeking to maximize profits). Less formal types of mutual associations extent a minimum of social protection to unprotected workers and producers in the informal economy and in rural areas.	The DECSI micro-insurance scheme in Ethiopia, which provides coverage to 800.000 poor subsistence farmers against drought-related risks. (Aseffa, Yoseph 2014)

Goals and Target	Cooperative specificity	Examples
1.b create sound policy frameworks, at national, regional and international levels, based on pro-poor and gender-sensitive development strategies to support accelerated investments in poverty eradication actions	Being built upon a common and universal set of values and principles cooperatives have a natural tendency to build horizontal networks (unions) and vertical structures (federations) that enhance voice and representation of members and primary societies, and can lobby on their behalf to influence policy frameworks.	At the international level the global cooperative movement, represented by ICA and though national federations played a decisive role in shaping ILO Rec. 193 on the “Promotion of Cooperatives. R.193 was used by numerous national movements to influence national cooperative policies and laws (Smith, Stirling 2014)
Goal 2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture		
2.1 by 2030 end hunger and ensure access by all people, in particular the poor and people in vulnerable situations including infants, to safe, nutritious and sufficient food all year round	Consumer cooperatives and similar self-help groups enable the poor to purchase food at lower prices; and sometimes against credit. Their values and principles motivate cooperatives to sell only healthy and nutritious food. Moreover, producers’ cooperatives can increase food supply and thus decrease food prices.	The MIGROS consumer cooperative in Switzerland which has developed a comprehensive consumer protection code, and does not sell alcohol or tobacco. The village-based cereal banks in the Sahel, which manage decentralized grain reserves and reduce post-harvest losses. (Mossige, Anne; Whist, Eric 2002)
2.3 by 2030 double the agricultural productivity and the incomes of small-scale food producers, particularly women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets, and opportunities for value addition and non-farm employment	See 1.4. Cooperatives enhance (agricultural) productivity by generating economies of scale and scope through the joint use of modern and/or expensive equipment, the division of labour between members, joint pre- and post-production services such as input supply and output marketing, and the exchange of knowledge and innovation.	Productivity enhancement is one of the key objectives of the over 18,000 fishery cooperatives in India, which represent over 3 million fishers. They are united under the National Federation of Fishers Cooperatives (FISHCOOPFED n.d.)
2.c. adopt measures to ensure the proper functioning of food commodity markets and their derivatives, and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility	Information sharing on prices and markets is a core function of rural cooperatives, in particular of unions and federations.	51% of all members of Germany’s artisans cooperatives ⁴ , consider the cooperatives’ role in providing objective information about products and prices as crucial for their businesses. (NA Presseportal 2012)
Goal 3. Ensure healthy lives and promote well-being for all at all ages (not an “economic” goal)		
Goal 4. Ensure inclusive and equitable quality education and promote life-long learning opportunities for all (not an “economic” goal)		

⁴ Composed of 320 cooperatives with 320,000 member-businesses operating in 45 economic sectors and generating an annual turnover of 490 billion Euros.

Goals and Target	Cooperative specificity	Examples
Goal 5. Achieve gender equality and empower all women and girls		
5.a undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance, and natural resources in accordance with national laws	National cooperative legislation may promote gender equality, including through improved access to resources and ownership	Women are strongly represented in financial cooperatives, consumer cooperatives and workers cooperatives. In Japan, for example, 95% of the governance positions in cooperatives are occupied by women. In Italy, 95% of all members in workers' cooperatives in the fashion industry are women (Wanyama, Fredrick O. 2014)
Goal 6. Ensure availability and sustainable management of water and sanitation for all		
6.1 by 2030, achieve universal and equitable access to safe and affordable drinking water for all	Community-based water supply cooperatives can provide access to water in regions and areas that are not covered by public schemes, and not seen as profitable by private investors (expression of the "cooperative paradox" ⁵)	The Oromia Coffee Farmers Cooperative Union in Ethiopia has invested substantial amounts of surplus generated through fair trade into rural water supply schemes. The Federation has developed 86 springs and drilled 3 bore holes to supply water to over 41.000 beneficiaries (Oromia Coffee Farmers Cooperative Union 2012)
Goal 7. Ensure access to affordable, reliable, sustainable, and modern energy for all		
7.1 by 2030 ensure universal access to affordable, reliable, and modern energy services	Community-based energy supply cooperatives can provide access to energy in regions and areas that are not covered by public schemes, and not seen as profitable by private investors (expression of the "cooperative paradox")	An interesting example is Burkina Faso's network of 67 rural electrical cooperatives, serving 14.250 households and organized in a national union (Schwettmann, Jürgen 2014)
7.b by 2030 expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, particularly LDCs and SIDS		

⁵ The "cooperative paradox", a term proposed by the author, describes the fact that cooperatives can be economically successful in areas or sectors which are not economically viable for other forms of private enterprise. Examples include: financial cooperatives, whose network of branches is often denser than that of private banks operating in the same area; to consumer cooperatives that continue operating in remote areas abandoned by private competitors; or to rural electric cooperatives that remain successful despite a cable length-per-customer ratio much less favourable than that of private suppliers. The "cooperative paradox" can be explained by the "primacy of people over profit" principle, and by the fact that cooperatives can reduce costs through the voluntary participation of their members.

Goals and Target	Cooperative specificity	Examples
Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all		
8.1 sustain per capita economic growth in accordance with national circumstances, and in particular at least 7% per annum GDP growth in the least-developed countries	As a very rough estimate we can state that cooperatives and the wider social economy contribute around 7% to the global GDP and to global employment. In the European Union the SSE contributes 7% to wage employment (CIRIEC 2007); in Africa, about 7% of the population are members of a cooperative (Schwettmann, Jürgen 2014); and the global cooperative membership represents about 14% of the world population.	For a selection of statistics on the importance of cooperatives for economic growth, finance, employment and other areas please see: http://ica.coop/en/whats-co-op/co-operative-facts-figures
8.2 achieve higher levels of productivity of economies through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors	Cooperatives provide a platform for (a) the joint development of innovations by members, and (b) the sharing of innovations among members.	The 44.000 Indian labour contracting cooperatives, which are active in construction, forestry and public works, provide jobs, income and livelihoods to 2.7 million self-employed workers who otherwise would not have found employment (NLCF 2013)
8.3 promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage formalization and growth of micro-, small- and medium-sized enterprises including through access to financial services	Cooperative development policy, as a subset of national policy, plus the appropriate legal and institutional framework, can provide an environment that is conducive to joint entrepreneurship, to the creation of decent jobs, to building bridges between informality and formality, as well as to access to finance.	The Cameroonian cooperative act of 1992 did away with state control of, and state support to, hitherto “parastatal” cooperatives, and introduced the less formal “common introduced groups”. Within a few years 6000 of such groups were formed, and a study showed that group members earned 15% higher prices for their crops than unorganized farmers. (Schwettmann, Cooperatives and Structural Adjustment in Africa 1996)
8.5 by 2030 achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	Cooperatives can make specific contributions to employment generation through (a) worker-ownership; (b) joint labour contracting; (c) facilitation of access to resources, markets, land and finance; and (d) workers’ takeover of bankrupt private or public enterprises.	In 2001 and 2002 Argentina went through a catastrophic recession during which hundreds of private enterprises went bankrupt and the unemployment rate rose to 25%. In this situation thousands of workers occupied those bankrupt companies and transformed them into “empresas recuperadas”. Some 350 enterprises with 25.000 jobs were rescued that way (Hille 2009)
8.6 by 2020 substantially reduce the proportion of youth not in employment, education or training	Young people may be particularly attracted by the “cooperative formula” and its in-built principles of equality, mutuality, and democratic management. Young people may use cooperatives as a stepping stone towards individual entrepreneurship or salaried employment	In Serbia, youths in the age bracket 15 to 30 may become member of a youth cooperative which serves as an employment agency, matching the youths’ profile with the requirements of the labour market. Some 200,000 young Serbians join those cooperatives every year, of those 50,000 find a permanent job. (Schwettmann, Youth Cooperatives in Serbia 2005)
8.7 take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour, eradicate forced labour, and by 2025 end child labour in all its forms including recruitment and use of child	Cooperatives can act as transmission belts to foster the elimination of child labour and forced labour, in particular in agriculture.	The <i>Coopérative Agricole Kavokiva du Haut Sassandra</i> (CAKHS) in Côte d’Ivoire is a cocoa and coffee marketing cooperative with 5,817 members. Since 2010, CAKHS has been involved in the fight against child labour. With the support of the ILO, it has prevented or withdrawn 1,800 children from hazardous child labour and provided them with basic

Goals and Target	Cooperative specificity	Examples
soldiers		education and vocational training. (ILO 2014)
8.9 by 2030 devise and implement policies to promote sustainable tourism which creates jobs, promotes local culture and products	Cooperatives can contribute through a variety of means to sustainable tourism, and promote a fairer sharing of profits generated by tourism: guides' and porters' coops, handicraft coops, transport coops, fishery coops, etc.	In 2006 founded a cooperative During his many years of agency work Jagat Lamat, a Nepalese mountain guide, saw how trekking and expedition staff got squeezed financially and physically through the intense competition among agencies and each other. Many members of the lower mountain casts were forever stuck in porters' roles, unable to become guides, regardless of their abilities. In 2006 Jagat founded a cooperative whose members share their profits, provide training and license fees, organize language courses and work out their travel schedules. (Nepal Independent Trekking Guide Cooperative 2007)
Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation		
9.3 increase the access of small-scale industrial and other enterprises, particularly in developing countries, to financial services including affordable credit and their integration into value chains and markets	Cooperatives facilitate the sharing of commercial, financial and technological services among their members (including small-scale enterprises), through joint marketing, joint finance, joint processing, or other joint services. Through horizontal cooperation and vertical integration they enable their members to "climb up" the value chain, including through "fair trade".	The Palestine Fair Trade Association (PFTA) is a union which economically and socially empowers Palestinians farmers through the promotion of fair trade. The PFTA has over 1,700 members, grouped in approximately 43 farmer cooperatives, whose main activity is the production of olive oil from ancestral trees, as well as sesame seed, wheat, and honey (ILO 2014)
9.b support domestic technology development, research and innovation in developing countries including by ensuring a conducive policy environment for inter alia industrial diversification and value addition to commodities	In many countries cooperatives and their secondary and tertiary structures operate processing facilities that add value to basic goods and commodities such as coffee, cocoa, cotton, meat, fish and milk. Individual farmers would not be able to afford such facilities.	In 2012 the Filipino Inventors Society (FIS) established an inventors' cooperative with the aim of turning inventors into entrepreneurs, and to market their products. The FIS-Producers Coop (FIS-PC) facilitates market access for Filipino-developed herbal products, organic fertilizers, and beauty and wellness products. (Manila Bulletin 2012)
9.c significantly increase access to ICT and strive to provide universal and affordable access to internet in LDCs by 2020	Community-based Internet access cooperatives can provide access to energy in regions and areas that are not covered by public schemes, and not seen as profitable by private investors (expression of the "cooperative paradox")	Internet access cooperatives are widespread in countries, such as the US, where also other types of utilities (electricity, water, telephone etc.) are provided by cooperatives. The model could and should be replicated in developing countries.
Goal 10. Reduce inequality within and among countries		

Goals and Target	Cooperative specificity	Examples
10.1 by 2030 progressively achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average	The very origin and nature of cooperatives is geared towards equality and greater social justice, and the cooperative formula was devised to enable poorer population groups to reap a greater share of economic growth.	A recent study (Smith and Rothbaum 2013) showed that cooperatives in Europe and the Americas create more jobs than other forms of business in normal times, and are less likely to lay off workers in times of economic crisis. Cooperatives therefore increase the share of labour in GDP, and thereby decrease inequality.
10.c by 2030, reduce to less than 3% the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5%	Financial cooperatives can create national and international networks to facilitate remittances; because of the principles of “people over profits” and “cooperation among cooperatives” they will seek to minimize the remittance fees.	The International Remittances Network (IRnet) was developed to counter the exorbitant fees being charged by commercial money transfer companies. IRnet is operated by the World Council of Cooperative Credit Unions currently provides service Africa, Asia, Australia, Europe and Latin America. (ILO 2012)
Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable		
11.a support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning	Cooperatives act as a bridge between informal and formal, between rural and urban, and between local and global, by providing the organizational interface enabling small-scale producers, farmers and consumers to interact with larger entities in cities and overseas.	In the early 1990s the then Zairean association of push-cart drivers had concluded a partnership with peri-urban vegetable-producer cooperatives operating in the outskirts of Kinshasa, whereby the push-carts would collect household refuse, transform the organic parts of it into compost, sell that compost to the vegetable coops, and transport their produce to consumers in the city.
Goal 12. Ensure sustainable consumption and production patterns		
12.2 by 2030 achieve sustainable management and efficient use of natural resources		By the early 2000s India had approximately 84,000 joint forest management groups involving 8.4 million households and 22.5% of its forest land. In Brazil, farmers’ organizations and cooperatives have played an important role in crafting a new approach to biofuel production that safeguards small-farmer interests. (UN Interagency Task Force on the Social and Solidarity Economy 2014)
12.5 by 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse	As per their principle of “concern for community” cooperatives provide an appropriate organizational framework for the joint management and efficient use of natural resources, including through recycling and reuse.	The Cooperativa Recuperar, based in Medellin, is one of the most successful waste picker coops in Latin America. Recuperar was created in 1983 and today has 1,000 waste picker members, 60% of them women. Recuperar members earn 1.5 times the minimum wage and are affiliated to the Colombian system of socialized medicine. Coop members collect mixed wastes and recyclables. In 1998, Recuperar recovered 5,000 tons of recyclables, mostly paper, cardboard, glass, metals, textiles, and plastics. (Medina 2005)
Goal 13. Take urgent action to combat climate change and its impacts (not a primarily economic goal)		

Goals and Target	Cooperative specificity	Examples
Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development		
14.b provide access of small-scale artisanal fishers to marine resources and markets	Cooperatives enable artisanal fishers (both marine and inland) with a variety of services that make their activity more sustainable and profitable: joint ownership of boats, joint purchasing of equipment, joint marketing, joint processing, etc.	Prior to the outbreak of civil war in Somalia in 1990 the country had 19 fishers' cooperatives operating 700 boats, as well as cold stores Kismayu, Lula, Berbera, and Las Koreh (Marine Fisheries Review 1982). Due to civil strife those cooperatives all but disappeared with the result that the Somali seas are now exploited by foreign fishing companies (one of the reasons that led to piracy in Somalia).
Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss (not a primarily economic goal)		
Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels		
16.6 develop effective, accountable and transparent institutions at all levels	Cooperatives are institutions themselves; as per their values, principles and governance structures they are more transparent and accountable than other forms of private or public businesses and organizations. This also applies to higher-level cooperative structures, provided those are built according to cooperative principles.	Financial cooperatives, such as credit unions and cooperative banks, have survived the 2008 global financial crisis much better than commercial banks, and subsequently increased their market shares. This success has been attributed to their governance structure, which makes coops accountable to members, and therefore demands greater transparency. (Birchall 2013)
16.7 ensure responsive, inclusive, participatory and representative decision-making at all levels	Cooperatives are often prised as "schools of democracy" because they extent inclusive and participatory governance systems to regions and population groups that may have suffered from dictatorial practices.	The Pygmy population in the East of Cameroon was (and remains) severely discriminated by the Bantu majority. Some years ago a Pygmy group in Abong-Mbang formed a Common Initiative Group to organize joint production, joint marketing and joint financial management. Thanks to the group all 81 members received, for the very first time, national identity cards. (Organisation Internationale du Travail 2002)
Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development finance		
17.11 increase significantly the exports of developing countries, in particular with a view to doubling the LDC share of global exports by 2020	Cooperatives play a leading role in boosting agricultural exports because they can organize export-related services that are out of reach to individual producers. By doing so they may encourage small-scale farmers to grow export crops, and thus increase overall exports of the country.	The Kenya Co-operative Coffee Exporters (KCCE) is a coffee exporting organization established by the co-operative movement in Kenya to create linkages between the smallholder coffee producers and the world market, through a consistent, shorter and transparent supply chain. KCCE exports both green beans and roasted coffee. (Kenya Co-operative Coffee Exporters 2014)

Challenges of the Cooperative Model

The ability of cooperatives to effectively contribute to the achievement of the SDGs is limited by five factors, none of which seems insurmountable:

- *The challenge of the environment:* in some countries, cooperative policies, cooperative laws and cooperative support institutions are still not fully conducive to the emergence and proper functioning of genuine, democratically controlled and economically viable cooperatives. Substantial progress has been made in the areas since the mid-1990s, but in some cases, liberalization may have gone too far, and expose members to fraud.
- *The challenge of size:* cooperatives must be big enough to reach the economic break-even point, and small enough to allow individual members to meaningfully participate. The optimal size of a cooperative is therefore dictated by economic factors (financial coops may reach the break-even point earlier than, for instance, marketing coops) and social and societal factors; the latter also explain why cooperatives are more successful in certain African communities than in others. Appropriate and democratically controlled vertical structures may solve the dilemma of the “optimal size” (Schwettmann, Jürgen 2014)
- *The challenge of management:* cooperative members are consumers, farmers, workers, fishers, informal economy operators, artisans – they are not necessarily managers. Smaller cooperatives cannot afford to hire professional managers and must therefore rely on the skills of elected leaders, who may excel in their trade but have never seen a balance sheet. This is the reverse of the medal of “democratic management”, which needs to be addressed through training, education, and appropriate advisory and support services.
- *The challenge of innovation:* cooperatives are more prevalent in traditional sectors of national economies, such as commercial agriculture, retail distribution and finance. The modern economy, which is largely Internet-based, requires new forms of cooperatives. On the other hand, cooperative-type open source ventures such as Wikipedia, Mozilla and Linux, have been very successful; new form of cooperatives have emerged in the environmental sphere, such as green energy generating or waste recycling cooperatives.
- *The challenge of flexibility:* the SDG require *cooperation*, but not necessarily formal, registered, fully-fledged *cooperatives*. The present paper cited many interesting examples of applying cooperative principles in labour contracting, provision of business services, electricity distribution, software programming, waste management, crop processing and exporting, micro-insurance etc. which are carried out by organizations that are *not* necessarily called cooperatives. Cooperatives must stay true to their values while adjusting to the realities of a changing world. (McKinsey & Company 2012)

Conclusions

The many examples listed and arguments developed in this paper clearly demonstrate that cooperatives and the wider SSE can make substantial, if not unique contributions to the achievement of the economic dimensions of the future Sustainable Development goals. It would be a grave mistake not to harness the potential of such a powerful, widespread and global movement. But it would be equally mistaken to adulate cooperatives as a miracle solution to every problem on earth. Cooperatives are, in most cases, not the only solution, and not in every case are they the best.

Sustainable development needs a well-governed State, a strong and responsible private sector, an influential and inclusive civil society, a supportive global partnership, and a vibrant social economy, including cooperatives. Each of those five should contribute its individual comparative advantage to collectively work towards the SDGs. Cooperatives should focus their energy on those goals and targets for which they are best suited. In doing so they should bring to the table their biggest comparative advantage, i.e. their duality as associations and businesses, and the complementarity of their triple role: the economic role, the social role, and the societal role.

Recommendations

Less than ten months remain before the SDGs will be debated and hopefully approved at the United Nations General Assembly. The goals and targets are more or less final, but the means of implementation, the modalities of financing, and the shape of the future Global Partnership are still being developed. The global cooperative and social economy movements should focus on these three elements (means of implementation, financing, partnership) and propose concrete language that can be used by the actors in the intergovernmental process. In doing so the cooperative advocate should focus on a few targets with the greatest cooperative potential, namely:

- **Targets 1.1 and 1.2** (seen as one topic): by 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day, and reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions. *This refers to the original role of cooperatives as self-help mechanisms to reduce poverty.*
- **Targets 1.4, 2.1, 6.1, 7.1, 9.c, 14.b and others:** all targets that seek to facilitate access to finance, markets, food, water, energy, services, land, ICT, etc. or, in other words, access to assets, resources and services. *This refers to the role of cooperatives in building bridges between rural and urban, between local and urban, between the social and the economic, between individuals and communities.*
- **Target 10.1:** by 2030 progressively achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average. *This refers to the role of cooperatives as “agents of social justice” which, by virtue of their nature, values and principles, provide a corrective force in the market economy, and thus foster equality.*

These three need to be complemented by other targets from the social and environmental dimensions of the SDGs. The cooperative movement should mobilize its global networks, such as

- The global cooperative and mutual apex organizations, such as ICA, WOCCU, AIM. IRU and ICMIF⁶;
- Global networks such as RIPESS, MBM, WIEGO and STREETNET⁷;

⁶ International Cooperative Alliance, World Council of Cooperative Credit Unions, Association Internationale de Mutualité, International Raiffeisen Union, International Cooperative and Mutual Insurance Federation.

⁷ Réseau International de Promotion de l'Economie Sociale et Solidaire; Mont Blanc Meetings; Women in the Informal Economy – Globalizing and Organizing.

- Advocacy organizations such as COPAC⁸ and the UN TFSSE the (

and seek the support of friendly governments, such as Mongolia, which traditionally supports the cooperative cause at the UN, and the members of the “Leading Group” promoting the social economy. Moreover, it would be important to seek the support from Heads of UN agencies that will play an important role in the finalization of the SDG document. Finally, the cooperative movement should mobilize its traditional partnership with the international trade union movement so that both, the cooperatives and the trade unions, appear prominently in the SDG outcome document.

⁸ Committee for the Advancement and Promotion of Cooperatives; UN Task Force on the Social and Solidarity Economy.

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Cooperatives in Africa: Success and Challenges

A Contribution to the International Symposium on
Cooperatives and Sustainable Development Goals:

The Case of Africa

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BRIEF HISTORY AND CURRENT STATUS

CO-OPERATIVES OR CO-OPERATION?

“Full individual development can take place only in association with others. As an individual, one is limited in what one can try to do, what one can achieve. Through joint action and mutual responsibility, one can achieve more, especially by increasing one's collective influence in the market and before governments¹.”

Cooperation is not an invention of the peoples of the West or the North, nor is it a recent phenomenon. In early human societies people learned to cooperate and work together to increase their success in hunting, fishing, gathering foods, building shelter, and meeting other individual and group needs. Historians have found evidence of cooperation among peoples in early Greece, Egypt, Rome and Babylon, among American and African population groups, and in virtually every human society. Indeed early agriculture would have been impossible without mutual aid among farmers. They relied on one another to clear land, harvest crops, build barns and share equipment. These examples of informal cooperation – of working together – were the precursors to the modern cooperative way of doing business. More recent is the cooperative as a distinct business model which is defined as follows: “A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise²”. This paper focuses primarily on formal cooperatives without however losing sight of other, less formal types of cooperation that prevail in Africa.

TRADITIONAL FORMS OF COOPERATION

Traditional systems of cooperation, mutuality, reciprocity and solidarity exist in all African societies, and they have remained vibrant till today, in particular in rural areas and in the urban informal economy. Well known are the rotating savings and credit associations or ROSCAs (also known as “tontines” in French speaking Africa) that are omnipresent on the continent and involve large numbers of people. More often than not, they include an element of mutual social assistance in addition to the savings and credit function. Of great importance is the social aspect of these associations, the

ROSCAs everywhere!

Benin: Asusu, Yissirou, Ndjonu;
Botswana: Motshelo;
Burkina Faso, Mali: Tibissiligbi, Pari, Song-taaba;
Burundi: Upato
Cameroon: Jangi, Mandjon, Djapa;
Congo: Ikilemba,
Egypt: Gameya, Jam'iyya;
Ethiopia: Ekub;
Gabon: Bandoi;
Gambia, Ghana, Liberia, Nigeria, Sierra Leone: Osusu, susu, esusu;
Ivory Coast: Moni, Safina,
Kenya: Mabati, Nyakinyua, Itega, Mkutano;
Madagascar: Fokontany;
Mozambique: Upato, Xitique;
Niger: Adasse;
Senegal: Nath;
Somalia: Haghad, Shaloongo,
South Africa: Chita, Chitu, Stokfel, Mahodisana, Motshelo
Sudan: Khatta, Sanduk;
Swaziland: Stokfel;
Tanzania: Upato, Fongongo;
Tchad: Pare;
Togo: Soo, Sodzodzo;
Tunisia: Noufi, Sanduk;
Uganda: Chilemba, Kiremba, Upato, Kwegatta; Kitemo,
Zambia: Iciliba, Upato, Chilenba;
Zimbabwe: Chilemba, Kutunderrera
(many more local terms can be found at:
<http://www.gdrc.org/icm/rosca/rosca-names.html>)

¹ Ian MacPherson, Background paper on the Cooperative Statement of Identity, ICA, Geneva, 1995

² Definition provided by the ICA statement on the cooperative identity, and reaffirmed by ILO Rec. 193.

fact that they provide an opportunity to meet and celebrate as a group on a regular basis. Burial societies, which can be considered as a form of micro-insurance, are prevalent especially in Southern Africa and Ethiopia. Mutual work-sharing schemes for large, labour-intensive ventures such as house construction, land clearing or crop harvesting can be found everywhere on the continent. Other traditional forms of cooperation provide social assistance to community members in need (a practice known as “Ubuntu” in Southern Africa, or as “Umoja” in East Africa). Those ancient traditions have successfully adjusted to modern times, to urban societies and to the informal economy of many African countries³.

The traditional African forms of cooperation and solidarity are often locally rooted, defined by the boundaries of a certain community and the social classes within that community. The groups and associations are usually, though not always, small in membership, and such membership is based on a common bond derived from ethnic origin, social class, income level, professional occupation, or a combination of those. Social capital and social control are of paramount importance since these groups may handle large amounts of cash without any collateral or security. They are based on trust and social cohesion, not written agreements. The groups are often temporary or periodic in nature and emerge when needs or opportunities arise; moreover, they seldom build secondary bodies such as unions and federations. These traditional African self-help groups share many of the values and principles of modern cooperatives but do not replace those; rather, they co-exist with them until today. Cooperatives work well in traditional societies where mutuality and informal cooperative activities are embedded in the form of common property, shared water and grazing rights and informal financial sharing among vendors in markets. The success of credit unions in Africa can be partially explained by their similarity to the traditional rotating savings and credit associations.

COLONIAL PERIOD: THE TOP-DOWN APPROACH

In most African countries “modern” cooperatives were introduced by colonial powers who sought to replicate their domestic cooperative structures throughout their colonies and protectorates. Through empirical research we can distinguish different “cooperative traditions⁴”, primarily those established by Britain and France.

In the former British colonies, cooperatives were created in the years of the 20th century according to the “British-Indian” pattern of cooperation, and accompanied by specific cooperative acts and the establishment of an implementing agency, i.e. the Registrar and/or Commissioner of Cooperatives. Later on, the colonial administration undertook systematic efforts to develop cooperatives into powerful business ventures that, through vertical structures, controlled much of agricultural production, marketing and processing in rural areas, in particular with regard to export crops. This has also been described as the “unified cooperative model”. In line with the “indirect rule” approach of the British colonial administration the management and leadership of primary cooperatives was handed over to local leaders at a relatively early stage.

³ The National Stokvel Association of South Africa (NASASA) estimates that there are a total of 800 000 stokvels, burial societies and rotating savings and credit associations in South Africa, with about 8.25 million members, and an estimated R 400 million a month in savings. Other estimates have put stokvel and burial society savings rates at over R 13 billion a year (<http://www.whythawk.com/emerging-markets/the-market-in-stokvels-and-community-investment-groups.html>).

⁴ See also: Develtere, Pollet and Wanyama, « Cooperating out of Poverty », ILO, 2008

The French colonial administration introduced so-called "Sociétés Indigènes (later "Africaines") de Prévoyance" in the early 1920s. These SIPs/SAPs were semi-public organizations officially formed to foster rural development, but in practice used to dominate the rural populations and collect taxes. In 1955, the French administration introduced a special act for "state-sponsored" cooperatives and established cooperative supervisory authorities which, however, did not undertake any cooperative *development* activities. Although the SIPs/SAPs changed their designations several times, they essentially remained semi-public structures that gained little economic and societal importance; they were managed by French colonial officers, aligned with administrative boundaries, and "membership" was compulsory, if not "automatic".

Relatively little cooperative development took place in the former Belgian and Portuguese possessions in Africa. Countries such as Ethiopia, South Africa and Namibia developed their own, home-bred cooperative tradition through the local adaptation of imported concepts and ideas. In the latter two countries, those cooperatives were confined to the white minority and played a predominant role in commercial agriculture⁵.

AFTER INDEPENDENCE: THE ERA OF "COOPERATIVISM"

After independence, and until the beginning of the structural adjustment era (roughly the period 1960 to 1985) the newly independent governments of many African countries, regardless their colonial history, discovered cooperatives as tools to implement the ideal of "African socialism", as a "third way" between capitalism and communism. Cooperatives received massive state support, both financial and technical; they were given marketing and supply monopolies for agricultural commodities and inputs, which de facto meant that farmers were obliged to seek membership; in several countries cooperatives became "mass organizations" of the ruling party, in others they carried out government functions such as the management of the strategic grain reserve. In socialist countries such as Sudan, Angola and Mozambique cooperatives became responsible for the (exclusive) distribution of so-called ration commodities. Under the Derg regime in Ethiopia, rural cooperatives became instruments of land reform and the forceful displacement of rural citizens. In Tanzania, the Nyerere government endeavored to transform each and every village of the country into a cooperative society. In Cameroon, district cooperatives were the sole agents allowed to purchase export commodities and distribute agricultural inputs. In all those cases and many others, member-control did not function or was totally absent. As a consequence, Governments had to set up vast and expensive, yet mostly inefficient, cooperative supervisory authorities. It is important to note that these policies were massively supported by development partners, including the UN, including the ILO. They also have to accept part of the blame for the aberrations of the time.

⁵ In South Africa and Namibia, under Apartheid rule, (agricultural) cooperatives became instruments of white domination, and enjoyed substantial state support without being subject to much government interference. South Africa's "white" cooperatives grew into huge rural enterprises: in 1992, South Africa's 211 agricultural coops with just 167.000 members reached a turnover of more than 7 billion US-\$. After 1994 most of those cooperatives quickly converted into limited companies so as to avoid being "taken over" by the black majority (which would have been possible under the "one member – one vote principle. By 2005, the number of "white" cooperatives in South Africa had fallen to 38, and turnover to 0.7 billion US-\$
(<http://www.copac.org.za/files/State%20of%20Coop%20Sector.pdf>)

STRUCTURAL ADJUSTMENT AND DEMOCRATIZATION: THE END OF GOVERNMENT CONTROL

Towards the mid-1980s governments, development practitioners and the general public became increasingly disillusioned and frustrated by the lackluster performance of the “cooperative” movements, which had become a burden to the state and the public. At the same time, many African countries suffered from a severe economic and financial crisis, forcing them to introduce structural adjustment programmes that put them under the tutelage of the World Bank and the IMF. Those SAPs did not fail to pinpoint the inefficient, often corrupt cooperative organizations and associated supervisory and support bodies as targets for structural reforms; moreover, SAPs invariably introduced neoliberal economic policies which entailed the withdrawal of monopolies, privileges and subsidies. Thirdly, after the fall of the Berlin Wall in 1989, single-party regimes in Africa were confronted with ever growing calls for democratic reforms and popular participation. French speaking Africa was shaken by a wave of “national conferences” which demanded free elections and multipartism. And finally, because of disappointment and frustration, development partners had almost completely abandoned cooperative development as a target and instruments of their cooperation policies, and focused on the promotion of individual small enterprises instead. The combination of those events, i.e. the sudden removal of state support and state control⁶, the abolition of monopolies and other privileges, democratic reforms and the withdrawal of external assistance, brought to light a triple crisis, i.e.:

- A crisis of *identity*: the existing cooperatives were cooperatives by name only, not by nature;
- A crisis of *environment*: the legal, institutional and administrative context was preventing, not supporting, the emergence of genuine, self-managed cooperatives;
- A crisis of *management*: The existing cooperatives were unable to survive without subsidies, state protection and government control.

All this led to the rapid collapse of most state-sponsored cooperative movements in Africa. At the end of this period, towards the end of the last century, the significance of cooperatives in terms of numbers, membership and economic importance had declined considerably; but those that had survived the brutal reform process emerged rejuvenated as genuine, member-owned, member-run and economically viable cooperative ventures. Those survivors formed the basis of the emergence of the fourth generation of African cooperatives that we witness today.

We must stress that much of the historical outline above applies primarily to agricultural marketing and supply cooperatives, and, where they existed, to consumer cooperatives; other types of cooperatives, such as credit unions, often operated below the radar screen of government attention, and therefore enjoyed a much greater degree of autonomy than others – while receiving much less state support than those. Moreover, less formal groups and associations were usually escaped Government attention, and managed to maintain their independence.

COOPERATIVES IN AFRICA TODAY: THE FOURTH GENERATION

The withdrawal of state support and state control over cooperatives in the 1990s also led to the weakening of the position of cooperative registrars – and consequently, to the unavailability of reliable statistics on cooperatives and their members in Africa. However, research carried out by the

⁶ As an indicator, data collected by the author from Cameroon, Kenya, Tanzania, Uganda before and after the structural adjustment period show that the number of government officials assigned to cooperative supervisory bodies in these four countries fell from **4.410** in the late 1980s to just **1.271** in 1997.

ILO in 2006 and 2007 came to the conclusion that out of 100 African citizens, including children and the elderly, seven were members of a cooperative – exactly the same rate as in the early 1990s (see below). If we extrapolate these figures to the entire continent it would mean that Africa is home to

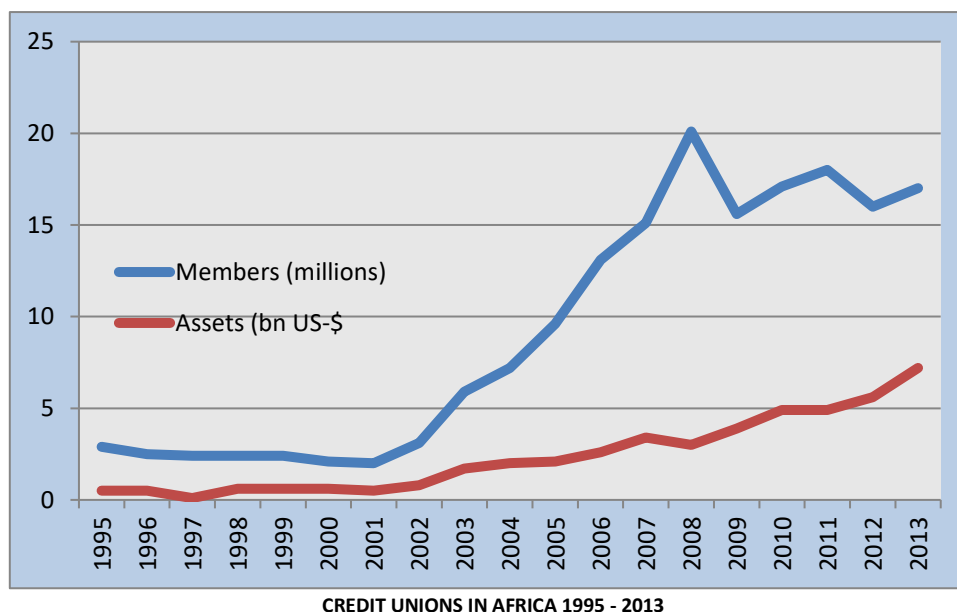
70 million cooperative members – and this figure does not include membership in less formal types of cooperation and mutuality in the wider social economy.

Whereas until the 1990s,

agricultural marketing cooperatives

were by far the

largest group, today this position is taken by savings and credit cooperatives: in 2013, a total of 22,385 credit unions existed in 25 African countries, representing 17 million individual members and 7.2 billion US-\$ in assets. The figure above illustrates the spectacular growth of financial cooperatives in Africa during the last decade⁷.



Cooperatives in Eastern and Southern Africa										
	Mid-1990s			Around 2010			Other Information			
	Coops	Members	Dens.	Coops	Members	Dens.	Apex	College	Law	Policy
Botswana	131	79,711	6%	166	82,000	4%	BOCA	BCDC	2012	2007
Ethiopia	4,274	5,122,856	10%	24,167	4,668,564	5%	planned	Ambo Uni	2004	draft
Kenya	5,595	2,395,729	10%	10,800	8,507,000	22%	CAK	KCC	2004	2008
Lesotho	246	43,947	4%	950	10,000	1%	COOP Les	LCC	2000	2009
Malawi	138	24,624	0%	300	115,000	1%	MUSCCO	None	1998	1997
Namibia	14	21,000	2%	114	21,117	1%	CAB	None	1996	1992
South Africa	618	318,378	1%	54,461	500,000	1%	SANACO	DTI (Ministry)	2005	2004
Swaziland	179	19,109	2%	69	42,900	4%	CCU	CODEC	2003	2000
Tanz Main	9,522	1,416,395	6%	8,159	1,600,000	4%	TFC	Moshi Uni	2003	2002
Zanzibar	1,473	39,847	6%	4,751	83,739	8%	CUZA	Moshi Uni	1986	2009
Uganda	4,924	1,115,575	6%	10,687	3,900,000	13%	UCA	UCC	1991	2009
Zambia	1,805	906,000	11%	5,600	700,000	5%	ZCF	Lusaka CC	1998	2012
Zimbabwe	2,391	157,124	2%	3,960	175,000	1%	ZNCF	None	2005	2005
	46,179	21,560,295	7%	137,346	30,553,320	7%				

As a result of the liberal policies of the structural adjustment period, the “unified cooperative model” promoted by the British administration lost ground and gave way to more heterogeneous, less structured cooperative movements. And because of the tainted image of “state-owned”

⁷ Chart based on data from credit unions in 25 African countries (see www.woccu.org)

cooperatives in the past, many countries experimented with more holistic social economy models that cater for diverse organizational manifestations of self-help, including community-based organizations, farmers groups and mutual benefit groups. The gradual disappearance of the unified model also paved the way for the emergence of a myriad of “non-traditional” types of cooperatives, such as housing, handicraft, cultural, transport, mining and social services cooperatives, as well as informal sector associations. In summary, the contemporary cooperative landscape in Africa is much more diverse, more colourful and less structured than twenty years ago. Traditional forms of cooperation coexist with modern ones, and formal cooperative societies coexist with informal self-help groups. Almost everywhere on the continent, cooperatives are free from state control – and can no longer count on state support.

The table above provides data on cooperatives in 13 Eastern and Southern Africa countries⁸ between the early 1990s and today. The data in this table is based on the author’s empirical research through field visits and desk studies during the period 1988 to 2013. It is worth noting that the average “cooperative density” (number of cooperative members divided by *total* population) has remained stable during the past twenty years, despite massive population growth and the fundamental restructuring of the cooperative movements in the region; moreover, the rate (7%) is the same as found by other studies and surveys carried out in Africa (see above)⁹, and is similar to the “penetration rate” calculated by the World Council of Credit Unions (WOCCU), according to which 6.25% of the *economically active* population in Africa are member of a credit union (in countries where those exist). However, these average figures mask considerable differences from one country to another, as well as changes within a particular country during the observed period of time and changes in the sectoral composition of the national cooperative movements. Moreover, the average membership per cooperative society has declined from 334 in the 1990s to 164 today, which is probably due to the disappearance of large, state-run cooperatives and the emergence of smaller, localized grassroots initiatives.

In all 13 countries listed in the table above we observed a rapid expansion of financial cooperatives compared to the stagnation, if not decline, of agricultural cooperatives, as well as the emergence of many innovative cooperative ventures. Consumer cooperatives, which were very actively promoted by development partners in the 1960s and 1970s, have mostly disappeared¹⁰. Housing cooperatives are present in Egypt, Ethiopia, Kenya, Mali, Morocco, Senegal, South Africa and Zimbabwe, and often have set up national federations; fishery cooperatives operate in several African countries, but have not built vertical structures. In 2012 some 17 mutual and cooperative insurance companies were active in seven African countries (Algeria, Egypt, Kenya, Morocco, Nigeria, South Africa, Tunisia), where they provided insurance coverage to 4.7 million people¹¹. Many other types exist:

⁸ Tanzania mainland and Zanzibar count as two separate countries because cooperative development is not a “union affair”; the mainland and the islands have separate cooperative structures and laws.

⁹ The same “**cooperative density**” of 7% was reported in the author’s final report as ILO Regional Advisor on Cooperatives for Eastern, Southern and Central Africa (covering the period 10/88 to 4/94). The report provided data compiled during some 120 field missions to 27 African countries; the total number of cooperative societies in those **27 countries** was **69.919**, and total membership was **26.264.932**. The cooperative density varied from 0% in Eritrea (19 coops, 1.150 members) to 17% in Egypt (14.869 coops, 9.900.000 members).

¹⁰ Notable exceptions are Botswana, Cape Verde, Egypt, the Sudan, Mauritius and a few other African countries, where consumer cooperatives still exist, although their economic importance has declined considerably.

¹¹ Data from www.icmif.org; these statistics do not include the mutual health schemes that exist in several French-speaking, West African countries.

cooperatives of musicians, of artisans, of health care providers, of push-cart operators, of poultry growers, etc.

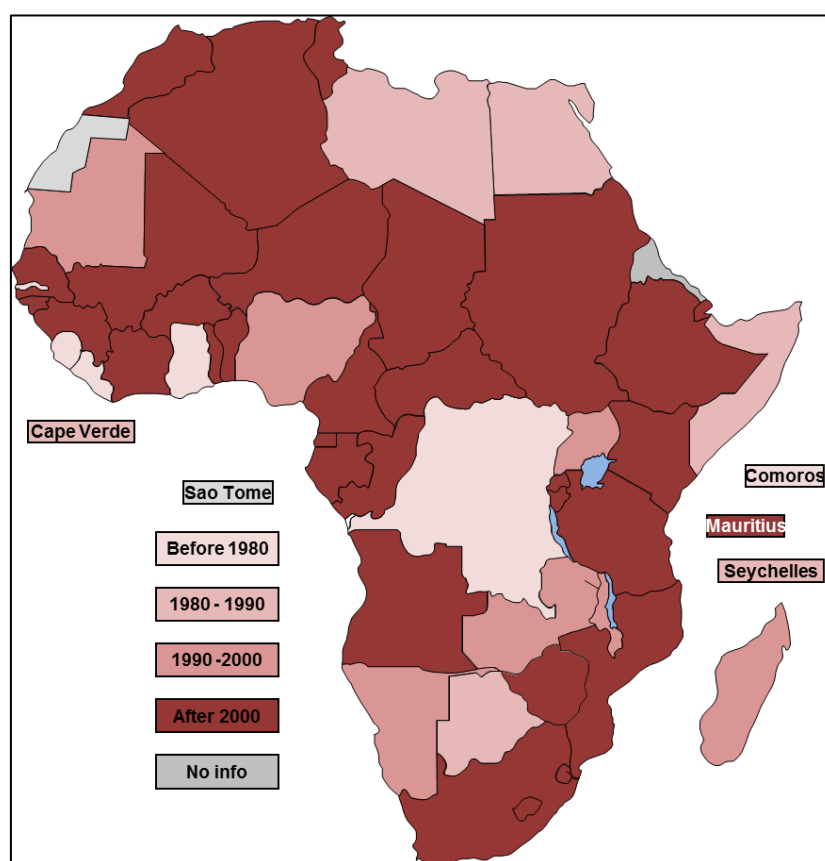
THE COOPERATIVE ENVIRONMENT

COOPERATIVE LEGISLATION

The evolution of cooperative legislation in Africa mirrors the changing relationship between cooperatives and the state. Under colonial rule the cooperative laws introduced in African countries were based on templates developed outside the continent, and hastily tweaked to reflect the specific context of each country. After independence, and in line with the policy to make cooperatives key actors of development, many countries amended their laws with a view of fortifying the role of the “registrar” or “commissioner”, enforcing vertical structures¹², granting tax exemptions, monopolies, preferential hard currency allocations and other privileges, redefining membership criteria, etc. In general these laws strengthened the authority of the state over the cooperative movements.

Those laws were found to be inadequate when, in the aftermath of structural adjustment, many African countries adopted liberal economic policies in the course of which cooperative supervisory bodies were scrapped or downsized. Suddenly, the state was no longer able to control the movement, and “members” were ill equipped to take over that control because the restrictive laws had always prevented them from doing so.

Consequently, governments drafted new bills which, generally, diminished the role of the state in cooperative development to purely regulatory functions such as registration and the control of the application of the law. After the centenary of the International Cooperative Alliance (1995) most of these laws incorporated the universal values and principles of cooperation as adopted by the ICA Centennial Congress. Seven years later, in 2002, the International



CONTEMPORARY COOPERATIVE LAWS IN AFRICA

¹² Most often a three-tier structure with local cooperative societies, regional unions and a national federation; Zambia introduced a four-tier structure, and the Sudan one with five levels. Smaller countries, such as Lesotho and Swaziland, adopted two-tier structures.

Labour Conference adopted Recommendation 193 on the “Promotion of Cooperatives” which in many African countries strongly influenced the design of cooperative laws adopted in subsequent years. In December 2010, the “Organisation pour l’Harmonisation du Droit d’Affaires en Afrique” (OHADA) adopted a uniform cooperative law which became effective in May 2013 in all 17 OHADA member countries, thus de facto replacing national cooperative laws. Today, the great majority of African countries have enacted modern cooperative laws which fully respect the universal principles of the ICA and the policy orientations of ILO Recommendation 193. The map above shows the status of cooperative laws in Africa; countries are shaded according to the period when those laws were enacted. All cooperative laws adopted in Africa since 1990 have reduced state influence over, and state sponsoring of, cooperatives, increased cooperative autonomy and self-reliance, and cut any association that might have existed between cooperatives and political organizations. In addition, numerous African countries (in particular in French speaking Africa) have adopted laws and regulations covering less formal types of cooperation, such as the “groupements d’initiative commune” in Cameroon and the “groupements pré-coopératifs” in Burundi.

COOPERATIVE POLICY

Cooperative policy, whether published as a dedicated document, enshrined in overarching public documents such as the country’s Constitution or national development plan, or derived from policy statements and declarations, is of course strongly influenced by the relationship between cooperatives and the state. In the post-colonial period few countries issued dedicated cooperative development policies¹³, but many integrated cooperative promotion as a key strategy into national development policies, going as far as enforcing the “cooperativization” of the entire nation (Tanzania, Tunisia and other countries in the 1960s and 1970s). In this case as in many others, cooperative policy was motivated by political goals rather than the desire to create a conducive environment for the emergence of genuine cooperatives. Moreover, such policies were devised without any involvement of the people most concerned, i.e. the cooperative members.

The 1990s witnessed the collapse of state-sponsored cooperative movements, the process of economic liberalization and deregulation, as well as ever growing calls for democratization, multipartism and popular participation. As pointed out above, those events led to the revision of cooperative laws in most countries; contrary to the past, however, many Governments decided to anchor those laws in national cooperative development policies which, in most cases, were designed in close consultation with cooperative organizations, cooperative members and civil society. Some thirty African countries have adopted cooperative development policies during the period 1994 to 2014.

COOPERATIVE SUPERVISORY AUTHORITIES

Following the enactment of cooperative laws during the colonial period Governments established authorities to implement and enforce these laws. In English speaking countries those authorities became known as “Registrar” or “Commissioner” of cooperatives whereas governments in French speaking Africa established “services de tutelle” (literally “guardianship”). Those authorities enjoyed wide-ranging powers to such an extent that in many cases, the authorities actually managed individual cooperative societies.

¹³ A notable exception is Kenya, which issued successive sessional papers, such as N° 10 of 1965, N° 8 of 1970 and N° 14 of 1975, and other subsequent papers.

After independence the supervisory authorities took different trajectories. Countries that embraced socialist or communist policies, such as Angola, Mozambique, Ethiopia, Congo, Sudan and others, enacted *sectoral* cooperative laws and consequently appointed *sectoral* supervisory bodies, i.e. separate authorities for housing, agricultural, consumer, industrial and other forms of cooperatives, without an overarching umbrella organizations. Most countries in English-speaking Africa maintained the traditional “Cooperative Department”, which was usually placed under the Ministry of Agriculture. Some of those countries, such as Kenya, established dedicated Ministries of Cooperative Development. Governments in French-speaking countries established supervisory structures under many different names, which nevertheless perpetuated the “tutelle” approach of strict oversight.

Today most African countries maintain relatively small cooperative registration offices with limited powers and limited resources, placed under the ministries responsible for agriculture, trade, social development or other sectors. Those offices are usually responsible for all types of cooperatives, except financial cooperatives which often fall under the authority of the Ministry of Finance or the Banking Authority.

VERTICAL STRUCTURES, HORIZONTAL INTEGRATION

Cooperatives build strength, influence and bargaining power through vertical structures, such as federations, unions and associations, and horizontal networks that facilitate cooperation between cooperatives of different types. On the African continent the shape of those vertical structures was, until the mid-1990s, largely determined by the State, and often prescribed in cooperative laws. The various levels of the vertical structure were aligned with the administrative set-up of the country, whether this made economic sense or not. In many instances, district or provincial unions did not play any productive role, but had to be financed through levies imposed on the primary “affiliates” and, ultimately, the individual members. The national umbrella organizations became political organizations and, sometimes, affiliates of the ruling party. This changed in many African countries during the deregulation and democratization period of the 1990s, when many secondary and tertiary cooperative structures went bankrupt or were abandoned by primary societies. Today, every single African country has its own specific vertical cooperative structure composed of a variety of national, sectoral, regional and local organizations. The table below gives a few examples.

	Different Types of Vertical Cooperative Structure						
Country	Angola	Egypt	Cameroon	Zambia	Ghana	Cape Verde	Senegal
National umbrella	None	GCU	None	ZCF	GCC	None	None
Sectoral national federation	UNACA (farmers)	Five federations	Savings and Credit only	ZCF Departments	15 National Associations	Consumer only	7 national apexes
Regional union	18 federations	None	Provincial Union	Provincial Cooperative Unions	10 Regional Unions	None	None
Sectoral regional union	None	Two types	None	None	None	Consumer and fisheries	Few
District unions	157 unions	None	Primaries may cover a whole district	District cooperative unions	District unions	None	None
Primary society	8,662 farmers associations	Grouped in five sectors	Affiliated to regional unions	Primary cooperatives	Local cooperatives	Primary societies	Various groups and coops

Horizontal integration is the embodiment of the 6th universal principle of cooperation, namely “cooperation among cooperatives”. This simply means that cooperatives will serve their members

more effectively when they work together: agricultural cooperatives, for example, would borrow short term funds from credit unions and sell the produce of their members to consumer cooperatives. This type of intra-cooperative cooperation would have a considerable potential to generate further economies of scale and scope, to reduce costs and to enhance economic independence, but it seems currently underutilized in the majority of African countries.

CONTINENTAL COOPERATIVE ORGANIZATIONS

Cooperatives and the wider social economy have formed four continental organizations, as follows:



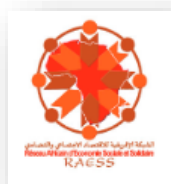
The African chapter of the International Cooperative Alliance, with a Regional Office based in Nairobi and a regional board with 7 members. ICA Africa currently represents nine countries¹⁴, all located, with one exception (Nigeria), in Eastern and Southern Africa.



The “Conférence Panafricaine Coopérative” (CPC) founded in 1968, originally to serve as the Board of the “Institut Supérieur Panafricain de l’Economie Coopérative” (ISPEC) which is based in Cotonou, Benin. The CPC has 20 member countries, all from French-speaking Africa. Those are represented in the “conference” through their cooperative organizations and the ministries in charge of cooperatives. The latter finance the annual contributions, which means that the CPC cannot be considered as an autonomous cooperative organization. The CPC headquarters are located in Yaoundé, Cameroon.



The African Confederation of Savings and Credit Cooperatives (ACCOSCA), also founded in 1968 disbanded because of inactivity in 2001, and re-established in 2009. ACCOSCA, whose headquarters are based in Nairobi, has 28 member federations grouped in three “blocks” (West, East, South), and representing 17 million individuals.



The « Réseaux africains de l’économie sociale et solidaire » (RAESS), founded in 2010 upon initiative by the social economy network of Morocco. RAESS is the African chapter of the International social and solidarity network RIPESS, and currently represents 14 national networks, all based in French speaking African countries. RAESS does not have a permanent secretariat; its activities are coordinated by its Moroccan affiliate.

All four organizations see themselves primarily as advocacy, networking, capacity building and information-sharing institutions of the African cooperatives and social economy organizations.

COOPERATIVE CAPACITY BUILDING INSTITUTIONS IN AFRICA

COOPERATIVE COLLEGES

Cooperative colleges became fashionable in Africa during the 1960s and 1970s, when cooperative development was seen by governments and development partners as a panacea for rapid and equitable socio-economic development. During this period many cooperative colleges or cooperative development centres were set up, often with massive donor assistance, in Algeria,

¹⁴ Counting only those African countries that are affiliated with the ICA through a national apex organization.

Benin, Botswana, Burundi, Cameroon, Côte d'Ivoire, Egypt, Ethiopia, Gambia, Ghana, Kenya, Lesotho, Mali, Madagascar, Mauritius, Morocco, Mozambique, Nigeria, Rwanda, Somalia, Sudan, Swaziland, Tanzania and Zambia. These colleges were registered as public or semi-public institutions, financed and run by government. In many instances the colleges trained a greater number of civil servants than cooperatives members, leaders and employees, who constituted the original target group. Most colleges offered traditional, 1-2 year certificate and diploma courses. All colleges shown in the table below offer residential accommodation for students, although the facilities are not always sufficient to meet the demand.

Many of the still existing colleges in Africa were established in the 1960s and 1970s through ILO technical cooperation programmes. When state support to the colleges dropped sharply in the 1990s as a result of the structural adjustment policies several of them had to reinvent themselves, and some did so quite successfully. They modernized and enhanced their curricula, developed new courses, opened their doors to the non-cooperative world, diversified into research, consultancy and advisory services, developed distance education programmes, and progressed towards the goal of financial self-reliance. In a number of countries mentioned above the colleges changed their status to become either part of the cooperative movement or autonomous institutions under national law. ILO's former COOPNET programme (which ended in 2002) had established a continental network of cooperative colleges in Africa which is sadly missed today¹⁵. Under the ILO COOP^{AFRICA} programme (2007 – 2012) the UK Cooperative College provided technical assistance to a number of colleges in Eastern and Southern Africa, mostly in the field of curriculum development. In addition, the UK Cooperative College is providing expertise in active learning educational methodology, and provides short-term, high-level training for the academic personnel of these colleges. South Africa is now in the process of establishing a cooperative college for the country.

Cooperative Colleges in Eastern and Southern Africa ¹⁶					
College (established in)	Situation 1994		Situation 2010		
	Academic Staff	Resident Students	Academic Staff	Resident Students	External students
Botswana CDC (1972)	?	?	8	15	150
Ambo Uni (Ethiopia) (2003)	n.a.	n.a.	17	248	540
Coop College Kenya (1967)	34	240	34	900	
Lesotho Coop College (1984)	13	28	17	78	
Swaziland CODEC (1976)	8	25	8	80	
Moshi Uni Tanzania (1963)	80	500	136	1,861	4,810
Uganda Coop College (1974)	14	120	21	377	33
Katete College Zambia (1979)	9	450	13	50	

UNIVERSITIES SPECIALIZED IN COOPERATIVE TRAINING

Several former cooperative colleges have developed into fully-fledged universities or university colleges, offering bachelor, masters, doctoral and post-graduate studies. Examples include:

¹⁵ However, an African Association of Cooperative Colleges has now been set up.

¹⁶ 1994 Data from: Privatization of Cooperative Support Services in Eastern and Southern Africa, ILO, 1995; 2010 data from: Ms. Linda Shaw, Cooperative education in East and Southern Africa (unpublished manuscript, ILO, 2010)



The *Moshu University College of Cooperative and Business Studies* (MUCCoBS) in Tanzania which gained university status in 2004 (after 35 years as a cooperative college). The university has gained continent-wide recognition and trains currently some 1.900 students from all over the continent. In addition, MUCCoBS maintains a network of 17 regional centres to deliver cooperative education outreach programmes, but only five of those are reported as being very active.

The *African University for Cooperative Development* based in Cotonou, Benin, which evolved in 2009 from the former “Institut Supérieur Panafricain des Etudes Coopératives” (ISPEC) and caters for students from 16 French speaking African countries. Beginning from 2010, the university offered a PhD course in cooperative development.

The *Ambo University in Ethiopia* which includes since 2005 a Department of Cooperative Studies where students can earn a B.A. and M.A. in cooperative management and accounting. In 2009 the Ambo University added a post-graduate course in cooperative management.

The *Co-operative University College of Kenya* (CUCK), formerly the Kenya Cooperative College. The CUCK was established as a Constituent College of Jomo Kenyatta University of Agriculture and Technology (JKUAT) in 2011, while its predecessor was a semi-autonomous Government agency under the Ministry of Co-operative Development and Marketing. The CUCK offers a Bachelor of Co-operative Business and a Master in Cooperative Management, alongside other diploma and degree courses.

Both MUCCoBS, the CUCK and the Ambo University cooperate closely with the UK Cooperative College.



THE WIDER SOCIAL AND SOLIDARITY ECONOMY IN AFRICA

This paragraph refers back to the section on traditional

forms of cooperation in Africa. Not only are those continuing to strive – we witness all over continent the emergence of new forms of cooperation that are grounded in traditional values but adapted to a modern context. Those member-based organizations belong to the social and solidarity economy, which is expanding in many parts of the continent.

The term “social economy” (or solidarity economy) is widely used in literature although not based on a universally agreed definition. Social economy enterprises and organizations are essentially regulated by the stakeholder principle, in contrast to the shareholder principle of private-for-profit firms. They put people and their communities, rather than profit, at the center of their aspirations. They do not primarily seek to maximize profits but aim at creating both economic, social and societal benefits. They share common values such as democratic control, voluntary participation, flexibility, self-help, self-reliance, solidarity, and community ownership. Basically, social economy organizations represent an alternative way of doing business while being part of the formal private sector or the informal economy. The ILO defines the social economy as “a concept designating enterprises and organizations which have the specific feature of producing goods, services and knowledge while

The Social Economy in Maghreb Countries

	Algeria	Morocco	Tunisia
Units	2,369	47,365	4,581
Members	1,423,781	365,255	897,923
Jobs	24,528	22,502	n.a.

(<http://www.socialeconomy.eu.org/spip.php?article1560>)

pursuing both economic and social aims and fostering solidarity¹⁷". Cooperatives clearly belong to the social economy and in many countries constitute its main pillar, but other forms of organization, in particular in the urban informal economy and in rural areas, play a valuable role and deserve recognition, too.

The proliferation of social economy initiatives in Africa was triggered by the liberalization, deregulation and democratization process of the 1990s, and the legislative reforms that ensued. A number of African countries introduced legislation that provided recognition and legal status to social organizations that apply cooperative principles without meeting all the criteria of a formal cooperative enterprise. Those organizations are known as "groupements d'intérêt économique" (GIE), "groupements d'initiative commune" (GIC), "groupement villageois" (GV) or "organisation des producteurs" (OP) in French speaking Africa, or as farmers' groups or informal economy associations in other parts of the continent. The Rwandan cooperative law of 1988 recognized "groups with a cooperative purpose". Contrary to the "pre-cooperative" statute, which existed mainly in English speaking countries and was meant as a transitional phase towards fully-fledged cooperatives, the new social organizations are seen as permanent and are not necessarily expected to "develop" into a cooperative.

Because of the informal and heterogeneous nature of the social economy it is difficult to obtain statistical data on the size and importance of the movement. The Rwandan social economy is particularly vibrant; it is composed of a multitude of formal cooperatives, less formal producers groups, mutual societies, microfinance institutions, informal economy associations, etc. A survey carried out in 2003 in one of Rwanda's eleven provinces found that almost 50% of the adult population belonged to a social economy group¹⁸. The Senegalese social economy is equally diverse, very much focused on rural production (crops, husbandry, fisheries, handicrafts), and represented through numerous national associations. Some three million Senegalese are believed to be part of the country's social economy (op.cit.). Burkina Faso reports a vibrant social economy, composed of 161 cooperatives (financial and non-financial), 30.500 village groups, 8.000 village grain banks, 205 mutual health schemes and 6.000 associations¹⁹. In Mali, 16,000 registered cooperatives represent 741,000 members (over half of whom are women), and have generated over 2000 direct jobs. The sector also accounts for 97 solidarity financial institutions and 8,200 associations, not counting the hundreds of thousands of informal micro-businesses that the social economy could help to bring into the formal sector. Tanzania reports the existence of over 53.000 social economy organizations, of which less than 20% are cooperatives and credit unions.

Social economy organizations are clearly economic actors, but many have political intentions: they work to achieve greater equity and social justice; they fight exclusion and facilitate popular decision-making. It is therefore no surprise that social economy organizations tend to form national and international movements, and seek to build alliances with like-minded stakeholders, such as trade unions, peasant farmers movements, women's organizations, environmental groups, etc. Streetnet

¹⁷ Definition adopted by the participants of the ILO Regional Conference "The Social Economy – Africa's Response to the Global Crisis" (Johannesburg, 19 – 21 October 2009)

¹⁸ Cooperating out of poverty, ILO, 2008, page 284

¹⁹ Les organisations d'économie sociale et solidaire au Burkina Faso et les pouvoirs publics; Jean-Baptiste Zett, 2013

International, a global organization of street vendors, has national affiliates in 13 African countries²⁰, but such organizations might exist in other countries as well.

Social economy organizations are particularly important in the informal economy, which dominates the economies of many African countries. Work in the informal economy is often characterized by small or undefined workplaces, unsafe and unhealthy working conditions, low levels of skills and productivity, low or irregular incomes, long working hours and lack of access to information, markets, finance, training and technology. These are deficits that social economy organizations can fill. Rotating savings and credits associations were mentioned earlier – they exist almost everywhere on the continent, and are indispensable for financial intermediation and minimum levels of social protection. In addition, we see a growing number of associations of street vendors, market women, transport operators, waste pickers, home-based producers and other self-employed workers who generally belong to the informal economy. It would be important to legally recognize these organizations, to enhance their outreach, to build their capacity, and to facilitate their horizontal and vertical integration

SUCCESS AND CHALLENGES

The success of Africa's we believe is twofold:

- The simple fact that despite all their shortcomings and weaknesses, cooperatives in Africa do provide essential services to a large portion of the population, primarily the self-employed in rural areas and the urban informal economy. Such services include market access, agricultural supply, marketing and exports, transport, storage, appropriate financial intermediation, joint production, mutual risk coverage, affordable housing, and many others. In addition, cooperatives play, beyond their economic function, a role in extending social protection and in facilitating popular participation. They support social cohesion and strengthen civil society. Genuine cooperatives play a triple, social, economic and societal role and therefore simultaneously create opportunities, enhance protection and provide empowerment – the key elements of any poverty reduction strategy. And finally, real cooperatives achieve all this at no cost to the state.
- The extraordinary resilience of cooperatives and cooperative movements, despite frequent changes in government policy and legislation, shifting donor philosophies and preferences, massive external interference and inappropriate interventions, and in spite of severe turmoil created by war, civil strife, natural disasters and dictatorial regimes. We have evidence that cooperatives do exist in all 54 African countries, and we have seen that over a considerable period of time, the cooperative density has remained stable in Africa, at about 7% of the population. This would not have happened if cooperatives had not played a positive role in Africa's development.

The fourth generation of African cooperatives – i.e. the generation that followed the colonial era, the post-independence years, and the structural adjustment period, is less structured and economically less powerful than its predecessors – but it is certainly more diverse, more efficient and better adapted to local circumstances than its predecessors. The challenges those contemporary cooperatives and social economy organizations face can be grouped under five headings:

²⁰ Burundi, DR Congo, Ghana, Kenya, Malawi, Mozambique, Niger, Sénégal, South Africa, Swaziland, Togo, Zambia and Zimbabwe.

- *The role of the State:* as a result of structural adjustment, and as a consequence of democratic reforms, the role of the state in relation to cooperative development was reduced to the bare minimum: registration and supervision of the application of the law. No financial aid, no technical support, no special protection. This has led to a situation where unscrupulous individuals usurped the leadership of cooperatives and misused them for their personal interests. This has motivated some to argue that the liberalization of the 1990s went too far, and that some degree of state control over cooperatives should be reinstated. This debate is far from over.
- *The optimal size:* cooperatives must be big enough to reach the economic break-even point, and small enough to allow individual members to meaningfully participate. The optimal size of a cooperative is therefore dictated by economic factors (financial coops may reach the break-even point earlier than, for instance, marketing coops) and social and societal factors; the latter also explain why cooperatives are more successful in certain African communities than in others. Appropriate and democratically controlled vertical structures may solve the dilemma of the “optimal size”.
- *Urbanization and Informality:* Africa has experienced the highest urban growth during the last two decades at 3.5% per year and this rate of growth is expected to hold into 2050. In 2010, the share of the African urban population was about 36% and is projected to increase to 50% and 60% by 2030 and 2050 respectively. The majority of those living in urban centers work in the informal economy, and it has become absolutely essential to organize those informal workers. However, Africa’s cooperative movements have remained essentially rural (with the exception of credit unions), and little has been done to develop appropriate models of cooperation in the informal economy. This constitutes *the* challenge for cooperative promoters in the 21st century.
- *Fragility and Crisis Response:* Many African countries, or regions within countries, are considered “fragile”; they may recover from conflict, are affected by natural calamities or climate change, or suffer from poor governance, nepotism and corruption. It is in those circumstances, where the administration ceases to function, where public service delivery has come to a standstill, and where law no longer rules, that citizens must organize themselves to ensure a minimum of essential services, as well as voice, representation and self-governance. There are numerous examples of such spontaneous self-organization in, for examples, refugee camps or areas devastated by conflict or disaster, but we have not systematically harnessed the power of self-organization to overcome fragility and return to the path of development. To do just that could be a very worthwhile challenge for Africa’s cooperative movement and its international partners.
- *New forms and manifestations of cooperation:* Despite the diversification that began in the 1990s the formal cooperative movements in Africa are still largely confined to a few sectors or intervention areas: agricultural marketing and supply, savings and credit, in some cases housing, fisheries, handicrafts and consumption. Other types, such as labour contracting cooperatives which are widespread in India, or shared service cooperatives formed by businesses rather than individuals (well known in Europe and the US), are almost unknown on the continent. Public utility cooperatives that organize the supply of electricity, water, sewage, telephone connections and Internet access at the local level, are popular in many parts of the world but hardly present anywhere in Africa²¹. Microfinance cooperatives are

²¹ An interesting exception is Burkina Faso’s network of 67 rural electrical cooperatives, serving 14.250 households and organized in a national union (<http://www.fde.bf>)

common in Africa, but micro-insurance cooperatives are not – they could be of great benefit to rural producers. And finally, there might be potential for the promotion of health care and social service cooperatives to formalize and institutionalize the continent’s age-old tradition of solidarity and mutuality.

COOPERATIVES, THE ILO AND DECENT WORK

Three main reasons explain the involvement of the International Labour Organization (ILO) in international cooperative development:

- The congruence between the principles and values of cooperation and ILO’s objective of achieving social justice;
- The need to associate the self-employed, who are not represented by traditional workers and employers organizations, with the design of international labour and social law;
- The close personal association of ILO’s first Director-General, Mr. Albert Thomas, with the global cooperative movement and the ILO.

It is for these reasons that the ILO has been active in cooperative development since the year 1920, when its Governing Body decided to establish a Cooperative Branch (www.ilo.org/coop). From then onwards the ILO provided member states with assistance and advice in cooperative policy, legislation, training, business development and networking. The ILO is the only UN-organization with a dedicated focus on cooperative development, and the only organization that has developed an international standard in this field (i.e. ILO Recommendation 193). The ILO is also a founding member of the Committee on the Promotion and Advancement of Cooperatives (COPAC, www.copac.coop), which exists since 1971. The ILO Constitution grants the international cooperative movement (represented by the ICA) a permanent observer status, and in 2004 the ILO and the ICA signed a Memorandum of Understanding and agreed on a “Common Cooperative Agenda”. As from 2006 the ILO began embracing the wider social and solidarity economy, and organizes, since 2010, an annual Social and Solidarity Economy Academy (<http://socialeconomy.ilo.org/en>). The ILO is also a founding member of the UN Interagency Task Force on the Social and Solidarity Economy (<http://www.unrisd.org/tfsse>).

ILO’s work and mandate is best described by the Decent Work Agenda and its four pillars: the promotion of the fundamental principles and rights at work; the creation of employment and livelihoods; the extension of social protection; and the promotion of social dialogue between workers, employers and governments. These four strategic objectives are inseparable, interrelated, and mutually supportive. Failure to promote one will harm progress towards the others. The objectives apply to all workers, women and men, in both formal and informal economies, whether employed or self-employed, working in the fields or forests, at sea or on the shore, in factories, small workshops or offices, hawking in the street, or labouring in their homes or in the community.

Cooperatives can and do play a valuable role in reaching the four strategic objectives of the Decent Work Agenda. In analyzing their contribution to decent work it is important to identify the *specific* comparative advantage of cooperatives as compared to other forms of business and social organization:

- *Rights:* As per their nature, values and principles cooperatives promote human rights, including the fundamental principles and rights at work, and can serve as a transmission

belt to promote application of such rights among members and farmers²². Finally, cooperatives are also the *subject* of international labour standards. ILO's Recommendation 193 (2002) on the Promotion of Cooperatives (and its predecessor R 127 of 1966) had a significant impact on cooperative legislation and policy in many countries around the world. *Employment*: Cooperatives allow members to pool their resources; they increase the bargaining power of their members, generate economies of scale and scope, and enhance the productivity of member businesses. In doing so they can create jobs where other forms of enterprises cannot. While cooperatives are significant providers of salaried employment, their role may be even more important as facilitators of self-employment. The countless micro finance institutions, most of which are formed according to cooperative principles, offer appropriate financial solutions for the promoters of small businesses; agricultural marketing and supply cooperatives enable hundreds of millions of small farmers around the world to convert crops into cash. Finally, cooperatives can save jobs by transforming bankrupt private or public enterprises into worker-owned cooperatives: in Argentina, well over 15.000 jobs have been saved through the establishment of 130 worker-owned "empresas recuperadas".

- *Protection*: Cooperatives and mutuals have long proven their unique ability to extend social protection and social services to people and communities not covered by formal social security systems. Informal systems of mutual assistance and community solidarity are still very widespread, in particular in developing countries, and are providing the basis for more formal social protection schemes, such as mutual health benefit insurance systems which cover 305 million people worldwide. In French speaking Africa, some 336 schemes with 1.7 million beneficiaries have been established. Moreover, low-income workers in many countries have established burial societies as a way to guarantee a decent funeral, which is of greatest importance in many cultures. A study²³ revealed that more than eight million South African (28% of the population) belong to a burial society, and invest annually about 0.5 billion US-\$ in these groups.
- *Social Dialogue*: Cooperatives and other social economy organizations represent the voice and interests of those who are not represented by traditional social partners, i.e. trade unions and employers' organizations. Examples include small farmers represented through agricultural marketing and supply cooperatives, informal economy operators organized in street vendor associations, or the members of mutual health insurance schemes who are not covered by formal social security systems. All these organizations, and many more, are involved in civil dialogue while accomplishing their respective main mandate. They are active at the local level, where they lend a voice to their members in negotiating with local authorities, but also at the national level through their national structures. Cooperatives entities have a natural tendency to establish horizontal networks, vertical structures and regional and global organizations, which increases their weight and bargaining power when representing their members.

Between 2007 and 2012 the ILO implemented the COOP^{AFRICA} programme (also known as the Cooperative Facility for Africa). The strategy of this programme had been based on the findings on a



Cooperatives are engaged in the fight against child labour in cocoa plantation (Convention 182). The ILO implemented the INDISCO programme which provided support to cooperatives and similar organizations formed by indigenous minorities (Convention 169)

²³See <http://www.finmarktrust.org.za/documents/2002/DECEMBER/stokvels.pdf>

preliminary ILO research project (Research for a Cooperative Facility for Africa) which had come to the conclusion that cooperatives in Africa were about to enter a phase of “renaissance”, but needed a more favourable legal and institutional environment, greater visibility, a stronger voice, further diversification, improved governance, better management, and solid horizontal networks and vertical structures. Based on these findings, COOP^{AFRICA} pursued the overarching goal of mobilizing the cooperative self-help mechanism and to improve their governance, efficiency and performance in order to strengthen their capacity to create jobs, access markets, generate income, reduce poverty, provide social protection and give people a voice in society. COOP^{AFRICA} was active in nine Eastern and Southern African countries. The programme was expected to enter into a second phase which however never materialized due to a change in Government in the UK, which had funded the first phase.

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International Labour Office
Multilateral Cooperation Department

Decent Work for Sustainable Development

The Companion

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May 2017

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Introduction

The DW4SD Companion is grounded in the conviction that sustainable development cannot be achieved without decent work, and vice versa. The two agendas - the 2030 Sustainable Development Agenda (2030 Agenda) and the Decent Work Agenda (DWA) – are intimately related and mutually reinforcing.

The Decent Work Agenda was introduced nearly twenty years ago by the ILO; it has since then found resonance far beyond the Organization. The DWA has been endorsed at the highest level by the multilateral system and the United Nations, and incorporated into national development strategies of many countries around the globe. Decent Work is no longer just an ILO Agenda – it is now a universal development strategy.

The *DW4SD Companion* offers guidance and resources on the relationship between Decent Work and Sustainable Development. It shall support constituents, ILO staff, UN country team members, development partners and other stakeholders in their efforts to adequately situate the concept of Decent Work in national processes aimed at translating the 2030 Agenda into national plans, programmes and budgets, including:

- Processes initiated by governments to align national development strategies with the Sustainable Development Goals (SDGs) and targets (1), as well as localizing the SDG global indicator framework;
- The formulation by UN Country Teams (UNCT) of next generation United Nations Development Assistance Frameworks¹ (UNDAFs), which will be built upon the 2030 Agenda²;
- The preparation of next generation Decent Work Country Programmes (DWCPs) in line with the DWCP guidebook, whose [4th edition](#) incorporates the 2030 Agenda;
- Interagency, interministerial or multi-donor processes or mechanisms that may exist or emerge around the crosscutting nature of employment and decent work in the integrated 2030 Agenda.

The *DW4SD Companion* was developed in response to the guidance provided by constituents. The ILO Governing Body (GB), at its 325th Session (October 2015), instructed the Office to ensure that the DWA is adequately reflected in the “UN system’s response to the 2030 Agenda” (see: [decision point](#)). The 2016 International Labour Conference (ILC) adopted a [Resolution](#)³ on *Advancing Social Justice through Decent Work*, which called upon the Office to:

- “Support Members to better align Decent Work Country Programmes with national and, where appropriate, regional sustainable development strategies that integrate the 2030

¹ The UNDAF is a compact between Government and the UN and fosters national ownership through joint identification of strategic priorities, coherent engagement in national and UN coordination processes, and alignment of the UNDAF with national planning cycles. In some countries, especially middle-income countries, UNDAFs are published under a different name, such as One Plan, One Programme, Partnership, Cooperation, and/or Development Frameworks.

² The [interim UNDAF guidance book](#) underlines that the “UN system must adopt a multi-sector and multi-stakeholder integrated approach to programming that recognizes the interlinkages between the SDGs and their normative foundation”. The DWCP guidebook recalls that the “alignment of DWCPs and the new UNDAFs should take into account the ILO’s obligation to serve and involve its constituents.

³ Resolution adopted by the 105th Session of the International Labour Conference following the evaluation of the impact of the 2008 Social Justice Declaration.

Agenda and its decent work components, as well as with United Nations planning frameworks at the country or, where appropriate, regional level.”

- “Strengthen the ILO’s capacity and that of its constituents to contribute to the achievement of decent work and related goals of the 2030 Agenda at the national, regional and international levels, based on the integrated approach of the Social Justice Declaration”.

The Office responded to these decisions by developing the [ILO Implementation Plan \(IP\) - 2030 Agenda for Sustainable Development](#). The *DW4SD Companion*, developed in accordance with the Implementation Plan, is meant to:

- *Foster understanding* of the concepts and components of decent work and sustainable development, and the interlinkages between them;
- *Raise awareness* of the importance of decent work for the implementation and achievement of the SDGs, and vice versa;
- *Serve as a lens* to examine how national policies, strategies and programmes impact on employment and decent work, with the aim of maximizing this impact;
- *Provide an entry point* for structured discussions around the centrality of employment and decent work in national SDG processes, both at the *formulation* stage and at the implementation and monitoring stages⁴.

The *DW4SD Companion* comprises three chapters:

- **Chapter 1** introduces the concept of sustainable development, traces the journey from the Millennium Development Goals (MDGs) to Sustainable Development Goals, and discusses the UN and ILO’s role in assisting member States in implementing the 2030 Agenda. It provides a short summary of the DWA, and examines the synergies and complementarities between the DWA and the SDGs.
- **Chapter 2** offers guidance on how, by whom, and on which occasions the *DW4SD Companion* could be used.
- **Chapter 3** concretizes the DWA-SDG relationship by means of 24 thematic areas⁵; each section introduces the subject matter, explains how it relates to Sustainable Development, to Decent Work, and to ILO’s four cross-cutting policy drivers⁶, identifies partnerships that have been established around the theme, provides an outline of ILO’s capacity in the area, proposes a discussion guide, and offers web-based resources and reference material.

⁴ Where it can be used to analyse *existing* national and UN planning documents from a DW perspective as means to find adequate entry points for the ILO.

⁵ The selection of thematic areas was derived from the list of current [ILO topics](#), with the provision that each thematic area must relate to at least one SDG target and to at least one ILO Policy Outcome.

⁶ As proposed for the 2018/19 Programme and Budget, namely: international labour standards; social dialogue; gender equality and non-discrimination; and just transition to environmental sustainability and the environment.

Sustainable Development and Decent Work

The 2030 Agenda

The United Nations General Assembly adopted at its 68th session the [2030 Agenda for Sustainable Development](#) which comprises 17 Sustainable Development Goals (SDGs) and 169 associated targets⁷ (2).



The 2030 Agenda is an integrated plan of action structured into four parts:

- A vision and principles for *transforming the world* as set out in the Declaration;
- A results framework of global Sustainable Development Goals;
- The means of Implementation and a global partnership; and
- A mechanism for follow-up and review.

The SDGs are conceived to stimulate action in areas of critical importance for humanity and the planet, namely:

- **People:** end poverty and hunger to ensure that all human beings can fulfil their potential in dignity and equality and in a healthy environment.
- **Planet:** protect the planet from degradation so that it can support the needs of the present and future generations.
- **Prosperity:** ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature.
- **Peace:** foster peaceful, just and inclusive societies which are free from fear and violence.
- **Partnership:** mobilize the means required to implement this Agenda, based on a spirit of strengthened global solidarity, focussed in particular on the needs of the poorest and most vulnerable and with the participation of all countries, all stakeholders and all people.

⁷ Some of those targets are “means of implementation”, namely all 19 targets under SDG 17, and all targets under the remaining 16 SDGs that are identified with a letter (a, b, c) rather than a digit. In total, 60 of the 169 SDG targets are “means of implementation”.

Three principal elements distinguish the SDGs (2016-2030) from the MDGs (2000-2015):

- The SDGs address a more comprehensive development agenda that embraces economic, social and environmental concerns, including the full respect for human rights, the provision and protection of global public goods, and the preservation of peace and stability;
- The SDGs are universal, covering the needs and aspirations of all peoples and nations, whereas the MDGs were confined to the developing world;
- The SDGs shall be financed from a more comprehensive range of public and private funding sources than the MDGs, whose achievement relied heavily on aid (ODA).

From an ILO perspective, the MDGs were far less “Decent Work friendly” than the SDGs. The original MDGs were silent about employment, although a target on employment was added in 2005 stage to MDG 1 (poverty reduction). The SDGs in contrast recognize the importance of decent work to achieving sustainable development and several goals and targets are anchored in ILO labour standards, particularly Goal 8.

The UN Resolution adopting the SDGs is complemented by the outcome documents of the 3rd Financing for Development Conference (published in July 2015 as the “[Addis Ababa Agenda for Action](#)” (3)), and of the 21st Conference of the Parties of the UN Framework Convention on Climate Change, published in December 2015 under the title “[Paris Agreement](#)” (4). The Addis Ababa Agenda, which is considered the principal “means of implementation” of the 2030 Agenda, recognizes seven cross-cutting areas, two of which are closely related to ILO mandate: “*delivering social protection and essential public services for all*” (para 12) and “*generating full and productive employment and decent work for all and promoting micro, small and medium-sized enterprises*” (para 16). The Paris Agreement in its preamble takes “into account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities.”

The SDGs are being further concretized and quantified through a list of indicators to be developed by an Inter-Agency Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs); the draft indicator framework had been adopted by the Economic and Social Council in June 2016 and is expected to be endorsed by the UN General Assembly in July 2017. The tentative list prepared by the [IAEG/SDG includes 232 indicators](#)⁸ categorized in three “tiers” according the availability of data and appropriate statistical methods⁹. The ILO serves as “custodian” for 14 of those indicators¹⁰ while 17 additional indicators are considered of particular interest for DW. When examining the proposed indicators, it appears that their selection has been largely guided by the availability of data rather than by the objective requirement of the underlying goal and target. This has in many instances reduced the scope and ambition of the goal to what can be statistically measured.

While the SDGs are not legally binding, governments are expected to take ownership and establish national frameworks for the achievement of the 17 Goals. Countries have the primary responsibility

⁸ The total number of indicators listed in the final indicator proposal is 244. However, since nine indicators appear under two or three different targets, the actual total number of individual indicators in the list is 230.

⁹ Tier I: an established methodology exists and data are already widely available; Tier II: a methodology has been established but for which data are not easily available all regions; Tier III: an internationally agreed methodology has not yet been developed.

¹⁰ Namely 1.3.1 (tier II); 5.5.2 (tier I); 8.2.1 (tier I); 8.3.1 (tier II); 8.5.1 (tier II); 8.5.2 (tier I); 8.6.1 (tier I); 8.7.1 (tier I, jointly with UNICEF); 8.8.1 (tier I); 8.8.2 (tier III); 8.b.1 (tier III); 10.4.1 (tier I); 10.7.1 (tier III, jointly with the World Bank); and 14.c.1 (jointly with UN-DOALOS, FAO, UNEP and other UN-Oceans agencies).

for follow-up and review of the progress made in implementing the Goals, which will require quality, accessible and timely data collection. Regional follow-up and review will be based on national-level analyses and contribute to follow-up and review at the global level. The implementation of the SDGs will be reviewed by a [High-level Political Forum on Sustainable Development](#), which will meet once a year in July.

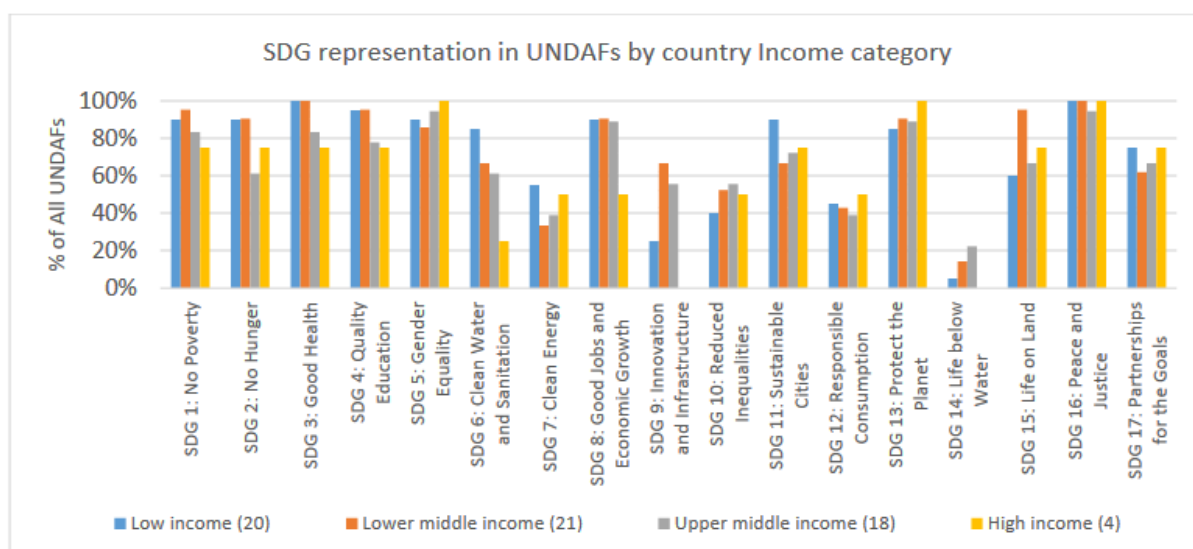
The UN has launched a system-wide [MAPS \(Mainstreaming, Acceleration and Policy Support\)](#) process (5) which frames the UN development system's support to UNCTs' engagement in the implementation of the new agenda, through their respective UNDAFs (6). MAPS promotes policy coherence and multi-stakeholder engagement, paying special attention to the cross-cutting elements of partnerships, data and accountability.

- **Mainstreaming** means anchoring *the 2030 Agenda* at the national and local levels, integrating it into national, sub-national, and local development plans for development, reflecting it in budget allocations.
- **Acceleration** calls for allocating national and UN resources to priority areas identified in the mainstreaming process, paying particular attention to synergies and trade-offs across goals and targets, to bottlenecks, to funding and partnership issues, and to measurement.
- **Policy Support** seeks to ensure that the skills and expertise of the UN development system is made available as timely and as cost-effectively as possible.



The MAPS processes provide the main entry-point for efforts to prioritize and mainstream Decent Work in the implementation of the SDGs through national development plans and similar instruments. The MAPS Guidance Document organizes the MAPS process into eight phases (see illustration); the *DW4SD Companion* relates to planning areas 1, 2 and 3 in the initial phase of the process: raising public awareness, developing multi-stakeholder approaches, and adapting the SDG to national contexts.

A review of all 125 UNDAFs starting between 2013 and 2016 showed a broad coverage of the SDGs (below) with differentiated approaches across income categories of countries (7).



From a Decent Work perspective, it is noteworthy that the SDGs 1, 3, 5, 8 and 16, which are all DW-connected, score high, indicating that the DWA is already well embedded in the majority of the ongoing UNDAFs. However, SDG 10 has a rather low score, an observation which would call for more work by the UN to combat inequality.

The Decent Work Agenda

“Decent Work¹¹” is defined by the ILO as “*productive work for women and men in conditions of freedom, equity, security and human dignity*”. Decent work involves opportunities for work that: is productive and delivers a fair income; provides security in the workplace and social protection for workers and their families; offers prospects for personal development and encourages social integration; gives people the freedom to express their concerns, to organize and to participate in decisions that affect their lives; and guarantees equal opportunities and equal treatment for all. Productive employment and decent work are key elements for reducing poverty and achieving a fair globalization.

And yet, the world is facing serious decent work “deficits”. More than 197 million persons worldwide were unemployed in 2015, and five out of ten people are in jobs that leave them vulnerable to poverty and risks such as low or insecure earnings, dangerous working conditions and lack of health insurance. Vulnerable employment¹² accounts for 1.5 billion people, or over 46 per cent of total employment. In both Southern Asia and sub-Saharan Africa, over 70 per cent of workers are in vulnerable employment. As well as having limited access to contributory social protection schemes, workers in vulnerable employment suffer from low productivity and low and highly volatile earnings. There are also significant gender gaps both in the quantity and quality of jobs. Worldwide, the chances for women to participate in the labour market remain almost 27 percentage points lower than for men, with this gap barely having shifted over the past 20 years. The gender pay gap also remains stubborn (8). Women face a 25 to 35 per cent higher risk of being in vulnerable employment than men in certain countries in Northern Africa, sub-Saharan Africa and the Arab States. In 2015, an estimated 327 million employed people were living in extreme poverty (those

¹¹ Section adapted (with some updates and edits) from the [CEB Toolkit](#).

¹² Defined as the sum of own-account workers and contributing family workers.

living on less than US\$1.90 a day in PPP terms¹³) and 967 million in moderate or near poverty (between US\$1.90 and US\$5 a day in PPP terms) (9).

To address these deficits and to place full and productive employment and decent work at the centre of economic and social policies, the DWA pursues four equally important strategic objectives as part of a balanced and integrated approach. The four pillars of the DWA which are *inseparable, interrelated and mutually supportive* are:

- Promoting **employment** by creating a sustainable institutional and economic environment in which:
 - Individuals can develop the capacities and skills they need to be productively occupied for their personal fulfilment and the common well-being;
 - All enterprises, public or private, are sustainable to spur growth create employment and income opportunities; and
 - Societies can achieve their goals of economic development, social progress and environmental sustainability.
- Extending **social protection** which is sustainable and adapted to national circumstances, including:
 - The extension of social security to all, including the provision of basic income to all in need of such protection;
 - Healthy and safe working conditions;
 - Maternity protection; and
 - Policies and laws regarding fair wages and earnings, hours and other conditions of work, designed to ensure an equal sharing of productivity gains and a minimum living wage.
- Promoting **social dialogue** and tripartism as the most appropriate methods for:
 - Translating economic development into social progress, and social progress into economic development;
 - Facilitating consensus building on national and international policies that impact on employment and decent work strategies and programmes; and
 - Making labour law and institutions effective, including in respect of the recognition of the employment relationship, the promotion of sound labour relations and the building of effective labour inspection systems.
- Respecting, promoting and realizing the fundamental **principles and rights at work**, noting:
 - That freedom of association and the effective recognition of the right to collective bargaining are particularly important to enable the attainment of Decent Work;
 - That fundamental rights, including freedom of association and collective bargaining, freedom from child labour and forced labour, and the right to equal pay and non-discrimination, are human rights;
 - That the violation of fundamental principles and rights at work cannot be invoked or otherwise used as a legitimate comparative advantage and that labour standards should not be used for protectionist trade purposes.

The DWA has found resonance far beyond the ILO. At the [2005 World Summit of the UN General Assembly](#), heads of States and governments of more than 150 countries recognized decent work as an international development goal (10). This commitment was reaffirmed in 2007 when the UN

¹³ PPP stands for *purchasing power parity*. PPPs are the rates of currency conversion that equalize the purchasing power of different currencies by eliminating the differences in price levels between countries (80).

Economic and Social Council (ECOSOC) adopted a [Resolution](#) on “The role of the United Nations system in providing full and productive employment and decent work for all”.

In order to assist member agencies in this endeavour, the United Nations System Chief Executives Board for Coordination (CEB) asked the ILO to take the lead in developing a “Toolkit” for Mainstreaming Employment and Decent Work to assist CEB member organizations in this endeavour. In 2009, the CEB adopted a portfolio of nine [joint crisis initiatives](#), two of which, namely the Global Jobs Pact and the Social Protection Floor, had been initiated by the ILO. These two initiatives have been included explicitly into the 2030 Agenda (SDG target 1.3 and 8.b).

The ILO implements the Decent Work Agenda through a process of results-based management, which includes the following components:

- The **Strategic Plan**, which is the medium-term planning instrument of the ILO. It is the expression of the strategic orientation of the Organization, what it aims to achieve and how. ILO’s next strategic plan will cover the period 2018-2021.
- Building from the Strategic Plan, the biennial **Programme and Budget (P&B)** further specifies the strategies the ILO will implement in the biennium to achieve the outcomes and the resources necessary to do so. The P&B is proposed by the GB to the ILC and must be adopted through a vote of the Conference.
- Once the P&B is approved **outcome-based work plans** are prepared for each outcome set in the results framework for the period detailing how resources will be allocated and coordinated across the Office to deliver concrete results.
- The **Decent Work Country Programmes (DWCPs)** are the ILO’s programming instrument at the country level. They provide a framework that identifies the priorities of ILO constituents in a country and specifies the planned support of the Office to the achievement of results under those priorities.
- At the end of each biennium progress towards P&B indicators is reviewed, and reported on to the GB and the ILC through the ILO **Programme Implementation Report (PIR)**. The PIR is usually published in February of the year following the biennium.

ILO’s results-based management approach is described in greater detail at the Office’s [RBM topic page](#).

Linking two Agendas: Sustainable Development and Decent Work

DWA-SDG Associations

The Director-General’s report to the 96th Session of the ILC (June 2007) had the title “*Decent work for sustainable development*” (11); the report acknowledged the triple dimension of sustainability (economic, social, environmental), and called for a “just transition to green jobs”, for the fight against “increasing inequalities”, and for “a global approach to social protection: every society needs a social floor”; those demands and others found their way into the 2030 Agenda. These early references illustrate the substantial conceptual congruence between Decent Work and Sustainable Development. Indeed, decent work features prominently in the 2030 Agenda, not only in various goals and targets, but also as part of the vision of the new Agenda (paragraph 3):

*We resolve, between now and 2030, to **end poverty** and hunger everywhere; to **combat inequalities** within and among countries; to build peaceful, just and inclusive societies; to **protect human rights** and promote **gender equality** and the **empowerment** of women and girls; and to ensure the lasting protection of the planet and its natural resources. We*

*resolve also to create conditions for sustainable, inclusive and sustained economic growth, shared prosperity and **decent work for all**, taking into account different levels of national development and capacities.*

The [Director-General's report to the 105th ILC](#) (June 2016) (12) pointed out that “There are very good reasons why the ILO and its global tripartite constituency should make the implementation of the 2030 Agenda a central objective of its activities over the next 15 years. Indeed, they have already achieved much by mobilizing to ensure that the 2030 Agenda embodies to a remarkable degree the essentials of the Decent Work Agenda (....). That is most strikingly evident in SDG 8, which commits member States to “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”. But the full extent of the alignment of the DWA and the 2030 Agenda is to be found in the totality of the inter-related goals, and the 169 targets which underpin them. It is today’s integrated global agenda for social justice, and as such a major opportunity for the ILO. With that opportunity go corresponding and special responsibilities in the implementation of the Agenda”. This statement is reflected in the ILO SDG [website](#), which establishes the connection between the DWA and each of the 17 SDGs, putting a strong emphasis on SDG 8 and the “labour market” element of the DWA.

A more detailed analysis of the DWA-SDG relationship can be done through identifying the associations that may exist between the **169 SDG targets on the one hand, and the 10 ILO Policy Outcomes and their 35 indicators on the other**. During the preparatory work for the *DW4SD Companion* a total of 5,915 possible SDG-DWA associations¹⁴ were analysed; out of those a list of 209 instances, which showed an obvious or at least plausible association between the DWA and the SDGs, was retained and forms the basis for the table below, which identifies those SDG targets that constitute the interface between the Sustainable Development Goals and the Decent Work Policy Outcomes¹⁵.

SDG Targets and Decent Work												
SDGs	Policy Outcomes											
	Employment Policy	Labour Standards	Social Protection	Enterprises	Rural Economy	Informal Economy	Labour Inspection	Unacceptable FoW	Labour Migration	Employers	Workers	Future of Work
Poverty	1.1, 1.2, 1.b		1.3		1.2							1.4
Hunger					2.3							
Health			3.8				3.9					
Education	4.3,4.4,4.5											
Gender			5.4			5.4		5.2		5.5		
Jobs	8.1, 8.2,8.3 8.5,8.6 8.b	8.5, 8.8	8.5, 8.b	8.3, 8.4, 8.10	8.2	8.3	8.8	8.5,8.7,8.8	8.8	8.1,8.2,8.3, 8.4, 8.5, 8.6, 8.7, 8.8	8.5, 8.8	8.4
Industry	9.a, 9.b			9.3						9.1,9.2,9.3, 9.4, 9.b, 9.c		9.b
Equality	10.1,10.4		10.4			10.2	10.3	10.3	10.7			
Justice		16.3					16.3, 16.6			16.3,16.5, 16.b, 16.6	16.7, 16.10	
Partnerships												17.6, 17.11

The table suggests that ten of the 17 SDGs, and 41 of the 169 SDG targets are the most relevant for the DWA. The 41 targets include those 13 for which the ILO has been appointed “[indicator custodian](#)”, plus the majority of the 17 additional ones that contains DW elements.

¹⁴ 169 SDG targets * 35 policy outcome indicators.

¹⁵ In this presentation, policy outcome 10, which includes two separate sets of indicators, occupies two columns. Moreover, a column on the “Future of Work” was added, since this centenary initiative has become a top priority of the ILO.

Limitations and Shortcomings

The 2030 Agenda is silent about social dialogue and Tripartism which are central to the DWA and indeed the ILO. However, social dialogue and the role of social partners can be construed in relation to some SDGs, primarily 16 (inclusive institutions) and 17 (partnerships)¹⁶. Moreover, the 2030 Agenda refers explicitly to just *two* ILO (core) Conventions (forced labour and child labour), largely disregarding the much broader scope of ILO instruments.

Moreover, the ILO Policy Outcomes do not capture the entire range of ILO activities and therefore, by confining the analysis to the POs and their indicators, one might omit possible DWA-SDG associations. For example, SDG targets 8.9 and 12.b refer to employment in the tourism industry. No PO indicator mentions tourism, although [Decent Work in the tourism industry](#) is a work item of the [SECTOR Department](#). Access to Finance is mentioned under five different SDGs (targets 1.4, 2.3, 5.a, 8.3, 8.10 and 9.3), but not in any PO indicator, although the ILO organigram includes a [Social Finance Programme](#). Moreover, the policy outcomes are partly overlapping with regard to their target groups and implementation strategies.

Using the *DW4SD Companion*

The DW4SD Companion's principal target groups

The *DW4SD companion's* audience will depend on the economic, social and governance situation of each country. Industrialized market economies may use it to inform their own development cooperation policies as well as internally, while developing countries may use it as an input into their domestic development processes. Certain thematic areas are more relevant to specific categories of countries, such as fragile States, middle-income countries, LDCs and small island States. It is hoped however that the *DW4SD Companion* will be of value to people everywhere, not least because Decent Work and Sustainable Development are universal goals and ambitions. With this in mind, the *DW4SD Companion* could be used by the following target groups:

1. *ILO field colleagues* (working in Country Offices, DWTTs and development cooperation projects): to assist in planning and interagency processes;
2. *ILO constituents*: to assist constituents to fully comprehend the SDGs and their association with the DWA, so as to enable them to promote and mainstream decent work in national planning processes;
3. *Members of UN Country Teams*: to enable the ILO member of UNCTs to demonstrate the interlinkage and complementarity between the DWA and the mandates of the sister UN agencies;
4. *Development cooperation officials*: to foster a better understanding of the role of employment and decent work in development policies, and eventually support thematic development groups (established at the global or the country level) on employment and decent work;
5. *Other stakeholders involved in national SDG processes* (ministries other than the Ministry of Labour, development agencies, parliamentarians, economic and social councils, faith-based organizations, civil society organizations, etc.)

¹⁶ SDG 17 is considered not a goal in itself, but a means of implementation. The implementation of SDG 17 will be reviewed once every year by the CEB-HLPF; this review will provide an opportunity to advocate for the social dialogue and tripartism aspects (beyond the funding and resource mobilization dimension of SDG 17).

In addition, the *DW4SD Companion* could be useful to ILO Regional Offices, technical departments at headquarters as well as global and regional workers and employers' organizations. It could also be used at the regional or sub-regional levels, for example by [Regional UN Development Groups](#) (13), [Regional Coordination Mechanisms](#) (14), as well as Regional Economic Commissions.

Complementary material

The *DW4SD Companion* is just one component of a more comprehensive *Decent Work for Sustainable Development Support Suite* which will comprise, in addition:

1. **The DW4SD interactive platform:** a web-based device for knowledge management and sharing on decent work and sustainable development, including good practice models, documents and tools for mainstreaming employment and decent work into SDG processes, as well as related training courses. The platform will be populated by material from the ILO and other organizations.
2. **The DW4SD application package:** a space on the interactive platform that provides access to presentations, workshop design templates, and workshop material (blind studies, reports, etc.) to enable ILO staff to design and run training courses and mainstreaming activities on their own.
3. **The DW4SD capacity-building initiative:** a programme designed primarily for ILO colleagues appointed by their departments or field offices as SDG focal points. The programme would take off with an introductory training-of-trainers' workshop, followed by decentralized workshops run by the SDG focal points in regions and countries, and by capacity building programmes on SDG.
4. **The DW4SD practitioners' network:** an association of persons engaged in mainstreaming decent work in SDG processes; the network will have access to a virtual meeting point and help-desk hosted at ITC-ILO's e-campus. The ILO SDG focal points constitute the core of the network: they will be joined by colleagues engaged in SDG mainstreaming activities in the field and at HQ, including ILO's development cooperation experts.

Where and when to use the *DW4SD Companion*

The *DW4SD Companion* can be used in different ways, including for self-study or as information material, but its main purpose is to advocate for the centrality of Decent Work in relation to Sustainable Development. **The *DW4SD Companion* should not be perceived as an attempt by the ILO to push its own agenda to the detriment of others, but rather as a tool to build multi-stakeholder partnerships on Decent Work for Sustainable Development.** This understood the *DW4SD Companion* could be used as follows:

1. **To analyse and influence national planning and budgeting processes:** governments worldwide are translating the global SDG framework into national development plans and strategies; in doing so they may prioritize certain sustainable development goals and targets. The *DW4SD Companion* will assist tripartite constituents and ILO officials in demonstrating the centrality of employment, social protection, labour rights and social dialogue not only for the achievement of the 41 decent work related SDG targets, but for the realization of the 2030 Agenda in its entirety. In addition, the *DW4SD Companion* provides arguments and information resources to support the implementation of selected national development strategies, i.e. those that are covered by the *DW4SD Companion's* 24 thematic areas.

2. *To emphasize the role of employment and decent work in UN country team planning processes:* such processes include the formulation of next generation (or post-MDG) UNDAFs, the design of joint UN programmes, and the functioning of interagency programming groups and of thematic UNDAF results groups. The UNCT must find a balance between the need to focus the UNDAF on a narrow set of priorities and the desire of each UNCT member agency to see its mandate reflected in the UNDAF. The *DW4SD Companion* provides the ILO representative with a tool to show that all UN agencies can contribute to job creation, that many agencies can play a part in extending social protection, and that the UN as a whole will benefit from a sound process of social dialogue. Advancing the DWA can and should be done through coherent and mutually supporting multidisciplinary and multi-agency approaches, and thus strengthen the “Delivery as One” efforts of the UN Country Team.
3. *To support the work of interministerial working groups on decent-work related issues:* this may include interministerial standing committees on employment and/or social protection, economic and social councils, national planning and budgeting commissions, national social dialogue institutions, or thematic groups of parliamentarians. Here the *DW4SD Companion* will support the arguments of the ministries in charge of labour and of the social partners when calling for greater support to decent job creation as a primary means to reduce poverty, fight inequality and promote national development. In some case, the actual application of the *DW4SD Companion* may foster the establishment of such interministerial working groups.
4. *To provide support to donor coordination mechanisms:* in many developing countries donors have set up development partners groups, thematic discussion groups or basket funding mechanisms to align their policies, coordinate their interventions and optimize the use of their resources. The *DW4SD Companion* can be used as a resource by the members of such groups, and/or initiate the establishment of thematic development partners’ groups on employment and decent work.
5. *To support the formulation of Decent Work Country Programmes;* DWCPs constitute ILO’s contribution to the national development plans of member States, to the country’s UNDAF, and to the pursuit of the SDGs at the national level. As pointed out in the DWCP guide book, the country programmes are owned by constituents and developed, implemented and monitored through a tripartite process.

How to use the *DW4SD Companion*

The structure of the *DW4SD Companion*’s 24 thematic sections provides the user with background information, including numerous references and hyperlinks, on selected ILO intervention areas; each section includes an explanation of the linkage between the thematic area and the SDGs on the one hand, and the DWA on the other, and offers information on relevant partnerships and ILO capacity.

The discussion guide included in each section is meant as a tool for the individual or collective assessment (self-study or group discussion) of how the thematic area under review is reflected national-level strategies, policies and plans, including UN Development Assistance Frameworks.

To use the *DW4SD Companion*, the members of the target groups identified above may carry out the following steps:

- Ideally, the user should read the entire *DW4SD Companion*; if this is not possible because of time constraints the user may decide to concentrate on the description of the 24 thematic areas and their connection with the SDGs and the DWA.

- The questions at the end of each thematic section should be used as a guide for moderated and structured group discussions in line with [the objective](#) of the *DW4SD Companion*. Depending on the target group the discussion would be moderated by the Ministry of Labour, the UN Resident Coordinator, a social partner, the ILO Director, or a development partner. The moderator may decide to focus on certain thematic areas only, he/she may adapt the questions to national circumstances, and may choose to discuss only those that are most pertinent to the country. The questions are designed to allow for a stocktaking of the main elements of a thematic area in a country. It is important that the discussion then proceeds into specific aspects, including how policies are implemented in the country.
- Based on the group discussion, the group will be able to identify measures – to be taken by government, the social partners, the UNCT, the ILO, the community of development partners, etc. – to enhance the impact of one or several thematic interventions on sustainable development, employment and decent work in the country.
- The identified measures would then form the basis for the formulation of concrete projects and programmes – using ILO technical expertise and concepts --, including logical frameworks and budgets, to be implemented by government in association with social partners, the UN, development partners and other stakeholders, to advance decent work and sustainable development in the country. The project documents in turn will facilitate the mobilization from the national budget, the donor community, the private sector or civil society.
- To support the implementation of these projects and programmes it will be essential to consolidate and enlarge existing alliances and partnerships (such as those mentioned under the respective paragraph of the 24 thematic sections), and to build new ones in areas not previously covered, such as, for example, the Future of Work.

In most circumstances, it will not be possible to devote more than one full day to the use of the *DW4SD Companion*; these time constraints will require the selection, on the basis of national priorities, of the most significant thematic areas.

The ILO stands ready to support the use and application of the *DW4SD Companion* through technical support provided by field of headquarter specialists, the training of moderators, provision of additional information resources, statistics and data, knowledge sharing between countries and among different stakeholder groups, participation in group discussions, and limited financial support for country level processes.

Thematic Areas

Themes, Goals, Outcomes: An Overview

[illegible]

1. Active Labour Market Policies

1	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			1.5, 8.5, 9.a, 9.b				1, 2, 10, 3, 4, 6

In 2016, 197 million people were unemployed and youth unemployment stood at 71 million. The challenge for governments is to generate opportunities for full, productive and freely chosen and decent employment for all women and men who seek work.

In this context, the primary goal of active labour market policies (ALMPs)¹⁷ is to increase the employment opportunities for job seekers through more effective and efficient matching of jobs (vacancies) and jobseekers and improving the employability of workers to reduce the skills mismatch. In so doing ALMPs can contribute to employment and economic growth and reduce unemployment as fast as possible and in the best possible job match, by providing them with the support they need to successfully re-enter the labour market (15).

ALMPs are usually targeted at specific groups facing particular labour market integration difficulties: younger and older people, demobilized soldiers and those particularly hard to place and far away from the labour market such as people with disabilities, the youth neither in employment, education or training (NEET), and migrants. Active labour market policies may be classified in four categories:

- employment intermediation services (job search assistance, information provision, counselling and matching);
- labour market training;
- subsidised employment (public employment/works programmes, wage and hiring subsidies, job retention subsidies); and
- entrepreneurship and self-employment.

These may be directed at specific groups of labour market participants such as the (long term) unemployed and retrenched workers, the youth as well as other disadvantaged population groups, such as rural women, those in informal employment, and indigenous peoples (particularly women). The objective of these measures is primarily economic - to increase the probability that the unemployed will find jobs or that the underemployed will increase their productivity and earnings. However, the case for active labour market policies has also been linked to the potential social benefits in the form of the inclusion and participation that comes from productive employment. In developing countries, public works have mostly served as a poverty alleviation measure rather than a labour market re-integration tool, especially when skills acquisition is not an important component of the programmes.

¹⁷ *Passive* labour market policies are those that are concerned with providing replacement income during periods of joblessness or job search, such as unemployment insurance or social transfers. They are included, for brevity, under the section on the extension of social protection. It should be noted that due to mainly fiscal constraints countries, particularly in the industrialised world, are adopting activation measures whereby recipients of passive policies are obliged to actively search for employment or participate in active measures, otherwise they face sanctions. In such cases, active and passive measures become mutually supportive and complementary.

Investments in physical, financial, natural, human and social capital are not only necessary, they also have significant potential to contribute to building climate resilience and disaster risk management. These employment intensive programmes can restore and protect the productive capacity of lands, build resilient infrastructure capable of addressing climate change and natural disasters and at the same time, create livelihood and income security for the most vulnerable. The development of appropriate climate resilient infrastructure can also contribute to environmental preservation and land conservation and productivity, as well as mitigating the impacts of future disasters – disaster risk reduction - and providing jobs to the communities that need them the most.

Prominent examples of such ALMPs include the [Mahatma Gandhi National Rural Employment Guarantee Scheme](#) (MGNREGA) in India which guarantees one hundred days of wage-employment per financial year to a rural household whose adult members volunteer to do unskilled manual work, as well as the [South African Expanded Public Works Programme](#) (EPWP) which aims at providing “*an important avenue for labour absorption and income transfers to poor households in the short to medium-term*”, also providing poverty and income relief through socially useful activities. Both of these schemes also have taken specific measures to provide women with equal opportunities for employment and skills development.

In order to ensure value for money, measurement of the effectiveness and cost efficiency of active labour market programmes continues to attract the attention of politicians, policy makers and the public at large, particularly in developed countries but also increasingly in emerging and developing countries. Impact assessments of various labour market programmes – quantitative and qualitative- are being implemented to assess labour market outcomes brought about by such programmes, including for particularly vulnerable groups such as women and the youth.

DWA-SDG Relationship

ALMPs are situated at the intersection between the employment (seen in broad terms – quantity and quality) and social protection dimensions of the DWA, and are designed to add social value to economic investments, and economic value to social expenditures. Consequently, ALMPs address both the economic and the social dimension of sustainable development and in specific cases, the environmental dimension as well. ALMPs are primarily linked to SDG target 8.5 “by 2030 achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value”, but will also play a key role in supporting target 8.b, which calls for a global strategy on youth employment and 9.a , 9.b and 9.3 facilitating sustainable and resilient infrastructure development in development countries, supporting domestic technology through its employment-intensive public works interventions and promoting access of small-scale industrial and other enterprises to financial services and their integration into value chains and markets. SDG target 8.5 is associated with ILO policy outcomes 1, 2 and 10. The ILO has developed numerous ALMP tools and strategies, such as employment-intensive investments, technical and vocational training programmes, the establishment and modernisation of public employment services, career counselling and guidance, employment services for the youth, and targeted programmes for the integration of persons with disabilities.

Cross-cutting policy drivers

The ILO puts emphasis on the full respect of all relevant international labour standards in the implementation of ALMPs.

There are relevant Conventions: In addition to those enlisted under section 3, there are other Conventions, such as Employment Service Convention, 1948 (No. 88), Private Agencies Convention,

1997 (No.181), Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159), and Older Workers Recommendation, 1980 (No. 162).

Moreover, the ILO advises governments and other implementing partners on the application of such labour standards in labour market programmes. The dual nature of ALMPs as economic and social interventions makes them particularly attractive to all three members of the ILO constituency; their design, implementation and monitoring would benefit from a concerted action initiated through social dialogue between government and the social partners.

The phrase “and equal pay for work of equal value” highlights the gender equality and non-discriminatory dimension of SDG target 8.5. ALMPs designed in support of SDG target 8.5 must incorporate this dimension, and apply relevant labour standards. The ILO supports member states to assess and strengthen the capacity for provision of employment services to women such as the support to the Turkish Public Employment Service Agency in in the last and current biennium.

Partnerships

ALMPs have gained prominence in recent years as a concrete solution to (youth-) unemployment. Related ILO programmes are being financed by the World Bank, the European Union, UN agencies and several bilateral development partners, but also (and increasingly) by the national budgets of implementing countries. In many cases ILO’s role consists of providing specific, technical labour market policy expertise while the ALMPs themselves are implemented by other partners, including government agencies and the private sector with the technical advisory support from the ILO.

The Inter-Agency Social Protection Assessments (ISPA) Initiative, which involves some 20 international development partners, provides a concrete example of successful partnership around ALMPs. The ILO is leading the [ISPA working group on public works programme tool assessment](#), to analyse the strengths and weaknesses of existing policies, schemes and programmes and administrative and implementation structures in place, contributing to social protection systems and offering active labour market policy options for further action.

ILO Capacity

At ILO headquarter level the technical units in charge of [employment policy](#) (EMP/LAB), [employment-intensive investments](#) (EMP/INVEST), [skills development](#) (SKILLS), [employment services and active labour market policies](#), [application of standards](#), [gender, equality and diversity](#), and [workers](#) and [employers](#) activities can and do provide support to ALMPs in the field. All ILO technical teams in the field include specialists covering several, if not all, these areas of expertise.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

Does the national development plan, national employment policy or labour market policy of your country include ALMPs such as:

1. The establishment, strengthening and modernisation of public employment services?
2. Employment-intensive public works or public employment programmes?
3. Wage subsidies, hiring subsidies?
4. Self-employment and entrepreneurship support?
5. Skills development and technical and vocational training including work experience for the unemployed and other jobseekers?

6. Employment promotion programmes for specific population groups (indigenous persons, persons with disabilities, migrant workers, members of demobilized armed forces, unemployed youths, rural women and those in the informal economy, etc.)?
7. Does the national budget for the current/future financial year include allocations earmarked for ALMPs?
8. Does the UNDAF of your country include elements of ALMPs?
9. Do your country's principal development partners prioritize ALMPs?
10. In case ALMPs have been implemented in the past in your country:
11. How many jobs were created?
12. Have the programmes been evaluated?
13. Did the programmes apply international labour standards?
14. Did the programmes involve social partners?

Resources

Resources on active market labour policies can be found at various ILO web sites, namely those focusing on of [labour market policy](#), on [employment services](#), on [skills development and employability](#), on [employment-intensive approaches](#), on [gender equality in the world of work](#), on [disability at the workplace](#), on the [reintegration of ex-combatants](#). Additional material is available at the [labour market page](#) of the ITC-ILO in Turin.

2. Child Labour

2	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets 8.7, 16.2			Relevant Policy Outcomes 2, 8,10			

Significant progress has already been made towards the elimination of child labour in the last two decades. However, many challenges remain: While the global number of children in child labour has declined by one third since 2000, 168 million children are still in child labour and more than half of them, 85 million, are in hazardous work. ILO's mandate in the area of child labour is grounded in two core conventions, namely C.138 the [Minimum Age Convention](#), 1973 and particularly C.182 – the [Worst Forms of Child Labour Convention](#), 1999, which quickly became ILO's most ratified instrument (180 ratifications to-date).

Considerable differences exist between the many kinds of work children do. Some are difficult and demanding, others are more hazardous and morally reprehensible. Not all work done by children should be classified as child labour that is to be targeted for elimination. Children's or adolescents' participation in work that does not affect their health and personal development or interfere with their schooling, can be regarded as something positive (16).

The term “**child labour**” in the narrower sense is defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. It refers to work that deprives them of the opportunity to attend school, obliges them to leave school prematurely, or requires them to attempt to combine school attendance with excessively long and heavy work.

In its most extreme forms, child labour involves children being enslaved, separated from their families, exposed to serious hazards and illnesses and/or left to fend for themselves on the streets of large cities – often at a very early age. ILO's priority is to eliminate without delay the *worst forms of child labour* as defined by Article 3 of ILO Convention No. 182:

- all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict;
- the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances;
- the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties;
- work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

Labour that jeopardises the physical, mental or moral well-being of a child, either because of its nature or because of the conditions in which it is carried out, is known as “hazardous work” (17).

Recent ILO statistics on child labour also reveal that:

- Asia and the Pacific still has the largest numbers (almost 78 million or 9.3% of child population), but Sub-Saharan Africa continues to be the region with the highest incidence of child labour (59 million, over 21%).

- There are 13 million (8.8%) of children in child labour in Latin America and the Caribbean and in the Middle East and North Africa there are 9.2 million (8.4%).
- Agriculture remains by far the most important sector where child labourers can be found (98 million, or 59%), but the problems are not negligible in services (54 million) and industry (12 million) – mostly in the informal economy.
- Child labour among girls fell by 40% since 2000, compared to 25% for boys (18).

ILO's International Programme on the Elimination of Child Labour (IPEC) aims at progressively eliminating child labour worldwide. Since it began operations in 1992, IPEC has worked to achieve this in several ways: through country-based programmes which promote policy reform, build institutional capacity and put in place concrete measures to end child labour; and through awareness raising and mobilization intended to change social attitudes and promote ratification and effective implementation of ILO child labour Conventions. These efforts have resulted in hundreds of thousands of children being withdrawn from work and rehabilitated or prevented from entering the workforce. Complementary to this direct action throughout has been substantial in-depth statistical and qualitative research, policy and legal analysis, programme evaluation and child labour monitoring, which have permitted the accumulation of vast knowledge base of statistical data and methodologies, thematic studies, good practices, guidelines and training materials. [IPEC+](#) (combining the fight against child labour with the eradication of forced labour) is one of [ILO's five flagship programmes](#)¹⁸.

DWA-SDG Relationship

Child labour is a violation of fundamental human rights and has been shown to hinder children's development. There is a strong link between household poverty and child labour, which also contributes to perpetuating poverty across generations by inhibiting upward social mobility based on proper education and schooling.

The elimination of child labour is explicitly referred to in SDG target 8.7 which commits the global community to "take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms". SDG target 8.7 refers to the "people" dimension, the social pillar and the rights-based nature of the 2030 Agenda. Work related to child labour also supports SDG target 16.2 "end abuse, exploitations, trafficking and all forms of violence against and torture of children", and contributes to the implementation of the [UN Convention on the Rights of the Child](#), which came into force in 1990.

As mentioned above, the elimination of child labour is the subject of two of ILO's eight fundamental conventions, which must be observed by all ILO member states, whether they have ratified them or not. All ILO constituents are united in the struggle for the eradication of the worst forms of child labour, and many technical departments contribute to this struggle in addition to IPEC.

Cross-cutting policy drivers

The elimination of child labour is not only codified in C.138 and C.182 but also referred to in many other ILO conventions and recommendations, most prominently in C.189 on Decent Work for Domestic Work. The fact that many ILO units across the organization contribute to the fight against child labour illustrates the cross-cutting nature of this work.

¹⁸ The ILO has integrated many of its existing technical projects into five flagship programmes, designed to enhance the efficiency and impact of its development cooperation with constituents on a global scale. Those five programmes are: Better Work, GAP-OSH, Social Protection Floor, Jobs for Peace and Resilience.

The fight against child labour cannot be won without the involvement of workers' and employers' organization through a process of social dialogue with governments. In 2010, the global worker and employer organizations (ITUC and IOE) came together to establish the [Child Labour Platform](#) which operates under the UN Global Compact Labour Working Group.

Child labour is a phenomenon that affects both girls and boys; whether a child is a boy or a girl can determine at what age they are sent to work and in which particular occupation. Gender differences may affect a child's access to education and assistance. The ILO considers these and many other issues that influence child labour in carrying out action to eliminate it.

Many children are engaged in hazardous occupations such as waste-picking in rubbish dumps or the recycling of electronic waste. Programmes that improve working conditions in such occupations, such as ILO's Green Jobs programme, will also reduce the plight of the children working in them.

Partnerships

The fight against child labour has been supported by voluntary contributions, domestic funding as well as support from the private sector, non-state actors, foundations and like-minded UN agencies.

Several child-labour related partnerships have been formed to sustain ILO's work: the [Global March against Child Labour](#) formed in 1998 is a worldwide network of trade unions, teachers' and civil society organisations working together to eliminate and prevent all forms of child labour, slavery and trafficking and ensure access by all children to education. The Global March was complemented in 2007 by the [International partnership for cooperation on child labour in agriculture](#), in 2010 by the above-mentioned Child Labour Platform, and in 2016 by the "[Alliance 8.7](#)" which seeks to eradicate forced labour, modern slavery, human trafficking and child labour.

ILO Capacity

The ILO Capacity at headquarters and in the field to fight against child labour has been to a large extent determined by the size of the IPEC development cooperation programme, because the large majority of ILO child labour specialist is being funded from extra-budgetary resources. IPEC is still one of ILO's single-largest development cooperation programmes worldwide, but its size has shrunk considerably in recent years, and so has the related ILO capacity. Since 2014 the ILO IPEC team at headquarters has been integrated into the [FUNDAMENTALS](#) Branch, which belongs to the Governance Department.

Discussion Guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Has your country ratified the ILO Minimum Age Convention, 1973 (No.138) and the Worst Forms of Child Labour Convention, 1999 (No.182) and, whether ratified or not, does it apply their provisions in practice?
2. Does the national development framework directly or indirectly target the elimination of the worst forms of child labour in the country?
3. Does the government ensure that its policies, programmes or activities do not negatively impact on the incidence of child labour?
4. Has your country developed and adopted a national child labour policy, and does it actively support its implementation?
5. Does your country implement concrete, time-bound and quantifiable programmes to eliminate the worst forms of child labour?

6. Does your country have monitoring and evaluation systems that measure the incidence and gravity of child labour?
7. Are the national workers' and employers' organizations actively involved in the elimination of child labour?
8. Does the UN system and the community of development partners actively support the elimination of child labour?

Resources

The web site of the [ILO IPEC programme](#) provides links to a broad range of technical subjects, data and information resources, active projects, partners and country activities. Additional resources can be found at the ILO [topic web page](#) on child labour, at the web sites referenced under “partnerships”.

3. Employment-rich Economic Growth

3	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			1.b, 8.3, 8.5, 8.6 8.b				1, 10

Economic growth alone does not necessarily translate into more and better jobs, especially for the poor, vulnerable and those at risk to be left behind. Economic growth is a prerequisite for increasing productive employment; it is the combined result of increases in employment and increases in labour productivity. Hence, the rate of economic growth sets the absolute ceiling within which growth in employment and growth in labour productivity can take place. However, the *pattern or nature of growth* matters, too. The impact of economic growth on productive employment creation depends not only on the rate of growth, but also on the efficiency by which growth translates into productive jobs. The latter depends on a range of factors, such as the sector composition of growth and the capital/labour intensity of growth within the individual sectors. There is usually a need to increase both the number of jobs and the productivity and incomes from employment. A review of economic development from an employment perspective should therefore assess to what extent economic growth has met both the need for more jobs and for higher productivity/incomes. Such an assessment needs to be broken down by economic sectors to yield meaningful insights. The extent to which economic growth is associated with and driven by a productive transformation is of major importance to the sustainability of economic development in medium and long term (19).

Indicators that measure the ability of an economy to generate sufficient employment opportunities for its population can provide valuable insights into the economy's overall development performance. These indicators include unemployment rates, employment-to-population ratios, labour force participation rates, and the employment intensity of growth or elasticity of employment with respect to output – this last indicator measures how much employment growth is associated with 1 percentage point of economic growth. The decline in the employment content of growth is a matter of policy concern. Explicitly integrating employment and decent work into economic growth and poverty reduction policies helps to maximize the benefits for people and to ensure that growth is sustainable and inclusive.

The situation of the “working poor” must be a matter of particular attention – especially in countries where the formal economy is small, many women and men are working, often arduously and for long hours, but are simply unable to earn enough to lift themselves and their families out of poverty. Combining paid and unpaid work, women work longer days than men, and this time poverty impacts on their ability to access decent work (8).

During the past fifteen years ILO, UNDP, the OECD, UN-DESA, the World Bank and others have carried out considerable analytical work on the growth-employment-poverty nexus [see for example: (20)]. The World Bank's [2013 World Development Report](#), entitled “Jobs”, highlighted the transformational role of employment in terms of rising living standards, greater social cohesion and improved productivity (21). UNDP's [2015 Human Development Report](#), published under the title “Rethinking Work for Human Development”, sought to establish the connection between work (in the broader sense) and human development (22). A joint [ILO-IMF conference](#), organized in 2010 in

Oslo, examined the relationship between growth, employment and social cohesion. The growth-employment-poverty link was also the central theme of the African Union Extraordinary Summit on Employment and Poverty Alleviation in Africa held in Ouagadougou in September 2004; the [Declaration](#) adopted on that occasion by the African Heads of State places “employment creation as an explicit and central objective of our economic and social policies at national, regional and continental levels, for sustainable poverty alleviation and with a view to improving the living conditions of our people;” (23).

To achieve the goal of *transforming growth into employment* the ILO advocates and promotes global policy frameworks and partnerships that aim at generating more quality employment opportunities. At the country level, the objective is to support the ILO constituents to develop, implement and monitor coordinated and context-specific policies and programmes that promote quality job creation through economic diversification and investment strategies, skills development for present and future needs in the labour markets and labour market activation and intermediation that integrate the most vulnerable groups. These include policies and programmes facilitating the transition to formality as well as the creation of employment and income opportunities in the rural economy (see separate section).

DWA-SDG Relationship

The very formulation of SDG 8 “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” recognizes that economic growth will be inclusive *only* if it creates jobs and decent work. Because of the strong link between growth, employment and poverty reduction activities in support of SDG 8 will support the achievement of SDG 1 (poverty) and 10 (equality) as well. The targets associated with SDG 8 cover a wide range of aspects linked to the DWA, such as productivity (8.2), entrepreneurship (8.3), green jobs (8.4), job creation (8.5), youth employment (8.6), child and forced labour (8.7), OSH (8.8), LED (8.9) and access to finance (8.10). SDG target 8.b calls for the implementation of ILO [Global Jobs Pact](#) (2009) whose fundamental objective is to provide an internationally agreed basis for policy-making designed to reduce the time lag between economic recovery and a recovery with decent work opportunities.

From a Decent Work perspective, the topic of employment-rich economic growth is of course primarily associated with the employment pillar of the DWA; but because of the integrated nature of this agenda the ILO will take the other three pillars into account as well when advocating for the greater employment intensity of economic growth.

Cross-cutting policy drivers

Many ILO instruments refer in one way or another to employment issues. Central to the issue of employment-rich economic growth is [Employment Policy Convention](#) C.122, 1964 (considered one of ILO’s priority instruments and ratified by 111 member states), the [Employment Promotion and Protection against Unemployment Convention](#) C.168, 1988, as well as Recommendations [R.122](#) (complementing C.122), [R.169 \(Employment Policy \(Supplementary Provisions\)\)](#), 1984 and [R.176](#) (complementing C.168). The application of standards is an integral part of ILO’s employment promotion programmes.

Employment promotion and the growth-employment nexus is of particular interest to governments and the social partners, and therefore a subject of social dialogue in all nations, especially in situations of economic crisis or downturn.

ILO's employment policy strategy incorporates a gender-responsive approach, including research under ILO's [Women at Work Initiative](#) and capacity building on gender equality and non-discrimination.

Climate change and the trend towards a greener economy may present both opportunities and risks for employment creation since it will change the sectoral composition of national economies. For a just and fair transition, these changes must be addressed through pro-employment macroeconomic policies as well as sectoral, industrial, trade, infrastructure investment or environmental strategies that generate more and better jobs while promoting structural transformation and enterprise development.

Partnerships

The ILO drives the global advocacy for coherence in approaches to employment-rich macroeconomic growth and scale up its support for more and better jobs, including through its leadership of the UN system-wide [Global Initiative on Decent Jobs for Youth](#). Such global advocacy also extends to the Group of 20 (G20) and to the BRICS countries¹⁹, and fosters South–South cooperation on employment policy. Partnerships and cooperation with the UN system, international financial institutions, regional economic commissions, development banks and sub-regional economic communities will be expanded to deliver on the employment-related goals and targets of the 2030 Agenda. At the national level, the strategy will require the involvement of ministries of the economy, finance, production and industry, among others, as well as close collaboration with UN country teams.

ILO Capacity

ILO's work on making economic growth more employment-friendly is driven by the Office's [Employment Policy Department](#), which is responsible for developing integrated employment, development and skills policies that maximize the employment impact of economic growth, investment and development. The Department includes three Branches: Development and Investment (DEVINVEST), Employment and Labour Market Policies (EMPLAB), and Skills and Employability (SKILLS). DEVINVEST coordinates ILO's work on crisis response and in fragile states, which include the ILO flagship programme "[Jobs for Peace and Resilience](#)." The ILO's most recent Recommendation, which revises and supersedes R.71, 1944), adopted in 2017, bears a similar title: [Employment and Decent Work for Peace and Resilience Recommendation, 2017](#) (R. 205).

Many other ILO Departments and units contribute to employment-rich economic growth: first and foremost, the Enterprises Department, but also the units working on the rural and informal economies, on migration and on sectoral activities, as well as the Research Department.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. What is your country's economic growth rate over the last ten years (overall and in terms of GDP per capita)?
2. What has been your country's performance in terms of employment creation over the last ten years (number of jobs created/shed in absolute figures, unemployment rate, and growth/decline in the labour force)?

¹⁹ Brazil, Russian Federation, India, China and South Africa.

3. Do such statistics also include an estimate of the number of “working poor”, i.e. workers who are unable to earn enough to lift themselves and their family members above the national poverty line?
4. Does the national development framework explicitly consider the impact of economic growth on employment creation for different groups of women and men?
5. Has government devised policies and strategies promoting “job-rich” growth i.e. a pattern of economic growth that generates more and better jobs?
6. Has government devised policies and strategies promoting “pro-poor” growth i.e. a pattern of economic growth that targets poor women and men in rural and urban areas, including in the informal economy?
7. Does government consider employment as a central goal of national development strategies?
8. Does government explicitly consider not just the *number* but also the *quality* of jobs created (wage or income level, working conditions, social security coverage, rights of workers)?
9. Has government adopted strategies and/or policies to support the “working poor”?

Resources

The Employment Policy Department maintains its own documentation centre which can be accessed [here](#). The centre includes several [databases](#) on youth employment, labour-market indicators, and labour-based technologies. Additional resources can be accessed through the ILO library page on [employment promotion](#).

4. Enterprise Development

4	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			8.3, 8.4, 9.3				1,4,10

Enterprises are central to the DWA and sustainable development: enterprises create jobs, observe and implement labour standards, contribute to social protection through taxes and own contributions, and constitute the place where workers and employers interact on a daily basis.

Moreover:

- the vast majority of jobs in all countries are generated by private sector enterprises, in particular small and medium enterprises (SMEs);
- many international labour standards can be implemented only if applied at the enterprise level;
- social dialogue at the enterprise level is key to improving working conditions, competitiveness and productivity;
- several larger enterprises, including multinationals, have entered into public-private partnerships with the ILO and support the Office's development cooperation portfolio;
- enterprises are the subject of one of ILO's seven centenary initiatives, namely the "[Enterprises Initiative](#)", which seeks to establish a platform for ILO engagement with enterprises which would contribute to their sustainability and to ILO goals.

The term "enterprise" covers a broad variety of business ventures of different sizes (ranging from own-account informal economy operators to multinationals controlling entire global supply chains), ownership structures (family owned, limited company, shareholding company, state-owned or parastatal, as well as cooperatives, mutual benefit societies, and similar social economy ventures), business orientation (commercial enterprises, social enterprises, public enterprises, community enterprises) or economic activity (agricultural, manufacturing, services, or a combination of those).

The mandate of ILO's work in the area of enterprise development is spelt out in [ILO R.189](#) on Job Creation in Small and Medium-Sized Enterprises Recommendation (1998), [ILO R.193](#) on the Promotion of Cooperatives (2002), and the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy ([MNE Declaration](#)), adopted in 1977 and updated in 2000, 2006 and 2016. These three instruments are being promoted by three technical units within the Enterprises Department. The ILCs 2007 and 2013 provided additional guidance through the conclusions concerning the promotion of [sustainable enterprises](#) and the conclusions concerning [achieving decent work, green jobs and sustainable development](#).

The approaches to the promotion of enterprise development have evolved over the years. Three intervention models can be identified. The first aims at promoting entrepreneurship and building the capacity of individual enterprises through increased access to relevant business development services (BDS), including access to finance. The second model seeks to assist governments and social partners in establishing a conducive and enabling environment for enterprises (including the legal and regulatory framework, the rule of law and secure property and land rights). The third intervention model seeks to improve the functioning of markets and sectors through integrated and systemic value chain development, including through bottom-up approaches to "make markets work

for the poor”. In addition, local economic development strategies have been devised to embed enterprise development into the local context. Moreover, the ILO provides guidance to enterprises on international labour standards in developing corporate social responsibility (CSR) and sustainable supply chain policies. The intervention models are being adapted to the type of enterprise in view: SMEs, multinationals or cooperatives. With respect to the latter, the ILO has in recent years enhanced its focus and expertise to the broader “*social and solidarity economy*” (SSE). According to the definition adopted at a tripartite Regional Conference on Social and Solidarity Economy held in 2009 in South Africa, the term “SSE” designates 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.”²⁰ The enterprises and organizations belonging to the SSE contribute to all four pillars of DWA by creating and sustaining jobs and livelihoods, extending social protection, strengthening and extending social dialogue to all workers, and promoting the application and enforcement of standards for all (24). In addition, given their principles and values, including solidarity, mutuality, reciprocity and voluntary participation, autonomy, as well as the “people of profit” imperative, SSE enterprises are particularly well placed to contribute to the three dimensions of the 2030 Agenda in an integrated manner.

The concept of “sustainable enterprises” relates to the three pillars of sustainable development – economic, social and environmental. The ILO will not promote just *any* enterprise, but a business that is economically viable, socially responsible and respectful of the environment. Such sustainable enterprises can flourish if the following basic conditions are met: good governance and effective social dialogue; efficient civil and political institutions and processes; macroeconomic stability and sound management of the economy; a society and culture supportive of enterprise and of entrepreneurship; the existence of adequate physical infrastructure and information and communication technologies; the availability of education, training and learning for a skilled workforce; rules and mechanisms that promote equity and economic and social inclusion; and business practices that reduce environmental damages and strive for a carbon-neutral economic activity.

DWA-SDG Relationship

The closest relationship between enterprise development and the 2030 Agenda can be found in SDG target 8.3 which underlines the importance of enterprises and entrepreneurship in relation to productive activities, decent job creation and creativity and innovation, and stresses the need to encourage formalization and growth of micro-, small- and medium-sized enterprises including through access to financial services²¹. SDG target 9.3 calls for the integration of SMEs into value chains and markets. Many additional SDGs refer indirectly to enterprises, business and the private sector in areas such as industrialization, infrastructure, energy, water, agriculture, partnerships etc. The global business community has fully embraced the 2030 Agenda, as illustrated by the “[Business for 2030](#)” and “[Coops for 2030](#)” web sites. The role and contribution of the private sector and business in achieving sustainable development is one of the major subjects of the [Addis Ababa Action Agenda](#) on financing for development; it is also at the core of SDG 17 (global partnership for sustainable development).

Enterprises contribute to sustainable development and the achievement of SDG targets by respecting workers’ rights and contributing to decent work priorities through their day to day

²⁰ [ILO Regional Conference on Social Economy, Africa’s Response to the Global Crisis, October 2009](#)

²¹ “Access to finance” is mentioned under five different SDGs (targets 1.4, 2.3, 5.a, 8.3, 8.10 and 9.3).

operations and investments. ILO's focus on *sustainable* enterprises thus directly relates to the three dimensions of the sustainable development agenda, and contributes to many of its goals and targets. Enterprise development may therefore be seen as the *private sector interface between the DWA and the 2030 Agenda*.

Cross-cutting policy drivers

Many labour standards will become effective only if they are applied at the enterprise level. Similarly, social dialogue involves processes at the enterprise level; the sectoral level; the national and international workers' and employers' organizations ultimately represent the individual employees and entrepreneurs in the private sector.

The ILO puts particular emphasis on the role of women in business development, and has designed a special programme, as well as tailor-made strategies and tools on [women's entrepreneurship](#) (WED). It has also undertaken work on care cooperatives in the context of the Women at Work Centenary Initiative. In line with its concern for the sustainability of enterprises the Office has launched the "Green Jobs" programme which advocates for cleaner, resource-efficient operations and innovations in clean technology.

Partnerships

Numerous development partners support ILO's enterprise development programme, including those mentioned under "productivity". The ILO is a member of the [Donor Committee for Enterprise Development](#) (DCED), the [United Nations Global Compact](#), the [Committee for the Promotion and Advancement of Cooperatives](#) (COPAC), [Consultative Group to Assist the Poor](#) (CGAP) and the [UN Task Force on the Social and Solidarity Economy](#) (UNTFSE). In promoting sustainable enterprises, the Office collaborates closely with the World Bank (including the IFC), UNIDO, UNEP, UNHCR, UN Women, the OECD and other agencies.

ILO Capacity

The bulk of ILO expertise in the field of enterprise development is located in the Enterprises Department and its five technical units; the headquarter specialists work together, under the umbrella of a global team, with Decent Work Technical Team specialists located in all regions, and numerous project staff recruited under development cooperation projects and programmes. In addition, a great number of ILO specialists and experts belonging to other technical units and departments are available to provide services to enterprises in areas such as working conditions, occupational safety and health, skills development, sectoral social dialogue, employment-intensive investments, etc.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Does the national programming framework of your country explicitly promote enterprise development, such as micro, small and medium size enterprises, cooperatives and social enterprises, or larger enterprises, including multinationals?
2. Do such programmes consider the quantity *and* quality of employment creation associated with enterprise development, for both women and men?
3. Do such programmes address the triple dimension of sustainable enterprise development (economic, social, and environmental)?
4. Do such programmes specifically aim to establish a conducive and responsible business environment that reduces the regulatory cost or burden of doing business, promotes the

respect for workers' rights, the rule of law and property rights, and strengthens institutions for dispute resolution, labour inspection and for enforcing contracts?

5. Do programmes exist that enhance the capacity of enterprises, particularly small and medium enterprises, cooperatives and informal economy entities, to take advantage of new market opportunities, including in export markets?
6. Do national policies adopt a value chain approach and seek to identify and support sectors, industries or enterprise clusters with high potential for upgrading their position within national and global production chains?
7. Do enterprise development programmes exist that:
 - a. Facilitate the access of enterprises to finance?
 - b. Provide training to enhance the entrepreneurial capacity of business owners?
 - c. Give particular attention to the needs of women entrepreneurs
 - d. Support young entrepreneurs?
 - e. Facilitate the access of emerging enterprises to markets?
 - f. Promote corporate social responsibility?
 - g. Adopt a local economic development approach?
8. Do such programmes encourage and support enterprises to adopt environmentally sustainable production and processing technologies?

Resources

The ILO maintains several topic portals related to enterprises: [sustainable enterprises](#), [small and medium enterprises](#), [multinational enterprises](#), and [cooperatives](#). The main page of the ILO [Enterprises Department](#) offers numerous hyperlinks to a broad range of resources related to enterprise development. Additional material can be accessed through related programmes of the ITC-ILO in Turin, namely the [enterprise programme](#), the [microfinance programme](#), and the [social economy programme](#). Moreover, the ILO Library has compiled several [research guides](#) related to enterprises and cooperatives.

5. Environment and Green Jobs

5	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets		8.4 (SDGs 7, 11-15)	Relevant Policy Outcomes			4, 10

Climate change is perhaps the greatest threat to sustainable development of the 21st century, and the global concern about this phenomenon paved the way for the adoption of the [Paris Agreement](#) by the COP 21 in December 2015. The changing climate itself; the adaptation to these changes by the people, countries and economic sectors most affected; and the mitigation measures required to reduce, if not arrest global warming and to move towards low-carbon economies have far-reaching implications for economic and social development, for production and consumption patterns and, naturally, for employment, productivity and incomes. The impacts of climate change, and mitigation or adaptation measures that exclude women in decision-making and overall their specific needs, can compound the challenges of achieving gender equality in the world of work. The effects of climate change will alter the structure of employment; new jobs and new job families will emerge, others will disappear or become unsustainable, and enterprises must find ways to organize work and production differently. At least half of the global workforce - the equivalent of 1.5 billion people – will be affected by the transition to a greener economy (25). It is against this backdrop that ILO has included a “[Green Initiative](#)” into the suite of seven [Centenary Initiatives](#) launched by the Director-General in 2012. The Green Initiative aims to scale up the ILO’s office-wide knowledge, policy advice and tools for managing a just transition to a low-carbon, sustainable future.

The objective of the Green Initiative is to equip the actors of the world of work with the understanding of the challenges and opportunities of the coming transition, and to help them take up the active role they must play in managing this change. It will further build the case that decent work approaches and social dialogue are indispensable for truly transformative change.

To that end, the ILO will continue to strengthen its role as unique policy reference on the connections between climate change, low-carbon and resource efficient strategies, on the one hand, and employment, social protection, rights, equality and social dialogue on the other. Building on the existing Green Jobs Programme (see below), and integrating with ILO country programmes and strategic outcomes, the Green Initiative catalyses the ILO’s work in four broad areas:

- *Global level:* to boost the ILO’s standing as the global centre of excellence on current and future implications for the world of work, climate change and the transition to a greener economy.
- *National level:* to enable countries to adopt and implement employment and social policies in support of national commitments on climate change, using the Just Transition policy framework and the [related ILO guidance](#).
- *Sectors and enterprises:* to incorporate ILO core values and practical approaches in global, regional, sectoral and industry policy frameworks for environmental sustainability.
- *ILO policies and practices:* to increase the understanding and use by member states, social partners, relevant UN agencies and international development partners of the importance of employment, social protection and equality in the transition to a greener economy (26).

The ILO “[Green Jobs](#)” programme promotes the “greening” of enterprises, workplace practices and the labour market as a whole. These efforts create decent employment opportunities, enhance resource efficiency and build low-carbon sustainable societies. Green jobs are defined as “decent jobs that contribute to preserve or restore the environment”, be they in traditional sectors such as manufacturing and construction, or in new, emerging green sectors such as renewable energy and energy efficiency. Such jobs help to:

- Improve energy and raw materials efficiency;
- Limit greenhouse gas emissions;
- Minimize waste and pollution;
- Protect and restore ecosystems;
- Support adaptation to the effects of climate change.

ILO’s work on Green Jobs is guided by the [Conclusions](#) concerning achieving decent work, green jobs and sustainable development adopted by the 103rd ILC in 2013 (27), further concretized through the “[Guidelines](#) for a just transition towards environmentally sustainable economies and societies for all.” adopted in November 2015 by the 325th session of the ILO Governing Body.

ILO’s Green Jobs Programme

- Provides evidence based policy advice to assess the impact of economic and environmental policies on employment and social outcomes for the formulation and implementation of effective national or sectoral policies that create green jobs, foster social inclusion and improve sustainability;
- Builds capacity by providing stakeholders with opportunities to learn about key green jobs concepts, approaches, tools and best practices;
- Focuses on enterprise and skills development for technical skills, environmental sector employment, green business start-ups, greening enterprises and sectoral interventions in construction, waste, energy, tourism, forestry and agriculture, among others;
- Works towards building a broader knowledge base by participating in global policy research and knowledge networks; and
- Advocates for the integration of decent work into climate agendas by engaging in dialogues and key negotiation processes (28).

The centrality of environmental sustainability for ILO’s work is further underlined by the fact that the topic has been proposed as one of the Office’s cross-cutting policy drivers for the 2018-19 Programme and Budget.

[DWA-SDG Relationship](#)

Sustainable development is only possible with the active engagement of the world of work. The actors in the world of work - governments, employers and workers - can be agents of change, able to develop new ways of working that safeguard the environment for present and future generations, eradicate poverty and promote social justice by fostering sustainable enterprises and creating decent work for all.

Environmental sustainability constitutes one of the three dimensions of sustainable development, and several SDGs are considered primarily “environmental”: SDG 11 (human settlements), SDG 12 (sustainable production and consumption), SDG 13 (climate change), 14 (oceans) and 15 (ecosystems). The ILO can contribute in one way or another to the achievement of all those goals, as

explained in a recent [brochure](#) (29); for the purpose of this publication, however, SDG target 8.4 (“improve global resource efficiency in consumption and production, and decouple economic growth from environmental degradation...”) appears the most relevant.

Environmental sustainability is a precondition for sustainable development and decent jobs. Progress towards the SDGs with decent work for all will require societies to move towards sustainable consumption and production patterns and safeguard the natural environment. This explains why environmental sustainability has been proposed as a cross-cutting policy driver; in addition, policy outcomes 4 (Enterprises) and 10 (workers and employers) have explicitly prioritized SDG target 8.4 within their implementation strategies.

Cross-cutting policy drivers

In addition to serving as a cross-cutting policy driver social dialogue, an engaging employers’ and workers’ organizations at all levels, is considered an essential mechanism for developing strategies that ensure that the transition towards a greener economy are both efficient and equitable. Moreover, ILO’s green jobs programme distinguishes itself from other environmental job creation programmes in that it incorporates all relevant labour standards in its implementation. In doing so it supports a just transition to a green economy.

As a means of promoting employment and the overall functioning of labour markets in the green economy, the ILO supports the integration of gender equality and non-discrimination into the broader policy agenda (climate-resilient strategies, sustainable growth and poverty reduction). Strategies and approaches to develop the Green Economy must therefore be fully gender mainstreamed. The connection between gender equality and green jobs is explained in greater detail in a [dedicated ILO brochure](#). (30). The important role of indigenous peoples in this context is also highlighted in an ILO [brochure](#).

Partnerships

The ILO Green Jobs programme has established (or takes part in) a number of multi-agency networks and [partnerships](#), namely the [Partnership for Action on Green Economy \(PAGE\)](#), the [Green Growth Knowledge Platform](#) (GGKP), the [Green Jobs Assessment Institutions Network](#) (GAIN), and the [International Institute for Sustainable Development \(IISD\)](#). Development partners supporting the Green Jobs programme include Canada, Finland, Norway, as well as the UN (though joint UN programmes at the country level). A full list of Green Jobs-related projects is provided [here](#).

ILO Capacity

The ILO Green Jobs programme is coordinated by a relatively small [team](#) based at headquarters within the Enterprises Department, and represented in the various regions by technical specialists working on enterprise development, and by development cooperation experts working for Green Jobs-related projects. In addition, many other ILO specialists and experts, working in areas such as employment policy, employment-intensive investments, enterprise and cooperative development, working conditions, skills development, employers’ and workers’ activities, and sectoral activities, contribute to ILO’s broader work on environmental sustainability.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Does the national programming framework explicitly address issues related to climate change, environmental sustainability, and the greening of the national economy, including from a gender perspective?

2. Does government assess the job destruction and job creation potentials of these measures, including on traditional livelihoods of indigenous and tribal peoples?
3. Does the government of your country adopt regulations, offer incentives, or otherwise implement strategies to make production and consumption more sustainable (in terms of energy consumption, resource depletion, emissions etc.)?
4. Does the national labour law and the labour inspection system take into account environment-related effects on the workplace environment, including occupational safety and health conditions?
5. Does government conduct environmental impact assessments, for example when deciding on investments or evaluating a programme, including on lands traditionally occupied by indigenous and tribal peoples?
6. Does government implement programmes to assist affected communities to adapt to climate change?
7. Does government promote “green jobs” (as defined in this section)?
8. Are the social partners actively involved in the design, implementation and monitoring of measures designed to enhance the environmental sustainability of the national economy?
9. Does the community of development partners, including the UN system, support the government’s efforts to make the national economy more environmentally sustainable?

Resources

ILO’s [green jobs portal](#) provides numerous links to related publications, events, multi-media resources and training opportunities. Further information on the latter can be found at the ITC-ILO Turin’s [green jobs](#) page.

6. Equality

6	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			10.1, 10.3, 10.4				1, 3, 7, 8

There is growing evidence in the world today of a shift towards returns on capital and away from labour, together with increasing income inequality. The labour share in national income is declining while that of profits is rising in many countries. The current patterns of growth tend to favour the better-off more than the poor. Wage inequality has been increasing. In some countries, there has been a sharp rise in earnings of the highest paid, with important gender dimensions; in other countries, skilled workers in high demand in the labour market have received growing wage premiums. On the other hand, labour market reforms designed to promote flexibility and lower labour costs, cuts to welfare benefits, less progressive tax policies, weaker collective bargaining and an absence of tripartite social dialogue, and low minimum wages, have all contributed to weakening the position of the lower 50 per cent of income earners in many countries.

Inequality weakens the link between economic growth and employment creation generally and between economic growth and reduction of poverty and working poverty and other dimensions of decent work deficits. Inequality has not only material, but also many non-material dimensions, such as unequal power and voice, unequal access to rights, social protection, social capital etc. These different dimensions of inequality are often linked and tend to reinforce each other (19). The focus of this section is primarily on the income aspect of inequality; other dimensions of inequality are discussed in the section on gender equality and non-discrimination, though are very relevant to income inequality, in particular there is a clear link between unequal pay between women and men and income inequality (31).

The Gini coefficient²² is commonly used to measure income inequality. Considering income distribution of all human beings, the worldwide income inequality has been constantly increasing since the early 19th century. There was a steady increase in global income inequality Gini score from 1820 to 2002, with a significant increase between 1980 (a Gini coefficient of 0.43) and 2002 (0.71). This trend appears to have peaked and begun a reversal with rapid economic growth in emerging economies, particularly in the large populations of BRIC countries. Latin America and the Caribbean region had the highest net income Gini index in the world at 0.48, on unweighted average basis in 2008. The remaining regional averages were: sub-Saharan Africa 0.44, Asia (0.40), Middle East and North Africa (0.39), Eastern Europe and Central Asia (0.35), and High-income Countries (0.31). South Africa had the highest income Gini index score of 0.68 (32).

In many countries, inequality starts in the labour market. Changes in the distribution of wages and paid employment have been key factors behind recent inequality trends. In developed economies where inequality increased most, this was frequently due to a combination of more wage inequality and job losses. A number of emerging and developing economies experienced declines in inequality.

²² The GINI coefficient ranges from 0 (all people own equal wealth, perfect equality) to 1 (one person owns all, the others nothing: total inequality).

In these countries, a more equitable distribution of wages and paid employment was a predominant factor (33).

Growing inequality is partly caused by a declining share of wages in national economies, because income from capital is more highly concentrated than income from wages. Between 1999 and 2013, labour productivity growth in developed economies outstripped real wage growth, and labour's share of national income fell in the largest economies. The adjusted labour share in the EU plus 11 OECD countries fell from 64 per cent in 1991 to 58 per cent in 2013 (34).

To combat inequality the ILO proposes the following policy responses (33):

- **Promoting job creation:** Job creation is a priority in all countries, and access to, or loss of, paid employment is a key determinant of income inequality. In developed economies, job losses that disproportionately affected low-income workers contributes to increasing inequality. In emerging and developing economies, the creation of paid employment for those at the bottom of the wage structure, who are disproportionately women contributes to reducing inequality in several countries.
- **Fiscal redistribution through taxes and social protection systems:** fiscal policies can compensate to some extent for inequality in the labour market, through both progressive taxation systems and transfers that tend to reduce inequality in household incomes. Emerging and developing economies should increase tax revenues through a variety of measures, including by broadening the tax base through the transition of workers and enterprises from the informal to the formal economy as well as by improving tax collection; this would allow for the extension of social protection systems to unprotected segments of the population.
- **Minimum wages and collective bargaining:** Recent research suggests that governments have considerable space for using minimum wages as a policy tool. On the one hand, research shows that there is either no trade-off between increased minimum wages and employment levels or that such increases have very limited effects on employment, which can be either positive or negative. On the other, it shows that minimum wages do contribute effectively to reducing wage inequality and reducing the gender pay gap.
- **Special attention to disadvantaged groups of workers:** Extending minimum wages and collective bargaining to low-paid workers will generally be helpful in reducing inequality among women, migrants and vulnerable groups, who are over-represented among these workers. However, these policy tools alone will not eliminate all forms of discrimination or wage gaps, which constitute a significant source of inequality. A wider range of policies is required to overcome wage gaps across groups that are not explained by human capital and labour market characteristics. For example, achieving equal pay between men and women requires policies aimed at combating discriminatory practices and gender-based stereotypes about the value of women's work, effective policies on maternity, paternity and parental leave, as well as advocacy for better sharing of family responsibilities.

In some emerging and developing economies, raising the income of low-income groups has been achieved through direct employment programmes (as in India and South Africa) and cash transfers (as in Brazil and Mexico, among many other countries). In the end, the most effective and sustainable route out of poverty for the working-age population is a productive, fairly paid job. Policies should be geared towards this objective.

DWA-SDG Relationship

The issue of equality is central to the 2030 Agenda which strives “to ensure that all human beings can fulfil their potential in dignity and equality”; consequently, the Agenda includes an “equality” goal 10 that seeks to “reduce inequality within and among countries”; from a Decent Work perspective, the most relevant targets under this goal are 10.1 (income equality), 10.3 (equal opportunity) and 10.4 (fiscal, wage and social protection policies for equality). In addition, many other SDG targets (namely 1.4, 2.3, 5.5, 5.a, 5.c, 8.5 and 16.3) all call for equal rights, equal access, equal opportunities or equal pay.

The struggle for greater equality is fundamental to the DWA. The promotion of social justice as the principal strategy to achieve greater equality is highlighted in the very first sentence of the ILO Constitution: “Whereas universal and lasting peace can be established only if it is based upon social justice...”; it was reaffirmed by the Declaration of Philadelphia (1944), which states that “all human beings, irrespective of race, creed or sex, have the right to pursue their material wellbeing and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity. The [Social Justice Declaration](#) (1998), also underlined that the “four strategic objectives are inseparable, interrelated and mutually supportive”, and that gender equality and non-discrimination cut across all the strategic objectives; and more recently, by the 2016 [Resolution on Advancing Social Justice through Decent Work](#). In fact, the simultaneous promotion of the four pillars of DWA has the potential to significantly reduce inequality. Moreover, the implementation of the recommendation adopted in 2004 by the World Commission on the Social Dimension of Globalization under the title “[A Fair Globalization](#)” would contribute greatly to reducing inequality *among* countries (SDG 10) (35).

Cross-cutting policy drivers

Greater equality of income and opportunity can be achieved only through the implementation of the DWA in its entirety. The enforcement of rights will protect disadvantaged population groups; the extension of social protection entails a transfer of resources from the rich to the poor; the creation of jobs will raise the share of wages in national economies; and the promotion of social dialogue at all levels provides workers and civil society with voice and representation. The pursuit of the objective of equality is inherent in the cross-cutting policy driver on gender equality and non-discrimination, as it resonates so closely with ILO’s core objective: to achieve social justice for all.

Partnerships

Addressing inequalities is at the heart of the 2030 Agenda, and the struggle equality of opportunities and equality of outcomes concerns each and every entity of the UN system, as well as many non-UN agencies. The ILO has not entered into specific “equality partnerships”, but has concluded [Memoranda of Understanding](#) with all major UN agencies, funds and programmes, with many regional organizations and development banks, and with numerous development partners, civil society organizations and the private sector, that all refer to the DWA as the principal instrument to promote greater social justice and, thereby, contribute to greater equality. The centrality of the quest for social justice for the UN system was reaffirmed in 2007, when the UN General Assembly declared the 20th of February to become the [World Day of Social Justice](#).

ILO Capacity

The cross-cutting, all-encompassing nature of the battle for decent work, social justice and equality concerns every single technical unit, every field office and every technical team of the ILO; each of these units, offices and teams contribute with their specific expertise, knowledge and tools to the office-wide, multi-dimensional concern. This notwithstanding, four ILO Policy Outcomes that have

explicitly prioritized SDG 10 are: PO 1 (more and better jobs); PO 3 (social protection), PO 7 (compliance) and PO 8 (unacceptable forms of work). The units in charge of those outcomes could be seen as the champions of ILO's equality work, as well as the Gender, Equality and Diversity Branch, which coordinates the work on the cross-cutting policy driver on gender equality and non-discrimination.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. What is the Gini coefficient of your country, and how has it evolved over the last ten years? What have been the trends in wage inequality and labour income shares?
2. What are the reasons for the increase or decrease in wage and income inequality as shown in the changes of the Gini coefficient, and in labour income shares?
3. Has the government adopted specific policies to reduce the level of inequality in your country?
4. If yes, do these policies include measures to:
 - a. Create jobs?
 - b. Formalize the informal economy?
 - c. Promote gender equality, including equal pay for work of equal value?
 - d. Extend social protection to disadvantaged population groups?
 - e. Set minimum wages, and/or determine wage setting mechanisms?
 - f. Protect and advance the rights and interests of disadvantaged population groups?
 - g. Facilitate access to land, food, services, resources, markets, justice, information, etc.?
5. Are the social partners involved in the design and implementation of policies targeting inequality?

Resources

The relevant section of the [ILO Country Diagnostic Tool](#) (pages 24 to 27) provide guidance on how to locate data and indicators on inequality and poverty at the national level. Resources related to ILO's work on equality can be found under the sections on [active labour market policies](#), [working conditions](#), [non-discrimination](#), [social protection](#) and the [informal economy](#), to name but a few.

7. Forced Labour

7	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets 5.2, 8.7			Relevant Policy Outcomes 8, 10			

Forced labour takes different forms, including debt bondage, trafficking and other forms of modern slavery. The victims are the most vulnerable – women and girls forced into prostitution, migrants trapped in debt bondage, and sweatshop or farm workers kept there by clearly illegal tactics and paid little or nothing. Although forced labour is universally condemned, ILO estimates show that 20.9 million people around the world are still in forced labour, more than half of whom are women and girls. Available data indicate that numbers of people in forced labour are not decreasing and may even be on the rise.

According to the ILO's [Forced Labour Convention No. 29](#), 1930, forced or compulsory labour is all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily. It can occur where work is forced upon people by State authorities, by private enterprises or by individuals. The concept of forced labour covers a wide range of coercive labour practices, which occur in all types of economic activity and in all parts of the world (36).

Of the total number of victims of forced labour, 18.7 million are exploited in the private economy, by individuals or enterprises, and the remaining 2.2 million are in state-imposed forms of forced labour. Among those exploited by private individuals or enterprises, 4.5 million are victims of forced sexual exploitation and 14.2 million of forced labour exploitation. Forced labour in the private economy generates US\$ 150 billion in illegal profits per year.

Vestiges of slavery are still found in some parts of Africa, while forced labour in the form of coercive and deceptive recruitment is present in many countries of Latin America, and elsewhere. In numerous countries, domestic workers are trapped in situations of forced labour, and in many cases, they are restrained from leaving the employers' home through threats or violence. Bonded labour persists in South Asia where millions of men, women, and children are tied to their work through a vicious cycle of debt. In Europe and North America, an increasing number of women and children are victims of trafficking for labour and sexual exploitation. Trafficking in persons has been the subject of growing international attention in recent years. Finally, forced labour is still imposed by the State for the purposes of economic development or as a punishment, including for expressing political views (37).

ILO's work towards the eradication of forced labour is grounded in two core conventions complemented by a Protocol:

- The [Forced Labour Convention, 1930 \(No. 29\)](#) prohibits all forms of forced or compulsory labour. Exceptions are provided for work required by compulsory military service, normal civic obligations, as a consequence of a conviction in a court of law, in cases of emergency, and for minor communal services performed by the members of a community in the direct interest of the community.
- The [Abolition of Forced Labour Convention, 1957 \(No. 105\)](#) prohibits forced or compulsory labour as a means of political coercion or education or as a punishment for holding or

expressing political views or views ideologically opposed to the established political, social or economic system; as a method of mobilizing and using labour for purposes of economic development; as a means of labour discipline; as a punishment for having participated in strikes; and as a means of racial, social, national or religious discrimination.

- The [Protocol of 2014 to the Forced Labour Convention, 1930](#) and the [Forced Labour \(Supplementary Measures\) Recommendation, 2014 \(No. 203\)](#) aim to advance prevention, protection and compensation measures, as well as to intensify efforts to eliminate contemporary forms of slavery. The Forced Labour Protocol entered into force on 9th November 2016, a year after it gained its second ratification. It means that all countries that have ratified now have to meet the obligations outlined in the Protocol.

The ILO strategy to combat forced labour proposes the following action points (38):

- Raise awareness of forced labour and promote ratification related instruments;
- Improve statistics, data collection and research for better policies;
- Enhance policies, action plans and the capacity of national and regional institutions to combat forced labour and human trafficking;
- Strengthen legislation to protect victims, prevent and prosecute the use of forced labour.
- Promote fair labour recruitment practices and good migration governance;
- Support the empowerment of people at risk and address the root causes of forced labour;
- Enforce criminal, labour and other relevant legislation effectively;
- Protect victims of forced labour and provide access to remedies.

DWA-SDG Relationship

The Resolution “Transforming our world: the 2030 Agenda for Sustainable Development”, adopted by the UN General Assembly in September 2015, declares in paragraph 27 that “we will eradicate forced labour and human trafficking and end child labour in all its forms.” This is further clarified in SDG target 8.7, which commits the global community to “take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking”. International action to abolish forced labour also contributes to the implementation of the [UN Convention to Suppress the Slave Trade and Slavery](#) (1926), which has been ratified by 99 countries.

Forced labour in all its forms can be considered the antonym to Decent Work, and the eradication of forced labour advances the DWA in all its dimensions. As mentioned above, the elimination of forced labour is the subject of two of ILO’s eight fundamental conventions, which must be observed by all ILO member states, irrespective of them having them ratified or not. All ILO constituents contribute to the struggle against forced labour and the remnants of slavery.

Cross-cutting policy drivers

The elimination of forced labour is subject not only to the above core conventions, the 2014 Protocol and R.203, but is also indirectly referred to in other ILO instruments, as well as in the ILO Constitution, whose preamble states: “Whereas also the failure of any nation to adopt humane conditions of labour”, and in the Declaration of Philadelphia, which states that “all human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity.

The fight against forced labour engages governments, employers, workers and civil society in its entirety, and social dialogue is an essential strategy to win this fight. In the private sector, many

codes, agreements and initiatives refer to the prohibition of forced labour. Both the [IOE](#) and the [ITUC](#) maintain dedicated web sites on forced labour and trafficking.

Some 60% of the victims of forced labour and trafficking are women, the majority of whom are forced into sexual exploitation or are exploited in agriculture or domestic work. This calls for gender-specific and gender-responsive strategies to end forced labour.

Partnerships

Field activities in the area of forced labour are supported by relatively large extra-budgetary allocations from development partners such as the United States, the United Kingdom and the European Union. In 2013 the ILO, with the support of IOE, the ITUC and many other organizations, launched the “[50 for Freedom](#)” campaign with the aim of persuading at least 50 ILO member states to ratify the 2014 Protocol. So far eight ratifications have been registered. The “[Alliance 8.7](#)”, formed in 2016, brings together governments, workers, employers and like-minded organizations, seeks to eradicate both forced labour and child labour.

ILO Capacity

In 2002 ILO’s fight against forced labour was reinvigorated through the launch of a Special Action Programme to Combat Forced Labour (SAP-FL); the programme was meant to raise global awareness and understanding of modern forced labour, assist governments to develop and implement new laws, policies and action plans, develop training materials on key aspects of forced labour, and implement field projects. With the decision taken in 2014 to concentrate ILO’s work on the eight core conventions in a single unit (called “FUNDAMENTALS”) the Programme was merged with IPEC to form the “[IPEC+](#)” Flagship programme, which was launched in 2016.

With a relative small team at headquarters and no technical specialists dedicated to forced labour ILO’s capacity in this area depends to a large extent on extra-budgetary resources. In recent years the sensitivity of the global donor community to forced labour issues has grown, and new, relatively large regional programmes have been approved. It is hoped that this endeavour will continue through the work of “Alliance 8.7”.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Have incidences of forced labour and/or trafficking in persons been reported in your country?
2. Does the national programming framework address forced and/or trafficking in persons in the country?
3. Do legal instruments exist in your country to reprimand and sanction any form of violation related to forced labour, human trafficking, slavery or bonded labour?
4. Does the government of your country monitor and evaluate activities aimed at preventing or eliminating these forms of forced labour?
5. Are the workers’ and employers’ organizations of your country actively engaged in the fight against forced labour?
6. Is the donor community, including the UN system, involved in the fight against forced labour?

Resources

An up-to-date list of ILO projects related to child labour and forced labour can be accessed at the FUNDAMENTALS [project web page](#). Publications and documents relating to forced labour can be

found at the programme's [resources page](#). Statistics and indicators on forced labour and trafficking can be found [here](#).

8. Freedom of Association

8	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
							
	Relevant SDG targets			Relevant Policy Outcomes			
			8.8, 16.3, 16.6, 16.10				2, 7, 10

Freedom of association²³ is a fundamental human right proclaimed in the [Universal Declaration of Human Rights](#)²⁴ (1948). It is the enabling right to allow effective participation of non-state actors in economic and social policy, lying at the basis of democracy and the rule of law. Ensuring that workers and employers have a voice and are represented is, therefore, essential for the effective functioning not only of labour markets but also of overall governance structures in a country.

The right of workers and employers to form and join organizations of their own choosing is an integral part of a free and open society. In many cases, these organizations have played a significant role in their countries' democratic transformation. From advising governments on labour legislation to providing education and training for trade unions and employer groups, the ILO is regularly engaged in promoting freedom of association. (39).

Closely linked to freedom of association is the issue of *collective bargaining*; collective bargaining²⁵ is a fundamental right that is rooted in the ILO Constitution and reaffirmed as such in the 1998 ILO [Declaration on Fundamental Principles and Rights at Work](#). Collective bargaining is a key means through which employers and their organizations and trade unions can establish fair wages and working conditions, and ensure equal opportunities between women and men. It also provides the basis for sound labour relations. Typical issues on the bargaining agenda include wages, working time, training, occupational health and safety and equal treatment. The objective of these negotiations is to arrive at a collective agreement that regulates terms and conditions of employment. Collective agreements may also address the rights and responsibilities of the parties thus ensuring harmonious and productive industries and workplaces. Enhancing the inclusiveness of collective bargaining and collective agreements is a key means for reducing inequality and extending labour protection.

Freedom of association and collective bargaining are among the founding principles of the ILO. Soon after the adoption of the (fundamental) ILO Conventions [C.87](#) and [C.98](#) on freedom of association and collective bargaining, the ILO came to the conclusion that a supervisory procedure was needed to ensure compliance with the relevant conventions in countries that had not ratified them. As a

²³ Defined as follows by [C.87](#), article 2: “Workers and employers, without distinction whatsoever, shall have the right to establish and, subject only to the rules of the organisation concerned, to join organisations of their own choosing without previous authorisation”.

²⁴ Article 20: (1) Everyone has the right to freedom of peaceful assembly and association. (2) No one may be compelled to belong to an association.

²⁵ ILO [C.154](#) (article 2) defines the term “collective bargaining” as “all negotiations which take place between an employer, a group of employers or one or more employers' organisations, on the one hand, and one or more workers' organisations, on the other, for: (a) determining working conditions and terms of employment; and/or (b) regulating relations between employers and workers; and/or (c) regulating relations between employers or their organisations and a workers' organisation or workers' organisations.”

result, in 1951 the ILO set up the Committee on Freedom of Association (CFA) for the purpose of examining complaints about violations of freedom of association, whether or not the country concerned had ratified the relevant conventions. The CFA is a Governing Body committee, and is composed of an independent chairperson and three representatives each of governments, employers, and workers. Further details on the functioning of the CFA are provided [here](#).

Over the years the ILC has adopted a number of additional Conventions and Recommendations relating to collective bargaining, such as [C.154](#), the Collective Bargaining Convention (1981); a full list of related instruments is listed [here](#).

DWA-SDG Relationship

As mentioned above, freedom of association is a democratic human right under the Universal Declaration of Human Rights and therefore central to the 2030 Agenda which seeks to “realize the human rights of all” ([Preamble to the Declaration](#)). SDG target 8.8 calls for the protection “of labour rights of all workers”; target 16.3 seeks to promote the rule of law both nationally and internationally, target 16.6 demands the development of “effective, accountable and transparent institutions at all levels (which are essential for the protection of the freedom of association and the right to collective bargaining), and target 16.10 enjoins the protection of fundamental freedoms.

Freedom of association and the right to collective bargaining are the subject of two of ILO’s eight fundamental core conventions and constitute a central pillar of the ILO. They are an important contribution to the rights-based dimension of the 2030 Agenda. Policy outcomes 2 (labour standards), PO7 (compliance) and PO10 (workers and employers) are of particular importance for the enforcement of the rights to organize and to bargain collectively, but all other policy outcome must promote these rights within their respective sphere.

Cross-cutting policy drivers

The ILO Social Justice Declaration recognizes that freedom of association and the effective recognition of the right to collective bargaining are particularly important to enable the attainment of the four strategic objectives of the ILO, as “enabling” rights for all other rights at work. They are therefore cross-cutting policy drivers in their own right.

Tripartite social dialogue is a pivotal element of the implementation strategy of C.87 and C.98 in that it strengthens the tripartite constituents’ capacity to engage in ILO standards-related processes globally and at the country level, including follow-up on the comments of the supervisory system.

The Declaration of Philadelphia reminds us that right of collective bargaining is “fully applicable to **all** people everywhere”; moreover, SDG target 8.8. seeks to “protect labour rights of **all** workers, including migrant workers, particularly women migrants, and those in precarious employment”; , however, one may encounter inequalities and discrimination at the country level, and the concerns and aspirations of marginalized groups must be duly taken into account when promoting the freedom of association and the right of collective bargaining.

Partnerships

All UN agencies have the obligation to promote the fundamental human freedoms and rights, including those enshrined in C.87 and C.98. The ILO maintains a particularly close partnership with the Office of the High Commissioner for Human Rights ([OHCHR](#)) who has appointed a [Special Rapporteur](#) on the rights to freedom of peaceful assembly and of association, and with the [UN Global Compact](#). Trade unions, employers’ organizations and civil society groups worldwide refer to the two fundamental ILO Conventions when fighting for their rights. Several development partners

support ILO's work in areas related to collective bargaining, including the US Department of Labour, the EU, Germany and Sweden.

ILO Capacity

ILO's work on Freedom of Association and Collective Bargaining is co-ordinated by two ILO units: the Fundamental Principles and Rights at Work Branch ([FUNDAMENTALS](#)), which promotes FoA through development cooperation, and the International Labour Standards Department ([NORMES](#)), which supervises the application of FoA standards and principles, and provides technical assistance in this regard, including through the standards specialists in Decent Work Technical Teams. The work is further supported by the headquarter staff and field specialists of the Bureau for Employers' Activities ([ACT/EMP](#)) and Bureau for Workers' Activities ([ACTRAV](#)). Work on gender and collective bargaining is supported by the Gender, Equality and Diversity Branch (GED) and the Inclusive Labour Markets, Labour Relations and Working Conditions Branch (INWORK). In addition, the ILO experts working in technical cooperation [projects](#) related to collective working add their expertise and capacity to the Office's standard-related work. The International Training Centre of the ILO in Turin, offers numerous courses related to international labour standards (see the updated list [here](#)).

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Has your country ratified C.87 and C.98, and does it apply their provisions in practice?
2. Has your country any cases pending at the Committee on Freedom of Association?
3. Does government promote and respect the right of employers and workers, as well as other interest groups, to freely organize and voice their concerns?
4. Does the government consult employers and workers at local and national level in developing national plans and policies?
5. Have any violations of rights to freedom of association and to collective bargaining been reported or observed in the country?
6. Do the members of the UN Country Team actively support ILO's work in the areas of freedom of association and of collective bargaining?

Resources

Reports, information material and data-bases can be found at the Freedom of association [topic page](#) and the Collective bargaining [topic page](#). Publications on collective bargaining and labour relations can be accessed [here](#). The ILO [NORMLEX database](#) provides information on the comments of the ILO supervisory bodies on the application of freedom of association standards and principles.

9. Future of Work

9	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			All				All

The topic “Future of Work” distinguishes itself from the other subjects included in this compilation in that it does not (yet) constitute a specific work area, nor belong to a particular organizational unit of the Office; the topic was launched in 2013 by the Director-General as one of seven “Centenary Initiatives” announced in his report to the 102nd ILC (40). In his [opening address](#) to the 102nd ILC the Director-General presented the “Future of Work” initiative as an umbrella and point of convergence for the other six centenary initiatives²⁶. Indeed, “FoW” quickly occupied the centre of attention of ILO constituents, ILO staff and the public, and became the subject of the Director-General’s report to the 104th ILC (41); the report emphasized that “the initiative must, by definition, be a contribution to the cause of social justice. What gives it particular significance, and perhaps explains the great interest it has evoked, is that it is launched in a context of great uncertainty and insecurity, and of fear that the direction of change in the world of work is away from, not towards, the achievement of social justice.” In his [speech](#) on the occasion of his re-election in November 2016 the Director-General remarked: *“I have spoken to you and the others about the extraordinary challenges that result from the reality of unprecedented, transformative change in the world of work, change which seems to excite and to intimidate in more or less equal measure, but which in any case apparently unites us in the realisation that now is the time to reflect profoundly on the future of work.”*

The world of work is undergoing a major process of change. There are several forces transforming it, from the onward march of technology and the impact of climate change to the impact of demographic changes in economics and employment (42):

- While the nature and location of work has always been changing, the pace of change has greatly accelerated, the scope of change has broadened, and the impact of change has deepened, affecting even existing social values.
- The drivers of change in the world of work include aspects such as globalization, automation, digitization, demographic developments, global warming and other environmental developments, etc.; those are not new, but the speed of change has increased greatly during the last two decades: the rapid expansion and acceleration of communication technologies, the spectacular progress in automation and digitization, as well as the increase and growing importance of emerging economic sectors, such as the care economy.
- The possible impact of such developments on the world of work could be as follows:
 - Work may not necessarily need a work place anymore; people can work from anywhere, and remote work arrangements will become common place.
 - Employment relationships will evolve and may require new contractual arrangements, which may not always provide a sufficient level of worker protection.

²⁶ Poverty Initiative; Enterprises Initiative; Women at work Initiative; Green Initiative; Standards Initiative; Governance Initiative.

- Collaborative technologies, collective entrepreneurship and virtual team work will gain in importance, as will sub-contract and outsourcing arrangements. This will lead to an expansion of hitherto “atypical” employment relationships. Work will become more isolated, more fragile, less predictable, and less secure.
- Businesses will seek to enhance “productivity” by transferring ever more tasks from the company to the user (e-banking, e-check in, e-check out etc.).
- Production, manufacturing and services will be further decentralized (3-D printing, internet-based services etc.), while data and information will be further centralized (cloud computing, crowd sourcing, “big data”).
- The age pyramid will in a growing number of countries turn upside down, thus creating new demand for goods and services designed specifically for the elderly.

Additional innovations, such as genetic engineering, cell stem therapy, nano-technology, supra-conductors etc. are likely to further impact on the world of work.

The Future of Work initiative involves the ILO's tripartite constituency fully and universally, but will also to reach beyond them to the academic world and other relevant and interested actors. During 2016, all ILO members States were invited to undertake national "future of work" dialogues structured around four “centenary conversations”, namely:

- Work and society;
- Decent jobs for all;
- The organization of work and production;
- The governance of work²⁷.

In 2017, a High Level Global Commission on the Future of Work will be established to examine the output from the national dialogues and other inputs it may consider necessary. The Commission will publish a report and recommendations during 2018. In the first half of 2019, all member States will be invited to organize events to mark the ILO's centenary and to discuss the Commission's report. The culmination of the "Future of Work" initiative will be the 2019 International Labour Conference, with the possible adoption of a Centenary Declaration on the subject.

The “FoW” topic could constitute a subject par excellence for inter-agency discussions at the level of UN country teams, since every single UN entity could contribute to such a debate, and benefit from its outcome.

DWA-SDG Relationship

The 2030 Declaration does not mention the term “Future of Work” as such, but stresses several times the importance of the 2030 Agenda for future generations and the future of humanity. The 2030 Agenda and the Future of Work are symbiotic processes in that they are attempting to map challenges and solutions in a similar time horizon. This is also evident on the new requirement in the UN Development Assistance Framework Process to prepare a Vision 2030 document. The scope of the topic “Future of Work” is so broad that it has linkages with all 17 SDGs, as illustrated by the

²⁷ For more details on those, see the Director-Generals report to the 104th ILC (41).

cover page to the [Director-General's report to the 105th ILC](#) (12)²⁸. Of particular relevance to the subject, however, are SDG targets 8.4 (resource efficiency), 9.b (technology), 17.6 (access to science, technology and innovation), 17.8 (technology bank) and 17.11 (exports by LDCs).

The Future of Work initiative is equally relevant for all four strategic objectives, for all policy outcomes, for all ILO technical units, and for the Office's entire development cooperation programme. The report the High Level Global Commission is expected to publish in 2018 will constitute an important contribution to the implementation modalities of the 2030 Agenda.

Cross-cutting policy drivers

In view of the above it becomes evident that the Future of Work Initiative has close links with all four cross-cutting policy drivers, and that it cannot be implemented without considering international labour standards, gender equality and non-discrimination, as well as environmental considerations. Most importantly, the initiative cannot succeed without a comprehensive process of social dialogue. The changes associated with the Future of Work will have a profound impact on the social dialogue processes, and they will require the design of new, appropriate labour standards and social protection systems. It may even have an impact on the governance of the ILO itself, an issue examined under the Office's [Governance Initiative](#) (one of the seven Centenary Initiatives). The Initiative is closely linked to the Women at Work Centenary Initiative, as women have been losing out when it comes to decent work, as compared to men, both in terms of the quality and quantity of jobs (8). As the ILO Director-General has clearly [stated](#) "*Promoting decent jobs for women is imperative, now and for the next generation. The future of work must also deal with the future of women at work. It is a matter of rights and what is right for women and sustainable development.*"

Partnerships

The social partners at the global level have immediately adopted the FoW Initiative and have launched their own processes and reflections on the subject. The IOE has published a dedicated [web site](#) in the future of work. The ITC-ILO in Turin will be offering in October 2017 a "[Global Workers' Academy on the Future of Work](#): Organizing and Collective Bargaining"; many other ITC-ILO courses and academies include FoW-related topics. Globally hundreds, if not thousands of universities and research centres work on scenarios related to the future of work. Several ILO development partners have shown considerable interest in the subject, and expressed their willingness to support the Office's work in the run-up to the 2019 Centenary ILC.

ILO Capacity

The ILO has set up a unit at headquarters to prepare and steer the initiative until its completion in 2019; the unit will also serve as the secretariat of the future Global Commission. Because of its cross-cutting nature the initiative will involve all ILO technical units and all field offices and Decent Work technical teams.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

²⁸ The cover page shows the connections between ILO's work items and the 17 SDGs; the Future of Work initiative is depicted as embracing all 17 goals.

1. Did your country hold national conversations around the four FoW themes mentioned above, and, if so, has the outcome been documented and made public?
2. Were the workers, the employers, civil society and the academia involved in these national conversations?
3. Have development partners, including the UN system, taken part in the conversations?
4. Do national processes and/or institutions focus specifically on the Future of Work at the national level?
5. Does the national development framework address the quantitative and qualitative impact of trade and of global production systems on the labour market, including the gender implications?
6. Does the national development framework evaluate the impact of technological progress and innovation on employment and productivity?
7. Are new technologies, such as information and communications technology, being used to improve access to training for women, youth or rural communities?
8. Does government and/or the social partners make dedicated efforts to prepare the workforce and business for the changing world of work?

Resources

The [ILO portal](#) on the Future of Work provides access to numerous resources related to the subject. In addition, the ILO library has compiled thousands of [articles and publications on the Future of Work](#).

10. Gender Equality and Non-Discrimination

10	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
	4.5, 5.2, 5.4, 5.5, 8.5			1, 2, 3, 6, 7, 8, 10			

Millions of women and men around the world are denied access to jobs and training, confined to certain occupations or offered lower pay simply because of their disability, ethnicity, indigenous or tribal status, race, religion, sex, sexual orientation and gender identity, political or other opinion, real or perceived HIV/AIDS-status or other status. The discrimination that certain groups, such as women, ethnic or racial minorities and migrants, face in the labour market makes them highly vulnerable to exploitation and abuses such as forced labour. Barriers to decent jobs often compel parents belonging to an ethnic minority to resort to the labour of their children to make ends meet. Though discrimination can have many manifestations, and is often subtle and insidious, undermining peoples' dignity and their future. Discrimination deprives people of their voice at work and their ability to fully participate. Discrimination stifles opportunities, wasting the human talent needed for economic progress, and accentuates social tensions and inequalities. Discrimination is a basis for social exclusion and poverty.

An important starting point to overcome discrimination is the right to equality of opportunity and treatment in respect of employment and occupation. And the key to the success of promoting equality in the labour market is the active involvement of trade unions, employers' organizations and other stakeholders. Freedom from discrimination is a fundamental human right and is essential for workers to choose their employment freely, to develop their potential to the full and to reap economic rewards on the basis of merit. Bringing equality to the workplace has significant economic benefits too. Employers who practice equality have access to a larger and more diverse workforce. Workers who enjoy equality have greater access to training, often receive higher wages, and improve the overall quality of the workforce. The profits of a globalized economy are more fairly distributed in a society with equality, leading to greater social stability and broader public support for further economic development.

The struggle against discrimination and gender inequality is at the heart of the ILO, and the subject of two fundamental conventions: the [Equal Remuneration Convention](#), 1951 (N° 100) and the [Discrimination \(Employment and Occupation\) Convention](#), 1958 (N° 111). Many other ILO instruments, such as [Workers with Family Responsibilities Convention](#), 1981 (N° 156), Vocational Rehabilitation and Employment ([Disabled Persons](#)) [Convention](#), 1983 (No. 159), the [Indigenous and Tribal Peoples Convention](#), 1989 (No. 169), the Domestic Workers Convention, 2011 (No 189) deal with specific aspects of equality and non-discrimination.

Combating discrimination is an essential part of promoting decent work, and success on this front is felt well beyond the workplace. Issues linked to discrimination are present throughout the ILO's sphere of work. By bolstering freedom of association, for example, the ILO seeks to prevent discrimination against trade union members and officials. Programmes to fight forced labour and child labour include helping girls and women trapped in prostitution or coercive domestic labour. Non-discrimination is a main principle in the ILO's code of practice on HIV/AIDS and the world of

work. ILO guidelines on labour law include provisions on discrimination. (43). Violence and harassment, a serious manifestation of discrimination, is also being addressed by the ILO and its constituents, most recently in the context of a Tripartite Expert Meeting,²⁹ and will be discussed in the 2018 International Labour Conference with a view to adopting a Convention and/or Recommendation on the subject.

In the world of work, several challenges remain to the achievement of gender equality. Significant gender gaps exist with respect to both the quantity and quality of jobs: access to employment, pay, social security, occupational segregation, and there has been little change over the past 20 years (8). Women are more likely to be unemployed than men, with unemployment particularly affecting young women. Women also continue to be overrepresented in unpaid and care work, often working longer hours than men when both paid work and unpaid work are taken into account. Advancing gender equality will require addressing these gaps, including the unpaid and undervalued work undertaken by women, redistributing care responsibilities, and ensuring equal remuneration for work of equal value.

ILO's expertise in the area of gender equality and non-discrimination focuses on issues related to equal opportunities and treatment for all women and men in the world of work, and eliminating discrimination based on gender, race, ethnicity, indigenous identity, disability and sexual orientation and gender identity. The Office provides policy advice, tools, guidance and technical assistance to constituents including with respect to promoting more inclusive workplaces, and ensuring that policies, programmes and institutions are gender-responsive. The work on gender equality is guided by an ILO [Action Plan for Gender Equality 2016-17](#), which is the results-based tool for operationalizing the 1999 policy on gender equality and mainstreaming in the Office.

DWA-SDG Relationship

Decent work, gender equality and non-discrimination feature prominently in the 2030 Agenda. The Declaration adopted by the UN General Assembly in September 2015 projects a vision: "We envisage a world of universal respect for human rights and human dignity, the rule of law, justice, equality and non-discrimination; of respect for race, ethnicity and cultural diversity; and of equal opportunity permitting the full realization of human potential and contributing to shared prosperity" (Para 8). This vision is reflected in several Sustainable Development Goals, namely SDG 4 (target 4.5, equal access to education), SDG 5 (gender equality, notably targets 5.2, 5.4 and 5.5), SDG 8 (target 8.5, decent work for all and equal pay), and SDG 10 (target 10.3, equal opportunity).

Non-discrimination and gender equality have been central concerns of the ILO since its very inception. The Declaration of Philadelphia states that:

- "all human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity; and
- the attainment of the conditions in which this shall be possible must constitute the central aim of national and international policy;"

The significance of gender equality and non-discrimination as an Office-wide concern was reaffirmed through the [Social Justice Declaration](#) (1998), which established that "gender equality and non-discrimination must be considered to be cross-cutting issues in the abovementioned [four]

²⁹ See the [background paper](#) of the Meeting of Experts on Violence against Women and Men in the World of Work; and the [report and conclusions](#) of the meeting:

strategic objectives”, and in the 2016 [Resolution on Advancing Social Justice through Decent Work](#), as well as in the P&B texts 2016-17 and 2018-19, which recognize the promotion of gender equality and non-discrimination as a cross-cutting policy driver.

Cross-cutting policy drivers

As mentioned above, gender equality and non-discrimination is a cross-cutting policy driver in itself. It is also central to ILO’s normative mandate, not only because of the two connected fundamental conventions, but also because many other ILO instruments contain clauses promoting gender equality and non-discrimination. The translation of these provisions into national law is key to ILO’s work. ILO’s work on non-discrimination contributes to the implementation of the UN [Declaration on the Rights of Indigenous Peoples](#) (2007) and the [Declaration on the Elimination of Violence against Women](#) (1993).

In the context of the Women at Work Centenary Initiative, new research and data is being generated, women at work dialogues are being undertaken, as well as advocacy, with a focus on issues that are more and more being recognized as obstacles to decent work for women and where further work is needed, namely: unequal pay, unequal distribution and undervaluation of care work (paid and unpaid), and violence. The Initiative was introduced to better understand why progress on delivering on decent work for women has been so slow globally, and far less than hoped for by now. The Initiative is to identify innovative action that could give new impetus to the ILO’s work on gender equality and non-discrimination, including in the context of the High Level Panel on the Future of Work and the possible Future of Work Declaration.

Workers’ and employers’ organizations throughout the globe are strongly engaged in the struggle against discrimination and the advancement of (gender) equality. This is manifest in the text of Outcome 10 (workers and employers), which refers to the “[Women at Work](#)” centenary initiative and calls for greater participation of women in the leadership of social partner organizations. Work on women in business and management has been undertaken globally, in Asia, the Arab States, and will continue in Latin America.

Some population groups which are often victims of discrimination, such as indigenous peoples, are disproportionately threatened by climate change and environmental destruction. Their concerns, but also their wisdom, must be considered in promoting a greener economy.

Partnerships

The Office participates in United Nations inter-agency initiatives that promote gender equality and women’s empowerment, as well as decent work for persons with disabilities, and the rights of indigenous and tribal peoples. The Office also liaises with civil society groups and academic institutions. The ILO contributes to the implementation of the [UN System-wide Action Plan on Gender Equality and the Empowerment of Women](#), or UN-SWAP, designed to coordinate the gender equality policy of its highest executive body, the UN Chief Executives Board (CEB). The UN-SWAP sets 2017 as the target for the UN system to meet all its performance indicators. At the country level the ILO takes part in gender equality groups set up under different names by UN country teams. The ILO is also a founding member of the United Nations Indigenous Peoples’ Partnership ([UNIPP](#)).

ILO Capacity

ILO’s work on gender equality and non-discrimination is coordinated by the Gender, Equality and Diversity and ILOAIDS Branch ([GED/ILOAIDS](#)) in the Condition of Work Department. GED oversees the ILO Global Gender Network comprised of headquarters-based Gender Coordinators and field-

based Senior Gender Specialists, along with gender focal points in all units and offices. The gender network constitutes the Office's most solidly established and most comprehensive global team.

The two fundamental conventions relating to non-discrimination (C.100 and C.111) are being promoted by GED as well as the FUNDAMENTALS Branch and the Equality Unit in the International Labour Standards Department. In addition, virtually all technical unit at headquarters and all field offices and technical teams carry out activities related to gender equality and non-discrimination. GED carries out a series of development cooperation projects ([see current list](#)), many of which are supported by Scandinavian countries and UN trust funds.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Has your country ratified the international labour standards most relevant to gender equality and non-discrimination (C.100, C.111, C.156, C.169, C.183, C.189), and does it apply them in practice?
2. Does the national legal and policy framework address direct and indirect discrimination at all stages, including discrimination based on sex, race, ethnicity, religion, national extraction, social origin, age, political opinion, disability or HIV status, indigenous identity, sexual orientation and sexual identity?
3. Are there laws and policies on equal remuneration for work of equal value between men and women, and accessible dispute resolution mechanisms?
4. Does the labour inspectorate have a mandate to investigate on issues of discrimination and unequal pay?
5. Combat discrimination at work as a specific means to overcome poverty and inequality?
6. Does the government of your country regularly collect and analyse relevant statistics disaggregated by sex or by any other variable considered as a source of discrimination in the world of work?
7. Does the government impose directives or guidelines for mainstreaming gender and non-discrimination concerns into all activities, including in contractual agreements with counterparts at the national or local levels?
8. Does government systematically conduct gender analysis to identify, monitor and evaluate the differential impact of policies, programmes and activities on women and men and to guide implementation towards achieving gender equality?
9. Does government systematically analyse other factors of discrimination (based on race, ethnicity, religion, social status, disability, national origin, language, age, etc.) to assess the impact of policies, programmes and activities in combating discrimination at work?
10. Has your country taken measures to protect the livelihoods, assets and dignity of indigenous peoples and ethnic minorities (where they exist)?
11. Are the country's workers' and employers' organizations actively involved in the promotion of gender equality and non-discrimination?

Resources

The GED/ILOAIDS [resource page](#) serves as a portal to a wide range of relevant material. More material can be found at the ILO library resource page on [gender equality](#) and on [indigenous peoples](#), as well as on the [related web pages](#) of the ITC-ILO in Turin.

11. Global Supply Chains

11	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			8.a, 9.3, 9.b, 16.3, 17.11				2, 4, 5, 6, 7, 8, 10

Global supply chains have become a common way of organizing investment, production and trade in the global economy. In many countries, in particular in developing countries, they have created employment opportunities for economic and social development. There is also evidence, however, that the dynamics of production and employment relations within the global economy and in some supply chains can have negative implications for decent working conditions.

Global supply chains are complex, diverse, fragmented, dynamic and evolving organizational structures. A broad range of terms exist to describe them, including global production networks and global value chains. All of these terms focus on the same basic issues of cross-border production and trade, but with slightly different perspectives. For the purposes of this report, they are used synonymously.

For the purpose of this guide the term “global supply chains” refers to the cross-border organization of the activities required to produce goods or services and bring them to consumers through inputs and various phases of development, production and delivery. This definition includes foreign direct investment (FDI) by multinational enterprises (MNEs) in wholly owned subsidiaries or in joint ventures in which the MNE has direct responsibility for the employment relationship. It also includes the increasingly predominant model of international sourcing where the engagement of lead firms is defined by the terms and conditions of contractual or sometimes tacit arrangements with their suppliers and subcontracted firms for specific goods, inputs and services (44).

The ILO has worked on the subject of socio-economic interconnectedness since its very foundation, as pointed out in the preamble to the ILO Constitution: “Whereas also the failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries”. Many ILO instruments adopted since 1919 touch upon global supply chains, most prominently the “[MNE Declaration](#)”. The subject gained further prominence in 2002, when the ILO established the World Commission for the Social Dimension of Globalization, which in 2004 published its ground-breaking report entitled a “[Fair globalization](#)” (35). The report observed that “The emergence of global production systems that drove the increasing flows of FDI has created new opportunities for growth and industrialization in developing countries. Some 65,000 MNEs, with around 850,000 foreign affiliates, are the key actors behind these global production systems. They coordinate global supply chains which link firms across countries, including even local sub-contractors who work outside the formal factory system and outsource to home workers” (para 159) and remarked that “A notable feature of the growth of these global production systems is that it has occurred without the parallel development of multilateral rules to govern its key element, FDI” (para 162). The ILO Governing Body decided in October 2013 to place on the agenda of the 2016 ILC a general discussion on decent work in global supply chains. This decision was motivated by concerns that the dynamics of production and employment relations in some global supply chains, can have negative implications for working conditions, as evidenced by the

collapse of the Rana Plaza building in 2013 and factory fires in Pakistan and Bangladesh in 2012. The [Conclusions on Decent Work in Global Supply Chains](#) adopted by the 105th ILC provide guidance on how the Office should pursue the objective expressed in the conclusion's title (45). Paragraph 23 (here shortened) requires the ILO to:

- Promote the ratification and implementation of the ILO standards relevant to decent work in global supply chains;
- Strengthen capacity building and provide technical assistance to member States on labour administration and inspection systems;
- Promote effective national and cross-border social dialogue, thereby respecting the autonomy of the social partners;
- Assess the impact and scalability of development cooperation programmes, such as Better Work and SCORE, and develop sectoral and other approaches to address decent work challenges in global supply chains;
- Provide leadership and use the ILO's convening power and unique added value to drive policy coherence among all multilateral initiatives and processes related to decent work in global supply chains;
- Strengthen its capacity to give guidance to enterprises on the application of labour standards within their supply chains and make information available on specific country situations, laws and regulations, including on the implementation of labour rights due diligence in coherence with already existing international frameworks;
- Consider adopting an action plan to promote decent work and protection of fundamental principles and rights at work for workers in EPZs export processing zones (EPZs).
- Take a proactive role in generating and making accessible reliable data on decent work in global supply chains, in cooperation with all relevant organizations and forums;
- Carry out further research and analysis to better understand how supply chains work in practice, how they vary by industry, and what their impact is on decent work and fundamental rights.

Global supply chains are an issue of great interest, relevance and concern to ILO Offices everywhere; many of such value chains have their origin in developing countries and their markets in industrialized nations, crossing or involving many other countries in the global chain that stretches from production to consumption.

DWA-SDG Relationship

The 2030 Agenda does not refer to global supply chains directly, but points out in its paragraph 63 that “national development efforts need to be supported by an enabling international economic environment, including coherent and mutually supporting world trade, monetary and financial systems, and strengthened and enhanced global economic governance.” It is possible to enhance the contribution of global supply chains to fair and inclusive growth if there is stronger coherence between economic objectives and decent work.

Several SDG targets touch upon aspects of global trade, including 8.a (Aid for Trade support to developing countries), 9.3 (integration of SMEs into global value chains), 16.3 (rule of law at the international level) and 17.11 (boosting exports by developing countries); in addition, many of the SDG targets listed under other sections of this publications are relevant for global supply chains: working conditions, labour standards, labour migration, health and safety at work, to name a few.

As pointed out above, ensuring respect for labour rights, acceptable working conditions and sound industrial relations along global supply chains has been a major concern of the ILO since its

inception. The subject of Decent Work in global supply chains is not captured in a specific Policy Outcomes, but cuts across several others, most notably PO 2 (labour standards), PO 4 (enterprises), PO 6 (informal economy), PO 7 (compliance), PO 8 (unacceptable forms of work) and PO 10 (workers & employers). Of particular importance to global supply chains is the issue of social dialogue relating to cross-border production systems.

Cross-cutting policy drivers

The application of labour standards in global supply chains are both a concern and a primary means of action in the Office's work to ensure that decent work principles are observed along such chains. It is important to build capacity for sound labour relations and to ensure the effective recognition of the right to collective bargaining so that employers, workers and their organizations can play a role in ensuring compliance and decent work. Similarly, new forms of cross-border social dialogue can be an important means to involve governments, workers and employers from different countries, including multinationals, in the strengthening governance in global supply chains.

Gender equality issues are of great relevance to global supply chains; for example, women form the majority of workers in certain segments of the apparel, horticulture, mobile phone and tourism global supply chains. However, they tend to be more concentrated in low-wage or low-status forms of employment than men, and in fewer sectors (44).

Finally, global supply chains must and can play a significant role in ensuring sustainable patterns of production and consumption (SDG 12), often driven by the demands of responsible consumers and multinationals.

Partnerships

The aforementioned ILC conclusions (45) request the Office to establish, maintain and strengthen partnerships with "international organizations and forums such as UN organizations, the OECD, G7 and G20 and international trade and financial institutions, and consider international frameworks such as the UN Guiding Principles, as well as other reference instruments such as the OECD Guidelines for Multinational Enterprises. An important partner for ILO's work on global supply chains is the [UN Global Compact](#), which incorporates several ILO core conventions.

ILO Capacity

The Office does not have a unit dealing specifically with global supply chains, but many technical departments, such as ENTERPRISES, WORKQUALITY, NORMES and GOVERNANCE contribute to this work. The ILO [Sectoral Policies Department](#) (SECTOR) analyses global supply chains from a sectoral perspective³⁰, with a specific focus on social dialogue; SECTOR led the preparation of the ILC General Discussion on global supply chains.

The [MULTI](#) unit of the Enterprises Department contributes to decent work in global supply chains through the promotion of the MNE Declaration. The same Department offers a work stream on [value chain development](#), which promotes the inclusion of SMEs into global supply chains (as advocated by SDG target 9.3). ILO's Partnership Department PARDEV is responsible for the conclusion of [public-private partnerships](#), many of which aim at improving working conditions in certain global supply chains. Several ILO Development Cooperation projects pursue the same goal, including the [Better Work](#) and [SCORE](#) Programmes, as well as a [number of projects](#) implemented in the area of working conditions.

³⁰ A list of sectors covered is provided [here](#).

Discussion guide³¹

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Which are the principal global supply chains in which your country is involved, as a producer, as a buyer, or as an intermediary participant?
2. Has your government strengthened labour administration and labour inspection systems in order to ensure full compliance with labour laws and regulations?
3. Does your government actively promote social dialogue at all levels and the realization of fundamental principles and rights at work for all workers, regardless of their employment status, including in EPZs?
4. Does your government stimulate transparency and encourage that enterprises report on due diligence within their supply chains?
5. Does your government include fundamental principles and rights at work in bilateral or multilateral trade agreements?
6. Does your government implement measures to improve working conditions for workers in global supply chains, in the areas of wages, working time and occupational safety and health?
7. Does your government cooperate through regional bodies to harmonize laws and practices and/or improve policy coherence among countries, in order to ensure decent work in global supply chains?
8. Are the employers' and workers' organizations actively involved in maintaining labour rights and decent working conditions, as well as enhancing productivity and competitiveness, in the global supply chains in which your country is involved?

Resources

A compilation of studies and reports on decent work in global supply chains were published under the [web page of the ILC Committee on global supply chains](#). Additional resources can be found under the topic of [value chain development](#), and on the ILO programme on [multinational enterprises](#).

³¹ Most questions are derived from paragraph 16 of the conclusions of the ILO general discussion on global supply chains (45).

12. Health and Safety at the Workplace

12	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			3.9, 8.8, 16.6				2, 6, 7, 8, 10

Based on ILO estimates 2.3 million workers die every year from work-related injuries and diseases. An additional 160 million workers suffer from non-fatal work-related diseases and 313 million workers from non-fatal injuries per year. The economic costs to companies and economies is significant. The ILO estimates that more than 4 per cent of the world's annual GDP is lost as a consequence of work-related injuries and diseases.

Work-related deaths, injuries and diseases take a particularly heavy toll in developing nations, where large numbers of people are engaged in hazardous activities including agriculture, construction, logging, fishing and mining. Death and disability resulting from hazardous work is a major cause of poverty, affecting entire families. The poorest and least protected, often women, children and migrants, are among the most affected.

The *agricultural sector* employs an estimated 1.3 billion workers worldwide, that is half of the world's labour force. In terms of fatalities, injuries and work-related ill-health, it is one of the three most hazardous sectors of activity (along with construction and mining). Even when technological developments have mitigated the drudgery of agricultural work, there are new risks related to the use of sophisticated machinery and intensive use of chemicals and pesticides. Wider community exposure to pesticides may occur in the form of contamination of foodstuffs, the diversion of chemically treated seeds for human consumption, contamination of groundwater, etc. (46).

The conditions under which most *informal workers* operate are precarious, unhealthy and unsafe. Many of the micro enterprises in which they work have ramshackle structures and lack sanitary facilities or portable water. For many workers, and particularly for women, their home is their workplace and they frequently live and work in unsafe and healthy conditions – not only for themselves but also for their family members.

The health of workers is a major determinant of productivity. Health problems can also lead to discrimination against workers (for example, those with HIV/AIDS or TB) or result in major expenditures for governments and enterprises. A vicious circle of poor health, reduced working capacity, low productivity and shortened life expectancy is a typical outcome in the absence of social interventions addressing the underlying problems of irregular and low-quality employment, low pay and the lack of social protection. International organizations can help to promote health and safety at work – and the most effective measures tend to be those that actively involve workers' and employers' organizations.

It is for these reasons that a programme called "Global Action for Prevention on Occupational Safety and Health" ([OSH-GAP](#)) has been selected by the ILO as one of the Office's five flagship programmes. OSH-GAP, which became operational in 2016, shall develop and implement sustainable and scalable actions, informed by current knowledge, research and best practices, with the engagement and contribution of strategic partners, to create the "necessary conditions" to improve OSH based on the

assessment of country conditions and priorities. Projects will seek to make actions scalable and sustainable. The necessary conditions that will be the focus of ILO actions include the following:

- Legal, regulatory and adjudicative frameworks that address and integrate OSH, including core OSH laws and technical regulations;
- Enforcement and compliance with OSH in workplaces, including public, private and non-governmental systems that operate independently or in concert;
- Employer and worker competencies that are necessary to achieve and sustain OSH at global, national and enterprise levels;
- Social dialogue that supports OSH;
- Public and private financial resources for investment in OSH;
- Occupational health services including public and private health services;
- Employment injury insurance programs that support prevention of OSH fatalities, injuries and illnesses;
- OSH professionals, institutions and networks;
- OSH indicators and implementation of effective methodologies for OSH data collection; and
- Demand for the safety and health of workers and workplaces.

To fill significant gaps in resources needed to implement activities, the flagship programme will develop strategies, guidance and tools that specifically support:

- Legal, regulatory and adjudicative frameworks and enforcement and compliance systems that address and integrate OSH, with a special focus on national OSH legislation, technical regulations, inspectorates, and adjudicative bodies;
- Strategies and systems for SMEs that assist governments, employers and workers to reduce work related fatalities, injuries and diseases at workplace level in SMEs;
- OSH indicators and innovative methodologies for data collection and analysis that drive preventive action in OSH;
- Stronger international and regional networks among OSH institutions and organizations to increase their capability to inform OSH priorities and to support the acquisition and application of OSH knowledge by governments, employers, workers and OSH professionals;
- Increased demand for the safety and health of workers at work is generated, in particular through social dialogue, education and training.

These resources are added to existing strategies, guidance and tools already developed by the ILO to support its work to improve the conditions that are necessary for the prevention of occupational accidents and diseases. Among these resource is a toolbox of resources on establishing effective national data collection systems for recording occupational fatalities, injuries and diseases.

The programme targets the improvement of occupational safety and health in small and medium sized enterprises, encompassing formal and informal enterprises and workers. In addition, the programme concentrates on the construction and agriculture sectors and on workers working under conditions which make them more vulnerable to injury and disease.

ILO's work on OSH is grounded in more than forty conventions and recommendations specifically dealing with occupational safety and health, as well as over forty codes of practice. The most important and up-to-date of those are: the [Occupational Safety and Health Convention, 1981 \(No. 155\)](#), the [Occupational Health Services Convention, 1985 \(No. 161\)](#); the [Promotional Framework for Occupational Safety and Health Convention, 2006 \(No. 187\)](#); and the [Occupational Safety and Health](#)

[Recommendation, 2006 \(No. 197\)](#). Other ILO instruments relevant to OSH are listed [here](#) (under “selected standards”, left hand side).

DWA-SDG Relationship

The area of occupational safety and health is related to the “health” SDG, namely its target 3.9: “by 2030 substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination”, the “jobs” SDG, namely its target 8.8 “protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment”, and the “institutions” SDG, namely its target 16.6: “develop effective, accountable and transparent institutions at all levels”. These wording of these three targets demonstrates that OSH touches on all three dimensions of the Sustainable Development Agenda. Addressing OSH gaps can turn the vicious circle described above into a virtuous circle of healthier lives and increased productivity which maximizes decent work and sustainable development outcomes.

ILO’s work on OSH is the subject of a dedicated policy outcome; this outcome is closely connected with (and dependent on) the development of legislation in line with international labour standards (Outcome 2), the upgrading and formalization of enterprises and workers in the lower tiers of global supply chains (Outcome 6), better workplace compliance through increased capacity of labour administration and labour inspection (Outcome 7), the provision of policy advice and cooperation focusing on unacceptable forms of work (Outcome 8), and the cooperation with workers’ and employers’ organizations. These many linkages show that OSH is both a very specific technical area as well as a cross-cutting concern for the entire organization. It is therefore natural that the OSH-GAP flagship programmes have developed strong synergies with two other ILO flagships, namely Better Work and IPEC⁺.

Cross-cutting policy drivers

The very strong linkage between OSH and ILS has already been highlighted above. ILO’s OSH-related Conventions and Recommendations have guided and influenced relevant national legislation throughout the world.

Workers’ and employers’ organization, as well as social dialogue mechanisms such as effective mechanisms for workplace cooperation, are crucial for the development, implementation and monitoring of national OSH laws and regulations, policies, systems and the capacity of national OSH institutions and competencies of employers and workers to achieve and sustain OSH at global, national and enterprise levels.

Gender and non-discrimination issues, including maternity protection, equal pay, sexual harassment and violence at work are related to OSH, and can be addressed through OSH related legislation at the national level, and through standards governing global supply chains.

Several OSH-related standards and codes of practices are linked to pollution and environmentally dangerous substances, and can therefore play a supporting role in greening national economies.

Partnerships

The ILO leverages partnerships with other UN agencies, including the World Health Organization (WHO), international financial institutions, such as the World Bank Group, the OECD, multinational enterprises, private compliance initiatives and other actors in order to strengthen policy coherence and mobilize support for safe work and workplace compliance in global supply chains. Partnerships and collaboration with business and trade union research networks and other research centres and associations will be deepened to expand the knowledge base in this area. ILO work on OSH is also

supported by the G7-initiated [Vision Zero Fund](#) initiative (VZF), which aims to prevent work-related deaths, injuries and diseases in global supply chains. Specifically, as part of the implementation strategy of the OSH GAP flagship programme, the ILO will be engaging strategic partners drawn from the above agencies and organizations with demonstrated depth of expertise and experience in the development of one or more of the necessary conditions to improve occupational safety and health. Strategic partners will be paired with national counterparts and will be asked to commit their experience and expertise in the assessment, development and implementation of projects in countries under the flagship programme.

[ILO Capacity](#)

ILO's OSH work is spearheaded by the Labour Administration, Labour Inspection and Occupational Safety and Health Branch which is represented through technical specialists on OSH, labour inspection and labour administration both in the ILO headquarters in Geneva and in several Decent Work Technical Teams. In addition, the ILO can rely on development cooperation experts working for OSH-related projects, and on different technical units and specialists who promote OSH through the promotion of labour standards, the formalization of the informal economy, the fight against unacceptable forms of work, or through workers' and employers' organizations.

[Discussion Guide](#)

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Are there reliable national statistics available on the number and causes of work-related injuries and deaths?
2. Has your country ratified the most important OSH-related standards, and are they applied in practice?
3. What is your country capacity related to each of the necessary conditions?
4. Has your government addressed safety and health issues with regard to high risk occupations in sectors such as agriculture, forestry, fisheries, mining, and construction in global supply chains?
5. Has your government taken measures to improve working conditions in the informal economy and for home-based workers, to eliminate work under hazardous and unhealthy conditions?
6. Are the country's workers' and employers' organizations actively involved in the development and implementation of the safety and health programme?

[Resources](#)

The Office maintains a comprehensive [knowledge base](#) on occupational safety and health, which can be found on the [LABADMIN/OSH Branch webpages](#). The Office has also developed [LEGOSH database](#) of national OSH laws and regulations, as well as numerous OSH [country profiles](#). Additional material can be accessed through the [relevant pages](#) of ILO's Labordoc, and through the [OSH-related web pages](#) of the ITC-ILO in Turin.

13. Informal Economy

13	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			8.3, 10.2				6

The informal economy³² comprises more than half of the global labour force and more than 90% of micro and small enterprises (MSEs) worldwide. Informality is an important characteristic of labour markets in the world with millions of economic units operating and hundreds of millions of workers pursuing their livelihoods in conditions of informality.

The expression “informal economy” encompasses a huge diversity of situations and phenomena. Indeed, the informal economy manifests itself in a variety of forms across and within economies. Formalization process and measures aiming to facilitate transitions to formality need to be tailored to specific circumstances that different countries and categories of economic units or workers face.

Work in the informal economy is often characterized by small or undefined work places, unsafe and unhealthy working conditions, low levels of skills and productivity, low or irregular incomes, long working hours and lack of access to information, markets, finance, training and technology. Workers in the informal economy are not recognized, registered, regulated or protected under labour legislation and social protection. The root causes of informality include elements related to the economic context, the legal, regulatory and policy frameworks and to some micro level determinants such as low level of education, discrimination, poverty and, as mentioned above, lack of access to economic resources, to property, to financial and other business services and to markets. The high incidence of the informal economy is a major challenge for the rights of workers and decent working conditions and has a negative impact on enterprises, public revenues, government’s scope of action, soundness of institutions and fair competition.

The [2002 ILC Resolution and Conclusions on Decent Work and Informal Economy](#) was a milestone in the ILO’s integrated approach to informality. It clarified that the term “informal economy” referred “to all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements.” This description was endorsed 13 years later through the [ILO Recommendation concerning the transition from the informal to the formal economy](#) (R204), which further clarified that the term does not cover illicit activities, and that the expression “economic units” in the definition refers to units that (a) employ hired labour; (b) individuals working on their own account, and (c) cooperatives and social and solidarity economy units. R.204 constitutes a historic landmark for the world of work as it is the first international standard focusing exclusively on the informal economy in its entirety.

³² The term “informal sector” was first coined in 1972, at the outcome of a comprehensive ILO employment advisory mission to Kenya³², and was later converted to “informal economy” to underline the fact that informality is not a “sector”, but a certain way carrying out economic activities. Interestingly, “The (Kenya mission) report acknowledges that the informal sector idea originated not with the high-level foreign “development experts” brought in for the mission but from the work and the staff of the Institute of Development Studies of the University of Nairobi, a fact which has been generally forgotten since then. In other words, it was not the ILO which invented the concept of the informal sector. It came out of the thinkers and analysts of the Third World” (74).

To promote decent work, there needs to be a comprehensive and integrated strategy cutting across a range of policy areas and involving a range of institutional and civil society actors that eliminates the negative aspects of informality, while preserving the significant job creation and income generation potential of the informal economy, and that promotes the protection and incorporation of workers and economic units in the informal economy into the mainstream economy.

In the follow-up to the adoption of R 204 the ILO Governing Body at its 325th session adopted an [implementation strategy](#) articulated around four interrelated components, namely: (1) a promotional awareness-raising and advocacy campaign; (2) capacity building of tripartite constituents; (3) knowledge development and dissemination; and (4) international cooperation and partnerships. The formalization strategy developed under the former Area of Critical Importance can be summarized as follows (47):

Box 1 Policies to promote the transition to the formal economy	
1. Targeted policies for specific groups of workers and economic units in the informal economy <ul style="list-style-type: none"> ■ Formalization of micro- and small enterprises ■ Sector-based approaches to formalization ■ Non-standard forms of employment and formalization 	2. Policies tackling structural drivers of informality <ul style="list-style-type: none"> ■ Extension of social security coverage ■ Improved compliance with the law (including with international labour standards) ■ Labour market institutions and formalization ■ Organization of informal workers and employers ■ Integrated approaches to formalization

DWA – SDG Relationship

Informality is addressed directly in just one SDG target, namely SDG 8.3 “promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage **formalization** and growth of micro-, small- and medium-sized enterprises including through access to financial services”; indirectly, however, many additional SDGs focusing on poverty (SDG 1), gender equality (5), equality (10), institutions (16) and partnerships (17) are relevant to informality, and will benefit from programmes aiming at gradually formalizing the informal economy. The central ambition of the 2030 Agenda to *leave no one behind* certainly resonates with the billions of informal economy workers around the world. It will be crucial to address the decent work deficits affecting the informal economy so that informal economy workers have a chance to escape situations of working poverty.

ILO’s work on the formalization of the informal economy is subject to a specific Policy Outcome but it relates in practice to all other Outcomes, to all technical units of the Office, and to all thematic areas of the present publication. To quote the 2002 Conclusions: *“The ILO should draw upon its mandate, tripartite structure and expertise to address the problems associated with the informal economy. An approach based on decent work deficits has considerable merit and should be pursued. The ILO approach should reflect the diversity of situations and their underlying causes found in the informal economy. The approach should be comprehensive involving the promotion of rights, decent employment, social protection and social dialogue. The approach should focus on assisting member States in addressing governance, employment-generation and poverty-reduction issues. The ILO should take into account the conceptual difficulties arising from the considerable diversity in the informal economy.”* (48)

Crosscutting policy drivers

The informal economy is informal because formal arrangements, including laws and regulations, are not, or not sufficiently, applied, observed or applicable. A key element of ILO's work on formalizing the informal economy therefore seeks to gradually improve the legal framework and compliance with the law and with international labour standards.

The share of women in the non-agricultural informal economy matches that of men, but occupations differ: many women work as street vendors, as unregistered domestic work, as unpaid contributing family workers or as manual workers in informal factories. Then they face more specifically some of the factors of informality such as discrimination, lack of access to economic resources, to property, to financial and other business service in addition to the greater need to combine family and work responsibilities. It is therefore important to devise gender-specific formalization strategies.

Informal economy operators and workers are usually not members of (formal) workers' and employers' organizations and are therefore often excluded from formal institutions for social dialogue. However, in recent years trade unions and business associations in various countries have begun reaching out to the informal economy by establishing special "windows" or membership categories. Moreover, informal economy workers/operators often establish their own organizations, associations and cooperatives to defend their interests and generate economies of scale.

Informal economy workers and operators engaged in harmful or dangerous activities such as waste-picking may benefit from programmes that seek to combine the protection or rehabilitation of the environment with the improvement of working conditions.

Partnerships

The multifaceted nature and omnipresence of the informal economy in all regions and countries makes it a potential target for a very board variety of partners. ILO's constituents at the national and the global level are concerned about the extent of informality (which is growing rather than shrinking in some countries) and the damage it inflicts on people, the planet and prosperity. Many, if not all, UN operational agencies can contribute to the formalization of the informal economy in one way or another, making the subject an ideal target for joint UN programmes at the country level. The Office collaborates with the World Bank and other regional and international organizations on productivity and the cost and benefits of formalization, with the European Commission on reducing unregistered employment in Europe, with the OECD on drivers of informality, and with Women in Informal Employment: Globalizing and Organizing (WIEGO) and other relevant organizations on statistics.

ILO Capacity

The crosscutting nature of the informal economy means that no single organizational unit of the Office has the "monopoly" of the work on formalization; this was already recognized in 1998 when the then Director-General launched an *Interdepartmental* programme on the informal economy. All technical units at headquarters and all technical specialists in the field can and should contribute to the formalization of the informal economy, and field office directors have the challenge and obligation to coordinate such work into a coherent programme of action.

Discussion Guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Does the government of your country dispose of statistics and information on workers and economic units, as well as working conditions and productivity, in the informal economy to assess the situation and monitor progress towards formalization?
2. Does your government carry out a diagnostic of informality considering both the characteristics and needs of workers and economic in the informal economy but also the drivers of informality including an assessment of the legal, institutional and policy frameworks?
3. Has the government formulated a strategy for the gradual formalization of the informal economy in the country (including in agriculture and rural areas; for the economy or for specific sectors or groups of workers in consultation with social partners?
4. Is there any institutional coordination mechanism in place to facilitate the development and the effective implementation of integrated strategies with the full involvement of social partners?
5. Has the government adopted a specific regulatory framework (or adapted the general framework) with the aim of facilitating the registration and operations of businesses in the formal economy?
6. Has government adjusted the legal framework to secure rights to property, title assets or financial capital by informal economy workers and operators?
7. Has government extended labour legislation to cover workers in the informal economy?
8. Has government developed or revised regulations facilitating the formation, recognition and operations of informal economy associations and organizations?
9. Does the national social security system provide informal economy workers and operators with the possibility to obtain a minimum of social protection?
10. Do the national and/or sectoral workers' and employers' organizations reach out the informal economy?
11. Are development partners, including the UN system, sensitive to the decent work deficits prevailing in the informal economy?

Resources

The [ILO portal on the informal economy](#) provides access to numerous publications, reports and statistics on the informal economy. In addition, the ILO [Library guide](#) includes a page on the informal economy which facilitates access to a broad range of material, grouped into different themes, sectors and regions. Because of the cross-cutting nature of the informal economy many other ILO units have published material on the phenomenon and its relationship with the specific technical area. The ITC-ILO in Turin offers every two years an [academy](#) on the formalization of the informal economy, as well as economy learning series and academies on specific issues

14. Labour Market Information Systems

14	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			SDG 8, 1.3, 5.5, 17.18, 17.19	1, 3, 4, 5, 6, 7, 2, 8, 9, 10, A		

The identification of labour market issues critically rests on the availability of data, information and analysis. Labour market information systems (LMIS) provide an essential basis for employment and labour policies, and inform the design, implementation, monitoring and evaluation of policies that are better focused and targeted. LMIS also contribute to a reduction in the transaction costs of labour markets as they help overcome incomplete information of labour market agents.

Most countries are committed to the development of labour market information systems. However, particularly in developing economies, the functioning of LMIS, if such systems have been established at all, is hampered by various constraints, including data limitations. Data limitations affect not only complex issues such as informality and employment protection, but also labour market indicators that in most developed economies are available on a monthly or quarterly basis, such as employment and unemployment indicators. Data limitations are related in developing economies to constraints such as resource scarcity, limited analytical capacity and structural factors. Furthermore, labour market institutions, including employers' and workers' organizations, are weak in many economies, which hampers the development and use of mechanisms to feed information and analysis into decision-making. Such problems may lead to ill-informed policy formulation and inadequate monitoring, hindering efforts to achieve labour market and development objectives (49).

Three main functions of Labour Market Information Systems can be distinguished:

- LMIS facilitates labour market analysis;
- LMIS provide the basis for monitoring and reporting on employment and labour policies;
- LMIS constitute a mechanism to exchange information or coordinate different actors and institutions that produce and utilize labour market information and analysis.

The main purpose of LMIS is the production of information and analysis for policy-makers and other labour market stakeholders. For example, the functions of the [European Employment Observatory](#) are stated as follows: “The European Employment Observatory contributes to the development of the European Employment Strategy through the provision of information, comparative research and evaluation on employment policies and labour market trends.” It is important to establish institutional arrangements to make the information and analysis widely available, and to provide opportunities for labour market stakeholders to influence the agenda of the LMIS.

The LMIS can also be directly involved in monitoring and reporting on employment and labour policies. Both at the international and the national levels, the institutional role of the LMIS can be broadened to include the exchange of information or coordination of the LMIS activities of labour market stakeholders, which include statistical agencies, research agencies and agencies involved in policy formulation and implementation including employers' and workers' organizations. This

function may range from the dissemination of information on concepts, definitions and standards, to the allocation of resources regarding data collection or specific analytical activities.

Labour market information systems consist of four main components:

- Collection and compilation of data and information;
- Repository of information;
- Analytical capacity and tools;
- Institutional arrangements and networks.

Regarding the first component, and given that LMIS should provide analyses of labour markets in their economic context, collection or compilation of data consists not only of data on labour markets, but also on the broader economy. For example, data on trade flows and remittances are indispensable for an analysis of the labour market effects on economic crises.

Labour force surveys can be designed to cover the entire population of a country, all sectors of the economy and all categories of workers, including own-account workers, contributing family workers and persons engaged in casual work or marginal economic activity. For this reason, household-based labour force surveys offer a unique advantage to obtain information on the labour market of a country and its structure. Other sources, such as population censuses, multi-purpose household surveys, establishment surveys, or administrative records (e.g. employment service records), differ in scope, coverage, units of measurement or methods of data collection.

Each source has advantages and limitations in terms of the cost, quality and type of information gained. For example, *establishment surveys* typically have poor coverage of very small or unregistered businesses but are a more reliable source on wages and earnings. Similarly, *administrative records* provide a low-cost source of labour market information, but this information is limited by the purpose of the records, which may be different from that of an analyst or policy-maker. Therefore, effective LMIS draw on all sources.

At a minimum, LMIS track a set of indicators, which constitute the basis for the development of more advanced systems. A widely-used set of indicators are the [Decent Work Indicators](#) (DWI) which can be found at [ILOSTAT](#), the core statistical information system of the ILO. DWI cover the four dimensions of the DWA, plus indicators of the economic and social context of decent work.

Amongst the more than 400 indicators and breakdowns in ILOSTAT, the [Key Indicators of the Labour Market](#) (KILM) constitutes a subset of labour market indicators used to monitor new employment trends. The initial set of indicators was selected in consultation with the OECD and national representatives from Ministries of Labour and statistical offices; the selection and design of the core indicators has evolved since the first edition of KILM, and is still in evolution, including new indicators based on demand and availability. The latest version of the KILM indicators has now been fully integrated into [ILOSTAT](#) and is available directly through this portal.

One tool recommended for storage and dissemination of LMIS indicators is [.Stat](#) (maintained by the OECD), because:

- This powerful platform is available for those countries implementing LMIS through an agreement between ILO and OECD and the Statistical Information Systems – Collaboration Community (SIS-CC);
- .Stat is one of the most advanced statistical information systems' platform currently used in the official statistics community;

- ILO and [OECD/SIS-CC](#) have signed a MoU that *enables ILO to provide .Stat free of charge to all countries implementing a LMIS according to ILO's recommendations*. Moreover, the ILO provides first level support and free upgrades;
- The SIS-CC promotes values that are aligned with ILO principles, such as partnership (collaboration rather than a vendor/client relationship), transparency, and consistency with internationally defined statistical standards;

.Stat comprises four main functions (data entry, data storage, data exit and data analysis).

ILO work on LMIS is subject to a specific Convention, namely [C.160](#), Labour Statistics Convention, 1985 (No. 160), which has been ratified by 50 countries.

DWA – SDG Relationship

The 2030 Agenda Declaration in its paragraph 48 underlines that “Quality, accessible, timely and reliable disaggregated data will be needed to help with the measurement of progress and to ensure that no one is left behind. Such data is key to decision-making. Data and information from existing reporting mechanisms should be used where possible. We agree to intensify our efforts to strengthen statistical capacities in developing countries, particularly African countries, least developed countries, landlocked developing countries, small island developing States and middle-income countries”. Hence the SDG framework includes two specific targets on statistics, namely 17.18 and 17.19. In addition, statistics, and more specifically LMIS, will be crucially needed to enable ILO Member states to report on numerous SDG indicators, not least the ones for which the ILO has been named “custodian”.

In a similar way, all ten ILO policy outcomes and their indicators rely on statistical information to measure progress. LMIS are an indispensable instrument to supply decent work-related data and statistics. The draft [ILO Programme and Budget 2018-19](#) underlines that “All policy outcomes emphasize the strategic importance of research and statistics. Enabling Outcome A on effective knowledge management for the promotion of decent work will help ensure that the ILO produces and disseminates high-quality, timely and relevant research and statistics that underpin its policy recommendations so that member States and constituents have the knowledge tools to advance the Decent Work Agenda.” Thus, LMIS cover almost all the policy outcomes.

Crosscutting policy drivers

Again, all four cross-cutting policy drivers depend on one way or another on data and statistics to establish baselines and measure progress. Labour standards relating to social protection coverage, the informal economy, child and forced labour, and many other subjects can only be monitored if relevant data is available. The measurement of gender equality depends on the availability of gender-disaggregated data. Social dialogue can greatly benefit from up-to-date and comprehensive LMIS. And in the area of environmental sustainability the “ILO will focus on scaling up research and analysis to inform evidence-based policy advice so that constituents can develop coherent and effective employment and social policies to promote a just transition for all.” (P&B 2018-19).

Partnerships

The ILO is a member of the Statistical Information System Collaboration Community ([SIS-CC](#)) which is hosted by the OECD, and defined as “a community of .Stat users which was setup so that participating members could benefit from a broad collaboration, sharing experiences, knowledge and best practices, and to enable cost-effective innovation in a minimal time” (50). The ILO collaborates closely with the [UN Statistics Division](#) which, inter alia, is responsible for the development of SDG indicators. Furthermore, the ILO hosts the [International Conference of Labour](#)

[Statisticians \(ICLS\)](#), which meets every five years. Through its technical assistance work the ILO has established close partnerships with national bureaux of statistics around the globe.

ILO Capacity

ILO's work on labour market information systems is hosted within the [Department of Statistics](#) which "provides users within and outside the ILO with relevant, timely and reliable labour statistics, to develop international standards for better measurement of labour issues and enhanced international comparability, and to help member States develop and improve their labour statistics". The Department of Statistics employs a team of professionals at headquarters and is represented in the field through labour statisticians attached to Decent Work Technical Teams or Regional Offices. Many additional ILO technical departments develop and maintain statistics that are of relevance to LMIS.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Does your country dispose of a system to collect, analyse and disseminate labour market data on a regular basis?
2. When did your country carry out the latest Labour Force Survey?
3. If no labour force surveys are carried out, have labour-market relevant questions been included into other household surveys?
4. Is the National Bureau of Statistics involved in the collection of labour-market relevant data?
5. Are the social partners associated with the collection, analysis and dissemination of labour market data and information?
6. Does the UNDAF of your country include priorities or activities related to LMIS?
7. Is the establishment or strengthening of LMIS a priority area of the DWCP? Does the country context analysis of the DWCP identify areas where data is missing?
8. Do development partners support the government of your country, directly or through the ILO or other partners, in the design and implementation of LMIS?

Resources

The Department of Statistics maintains the [ILO Portal on Labour Statistics](#) which provides data on KILM and many other subjects. Publications, reports and manuals relating to LMIS can be access through the Department's [publication](#) web site. The ITC-ILO in Turin lists labour market statistics and analysis as one of its areas of expertise, and offers several relevant courses, including a labour market statistics and analysis academy which in 2017 will focus on measuring decent work in the SDG indicator monitoring system.

15. Labour Migration

15	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			9 (1, 2, 7, 8, 10)
			8.8				

International migration today is a global phenomenon of growing volume and complexity. Many countries are now origin, transit and destination countries for migrant workers. Labour migration movements has the potential to greatly impact the social and economic well-being of their countries of origin, transit and destination. In destination countries, labour migration can rejuvenate the workforce, allow labour-intensive sectors such as agriculture, construction and personal services to function, promote entrepreneurship, support social protection schemes, and help meet the demand for skills. Countries of origin benefit from remittance flows, and transfer of investments, technology and critical skills through returning migrants and transnational communities (diaspora) (51).

The ILO [global estimates on migrant workers](#) show that in 2013, migrant workers accounted for 150 million of the world's approximately 232 million international migrants. Migrant workers represent 4.4 per cent of the global labour force, higher than the proportion of international migrants in the global population (3.3 per cent). More migrant women than non-migrant women participate in the labour force (67 per cent as compared to 50.8 per cent), whereas participation rates of migrant and non-migrant men are essentially the same (78 per cent as compared to 77.2 per cent). While migrant workers contribute to growth and development in their countries of destination and origin, the migration process implies complex challenges in terms of governance, migrant workers' protection, migration and development linkages, and international cooperation. The ILO works to forge policies to maximize the benefits of labour migration for all those involved.

One of the ILO's predominant concerns since its inception has been with the protection of migrant workers. ILO's Constitution of 1919 calls for the "protection of the interests of workers when employed in countries other than their own." Labour migration has received renewed impetus through the Declaration of the UN General Assembly [High-level Dialogue on International Migration and Development](#) (HLD) in October 2013, which acknowledged the important contribution of migration in realizing the Millennium Development Goals, and recognized that human mobility is a key factor for sustainable development. In his [report to the HLD](#), the UN Secretary General's eight-point agenda for action on making migration work for development called for reducing the costs of labour migration, such as remittance transfer costs and recruitment fees. Moreover, the benefits of labour migration could be strengthened by enhancing the portability of social security and by promoting the mutual recognition of diplomas, qualifications and skills. Labour migration is also referenced in the New York [Declaration for Refugees and Migrants](#), adopted by the General Assembly in September 2016, and is expected to feature strongly in the Global Compact for Safe, Orderly and Regular Migration, which UN member States committed to adopt in 2018.

Working on labour migration issues fits squarely within ILO's mandate for social justice. The ILO is promoting the rights of migrant workers and the fair governance of labour migration through its body of standards, including the eight ILO fundamental rights Conventions, the ILO Migration for Employment Convention (Revised), 1949 ([No. 97](#)), the Migrant Workers (Supplementary Provisions)

Convention, 1975 ([No. 143](#)), the accompanying Migration for Employment Recommendation (Revised), 1949, ([No. 86](#)) and the Migrant Workers Recommendation, 1975 ([No. 151](#)), and the Domestic Workers Convention, 2011 ([No. 189](#)), Other relevant instruments include the [Multilateral Framework on Labour Migration](#) (2006) and the [General Principles and Operational Guidelines for Fair Recruitment](#) (2016). The ILO brings together the actors of the world of work, including Ministries of Labour, employers' and workers' organisations, and civil society to build consensus on a fair migration agenda that takes into account labour market needs at all skill levels, while protecting the interests and rights of all workers.

At the 2014 International Labour Conference, the ILO Director-General chose the subject of migration, "a key feature of today's world of work and one which raises complex policy challenges". The [report](#) called for "constructing an agenda for fair migration which not only respects the fundamental rights of migrant workers but also offers them real opportunities for decent work". This means a fair sharing of the prosperity they help to create, and to build migration regimes which respond equitably to the interests of countries of origin and destination, migrant workers, employers and nationals.

ILO's [Fair Migration Agenda](#) consist of the following elements:

- Making migration a choice and not a necessity, by creating decent work opportunities in countries of origin;
- Respecting the human rights, including labour rights, of all migrants;
- Ensuring fair recruitment and equal treatment of migrant workers to prevent exploitation and level the playing field with nationals;
- Formulating fair migration schemes in regional integration processes;
- Promoting bilateral agreements for well-regulated and fair migration between member States;
- Countering unacceptable situations through the promotion of the universal exercise of fundamental principles and rights at work;
- Promoting social dialogue by involving Ministries of Labour, trade unions and employers' organisations in policy making on migration;
- Contributing to a strengthened multilateral rights-based agenda on migration (44).

The complexity of labour migration and mobility, including refugee flows, is growing. Many countries are under-equipped to handle this situation, which, owing to poor labour market functioning and weak governance, results in irregular migration, underutilization of skills, job mismatches, discrimination, widening inequality and exploitation, including in recruitment. If not well governed, labour migration may exacerbate such decent work deficits for migrant workers and their families, and also result in long-term adverse socio-economic costs to countries of origin and destination. Whether labour migration will be of benefit or not depends very much on the policy framework of countries of origin and destination as well as on the bilateral, regional and multilateral cooperation among them. No country can effectively deal with labour migration in isolation.

[DWA-SDG Relationship](#)

The 2030 Sustainable Development Agenda Declaration in its paragraph 29 states that: "*We recognize the positive contribution of migrants for inclusive growth and sustainable development. We also recognize that international migration is a multi-dimensional reality of major relevance for the development of countries of origin, transit and destination, which requires coherent and*

comprehensive responses. We will cooperate internationally to ensure safe, orderly and regular migration involving full respect for human rights and the humane treatment of migrants regardless of migration status, of refugees and of displaced persons.” This objective is further concretized in SDG target 8.8.: “Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment” and in SDG target 10.7: “Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies”, which both clearly relate to ILO’s mandate as articulated most recently in the fair migration agenda. ILO is the custodian agency for further developing the methodology for two of the SDG target 8.8 indicators concerning occupational safety and health and freedom of association and collective bargaining, both to be disaggregated by sex and migrant status. Together with the World Bank, the ILO is also collecting data and developing a methodology to measure the cost of recruitment, which is one of the indicators under SDG target 10.7.

As from biennium 2016/17, labour migration is covered by a specific Policy Outcome, namely Outcome 9 titled “Fair and effective international labour migration and mobility”. Many other policy outcomes contribute to making migration processes fairer; in fact, labour migration is closely linked to all four pillars of the DWA: labour migration is motivated by the search for jobs, but migrant workers are often excluded from protection, rights and social dialogue in the country of destination. The Office and the ILO member states must apply a comprehensive Decent Work approach to improve the lives of migrant workers.

Cross-cutting policy drivers

As pointed out above, labour migration is the subject of several ILO instruments whose application was reviewed in 2016 through the [General Survey concerning the migrant workers instruments](#); the Office’s future work on labour migration will be guided by the conclusions of a general discussion on the topic at the 2017 International Labour Conference. The general discussion will focus on the governance of labour migration at the national, bilateral and regional levels, and fair recruitment.

About half of the 150 million migrant workers are women, and many of them are particularly exposed to exploitation, harassment and violence. ILO’s work on gender equality and non-discrimination will address issues such as global care chains, violence against women migrants, negative health outcomes and exploitation, as well as discrimination in hiring and in the workplace on grounds of ethnicity, nationality, gender, disability and HIV status.

Labour migration being a cross-border phenomenon, the strengthening of national, sub-regional and regional social dialogue mechanisms, processes and institutions on labour migration must be a key feature of ILO’s work, and requires close cooperation with UN Regional Economic Commissions and regional economic communities (RECs).

Finally, climate change and environmental degradation may cause climate-induced labour migration, since farming or fishing practices are becoming unsustainable, or because rising sea levels may force entire population groups to flee their country.

Partnerships

The ILO collaborates with regional and sub-regional institutions, and, as a member agency of the [Global Migration Group \(GMG\)](#), it has contributed to the design of the UN Development Assistance

Framework guidance on migration and displacement which is currently being finalized. The ILO also co-chairs with IOM the GMG Task Force on Migration and Decent Work. The ILO partners with the OHCHR in order to promote rights-based migration governance, and has entered into a partnership with the UNHCR to implement a plan of action under the 2016 [ILO-UNHCR Memorandum of Understanding](#).

ILO's cooperation with the World Bank focuses on research and surveys measuring labour migration costs, which includes developing a methodology for the SDG indicator on the cost of recruitment (SDG indicator 10.7.1; see above). The ILO will also strengthen its partnerships with non-governmental organizations (NGOs), academia, the media, and local authorities around the issue of labour migration.

The European Commission is one of the principal development partners financing ILO's labour migration programmes; the Swiss Agency for Development and Cooperation (SDC) also supports a number of ILO labour migration projects.

ILO Capacity

ILO's work on labour migration is led by the [MIGRANT Branch](#) under the Conditions of Work and Equality Department. The Branch is represented through regional focal points in all geographic regions and in many field offices. An up-to-date list of staff working on migration issues can be found [here](#). It includes the national and international experts working on labour migration projects. In addition to the MIGRANT staff, many other ILO colleagues, working in areas such as labour standards, labour inspection, working conditions, enterprise and cooperative development, gender equality and non-discrimination, social protection, and social dialogue, can be mobilized to provide technical support in specific aspects of labour migration.

The ILO's flagship training event on labour migration, the [Labour Migration Academy](#) (LMA), took place in December 2016 in Johannesburg. This was the fifth edition of the LMA.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. How many migrant workers
 - (i) leave your country per year to work abroad;
 - (ii) enter into your country to work;
 - (iii) return to your country per year after having worked abroad? How many/which percentage of these migrant workers are considered in an irregular situation? How many of them are working in the informal economy?
2. Does the national programming framework of your country address international migration issues, both from the perspective of the country of origin, country of destination, and country of transit?
3. Does the government conduct a realistic assessment of its labour migration needs, for example through demographic or labour market or economic projections?
4. Does the government promote the integration of migrant workers in workplaces and societies where they live and work?
5. Does the government protect migrant workers from human trafficking, forced labour, other forms of labour exploitation, or discrimination?

6. Does your country facilitate the coordination of social security, including portability of social security benefits accumulated by migrant workers, in collaboration with other countries?
7. Did your country ratify or does it intend to ratify relevant normative instruments, such as the ILO Migration for Employment Convention (Revised), 1949 (No.97) and the Migrant Workers (Supplementary Provisions) Convention, 1975 (No.143) or the UN International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families, 1990, to devise measures aimed at protecting migrant workers and optimizing the impact of labour migration on employment and development?
8. Does the government take measures to address the problems and specific abuses women often face in the migration process, in particular in destination countries, in respect of working conditions (e.g., wages, working time)?
9. Are national and/or sub-regional workers' and employers' organizations actively involved in shaping, implementing and monitoring labour migration policies, regulations and practices?

Resources

The ILO [topic page on labour migration](#) includes links to numerous related tools and statistics, including [the most recent](#) (2015) and a [good practices database](#) organized by region, theme and sector. Additional material can be accessed through the [labour migration page](#) of the ILO Library, and via the [labour migration page](#) of the ITC-ILO in Turin.

16. Labour Standards

16	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			8.8, 16.3, 16.5, 16.b				2, 7, 8, 10

When adopting the 2030 Agenda the world's leader declared that "In doing so [implementing the agenda], we reaffirm our commitment to international law and emphasize that the Agenda is to be implemented in a manner that is consistent with the rights and obligations of states under international law." Indeed, the 2030 Agenda "has a strong normative character and sets a truly human rights centred path for sustainable development. (...) That underlines the correspondingly central role of international labour standards in its realization" (52)

Rights at work are addressed in international labour standards, which include binding Conventions and non-binding Recommendations, Codes of Practice and guidelines. International labour standards are debated, constructed and adopted by means of a tripartite process involving governments, workers, and employers, thus reflecting broad support for those standards from the social partners, who are the key actors in the economy. Standards are adopted by a two-thirds majority vote of the ILO's constituents and are therefore an expression of universally acknowledged principles. At the same time, they reflect the fact that countries have diverse cultural and historical backgrounds, legal systems and levels of economic development. Indeed, most standards have been formulated in a manner that makes them flexible enough to be translated into national law and practice with due consideration of these differences. Other standards have so-called "flexibility clauses" allowing states to lay down temporary standards that are less stringent than those normally prescribed, to exclude certain categories of workers from the application of the Convention or to apply only certain parts of the instrument.

Since 1919, the ILO has adopted 189 Conventions, 6 Protocols³³ and 204 Recommendations covering a wide range of issues related to the world of work. In addition, dozens of Codes of Practice have been developed. As can be expected, some of these instruments no longer correspond to today's needs. The ILO Governing Body reviewed all ILO standards adopted before 1985 and determined that some 71 conventions, including the fundamental conventions and those adopted after 1985 remained fully up-to-date and should be actively promoted, and the remainder required revision or withdrawal. This work is ongoing, and the Governing Body decided in 2016 to review 235 international labour standards organized into 20 thematic sets of instruments.

Conventions, even if not ratified by a member State, and Recommendations which do not need to be ratified, both provide solid policy directions for a wide range of employment and labour issues and therefore serve as a major resource for action in any of these areas. They must be considered when tackling any economic, social or developmental issue, inevitably linked to productive activity. The tripartite nature of the discussions leading to Conventions and Recommendations provides a sound basis for the provision of advice or the promotion of policies in support of the international agenda, including the 2030 Agenda. As Conventions are binding international treaties, once ratified, they enable the establishment of agreements and partnerships to carry out any development strategy at

³³ A Protocol has the purpose of updating, supplementing or complementing the provisions of an existing ILO Convention.

the local and national levels. The ILO's unique supervisory bodies engage governments in dialogue on the application of standards³⁴ and serve as useful sources of information on law and practice in particular countries.

International labour standards are being used for a number of purposes:

- **As models for national labour law:** International labour standards serve as templates for developing national law and practice in a particular field. Even if a country does not ratify a particular Convention, it may still bring its legislation into line with it;
- **As sources of international law applied at the national level:** In many countries, ratified international treaties apply automatically at the national level. Their courts are thus able to use international labour standards to decide cases on which national law is inadequate or silent or to draw definitions set out in the standards, such as “forced labour” or “discrimination”;
- **As guidelines for social policy:** international labour standards can provide guidance for developing national and local policies, such as work and family policies. They can also be used to guide improvements in administrative structures such as labour administration, labour inspection, social security administration, employment services, etc. Standards can also serve as a source of sound industrial relations applied by labour dispute resolution bodies, and as models for collective agreements;
- **As a legal or policy basis for other areas:** For example, increasing consumer interest in the ethical dimensions of products has led multinational enterprises to adopt voluntary codes of conduct to improve labour conditions along global supply chains. Reports on the application of standards are regularly submitted to the United Nations human rights bodies and other international entities. Advocacy groups and NGOs draw on international labour standards to call for changes in policy, law or practice. A number of countries and regional organizations have incorporated respect for international labour standards into their bilateral, multilateral or regional trade agreements³⁵.

DWA-SDG Relationship

In addition to the explicit commitment to human rights cited above, the 2030 Agenda Preamble, Declaration, Goals and Targets contain many references to human rights. Among them are two of particular importance to the world of work: SDG target 8.8: “protect labour rights of all workers, including migrant workers, particularly women migrants, and those in precarious employment” and target 16.3 “promote the rule of law at the national and international levels, and ensure equal access to justice for all”.

For the ILO, being a standard-setting organization, the development, promotion and supervision of international labour standards is at the core of the organization's mandate. Labour standards cover a broad range of subjects related to the world of work, and every aspect of the DWA. The promotion of relevant labour standards is a work item under each of the ten Policy Outcomes; of those, four outcomes, namely PO 2 (labour standards), PO 7 (compliance), PO 8 (unacceptable forms of work)

³⁴ The [Conference Committee on the Application of Standards](#), a permanent tripartite body of the International Labour Conference and an essential component of the ILO supervisory system, offers the representatives of governments, employers and workers the opportunity to undertake a joint examination of the manner in which States comply with their obligations deriving from the Conventions and Recommendations adopted by the ILO.

³⁵ The above section of the present publication was adapted (with minor updates and edits) from the “CEB Toolkit” (UN CEB, 2007).

and 10 (workers and employers) are particularly concerned with the application of standards in general, not focusing on a specific Convention or Recommendation. The application of standards, in particular the design of an appropriate review mechanism and of an authoritative supervisory system, are the subject of the Office's "[Standards Initiative](#)", which is one of the seven Centenary Initiatives.

Cross-cutting policy drivers

The promotion of labour standards is both an outcome in its own right and a means of achieving the other policy outcomes, and therefore recognized as a cross-cutting policy driver of the P&B 2016-17 and 2018-19.

As pointed out [above](#), several ILO labour standards are related to issues of gender equality and non-discrimination, and support those areas from the normative side.

The development and supervision of labour standards is a fully tripartite process based on social dialogue. At the national level, tripartite social dialogue processes are being applied to translate ILS into national laws, and to supervise the effective application of those laws.

Partnerships

Each particular labour standards requires partnerships for its promotion, implementation and translation into national laws. Some of those partnerships have been highlighted in the sections on [child labour](#), [forced labour](#), [working conditions](#) and [non-discrimination](#). In addition, the ILO maintains [active partnerships with a great number of international organizations](#); these partnerships enable the Office to promote certain standards, or the body of standards as a whole, in concert and with the support of like-minded agencies. Outside the UN the ILO maintains partnerships with [non-state actors and civil society organizations](#) which are often particularly active in promoting certain ILO instruments.

ILO Capacity

ILO's work on standards is driven and coordinated by the [International Labour Standards Department \(NORMES\)](#), which supervises standards specialists working in all 14 ILO technical teams. In addition, the various technical units responsible for the promotion of particular Conventions and Recommendations add their expertise and capacity to the Office's standard-related work. The International Training Centre of the ILO in Turin offers numerous courses related to international labour standards (see the updated list [here](#)).

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Which ILO Conventions have been ratified by your country, and which of those have been translated into national law?
2. Has your country had a case at the ILC Committee on the Application of Standards, has your country been subject of a "[special paragraph](#)" or a [Commission on Inquiry](#)?
3. Does the government of your country take account of the relevant Conventions (ratified or not) when addressing specific national or local issues?
4. Does your government explicitly promote compliance with international labour standards as a way of achieving decent work?
5. Does your government take steps to:
 - a. Raise awareness and understanding of international labour standards?
 - b. Promote the ratification of relevant international labour standards?

- c. Strengthen the country's capacity to implement ratified Conventions effectively?
 - d. Follow up on observations and conclusions of ILO supervisory bodies and assist in finding solutions to problems which have been identified?
6. Does your country address the possible benefits from ILS in terms of equality, stability and productivity with an impact on the country's competitive position in the global economy?
 7. Are the national workers' and employers' organizations actively involved in the adaptation of ILO instruments into national laws and policies?

Resources

The most comprehensive compilation of resources relating to International Labour Standards and the Supervisory mechanism can be accessed [here](#). The ILO Information System on International Labour Standards ([NORMLEX](#)) provides up-to-date information on the ratifications and the full text of all ILO instruments.

17. National Employment Policies

17	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			8.3, 8.5, 8.6, 1, 10, 16, 17				1, 6

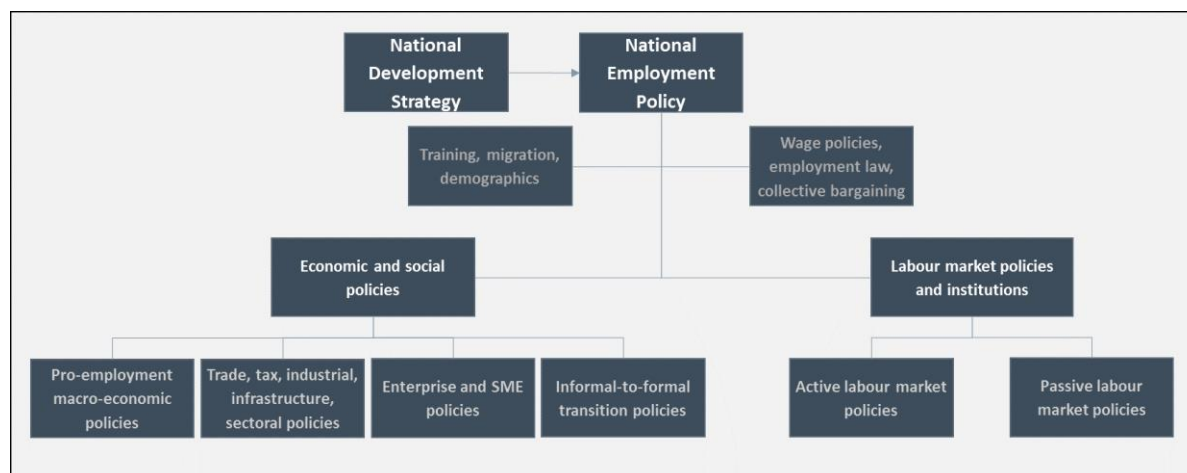
The ILO estimates that more than 600 million new jobs will need to be created over the next decade to generate sustainable growth and maintain social cohesion. Global employment challenges have become increasingly pronounced since the financial and economic crisis in 2008. This crisis both revealed and further aggravated glaring employment deficits in terms of both levels and quality, and highlighted the need to address structural imbalances in labour markets. The global employment gap, measuring the number of jobs lost since the start of the crisis, had reached 61 million by 2015 and continues to widen. Coupled with this, in 2015, there were over 200 million unemployed people worldwide, while over half of the world's workers were involuntarily self-employed. In developing countries, burgeoning informal economies account for between 35 and 90 per cent of total employment. Working poverty remains pervasive, and non-standard, precarious forms of employment have seen an alarming rise. These challenges tend to disproportionately affect women, youth and marginalised groups, requiring integrated and far reaching policy responses. It is now commonly acknowledged that economic growth, while *necessary*, is by no means *sufficient* to engender sustainable and productive employment. At the same time, a lack of productive employment opportunities and the persistence of decent work deficits will impede pro-poor growth and sustainable development (53). *National employment policies* (NEP) pursue the overarching objective of converting economic growth into employment growth. At national level, a coherent, integrated and well-designed employment policy, which cuts across the macro- and microeconomic dimensions and addresses both labour demand and supply, is of utmost importance to tackle employment related problems.

The objective of full, productive, and freely chosen employment was already stated in the ILO Constitution and the 1944 Philadelphia Declaration, with the Employment Policy Convention, 1964 (No. 122) further articulating it. In addition, all ILO work on employment derives its current mandate from the Global Employment Agenda (2003), the ILO Declaration on Social Justice for a Fair Globalization (2008) and the Conclusions of the Recurrent Item discussion on Employment. National employment policies seek to explicitly link growth and economic strategies to employment creation, and diagnose the challenges and opportunities for productive job creation (54).

The ILO promotes a comprehensive approach to employment policy, whereby a NEP should elaborate both a vision and a concerted and coherent framework linking all employment policy interventions, as well as all stakeholders – government, employers' and workers' organisations, financial institutions, industry and other civil society groups – who have a role to play in reaching employment targets³⁶. The content of a NEP will necessarily touch upon a wide array of economic,

³⁶ "The National Employment Policy (NEP) is an official framework manifested in an operational document that refers to a set of multidimensional interventions adopted on the basis of a common agreement reached by all interested parties and pursued by a government in order to address clearly identified challenges and opportunities and achieve specific quantitative and qualitative employment objectives. It includes a course of action, selected among alternatives and in light of given conditions." (79)

social and labour market policies that affect both the supply and demand sides of the labour market, as well as the intermediation between them. The NEP can therefore serve as an umbrella for complementary policies, as illustrated below:



Consequently, national employment policies are closely related to several thematic areas discussed in this guide, most prominently to the active labour market policies, to employment-rich economic growth, to working conditions, to the informal economy, to youth employment, and to equality.

The ILO facilitates comprehensive employment policy processes at the country level through:

- conducting sex and age disaggregated employment and labour market situation analyses;
- providing research and analysis on how to increase the employment content of growth to inform policy design, monitoring and evaluation;
- offering policy advice on incorporating employment goals in overarching policy frameworks;
- undertaking capacity building for government and the social partners; as well as facilitating tripartite policy dialogue.

The issue of national employment policies is addressed by several International Labour Standards, chiefly by [C.122](#) (Employment policy, 1964, ratified by 109 countries), and the associated Recommendations [R.122](#) and [R.169](#). C.122 provides the global normative reference for employment policy. It calls upon States to declare and pursue an active policy designed to promote full and productive employment as a major goal, consulting the social partners and taking into account national circumstances.

The ILC has also adopted a wide range of additional instruments to guide advocacy and technical work in relevant fields such as skills (e.g. [C.142](#)), employment services ([C.88](#)), private employment agencies ([C.181](#)), the employment of persons with disabilities and other vulnerable groups (e.g. [C.159](#)), transition from the informal to the formal economy ([R.204](#)), enterprise development (e.g. [R.189](#)), and social protection floors ([R.202](#)), amongst others.

DWA-SDG Relationship

The formulation of national employment policies is central to the achievement of SDG 8, in particular its targets 8.3, 8.5 and 8.6. Moreover, since employment creation can be considered as the mechanism that translates growth into poverty reduction, NEPs are of great relevance to the fight against poverty (SDG 1) and inequality (SDG 10). National employment policies (NEPs) can only be effective if they respond to local needs. Consensus needs to be built through extensive dialogue and transparent and accountable decision-making processes at all levels to develop legitimate employment policy measures and strategies; these issues are addressed by SDG 16, namely targets

16.6 and 16.7. The complexity of labour markets requires coordination and policy coherence. Analysing several policy areas, such as skills development, sustainable enterprise development, sectoral development policies, and macroeconomic policies *simultaneously* fosters a more coherent targeting of the challenges. Tripartite inter-ministerial coordination mechanisms ensure coordinated support towards comprehensible interventions aligned with national development frameworks and key stakeholders' concerns and priorities. NEPs therefore contribute to policy coherence (SDG target 17.14) and national ownership (17.15).

The formulation and implementation of NEPs is captured under ILO Policy Outcome 1, but it is of relevance to all other policy outcomes as well. In fact, the comprehensive nature of NEPs means that those policies must take into account the concerns and priorities addressed by these outcomes.

Cross-cutting policy drivers

The formulation and implementation of NEPs can be seen as one of the most effective means to promote the application of international labour standards at the national level; in the same vein, Integration of gender equality and non-discrimination issues are critical to ensure that NEP create a conducive policy environment for enhancing full, productive and freely chosen employment for all women and men, in particular, young people. NEPs are the product of a comprehensive and intense process of tripartite social dialogue, which in turn means that the formulation of NEPs can effectively contribute to the strengthening of national tripartite social dialogue institutions and mechanisms.

The aspect of environmental sustainability must be taken into account when formulating NEPs; on the other hand, NEPs can become an effective tool to promote the greening of national economies as well as the creation of “green jobs”.

Partnerships

Institutional arrangements in the development and implementation of a NEP matter greatly, although they may differ substantially from one country to another, depending on specific country contexts. Whatever arrangements are put in place (e.g. technical, drafting, steering committees), it is of paramount importance that developing national employment policies includes a wide range of interest parties to ensure policy coherence, ownership and sustainability. This approach is very much in line with SDG 17, which calls for policy coherence and coordination (53). The specific area of NEP therefore requires the establishment of partnerships at the national level. In addition, they can benefit greatly from partnerships with other organizations, such as the UN system, the World Bank, the IMF, and the donor community. The effective implementation of the employment-related goals and targets of the 2030 Agenda requires even greater partnerships and cooperation with the UN system, international financial institutions, regional institutions, development banks and sub-regional economic communities. The [Global Initiative on Decent Jobs for Youth](#) provides a good example of such a UN system-wide partnership.

ILO Capacity

The ILO Employment Policy Department's Employment and Labour Market Policies Branch ([EMPLOYMENT/EMPLAB](#)), in close coordination with the global team of field employment specialists, provides policy advice, develops methodological tools, builds capacities of key actors and supports government and social partners in the development and implementation of NEPs. The Branch and its field specialists have the primary responsibility for the organization of integrated country employment policy diagnostics and reviews, facilitation of tripartite policy dialogue on employment policy and policy development and implementation. This includes work on pro-employment macro-economic and budgeting frameworks, national employment monitoring indicators, labour market

policies including activation and intermediation, employment services and youth employment, as well as integrating gender equality and non-discrimination concerns in all the work thereof.

Discussion Guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Does the government of your country consider employment as a central goal of national development strategies?
2. Does the national development framework of your country explicitly consider the impact of economic growth on employment creation for both women and men, in particular youth?
3. Has your country formulated a comprehensive national employment policy, or does it envisage the formulation of such a policy?
4. Is the employment policy of your country coordinated and aligned with other relevant national policies, namely skills, trade, tax, industrial, infrastructure, sectoral, enterprises development and informal economy policies?
5. Does the employment policy consider not just the *number* but also the *quality* of jobs created for both women and men (wage or income level, working conditions, social security coverage, rights of workers)?
6. Is the employment policy of your country underpinned by concrete employment programmes and budgetary allocations?
7. Does the employment policy pay special attention to particular population groups, such as the working poor, informal economy workers, rural producers, informal economy operators, people with disabilities, in particular women among those groups etc.?
8. Do your country's social partners and other relevant stakeholders contribute significantly and effectively to the formulation and implementation of NEPs?
9. Does the UN system and the development partners' community at the national level consider employment as a central objective of development policy, and are they prepared to allocate financial resources to this objective?

Resources

A collection of resources related to national employment policy can be accessed through the [web page](#) of the Employment and Labour Market Policies Branch (EMPLAB). Additional material is available at the [web site](#) of the employment and labour market policies unit of the ITC-ILO in Turin.

18. Productivity

18	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			2.3, 8.2				1, 4, 5, 10

Low productivity is one of the root causes of the “working poor” phenomenon: people who work long hours, often in the informal economy or in subsistence agriculture, but still do not earn enough to feed their families³⁷. Raising productivity - and ensuring that the productivity gains are equitably shared between business owners and investors (higher profits and shareholder value) and workers (higher wages and better working conditions) - is, therefore, of critical importance in efforts to reduce poverty. The virtuous circle of productivity, employment and development can be fuelled through the re-investment of productivity gains into product and process innovations, plant and equipment improvements, and measures to enhance the skills and improve the work environment of the workforce.

Productivity refers to how efficiently resources are used; it can be measured in terms of all factors of production combined (total factor productivity) or in terms of labour productivity, which is defined as output or value added divided by the amount of labour used to generate that output. Labour productivity increases when value added rises through the better use, coordination, etc. of all factors of production. Value added may increase when labour is working smarter, harder, faster or with better skills, but it also increases with the use of more or better machinery, reduced waste of input materials, or with the introduction of technological innovations. Labour productivity measures the efficiency of a country with which inputs are used in an economy to produce goods and services and it offers a measure of economic growth, competitiveness, and living standards within a country (55).

Governments, workers and employers are united in their pursuit of enhanced productivity because greater productivity is the primary source of improvements in living standards, the most sustainable route out of working poverty, and the basis (and measure) of competitiveness in global markets.

Productivity growth may have employment-displacing effects and can even cause the disappearance of entire job families. These effects are central to the discussion around the “Future of Work” since new technologies and the automation of work processes may cause profound disruptions in the world of work. However, experience has shown that in the longer term and at the aggregate level, productivity growth may not necessarily reduce employment growth in a country. Productivity gains can work their way through the macro economy so that job losses in one location or sector is compensated by job gains in another area or sector.

DWA-SDG Relationship

Employment is the primary means of income generation for the poor. Increasing productivity of the poor, improving their employability and creating productive employment opportunities for the poor is an important way to fight poverty.

³⁷ Hence, productive employment refers to employment that yields sufficient income to allow the worker and his/her household a consumption level above the poverty line.

The term “productivity” appears in SDG targets 2.3 and 2.4 (agriculture, in particular subsistence agriculture) and in SDG target 8.2 (total factor productivity), thus recognizing that greater productivity is essential to combat hunger, advance decent work and boost economic growth. SDG target 2.3 is addressed by ILO policy outcome 5 through support programmes for rural employment whereas target 8.2 is linked to policy outcomes 1 and 5. Both SDG targets 2.3 and 8.2 are supported by policy outcome 10 since productivity growth required the active participation of workers’ and employers’ organizations.

The ILO supports productivity growth through skills development programmes, the strengthening of labour market institutions, through social dialogue mechanisms and through dedicated projects and programmes such as “[SCORE](#)” (sustaining competitive and responsible enterprises) and “[Better Work](#)” (improving working conditions and competitiveness in the garment industry, one of ILO’s five flagship programmes). The ILO [Cooperative Programme](#) promotes productivity enhancement through improved work organization and economies of scale in both agriculture and non-agricultural occupations. In the past, the ILO supported the establishment of productivity centres in numerous developing countries; many of those are still active and now operate independently. Labour productivity is an element of ILO’s Key Indicators of the Labour Market ([KILM](#)).

Cross-cutting policy drivers

The ILO promotes the so-called “high road” to productivity which seeks to enhance productivity through better working conditions and the full respect for labour rights as compared to the “low road” which consists of the exploitation of the work force.

As highlighted above social dialogue is crucial to all efforts aimed at improving productivity, in particular those that adopt the “high road”. A recent [ILO story](#) from Colombia illustrates very well how social dialogue and collective bargaining have greatly improved productivity in the garment industry.

SDG target 2.3 singles out women, indigenous peoples, family farmers, pastoralists and fishers as population groups that should primarily benefit from measures to enhance agricultural productivity. ILO programmes in support of target 2.3 should incorporate this target-group specific dimension.

It must be noted that productivity growth, if achieved through mechanization and the use of fossil fuels, can have negative effects on the environment and contribute to climate change. ILO’s “[Green Jobs](#)” programme seeks to attenuate these negative effects by promoting greater resource efficiency and a low-carbon economy.

Partnerships

Several major development partners support ILO’s efforts to raise incomes and profits, improve working conditions, ensure compliance with labour laws and enhance competitiveness through greater productivity: Norway, Switzerland (SECO), Canada, Denmark, Germany, Netherlands, the UK, the US, i.e. the donors involved in the aforementioned SCORE and/or Better Work programmes, private sector companies operating in global supply chains, as well as governments of beneficiary countries. UN agencies addressing productivity issues include the World Bank and its private sector arm, the International Finance Corporation (IFC), UNIDO, UNCTAD, the International Trade Centre (ITC) and, from the agricultural perspective, the FAO and the International Fund for Agricultural Development (IFAD).

ILO Capacity

The ILO does not have a central unit or department dedicated specifically to productivity, but many technical units contribute to productivity improvement in different ways: skills development,

employment policy, enterprise development, rural employment, sectoral activities, labour administration, and working conditions. In addition, the departments responsible for workers' and employers' activities are involved in productivity-improvement programmes. ILO technical specialists representing these various units in the field can provide advice and support projects and activities aiming at productivity growth.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Does the national development plan and or programming framework of your country explicitly address the impact on productivity and measure that impact?
2. Does the Plan explicitly consider how productivity growth may impact employment growth as well as modify employment patterns?
3. Do laws, regulations and/or mechanisms exist to guarantee the fair and equitable distribution of productivity gains between labour and capital?
4. Has your country adopted special measures to raise improve labour productivity in rural areas?
5. Has your country adopted special measures to raise improve labour productivity in the informal economy?
6. Did your country establish a Productivity Centre, or does it envisage the establishment of such a centre?
7. Are workers' and employers' organizations actively involved in the promotion of productivity growth?

Resources

Numerous ILO publications issued by various units address productivity, including the handbook [productivity management](#) (1987/1992) which however is now largely outdated. The ILO has also published a collection of "[Tools for the High Road to Productivity and Competitiveness](#)" tailored specifically to the Caribbean region. More recently the Office published the manual "[Productivity Improvement and the Role of Trade Unions](#)" (2015). Many additional ILO tools and publications address productivity in one way or another.

19. Rural Economy

19	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			1.2, 2.3, 8.2				5

Rural areas are home to most the poor. According to ILO calculations 88 per cent of the extreme poor live in rural areas, where poverty rates are four times higher than in urban areas and decent work deficits are typically severe. The rural/urban divide becomes even more apparent when considering poverty rates for people in employment. Nearly 20 per cent of people employed in rural areas live in extreme poverty, compared with just over 4 per cent in urban areas ([WESO 2016](#)).

Rural areas are characterized by governance gaps and informality. Gender inequalities in rural areas are pervasive. If women in rural areas had the same access to agriculture assets, education and markets as men, agricultural production could be increased and the number of hungry people reduced by 100-150 million³⁸. Rural labour markets are often dysfunctional. Labour market institutions, organization and representation are weak. Underemployment is widespread and incomes are generally low. Access to social protection is extremely limited. Rural workers are often vulnerable, they are, in numerous circumstances, not fully covered by national labour law and, more broadly, their rights are often not realized or enforced. Indigenous and tribal peoples are particularly vulnerable to discrimination. Because of this vulnerability and lack of organization, the voice of rural workers is often not heard in relation to both rural development and broader economic and social development.

Common challenges to unleashing the potential of rural areas include low productivity; underinvestment in agriculture and non-farm rural employment; lack of adequate infrastructure; poor occupational safety and health and working conditions; and limited or no access to services, including financial services. Additional pressures in rural economies result from conflict, natural resource depletion and climate change.

The rural economy holds considerable potential for economic growth, employment creation and promotion of decent work if the right policies are in place. The ILO's DWA, as an integrated rights-based development strategy, supports tripartite constituents in their efforts to promote sustainable rural livelihoods.

However, rural areas are also characterized by great diversity and should not be conceived of as being exclusively agricultural. There is a mixture of on-and off-farm activities ranging from smallholder agriculture or pastoralism to highly sophisticated commercial agribusiness supplying global markets and with intense regional and national linkages with industrial and services sectors (56).

Rural development has been on ILO's agenda since it was established in 1919. Since then, the ILO has adopted over 30 international labour standards that directly target agriculture and rural development, covering rights at work, employment opportunities, social protection and social dialogue. In 2008, the ILC discussion on rural employment, which culminated in the adoption of a

³⁸ FAO 2016 <http://www.fao.org/news/story/en/item/52011/icode/>

[Resolution and Conclusions](#) on promoting rural employment for poverty reduction, set a mandate for renewed ILO involvement in rural development issues. In March 2011 the Governing Body adopted [a strategy](#) on promoting decent work for rural development, which called for particular attention to areas such as rural entrepreneurship, enterprises and cooperatives, employment-intensive employment strategies; appropriate skills development; extended social security coverage; occupational safety and health; and the systematic inclusion of rural dimensions and actors when developing and implementing employment and social protection policies. Informed by these developments, decent work in the Rural Economy became one of eight “areas of critical importance (ACI)” for the biennium 2014-15, and constitutes since then one of the Office’s ten policy outcomes.

The ILO’s approach to rural poverty aims at increasing the overall resilience of rural communities and their capacity to address such challenges through the DWA. This approach is based on three main goals: increasing the voice of rural people through organization of communities and promotion of rights, standards and social dialogue; promoting an employment based rural development model through diversified livelihoods, sustainable enterprises and better integration in value chains; and providing social protection floors which guarantee minimum income and access to basic services in rural economies which are often very vulnerable to external shocks.

DWA-SDG Relationship

The [2030 Sustainable Development Agenda](#) unambiguously states that “We will devote resources to developing rural areas and sustainable agriculture and fisheries, supporting smallholder farmers, especially women farmers, herders and fishers in developing countries, particularly least developed countries.” SDG 2 (end hunger) is the primary SDG associated with the rural economy, but many others, such as those dealing with water, energy, infrastructure, equality and the environment are of greatest importance to rural populations as well. The ILO promotes in particular SDG target 2.3: “By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment,” which is considered essential to reduce poverty (SDG 1).

ILO’s work on promoting decent work in rural areas is organized under policy outcome 5, which promotes a fully integrated approach that places decent work at the centre of national development frameworks and strategies. All four pillars of the DWA must be promoted simultaneously to improve living and working conditions in rural areas.

Cross-cutting policy drivers

Rural workers (including plantation workers) and rural producers have been the subject of numerous specific ILO Conventions and Recommendations, and are referenced in many additional ILO instruments of more general nature. A full list of these instruments can be found [here](#).

The weakness of collective voice of rural workers and employers has deep-rooted causes such as the fragmentation and low levels of membership of trade unions and employers’ organizations in rural areas. Strengthening the organization and representation of rural stakeholders for example through cooperatives and other social and social solidarity economy organizations as well as improving the institutional framework for social dialogue is key for promoting decent work in the rural economy.

Gender inequalities and discrimination of groups in vulnerable situations are major challenges in the rural economy. Ending all forms of discrimination against women and girls, whose empowerment is

key to reducing poverty and hunger, and safeguarding rights of indigenous and tribal peoples and of other groups vulnerable to discrimination, is an integral part of ILO's work on the rural economy.

The agro-food, fishing and aquaculture sectors have tremendous potential to unlock inclusive, green and climate-resilient growth. On the other hand, rural communities in the developing world are suffering most from climate change and environmental degradation. Promoting environmental sustainability, climate resilient development and green jobs creation in these sectors is at the core of ILO strategy on the rural economy.

Partnerships

In the area of Decent Work in the rural economy the ILO has established strong and constructive partnerships with UN agencies involved in agriculture and rural development, such as the Rome-based agencies (FAO, WFP, IFAD), as well as UNDP, the OECD, regional development banks and the World Bank Group, UNEP, UNFCCC and SIDA; together with these agencies and bilateral partners the ILO implements country level interventions to promote productive, decent jobs in the rural economy. The ILO is also involved in the FAO-hosted [Committee on World Food Security](#) (CFS) and the UN Secretary-General's [High Level Task Force on Global Food and Nutrition Security](#) (HLFT).

ILO Capacity

ILO's work on promoting decent work in the rural economy touches upon all four dimensions of the DWA and involves many different technical units at headquarters. While the Decent Work Technical Teams do not employ rural employment specialists per se, all technical specialists from various backgrounds can contribute their specific in a complementary manner to design integrated and comprehensive rural employment programmes. The promotion of Decent Work in the rural economy can also benefit from the experience and tools of ILO's [local economic development programme](#), which aims at fostering employment creation through harnessing the comparative advantages and the unique characteristics of localities and local territories.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. What is the size and importance of the rural economy in your country in terms of population, employment, poverty levels, GDP and export earnings?
2. Does the national programming framework include sections or chapters on rural development/employment/economy?
3. Does the programming framework address the Issue of rural-urban inequality and of rural-urban migration?
4. Does the programming framework include measures to raise rural productivity and earnings, and to facilitate access to markets, to new technologies and to financial services?
5. Does the programming framework foresee specific measures to boost off-farm employment and livelihoods in rural areas?
6. Do strategies exist to extent social protection coverage to rural areas, including to subsistence farmers?
7. Do the national and/or sectoral workers' and employers' federations reach out to rural producers and workers, and include them in social dialogue mechanisms?
8. Did your country ratify the [International Labour Standards most relevant](#) to the rural economy, and does the country apply these standards in practice?

Resources

The ILO Library guide includes a page on [rural development](#) which facilitates access to a broad range of material, grouped into different themes, sectors and regions. In addition, the ILO has compiled a portfolio of [policy guidance notes](#) on the promotion of decent work in the rural economy, which illustrates the ILO's holistic approach to promoting decent work in the rural economy and brings together the broad range of instruments and tools developed over the past years. The ITC-ILO in Turin maintains a web page dedicated to [rural development](#).

20. Skills and Employability

20	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets 4.3, 4.4, 4.5 8.6, 8.b			Relevant Policy Outcomes 1			

Breaking the vicious circle of poor education, low productivity and persistent poverty is crucial for promoting inclusive economic growth and decent jobs for all. Education, as well as being an end in itself, is also a means to getting a decent job, especially for young people, while lifelong learning is indispensable in order to keep up with the changing skills needed for the labour market. Skills development is therefore an essential prerequisite for sustainable development (57). It can also contribute to facilitating the transition from the informal to the formal economy. Skills development is also essential to address the opportunities and challenges to meet new demands of changing economies and new technologies in the context of globalization (58).

Governments, employers' associations and trade unions around the world are working to improve the employability of workers, move young people into productive employment and decent work, and increase the productivity of enterprises through better quality and relevant training. The ILO conducts comparative research and provides policy guidelines and technical assistance to help constituents integrate skills development into national and sector-specific development strategies.

Skills development strategies are high on the priority list of countries in all stages of development, for at least three reasons:

- *Skills matching*: to better forecast and match the provision of skills, both in terms of relevance and quality, with labour market needs;
- *Skills upgrading*: to adjust skills development programmes and institutions to technological developments and changes in labour markets so that workers and enterprises can move from shrinking, low-productivity economic sectors and professions to expanding, high-productivity sectors and occupations. Such adaptation requires permanent and regular re-skilling, skills upgrading and lifelong learning for workers to maintain their employability and enterprises to remain competitive;
- *Skills for society*: to build up capabilities and knowledge systems within the economy and society which induce and maintain a sustainable process of economic and social development.

The ILO's work on skills development has in recent years focused primarily on three areas:

- linking training to current labour market needs as well as anticipating and building competencies for the jobs of the future;
- building quality apprenticeship systems and incorporating core skills into training for young people; and expanding access to employment-related training in rural communities to improve livelihoods, reduce poverty;

- and equip women and men to work in the formal economy³⁹.

In addition, the ILO has developed special programmes on skills and employability for disadvantaged groups and poverty reduction, as well as on “[Skills for Trade and Economic Diversification](#)” (STED).

ILO’s skills development activities and programmes are guided by the [Human Resources Development Convention](#), 1975 (C.142, ratified by 68 countries), the [Human Resources Development Recommendation](#), 2004 (R.195), and the [Conclusions](#) on skills for improved productivity, employment growth and development adopted by the ILC in 2008, and the [Conclusions](#) on the youth employment crisis adopted by the ILC in 2012. In addition, many other ILO instruments and policy guidelines contain references to skills development, education and vocational training⁴⁰.

DWA-SDG Relationship

“Education, or the transmission, acquisition, creation and adaptation of information, knowledge, skills and values, is a key lever of sustainable development. This is based on a vision of inclusive societies in which all citizens have equitable opportunities to access effective and relevant learning throughout life delivered through multiple formal, non-formal and informal settings” (59).

Consequently, SDG 4 on education includes two targets on skills development, namely target 4.3 (equal access for all women and men to affordable quality technical, vocational and tertiary education), and 4.4 (number of youth and adults who have relevant skills for employment, decent jobs and entrepreneurship). In addition, skills development is indispensable for the achievement of target 8.6 (by 2020 substantially reduce the proportion of youth not in employment, education or training) and 8.b (youth employment). Skills development is also crucial for the achievement of SDG 5 (gender equality), as well as SDG target 4.5 (gender disparities in education).

In the same vein, skills development is of essential importance to the DWA and the promotion of productive employment; the preamble to the Constitution establishes ILO’s mandate in “the organization of vocational and technical education”, and skills development has been at the core of the ILO’s technical services. However, it is recognized that “skills development will not by itself lead to improved productivity and employment. Other critical factors include employment and productivity policies to influence the demand side of the labour market, respect for workers’ rights, gender equality, and health and safety standards; good labour relations and social dialogue; and effective social protection” (58).

Cross-cutting policy drivers

As a fundamental human right enshrined in several international normative frameworks⁴¹, and built into most national legislation, the right to education is to be seen as an enabling right for the realization of other economic, social and cultural rights, as well as a catalyst for positive societal change, social justice and peace. As mentioned above, skills development is also the subject of several ILO instruments (59).

³⁹ The main vehicle for this programme is known under the acronym “TREE”: [Training for rural employment and empowerment](#).

⁴⁰ For example: C.88 (Employment Services with 90 ratifications); C.111 (Discrimination (Employment and Occupation) and associated R.168 (Vocational Rehabilitation and Employment (disabled); C.122 (Employment Policy, 109 ratifications); C.140 (Paid Educational Leave, 35 ratifications); C.159 (Vocational Rehabilitation and Employment (disabled persons, 172 ratifications), and associated R.99 (Vocational Rehabilitation (disabled); R.88 Vocational Training (adults); C.181 (Private Employment Agencies, 30 ratifications).

⁴¹ Such as the [Universal Declaration of Human Rights](#) (art. 26), the [International Covenant on Economic, Social and Cultural Rights](#) (art. 13), as well as the [Convention on the Rights of the Child](#) (art. 28).

Gender inequality hampers decent employment and inclusive growth. Enabling women to participate equally with men in economic life has been proven to have a positive impact on children's health and education. Thus, inclusive mobilization of all human capabilities can lead to more equitable economic growth. Women still face more barriers to education and training especially in rural, informal and traditional economies. These barriers are targeted in SDG 5 and in target 4.5 (60).

The design and implementation of skills development programmes must be anchored in effective social dialogue processes and mechanisms to avoid possible mismatches between demand and supply in the labour market, and to ensure that the content of vocational and technical training is constantly updated in line with technological progress.

The transition to a low carbon economy will not be possible without investing in education and skills training. Technological change and the need for more eco-friendly production and consumption practices require governments and enterprises to invest in skills training that support sustainable development, including in agricultural production. This aspect is covered in SDG 4.7 (57).

Partnerships

Development partners such as the World Bank, the EU, Canada, Korea and Norway, but also private sector organizations such as the MasterCard Foundation, support ILO's skills development programmes in different countries of the world. The ILO was instrumental in assisting the G20 in developing a common training strategy named "[A Skilled Workforce for Strong, Sustainable and Balanced Growth](#)", which was adopted by the G20 leaders in 2011. The strategy provided the foundation for a large-scale ILO skills development programme in Russia, financed by the Russian government. The ILO is a member of the [Global Apprenticeships Network](#) (GAN), established as a coalition of companies, international organisations and business and employers' federations who create work-readiness programmes for youth and foster skills for business. An Interagency Group on Technical and Vocational Education and Training (IAG-TVET) was set up in 2008 to ensure coordination of activities by the key international organisations involved in TVET. It enhances knowledge-sharing and a common understanding of key issues. The IAG has led interagency work on skills indicators, greening TVET and skills anticipation; the group comprises UNESCO, the ILO, the OECD and the World Bank, as well as the African, Asian and Islamic Development Banks, the European Commission and the European Training Foundation. At the national level, the ILO participates in joint UN programmes and donor coordination mechanisms focussing on education and skills development.

ILO Capacity

The primary ILO unit responsible for skills development is the [Skills and Employability Branch](#) under the Employment Policy Department; ten technical skills development specialists work in various Decent Work technical teams around the globe. In addition, the ILO can rely on the capacity and outreach of its [International Training Centre](#) in Turin which has become a global center of excellence in the area of vocational education and training. The ILO is also in charge of the management of the Inter-American Centre for Knowledge Development in Vocational Training ([CINTERFOR](#)).

It must be stressed that, apart from these specialized units and institutions, virtually any ILO technical unit and all ILO technical specialists are involved in specific training activities related to their specific area of expertise. Moreover, all ILO development cooperation projects do include training, education and skills development activities.

Discussion guide



(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Does the national development plan of your country put particular emphasis on technical and vocational education and training (TVET) and skills development?
2. Has the government of your country designed a national skills development and employability strategy, or envisages the formulation of such a strategy?
3. Does the national budget of your country include financial allocations to vocational training and skills development?
4. Does the national skills development strategy (if it exists) include target-group specific elements for disadvantaged and/or high-priority population groups (for example: disabled persons; unemployed youths; child labourers; informal economy operators; migrant workers and returning migrants; rural households; people living below the national poverty line)?
5. Does the national strategy promote lifelong learning and the regular updating and modernization of skills development programmes?
6. Do national strategies address the barriers that prevent girls and young women from attending vocational training?
7. Do the national strategies include measures such as career counselling and guidance and employment services to facilitate the transition from school to work for young women and men?
8. Does the national strategy explicitly seek to attain a better match between the supply of human resources and the demand in the labour market?
9. Are the national (and/or sectoral, regional) employers' and workers' organizations involved in the design and delivery of training programmes?

Resources

The most comprehensive collection of ILO (and non-ILO) data, tools and information on skills development can be found under the “[Skills for Employment Knowledge Sharing Platform](#)” which is designed as a global public-private initiative. Moreover, the ITC-ILO in Turin maintains a large collection of learning resources, documents and toolkits at its [resource center](#).

21. Social Dialogue and Tripartism

21	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
							
	Relevant SDG targets			Relevant Policy Outcomes			
	8.8, 10.4, 16.1, 16.6, 16.7			1, 2, 7,10			

Fair terms of employment, decent working conditions, safety and health at work and development for the benefit of all cannot be achieved without the active involvement of workers, employers and governments through social dialogue.

Social dialogue is defined by the ILO to include all types of negotiation, consultation or simply exchange of information between, or among, representatives of government, employers and workers, on issues of common interest relating to economic and social policy. Social dialogue takes many different forms. It may exist as a tripartite process, with the government as an official party to the dialogue, or it may consist of bipartite relations between the representatives of labour and management at company level (or trade unions and employers' organizations at higher levels). Social dialogue may be informal or institutionalized, and often involves both. It may take place at the national, regional, international, cross-border or local levels. It may involve the social partners in different economic sectors, within a single sector or in a single company or group of companies. (61).

All ILO instruments are the result of a tripartite process. However, ILO conventions that are particularly important for social dialogue include: the Right to Organise and Collective Bargaining Convention C.98, 1949, the Tripartite Consultation Convention C.144, 1976, and the Collective Bargaining Convention C.154, 1981. Further guidance is provided by the Collective agreements Recommendation, 1951 (No. 91), and the Co-operation at the Level of the Undertaking Recommendation, 1952 (No. 94); the Consultation (Industrial and National Levels) Recommendation, 1960 (No. 113); the Communications within the Undertaking Recommendation, 1967 (No.129); the Examination of Grievances Recommendation, 1967 (No. 130); the Tripartite Consultation (Activities of the ILO) Recommendation R.152, 1976; the Collective Bargaining Recommendation, 1981 (No. 163).

Institutions for social dialogue, which is based on the rights of freedom of association and collective bargaining, take into account each country's cultural, historical, economic and political context. There is no standard model of social dialogue that can be applied uniformly across countries or exported from one country to another. Adapting social dialogue institutions and practices to the national situation is key to ensuring effective representation in the process and its outcomes. There is a rich diversity in institutional arrangements, legal frameworks and traditions and practices of social dialogue throughout the world. The tremendous contribution of social dialogue to peace and stability was recognized by the Nobel Prize Committee when it awarded the 2015 Nobel Peace Prize to the [Tunisian National Dialogue Quartet](#).

Social dialogue includes:

- Negotiation, consultation and information exchange between and among the different actors;
- Collective bargaining between representatives of employers and of workers;
- Dispute prevention and resolution;

- Tripartite social dialogue on matters of economic and social policy; and
- Other instruments of social dialogue, including international framework agreements.

Social dialogue can only function effectively if certain preconditions are in place. These include:

- Strong, independent workers' and employers' organizations with the required technical capacity and access to information;
- Political will and commitment to engage in social dialogue on the part of all the parties;
- Respect for the fundamental rights of freedom of association and collective bargaining; and
- An enabling legal and institutional framework (62).

Sound industrial relations including consultation and cooperation, collective bargaining and minimum wage setting through tripartite social dialogue are means to promote better wages and working conditions as well as peace and social justice. As instruments of good governance, they foster cooperation and democratic participation, helping to create an enabling environment for economic growth and for the realization of the objective of Decent Work at all levels. Engaging in tripartite social dialogue, governments and representative workers' and employers' organizations help build strong labour market institutions that contribute to long-term social and economic stability and peace.

Social dialogue needs democratic participation of partners who have the capacity to engage in the process effectively and responsibly and the strength and flexibility to adjust to contemporary circumstances and exploit new opportunities. In some countries, the quality of social dialogue suffers from the limited capacity of employers' and workers' organizations, preventing them from effectively participating in governance processes and providing efficient services to members. In other countries, the Ministries in charge of labour issues may sometimes be side-lined in key policy and budgetary decisions. In some countries, the weakening of social dialogue institutions – often with the motive of lowering labour costs and boosting competitiveness – has not necessarily led to the expected effects on economic growth, while it has seriously aggravated inequalities, along with a rapid decline in collective bargaining coverage (63).

The ILO aims to assist member States in establishing or strengthening legal frameworks, institutions, machinery or processes for sound industrial relations dispute and resolution, and for effective social dialogue in member States. It also aims to promote social dialogue between and among member States and regional or sub-regional groupings as means of consensus building, economic and social development, and good governance. It supports the development of knowledge on global industrial relations, in particular the actors and institutions involved in cross-border social dialogue and agreements. The Office currently implements a [Plan of Action](#) on Social Dialogue for 2014 – 2017 as a follow up to the discussion on social dialogue at the International Labour Conference in 2013 ILC.

DWA-SDG Relationship

While the terms “social dialogue” and “tripartism” do not appear as such in the 2030 Agenda; the Agenda calls for the full recognition and observance of labour rights (SDG target 8.8) with specific mention of freedom of association and collective bargaining rights (8.8.2), for the rule of law (16.3), for accountable institutions (16.6) and for responsive, inclusive, participatory and representative decision-making at all levels (16.7) – all issues that lay the foundations for social dialogue. The 2030 Agenda's pledge to involve non-state actors in the national development process can be seen as an opportunity to rejuvenate tripartite social dialogue. Moreover, social dialogue can contribute significantly to “enhancing policy coherence for sustainable development” (17.14). It is therefore

important that the global employers' and workers' organizations – the [IOE](#) and the [ITUC](#) – are actively involved in the implementation of the 2030 Agenda [see for example: (64) and (65)].

Social dialogue is at the heart of the ILO and constitutes one of the four pillars of the DWA. The Declaration of Philadelphia encapsulates ILO's commitment to social dialogue with the statement that “the war against want requires to be carried on with unrelenting vigour within each nation, and by continuous and concerted international effort in which the representatives of workers and employers, enjoying equal status with those of governments, join with them in free discussion and democratic decision with a view to the promotion of the common welfare” and to further among nations “the effective recognition of the right of collective bargaining, the cooperation of management and labour in the continuous improvement of productive efficiency, and the collaboration of workers and employers in the preparation and application of social and economic measures”. None of ILO's ten policy outcomes can be achieved without social dialogue, and three of them, namely PO 1 (More and better jobs for inclusive growth), 2 (labour standards), 7 (compliance) and 10 (workers and employers) are particularly important for social dialogue.

Cross-cutting policy drivers

Social dialogue is a cross-cutting policy driver in the ILO's Programme and Budget; it a contributor to, another policy driver, namely international labour standards. Social dialogue is essential to ensure gender equality and to fight any form of discrimination, and it is indispensable to ensure a just and fair transition to a greener economy.

Partnerships

Social dialogue implies partnerships through tripartite and bipartite processes, and the employers' and workers' organizations around the world, both at national, regional and global levels, can be seen as ILO's “partners” in addition to being the Organization's constituents. In many cases, the Office may enter into thematic partnerships with workers' and employers' organizations so as to jointly advance elements of the Decent Work Agenda; for example, the Trade Union Development Cooperation Network ([TUDCN](#)) plays an important role in promoting decent work priorities in global development forums; the IOE has established a sustainable development policy [working group](#). The ILO has also entered into a [cooperation agreement](#) with the International Association of Economic and Social Councils and Similar Institutions (AICESIS), which is an association of national institutions involved in social dialogue.

ILO Capacity

ILO's work on tripartite social dialogue is coordinated by the [Social Dialogue and Tripartism Unit](#) (DIALOGUE) in the GOVERNANCE Department. Work on Labour (Industrial) Relations and Collective Bargaining is coordinated by the Inclusive Labour Markets, Labour Relations and Working Conditions Branch (INWORK) in the WORKQUALITY Department. In the field most Decent Work Technical teams include social dialogue or industrial relations specialists, many of whom cover additional subjects such as wages, labour administration and labour standards. An up-to-date list of social dialogue specialists is provided [here](#).

The nature of social dialogue and the centrality of tripartite social dialogue, sound labour relations and collective bargaining to the ILO, means that other units of the GOVERNANCE Department (LABOURLAW), the specialists (headquarter and field) of the Bureaux for Employers' Activities ([ACT/EMP](#)) and for Workers' Activities ([ACTRAV](#)), as well as many additional technical units, contribute to making social dialogue more effective and inclusive. The ILO [Sectoral Policies Department](#) (SECTOR) promotes social dialogue in specific economic sectors.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Does the government of your country recognize and protect freedom of association, collective bargaining and tripartism?
2. Does the national development framework promote tripartite social dialogue with constituents to define, consult or decide on policies, programmes and activities?
3. Do formal tripartite social dialogue and labour relations institutions exist in the country, and, if so, are they operational?
4. Do tripartite social dialogue institutions/mechanisms include other interest groups beyond the tripartite ILO constituency?
5. Does government make use of tripartite social dialogue mechanisms in formulating the national development framework?
6. Are there any capacity-building programmes for employers' organizations and workers' organizations, and of the Ministry in charge of labour?
7. Do UN agencies (other than ILO) represented in the country maintain regular contacts with social partners? What is the nature, regularity and purpose of these contacts?
8. Do development partners cooperate with or provide support social partners?

Resources

The ILO [topic page](#) on [Tripartism](#) and on [Labour Relations and Collective Bargaining](#) provides access to a large compilation of publications, reports and databases related to social dialogue. This includes an ILO Policy Guide on [ILO guidebook](#) and on [collective bargaining](#). Additional material, including on training opportunities, can be found at the [social dialogue page](#) of the ITC-ILO in Turin.

22. Social Protection Floor

22	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			1.3, 3.8.8.b				3

The vast majority of the world's people are unable to enjoy the fundamental right to social security; approximately three quarters of them lack adequate social protection. This challenge must be dealt with in order to protect populations, address ageing trends, expand sustainable systems and promote socio-economic recovery. The universal right to social protection must be built into national policies and laws and global and regional frameworks in order to reduce poverty, inequality and social exclusion and to allow such protection to act as an automatic social and economic stabilizer. Social protection reduces poverty, and prevents people from falling into poverty. With political will, sound design, costing and fiscal space analysis and inclusive social dialogue, even in times of austerity, social protection systems, including *social protection floors*, can be progressively established and strengthened (66).

The ILO policy on the extension of social protection is based on the two-dimensional strategy adopted by the 100th Session of the International Labour Conference in 2011. This two-dimensional approach aims at the rapid implementation of national social protection floors containing basic social security guarantees that ensure universal access to essential health care and income security at least at a nationally defined minimum level (horizontal dimension), in line with the [Social Protection Floors Recommendation, 2012 \(No. 202\)](#), and the progressive achievement of higher levels of protection (vertical dimension) within comprehensive social security systems according to [the Social Security \(Minimum Standards\) Convention, 1952 \(No. 102\)](#).

Social protection floors are nationally-defined sets of basic social security guarantees which secure protection aimed at preventing or alleviating poverty, vulnerability and social exclusion. These guarantees should ensure at a minimum that, over the life cycle, all in need have access to essential health care and basic income security.

National social protection floors should comprise at least the following four social security guarantees, as defined at the national level:

1. Access to essential health care, including maternity care;
2. Basic income security for children, providing access to nutrition, education, care and any other necessary goods and services;
3. Basic income security for persons in active age who are unable to earn sufficient income, in particular in cases of sickness, unemployment, maternity and disability;
4. Basic income security for older persons.

Such guarantees should be provided to all residents and all children, as defined in national laws and regulations, and subject to existing international obligations (67).

The concept of a social protection floor was initially developed by the ILO; thereafter, recognizing the importance and necessity of adequate social protection systems, the UN Chief Executives Board (CEB) adopted in April 2009 "[the Social Protection Floor Initiative](#)" as one of its nine key priorities to cope with the 2008/09 global financial crisis. The initiative is led by ILO and WHO but involves many

other UN agencies, the World Bank and the IMF, as well as bilateral partners, research institutes and international NGOs.

In 2011 the ILO in collaboration with the WHO published a report entitled “[Social Protection Floor for a Fair and Inclusive Globalization](#)” (68), which had been prepared under the guidance of Ms Michelle Bachelet⁴² and the members of the Social Protection Floor Advisory Group convened by ILO and WHO. The report showed that the extension of social protection can play a pivotal role in relieving people of poverty and deprivation. It can in addition help people adapt their skills to overcome the constraints that block their full participation in a changing economic and social environment, contributing to improved human capital development and stimulating greater productive activity. The report also shows how social protection has helped to stabilize aggregate demand in times of crisis and to increase resilience against economic shocks, contributing to accelerate recovery towards more inclusive and sustainable development paths.

DWA-SDG Relationship

Social protection is both an established human right⁴³ and a central element in sustainable poverty reduction. The extension of social protection and the establishment of a national social protection floor is seen as key to reducing and preventing poverty; consequently, SDG 1 on ending poverty includes a target 1.3 which reads: “implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable”. In addition, SDG target 3.8 calls for universal health coverage, which is one of the components of the social protection floor, where as target 8.b (a means of implementation) calls for the full implementation of the CEB Global Jobs Pact, into which the social protection floor concept had been incorporated. Moreover, access to an adequate level of social protection is a basic right of all individuals. Article 22 of the Universal Declaration of Human Rights states: “everyone, as a member of society, has the right to social security”.

The extension of social protection constitutes one of the four pillars of the DWA. It corresponds to one of ILO’s current ten P&B policy outcomes and forms the basis for an ILO flagship programme, namely “[Building social protection floors for all](#)”. Social protection is closely linked to the other three pillars of the DWA since the stability, productivity and decency of jobs depend to a large extent on the existence of social safety nets; access to and extension of social protection is the subject of many ILO standards, whereas the implementation of social protection schemes and the management of social security institutions is often (and should always be) realized through a process of social dialogue.

Cross-cutting policy drivers

The social protection floor initiative has a strong normative character, guided by a Recommendation (R.202) and a Convention (C.102), as well as numerous other up-to-date international labour standards (such as C.118 on Equality of Treatment (Social Security), and C157 on Maintenance of Social Security Rights Convention) with a focus on empowering constituents to develop socially effective, financially efficient and fiscally affordable policies for expanding social security.

Some social protection aspects, such as maternity protection, are gender specific and require gender-sensitive implementation strategies; some areas, such as child care, health care and care for the elderly, are often left to women who must find ways to cope with the additional burden, which limits their ability to access decent work. Ensuring appropriate leave and benefits, as well as

⁴² Former head of UN Women and current President of Chile.

⁴³ Set out in Articles 22 and 25 of the Universal Declaration of Human Rights.

publically provided care services are enablers for decent work for women. This must be taken into account when formulating social protection strategies.

As mentioned above, social dialogue between government and workers' and employers' organizations plays a key role in designing, implementing and monitoring effective social protection systems, including those that seek to extend protection to the informal economy. Workers and employers contribute significantly to the financing of social protection systems and must have a say in their management.

Certain social protection strategies, such as cash transfers coupled with public employment programmes, could be used to combat environmental degradation and to foster climate change adaptation.

Partnerships

The ILO plays a leading role in strategic inter-agency initiatives such as the [Social Protection Interagency Cooperation Board](#) (SPIAC-B), the UN Social Protection Floor Initiative, and the [Global partnership for universal social protection](#). Alliances and strategic partnerships with other UN agencies, the World Bank, regional banks and the G20 are being strengthened and dialogue with the International Monetary Fund (IMF) and the Organisation for Economic Cooperation and Development (OECD) are being pursued to keep the extension of social protection high on global, regional and national agendas. A multiplier effect is being created through South–South cooperation involving, among others the BRICS countries, the Association of Southeast Asian Nations (ASEAN) and the African Union. More recently (in 2015), the ILO launched the [Global Business Network for Social Protection Floors](#) which currently involves 12 (mostly multinational) enterprises.

At the field level many social protection programmes are being designed and implemented in partnership between the ILO and other agencies, such as UNICEF and the World Bank, or through joint UN programme modalities. Several ILO development partners, including Belgium, Brazil, France and Germany, prioritize the extension of social protection in their cooperation programmes with the ILO.

ILO Capacity

ILO's work on the promotion of social protection floors is led by the [Social Protection Department](#) which includes specialists in, and provides advice on, legal issues, public finance, actuarial and statistical services, capacity building, as well as policy and research. Social protection specialists are assigned to the majority of ILO's 14 Decent Work technical teams. In addition, a large number of technical cooperation specialists and experts work in national and regional social protection programmes and projects. Moreover, the ILO is a leader in global social protection research, and publishes every three years the [World Social Protection Report](#).

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Did the government of your country take measures to analyse the fiscal and economic affordability of a national social protection floor?
2. Does government promote social protection mechanisms and schemes as a means of preventing and alleviating poverty?
3. Does government explicitly promote the extension of social security coverage in the country?
4. If so, do these strategies aim at building a basic floor of social protection?

5. Do these strategies promote access to basic health care for all (both contributory and non-contributory systems)?
6. Do they support family/child benefits to ensure that all children have access to nutrition, education and care?
7. Do they support basic social assistance to all workers and their families in abject poverty or destitution?
8. Do they support the provision of income security in case of old age?
9. Do they support the provision of income security in case of invalidity or disability?
10. Do they support the provision of income security in case of survivorship?
11. Do they support informal means of social protection, especially when the poor have no access to formal social security systems?
12. Are there adequate maternity, paternity and parental leave and benefits?

Resources

ILO's social protection platform can be accessed at www.social-protection.org. The most comprehensive overview of ILO's strategy in support of social protection floor is contained in the book "[Social Security for All](#)" (69). The ILO social protection floor flagship programme is introduced through a dedicated [website](#). The ILO maintains a [statistical knowledge base](#) on social protection and has published numerous [books and reports](#) on the subject, as well as a [good practice guide](#) on assessment-based national dialogues. Several data bases related to social protection can be accessed [here](#). An overview on ILO projects active in the area of social protection can be accessed via the Department's [technical cooperation page](#). Additional material can be found at the [social protection page](#) of the ITC-ILO in Turin.

23. Working Conditions

23	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			5.4, 8.8, 10.4, 16.6				2,4,6,7,10

The ILO Constitution states: “*And whereas conditions of labour exist involving such injustice, hardship and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperilled.*” This sentence underlines the critical importance of establishing humane conditions of work for sustainable and peaceful societies. People aspire to have not just a job but a good job. Wages, working time, work organization and conditions of work, arrangements to balance working life and the demands of family and life outside work, non-discrimination and protection from harassment and violence at work are core elements of the employment relationship and of workers’ protection, and also affect economic performance. Working conditions cover a broad range of topics and issues, from working time (hours of work, rest periods, and work schedules) to remuneration, as well as the physical conditions and mental demands that exist in the workplace.

The ILO monitors trends and developments regarding wages, collective bargaining, working time, work organisation, and work-life balance around the world and analyses key and emerging issues, in order to provide ILO constituents and policymakers with practical information and research-based policy advice grounded in state-of-the-art knowledge. In addition the ILO seeks to collaborate with national research institutes and academic institutions to obtain the state-of-the-art knowledge needed to support workers and employers in developing and implementing balanced working time arrangements that can protect workers’ health, benefit their well-being and work-life balance, and promote sustainable enterprises as well.

The ILO provides technical assistance to ILO constituents and expands the knowledge base on wages, working time, working conditions, collective bargaining and labour relations, and job and labour market security. To this effect, the ILO has also developed [policy guides on minimum wages](#) and collective bargaining. The Office promotes cooperation between the key labour market institutions and their combined effect on worker protection, labour market performance and equality. This includes the following areas (70):

- *Collective bargaining* as a key means through which employers and their organizations and trade unions can establish fair wages and working conditions. It also provides the basis for sound labour relations. Typical issues on the bargaining agenda include wages, working time, training, occupational health and safety and equal treatment. ILO policy advice is based on the Collective Bargaining Convention, 1981 ([C.154](#)) and the Collective Bargaining Recommendation, 1981 ([R.163](#)).
- *Employment security* protects workers against income fluctuations as a result of job loss due to dismissal caused by economic downturns, enterprise restructuring or other reasons. The growth of [non-standard forms of work](#), such as temporary contracts, jobs through employment agencies, dependent self-employment, and marginal part-time work has increased workers’ concerns over employment security.
- *Wages* are among the most important conditions of work and a central subject of collective bargaining. The ILO is committed to promoting policies on wages and incomes that ensure a

just share of the fruits of progress to all and a minimum living wage for all employed in need of such protection. In order to do so it undertakes research and provides evidence-based policy advice on minimum wages, public sector pay, wage bargaining and gender pay gaps. Policy advice on minimum wages is based on a set of ILO Conventions, including the Minimum Wage Fixing Convention, 1970 ([C.131](#)).

- *Working time* is an issue that has been central to the work of the ILO since its inception, when it adopted the first of many international labour standards, the [Hours of Work \(Industry\) Convention, 1919 \(No.1\)](#). Some of the major challenges include: excessive hours of work and the need to protect workers' health and safety by limiting working hours and providing adequate periods for rest and recuperation, including weekly rest and paid annual leave - which are enshrined in international labour standards.
- *Work and Family* measures are policy solutions intended to facilitate all workers' access to decent work by explicitly and systematically addressing and supporting their unpaid family responsibilities. The ILO [Convention on Workers with Family Responsibilities](#), 1981 (No. 156) and its accompanying [Recommendation No. 165](#) provide policy guidance to support the formulation of policies that enable men and women workers with family responsibilities to exercise their right to engage, participate and advance in employment without discrimination.
- *Domestic workers* have become a priority target of ILO's work since the adoption of [Convention No. 189](#) (Decent Work for Domestic Workers) and the accompanying [Recommendation 201](#) in 2011. Following the adoption of these instruments the Office has devised a [strategy for action towards making decent work a reality for domestic workers](#) worldwide; under this strategy the Office provides support to countries that are committed and ready to take measures aimed at improving the protection and working conditions of domestic workers. Decent Work for domestic workers is also a top priority for the International Trade Union Congress [ITUC](#).

The issue of working conditions is of course also of great importance to informal economy workers, migrant workers and rural producers. Those are discussed under the respective section of this guide. The present section focuses on working conditions of salaried workers.

DWA-SDG Relationship

The term “working conditions” is not mentioned as such in the 2030 Declaration and its SDGs but many related aspects are covered under various goals and targets: SDG target 5.4 specifically addresses the plight of domestic and care workers; SDG target 8.5 calls for equal pay for work of equal value and 8.8 calls for safe and secure working environments; SDG target 10.4 seeks to achieve greater equality through appropriate wage policies; and SDG target 16.6 is about the establishment of accountable institutions, which are indispensable for the improvement of working conditions. Many other SDG targets could be cited for having a potential link with working conditions. For example, adequate wages can contribute to reducing poverty.

The issue of working conditions is not subject to a dedicated ILO Policy Outcome, but ILO work in the pursuit of better working conditions is linked to, is dependent on, and contributes to the objective of more and better jobs, but also to other complementary outcomes, such as those focusing on labour standards, enterprises, labour inspection and social partners. Improved working conditions are also promoted by development cooperation projects, such as the project on [“Labour standards in global supply chains: A programme of action for Asia and the garment sector”](#), as well as large-scale technical cooperation programmes, such as [SCORE](#) (Sustaining Competitive and Responsible

Enterprises), [Better Work](#) (one of ILO's five flagship programmes), the [OSH-GAP](#) (another flagship programme), and the projects supported by the [Vision Zero Fund](#).

Cross-cutting policy drivers

The various aspects of working conditions summarized above are subject to numerous ILO Conventions and Recommendations which are compiled [here](#). The sustainable improvement of working conditions is dependent on the ratification and effective application of these instruments.

Working conditions, and in particular wage setting, are a core element of social dialogue and collective bargaining. Hence the importance of promoting agreements in these areas between workers' and employers' organizations at the national, sectorial and firm levels. Social dialogue also plays a key role in fixing national or sectorial minimum wages.

The issues of domestic and care work and of the balance between work and family are of particular importance to female workers, and must be covered by specific, adequate national rules and regulations in line with ILO standards and guidance.

Certain aspects of working conditions, such as those addressed under SDG target 3.9 (deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination) are linked to environmental issues and must be addressed when promoting a greener economy.

Partnerships

ILO's work on working conditions is supported by development partners such as the European Union, Germany, Sweden and the US, but also by multi-national companies such as H&M. Due to catastrophic factory disasters such as the collapse of the Rana Plaza factory in Bangladesh attention has in recent years shifted towards working conditions in the global garment industry. The nature of the work on working conditions implies that the ILO maintains interacts closely with its constituents at the global and national levels, but also with research institutes and international NGOs (in particular those representing domestic workers). The aforementioned "Better Work" programme is a global, multi-stakeholder partnership in itself.

ILO Capacity

ILO's work in the area of working conditions is led by the Inclusive [Labour Markets, Labour Relations and Working Conditions Branch](#) (INWORK) in the Conditions of Work Department. The INWORK team includes technical experts specialized in all the various work streams outlined above. In the field INWORK is represented by technical specialists in working conditions, wages, collective bargaining, labour relations and social dialogue, as well as by technical cooperation experts managing related projects. An up-to-date list of ILO's working conditions specialists can be found [here](#). Because of the cross-cutting nature of working conditions many other ILO experts and specialists from various units and offices can contribute to this endeavour. The work on equal pay is also supported by the Fundamentals Branch, the Gender, Equality and Diversity Branch, and the International Labour Standards Department.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. Has your country ratified the most important conventions related to working conditions ([see list](#)), and does it apply them in practice?
2. Has your country established effective and inclusive collective bargaining mechanisms and/or institutions?

3. Has your country devised inclusive and effective wage setting mechanisms, including for minimum wages?
4. Has the government of your country adopted employment security legislation, including the payment of unemployment benefits?
5. Has your country adopted working time legislation in concordance with relevant ILO instruments?
6. Has your country adopted specific legislation for domestic workers covering also family workers and migrant workers?
7. Have government and social partners agreed on measures to support the work-family balance of working women and men?

Resources

The INWORK “[area of work](#)” web page provides links to the unit’s various work streams. Each of those includes further links to relevant tools, reports and publications, including the unit’s flagship “[Global Wage Report](#)” which is recognized as an authoritative source of information on wage trends and policy responses at national and global levels. Additional resources can be accessed on ILO topical pages on [collective bargaining](#), [wages](#), [working time](#), [employment security](#) and [domestic workers](#).

24. Youth Employment

24	Sustainable Development			Decent Work			
	E	S	E	E	P	R	D
	Relevant SDG targets			Relevant Policy Outcomes			
			4.4, 8.5, 8.6, 8.b				1, 10

The global youth unemployment rate is estimated at 13.1 per cent, according to the ILO's [Global Employment Trends for Youth 2015](#); [World Employment and Social Outlook for Youth 2016 \(71\)](#); this means that in 2016, 71 million youths around the world were without a job. In addition, 156 million (one in three) young workers in the developing world earn less than 3.1 \$ per day. In total, almost 40.8 per cent of the global youth labour force is still either unemployed or working yet living in poverty. The deterioration in the youth employment situation is particularly marked in emerging countries where the unemployment rate is predicted to rise from 13.3 per cent in 2015 to 13.7 per cent in 2017 (a figure which corresponds to 53.5 million unemployed in 2017, compared to 52.9 million in 2015). The youth unemployment rate in developing countries is expected to remain relatively stable, at around 9.5 per cent in 2016, but in terms of absolute numbers it should increase by around 0.2 million in 2016 to reach 7.9 million unemployed youth in 2017, largely due to an expanding labour force. Finally, in developed countries, the unemployment rate among youth is anticipated to be the highest globally in 2016 (14.5 per cent or 9.8 million) and although the rate is expected to decline in 2017, the pace of improvement will slow (falling only to 14.3 per cent in 2017). The cost of youth unemployment to economic and social development can be very high. It perpetuates the inter-generational cycle of poverty and is sometimes associated with higher levels of crime, violence, civil unrest, substance abuse and the rise of political extremism.

The youth employment challenge is, on the one hand, closely related to the more general, qualitative and quantitative employment situation in a country. Unless productive employment is at the heart of macroeconomic and social policies and the aggregate demand for labour is expanding, it is not possible to have successful programmes to integrate disadvantaged young people into the labour market. On the other hand, the youth labour market has its own particularities. The age-specific difficulties that young women and men face in making the transition from school to work include: lack of employment experience; strict labour market regulations; mismatch between youth skills and aspirations and labour market demand and realities; constraints on self-employment and entrepreneurship development; and lack of organization and voice, meaning that youths have fewer channels through which to make their concerns or needs heard.

It is, therefore, critical that the national development framework adopts a comprehensive, rights-based approach to the issues of young people, especially related to productive and decent employment. Those frameworks must simultaneously promote pro-employment economic policies, sound educational and training systems, gender-sensitive programmes to ease the school-to-work transition; labour market policies that are sensitive to the constraints and needs of young women and men, as well as measures to ensure that young people have access to better health care, and a voice in decisions that affect them.

The ILO has had a long-standing commitment to promote decent work for youth. The *Youth Employment Programme (YEP)* was set up in 2005 to consolidate the ILO's response to the global youth employment challenge. Its work has been guided by two global policy instruments adopted by the International Labour Conference, namely:

- The 2005 Resolution and [conclusion concerning youth employment](#), adopted by the 93rd session of the ILC (2005); and
- The Resolution and [conclusions concerning the youth employment crisis](#): A call for action, adopted by 101st session of the ILC (2012).

These instruments resolved that tackling youth employment required an integrated approach, one that combined supportive economic policies and targeted measures addressing labour demand and supply as well as the quantity and quality of employment. Adhering to the conclusions of the above mentioned Resolutions, YEP's services to constituents go along the employment policy cycle, from policy formulation to assessing the impact of youth employment interventions. Social dialogue and the enhancement of national capacities are central to the programme's intervention model at the country level. YEP concentrates on knowledge development and dissemination, technical assistance at the country level, and advocacy and partnerships (72). The programme operates through a network of specialists from different ILO offices and technical units (see: ILO capacity).

DWA-SDG Relationship

The 2030 Declaration recalls that "Unemployment, particularly youth unemployment, is a major concern"; youths are singled out as a specific target group in many several sections of the text, and appears as such in several SDG goals and targets. Of particular importance from a decent work perspective are SDG targets 4.4 (skills for youth employment), 8.5 (full employment), 8.6 (reduction in youth unemployment), and 8.b (a global strategy for youth employment).

Youth employment is not just about jobs; youth employment can be *decent* only if it incorporates the other three dimensions of decent work as well: rights, protection, and voice and representation. While the ILO's policy outcome 1 (employment policy) targets youth employment specifically (indicator 1.2), all other P&B outcomes can contribute to creating jobs for youths, and/or making these jobs *decent*.

Crosscutting policy drivers

The promotion of youth employment must be based on ILO core Conventions pertaining to the Fundamental principles and rights at work and other relevant normative instruments⁴⁴, including governance conventions (such as the [Employment Policy Convention](#) C.122, 1964, and the [Human Resources Development Convention](#) C.142, 1975), technical conventions (for instance those on wages, hours of work and occupational safety and health), and conventions on vulnerable groups of young workers (young female workers, young migrant workers, young workers with disabilities and young workers in the informal economy, among others). There is a particularly strong connection between the elimination of the worst forms of child labour (C.182) and youth employment, as children are the future of the workforce and their protection is therefore vital.

With regard to gender equality and non-discrimination, whilst some modest improvements have been made, progress is slow. The lowest female shares in youth employment-to-population ratio exist in the Middle East, in North Africa and in South Asia; in South Asia, the gap was as high as 29.6 percentage points in 2014. At the global level the labour force participation rate on young men (55.2%) is much higher than that of young women (38.9%) (73). Young women are also more likely than males to be unemployed and to be in poor-quality jobs. Such gender gaps are often due to social and cultural factors and uneven access to education. This calls for a greater attention to gender issues in the promotion of youth employment.

⁴⁴ The 2005 ILC discussion on youth employment endorsed a list of ILO instruments particularly relevant for the subject under discussion; this list can be accessed [here](#).

The importance of social dialogue in promoting youth employment may be illustrated by the engagement of governments and social partners in a large number of countries to put forward the integrated approach to youth employment advocated for by the ILO. At the regional level, an interesting example is offered by the [“Framework of Actions on Youth Employment”](#) which the European employers’ and workers’ organizations developed jointly in 2013. Under this framework, employers and workers agreed on a series of concrete actions to reduce youth unemployment in Europe. In more general terms, an extended social dialogue should engage young people so that their views can inform decision making processes on labour market aspects affecting their future.

Many young people around the globe show concern about climate change and environmental degradation, making them particularly attracted to the concept of “green jobs”, in particular if it is embedded in local development strategies, and propelled by organizations and enterprises of the [social and solidary economy](#).

Partnerships

The most comprehensive partnership on youth employment was launched in February 2016 under the designation [“The Global Initiative on Decent Jobs for Youth”](#) as a UN-system wide alliance endorsed by the Chief Executives Board for Coordination (CEB). It aims to facilitate increased impact and expanded country-level action on decent jobs for youth through multi-stakeholder partnerships, the dissemination of evidence-based policies and the scaling up of effective and innovative interventions. The Global Initiative, which was developed by 21 UN entities, intends to leverage the full weight of the United Nations system, its knowledge and convening power by bringing together governments, social partners, private sector, youth representatives, entities of the United Nations, civil society, parliamentarians, foundations, the academia, and many more key influential partners. The Alliance complements and build on the UN [System-wide action plan on youth](#) which had been launched in 2012 by the UN Secretary-General.

Many “traditional donors” (those belonging to the [OECD-DAC](#) group) have supported, and continue supporting, ILO projects on youth employment; and many ILO projects that might not carry the label “youth employment” do significantly contribute to this objective. Over the years, other entities have contributed to the work of the ILO in the youth employment area. The [“Work4Youth Project”](#), a five-year partnership between the ILO and the MasterCard Foundation, has been of ILO’s largest youth employment programmes ever.

ILO Capacity

ILO’s activities in support of youth employment are coordinated by the [Youth Employment Programme](#) Unit under the Employment Policy Department. The Programme operates through a pool of [technical specialists at headquarters](#) and in the field. In fact, given the centrality of youth employment for ILO’s mandate and work programme, and the multi-faceted, cross-cutting approach that is needed to promote youth employment, virtually all sectors and branches of the Organisation can contribute to this area of work in one way or another. Likewise, the majority of topics outlined in this publication are relevant for youth employment.

Discussion guide

(Tip: the discussion should first establish the factual basis and then consider the actual implementation of the respective policies and actions.)

1. What is the youth labour market situation in your country, (data should be disaggregated by youth cohort and gender)⁴⁵?
2. Does the national development framework explicitly promote the creation of jobs for young women and men? How? Through targeted programmes (skills training, apprenticeships, ALMPs, entrepreneurship development, etc., or other measures such as. macro-economic, sectorial and investment policies)?
3. Is a comprehensive, integrated youth employment strategy in place? If yes, is it reflecting all pillars of the DWA?
4. Does your government ensure non-discrimination and equal access for both young women and men through relevant legislation, policies and programmes?
5. Does your government offer specific support services to young job-seekers, such as career guidance, employment services, placement opportunities, etc.?
6. Do national programmes include specific provisions for disadvantaged young women and men?
7. Are the social partners actively involved in the design, implementation and monitoring of youth employment programmes?
8. What about the private sector?
9. Are the young people themselves involved in the design, implementation and monitoring of youth employment schemes?
10. Are the development partners present in the country, including UN agencies, sensitive to the issue of youth unemployment?
11. Is there any inter-agency working group or programme dedicated to youth employment in the country?

Resources

The ILO youth employment portal provides access to [several relevant databases](#) on youth employment statistics, legal frameworks, projects and lessons learned. It also includes an interactive knowledge sharing platform on “decent work for youth”. The ILO library has compiled a [research guide](#) on youth employment. Of particular importance to field offices is the [Guide for the preparation of National Action Plans on Youth Employment](#). A list of ILO publications on youth employment can be found [here](#). Useful resources can also be found under the [youth employment page](#) of the ILO’s International training Centre (ITC-ILO) in Turin.

⁴⁵ For a list of relevant labour market indicators, please refer to the “[Guide for the preparation of National action Plans on Youth Employment](#)”.

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2

COOPERATIVES AND THE FUTURE OF WORK

Jürgen Schwettmann

Foreword

This chapter relates to a ‘Centenary Initiative’ launched by the International Labour Organization (ILO) under the title *The Future of Work*; it is one of seven such initiatives introduced by ILO Director-General Guy Ryder in the run-up to the Organization’s 100th anniversary in 2019. The broad contours of the Initiative were outlined in the Director-General’s Report to the 104th International Labour Conference (ILO, 2015): the ILO has initiated four global conversations, as well as national dialogues in all ILO member states, on the future of work to explore the views of governments, workers, employers and civil society on the subject.¹ In August 2017, the ILO established a High Level Global Commission on the Future of Work to examine the output from the national dialogues and other input it may consider necessary. The Commission will publish a report and recommendations in the course of 2018. In the first half of 2019, all member states will be invited to organize events to mark the ILO’s centenary and to discuss the Commission’s report. The culmination of the *Future of Work* initiative will be the 2019 International Labour Conference, with the possible adoption of a Centenary Declaration (ILO, 2016a).

The future of work is a subject of major and growing global interest. Numerous books and research articles discuss the nature and purpose of work (in the broad sense) in the coming decades – some question that there will be much work left for humans at all. Authors may adopt different approaches and attitudes towards the future of work, but all agree that the nature, method, organization and location of work will change significantly in the not-so-distant future. The magnitude of the expected changes may be as profound as those caused by the information technology revolution. The World Wide Web, for example, is only about three decades old but has, within such a short period of time – and boosted by spectacular advances in mobile technology, computer processing speed and data storage capacity – radically

changed the way we communicate, do business and gather and manage knowledge. The Internet makes it possible to work, produce and consume from anywhere; and whether desirable or not, today we could live much of our lives without interacting with any human being. The technology exists, and the capabilities of that technology are far from being fully exploited. And the Internet is just but one of the major developments of the last decades, not to mention those of the years to come.

Many articles about the future of work call for new models of work organization that would imply a greater degree of cooperation among workers, or between workers and management; such collaborative work arrangements could be temporary or permanent in nature. The new models would promote the collective use of resources, assets and services through the 'sharing economy' and various forms of collective entrepreneurship. Cooperatives and the wider social and solidarity economy have the potential to play a key role in establishing such new working arrangements. Clearly, the changing world of work will have a profound impact on cooperatives, on the role that cooperatives and similar economic organizations will play in society and the economy, and on the way cooperatives themselves will function and operate.

The present chapter² seeks to examine the relationship between the future of work and cooperatives in three stages:

- *The trends of the future*: an attempt to identify and briefly describe the major trends affecting the world of work in the broad sense;
- *The future of work*: an analysis of the impact of these changes on work, labour, employment and social dialogue;
- *The future of work and cooperatives*: a discussion around the possible role of cooperatives in relation to the future of work.³

Trends affecting the world of work

This section groups the tendencies that we were able to identify into four categories:

- demography
- technology
- economy
- environment.

Interestingly, several of these trends were already examined as far back as 1972, when the Club of Rome commissioned the *The Limits to Growth* study (Meadows *et al.*, 1972). The study, much criticized and even ridiculed at the time, argued that continued population growth, resource depletion, environmental degradation and industrialization would eventually cause the collapse of the earth's ecosystem. Recent research from the University of Melbourne has found that the book's forecasts were accurate, 40 years on; indeed, the early stages of global collapse could start appearing soon (Turner and Alexander, 2014).

Demographics

Within this category, three developments are likely to impact the world of work.

Population growth

According to the World Population Clock (WorldoMeters, retrieved 20 December 2016), there are currently about 7.5 billion people on earth. Figure 2.1, published by the United Nations, traces world population growth since 1950. It clearly shows that population growth continues unabated, albeit at a slightly lower rate than in the past. Yet, whereas in the 1960s (when the world was inhabited by a ‘mere’ 3 billion humans) the news was filled with alarming reports about the ‘demographic explosion’, it appears that today, when the world population has exceeded 7 billion, not many people seem to worry about population growth.

Population growth is unevenly spread between regions and continents, causing considerable changes in the demographic weight of the five continents: of particular significance is the rapid growth of the African population. The African continent, already plagued by widespread poverty, vulnerability and high degrees of informality, will have to create hundreds of millions of new jobs just to maintain the status quo.

Current demographic trends bring 40 million people to the labour market each year, meaning that between now and the year 2030, the world economy needs to create over 600 million new jobs.

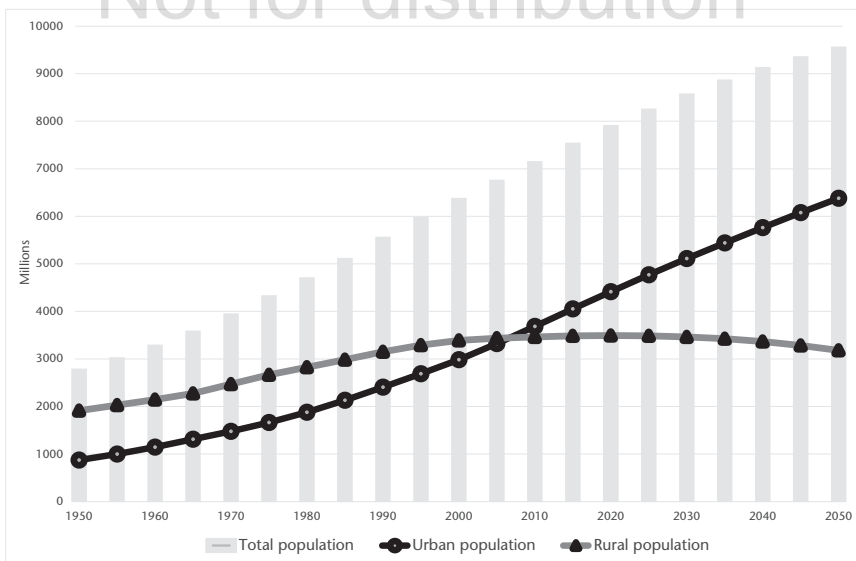


FIGURE 2.1 Urban and rural populations, 1950–2050

Source: Elaborated from United Nations (2012)

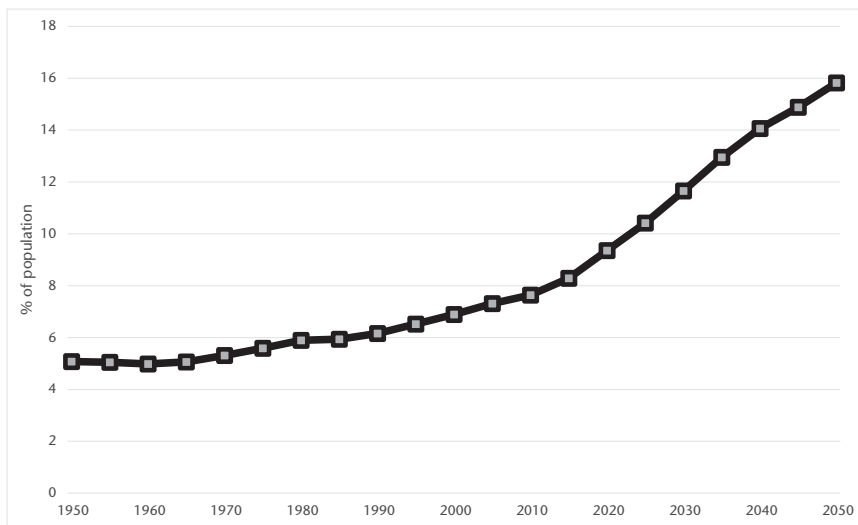
TABLE 2.1 World populations by major areas, 1950 and 2050

	<i>World population 1950</i>	<i>World population 2050</i>
Africa	9%	25%
Asia	55%	54%
America	13%	13%
Europe	22%	7%
Oceania	1%	1%

Source: Elaborated from United Nations (2012)

Ageing

Population ageing is a shift in the distribution of a country's population towards older ages, i.e., a declining proportion of the population composed of children, and a rise in the proportion of the population that is elderly. Population ageing is widespread across the world. It is most advanced in the most highly developed countries, but it is growing faster in less developed regions, which means that older persons will be increasingly concentrated in the less developed regions of the world. As people live longer they will have to work more years so that pension schemes remain affordable; this may have a negative effect on youth employment. Moreover, an ageing population entails higher medical, care and social expenditures.

**FIGURE 2.2** Percentage of the world population over 65, 1950–2050

Source: Elaborated from UN World Population Prospect (2017)

Urbanization

The population growth chart in Figure 2.1 shows that around the year 2005, the proportion of people living in cities has overtaken the rural population. It is predicted that by 2050 about 64 per cent of the developing world and 86 per cent of the developed world will be urbanized. Urbanization is often viewed as a negative trend, but there are positives in the reduction of expenses in commuting and transportation while improving opportunities for jobs, education, housing, and transportation. Living in cities permits individuals and families to take advantage of the opportunities of proximity and diversity. While cities have a greater variety of markets and goods than rural areas, infrastructure congestion, monopolization, high overhead costs, and the inconvenience of cross-town trips frequently combine to make marketplace competition harsher in cities than in rural areas. Moreover, urban citizens tend to abandon customary practices which are widespread in rural areas, such as mutual assistance and care for the elderly. This puts a further strain on governmental social protection systems.

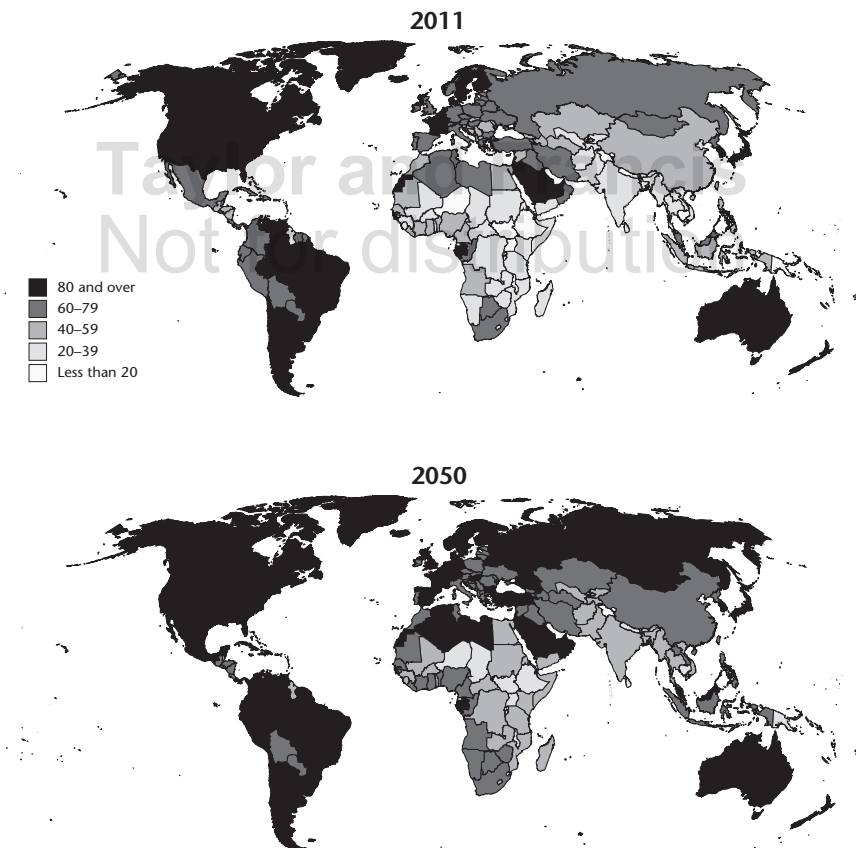


FIGURE 2.3 Percentage of the population in urban areas, 2011 and 2050

Source: United Nations (2012)

Technological trends

'Previous technological innovation has always delivered more long-run employment, not less. But things can change' (*The Economist*, January 2014). 'Technological unemployment . . . due to our discovery of means of economizing the use of labour outrunning the pace at which we can find new uses for labour' (Keynes, 1930). Indeed, a heated debate is taking place about whether or not the productivity gains resulting from automation and digitization will lead to greater unemployment. Most researchers agree, however, that it will lead to a greater polarization of the workforce between highly educated and low-skilled workers, cutting out the middle-level worker whose job may be performed by machines.

Automation

Automation refers to the use of computers and other automated machinery for the execution of business-related tasks. Automated machinery may range from simple sensing devices to robots and other sophisticated equipment. Automation may occur in different forms, such as:

- Automation of work processes through computers and algorithms, as well as self-service devices such as ATMs, self-service checkouts and boarding pass generators;⁴
- Automation of manufacturing and services through robots; this would also include 3-D printing technology, which makes it possible to decentralize industrial production;⁵
- Automation of transport through self-conducting or remote-controlled devices (drones, and self-driving cars, tanks and ships).

Concern about technological unemployment grew in 2013, due in part to a number of studies predicting substantially increased technological unemployment in forthcoming decades; concerns have included evidence showing worldwide falls in employment across sectors such as manufacturing, falls in pay for low- and medium-skilled workers stretching back several decades even as productivity continues to rise, and the occurrence of 'jobless recoveries' after recent recessions. The 21st century has seen a variety of skilled tasks partially taken over by machines, including translation, legal research, surgery and even low-level journalism. Care work, entertainment, and other tasks requiring empathy, previously thought safe from automation, have also begun to be performed by robots.

Communications and the Internet

The International Telecommunication Union (ITU, 2016) reports that, in 2016, some 3.5 billion people were using the Internet. While the growth in mobile-cellular subscriptions was slowing as the market reached saturation levels, mobile broadband remains the fastest growing market segment, with continuous double-digit growth rates and an estimated global penetration rate of 32 per cent. International

TABLE 2.2 Probability that computerization will lead to job losses within the next two decades (1=certain)

<i>Occupation</i>	<i>Probability</i>
Recreational Therapists	0.0028
Art Directors	0.023
Travel Guides	0.057
Financial Managers	0.069
Hairdressers, Hairstylists, and Cosmetologists	0.11
Electricians	0.15
Concierges	0.21
Geographers	0.25
Private Detectives and Investigators	0.31
Actors	0.37
Judicial Law Clerks	0.41
Police, Fire, and Ambulance Dispatchers	0.49
Audio and Video Equipment Technicians	0.55
Slaughterers and Meat Packers	0.6
Statistical Assistants	0.66
Maids and Housekeeping Cleaners	0.69
Archivists	0.76
Word Processors and Typists	0.81
Taxi Drivers and Chauffeurs	0.89
Telemarketers	0.99

Source: Elaborated from Frey and Osborne (2013)

bandwidth was also growing steeply, at 45 per cent annually between 2001 and 2013, and the developing countries' share of total international bandwidth increased from around 9 per cent in 2004 to almost 30 per cent in 2013.

Over the past two decades, the exponential growth of the Internet has led it to touch upon every aspect of modern life. From mobile entertainment to healthcare to the heart of enterprise, the Internet has become, in the words of Bill Gates, 'the town square for the global village of tomorrow'. One example of many is the production and sale of books, as illustrated in Figure 2.4 (produced by the author).

The Internet has not only changed the way we buy and read books; it has also made redundant entire sections of the industry, such as the production of reference books.

Internet-based commerce causes local shops to close down; e-banking reduces the traditional bank branch to a collection of man-less machines; we can expect

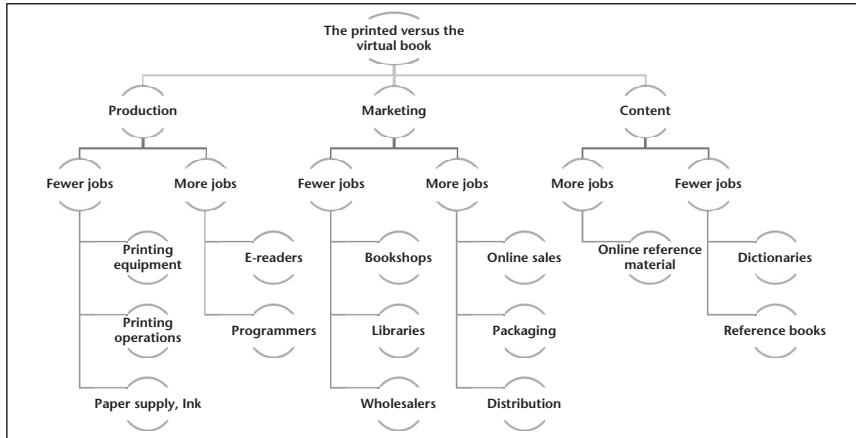


FIGURE 2.4 Jobs in the printed versus the virtual book

Source: Author's own elaboration

that travel agencies will disappear altogether. The next step consists of the 'Internet of Things': the network of physical objects or 'things' embedded with electronics, software, sensors, and network connectivity, which enables these objects to collect and exchange data. A much-cited example is the 'smart' fridge that orders fresh food supplies should certain food items run out.

Digitization

Closely related to the two phenomena above – automation and the Internet – the digital revolution has made it possible to collect, process and share an ever growing amount of data. Sound, text, data, speech, images and software are being produced, stored and transmitted in the same format, an endless combination of '0' and '1', which blurs the distinction between these different types of information. At the same time, the capacity of digital storage devices has grown exponentially. A miniscule USB stick now holds information equivalent to 100,000 floppy disks some 30 years ago. Processing speed has accelerated in a similar way: whereas in 1977 the fastest processor (a VAX-11/780) hardly performed 1 million instructions per second (MIPS), contemporary processors, such as the AMD-Ryzen 7, now exceed 300,000 MIPS – an increase of 30 million per cent in 40 years. Cheaper storage capacity and accelerating data processing speed provides the basis for the collection and analysis of 'big data', which is used to make citizens and consumers 'transparent'.

In the IT field, for example, advances in microprocessors will support real-time speech recognition and translation, and artificial intelligence and robotics are likely to advance further. The use of more intelligent robotics in manufacturing will support the ability to quickly reconfigure machines to produce prototypes and new production runs, with implications for

manufacturing logistics and inventories. Further technological advances are expected to continue to increase demand for a highly skilled workforce, support higher productivity growth, *and change the organization of business and the nature of employment relationships.*

(Richards, 2013, *emphasis added*)

Economic trends

Globalization

Globalization is of course not a new phenomenon, and it is not confined to the economic sphere alone. Indeed, globalization has been defined as ‘the process of international integration arising from the interchange of world views, products, ideas, and other aspects of culture’ (Ioannou *et al.*, 2013). In the context of the present chapter, we focus on the economic aspects of globalization, in particular trade, finance and the global division of labour, and its impact on the future of work.

The advance of globalization is illustrated in Figure 2.5.

Since 1980, while world GDP has grown at just under 3.5 per cent annually, trade has been growing at about 5.7 per cent per year. The growth in trade is largely due to the international division of labour and the growing prominence of global supply chains. More than 60 per cent of global trade is dependent on contracts in supply chains sourced from different parts of the world. A typical manufacturing company uses inputs from more than 35 different contractors across the world. ‘The integration of supply, production, transport, logistics, and services means all corporations are involved, and this is responsible for generating greater

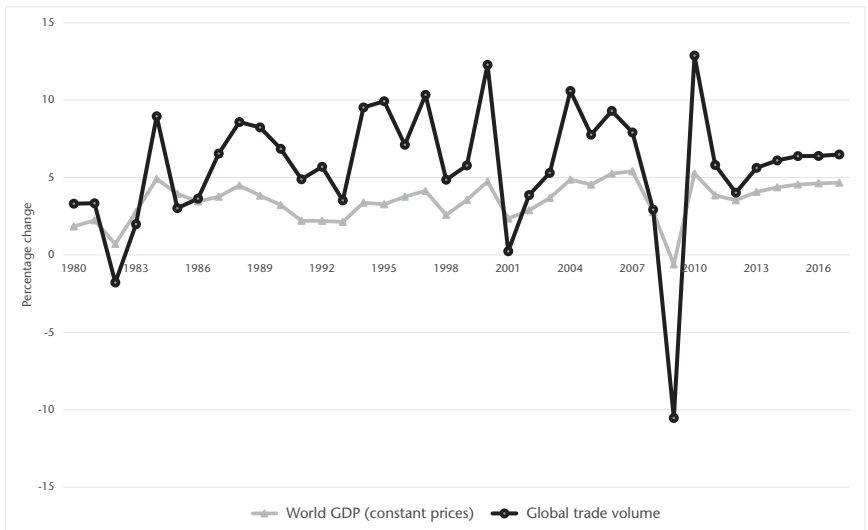


FIGURE 2.5 World GDP and global trade

Source: Elaborated from IMF World Economic Outlook (2012)

inequality along with massive poverty' (ITUC, 2014). Globalization has moved less sophisticated, low-paying jobs in manufacturing and services to developing countries, while the so-called 'industrialized' countries slowly but steadily de-industrialize. This trend has had a profound impact on the world of work in both developed and developing nations.

The growth of global financial flows has been even more spectacular, indicating that such flows are increasingly disconnected from the real economy; yet, the Global Financial Crisis of 2008 showed that any major disturbance of the global financial systems has immediate and drastic effects on the real economy, and on jobs and incomes.

Growing inequality

Many recent studies show that inequality is rising both within countries and between countries. We tend to equate 'inequality' with 'income inequality', since the latter is the most visible and can be measured through the Gini coefficient. But in many respects income inequality must be seen as just a symptom of more profound manifestations of inequality, such as:

- Inequality of *access*: to land, to markets, to finance, to jobs, to opportunities and resources in general;
- Inequality of *rights*: in terms of gender, race, religion, class, caste, etc.;
- Inequality of *participation*: in local and national decision-making, in elections, in governance structures, in social dialogue, in collective bargaining, etc.;
- Inequality of *protection*: by laws, by authorities, by social protection systems, etc.

Those different forms of inequality are more widespread in poorer nations and in countries governed by non-democratic regimes. Figure 2.6 shows the degree of income inequality in those countries for which data was available.

Even a market-friendly institution such as the IMF believes that widening inequality has significant implications for growth and macroeconomic stability, that it can concentrate political and decision-making power in the hands of a few, lead to a suboptimal use of human resources, cause investment-reducing political and economic instability (such as during the 'Arab Spring'), and elevate crisis risk. All of these factors have an impact on jobs, livelihoods and employment (Dabla-Norris *et al.*, 2015).

The emergence of new economic powers

An emerging economy describes a nation's economy that is progressing toward becoming more advanced, usually by means of rapid growth and industrialization. These countries experience an expanding role both in the world economy and on the political frontier. Thirty-five years ago, the global economy was dominated by the members of the G7/G8 group; 35 years from now, only two of the G7 countries will make it to the top ten (Table 2.3).



FIGURE 2.6 Degree of income inequality

Source: Elaborated from CIA (2009)

TABLE 2.3 The world's top ten economies, 1980, 2015 and 2050

The World's Top Ten Economies		
1980	2015	2050
US	US	China
USSR	China	US
Japan	Japan	India
Germany	Germany	Indonesia
France	UK	Japan
UK	France	Brazil
Italy	India	Germany
Canada	Italy	Mexico
China	Brazil	UK
Mexico	Canada	Russia

(Shaded: members of the G7/G8 group)

Source: Wikipedia, *List of countries by largest historical GDP*

It should be noted that Table 2.3 is based upon total GDP by country; the amounts of GDP per capita will remain significantly higher in the former 'First World' compared with the countries of the former 'Third World'.

Environmental trends

Climate change and global warming

Few people would argue that climate change (defined as a change in the statistical distribution of weather patterns lasting for an extended period of time) has become a reality. Ninety-seven per cent of climate scientists agree: climate-warming trends over the past century are very likely due to human activity. Climate change will affect different parts of the world differently, and unfortunately it is likely that the poorest countries, those that are least responsible for CO₂ emissions and that are equipped with the least coping ability, will be affected most (Center for Global Development, 2015).

It is estimated that by 2030, the cost of climate change and air pollution combined will rise to 3.2 per cent of global GDP, with the world's least developed countries forecast to bear the brunt, suffering losses of up to 11 per cent of their GDP (Harvey, 2012). Climate change will destroy millions of livelihoods in many parts of the world, such as lowlands prone to floods and regions affected by desertification, thus causing hunger, poverty and migration to less affected regions.

Resource depletion

Resource depletion was among the alarming factors that caused the Club of Rome in 1972 to call for a 'limit to growth'. Yet, since then, global GDP has quadrupled while GDP per capita has more than doubled (in constant 2005 USD terms). Certainly, growth has made it possible to significantly reduce the incidence of absolute poverty, but the growing number of middle-class consumers, mainly in Asia, will put a further strain on natural resources, and may accelerate global warming. And while demand for resources from an exploding and wealthier population soars, finding and extracting new sources of supply is becoming increasingly difficult and expensive. *The Limits to Growth: The Thirty Year Update* (Meadows *et al.*, 2004) shows the effects of resource depletion on industrial production, the availability of food, and pollution. In 2011 the United Nations Environment Programme reported that, if nothing changes, humanity will demand 140 billion tons of minerals, ores, fossil fuels and biomass every year by 2050 (UNEP, 2011). This is three times our current rate of resource consumption, and far beyond what the earth can supply. We therefore need to learn to decouple natural resource use and environmental impacts from economic growth. And we need to dissociate economic growth and job creation.

Global trends and the future of work

This section makes an attempt to assess the impact of demographic, economic, technological and environmental trends on the world of work. Such impact could

TABLE 2.4 Global trends and the future of work

<i>Trend</i>	<i>Possible positive impact</i>	<i>Possible negative impact</i>	<i>Impact in emerging countries</i>	<i>Impact in developed countries</i>
Population growth	Countries with low or negative population growth may be able to absorb labour migrants from other regions. More people = more demand = more job opportunities.	Growing unemployment, informalization of work, deteriorating working conditions as a result of competition for jobs; growing labour migration.	High, because of a strong correlation between low per capita income and high birth rates.	Low, except for the aspect of immigration.
Ageing	More job opportunities in the care industry and in industries producing goods for the elderly.	Strain on health and pension systems; need to extend the working life for all.	Low, but growing.	High and growing.
Urbanization	If economic growth exceeds the urbanization rate: employment levels maintained, living standards improving. Higher demand for rural products should benefit rural producers.	If the urbanization rate exceeds economic growth: deteriorating living conditions, more 'working poor'.	High.	Neutral (urbanization has peaked in most developed countries).
Automation	Creates well-paid jobs in highly sophisticated professions (engineering, software development, etc.).	Replaces manual work in services and industry. Will progressively take over more and more functions.	Low, because capital required to automate exceeds the cost of labour.	Very high
Information and communication technology	Creates mostly low-paid, unskilled jobs in online trade (transport, packaging, logistics), plus relatively few managerial and technical posts.	Massive job losses in the service industry (shops, banks, transport etc.). May lead to the isolation of workers (tele-working).	Low, slowly growing.	High and expanding.

Digitization	New jobs in information and data management, processing and analysis.	Job losses affecting all functions that can be digitized.	Low, but growing.	High and expanding.
Globalization	Massive job creation in producing countries, job creation in the service industry in importing countries.	Rising inequality and deteriorating working conditions/job security in both importing and exporting countries.	The higher the more a country is open to the forces of globalization.	
Inequality	None.	Research shows that inequality (of income, of access, of rights) has negative effects on livelihoods of poorer segments of the population.	The amplitude of negative social outcomes is a function of the degree of inequality.	
Emergence of new economic powers	The transfer of industries and associated jobs from developed to emerging countries (as in Akamutsa's 'flying goose paradigm') and the subsequent restructuring of economies: less agriculture and more manufacturing in emerging nations, less manufacturing and more services in high-income countries.			
Climate change	New opportunities to create 'green jobs' in renewable energy, recycling, climate change adaptation, etc.	Massive job and income losses in countries most affected by climate change.	High in most developing countries.	Medium in most countries of the North.
Resource depletion	Job losses in resource-intensive industries and supply chains depending on them.		Impact depending on the ability and willingness of the world to switch to renewables.	

Source: Author's own elaboration

be positive (more jobs, better working conditions), negative (growing unemployment, deteriorating working conditions), neutral, or mixed. Moreover, the impact may differ from country to country and from region to region, or may affect different population groups in different ways.

The impact of the anticipated global changes will be felt not only on the number and quality of jobs in different countries, but also on the nature and quality of social dialogue, and on the application and enforcement of labour standards. The growth of global supply chains controlled by multinationals weakens national social dialogue mechanisms, which are further affected by the diminishing might and representativeness of worker and employer organizations.⁶ We do not currently have institutions and mechanisms to organize social dialogue along global supply chains. Moreover, a global ‘race to the bottom’ in terms of labour costs will necessarily favour countries that do less to apply and enforce the fundamental principles and rights at work.

In addition, the progress of automation, digitization and information and communication technology is likely to have a significant impact on the way we will work in the future. Many of those tasks that are currently accomplished in offices and factories may require in the future nothing but a computer, an Internet connection and (in some cases) a decentralized production unit such as a 3-D-printer. More and more people will be able to work from home; this may offer advantages for some, but it will cause the alienation and social isolation of many. Wage earners may be forced to become pseudo-entrepreneurs, and standard employment relationships will turn into client-subcontracting relationships. This will diminish social security coverage, weaken social dialogue mechanisms and institutions, and accelerate the informalization of economies and societies.

Cooperatives and the future of work

When taking a holistic view of the trends above – a growing, ageing, and more urban population, growing global trade, escalating inequality, job losses through automation and digitization, and global warming, resource depletion and pollution – we must come to the conclusion that the current economic system is not sustainable. Yesterday, growth was the miracle recipe to cure all social and economic ills; today, growth has reached its limits because the natural resources that fuelled it in the past are disappearing. Capitalism has reached its peak. The world needs to reorganize national economies and the global economy to achieve social, economic and environmental sustainability. Sustainable production and consumption will entail greater equality, more justice, but also less comfort and diminishing wealth. The 2015 *Atlas of Globalization* (Le Monde Diplomatique, 2015) calls for a post-growth society whose progress would be measured by a more inclusive set of indicators than just GDP, and which would put greater emphasis on equality, sharing, recycling, voluntarism and community engagement. The *Atlas of Globalization*, however, also draws attention to the difficulties in building a bridge from capitalism to post-growth. Democratically elected governments with their limited time horizon – going not much beyond the next election – will hardly endeavour to implement the radical political changes required by such a transition.

Top-down change will succeed only under a dictatorship, or under the pressure of life-threatening catastrophes; to avoid both, dictators and catastrophes, the world must instead initiate reforms from 'bottom-up'.

The potential of cooperation

This brings us to the subject of the present volume: the potential role of cooperatives. Can cooperatives – or, put in a broader perspective, could an economic system built on the principles of cooperation, collaboration and sharing rather than driven by competition and profit maximization – provide answers to at least some of the problems highlighted in the previous sections? Let us recall the Statement on the Cooperative Identity (ICA, 1995), which states, *inter alia*, that: 'Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.' Surely, such values, augmented by the seven cooperative principles, could provide the foundation for a fairer and more sustainable economic system. The ICA *Blueprint for a Cooperative Decade* reminds us that, 'By placing human need at their centre, rather than profit, co-operatives overcome short-termism and introduce real choice in how business is done.' Clearly, genuine cooperatives are people-centred, they promote equality and sustainability, they show concern for the community, and they look at the longer term. With these values and characteristics, cooperatives may indeed be more capable than other forms of business or social organization to alleviate the negative effects of global developments on jobs and livelihoods, and contribute to harnessing the positive forces of these trends. The Government of New Zealand states that 'there is a need to explore and promote other options and models for people to have job and/or employment security in the future work environment *such as cooperatives*' (Government of New Zealand, 2015, emphasis added).

Table 2.5 gives a few examples of how cooperatives and other social and solidarity economy units could contribute to building a better future of work.

Table 2.5 seems to indicate that indeed cooperatives could play a significant role in facilitating the transition towards a post-growth economy and society.

In addition, cooperatives may well play a key role in alleviating the negative effects of the alienation and social isolation of independent, home-based or itinerant 'pseudo-entrepreneurs'. Workers affected by these phenomena may be able to overcome their isolation, and lack of voice and bargaining power, through the formation of virtual cooperatives that use the Internet as a common bond.

Towards a cooperative future of work

When assessing the potential role of cooperatives in the future of work, we must remain realistic. Cooperatives are important players in the global economy, but their share of global GDP is easily dwarfed by mainstream businesses; cooperatives can show the way, give examples, shine a light; but they will not on their own be capable of solving all the problems mentioned above. Moreover, some

TABLE 2.5 Global trends and the potential of cooperation

<i>Trend</i>	<i>Cooperatives supporting the positive impact on the future of work</i>	<i>Cooperatives alleviating the negative impact on the future of work</i>
Population growth	Formation of migrant workers' cooperatives and self-help groups, including groups formed by returnees in their home countries.	Formation of informal economy associations and self-help groups to improve working conditions, protect rights, defend interests, increase bargaining power, and realize economies of scale.
Ageing	Promotion of community-based care-givers cooperatives as an alternative to commercial and state-run care provision.	Formation of workers' cooperatives of the elderly to generate income and maintain an active life (the Japanese model).
Urbanization	Formation of urban consumer cooperatives and networking with rural producer cooperatives.	As under 'Population growth'.
Automation	Automation is, by definition, 'machine-centred', and therefore an area of little relevance to people-centred cooperatives. An exception is shared-service cooperatives for the joint use of automated equipment.	
Communications	Formation of worker cooperatives in the online trade.	Formation of Internet-based collaborative platforms of tele-workers, software engineers, publishers, translators, journalists, etc.
Digitization	Shared service cooperatives for data-processing, cloud computing and information management (see DENIC [www.denic.de] and DATEV [www.datev.de], Germany); cooperative associations of open-source programmers (Mozilla, Linux, Wikipedia, etc.).	Self-help organizations or redundant workers?
Globalization	All types and forms of cooperation.	Social economy initiatives of local producers and consumers, fair trade, slow food, bio food, renewable energy, etc.

Inequality	–	Cooperatives are, by nature, governance structure and conviction, promoters of greater equality.
Emergence of new economic powers	Promotion of South–South cooperation involving cooperative movements from emerging economies, as well as North–South cooperative associations for the exchange of knowledge and experience.	
Climate change	Renewable energy generation and distribution cooperatives, recycling coops, etc.	Cooperatives as agents of climate change adaptation (example: green belt Sahel).
Resource depletion	Cooperatives as agents of conversion to resource-neutral production.	

Source: Author's own elaboration

cooperatives, especially the larger ones, may be trapped in the same economic paradigm that causes the aberrations of the neoliberal market economy: the blind pursuit of growth, profits and shareholder value. And third, cooperatives, as member-based businesses, have so far been largely confined to national boundaries,⁷ whereas global value chains, controlled by globally operating multinationals, transcend those borders and frontiers. Cooperatives must avoid the self-congratulatory tendencies that so often dominate congresses convened by like-minded organizations; cooperatives are not 'better' just because of their name or statute; they must prove their merits through tangible action.

During the past decade the international cooperative movement has invested considerable effort and energy in trying to convince the rest of the world that cooperatives, too, belong to the big players in the global economy; we all know the key figures: 1 billion members, almost 280 million livelihoods,⁸ USD2.5 trillion in revenues for the largest 300.⁹ However, on the one hand, the message has not found much resonance outside the cooperative universe; and on the other, it is doubtful whether the message is relevant to the future of work discussion. The true power of cooperatives does not only stem from their size or economic might, but from their distinct nature, characteristics, values, principles and governance structure. Rather than seeking recognition from the mainstream, neoliberal economic system, the global cooperative movement should develop alternatives to that system, which has shown its drawbacks and limitations. During the coming ten years, the international cooperative movement should focus on elaborating such alternatives, not doing business as usual but rather finding ways to doing business differently. Ultimately, cooperatives should be able to demonstrate that decent work for all is possible even in a post-growth context.

Bearing in mind those considerations, it should be possible to develop a pragmatic strategy of cooperative development in the context of the future of work. In addition to the examples mentioned in Table 2.5, four strategic directions would appear necessary.

Cooperation beyond cooperatives

The Cooperative Society Ltd., recognized by law and formally registered, is just but one manifestation of cooperation. The cooperative principles and values as defined by the ICA are not confined to formally registered and/or officially recognized cooperatives. We have, on the one hand, a great diversity of organizations, associations and enterprises belonging to the social and solidarity economy that share many of those principles and values without necessarily calling themselves 'cooperatives'. And we have, on the other hand, new manifestations of cooperation that have emerged as a result of new technologies, in particular mobile communications and the Internet. Open source projects such as Mozilla,¹⁰ Linux and Wikipedia are implemented by people who are united by a common goal (the software project) without necessarily sharing a common bond, which is seen as essential in conventional cooperatives. The Internet has also boosted other forms of cooperation, such as the sharing economy¹¹ and 'collaborative consumption'.¹² While the largest and best-known of those ventures (such as eBay, AirBnB and Uber) are profit-oriented,¹³ many others tend to operate partly according to cooperative principles. Beyond transport and temporary accommodation, several additional economic and social sectors could be of interest to the sharing economy: mutual education, health services, communication networks, energy generation and distribution, etc. In all those areas and others, cooperative ventures could play a key role. As we can see in Schneider's chapter in this volume (Chapter 14), new, Internet-based forms of cooperation may facilitate the transition from a future world of work characterized by unstable employment relationships, isolated workplaces (tele-working), greater informality, and lack of representation and protection towards one with more autonomous but also decent work. Such new forms of cooperation are not confined to the nation-state but will have a global outreach. New forms of cooperation will strengthen the capabilities of the individual, often isolated worker: the 'amplified individual' (Institute for the Future, 2007) of the future derives value and strength from their connection with the collective intelligence of others. Those individuals will rely on new technologies of cooperation, such as social networks. 'As social animals we are capable of cooperating more deeply than the existing social order envisions' (Sennet, 2012). Many believe that 'the Future of Work is all about collaboration', because new technologies have greatly facilitated collaboration between workers, even across continents and time zones (Haberman, 2015).

Building alliances with likeminded movements

As value-based organizations, cooperatives belong to a family whose members share a number of principles, such as the centrality of people and community, the quest for sustainability, equality and justice, and the values of mutuality and solidarity. Other members of that family include movements promoting fair trade, organic food production and consumption, 'slow food', mutual social protection,

local sustainable development, environmental protection, recycling and reuse, employee-ownership, social entrepreneurship, etc. In addition, the global trade union movement, while pursuing its own objectives, recognizes many of the principles cherished by cooperatives; trade unions could become an ally as well. It would be in the interest of all to unite these movements under a common umbrella, with the aim of promoting a new economic model, and a better world of work. The International Cooperative Alliance, being the largest member of that family, could take the lead in building such an alliance to make the future of work cooperative.

Organizing cooperation along global supply chains

As mentioned earlier, traditional cooperatives are confined to the nation-state, whereas an increasing proportion of global economic activity and global trade and finance is linked in one way or another to global supply chains. Such global supply chains do create jobs but those are often of very low quality, and the most exploitative models of supply chains often involve forced labour, child labour and informal, unprotected work. Cooperatives do already play an important role in specific global supply chains, such as coffee and cocoa, where both producers and consumers (but not the enterprises involved between the two ends of the chain) are organized cooperatively (Sanchez Bajo and Silvestre, 2014). Would it be possible to extend this model to other supply chains, such as cotton and the garment industry? Can we envision a garment workers' cooperative in Bangladesh buying cotton from a marketing cooperative in India, and selling ready-made garments to a consumer cooperative in Japan? And would there be merit in involving other types of cooperatives, such as financial coops and shared-service coops, in such endeavours? These are just questions for the time being, but the growing economic importance of global supply chains, coupled with their often negative impact on the world of work and the environment, calls for a greater involvement of the international cooperative movement. The 2016 General Discussion on Decent Work in Global Supply Chains at the 2016 International Labour Conference called for 'specific measures targeted at [...] cooperatives and other entities of the social economy, to increase their productivity and promote decent work, including opportunities to formalize, further develop, upgrade and advance to higher segments of the supply chains' (ILO, 2016b).

Cooperatives formed in response to emerging trends

Some cooperative ventures have been or could be initiated in response to the trends introduced in this chapter. In the area of demographics, care-giver cooperatives and self-help groups of the elderly may alleviate some of the problems caused by ageing. In the technological area, 'virtual' cooperatives formed by independent, own-account workers could provide voice, representation, a greater degree of stability and security as well as economies of scale and scope. In the economic

area, cooperatives formed to strengthen local economies and local communities could counter the negative effects of globalization. Shared service cooperatives could support SMEs in jointly acquiring and managing expensive digital, communications and automation equipment. And in the environmental area, recycling cooperatives, renewable energy generation cooperatives, plus the sharing economy and collaborative consumption, could contribute to creating jobs while protecting the planet. Could one envisage the cooperative management of the global commons? These are just a few examples of a broad range of possible collective endeavours towards a better future of work.

Notes

- 1 Those global conversations are being held under the headings 'Work and society', 'Decent work for all', 'The governance of work', and 'The organization of work and production'.
- 2 The sources used for the chapter are mostly extracted from the Internet, often relying on information provided by Wikipedia; those are not marked specifically. Other sources are listed in the References.
- 3 The chapter will not discuss the future of cooperatives since this has been the theme of a major ICA research conference held in April 2015 in Paris (ICA, 2015). But it will become evident in later sections of the chapter that cooperatives themselves will have to adapt to the emerging trends so as to remain relevant in a changing world of work.
- 4 In many cases, the automation of services simply means that certain functions are being transferred from a service provider to the consumer, thus increasing the provider's profits and reducing the consumer's free time.
- 5 Some authors believe that of all recent innovations, 3-D printing could have the greatest impact on jobs and the economy.
- 6 Today, just 7 per cent of the global labour force is organized in trade unions. And this number is shrinking in most countries.
- 7 In the European Union, however, the statute of the European Cooperative Society (SCE), adopted in 2003, is a legal form of a cooperative that facilitates cooperatives' cross-border and transnational activities. The members of an SCE cannot all be based in one country.
- 8 According to CICOPA *Cooperatives and Employment: Second Global Report* (Eum, 2017).
- 9 According to *World Co-operative Monitor 2016* (ICA-EURICSE, 2016).
- 10 Among the principles in *The Mozilla Manifesto*, these are notable in this regard: 'Free and open source software promotes the development of the internet as a public resource (Principle 7)' and 'Transparent community-based processes promote participation, accountability and trust (Principle 8)' (Mozilla Foundation, 2015).
- 11 A sharing economy provides individuals, corporations, non-profits and governments with information that enables the optimization of resources through the redistribution, sharing and reuse of excess capacity in goods and services.
- 12 Collaborative consumption as a phenomenon is a class of economic arrangements in which participants share access to products or services, rather than having individual ownership.
- 13 Those firms care little about sharing, mutual help and trust; they provide temporary access to goods and services between people that have no social relationship. Commercial share economy ventures may even contribute to deteriorating working conditions because they exclude the involvement of trade unions and destroy employment relationships (Metzger, 2015).

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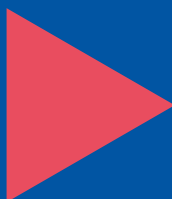


Transition to Formality and Structural Transformation

Challenges and Policy options

Edited by Iyanatul Islam
& Frédéric Lapeyre

With the assistance of Mahamadou Sidibé



Chapter 6

Organizing [in] the informal economy Trade union action in sub-Saharan Africa⁶¹

Jürgen Schwettmann

Workers in the informal economy⁶² are generally excluded from or under-represented in social dialogue institutions and collective bargaining processes. In order to secure and exercise an independent voice at work, workers and employers need representational security. Representational security at work is based on the freedom of workers, employers and the self-employed to form and join organizations of their own choosing without fear of reprisal or intimidation. [...] Freedom of association and the right to organize constitute fundamental human rights, as well as key enabling rights. If workers or employers are denied the possibility of organizing, they will not have access to a range of other rights at work (ILO, 2002).

The very fact that in many sub-Saharan African countries the informal economy employs 90% or more of the national labour force provides a compelling incentive for trade unions to reach out to the informal economy. Organizing workers in the informal economy also allows workers' organizations to expand their membership, to "capture lost members", and reinforce their numerical strength. Ultimately, increasing union density by tapping into the vast pool of informal economy workers contributes to the collective voice of the workers' movement both nationally and globally (ILO, 2016). However, the diversity of informal employment situations requires appropriate organizing strategies (ILO ACTRAV, 2019).

The chapter describes the benefits as well as modalities and options of organizing in the informal economy; introduces the types of organizations that informal economy workers may form; provides a series of recent case studies on the way trade unions have reached out to the informal economy; and offers guidance on the way forward.

The title of this paper, with the word "in" placed between square brackets, refers to the dual aspect of the subject under discussion: "organizing the informal economy" means the building of organizations in the informal economy through external support from governments, trade unions, civil society organizations, etc., whereas "organizing in the informal economy" means the self-organization of the informal economy without, or with very limited, external support. Both options have their merits and challenges, and both are widespread in Africa's informal economy.

⁶¹ The present paper was originally prepared for the Friedrich-Ebert-Foundation (Berlin) in 2017; it has been expanded and updated by the author to reflect the latest developments.

⁶² The recent ILO publication "[Women and men in the informal economy](#): A statistical picture. Third edition" provides a comprehensive data and information on the informal economy worldwide, including sub-Saharan Africa (ILO, 2018).

6.1 The Informal Economy

Sierra Leone's official unemployment rate is just 3.4 per cent (Danish Trade Union Council for International Development, 2017) – does this mean that 96.6 per cent of Sierra Leone's labour force is employed in the private or public sector? Certainly not. Less than 11 per cent of Sierra Leoneans have a formal job – mostly in government. The overwhelming majority is self-employed in subsistence agriculture or in urban micro-enterprises. They belong to the informal economy. The lack of a social protection for the unemployed leaves them with few options but to find any kind of income-generating work.

Most African countries have experienced a prolonged period of “jobless growth”, meaning that the national economies have grown by 4 to 6 per cent per year, however, such growth has not entailed a commensurate growth in formal employment. This phenomenon, known as “jobless growth”, is the result of a low employment-elasticity of the Africa's economic growth. According to the African Development Bank (African Development Bank, 2019), a one-percent increase in GDP over the period 2000–14 was associated with only 0.41 percent growth in employment, meaning that employment was expanding at a rate of less than 1.8 percent a year, or far below the nearly 3 percent annual growth in the labour force. If this trend continues, 100 million people will join the ranks of the unemployed in Africa by 2030. Without meaningful structural change, most of the jobs generated are likely to be in the informal sector.

Clarification of Terms

The **informal sector** consists of informal enterprises and own-account workers that produce a marketable surplus; **informal employment** encompasses the informal sector plus informal workers in formal enterprises; **informal economy** includes informal employment plus households which produce exclusively for household consumption (mainly subsistence agriculture).

6.1.1 Global overview

The informal economy comprises more than half of the global labour force and more than 90% of micro and small enterprises (MSEs) worldwide. Two billion workers — representing 61.2 per cent of the world's employed population — are in informal employment (ILO, 2018). Informality is an important feature of labour markets in the world with millions of economic units operating and hundreds of millions of workers pursuing their livelihoods in conditions of informality (ILO, 2017). Most workers and operators in the informal economy are in *vulnerable* employment, which concerns 42% of the global labour force, or 1.4 billion people worldwide, and many of those belong to the working poor: some 29% of the labour force in developing and emerging economies earn less than US\$3.10 per day (ILO, 2017).

The expression “informal economy” encompasses a considerable diversity of situations and phenomena. Indeed, the informal economy manifests itself in a variety of forms across and within economies. Formalization process and measures aiming at facilitating transitions to formality need to be tailored to specific circumstances that

different countries and categories of economic units or workers face⁶³. For women, informal employment is pervasive. In some parts of sub-Saharan Africa, the gender gap in informal employment is more than 20 percentage points. Among youth, the gender gap is even wider (ILO, 2018).

Work in the informal economy is often characterized by small or undefined workplaces, unsafe and unhealthy working conditions, low levels of skills and productivity, low or irregular incomes, long working hours and lack of access to information, markets, finance, training and technology. Workers in the informal economy are not recognized, registered, regulated or protected under labour legislation and social protection. The root causes of informality include elements related to the economic context, the legal, regulatory and policy frameworks and to some micro-level determinants such as low level of education, discrimination, poverty and, as mentioned above, lack of access to economic resources, to property, to financial and other business services and markets (ILO, 2019).

6.1.2 Informal employment in Africa: Overview

Informal employment is the main source of employment in sub-Saharan Africa, accounting for 89.2 per cent of all employment, or 76.8 per cent excluding agriculture. Within sub-Saharan Africa, informal employment is the main source of employment in Central Africa (91.0 per cent), Eastern Africa (91.6 per cent) and Western Africa (92.4 per cent). If agriculture is excluded, informal employment continues to dominate the structure of employment with a 78.8 per cent share in Central Africa, 76.6 per cent in Eastern Africa and 87.0 per cent in Western Africa. Southern Africa is the only sub-region with less than half of the employed population in informal employment at 40.2 per cent, and 36.1 per cent excluding agriculture (ILO, 2018).

Table 1. Informal employment in Africa

Composition of informal employment in sub-Saharan Africa (2016)									
Including agriculture					Excluding agriculture				
	Including agriculture	In the informal sector	In the formal sector	In households	Excluding agriculture	In the informal sector	In the formal sector	In households	
Sub-Saharan Africa	Total	89.2	79.3	5.2	4.6	76.8	63.3	9.5	4.2
	Men	86.4	75.7	6.7	4.0	71.6	56.7	12.1	2.8
	Women	92.1	83.2	3.6	5.3	82.8	71.0	6.4	5.6

Source: (ILO, 2018)

⁶³ The WIEGO publication "[The Informal Economy: Definitions, Theories and Policies](#)" (Chen, 2012) provides an interesting overview of how the meaning of "informal economy" has evolved over time, and how it is being used by different organizations.

The vulnerable employment rate – the share of own-account workers and unpaid family workers in total employment – was estimated at 72 per cent in sub-Saharan Africa in 2017; extreme working poverty⁶⁴ on the continent was estimated at 36%, and moderate working poverty at 24% (ILO, 2018). In sub-Saharan Africa, 89.7 per cent of women's employment (including agriculture) is informal, in contrast to 82.7 per cent for men. The feminization of poverty, combined with discrimination by gender, age, ethnicity or disability, also means that the most vulnerable and marginalized groups tend to end up in the informal economy and this is especially the case for women and young people, who have no other choice than the informal economy for their survival and livelihood. Finally, self-employment constitutes a greater share of informal non-agricultural employment than wage employment; it accounts for as much as 53 per cent of non-agricultural employment in sub-Saharan Africa (ILO, 2015). In other words: informal economy is the rule in Africa, not an exception.

6.1.3 Informal economy policy frameworks ILO instruments

The 2002 Resolution and Conclusions on Decent Work and Informal Economy, adopted by the International Labour Conference (ILC) defined the term "informal economy" as "all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements." This definition was endorsed 13 years later through the ILO Recommendation concerning the transition from the informal to the formal economy (R204), which further clarified that the term does not cover illicit activities, and that the expression "economic units" in the definition refers to units that (a) employ hired labour; (b) individuals working on their own account; and (c) cooperatives and social and solidarity economy units.

Recommendation R204 proposes in its article 31 that "Members (member States) should ensure that those in the informal economy enjoy freedom of association and the right to collective bargaining, including the right to establish and, subject to the rules of the organization concerned, to join organizations, federations and confederations of their own choosing", whereas article 33 suggests that "Employers' and workers' organizations should, where appropriate, extend membership and services to workers and economic units in the informal economy." R204 includes several references to cooperatives and the social and solidarity economy. This is also mirrored in the ILO Recommendation R193 (2002) on the Promotion of Cooperatives, which stipulates in its article 9 that "Governments should promote the important role of cooperatives in transforming what are often marginal survival activities (sometimes referred to as the "informal economy") into legally protected work, fully integrated into mainstream economic life."

⁶⁴ Moderate and extreme working poverty rates refer to the shares of workers living in households with income or consumption per capita between US\$1.90 and US\$3.10 per day (PPP) and less than US\$1.90 per day (PPP), respectively.

The 2030 sustainable development agenda

Informality is addressed *directly* in just one Sustainable Development Goal (SDG) target, namely SDG 8.3 “promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage formalization and growth of micro-, small- and medium-sized enterprises including through access to financial services”. In addition, SDG target 8.8 seeks to “protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment’,” whereas SDG target 17.17 “encourages and promotes effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships”. SDG target 16.7 calls for measures to “ensure responsive, inclusive, participatory and representative decision-making at all levels”. The latter two targets could be supported through organization-building in the informal economy. The global trade union movement is actively engaged in the pursuit of the 2030 Agenda, both at the global level and through their participation in the formulation of national sustainable development strategies (International Training Center (ITC), 2017).

The central ambition of the 2030 Sustainable Development Agenda to *leave no one behind* certainly resonates with the billions of informal economy workers around the world. It will be crucial to address the decent work deficits affecting informal economy workers so that they have a chance to escape from vulnerability and poverty.

6.2 Self-Organization in the Informal Economy

It would be a mistake to assume that, because of their precarious status, informal economy workers and operators are not organized. On the contrary, in the absence of any form of social protection, exposed to harassment, without rights nor recognition, informal economy workers have no alternative but to build organizations that provide them with a minimum of protection, support and empowerment.

Informal workers are organized in a variety of ways despite the difficulties they face, and their organizations are growing. These include trade unions, workers’ associations outside the formal trade union movement, farmers’ groups, market associations, cooperatives, and many other types of member-based organization (MBO). These MBOs are also diverse in geographical coverage, ranging from small (often fragile) local organizations, to national organizations, federations and alliances, regional networks and associations, and a variety of international organizational forms – both inside and outside the formally constituted institutions of the international trade union movement (Bonner & Spooner, 2011).

6. 2.1 Why do people organize?

The benefits of self-organizing in the informal economy may be of economic, social or societal nature, as summarized in figure 3.

Figure 1. Why do people organize?

Economic function: Economies of Scale	Social function: Mutuality & Reciprocity	Societal function: Voice & Representation
<ul style="list-style-type: none"> • Joint marketing and supply • Joint production • Joint premises, infrastructure and machinery • Joint transport • Financial intermediation • Shared services 	<ul style="list-style-type: none"> • Mutual assistance and insurance • Community care • Care for children, the elderly, the disabled, the sick • Cooperative housing • Community-based education 	<ul style="list-style-type: none"> • Collective negotiation with authorities and the private sector • Social dialogue • Representation of interests (local and national) • Allocation of land or market stalls/vending spaces

Source: developed by the author

ECONOMIC BENEFITS

The economic benefits of organization building are of greater interest to informal economy *units*⁶⁵ (such as micro-enterprises) rather than to informal economy *workers*; those benefits include:

- Greater productivity and higher income through economies of scale and scope, and through the division of labour. For example, informal carpenters in many African cities often form clusters (many similar workshops located along the same street) with the aim of generating cost savings through an increased level of production (economies of scale) or the diversification of product lines (economies of scope). Further cost savings can be realized by dividing the production process into smaller steps (sawing, assembling, varnishing, etc.).
- Cost savings and higher income resulting from increased bargaining power and shared services made possible through collective economic action; such services may include joint purchase of goods and services, transport, raw material supply, marketing, energy and water supply, and many others. Shared service cooperatives are widespread in Europe⁶⁶, the US and Japan, but not very common in Africa yet. An example are the West African garment vendors, who may send one of their pairs to China to purchase textile products in bulk (Quartz, 2013).

⁶⁵ ILO Recommendation 204 on the Transition from the Informal to the Formal Economy covers both workers and economic units. Economic units include units that employ hired labour, units that are owned by individuals working on their own account, cooperatives, and social and solidarity economy units.

⁶⁶ The German [Mittelstandsverbund](#), for example, acts as the apex organization of 310 small business associations (mostly cooperatives) with 230.000 member-enterprises (mostly SMEs) and 2.5 million workers.

- Higher and more stable income through better market access. This applies principally to small-scale agricultural producers (who fall under the definition of “informal economy”). The Oromia Coffee Farmers’ Cooperative Union in Ethiopia, for example, represents a network of 405 primary cooperatives with more than 400.000 household farmers. Through such federation small scale farmers can access the fair-trade market overseas; this in turn generates additional income which is used to finance community projects (schools, water supply, bridges, etc.).
- Access to financial services through credit unions (SACCOs)⁶⁷ and a plethora of informal and formal micro-finance institutions, such as rotating savings and credit associations (ROSCAS, or tontines), which are particularly widespread in Africa’s informal economy.

Different types of economic services may be rendered by the same informal economy organization. For example, an association of informal carpenters may facilitate input supply, market access and financial services at the same time.

SOCIAL BENEFITS

As informal economy workers and operators are often excluded from formal social protection schemes, they must rely on alternative arrangements such as traditional social solidarity groups, mutual health benefit groups, or community-based health insurance schemes.

Such traditional systems of cooperation, mutuality, reciprocity and solidarity exist in all African societies, where they have remained vibrant till today, in particular in rural areas and in the urban informal economy. Traditional African societies have always relied on kinship support in times of distress. Families, kinship groups and communities have evolved strategies to meet life contingencies faced by other members. For example, mutual funds and communal levies are common traditional forms of sharing risks (Kalusopa, Dicks, & Osei-Boateng, 2012). Quite frequently, such traditional financial systems link up with traditional health services provided by traditional healers using herbal medicines. Rotating savings and credit associations or ROSCAs (also known as “tontines” in French speaking Africa) are omnipresent on the continent and involve large numbers of people. Often, they include an element of mutual social assistance in addition to the savings and credit functions. Of great importance is the social aspect of these associations, i.e. the fact that they provide an opportunity to meet and celebrate as a group on a regular basis. Burial societies, which can be considered as a specific form of micro-insurance, are common especially in Southern Africa⁶⁸ and Ethiopia. Mutual

⁶⁷ According to the latest statistical report of the World Council of Credit Unions (WOCCU), SACCOs exist in 28 African countries; the movement comprises 37.607 credit unions, 29.6 million members and US\$ 9.2 billion in assets.

⁶⁸ The [National Stokvel Association of South Africa](#) (NASASA) estimates that there are a total of 810 000 stokvels, burial societies and rotating savings and credit associations in South Africa, with about 11.5 million members. They cover between 6% (Eastern Cape) and 24% (Gauteng Province) of the population.

work-sharing schemes for large, labour-intensive ventures, such as house construction, land clearing or crop harvesting, can be found everywhere on the continent. Other traditional manifestations of mutuality provide social assistance to community members in need, a practice known as “Ubuntu” in Southern Africa, or as “Umoja” in East Africa. Those ancient traditions have successfully adjusted to modern times and continue thriving even among the African diaspora abroad.

Traditional African self-help groups share many of the values and principles of Western-style cooperatives but do not replace those; they rather co-exist with them until today. Cooperatives work well in traditional societies where mutuality and informal cooperative activities are embedded in the form of common property, shared water and grazing rights and informal financial sharing among vendors in markets.

The traditional African forms of cooperation and solidarity are often locally rooted, defined by the boundaries of the community and the social classes within that community. The groups and associations are usually, though not always, small in membership; the membership is based on a common bond derived from ethnic origin, social class, age group, income level, professional occupation, or a combination of those. Social capital and social control are of paramount importance since these groups may handle large amounts of cash without any collateral or security, or even accounts. They are based on trust and social cohesion, rather than written agreements. The groups are often temporary or periodic in nature and emerge when needs or opportunities arise; moreover, they seldom build higher level structures such as unions and federations. (Schwettmann, *Cooperatives in Africa - Success and Challenges*, 2016)

Traditional forms of social protection find their limits when the extent of the threat exceeds the response capacity of the group. Such systems inevitably collapse when a large number of community members are affected all at once, as it happened during the Ebola outbreak in West Africa or the HIV-AIDS pandemic in Southern Africa. Moreover, traditional forms of solidarity and intergenerational support, which are still widespread in rural areas, are beginning to erode in urban settings.

One of the greatest problems that informal economy workers face is the lack of rights, recognition, representation and voice. Informal economy workers are not covered by labour law and most international labour conventions; they are often harassed by the police or municipal authorities. They may see their goods confiscated and end up in prison for crimes such as “prowling around”. In May 2005, for instance, the Government of Zimbabwe launched the “Operation Restore Order” during which tens of thousands of “illegal” traders lost their shops, stalls and homes (Gumbo & Geyer, 2011). Officially justified by the fight against the “black market”, the operation was widely seen as an attempt by government to combat opposition forces. Similar operations have taken place in several African cities.

The formation of member-based organizations can provide informal economy operators with an instrument to obtain official recognition, as well as greater political bargaining power, as discussed in the section on collective bargaining. There are many examples from around the world showing that informal economy organizations can successfully fight for the rights and the dignity of their members and protect them

against harassment and abuse. The defence of labour rights of informal economy operators can go hand-in-hand with the promotion of social and economic benefits. For example, a trade union of informal workers may also set up cooperatives, which may act as a trade union when negotiating with the authorities.

6.2.2 Types of informal economy organizations

A great variety of informal economy organizations exist around the world, but almost all of them belong to what is known as the “social and solidarity economy”, defined by the ILO 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, 2009)”. Social and solidarity economy entities:

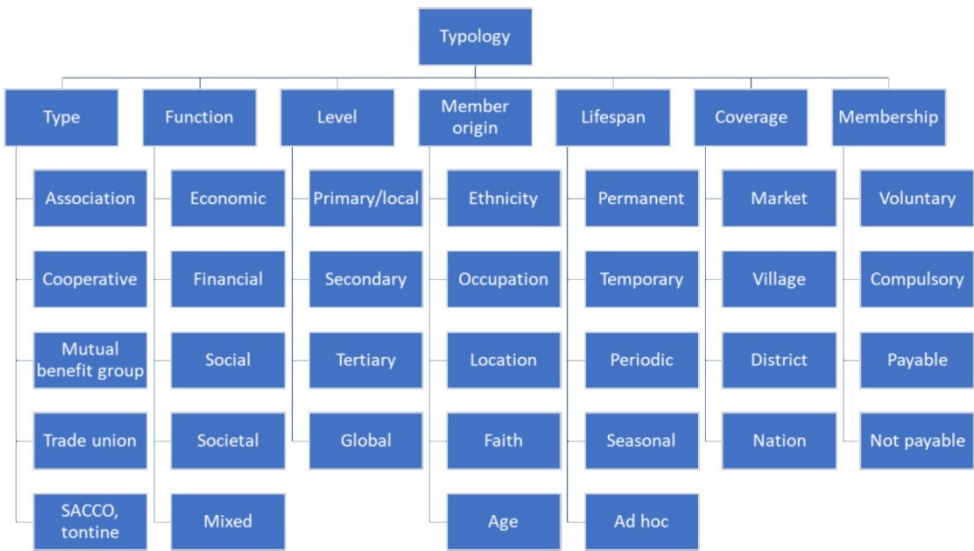
- recognize the primacy of people and work over capital;
- are flexible and innovative to address changing social and economic circumstances;
- incorporate the principles of solidarity, mutuality, reciprocity, cooperation and proximity;
- emphasize the importance of social capital in producing healthy societies;
- highlight the complementarity of the social, political, environmental and economic dimensions of development; and
- provide a platform for voluntary participation, member empowerment and personal commitment (Schwettmann, *The Role of Cooperatives in Achieving the Sustainable Development Goals - the Economic Dimension*, 2014).

Social economy organizations can build a bridge between the informal and the formal economy, because the organizations as such are officially registered, and therefore belong to the formal sector, while their members usually remain in the informal economy.

Trade unions are generally not considered to be part of the social economy⁶⁹, although they share many of its principles and values and have often formed alliances with social economy entities.

⁶⁹ Primarily because trade unions do not pursue economic objectives, whereas social economy units do.

Figure 2. A typology of informal economy organizations.



Source: developed by the author

Associations, trade unions, social networks, cooperatives - the kinds of organizations built at the base by informal workers can vary greatly. A key factor is the type of economic demand that they have. Own-account workers tend more towards cooperative-like organizations, while dependent workers rather opt for trade unions or other forms of workers' associations. Some, like SEWA, combine both (Mather, 2012).

ASSOCIATIONS

Associations, simply defined as “groups of individuals who voluntarily enter into an agreement to accomplish a purpose”, are the most “informal” type of organization since they are easy to establish and need to meet very limited legal requirements; they may exist in the formal and in the informal economy and pursue societal, social, environmental, political or cultural goals. In French-speaking Africa, the legal status of associations is governed by local derivatives of the French association law of 1901 (still applicable in France), which stipulates that an association must have at least two members and shall not pursue a profit-oriented activity. In English-speaking countries associations are known under different names, many of which may fall under specific laws, such as non-profit organizations, NGOs, charitable companies, friendly societies, community-based organizations, voluntary associations or common-law associations. In most cases the conditions to form an association are relatively easy to comply with, and registration procedures are simple. The legal form of an association is often chosen by informal economy operators to pursue non-economic goals, such as gaining voice and representation, engaging in collective bargaining with third parties and authorities, and

taking part in political processes. Examples of such organizations include the Kenya National Alliance of Street Vendors and Informal Traders (KENASVIT), as well as the “Syndicat National des Travailleurs Autonomes de l’Economie Informelle du Niger” (SYNATRA), the “Fédération pour le Développement du Secteur Informel” (FEDESI) in Côte d’Ivoire and the Coalition of Informal Economy Associations of Eswatini (CIEAES).

COOPERATIVES

Cooperatives are defined by the International Cooperative Alliance (ICA) as “an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise”; the same definition appears in ILO Recommendation 193 (2002) on the Promotion of Cooperatives, as well as in many national cooperative laws around the world. The ICA asserts that the global movement represents 2.6 million cooperative societies with 1.2 billion members, and that 250 million people derive their livelihoods through cooperatives. This would make cooperatives the single largest movement in the world, far bigger in terms of membership than the global trade union movement.

On the African continent, Western-style cooperatives were introduced by the colonial powers and quickly became instruments of state-domination and political control after independence. Those pseudo-cooperative movements collapsed during the structural adjustment era imposed by the Bretton Woods institutions in the 1980s and 1990s. A new, authentic and autonomous cooperative movement has emerged since then in many African countries and provides important support services in numerous domains of economy and society in both rural and urban settings. It is estimated that around 7 per cent of the African population are members of a cooperative (Schwettmann, *Cooperatives in Africa - Success and Challenges*, 2016).

Particularly important to informal economy operators are the savings and credit cooperatives (also known as credit unions or peoples’ banks) since these institutions provide basic financial services to those who, because of their low income, are often shunned by commercial banks. Credit unions exist in most African countries with some 25 African credit union movements being affiliated with the World Council of Credit Unions (WOCCU). They represent 21.724 units with more than 23 million members and have accumulated \$9.2 billion in assets, much of which was contributed by Africa’s informal economy. The growth of the credit union movement has been spectacular, but it may suffer in the future from the expansion of mobile banking services, such as the Kenyan M-PESA⁷⁰.

MUTUAL BENEFIT SOCIETIES

The European Parliament defines mutual benefit societies as “voluntary groups of (natural or legal) persons whose purpose is primarily to meet the needs of their

⁷⁰ M-Pesa is a mobile phone-based money transfer, financing and microfinancing service, launched in 2007 in Kenya. M-Pesa allows users to deposit, withdraw, transfer money and pay for goods and services easily with a mobile device.

members rather than achieve a return on investment. They operate according to the principles of solidarity between members, who participate in the governance of the business. Together with cooperatives, foundations and associations, mutual enterprises are one of the main components of the social economy, or third sector, in the European Union” (European Parliament - Directorate-General for Internal Policies, 2011). They exist in most countries of the world, including many African nations, yet following two distinct traditions: the French/Belgian model is geared exclusively towards health insurance coverage based on the principle of solidarity. Mutuals belonging to this model have formed the “Association Internationale de la Mutualité” (AIM), which in Africa has members in Burkina Faso, Burundi, Côte d’Ivoire, the DR Congo, Mali and Morocco. Interestingly, the African AIM member organizations are all targeting civil servants, not the private sector and certainly not the informal economy. Globally the AIM is present in 28 countries and represents 240 million individuals. Mutual insurers adhering to the “Anglo-Saxon model”, which provides general insurance services based on the principle of mutuality, have formed the International Cooperative and Mutual Insurance Federation (ICMIF). ICMIF is present in 75 countries and has member organizations in 12 African countries⁷¹; those are mostly open to the general public, including the informal economy. In addition, community-based mutual health insurance systems, that are not affiliated to either AIM or ICMIF, operate in several African countries.

TRADE UNIONS IN THE INFORMAL ECONOMY

A trade union in the formal economy can be defined as an organization whose membership consists of workers united to protect and promote their common interests; its principal purposes are to (i) negotiate wages and working condition terms, (ii) regulate relations between workers and the employer, (iii) take collective action to enforce the terms of collective bargaining, (iv) raise new demands on behalf of its members, and (v) help settle their grievances.

As there is no employer-employee relationship in the informal economy a “trade union” existing in the latter cannot engage in actions under (i) and (ii) above; it can however pursue objectives (iii) to (v), albeit with different counterparts from the public and private sphere.

Informal economy associations in several African countries have evolved into “trade unions of the self-employed”. These organizations consider themselves “trade unions” because they are:

- targeting trade, such a street-vending;
- engaged in collective bargaining, albeit not with employers, but with public and private stakeholders; and
- affiliated (not always, but often) with the national trade union centre.

⁷¹ Algeria, Burkina Faso, Cameroon, Ghana, Kenya, Malawi, Morocco, Nigeria, Senegal, South Africa, Sudan and Tunisia. The [ICMIF member page](#) provides hyperlinks to the individual member organizations in these countries.

Such “informal economy trade unions” have emerged in several African countries, including Benin, Cameroon⁷², Ghana, Kenya, Mozambique, Niger, Nigeria, Senegal, Sierra Leone, Tanzania, Togo, Uganda, Zambia and Zimbabwe, and many more are emerging on the continent.

VERTICAL AND HORIZONTAL INTEGRATION

Social economy organizations, as well as trade unions, often establish vertical structures such as sectoral or regional unions, national federations or confederations, as well as networks and alliances. In many instances, these structures transcend national borders with the aim of building regional or global networks. For example:

- Global advocacy bodies such as StreetNet International, WIEGO and the Global Alliance of Waste Pickers.
- Local agricultural marketing cooperatives forming regional unions for processing purposes and national federations for export marketing and other functions. An interesting example is the “Coopérative Agricole Marocaine” (COPAG) which grew from 2 to 14.000 members within 30 years of existence. Global cooperative bodies include ICA, ICMIF and WOCCU.
- Primary mutual benefit societies need to establish higher-level institutions at the regional or national level to pool risks that exceed the capacity of local mutual. Globally the mutual movement is represented by AIM and ICMIF.
- Trade unions in almost all countries worldwide have established national centres (sometimes more than one), as well as regional organizations such as ITUC-Africa and OATUU, sub-regional bodies such as EATUC and SATUCC, and international bodies such as the ITUC.

An interesting case is the Cross-Border Traders Association (CBTA) which was originally formed in Zambia in 1998 before spreading to several Southern and Eastern African countries. The association has 15.000 members in Zambia and 75.000 in other countries of the region and negotiates trade conditions on behalf of its members with the secretariats of COMESA and SADC as well as national governments (Nchito & Tranberg--Karen, 2010).

The formation of higher-level structures, also referred to as “vertical integration”, has the potential to increase the economic benefits of organization building through greater economies of scale, its social benefits through a broader sharing of risks, and its political benefits through larger bargaining power.

Horizontal integration in contrast fosters collaboration between different types of organizations, be they from the same “family”, or between families: trade union support to informal economy associations; partnership between mutual benefit

⁷² For example: Departmental Drivers’ Union of Mototaxis of Benoue-North (SDCMTACB), National Union of Farmers of Rural and Inter-urban Transportation Cars, Bus and Motorcycle of Cameroon (SYNEXPITAMOTOCAM), National Union of Cameroon Watchmen (SYNVEILCAM), Union of Motorcycle Conveyors (SYTRATAMO), Union of Mototaximen (SYMOTO); Drivers’ Union Motorcycle Taxis (SYCOMOTA) (Tsafack Nanfosso, 2016).

groups and informal economy associations; or cooperation between agricultural and financial cooperatives. Africa's informal economy workers and operators could benefit from a *social movement approach* that would seek to harness synergies and complementarities between associations, cooperatives, mutual and trade unions.

6.3 Trade Unions organizing Informal Economy Workers

6.3.1 Policy orientations

The conclusions of the General Discussion on “Decent Work in the Informal Economy” that took place at the 90th Session of the International Labour Conference (2001) agreed that “an important objective for both employers’ and workers’ organizations is to extend representation throughout the informal economy. Workers and employers in informal activities may wish to join existing trade unions and employers’ organizations, or they may want to form their own. Employers’ and workers’ organizations play a critical role in either strategy: extending membership and services to employers and workers in the informal economy and encouraging and supporting the creation and development of new member-based, accessible, transparent, accountable and democratically managed representative organizations, including bringing them into social dialogue processes.” ILO Recommendation 204, adopted 14 years later, confirmed this statement in its article 33: “employers’ and workers’ organizations should, where appropriate, extend membership and services to workers and economic units in the informal economy”.

“Organizing” is one of the five thematic priorities of the International Trade Union Confederation ITUC. More specifically the ITUC underlines that “only 60 per cent of the global work force of 2.9 billion is in the formal economy (...) while 40 per cent struggle to survive in the desperation of the informal economy where there are no rules, no minimum living wages, no rights and no social protection. The challenge for all levels of the global union movement is to organise – to organise both in the formal and the informal sector, and to do so in innovative ways. Organising to grow and strengthen unions can only be sustainable if we engage workers on the issues that will improve their lives including wages, safety, secure work, rights and social protection” (ITUC, 2017). The Congress of ITUC Africa, the African regional organization of the ITUC, adopted in 2011 a resolution on “Promoting Organization in the Informal Economy and a Solidarity-Based Economy

Organizing informal economy workers goes to the root of renewing the trade union movement through expanding membership coverage, increasing union density among all workers in order to make unions more representative; strengthening the collective voice of workers and their bargaining rights and ability to influence social and economic policies and measures in the interests of the people; and also achieving wider and better organization that allows trade unions to provide avenues for self-assistance and mutual benefit societies among workers.

Kwasi Adu-Amankwah, General Secretary, ITUC Africa (cited in: (ILO ACTRAV, 2019))

for Better Development of Africa”, which underlined the role of the social and solidarity economy in organizing the informal economy (Ulandssekretariate, 2015).

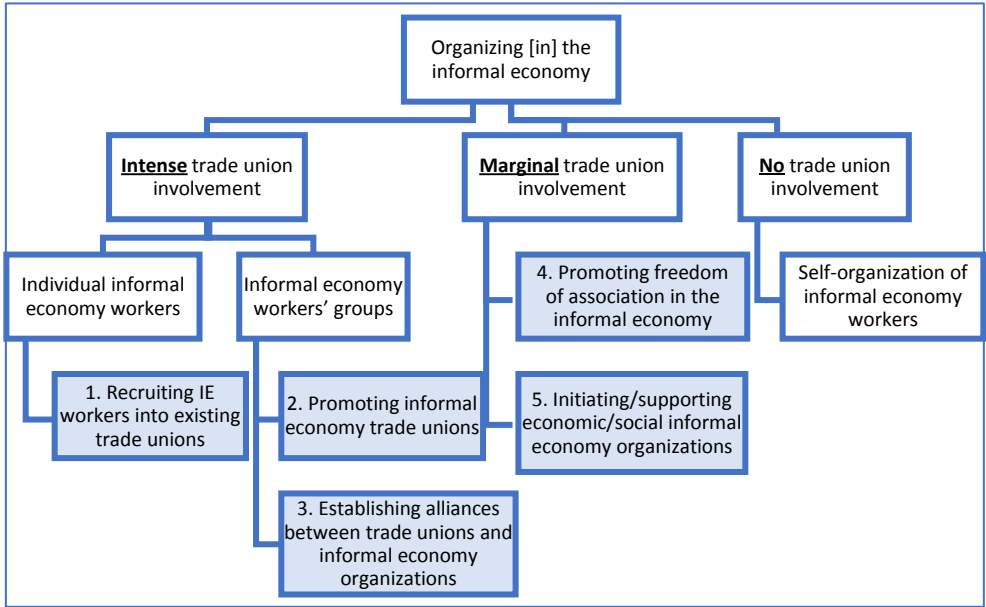
The Organization of African Trade Union Unity (OATUU), however, does not seem to have adopted a policy on engagement with the informal economy, but it is well known that many OATUU member organizations are actively reaching out to the informal economy.

The global policy orientations recognize that the informal economy is here to stay and cannot be cancelled at the stroke of a pen. These orientations call for a gradual, progressive process of formalization which would pave the way for a steady improvement in the working and living conditions in the informal economy.

6.3.2 Options and strategies

Throughout the world, unions have typically defined their membership as employees working for an employer or set of employers within an industry, or what can be called a “wage culture” and the first position taken by most unions in regard to informalization was to oppose it and exclude the workers involved. African trade unions have rarely represented a large proportion of the working population, and in pursuit of expanding the wage economy under difficult circumstances, they have concerned themselves almost exclusively with defending and advancing wage employment and those employed in the formal economy. In recent years, however, many unions have moved past this position and started to develop new approaches to including non-standard and informal economy workers (Schurman & Eaton, 2012).

Figure 3. Organizing in the informal economy – options for trade union involvement



Source: from the author

The figure above illustrates the options for trade union involvement in organizing the informal economy. If one excludes the self-organization of informal economy workers⁷³ (which does not require any trade union support, but is nevertheless of highest importance for the social and economic well-being of informal economy workers), the unions may pursue five distinct strategies to support the organization of the informal economy:

1. *Recruit individual workers* operating in the informal economy into existing trade unions; this can be achieved by establishing special membership categories for informal economy workers, by offering services that are relevant to them, by defending their interests vis-à-vis local and national authorities, etc. Informal economy workers will join trade unions when they see a benefit in doing so.
2. *Incorporate existing informal economy organizations* (those that consider themselves as trade unions or have a trade union character) as members within the ranks of the national trade union federations; this strategy is mutually supportive since it adds numerical strength and influence on both the trade union and the informal economy movements.
3. *Build alliances between trade unions and informal economy organizations* to pursue common goals and objectives. In this option, established trade unions form partnerships with informal economy associations and organizations, or with NGOs supporting them. Such alliances may be of temporary or permanent nature, and they may be subject-specific or pursue more general purposes. Both partners in the alliance, the trade unions and the informal economy associations, preserve their independence and autonomy.
4. *Assist in establishing a favourable climate* for the self-organization of informal economy workers and operators. Here, the involvement of trade unions will be limited to advocating the establishment of a conducive legal, policy and regulatory environment allowing informal economy organizations to emerge and flourish – or, in other words, to promote freedom of association in the informal economy.
5. *Provide organizational and political support* to initiate, strengthen and accompany member-based informal economy organizations that are not engaged in collective bargaining, but provide economic and social services⁷⁴. This could be seen as a benevolent trade union activity which does not result in direct benefits to the trade union movement, but may benefit the general population of a country, and could as well be undertaken by NGOs or civil society organizations.

⁷³ Inevitably informal economy workers had already embarked on self-organizing initiatives before attracting the attention of trade unions. This has resulted in highly diverse strategies being employed by African trade unions, “ranging from antagonism to full integration.” (Schurman & Eaton, 2012)

⁷⁴ After World War II the German trade union federation DGB, for example, played a central role in the establishment of housing cooperatives (“Neue Heimat”), consumer cooperatives (“Konsum”, later “Co-op”) and financial cooperatives (“Bank für Gemeinwirtschaft”) – all of which, unfortunately, were plagued by episodes of mismanagement (Vogt, 2012).

Some national trade union centres have developed tools and training material on trade union involvement in organizing the informal economy; examples include UNSTB (Benin), TUC (Ghana), SLLC (Sierra Leone) and NOTU (Uganda) (Assens & Tabor, 2015). The IO has very recently (2019) published a trade union guide on “Organizing Informal Economy Workers into Trade Unions” (ILO ACTRAV, 2019).

6.4 Collective Bargaining and Social Dialogue in the Informal Economy

Collective Bargaining is usually understood as taking place between an employer and employees to achieve a collective agreement, primarily around wages and working conditions. (See article 2 of ILO C154: Collective Bargaining Convention, 1981 [No.154]). As most informal economy operators work on their own account (or that of the family), the term “collective bargaining” assumes a different meaning for them: the informal economy worker does not negotiate with an employer but with a wide range of counterparts: the national government, municipalities, the police, the private sector, and different local, regional and national authorities -occasionally with several of those at a time. For street vendors and waste pickers facing harassment or eviction, the counterpart may be those in the local municipal authority responsible for urban policy, for example. For dependent homeworkers, it may be the company that dominates their supply chain if they can identify it. For informal construction workers, it may be the agency that supplies them on-site, and so on (Mather, 2012).

Moreover, the subject of negotiation is different: informal economy workers do not bargain about wages and benefits but about prices, rates, rights, recognition, and many other issues. A recent WIEGO publication neatly summarizes the issues and challenges in organizing and negotiating in the informal economy (Budlender, 20013). Of all issues to be negotiated that of (de jure or de facto) recognition and respect seems to be the most important across all informal economy occupations. The social and economic inclusion and recognition of informal economy workers is the first and indispensable step towards formalization.

As the subjects of collective bargaining differ from those in the formal economy, the body that negotiates does not necessarily have to be a trade union. Certain issues affecting informal economy workers, such as access rights, official recognition, freedom of establishment and protection against harassment, can well be taken up by associations, cooperatives or similar member-based organizations which, nevertheless, may benefit from the larger influence and visibility of the trade union movement. An interesting example concerning street vendors from Johannesburg, South Africa, is cited below.

Informal economy workers cannot go on strike in the narrow sense⁷⁵ but they can apply similar strategies to further their demands. In many countries, informal economy workers ensure the provision of essential services, such as waste removal, domestic work, food production, transport of persons and goods, retail trade, etc.. The sudden discontinuation of such services as the result of a “strike” can force municipal authorities to enter into collective bargaining processes with informal economy

⁷⁵ Defined as “work stoppage or similar actions by worker to exercise pressure on the employer.”

organizations, as illustrated by a few examples in the section on protest actions by informal economy associations.

Informal economy workers surely have an interest to take part in broader social dialogue processes that go beyond collective bargaining. Social dialogue⁷⁶ requires political will as well as commitment to and respect for the fundamental rights of freedom of association and collective bargaining. Every area of policy-making on the informal economy, whether it be skills policies or social security policies, requires that informal economy actors are able to organize, articulate their needs and have the opportunity to decide their own future while arriving at a consensus that meets social and economic goals. The case study of NASVI, India, demonstrates that well-organized street vendors can bring about important legal and policy changes at the national level. Another example comes from Ghana: the country has fairly developed and functional social dialogue processes including the National Tripartite Committee (NTC). In April 2015, the Ghana Trade Union Congress formed the Union of Informal Workers Associations (UNIWA) which participates, through the TUC, in the deliberations of the NTC (Ulandssekretariate, 2015). South Africa's social dialogue institution, the National Economic, Development and Labour Council (NEDLAC), has a community constituency in addition to the three traditional partners: government, employers and trade union, thus providing informal economy workers with access to national social dialogue. At the global level, organizations such as WIEGO, StreetNet and the International Domestic Workers Federation have played a decisive role in shaping international labour standards, such as ILO Informal Economy Recommendation R204 and the ILO Domestic Workers' Convention C189.

Three conditions must be fulfilled to enable the informal economy workers and operators to take part in social dialogue:

- Government policies and national legislation must guarantee the effective freedom of all workers and employers, irrespective of where and how they work, to form and join organisations of their own choosing without fear of reprisal or intimidation;
- Informal economy organizations must be effectively recognized and dispose of a defined interface with those with whom they need to dialogue. Without recognition by government authorities, informal organisations have no voice in public policy debates or access to the services and infrastructure they need to operate effectively and efficiently. This is particularly important at the local level to provide local interest groups of informal workers with an avenue for voicing their concerns and priorities and take part in policy debates.
- Once formed and officially recognized the informal economy organizations must acquire the necessary capacity to further strengthen and empower interest groups in the informal economy (European Commission, 2009).

⁷⁶ Social dialogue is defined by the ILO to include all types of negotiation, consultation or exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. It can exist as a tripartite process, with the government as an official party to the dialogue or it may consist of bipartite relations only between trade unions and employers' organisations, with or without indirect government involvement (ILO, 2013).

6.5 Case Studies

6.5.1 Self-organization of the informal economy Africa-wide: Informal finance for the informal economy

The vast majority of workers and operators in the informal economy do not have a bank account but need financial services: savings facilities to accumulate portion of their daily income to finance monthly or yearly expenditures, such as rent and school fees, or longer-term investments; short-term loans for productive purposes or emergency loans in case of illness and death; and money transfer services to support relatives or receive remittances from abroad. Many of these financial needs can be met by informal financial institutions. An informal savings group is a social organization formed to help community members save money for specific purposes (at either individual or community level). The two most common examples are Rotating Savings and Credit Associations (ROSCAs) or Accumulated Savings and Credit Associations (ASCAs). ROSCAs (or tontines) function by taking monthly deposits (Olivier, 2016); ASCAs also require group members to make regular contributions. Instead of rotating payouts, the ASCA group fund is used to make loans that are paid back with interest. Loans are made to either group members or trusted third parties. After a certain period (often six months to a year) the group fund and its proceeds from interest are paid back to the original members. Groups usually have 15-20 members and are governed by a strict set of rules, either written or unwritten, depending on the group’s literacy. Breaking the rules is considered “taboo” and comes with social repercussions and possible financial penalties. According to a FinMark Trust survey, there were roughly 37 million people participating in informal savings groups in East Africa (Kenya, Uganda, Tanzania and Rwanda) as of 2009. In another survey, FinMark reported that 43% of households in the SADC region relied on informal financial mechanisms (FinMark Trust, 2018). In West

ROSCAs in Africa - Vernacular Names

- Benin:** Asusu, Yissirou, Ndjonu;
 - Botswana:** Motshelo;
 - Burkina Faso, Mali:** Tibissiligbi, Pari, Song-taaba;
 - Burundi:** Upato
 - Cameroon:** Jangi, Mandjon, Djapa;
 - Chad:** Pare;
 - Congo:** Ikilemba,
 - Egypt:** Gameya, Jam'iyya;
 - Eswatini:** Stokfel;**Ethiopia:** Ekub;
 - Gabon:** Bandoi;
 - Gambia, Ghana, Liberia, Nigeria, Sierra Leone:** Osusu, susu, esusu;
 - Ivory Coast:** Moni, Safina,
 - Kenya:** Mabati, Nyakinyua, Itega, Mkutano;
 - Madagascar:** Fokontany;
 - Mozambique:** Upato, Xitique; Niger: Adasse;
 - Senegal:** Nath;
 - Somalia:** Haghad, Shaloongo,
 - South Africa:** Chita, Chitu, Stokfel, Mahodisana, Motshelo
 - Sudan:** Khatta, Sanduk;
 - Tanzania:** Upato, Fongongo;
 - Togo:** Soo, Sodzodzo, Adakavi;
 - Tunisia:** Noufi, Sanduk;
 - Uganda:** Chilemba, Kiremba, Upato, Kwegatta; Kitemo,
 - Zambia:** Icilimba, Upato, Chilenba;
 - Zimbabwe:** Chilemba, Kutunderrera
- (many more local terms can be found [here](#).) Source: (Srinivas, Hari, kein Datum).

Africa, Nigeria had nearly 41 million people participating in such groups, while in Togo the number of tontine-members was estimated at 2.5 million in 2014 (58 per cent of the population aged 15 and above). In 2013, a study by the Cameroonian Ministry of Finance indicated that 58% of the population preferred tontines to banks because investment remuneration was higher and access to credit less restrictive (Olivier, 2016). Tontines, ROSCAs and ACSAs are omnipresent in sub-Saharan Africa, especially in rural areas and among informal economy workers; they are also particularly widespread among women.

The value that individuals gain from participation in a savings group includes both tangible economic benefits and intangible social benefits. South Africa, for example, has the most developed formal banking sector in sub-Saharan Africa, where 63% of the country has access to formal banking as of 2011. Yet, surveys have shown that nearly 90% of members that save primarily through informal mechanisms *also have a formal savings account*. These members choose to participate in an informal savings group, because the social structure it provides creates benefit that cannot be realized by saving at a bank (Invested Development, 2012). The social and societal aspects of informal savings groups are indeed of greatest importance as they provide a platform for mutual assistance, emergency aid and social networking. Tontines work because of the social capital they accumulate and the social control that ensures compliance among the members.

Nigeria: A federation-cum-trade union of informal workers

The Federation of Informal Workers' Organizations of Nigeria (FIWON) was launched in 2010 in Abuja by 24 organizations of informal workers drawn from eleven Nigerian federal states. Since then, FIWON has evolved as a common platform to share problems, solutions and aspirations of millions of working people, providing an important democratic space for workers in the informal economy.

According to latest estimates Nigeria's informal economy employs 92.9 per cent of the country's labour force (90.8 per cent men, 95.1 per cent women) and contributes close to 60 per cent to the country's GDP. Informal employment is distributed as follows: agriculture (52.7 per cent), industry (6.9 per cent) and services (39.4 per cent) (ILO, 2018).

Despite constituting the vast majority of Nigeria's labour force, informal economy workers are absent from decision making processes and often subject to policy inconsistency and arbitrariness. FIWON considers that the informal economy includes self-employed workers, contributing family members and those moving from one form of jobs or location to another; it also includes some of those who are engaged in new flexible work arrangements, and who find themselves at the periphery of the core enterprise or at the lowest end of the production chain. The complaints expressed by informal workers include: arbitrary taxation, absence of social protection, poor access to the services of the formal financial institutions, poor occupational health and safety awareness and the consequent lack of the most rudimentary personal protection at work, lack of well-structured technical training

and retraining in new production processes and technologies, lack of access to work-spaces with basic infrastructures among others (The Federation of Informal Workers' Organizations of Nigeria, 2015).

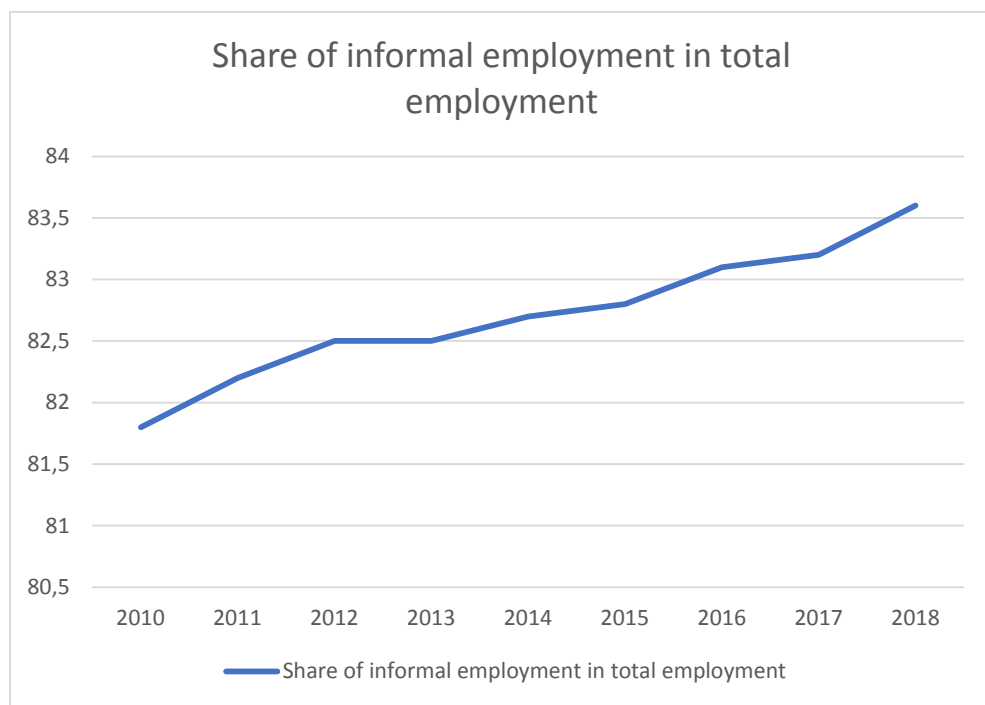
FIWON serves as a platform of advocacy and representation for informal workers, and as a provider of services meant to ameliorate the working and living conditions in the informal economy, namely:

- *Civic and trade union education* to raise awareness about the rights and obligations of informal workers;
- *Leadership education*;
- *Organizing informal economy workers*: FIWON organizes informal workers across 28 sectors and sub-sectors of the informal economy;
- *Leading campaigns*, such as the campaign against demolition of informal housing in Abuja, July 2012, the campaign for social protection of informal workers with a Bill presented to the National Assembly, campaign against the ban of okada (motor-cycle taxis) on Lagos in the inner-city routes, etc.;
- *The FIWON directory*, an on-line database of FIWON members;
- *The FIWON Marketplace*: to enable informal businesses to market their products online;
- *FIWON Financial Services*, a program of mobile financial services to facilitate savings, loans, health insurance, pensions, mortgage, etc.; and
- *FIWON Legal Services* to provide legal assistance to informal economy workers.

FIWON has collaborated with the FES Nigeria Office since 2010 with a view to “helping FIWON affiliates set in motion processes for making necessary changes in their organizations in order to transform them into genuine democratic workers’ organizations capable of representing their members more qualitatively” (Friedrich-Ebert-Stiftung, 2016).

Kenya: A national alliance of street vendors

Kenya’s informal sector is by far the country’s largest employer; in 2018, the informal sector created 762,200 new jobs, about ten times more than those created in the formal economy (Kenya National Bureau of Statistics, 2019). The majority of job opportunities in the informal economy are related to wholesale and retail trade. The share of informal employment (excluding small-scale agriculture) in total employment has been growing slowly, but steadily over the years. In absolute terms the number of Kenyans engaged in the informal economy grew from 9,327,100 in 2010 to 14,865,900 in 2018.

Figure 4. Kenya: Share of informal employment in total employment

Source: Kenya National Bureau of Statistics, 2019.

It is in this context that the Kenya National Alliance of Street Vendors and Informal Traders KENASVIT was formed. KENASVIT is a network of micro and small enterprises in Kenya operating in four sectors: manufacturing, agri-business, trade and services. The organization was initiated by a study conducted between 2002 and 2004 by the Institute for Development Studies (IDS) of the University of Nairobi. The study identified the need for street vendors and informal traders to form a member-based, professionally managed organization as a platform to enhance their bargaining power vis-à-vis an array of stakeholders including the government, local authorities, and development partners.

KENASVIT was informally set up in 2002 and was registered in 2006 under the Societies' Act of 1968. The organization represents an estimated 400,000 Informal entrepreneurs grouped in 16 chapters and urban alliances. The alliances' head office is located in Nakuru town.

KENASVIT is concerned by the constant harassment and victimisation of informal economy operators by the local and municipal authorities. In some cases, informal economy traders were subjected to punitive taxation. Moreover, poor market conditions and episodes of sexual harassment by the local authorities are issues of daily concern to the traders (Otieno, 2018).

The Alliance provides its members with various services, such as:

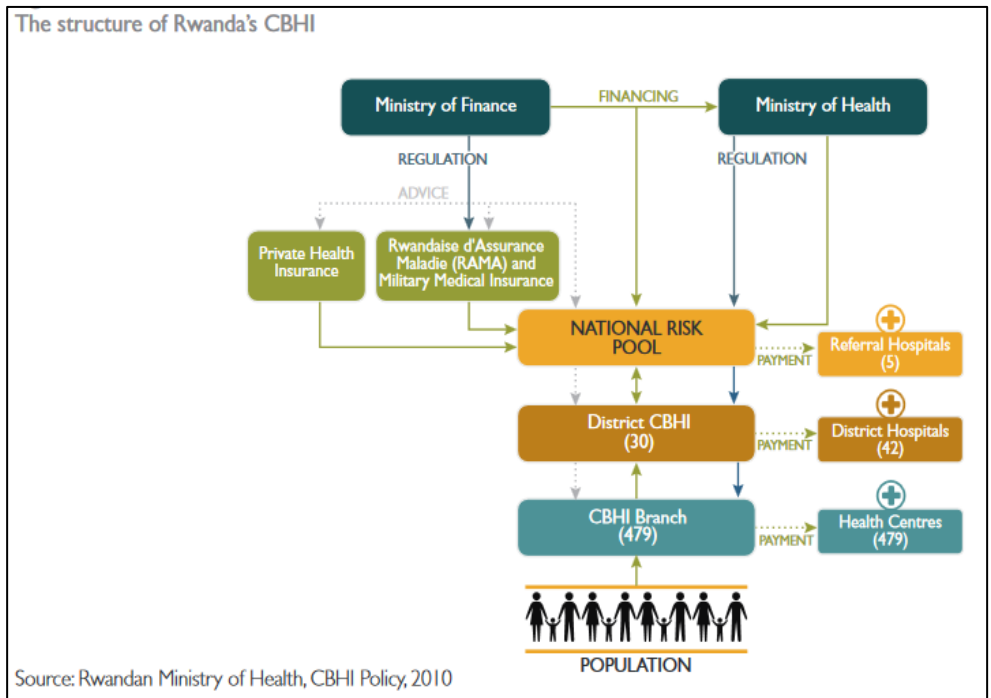
- *Organizing*: KENASVIT has created a network of grassroots community-based organizations of traders and links them to a local urban alliance at the town level. These local alliances form networks at the national level through affiliation to the national umbrella organization.
- *Capacity building and training*: The Alliance provides knowledge and skills training critical for street vendors and informal traders, including. For example, negotiation and leadership skills, information about the National Health Insurance Programme, as well as women's rights under the Kenyan Constitution.
- *Policy advocacy*: The Alliance maintains a regular dialogue with government authorities, and advances policies at the local, county, and national levels to promote both the rights and responsibilities of informal traders.
- *Economic enhancement and access to credit*: Initiated in 2008 after the post-election violence, the KENASVIT revolving loan fund programme provide affordable access to credit in case of special circumstances such as weddings, illness or funerals.
- *Inclusion and leadership of marginalized groups*: KENASVIT opposes discrimination and stigmatization of marginalised groups, particularly women, people with disabilities, youth, and people living with HIV/AIDS. These marginalised communities are represented in KENASVIT's local and national governance structures.

KENASVIT is not a trade union and is not affiliated with the Central Organization of Trade Unions of Kenya (COTU(K)), but would wish to establish closer links with the trade union movement.

Rwanda: Health insurance for informal economy workers

Rwanda's labour market is experiencing a structural transformation with a declining share of agriculture and a steady growth of the service sector. However, agriculture still employs 77% of the Rwandan labour force. The country has a high labour force participation rate (83%) as well as a high proportion of "working poor". The informal economy employs 91 per cent of the labour force in 2017 and contributes 46 per cent to the country's GDP (Danish Trade Union Council for International Development and Cooperation, 2018).

Rwanda has been recognized as having the most successful community-based health insurance (CBHI) scheme in sub-Saharan Africa and, indeed, one of the most successful in the world. In a few years the country went from having 7 percent of the informal sector population covered to 74 percent in 2013 (Kalisa I, 2015). The scheme is based on so-called *mutuelles de santé* (mutual benefit societies).

Figure 5. The Structure of Rwanda's health insurance system

CBHI is much debated as a way to tackle the challenge of providing access to health care for the poor in developing countries without worsening their economic situation. Proponents argue that CBHI schemes can be effective for reaching a large number of poor people who would otherwise have no financial protection against the cost of illness, especially in countries where national insurance schemes do not exist and/or where public health care funding is insufficient. They also maintain that schemes consider the views of the poor, who can be involved in decision-making. Opponents argue, however, that the risk pool is often too small; that adverse selection problems arise; that the schemes are heavily dependent on subsidies; that financial and managerial difficulties arise; and that the overall sustainability is not assured.

To address these shortcomings Rwanda has developed a scheme that is based on a strong partnership between the government and the communities who are highly involved in its oversight⁷⁷. It has different levels of shared risk pools, subsidizes the poor, aims at minimising adverse selection, works hard to establish and maintain good financial and management systems, and is committed to sustainability.

CBHI beneficiaries are entitled to healthcare services provided at each level of the *public* health care delivery system (excluding private health care facilities): local health centres, district hospitals and national referral hospitals.

⁷⁷ To a much greater extent than the Tanzanian community health funds; the strong involvement of local communities has been singled out as one of the determining success factor of Rwanda's CBHI.

CBHI members are grouped by the communities themselves into three categories:

Categories of CBHI membership			
Group	Description	Percentage of CBHI membership (2014)	Annual premium to CBHI
Category 1	Very poor, no assets	27.2%	\$2.76
Category 2	Middle class	77.5%	\$4.14
Category 3	“Rich”	0.3%	\$9.65

The CBHI is a contributory scheme as shown above, but for category 1 members the premium is fully subsidized by the State. In addition to the annual premium, patients pay a flat fee of 200 Rwandan Francs (\$0.3) and 10% of hospital expenditures for each visit to the health centre. Again, the co-payment is fully subsidized by the State for category 1 members (Kalisa I, 2015).

The expansion of the CBHI scheme was accompanied by a massive growth in the number of medical personnel: Rwanda is divided up into 14 837 Villages, and each village has *three* Community Health Workers. They are community members who volunteer to be trained through a government program intended to ensure nobody develops any symptoms of illness⁷⁸ (Answer to Witchcraft in Rwanda: 45,000 Unpaid Community Health Workers, 2017).

The CBHI operates alongside the formal social security insurance run by the Rwanda Social Security Board (RSSB), which is compulsory for workers in the formal sector (11% of the labour force). One can therefore assume that 91 per cent of the Rwandan population is currently covered by health insurance (74% CBHI, 11% RSSB and 6% other private or semi-public insurance companies); this is the highest rate of health insurance coverage on the African continent.

The success of the CBHI can be attributed to the complementarity between a decentralized, participatory, community-based health financing and delivery system, and a centralized structure with professional oversight and central risk pooling. However, the scheme is still very donor-dependent since 50% of Rwanda’s government resources are contributed by development partners.

India: A better deal for street vendors

Globalization necessitated economic reforms (or “structural adjustment”) in India in the 1990s that opened opportunities for a few and made livelihoods more precarious for many. Under fierce competition from multinational corporations many domestic

⁷⁸ This approach is not without criticism since one cannot expect unpaid, poorly trained health volunteers to replace professional health workers.

Indian industries were forced to shut down, causing massive layoffs of labour force. For lack of other alternatives, many laid off workers and rural migrants ended up joining the informal economy as street vendors. While street vendors have always been providing goods and services to millions, growing informalization and unabated urbanization suddenly increased their numbers in Indian cities. Even though they contribute significantly to the urban economy, street vendors face humiliation, continuous harassment, confiscation and sudden evictions. The National Association of Street Vendors of India (NASVI) played a pivotal role in making street vendors a formidable force to reckon with.

The journey of NASVI began in the mid-1990s in the State of Bihar, where two NGOs, ADITHI and the Self-Employed Women's Association (SEWA), promoted the formation of an alliance of unorganized street vendors under the name "Nidan" (a Hindi word for "solution"). Nidan soon became the National Alliance of Street Vendors of India (NASVI), and Nidan's founder was nominated the coordinator of this alliance. In 2001 NASVI successfully advocated for the formulation of a national policy on street vending, and became a member of the drafting committee, set up to formulate the policy, which was finally approved by the Indian Cabinet in January 2004⁷⁹. The policy:

- created a legal status for street vendors;
- provide civic facilities for urban spaces identified as vending zones;
- promoted organizations of street vendors;
- created a participatory planning service that incorporates civil society, local authorities, and street vendors;
- encourage street vendors to self-regulate and self-organize; and
- promoted access to skill development programs for street vendors.

NASVI's next challenge consisted in ensuring the effective implementation of the policy in all Indian States. This struggle was greatly supported by a verdict issued by the Supreme Court of India in October 2010 stipulating that street vendors had the fundamental right to carry on their businesses under Article 19 (1) g of the Indian Constitution and directing Government to enact legislation for vendors by 30 June 2011. After a long struggle led by NASVI the President of India promulgated in February 2014 the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014⁸⁰.

The enactment of this law, perhaps the first of its kind in the world, was a resounding success for NASVI; this accomplishment can be attributed to NASCVI's associational power (the association currently represents 952 affiliate organizations with 658,129 members), its policy of exercising relentless pressure on government and law-makers through campaigns, mass demonstrations and protests, its clever use of both traditional and modern media, as well as a strong team of legal advisors (Singh & Kumar, 2016).

⁷⁹ The policy was revised in 2009 and accompanied by a model law that federal States could use to support its implementation.

⁸⁰ The law *inter alia* defines the rights and obligations of street vendors, protects them from unlawful eviction, guarantees their legal recognition, and clarifies their relationship with municipal authorities.

6.5.2 Trade unions reaching out to the informal economy

Nigeria: A Workers' Union Embracing Self-employed Tailors⁸¹

The National Union of Textile Garment and Tailoring Workers of Nigeria (NUTGTWN) was one of the most dominant unions in the Nigerian trade union movement in the last three decades of the twentieth century, with membership well over 75,000 workers organized in 80 Branches (factories) and 14 geographic zones. At the time, the Nigerian textile industry was a critical segment of the emerging industrial sector; the share of the textile industry in employment and value added in manufacturing were estimated at 20 and 15 per cent, respectively. At its peak in the 1980s, the textile industry employed up to 500,000 workers directly, making it the second largest employer after the government. Yet the advent of structural adjustment in the mid-1980s with its standard policies of market liberalization and economic deregulation severely affected the Nigerian garment industry. As can be seen from the chart, employment, and hence union membership, declined dramatically during the past twenty years. The union responded to this drastic loss in membership through internal reforms and, in 2008, through a constitutional amendment that opened the union's door to self-employed tailors operating in the informal economy.

Figure 6. Employment in Nigeria's Textile Industry



Source: Nigeria National Bureau of Statistics, 2017.

Self-employed tailors in Nigeria were already organized into associations, albeit with differing strength across federal states. In several states in the South West, they are

⁸¹ This paragraph is an excerpt of a much more detailed description contained in (Bello, 2016).

quite well organized, with the Nigeria Union of Tailors being the dominant association. In Lagos, the Tailors' Association has a history of over 50 years of organizing members. These associations are organized much more like cultural and social groups, although they occasionally evolve into cooperatives.

In some states, the self-employed tailors are recruited into the union through their association (the NUT) while in others, the self-employed tailors are recruited as NUTGTWN members directly. Where the recruitment occurs through the association, the leadership of the association and the NUTGTWN is often fused with the association asserting dominance. Both the formal textile industry and the informal tailoring and garment sectors are threatened by the pressure of imports and they both have common interests calling for protection by government. The NUTGTWN leadership saw the informal sector organizing as an opportunity to strengthen union membership and increase women's participation, since most self-employed tailors are women. However, *some* concerns of informal sector garment makers are different from those of industrial workers and may include issues such as access to credit, excessive taxation, fighting harassment by government officials, etc. Consequently, the NUTGTWN has designed specialized programmes that are aimed at addressing the specific needs of the self-employed tailors and strengthen the union's organizing process.

The transformation of NUTGTWN and the addition of self-employed tailors across Nigeria have helped the union to remain powerful and vibrant. The combined strengths of industrial and self-employed workers ensure that the union remains strong in collective bargaining (as it takes part in the National Joint Industrial Negotiating Council and the National Minimum Wage Committee), defence of workers' rights, campaigns and visibility in national and international trade union activism.

There is no doubt that informal sector organizing helps to consolidate existing structures and build the collective and associational power of the union. As the union hopes for revival in the industrial sector, it must continue to build the associational power resources of the self-employed tailors through creative organizing strategies. As it builds the trade union consciousness of the self-employed tailors through education and capacity building activities, it must also further expand opportunities for inclusion through constitutional changes and recruitment of young and vibrant tailors as informal sector organizers.

Sierra Leone: Trade Unions organizing the Informal Economy

The Sierra Leone Labour Congress (SLLC) has been reaching out to workers in the informal economy since the mid-1990s to promote their welfare, so as to enjoy decent work environment, and enhance their rights so as to have the voice needed to protect their interests. Capturing the lost members in the formal sector, adding to the numerical strength of the SLLC, and widening the scope of trade union support needed to create the desired impact of collective action are only some of the numerous reasons for organizing workers in the informal economy. In 2017 the Sierra Leonian trade union movement comprised 344,390 declared members, of whom 280,856 came from the informal economy (Danish Trade Union Council for

International Development, 2017) (out of over two million Sierra Leoneans believed to work in the informal economy). These trade unions operate in various sectors such as trading, transport, agriculture, fishing, services, entertainment, etc.

The SLLC has applied complementary outreach strategies to the informal economy, including:

- *Recruitment campaigns:* As a way of ensuring full recognition and formalising the operations of organisations in the informal economy, the SLLC assisted in the registration of organisations with full trade union rights;
- *Social protection:* The SLLC has agreed in principle with the National Social Security and Insurance Trust (NASSIT) to extend social security and insurance coverage to workers in the informal economy;
- *Access to credit:* informal economy operators borrow money from many sources to start or sustain their businesses. Because of the registration of informal economy trade unions, Government as well as banks now disburse low interest rates loans to the members of those unions;
- *Representation, lobbying and social dialogue:* The SLLC has been representing and advocating for the improvement of the work environment and working conditions, tackling harassment from state authorities⁸², and promoting the development of state policies that create a conducive working environment. This strategy has enhanced the faith of informal economy operators to belong to the SLLC.
- *Education, training and capacity building:* With support from international partners, the SLLC is engaged in sensitisation programmes; skills development; human rights, democracy and leadership training programmes to increase capacity of informal economy workers.
- *Financial Contribution to the SLLC:* The SLLC charges organisations in the IE minimal service fees as opposed to per member fee charged to unions operating in the formal sector.

The right to organise and belong to a trade union is guaranteed by Section 26 of the Constitution of Sierra Leone, and government has established an appropriate legal framework for the operations of unions in the informal economy (Conteh, 2016).

East Africa: The ILO SYNDICOOP Project

SYNDICOOP was an ILO-implemented project which was run in East Africa from 2002 to 2006 and aimed at improving the working and living conditions of unprotected informal economy workers through collaboration of trade unions and cooperatives. The project covered Rwanda, the United Republic of Tanzania, Uganda and Kenya. An attempt to extend the project to South Africa was unsuccessful. At international and national level, the project was governed through formal relationships between trade

⁸² For example, the Government wanted to halt the operations of bike riders; following the intervention of the SLLC and dialogue with government, a national bike riders' Code of Conduct specifying the various streets and areas of operations was developed.

union and cooperative structures. At international level, partners were the International Confederation of Free Trade Unions (ICFTU, now ITUC), the International Cooperative Alliance (ICA) and the ILO.

The design of the project followed the conclusions of ILC General Discussion on the Informal Economy in 2001 and the adoption of ILO Recommendation 193 on the Promotion of Cooperatives in 2002; both documents contained references to the mutually reinforcing roles of cooperatives and trade unions in organizing the informal economy.

Assetamorwa Rwanda – A SYNDICOOP Project

The members of Assetamorwa (Association de l'Esperance des Taxis Motor au Rwanda) are motorcycle taxi drivers in Kigali. Most drivers hire motorbikes from the owners and pay rental fees. After paying the owner, the petrol, and buying food, drivers were bringing home roughly 500 Rwandan francs per day -- less than US\$1. However, those that owned their own bikes earned US\$2 or US\$3 per day. Other issues concerned crime: people can be injured or murdered for their bikes and suffer personal injuries, which are easy to sustain due to long working hours on poor roads. Nearly 85 per cent of motorcycle taxis in Kigali run on adulterated petrol. The resulting pollution poses serious health hazards to drivers, apart from damage to engines. A further obstacle faced by drivers can be the actions of the traffic police, who can determine where the drivers ply their trade and who can, or cannot, have a permit.

The drivers created Assetamorwa in 1994 in response to these problems. SYNDICOOP provided additional loan funds to expand services. The organization is registered as a trade union and affiliated with CESTRAR, the national trade union centre. The services the organization provides include:

- A savings and credit cooperative, which enables drivers to access long- and short-term loans as a proportion of the shares they own. Assetamorwa had been able to help 57 members to buy motorcycles at the time of a visit in 2005.
- Provision of equipment and uniforms for the drivers. All drivers wear a yellow tunic, so as to recognize fellow members and assist each other.
- "Auto Ecole" driving school, where students could learn their "trade" in courses such as the Highway Code and basic mechanics. *The graduates of this school are readily accepted by the authorities and given an operating licence.*
- A garage and spare parts depot that supplies better quality fuel and cheaper spare parts.
- "Collective bargaining" -- with the traffic police. This helps improve the drivers' livelihoods by allowing them to wait for customers at certain places.

Assetamorwa has the characteristics of both a trade union and a cooperative. It provides many services to members that a trade union would not normally provide. It is affiliated to CESTRAR and so accepted as a trade union, but is also a federation of cooperatives, comprising 18 primary cooperatives and 2500 members with driving licences. Assetamorwa, founded in 1994 (long before the SYNDICOOP project began) became a cooperative federation registered under the name FERWACOTAMO in 2008.

In Uganda, it was estimated that SYNDICOOP helped establishing ten groups with 3,000 members. Rwanda developed between five to ten groups, with 2,500 members. Other groups were much smaller in Tanzania and Kenya, where less data was available, the average size of each group was around 50 to 60. It is possible that SYNDICOOP reached about 7,000 workers organized into cooperatives or trade unions. Most of these groups were some type of savings and credit cooperative (SACCOs). SYNDICOOP operated only in the urban informal economy and most groups involved market traders or small traders. They borrowed money through the SACCO to build up their business. The individuals no doubt benefited enormously and would have had some extra training and some association with a trade union, but otherwise, they could have been assisted by any mainstream microfinance programme.

An ex-post review (Smith, 2012) of the SYNDICOOP experience concluded that “in East Africa, the project served as a catalyst for the formation of a number of groups which improved or supported the livelihoods of several thousand individuals. However, it is not clear whether the project has been successful in resetting the general relationship between trade unions and cooperatives at the conceptual organizational level.” Moreover, the review stated that “SYNDICOOP, with its emphasis on the informal economy, was perhaps not a suitable vehicle for a comprehensive or systematic dialogue between cooperatives and trade unions. At most levels, the distance between them is so great that a good deal more preparatory work is necessary. It represents an unfinished and incomplete model.” One could argue that SYNDICOOP came about a decade too early, at a time when the East African trade unions were not ready to open to the informal economy.

6.5.3 Protest actions by informal economy associations: Country-specific examples

The power of building trade union – informal economy alliance-building was demonstrated in September 2016 by the largest general strike that India ever saw. According to union count, 180 million workers, both from the formal and informal economy, stayed home to demand a general minimum wage, the extension of social protection to all, and a reform of India’s labour laws. Those changes would have the greatest effect on those who toil in India’s vast informal economy, which by some measures includes 90% of the workforce, but lack health benefits, pensions and basic labour protections, including the ability to organize. Although these workers are not represented by conventional trade unions, their struggles have been adopted by public-sector unions seeking to expand their political base and raise pressure on the government (Los Angeles Times, 2016).

In Tbilisi, Georgia, about one thousand minibus drivers organized in the Georgian Motor Transport and Motorway Workers Union (MTMWETU) staged repeated protests and threatened strike action to demand a reform of the minibus traffic system which at the time was monopolized by “route owners”. In 2010 the Tbilisi Branch of the MTMWETU succeeded in signing collective agreements with four transport companies which de facto eliminated these route owners (Budlender, 20013).

In Johannesburg, South Africa, the Mayor decided in 2013 to evict street vendors in an operation called “clean sweep”. Two organizations of street vendors referred the matter to the Constitutional Court of South Africa, where it was ruled, on 5 December 2013, that the Municipality had to allow the evicted street vendors and informal traders to return to their places of work. Similarly, after the 2010 FIFA World Cup, street vendors and informal traders in the South African city of Durban, who had been evicted with the promise that they would be able to return to their sites after the World Cup, found that they had been permanently removed and their sites had been earmarked for new developments. In response, the informal traders formed the Ubumbano Traders’ Alliance, which comprised both street committees and organizations of informal traders, in November 2011. The alliance was recognized by the city management and took part in the design of an informal economy policy for the Durban municipality (Horn, 2014).

In March 2015, the leaders of five waste pickers cooperatives operating in Buenos Aires, Argentina, staged a hunger strike to demand fairer treatment by the city council that appeared to favour commercial waste removal companies which, however, did not perform any recycling (Federación Argentina de Cartoneros y Recicladores (FACyR), n.d.).

In October 2016 domestic workers from Ekurhuleni, South Africa, took their fight for better working conditions to the streets, demanding to be paid overtime, maternity leave, unemployment insurance benefits and, above all, the effective enforcement of labour laws (Komane, 2016).

Many South Korea’s public schools employ so-called “irregular” (unofficial, unprotected and highly discriminated) workers who serve school lunches, run school libraries, aid science labs, assist disabled students, teach physical education, run after-school programs and perform administrative functions. As from 2011 these workers have formed four trade unions which organized massive strikes in November 2012 calling for legislation to regularize their status as public-sector education workers, the introduction of a pay scale and direct employment under the Education Commissioner. These strikes paved the way for some minimal improvements in the working conditions of the “irregular” education workers (Irregular Education Support Worker Engage in First Ever Strike at Korean Public Schools, n.d.).

The above examples further underline the importance of organizing the informal economy, because no strike action is possible without an organization driving it.

6.5.4 Global: Trade unions building alliances with informal economy organizations

In Uganda, in 2014, the Amalgamated Transport and General Workers Union (ATGWU) entered into a partnership with the Kampala Metropolitan Boda-Boda Association – KAMBA, which has 38,000 members. Through the inclusion of informal economy operators, the ATGWU currently has 60,000 members including a large number of informal transport workers, such as minibis taxi drivers, taxicab drivers and “boda-boda” (motor-cycle) drivers (Herberg, 2018).

In the Canadian province of Quebec, the longstanding, intense interaction between trade unions and social economy organizations has led to a high penetration rate of both movements (Poirier, 2010). The National Trade Union Congress of Singapore has

established ten social enterprises and cooperatives, including the country's largest supermarket chain.

In Senegal the transport workers' trade unions (CNTS and CNTS FC) are actively involved in the design and implementation of a social health insurance scheme that aims to cover all transport workers and their families (some 400,000 people), including those working in the informal economy. In addition, the National Commission on Social Dialogue has actively engaged in developing a strategy to address the extension of social security to informal economy workers (ILO, 2013).

In Kenya, there are eleven umbrella associations representing more than 600 informal workers' groups in the country. Several of those collaborate with the Kenyan Central Organization of Trade Unions (COTU (K)) even though not yet affiliated (Danish Trade Union Council for International Development Cooperation, 2014). The Ghanaian Union of Informal Workers Associations (UNIWA) is the country's first national trade union for workers in the informal economy. It was established in 2013 and is affiliated with the Trade Unions Congress of Ghana. UNIWA represents 14 informal workers' associations with approximately 79,000 affiliated trade union members from the informal economy in 2016 (Danish Trade Union Council for International Development, 2016). In Zimbabwe, a group of 22 informal business associations came together in 2002 to form the Zimbabwe Chamber of Informal Economy Associations (ZCIEA), which comprises 150 member-associations grouped into 45 chapters. ZCIEA operates as a "third force", complementing the employer organization EMPCOZ and the trade union federation ZCTU (Danish Trade Union Council for International Development, 2015). A newly launched trade union grouping in South Africa formed in April 2017 – the South African Federation of Trade Unions (SAFTU) – promises to act as a voice for the growing numbers of unorganised and marginalised workers in the country and incorporates the South African Informal Traders Alliance. SAFTU, a break-away federation from the country's largest trade union COSATU, was designed right from the start as an umbrella for both formal and informal workers (The Conversation, 2017). The Malawi Union for the Informal Sector (MUFIS) was initiated in 2000 and officially registered in 2004. As of 2012, MUFIS had approximately 14,550 members, who work in the several informal occupations: home-based workers, street vendors, waste pickers, construction workers, domestic workers and small-scale tea farmers. MUFIS is an affiliate of the Malawi Congress of Trade Unions (MCTU) (WIEGO, 2017). In addition to those cases, the trade union federations of Benin, Mozambique, Nigeria, Tanzania, Sierra Leone, Togo, Uganda, Zambia among others have accepted various informal economy associations as their members (Schurman & Eaton, 2012).

At the international level, trade unions, informal economy organizations and civil society groups frequently form coalitions to pursue a specific agenda. Following the 2002 ILC General Discussion on the informal economy several trade unions, peasant organizations and global advocacy groups formed the (now defunct) International Coordinating Committee on Organizing in the Informal Economy (ICC). The IUF⁸³, a

⁸³ International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations

Global Union Federations, closely cooperated with SEWA in leading a campaign that resulted in the adoption of the Domestic Workers' Convention C189.

6.6 Conclusions

The present paper sought to emphasize the importance of organization building in the informal economy. There is ample evidence that informal economy organizations do already exist everywhere, in all economic sectors, and in diverse forms and manifestations. The informal economy *is* organized, but its organizations are often not recognized and have no seat at the table where laws and policies affecting them are negotiated. There are different types of informal economy organizations, which may pursue economic, social, societal, political or cultural goals (and often several of them simultaneously), may be formally registered or exist "de facto" only, and may be local, sectoral, regional or national in nature. It appears that organizations providing economic services to members (such as credit unions, or the ACCZ Congo, or Assetamorwa Rwanda) enjoy greater longevity and stability since they generate their own income while providing their members with tangible benefits.

Trade unions in sub-Saharan Africa are embracing the informal economy, using diverse strategies: some recruit new members among the informal economy workers; some open existing, formal sector unions to the informal economy; some promote dedicated informal economy trade unions; and others build alliances with informal economy associations and cooperatives. In doing so the African trade unions can overcome the dichotomy between "formal" and "informal" and significantly enhance their numerical strength, visibility and relevance, as well as their associational and bargaining power for the benefit of both: the formal, salaried wage earners, and the informal, precarious own-account workers.

However, to achieve the goal of organizing the informal economy trade unions must overcome several obstacles:

- Informal economy workers face problems and pursue goals that are quite different from those of workers in the formal sector; trade unions must find ways to satisfy the needs of both groups.
- Unlike those in the formal sector, informal economy workers do not bargain with an employer but with a variety of local and national authorities, as well as with the private sector. Trade unions must adapt their collective bargaining strategies to the nature of these different partners.
- When a trade union opens to the informal economy it could lose its identity, gradually morphing into an informal economy body and dropping its traditional function. To counter this risk trade unions must find ways to harmonize both functions: remain engaged in collective bargaining on behalf of their formal economy members and develop new lines of action in support of their informal economy members.
- In the same vein, workers in the formal sector may react with suspicion to the trade union's outreach to the informal economy, because they may fear that

their concerns are watered down by those of the informal economy. Trade unions must be able to convincingly demonstrate that the amount of *common* interests shared by formal and the informal economy workers is greater than the amount of interests the two groups are pursuing separately.

- Informal economy workers may not be able to pay full membership fees, or to pay those on a regular basis. Trade unions must adjust their internal rules and regulations to the capacity of informal economy workers. Moreover, the check-off system applied to collect fees from wage-earning members cannot be applied to informal economy workers. Their fees must be paid/collected individually.

Moreover, people in the informal economy should not be seen as passive targets awaiting the rescuing hand of trade unions. Attempts at organizing across the formal–informal ‘divide’ should be assessed not merely from the vantage point of ‘trade union renewal’, but also from the perspective of informal actors. The latter, just like trade unions, have their own reasons to engage in, disengage from or avoid close relationships with trade unions (Idell, 2010).

Governments must create the framework conditions for allowing the informal economy to organize; they must guarantee the freedom of association for all, including those in the informal economy. They must adopt policies and laws that recognize and protect informal economy organizations and their members; and they must establish national and sectoral social dialogue structures and processes to the representatives of the informal economy.

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Cooperatives in the social and solidarity economy:
Sustainable development and decent work in Africa's
informal economy

Volume II: Analytical commentary

J. Th. Schwettmann

PhD 2021

The habit of share and share alike is easily understandable in a community where everyone is likely to find himself in difficulties from time to time, for it is scarcity not sufficiency that make people generous, since everybody is thereby ensured against hunger. He who is in need today receives help from him who may be in need tomorrow.

Evans-Prichardt (1940:210), regarding his studies of the Nuer people in the Sudan.

STATEMENT OF AUTHORSHIP

I hereby confirm that this thesis entitled 'Cooperatives in the social and solidarity economy: sustainable development and decent work in Africa's informal economy - Contributions to knowledge, practice and policy' represents my own work except where specified in this thesis.

I also confirm that I am the sole author of each of the seven publications submitted as part of this thesis.

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ABSTRACT

How can the contribution of cooperatives and the wider social and solidarity economy (SSE) to global development frameworks (the Sustainable Development Goals (SDGs) and the Decent Work Agenda (DWA) be made more effective, impactful and visible, in particular with regard the informal economy in sub-Saharan Africa?

This thesis seeks to provide an answer to this question through the journey of my professional practice, bridging the gap to academic theory. The thesis critically analyses and builds upon the contributions to knowledge of my portfolio of seven ‘professional practice’ papers published between 1993 and 2020. The papers were written upon request or invitation by the International Labour Organization (ILO), the UN Department for Economic and Social Affairs, the Plunkett Foundation, and the Friedrich-Ebert Foundation.

The thesis starts with a contextual overview of the state of the field from both practice and theory. This is followed by a literature review which examines academic theory in relation to, and interaction between, the five focus areas of my thesis (cooperatives, SSE, DWA, SDGs, informal economy) within the context of neoliberal policies in Africa. I then critically reflect on the methodological, theoretical and political aspects of my seven publications. Finally, I pin-point directions for future research. I conclude that the SSE’s potential to contribute to sustainable development and decent work in Africa is far from being fully harnessed, for the reason that most policy-makers, researchers and practitioners lack cognizance of the existence and agency of member-based organizations that constitute the SSE.

Through the journey of writing the theses I have developed a conceptual model and an accompanying tool to systematically identify and evaluate the synergies and complementarities between the four dimensions of sustainable development (economic, social, environmental and institutional), the four pillars of decent work (jobs, protection, dialogue, rights), and the four functions of the SSE (economic opportunities, social security, societal empowerment, environmental protection). This then helps to identify SSE-pertinent SDG targets, and to determine which types of organizations in the SSE are best suited to contribute to specific SDG targets. I consider this conceptual model and its accompanying tool as an original contribution to knowledge of theoretical and practical applicability.

PREFACE: FORTY YEARS OF PROFESSIONAL PRACTICE

In this preface I provide a brief account of my professional practice, from which the thesis is drawn. I show this diagrammatically in Figure 0:1.

I have been involved in the promotion of cooperatives and the social and solidarity economy (SSE) in Africa and elsewhere through international development cooperation for over four decades. After accomplishing a vocational apprenticeship from 1970 to 1973 at a German reconstruction bank, I studied business administration at the universities of applied science in Koblenz and Nürtingen. At the latter, I completed a thesis on 'Cooperatives in Tanzania' and earned in 1978 a Diploma in Business Administration (MBA equivalent), with a specialization in cooperative development. I then enrolled with the German Volunteer Service (GVS) which posted me as a Technical Advisor to three coffee-marketing cooperatives in Loum, Mounjo Division, Cameroon. At that time, Cameroonian cooperatives held marketing monopolies for the country's main export crops (coffee, cocoa, cotton), *except* in the Mounjo and the neighbouring Meme divisions, where cooperatives were competing with numerous private buyers (Soho, 1985). Publication 1 in my portfolio sheds some light on the chequered history of cooperatives in Cameroon.

After 3½ years in Loum I relocated to Nkongsamba where I worked for one year in a large coffee marketing and exporting cooperative, before being appointed coordinator of the GVS cooperative development programme in Cameroon, which employed 17 volunteers at the time. During this 2-year period, I compiled a comprehensive documentation and edited a handbook on cooperatives in Cameroon. In 1985 I was recruited by the German Technical Assistance Agency GTZ as a cooperative membership credit advisor to Cameroon's Rural Development Fund (FONADER), a period during which I closely cooperated with the World Bank and other development agencies in the pursuit of four major endeavours: (a) improving small farmers' access to rural finance, (b) rehabilitating the cocoa sector in Southern Cameroon, (c) preparing for the foundation of a vegetable marketing cooperative in Foumbot, Noun Division and (d) reforming the country's cooperative system, which was plagued by inefficiency and corruption. These four tasks involved a considerable amount of field research, covering the entire country which, because of its diversity and heterogeneity, is labelled as 'Afrique en miniature'. This two-year period of research culminated in a report

analysing the cost-benefit ratio of the Cameroonian cooperative system at the macro (national) and micro (household) levels. This report was a contribution to a national conference on cooperative reforms which took place in August 1988, paving the way for a profound reform of the country's cooperative system, as well as a radical revision of Cameroon's cooperative law (see publication 1).

At this stage, having worked for almost nine years within the Cameroonian cooperative movement, I came to the conclusion that, if cooperatives were to contribute effectively to sustainable development, they must be free from state control, government interference, political instrumentalization and excessive donor support. If their autonomy is not guaranteed, cooperatives degenerate into instruments of the state, and become a burden to the public, a point which is discussed in greater detail in the literature review, as well as in publications 1, 2 and 4 of my portfolio.

Through the cooperative reform initiative in Cameroon, I had established contacts with the Cooperative Branch of the International Labour Organization (ILO) in Geneva and so, after my return to Germany in mid-1987, the ILO invited me to undertake a cooperative development project design missions to Haiti, Côte d'Ivoire and Cameroon. I worked in parallel as a consultant for the GTZ (on rural finance and cooperatives) and for a British consulting firm (on a feasibility study for a tomato-concentrate factory). In May 1989, the ILO offered me a position as 'Regional Advisor on Cooperatives for Eastern, Southern and Central Africa' with duty station Kinshasa, Zaïre (now DR Congo). I commenced this assignment in October 1988, at a time when cooperatives had acquired a fairly poor image in many African countries, mainly due to the excessive interference by governments (see page 21, as well as publications 1 and 4). In 1993, the World Bank published a comprehensive report which concluded that 'extensive government intervention has tended to reduce member participation and has militated against the objective of building self-sustaining organizations' (Hussi, et al., 1993:v), mentioning the cooperative reform programme in Cameroon as a successful example of donor coordination.

The early 1990s were a period which saw many African governments struggling on two fronts: they were obliged to implement profound and very painful *economic* reforms imposed as 'structural adjustment' by the World Bank and the IMF (see para 2.2.2), and they were facing mounting popular pressure to implement *political* reforms in the aftermath of

the fall of the Berlin wall and the ensuing end of the Cold War. During this transition period numerous African governments adopted new cooperative policies and laws, almost completely withdrawing support and supervision from hitherto state-sponsored cooperatives, many of which then collapsed quite rapidly (as discussed in publications 1 and 4).

As ILO Regional Advisor I became personally involved in several cooperative reform processes throughout the continent, and continued to do so after my appointment in 1994 as Senior Cooperative Officer at the ILO headquarters in Geneva. In that capacity I managed (inter alia) ILO's global COOPREFORM programme, which supported legal and policy reforms in some 90 countries world-wide. Not least because of these reform endeavours, and also taking note of publications 1 and 2 of my portfolio, the ILO Governing Body resolved in 1999 to put an item on cooperatives on the agenda of the International Labour Conferences (ILC) 2001 and 2002, with a view of developing a Recommendation on the subject. I became intensely involved in the preparatory process leading to these conferences, and, after having been appointed Chief of the Cooperative Branch in early 2000, assumed responsibility for the secretariat of the tripartite ILC committees (representing governments, employers and workers) established to negotiate the text of the instrument. Recommendation 193 on the 'Promotion of Cooperatives', which replaced a previous instrument¹, was adopted in June 2002 (ILO, 2002); it certainly contributed to bringing cooperatives back on the international development agenda.

Between mid-1999 and mid-2002 I studied software engineering, via distance education, at the Open University in Milton Keynes, and obtained in July 2002 a post-graduate diploma in 'Computing for Commerce and Industry'. While this subject is unrelated to my professional background the knowledge gained through these studies, in particular with regard to object-oriented programming principles and to relational database systems, has enabled me to use commercial software much more efficiently and productively. Without such expertise, I would not have been able to develop the methodology underlying publication 6, nor to design the conceptual model introduced in Chapter 5: .

¹ I.e., ILO Recommendation 127 (1966), which, in the spirit of the times, called for substantial external support to cooperatives, and featured an annex outlining the role of cooperatives in implementing 'agrarian reforms'.

My close interaction over a long period of time with African citizens made me understand that the imported, euro-centric co-operative model was a mere add-on to a plethora of pre-existing, autochthonous and locally-rooted self-help and mutual benefit organizations such as, for example, the rotating savings and credit associations (ROSCAs) which are omnipresent on the African continent where they, as Münkner (1986) established, played an important role in the economic and social life of developing countries. Those less-formal types of organizations are now commonly categorized under the generic term ‘social and solidarity economy’, a term that became popular through the first World Social Forum (WSF), which gathered in 2001 in Porto Alegre, Brazil. Mr Juan Somavia, the then ILO Director-General, who had taken part in the first WSF, asked me in 2005 to assess and analyse the relationship between the social economy and the Decent Work Agenda. The following year I submitted a paper (unpublished, hence not included in my portfolio) on the subject, which contributed to popularizing the social economy concept among ILO constituents and staff. This is reflected in the 2008 ILO Declaration on Social Justice for a Fair Globalization (ILC, 2008) which calls, inter alia, for a ‘vibrant social economy’, and in the ILO Centenary Declaration (ILC, 2019), which explicitly recognizes the role of the social and solidarity economy in generating decent work.

In July 2006 I relocated to Dar-es-Salaam as ILO Director for East Africa. Although this position was of managerial rather than technical nature, I remained in touch with the cooperative world, and designed a regional cooperative development project named ‘COOP^{AFRICA}’, which obtained financial support of £5 million from the UK Government². In ILO’s Dar-es-Salaam office, I became immersed in development cooperation policy-making since Tanzania was one of eight pilot countries under UN Secretary-General Koffi Annan’s ‘Delivering as One’ initiative (UN, 2008); My duties included the design and implementation of Decent Work Country Programmes for the four countries covered by the ILO Office in Dar-es-Salaam: Kenya, Somalia, Uganda, and Tanzania, plus the East African Community (EAC).

² During those years, the UK Department for International Development (DfID), was a staunch supporter of the cooperative concept and of ILO Recommendation 193; in 2004 DfID financed the elaboration by the UK Cooperative College of a guide on Rec. 193 (Smith, 2003) and a year later an ILO research programme on cooperatives in Africa (Develtere, et al., 2008) which provided the conceptual basis for the COOP^{Africa} programme.

Two years later, in September 2008, the ILO transferred me to Addis Ababa as ILO Deputy Regional Director for Africa, in charge of ILO's operational activities on the continent. This position covered many aspects, including the organization in 2009 of a major regional conference on the social economy in Africa (ILO, 2009), which paved the way for the now annual 'Social and Solidarity Economy Academies' organized by the ILO training centre in Turin (ILO, 2019a).

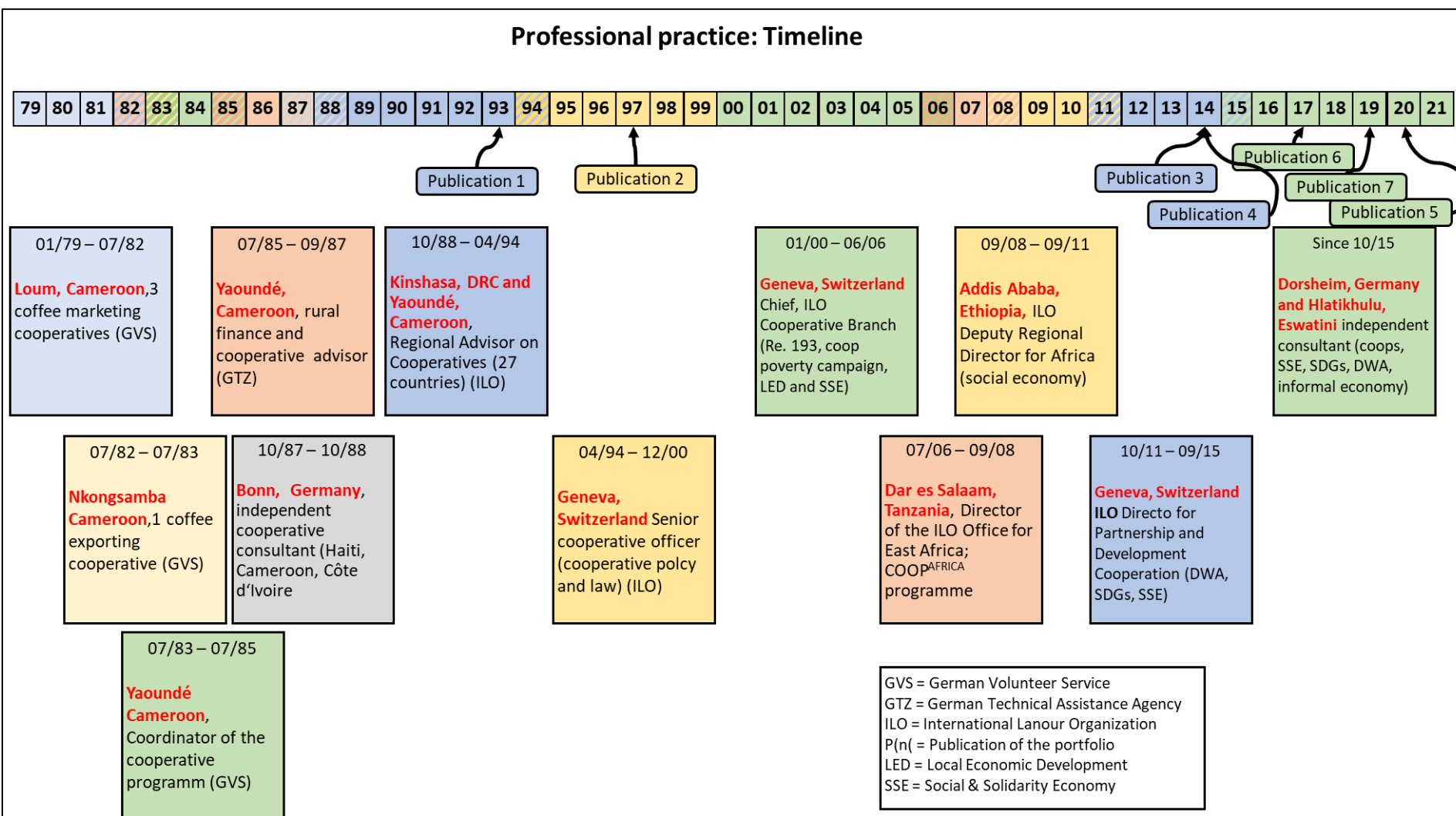
In October 2011 I was appointed Director of ILO's Partnerships and Development Cooperation Department, which oversees the agency's overall development cooperation portfolio, including resource mobilization, quality control, South-South cooperation, public-private partnerships and the operational activities of the UN development system. At the time, the Department was also responsible for ILO's involvement in UN negotiations, including the lengthy 'post-2015' process which led to the adoption of 2030 Sustainable Development Agenda. At the margins of these main assignments, colleagues from the United Nations Research Institute for Social Development (UNRISD) and the United Nations Development Programme (UNDP) and I established in 2013 the 'UN Task Force on the Social and Solidarity Economy', which has grown to include 18 UN agencies and 14 observers (UNTFSE, 2020).

Since my retirement from the ILO in October 2015 I have been working as an independent consultant, advisor and mentor in technical areas related to cooperatives, SSE, DWA, SDGs and the informal economy, the five focus areas delimiting my research terrain. This includes assignments for various departments and field offices of the ILO, the International Fund for Agricultural Development (IFAD), the European Commission, the German Friedrich-Ebert Foundation, and others. In addition, I serve as a visiting Professor at the Division of Economics of Agricultural Cooperatives at the Humboldt University in Berlin, and as a permanent resource person of the UNTFSE.

During my professional life I have undertaken some 400 field visits to 99 countries (including 45 African nations), personally meeting and engaging with well over a thousand cooperative societies and SSE organizations from around the world. Across my career I have been required to design numerous development cooperation projects that necessitated field research to determine the appropriate target group, identify the core development problem, build a convincing theory of change, and develop a comprehensive work plan as a

prerequisite for the formulation of a project document; moreover, I have carried out a number of action-oriented research assignments (see appendix I).

Figure 0:1: The timeline of my professional practice (author's own)



Chapter 1: INTRODUCTION

1.1 NATURE OF THE THESIS

This thesis has been prepared in view of obtaining a PhD by Professional Practice; this route is meant for professionals engaged in any discipline who in their work produce written outputs in a professional context, which have not been subject to an academic peer review process (MMU, 2019). My professional career has been situated in the domain of development cooperation, defined as an activity that meets four criteria (Alonso & Glennie, 2015):

- It aims to support national or international development priorities;
- It is not driven by profit;
- It discriminates in favour of developing countries;
- It is based on cooperative relationships that seek to enhance developing countries' ownership.

I worked in the geo-cultural context of sub-Saharan Africa, while focussing on the promotion of cooperatives³ and the wider social and solidarity economy⁴ (SSE) in the informal economy. During my professional practice I have published number of reports, articles and studies, mostly considered as 'grey literature'. Among the publications residing in the public domain, I have selected seven, which constitute the portfolio assembled for this thesis.

1.2 PURPOSE OF THE THESIS

The PhD thesis contextualises my work (i) within academic theory through a literature review; (ii) the presentation and synthesis of a portfolio of seven publications; (iii) a critical account of how the works contribute to knowledge; (iv) the design of a conceptual model to

³ A cooperative is universally defined as 'an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise' (ICA, 2018a).

⁴ While the term 'SSE' lacks a universal definition, a tripartite ILO conference, held in Johannesburg in 2009, described the term as follows: '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, 2009).

improve the understanding of the relationship between the five areas of focus of my thesis, (v) and a critical reflection of the works, pinpointing directions for future research.

My work critically examines and assesses the role of cooperatives and the wider SSE in implementing the 2030 Agenda for Sustainable Development (UNGA, 2015). My published research relates specifically to those targets of the Sustainable Development Goals (SDGs) that are most relevant to the International Labour Organization's (ILO) Decent Work Agenda (DWA) (ILO, 2019b), and focuses on the informal economy in sub-Saharan Africa in particular. Seven publications are included in my thesis, as shown in the timeline (Figure 0:1) and in Table 1:1. The publications themselves are contained in volume I of this thesis.

Portfolio of publications included in the PhD thesis			
	Title	Publisher	Citations to date
1	Schwettmann, J. 'Cooperatives in economies under reconstruction: Cameroon, Tanzania and Uganda' (1993)	Oxford: Plunkett Foundation	6
2	Schwettmann, J. 'Cooperatives and Employment in Africa' (1997)	Geneva: ILO	38
3	Schwettmann, J. 'The Role of Cooperatives in Achieving the Sustainable Development Goals - the economic dimension -' (2014)	Geneva: ILO	21
4	Schwettmann, J. 'Cooperatives in Africa – success and challenges' (2014)	Geneva: ILO	15
5	Schwettmann, J. 'Organizing [in] the informal economy - Focus on Trade Union Action In Sub-Saharan Africa' (2020)	Geneva: ILO	1
6	Schwettmann, J. 'Decent Work for Sustainable Development – the Companion' (2017) (a digital platform accessible at https://www.ilo.org/global/topics/dw4sd/lang--en/index.htm)	Geneva: ILO	n.a.
7	Schwettmann, J. 'Cooperatives and the future of work' (2019)	New York: Routledge	2

Table 1:1: Portfolio of publications included in the PhD thesis

The present thesis aims to highlight the significance of my research to the development of knowledge in the field, assess and enhance the contribution of the SSE (which includes cooperatives) to the 2030 Agenda (which includes key components of the DWA) in the particular socio-cultural context of sub-Saharan Africa, whose economy and labour market are characterized by informal employment relationships. This will be done on the basis of the knowledge generated by: (a) the seven publications above; (b) a comprehensive literature review; and (c) a theorized storyline derived from 42 years of professional practice. At the end of this work, I identify avenues for a more substantive, more effective and more visible contribution of the social and solidarity economy to the promotion of sustainable development and decent work in sub-Saharan Africa. Hence the structure and title of my thesis: 'Cooperatives in the social and solidarity economy: Promoting sustainable

development and decent work in Africa's informal economy. Contributions to knowledge, policy and practice'.

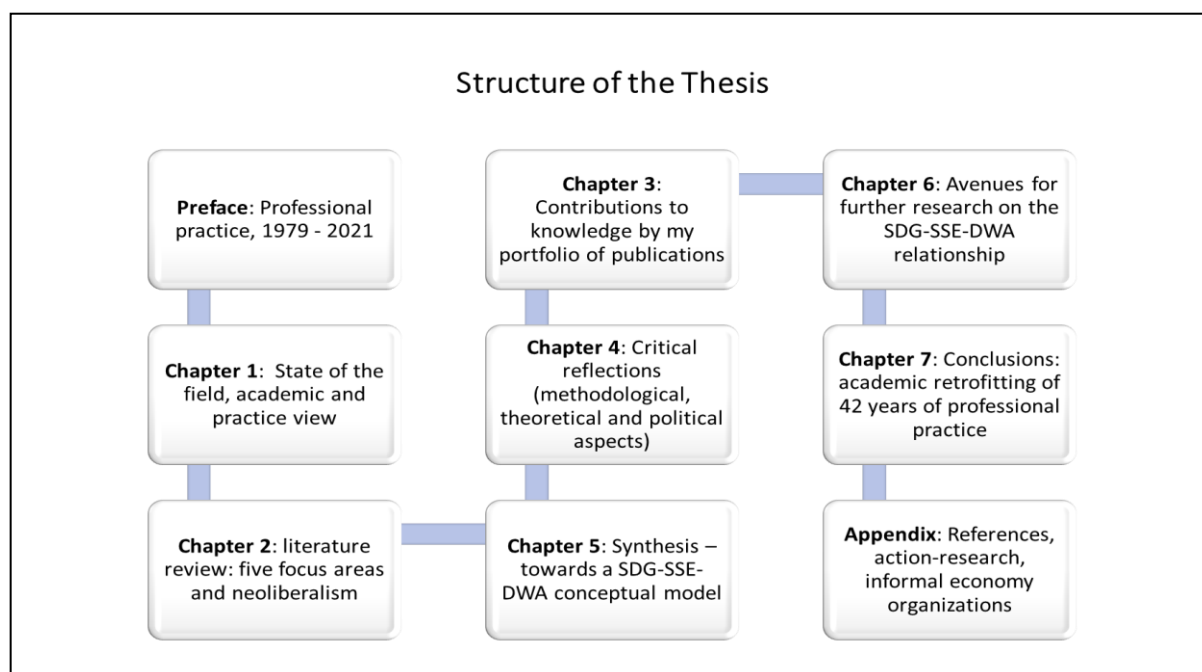


Figure 1.1: Structure of the thesis (author's own)

1.3 CURRENT STATE OF THE FIELD: A PRACTICE VIEW

The research terrain that my thesis covers is demarcated by five focus areas representing: (i) cooperatives, (ii) the social and solidarity economy (SSE), (iii) decent work, (iv) sustainable development and (v) the informal economy, all situated in the geo-cultural environment of sub-Saharan Africa⁵. The five focus areas relate to each other: cooperatives are the oldest, largest and most visible component of the SSE, which is a more recent concept (discussed later in the thesis). Decent work is, to a large extent, reflected in the 2030 Agenda for Sustainable Development, even though one of the decent work pillars, namely social

⁵ The sub-Saharan Africa sub-region includes all African nations, with the exception of the five North African states plus Sudan (UNSTATS, 2021b); it is a highly heterogenous sub-region inhabited by thousands of distinct ethnic groups, all speaking different languages or dialects, subject to vastly different climatic conditions, and marked by different colonial histories (Belgian, English, French, German, Italian, Portuguese and Spanish). These factors influenced the way people and communities organize, and hence, how cooperatives and SSE organizations are perceived and operate.

dialogue, is captured indirectly only. Cooperatives and the SSE contribute to both: to decent work and to sustainable development, and they are influenced particularly vibrant in the informal economy, as examined in greater detail in the literature review. From the point of view of professional practice, i.e., the area of development cooperation in my case, my thesis examines the relationship between two *development goals* (sustainable development and decent work), two *development actors* (cooperatives and the SSE), and one *priority target group* (the informal economy in sub-Saharan Africa). The term ‘development’ refers to human development, defined by Anand and Sen (1994) as a process of enhancing the achievements, freedoms and capabilities of all human beings.

Since their adoption in September 2015, the SDGs provide a results-oriented framework for national sustainable development plans in developing countries, as well as in many emerging and industrialized nations. The SDGs are at the centre of development policies of multi- and bilateral development agencies, including all 36 UN programmes, funds and agencies that are members of the UN Sustainable Development Group (UNSDG, 2021), as well as the EU, DfID (UK), JICA (Japan), USAID (US), KOICA (Korea) and AFD (France), to name but a few. In their struggle to find a place in these plans, projects and strategies, cooperatives and other SSE organizations are seeking to align their own business strategies with the SDGs and the DWA. To date, these efforts have not been crowned with much success, as pointed out in publication 3 of my portfolio. I hope that my thesis will contribute a little to changing this situation, since enhancing the role of cooperatives and the SSE in local, national and international development been a priority of my professional practice.

Sub-Saharan Africa remains the least developed region in the world, facing numerous development challenges such as fragility and conflict, pandemics, environmental degradation and climate change, rapid population growth and a high incidence of poverty. This notwithstanding, the African economies are growing faster than those in most other parts of the world; such growth, plus the resourcefulness of the continent and its youthful population attract foreign powers, notably China, as well as emerging economies including Brazil, India and Turkey, which consider Africa as an vast, untapped market and as an important supplier of precious raw materials.

Of particular importance to this thesis is the very high incidence of informal (self)-employment in the African labour markets; the self-organization of informal economy actors

through cooperatives and other SSE organizations is perhaps the most promising and pragmatic way to reduce decent work deficits and achieve sustainable development, as will be discussed in the following chapters.

1.4 CURRENT STATE OF THE FIELD: AN ACADEMIC VIEW

Each of the five elements representing the areas of focus of my thesis are fairly well researched, although, as shown in Table 1:2 considerably more academic literature has been devoted to sustainable development and to cooperatives than to decent work and the SSE, with the search term ‘informal economy’ situated in-between:

Academic literature relevant to the thesis (05 May 2021)		
Search Item	MMU Library	Google scholar
"Sustainable Development Goals"	17.282	222.000
"Decent Work Agenda"	111	5.470
"Cooperatives"	34.730	1.890.000
"Social and Solidarity Economy"	253	6.600
"Informal economy"	6.865	225.000
"Sustainable Development Goals" AND Africa	2.903	109.000
"Decent Work Agenda" AND Africa	39	2.940
"Cooperatives" AND Africa	1.641	239.000
"Social and Solidarity Economy" AND Africa	17	1.590
"Informal economy" AND "Africa"	1.781	94.700
"Sustainable Development Goals" AND "Decent Work Agenda"	11	707
"Sustainable Development Goals" AND "Decent Work Agenda" AND "Africa"	3	499
"Sustainable Development Goals" AND "Decent Work Agenda" AND "Cooperatives"	0	141
"Sustainable Development Goals" AND "Decent Work Agenda" AND "Social and Solidarity Economy"	1	32
"Decent Work Agenda" AND "Informal economy" AND "Africa"	14	1.270
"Sustainable Development Goals" AND "Informal economy" AND "Africa"	26	4.340
"Sustainable Development Goals" AND "Decent Work Agenda" AND "Cooperatives" AND "Africa"	4	118
"Sustainable Development Goals" AND "Decent Work Agenda" AND "Social and Solidarity Economy" AND "Africa"	1	32
"Social and Solidarity Economy" AND "Informal economy" AND "Africa"	3	301
"Cooperatives" AND "Informal economy" AND "Africa"	43	9.580
"Sustainable Development Goals" AND "Decent Work Agenda" AND "Social and Solidarity Economy" AND "Cooperatives" AND "informal economy" AND "Africa" (the thesis)	0	19
"Objectifs de développement durable" AND "Agenda pour le travail décent" AND "Coopératives" AND "Economie sociale et solidaire" AND "économie informelle" AND "Afrique"	0	0
"Objetivos de desarrollo sostenible" AND "Programa de trabajo decente" AND "Cooperativas" AND "Economía social y solidaria" AND "economía informal" AND "África"	0	0
"Nachhaltige Entwicklungsziele" AND "Agenda für menschenwürdige Arbeit" AND "Genossenschaften" AND "Soziale und solidarische Ökonomie" AND "informelle Wirtschaft" AND Afrika	0	0

Table 1:2: Academic literature relevant to the thesis

The search results reported by the MMU library are much lower than those generated by Google scholar because the former considers key words only while the latter searches through the entire text of publications. However, the correlation coefficient between the two sets of search results (MMU and Google) reaches +0.93, indicating a high degree of coherence between the data sets.

Whilst the body of knowledge on SSE is growing *globally*, much less literature is available on the state of SSE in Africa where the SSE is a relatively new, albeit a rapidly growing occurrence. The same holds true with regard to research on the state of decent work in the African context. Table 1:2 above suggests that the relationship, synergies and interlinkages between the aforementioned areas of focus, particularly in the African context, has not been systematically researched by academics. I therefore believe that my work is critical to examining the role and contribution of two ‘forgotten actors’ (cooperatives and the SSE) to the two global agendas (sustainable development and decent work) in the socio-cultural context of the informal economy in sub-Saharan Africa; it shall provide a significant contribution to knowledge that fills the literature gap shown in Table 1:2.

Chapter 2: LITERATURE REVIEW

In this chapter, I will review the extant literature related to the five focus areas my thesis' research terrain: cooperatives, SSE, sustainable development, decent work, and the informal economy, all situated within the geo-cultural environment of sub-Saharan Africa. I follow the guiding principles proposed by Bryman (2012), who postulates that a literature review should seek to address several aspects, such as the state of knowledge about the research subjects, the concepts and theories of relevance to those subjects, the research methods and strategies that have been employed in studying the subjects, and the existence of any significant controversies and of any inconsistencies in findings relating to the subjects. While the review targets primarily academic journals, I have also included books, websites and grey literature, since topics such as 'sustainable development' and 'decent work' cannot be reviewed and contextualized without referring to the relevant reports of the United Nations System including, for example, the most recent Quadrennial Comprehensive Policy Review (UN GA, 2020).

I have applied a structured approach to the literature review by performing web searches based on keywords relevant to the subjects of my thesis, through portals such as the MMU Library, Google Scholar, or SCOPUS (www.scopus.com). As my thesis covers a region where two official languages predominate, I have conducted those searches in both English and French, and occasionally in Spanish and German as well. My aim was to seek out studies and articles that covered the subject-areas of my thesis from a broader, conceptual perspective, thereby excluding papers that examined isolated case studies. I have sought to complement and compare the findings generated by the literature review with insights gained from professional practice.

The breadth of the thesis calls for references to a diverse range of academic fields and technical disciplines, including: business administration, organization and management; agriculture, rural development and rural finance; social sciences; employment and social protection policies; international relations and development cooperation; African history, ethnography, anthropology and psychology; and others. This broad, multidisciplinary scope of the thesis is reflected in the choice of academic journals that I have consulted (see appendix III). Table 2:1 below summarizes the key parameters of those journals. The

numbers under ‘thesis relevance’ show how many journal articles are related to the various subjects of my thesis.

Literature review: list of consulted academic journals															
Journals		Authors		Thesis relevance (multiple choice)							Methodology (single choice)				
Total	Distinct	Total	Distinct	Coops	SSE	SDG	DWA	Informal economy	Africa	Neo-liberalism	Theoretical	Quantitative Research	Qualitative Research	Secondary data	Literature review
85	73	85	83	30	34	33	26	15	40	16	25	13	15	8	24

Table 2:1: Literature review of academic journals

The literature review is closely related to my professional practice, and to the portfolio of publications, which are the outputs of that practice. As Figure 2:1 indicates, the literature review is divided into two sections, i.e., the five areas of focus of my research terrain, and a

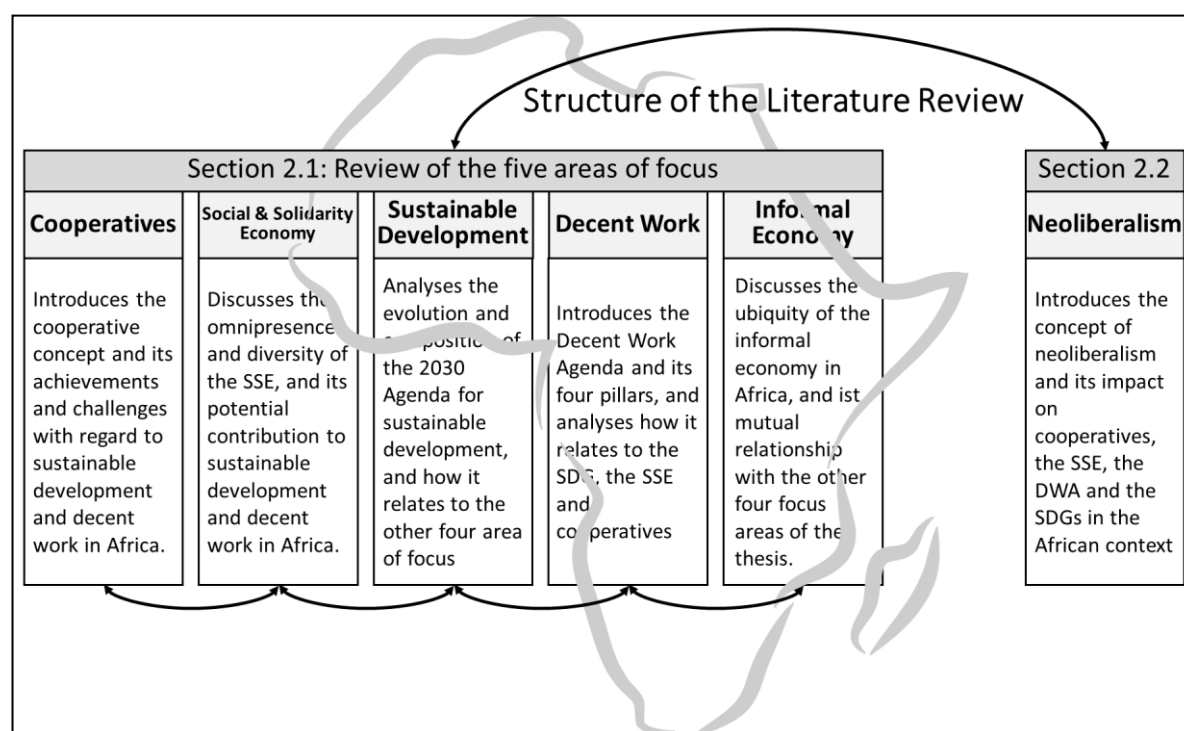


Figure 2:1: Structure of the literature review (author's own)

section on the impact of neoliberal policies in Africa on those five focus areas.

2.1 FOCUS AREAS

This section examines the five focus areas of my research terrain, providing a general overview of each area, before situating them within the African context; this is then followed

by an analysis of the synergies, complementarities and contradictions between and among the five focus areas.

In the literature review, the section on cooperatives precedes the one on the SSE, even though cooperatives are part of the SSE. This order of precedence is justified by the fact that the cooperative concept predates the relatively recent SSE framework; I therefore found it fitting to review cooperatives first.

2.1.1 Area I: Cooperatives

2.1.1.1 Overview

The word ‘co-operation’ is derived from the Latin word ‘Co-operari’, whereby ‘co’ means ‘with’ and ‘operari’ means ‘to work’. Hence co-operation means working together with others for a common purpose (Kunhu, 2011). Cooperation, team work and mutual assistance are at the heart of all social organisation, and historians have found evidence of cooperation among peoples in early China, Greece, Egypt, the Roman Empire, among American and African population groups, and in virtually every human society (Mayo, 2017). Kramer (2019) affirms that it was the ability of humans to cooperate which made them an astonishingly successful ape, in demographic terms at least.

Cooperatives, as the institutionalized manifestation of cooperation, are a more recent phenomenon; while various forms of associations, mutual societies and collectives emerged in different European countries during the 19th century, it is widely agreed that the ‘Rochdale Society of Equitable Pioneers’ established in 1844 in Rochdale, UK, can be considered as the world’s first ‘modern’ cooperative (Holyoake, 1858). The members of this consumer cooperative designed a set of principles of co-operation, which, after several rounds of revision and review, are presently recognized as follows (ICA, 2018a):

1. Voluntary and Open Membership;
2. Democratic Member Control;
3. Member Economic Participation;
4. Autonomy and Independence;
5. Education, Training, and Information;
6. Cooperation among Cooperatives;
7. Concern for Community.

Those principles are complemented by the cooperative *values* of self-help, self-responsibility, democracy, equality, equity, and solidarity. The Statement on the Cooperative Identity adopted by the International Cooperative Alliance (ICA) further states that ‘in the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.’ (ICA, 2018a). These elements of the cooperative identity were adopted at the ICA Centennial Congress that took place in 1995 in Manchester; they replaced previous versions of the cooperative adopted in 1937 and 1966.

Several attempts have been made to develop a typology of cooperatives, for example with regard to agricultural cooperatives (Bijman and Hanisch, 2012), purchasing cooperatives (Schotanus and Telgen, 2007) or consumer cooperatives (Co-opLaw.org, 2020), or considering their location (rural/urban) (Fauquet, 1939). These efforts are complicated by the fact that cooperatives could be categorized according to many different criteria, such as ownership, type of services, level (primary, secondary, tertiary etc.), member origin, geographic coverage, etc. In 2018 The 20th International Conference of Labour Statisticians adopted guidelines on cooperative statistics (ICLS, 2018b) which, on the basis of the main interest of the members, distinguish four main types of cooperatives, i.e.:

- producer cooperatives, whose members typically comprise household enterprises, such as a farm;
- worker cooperatives, formed by worker-members whose jobs are directly assured through their cooperative;
- consumer/user cooperative, whose members are the consumers or users of the goods or services made available by or through the cooperative; this includes financial services;
- multi-stakeholder cooperatives, in whose governance structure more than one type of member is represented without any type assuming a dominant position.

Figure 2:2 below illustrates this classification, without claiming to provide a complete and comprehensive cooperative typology:

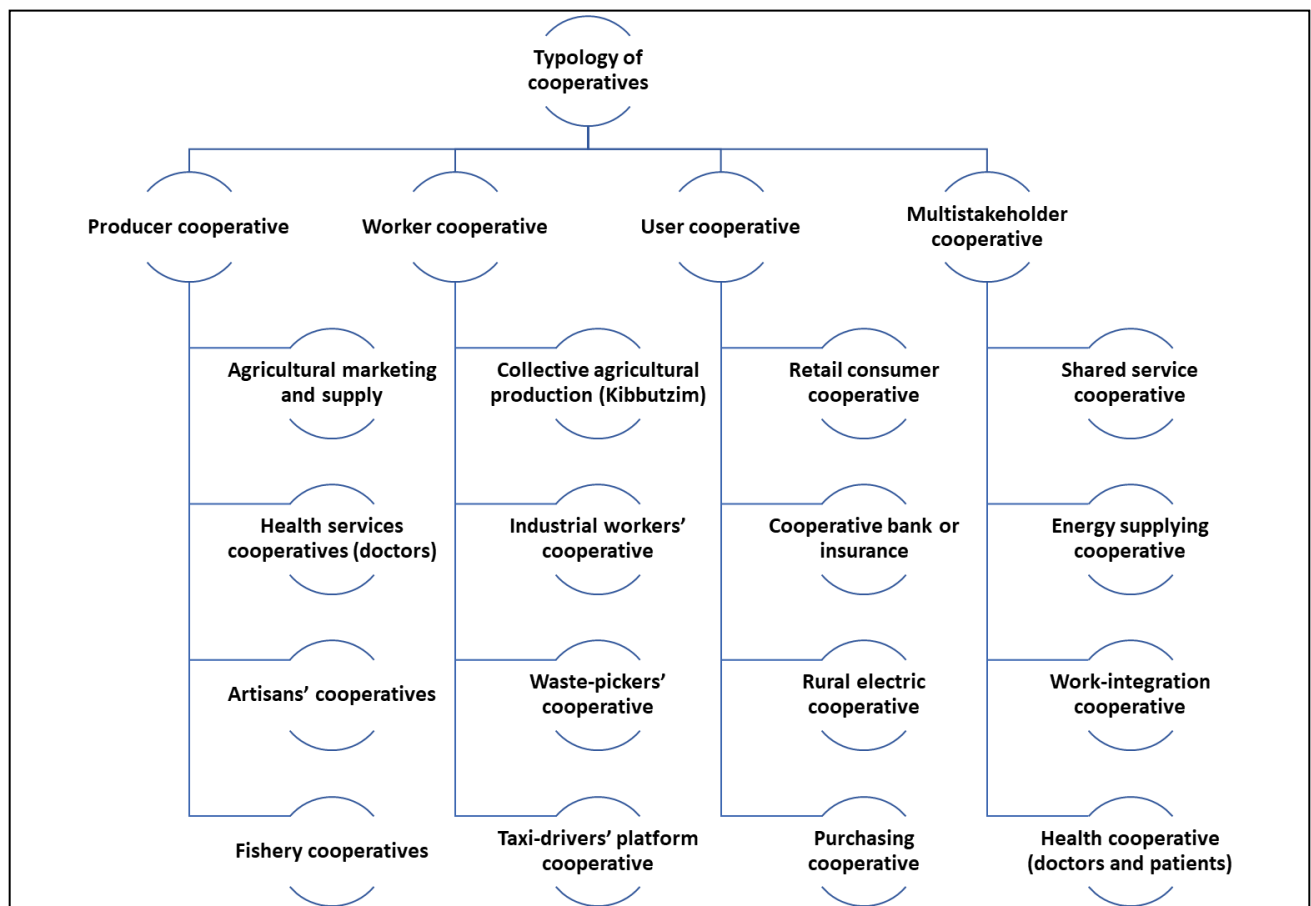


Figure 2:2: A typology of cooperatives (author's own)

In 2014 the UN Department of Economic and Social Affairs (UN-DESA) commissioned a study to measure the size and scope of the global cooperative movement (Grace, 2014); its results are reflected in Table 2:2 below. This census, however, suffers from several shortcomings, as admitted by its authors (Grace, 2014:6-7):

- Not all countries provided data, very little information was available on sub-Saharan Africa in particular;
- The numbers may include dormant cooperatives;
- The membership figure is greater than the number of individuals involved in cooperatives since it includes dual memberships;
- The membership figure includes clients, i.e., persons who use the services of a cooperative without being a member.

Number and numerical strength of cooperatives worldwide (2014)

Sector Totals	Cooperative societies	Members or clients ('000)	Employees	Assets (million \$)	Annual Gross Revenue (million \$)
Banking/Credit Unions	210,559	703,070	2,452,130	11,262,671	167,413
Insurance	3,644	249	961,409	7,500,075	1,219,472
Agriculture/Grocery	1,224,650	122,120	1,181,682	133,812	337,705
Utilities	1,714	19,859	94,882	141,544	41,944
Grocery/Consumer	81,437	97,870	875,181	243,889	154,573
Worker	84,799	4,370	1,218,751	1,393,875	124,821
Housing	15,247	16,383	102,823	52,405	20,709
Health	1,700	3,441	153,180	486	4,075
Education & Social	87,998	21,876	497,445	84	12,306
Purchasing or Marketing	41,865	26,256	3,402,008	239,000	736,632
Other or Undefined	760,985	56,296	1,671,257	31,310	143,245
Worldwide Totals	2,514,598	1,071,790	12,610,748	19,607,428	2,962,896

Table 2:2: Number and numerical strength of cooperatives worldwide; Source: (Grace, 2014)

The 19th International Conference of Labour Statisticians (ICLS, 2013) adopted a resolution calling for increased efforts to compile statistics on cooperatives; since then, the ILO and the Committee on the Promotion and Advancement of Cooperatives (COPAC) have produced a number of country profiles, but no reliable global statistics are available as yet, except for financial cooperatives (credit unions, cooperative banks, mutual insurers etc.) which, by their very nature, must publish annual financial statements. The 'World Cooperative Monitor' (EURICSE, 2020) does not fill the statistical gap since it reports data on the world's 300 largest cooperatives (by turnover) only, out of the 3 million cooperative units that exist on earth⁶. Among those are new forms of cooperatives that are emerging in response to a changing world of work and other developments. This includes internet-based platform cooperatives (Ridley-Duff and Bull, 2021), renewable energy cooperatives (RESCoop.eu, 2018) and multi-stakeholder cooperatives (FairShares, 2020). This development has been discussed in publication 7 of my portfolio and in section 3.7 of this thesis.

⁶ As the turnover criterion excludes cooperatives from poorer countries, the 'monitor' offers an alternative ranking based on 'turnover by GDP per capita'; but even then, only one African cooperative makes it into the top 300: the Co-operative Bank of Kenya, which since 2008 is registered as a company.

2.1.1.2 *Cooperatives in Africa*

The evolution of the cooperative movements in sub-Saharan Africa is, to a large extent, influenced by the role, approach and ideological orientation of the respective governments, including the colonial administrations which governed most of the continent until the early 1960s (Wanyama, et al., 2009; Münkner and Shah, 1993). The British colonial administration introduced in the 1920s in their African possessions cooperative policies, laws and structures that were inspired by the 'British-Indian Pattern of Co-operation' (Münkner, 2012), and specialized in export crop marketing. In the spirit of 'indirect rule', the management of those cooperatives was handed over to local leaders at a relatively early stage. The French, in contrast, established, as from 1908, in their African colonies so-called 'sociétés indigènes de prévoyance' (SIP, or native provident societies) which were supposed to operate as cooperatives, but lacked any of the essential ingredients that characterize a genuine cooperative: membership in SIPs was compulsory, the financial contribution of members was levied at the same time as taxes, the chairperson and director of the SIP was appointed by the governor, and very often it was a colonial administrator (Noumen, 2008).⁷ Despite several name changes these 'mutual societies' essentially remained parastatal agencies, with the result that in French-speaking Africa, only very few countries had a good network of primary co-operative societies and co-operative unions (ILO, 1988).

⁷ Referring to Senegal, Maugé (1996) recalls that the lack of cooperatives' independence was a direct consequence of the colonisation, which was less favourable to the autonomy of cooperatives than the British 'indirect rule'. She further points out that the SIPs were designed for the 'welfare of the farmers', in response to their improvidence.

The word 'cooperative' in a few African languages		
Language	Country	Vernacular term
Afrikaans	South Africa	Koöperasie
Amharic	Ethiopia	Metebaberi
Chichewa	Malawi, Zambia, Zimbabwe	Ogwilizana
Hausa	Northern Nigeria	Aki tare
Igbo	Western Nigeria	Ekwanye
Kinyarwanda	Burundi, Rwanda	Koperative
Malagasy	Madagascar	Fiaraha-miasa
Oromo	Ethiopia	Deeggaraa
Sesotho	Lesotho	Tšebelisane-'moho
SiSwati	Eswatini	Lubambiswano
Shona	Zimbabwe	Mushandivapamwe
Somali	Somalia	Iskaashi
Kiswahili	East Africa	Ushirika
Wolof	Senegal	Mbootay
Xhosa	South Africa	Intsebenziswano
Yoruba	Nigeria	Ajumuse
Zulu	South Africa	Ukubambisana

Table 2:3: The word 'cooperative' in different African languages

The colonial cooperative models were disconnected from the autochthonous structures in sub-Saharan Africa; Bosc et.al. (2002:50) observed that: 'The imported forms of organization, directly inspired by the cooperative organizations born in the industrialized countries at the turn of the twentieth century, found themselves confronted with realities whose propensity for 'cooperation' had been largely overestimated on the basis of erroneous analyses acclaiming the collective values of African societies'. Noumen (2008) found that certain cooperative principles, such as the 'one member – one vote' rule, may not be applicable to strictly hierarchical family structures and social organizations that prevail in many African cultures. Migot-Adholla (1970:23), on the other hand affirms that 'reciprocity and redistribution in conditions of scarcity made possible the mutual dependence which in turn ensured that while no individual accumulated excessive wealth, none suffered undue deprivation'. She further remarks (op.cit.) that modern cooperatives are not just a direct continuation of the native communal forms, even if they may appear to be so; she also pointed out that, when the boundaries defining the domain of cooperative societies were fixed, they almost invariably coincided with administrative boundaries.

After independence, the great majority of African governments, despite their ideological and political differences, recognised cooperatives as an ideal instrument for promoting social and economic development, especially in rural areas (ILO, 1988). Several African countries (including, for example, Benin, Ghana, Guinea, Egypt, Madagascar, Mali, Niger, Senegal,

Sudan, Tanzania, Tunisia and Zambia, introduced local variations of 'African Socialism' (Mohan, 1966), imagined as a home-grown, third avenue between capitalism and communism, in which cooperatives were expected to play a key role. Other African nations, including Cameroon, Côte d'Ivoire, Kenya, and Uganda, introduced state-controlled cooperatives that were equipped with marketing and supply monopolies and de facto compulsory membership (Münkner and Shah, 1993). Virtually all those experiments failed, as did the socialist cooperative experiments launched in the 1970s and the 1980s in Ethiopia and the former Portuguese colonies in Africa. Providing numerous examples from across the continent, Hamer (1981) identified the erosion of participation as the greatest danger from government intervention. Wanyama et.al. (2009) concluded that by the end of the 1980s, in most African countries, cooperative development had been effectively halted by the state, since cooperative organizations could hardly survive without state and donor support. Birchall and Simmons (2010) noted that those state-sponsored cooperatives were a very imperfect embodiment, if not a caricature, of the ideals of co-operation. Those cooperatives violated at least three of the seven cooperative principles mentioned above: voluntary membership, democratic management, and autonomy and independence. Holmén (1990) stressed that cooperatives would not be able to successfully contribute to development without a reduced degree of government involvement and a rapprochement of the principles of voluntariness, self-reliance and democratic control are therefore seen as necessary prerequisites. This would require, according to Hussi, et.al., (1993) a clarification of the roles of the governments and the private sector through a legislative, policy and regulatory framework that provides minimal but transparent regulations.

Government control over, and support to, cooperatives diminished considerably during Africa's structural adjustment era (see section 2.2.2), which, stretching from 1980 to 1999, affected the great majority of African countries (Heidhues and Obare, 2011). Structural adjustment programmes (SAPs) entailed the systematic withdrawal of monopolies, privileges and subsidies hitherto granted to cooperatives (see section 2.2.4). At the same time, the fall of the Berlin Wall in 1989 triggered widespread calls for democratic reforms and popular participation in Africa. In 1991 alone, 86 major demonstrations took place in 30 sub-Saharan African countries. By 1994, all states in Africa had abdicated, at least officially, one-party systems, even though in many cases democratic transitions were short-lived and delivered

less change than promised (Miller, et al., 2012). In addition, frustrated by the failure of state-sponsored cooperative organizations, international donors withdrew much of their support to cooperative development in Africa. All this led to the rapid collapse of many state-sponsored cooperative movements in Africa. Holmén (1990) concluded at the time that the performance and suitability of cooperatives, as well as the idea of using cooperatives as development instruments, have, particularly the 1990s, been severely criticized, and sometimes rejected all-together. He further remarked that (1990:74):

‘Although expectations about the role of cooperatives in development have often been exaggerated, misdirected and based on false assumptions, and while peasants too often have been prematurely deemed 'irrational', cooperatives can still play important roles in African development. That is, if they are allowed to function as cooperatives should do-as autonomous, voluntary, downwards accountable, self-help organizations, reflecting the needs and aspirations of the local population.’.

At the time I expressed the view (1997:35) that ‘the first victims of structural adjustment were those inefficient, overprotected, politicized and spoon-fed parastatal ‘cooperatives’ that oppressed their ‘members’ and ruined the State. Their disappearance was more often than not welcomed by the public, except those few ‘elected’ leaders and officials who benefitted from the situation.’

The economic and political reforms of the 1990s paved the way for the adoption of ILO Recommendation 193 (2002) on the Promotion of Cooperatives, which shaped national cooperative policies and laws in not less than 100 countries worldwide (of which 40 in Africa) since then (ILO, 2015). In 2003, a UN expert group meeting (UN DESA, 2003:6) resolved that ‘Cooperatives should not be promoted as instruments of government policies or technical aid programs, as conduits for subsidized loans or scarce commodities, as forums for political indoctrination of the people, as a means to formalise the informal economy or as agents for helping the poor. Experience shows that cooperatives contribute best to society when they are true to their values and principles’.

While most state-sponsored cooperatives collapsed, some reinvented themselves and survived the liberalization process; perhaps more importantly, the continent has been witnessing a proliferation of new co-operatives that are less dependent on state support. Wanyama et.al. (2009) deplore that the lack of literature on African cooperatives published

since the early 1990s, even though the debate continues about cooperatives being the most suitable form of organization for alleviating poverty on the continent. The disappearance of the state-controlled cooperative model went hand in hand with the proliferation of a myriad of 'non-traditional' types of self-help initiatives active in areas such as housing, energy, finance, handicrafts, culture, recycling, transport, mining and social services, as well as numerous informal sector associations (as described in publication 5 of my portfolio) and a great variety of member-based organizations. In summary, the contemporary cooperative landscape in Africa is more diverse and heterogeneous than in the past, thereby slowly adopting a 'social economy model' (Wanyama, et al., 2009) and integrating the civil society as well as the private sector. This is reflected in Amaeshi and Idemudia's (2015:54) statement that 'the crisis of 'development' in Africa and the failure of either the state or the market to deliver has in recent years led to a call for better collaboration and partnership

amongst the state, business, and civil society, if developmental challenges in the region are to be addressed.’

Nowadays, as shown in Figure 2:3 , the majority of African countries have adopted cooperative laws that guarantee the autonomy of cooperatives and protect them from undue interference by the State⁸. However, some governments continue pursuing policies that are not consistent with the ‘self-help’ or ‘autonomy’ principles of cooperation. The South African government, for example, supports each newly established cooperative society with a cash grant of up to 350.000 Rand (25.000 US-\$) – with the result that the number of newly registered cooperatives increased dramatically, while the proportion of cooperatives that were considered dead or dormant reached to 88 per cent (Polity, 2016). The cooperative development policy of Rwanda considers cooperatives as instruments for

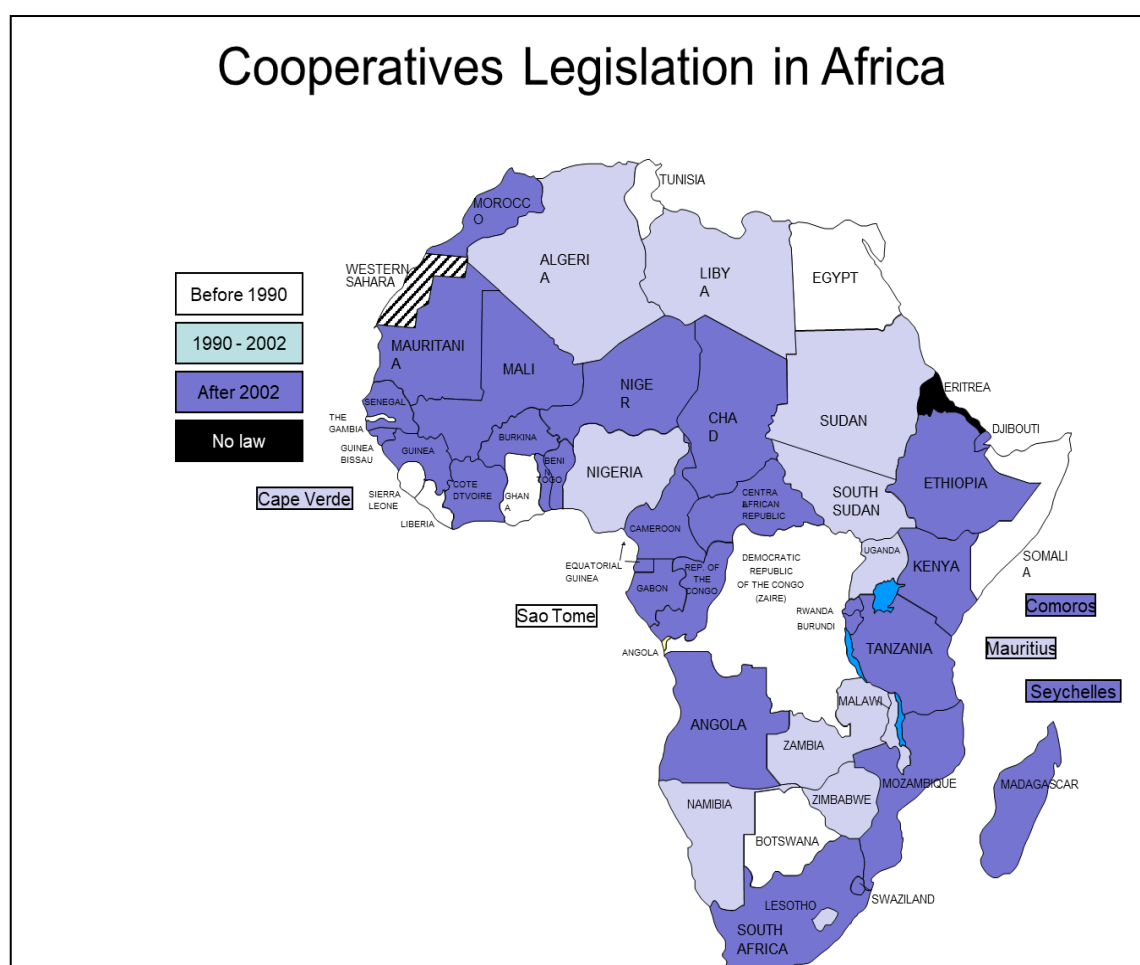


Figure 2:3: Cooperative Laws in Africa (author's own); Sources: (ILO, 2020a; Theron, 2010); web search

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1 of

the country's socio-economic transformation and as a tool implement various national strategies (Republic of Rwanda, 2018).

This section provided a brief overview of the history and evolution of the African cooperative movement, positioning my publications 1,2 and 4 that have contributed to their understanding and transformation. The aforementioned transition from cooperatives to the broader SSE connects this section to the next.

2.1.2 Area II: The Social and Solidarity Economy

2.1.2.1 Overview

The term 'social and solidarity economy' (SSE) currently lacks a universal definition (Poirier, 2013). More so, the very term 'SSE' is not uncontested since some countries use alternative expressions⁹. And thirdly, no universal agreement about the components that constitute the SSE has been found as yet. The expressions 'social economy', 'solidarity economy' or SSE are often used interchangeably, even though they do not mean the same. Defourny and Develtere (1999) consider that the social economy includes all economic activities conducted by economic units, primarily cooperatives, associations, and mutual benefit societies, who observe the principles of primacy of people and work over capital; autonomous management; and placing services to members or the community ahead of profit. Laville (2015) points out that the solidarity economy, while sharing commonalities, places greater emphasis on the principle of democracy and citizens' involvement. Utting (2014) recalls that the social economy was typically associated with social enterprises, community associations and third sector organizations, including NGOs, while the solidarity economy emphasized the importance of alternatives to conventional profit-maximization and traditional production and consumption patterns, market-led growth strategies and power relations. According to Klimczuk-Kochanska and Klimczuk (2015), the solidarity economy includes fair trade organizations, worker cooperatives, trade unions, open-source and open-access development, commons-based peer production, ethical purchasing organizations, and local currencies. In the Anglo-Saxon world, principally in the UK and the US, the term 'social

⁹ Tremblay (2009, p. 9) points out that many alternative expressions exist around the world, such as: Social Economy (EU, Quebec) Solidarity Economy (Argentina, Brazil, Chile, Quebec), People's Economy (Asia) Associative Movements (Senegal, Turkey), Civil Society (South Africa), and Community Economic Development (Australia, New Zealand, USA, anglophone Canada)

enterprise' is widely used (Roy, 2016), even though the understanding of what is meant by 'social enterprise' differs from country to country, if not within the same country (UK for that matter) (Bull, 2015). The proponents of this concept regard 'social enterprise' as an umbrella term that includes cooperatives, mutuals, charitable trading organizations, as well as socially responsible businesses (Bull and Ridley-Duff, 2018). The main difference between these concepts is that the solidarity economy requires collective democratic governance while this is not necessarily a prerequisite for social enterprises (Social Enterprise UK, 2021), whereas the social economy, in France at least, has reduced its democratic dimension to a formal equality between members (Fraisie, et al., 2016).

The expression 'social and solidarity economy' (SSE), which has gained prominence in recent years, is an attempt to combine the organizational features of the *social* economy with the political aspects of the *solidarity* economy. Utting (2015) clarifies that the term 'SSE' refers to forms of economic activity that prioritise social and environmental objectives, and involves, in addition to cooperatives, mutual and associations, many manifestations of organized self-help, as well as fair trade networks, social enterprises, sustainable tourism initiatives, informal economy associations, micro-finance institutions, etc. RIPESS (Réseau Intercontinental de Promotion de l'Économie Sociale Solidaire) adopted, after a comprehensive consultations process, the following SSE definition in 2015:

'The SSE is an alternative to capitalism and other authoritarian, state-dominated economic systems. In SSE, ordinary people play an active role in shaping all of the dimensions of human life: economic, social, cultural, political, and environmental. SSE exists in all sectors of the economy production, finance, distribution, exchange, consumption and governance. It also aims to transform the social and economic system that includes public, private and third sectors. SSE is not only about the poor, but strives to overcome inequalities, which includes all classes of society. SSE has the ability to take the best practices that exist in our present system (such as efficiency, use of technology and knowledge) and transform them to serve the welfare of the community based on different values and goals. SSE is an ethical and values-based approach to economic development that prioritizes the welfare of people and planet, over profits and blind growth.' (RIPESS, 2015).

A growing number of countries have in recent years adopted SSE framework laws which contain national definitions of what is meant by 'SSE' and specifying which types

of organization and enterprise are part of the SSE, thereby creating a legal basis and definition of the term ‘SSE’, and establishing appropriate consultative and representational structures (Tadjudje and Caire, 2019). This is summarized in Table 2:4 below, based on Bouchard and Salathé-Beaulieu (2021) and national SSE framework laws:

SSE components as determined in selected national SSE framework laws						
Country	Cooperatives	Mutuals	Foundations	Associations	Social Enterprises	Self-help groups
Argentina (Entre Rios)	Yes	yes	yes	yes	Groups of micro-enterprises	yes
Belgium (Wallonia)	Yes	yes	yes	yes	yes	No
Cabo Verde	Yes	Institutions of social solidarity	yes	If registered	No	If registered
Cameroon	Not defined in the SSE law; any organization or enterprise that observes SSE principles is considered a SSEOE					
Canada (Québec)	Yes	Yes	no	If based on SSE principles	No	no
Djibouti	Yes	Yes	yes	yes	No	no
France	Yes	yes	yes	With some exceptions	Yes	no
Korea	Yes	Potentially	If qualified as social enterprises	Partly	Yes	no
Portugal	yes	yes	yes	yes	Potentially	no
Romania	yes	yes	no	yes	Potentially	Agriculture
	All entities of the SSE must be registered under entity-specific laws					
Senegal	yes	yes	no	If economic activity	yes	yes
Spain	Yes	yes	yes	partly	No	No
Tunisia	yes	yes	no	If economic and social purpose	Yes	If economic and social purpose
Uruguay	yes		If made up of SSEOE's	With economic purpose	If democratically managed	yes

Table 2:4: The components of the SSE

Many SSE framework laws consider country-specific types of organizations as being part of SSE, and stipulate that any other form of organization or enterprises shall be considered a SSEOE, provided it observes the SSE principles as spelt out in that very law. Those principles are remarkably homogenous across countries¹⁰. Caire and Tadjude (2019) argue that the many similarities that exist between these laws may pave the way for the formulation of a

¹⁰ If a law determined more than five principles only the first five have been cited. For reasons of conciseness the wording of the principles has often been shortened.

universal legal framework for the SSE. Table 2:5 is derived from the respective SSE framework laws, which are accessible at (Socioeco, 2021):

SSE principles as determined in selected national SSE framework laws					
Country	First	Second	Third	Fourth	Fifth
Argentina (Entre Rios)	Self-management and participatory democracy	The practice of solidarity	Social justice and inclusion	Local development and job creation.	
Belgium (Wallonia)	Service to members or community rather than profit	Autonomous management	Democratic decision-making	Primacy of people over capital in the distribution of surplus	
Cabo Verde	Primacy of people and of social purpose	Political and management autonomy and independence	Democratic management	Respect for the values of solidarity, honesty equality and non-discrimination	Equitable sharing of surplus
Cameroon	Primacy of people and social purpose over capital	Open membership	Democratic, participatory and transparent management	Focus on the collective interests and on fair distribution of surplus	Pooling of members' resources
Canada (Québec)	Service to members or community	Autonomous decision-making	Democratic management by members	Economic viability	Distribution of surplus in proportion member transactions
Djibouti	Primacy of persons, social purpose and work over capital	Promotion of internal solidarity	Democratic, participatory and transparent management	A purpose other than profit sharing	Indivisible collective management
France	A purpose other than profit sharing	Democratic management	Surplus to be used primarily for development of the SSEOE	Non-distribution of reserves	
Portugal	Primacy of people and social purpose over capital	Open and voluntary membership	Democratic management	Respect for the values of solidarity, equality and non-discrimination, social cohesion, justice, equity and transparency	Autonomy and independence
Romania	Primacy of social purpose over profit	Solidarity and collective responsibility	Democratic member control	Autonomy and independence	Surplus to be used primarily for collective or community goals.
Senegal	Primacy of people over capital	The seven cooperative principles	Distribution of surplus in proportion member transactions	Economic activities that contribute to social and environmental transformation	Managerial and financial transparency
Spain	Primacy of people and social purpose over capital	Autonomous, transparent, democratic and participatory management	Distribution of surplus in proportion member transactions	Local development, equal opportunities between men and women, social cohesion, the integration of excluded persons, employment creation, reconciliation of personal, family and working life, and sustainability.	
Tunisia	Primacy of people and social purpose over capital	Voluntary membership	Democratic and transparent management; one member – one vote	Voluntary cooperation and mutual support between SSEOE's	Distribution of surplus to member limited to 25%
Uruguay	Primacy of people over capital	Solidarity, cooperation and reciprocity;	Autonomous, democratic and participatory management	Commitment to the community and to local and territorial development	Distribution of surplus in proportion member transactions

Table 2:5: SSE principles as specified in SSE framework laws

Based on this discussion, I will, for the purpose of this thesis:

- Consistently use the term ‘social and solidarity economy’ instead of any of the alternative expressions;
- Consider the following entities as being part of the SSE:
 - Cooperatives;
 - Mutuels;
 - Associations that have an SSE purpose;
 - Foundations;
 - Social enterprises;
 - Member-based self-help groups, whether officially registered or not.
- Recognize the following SSE principles:
 - Primacy of people and social purpose over capital and profit;
 - Democratic, participatory and transparent management;
 - Autonomy and independence, notably vis-à-vis the State;
 - Open and voluntary membership;
 - Fair and equitable distribution of surplus.

The informal and heterogeneous nature of SSE organizations makes it difficult to obtain statistical data on the size and importance of the global SSE movement, in particular in developing countries. Borzaga, et.al. (2017) et.al. noted that the lack of clear definitions and differences in organizational forms across countries make it difficult to ascertain what should be measured; moreover, national statistical offices typically collect data by economic sectors but not by enterprise type.

The European Parliament commissioned a study in 2016 to approximate the weight of the SSE in the European Union; the study concluded that in the EU, there are around 2 million social economy entities, accounting for approximately 10-12% of all European businesses and employing over 14.5 million people, equivalent to 6.5% of the entire EU working population in 2010 (Liger, et al., 2016).

Figure 2:4 below represents the number of SSE-related papers published *per year* (not cumulative), as recorded in Google Scholar; the graph suggests that the concept gained popularity around 2007-08, possibly as a result of the then ravaging global financial crisis, which, as Dash recalls (2016:63), ‘was merely a symptom of the deeper systemic crisis of capitalism, endogenous to the system itself fuelled by unregulated greed’. Since then, the term SSE has become increasingly popular, in particular in the French

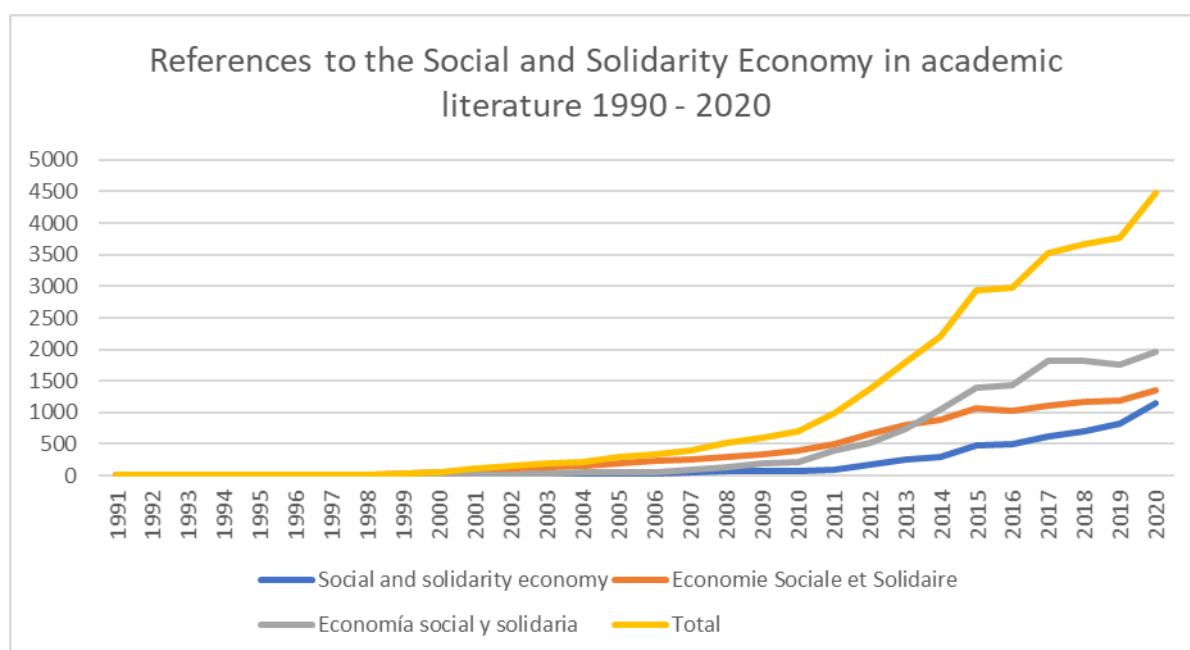


Figure 2:4: References to SSE in scholarly literature; compiled by the author (September 2021); source: Google scholar

and Spanish speaking world.

None of my publications bears the term ‘SSE’ in its title, but five of them (namely publications 3, 4, 5, 6 and 7) call for the recognition and promotion of SSE initiatives beyond the traditional cooperative model, because those initiatives can play an important role in fostering sustainable development and decent work, in reducing decent work deficits in the informal economy and in mastering the future of work.

2.1.2.2 The SSE in Africa

Self-help groups, associations, mutuals and similar member-based organizations are omnipresent in Africa; they perform essential economic, social and societal functions for households, communities and the nation-state. The diverse, multi-faceted forms of

cooperation, solidarity, mutuality and reciprocity flourishing in Africa can be traced back to traditional systems, structures and practices, such as Ubuntu (humanity) in Eastern, Central and Southern Afrika, Umoja (union) in East Africa, Umaganda (cooperation) in Rwanda and Burundi (Murithi, 2006), Igwebuikwe (reciprocity) in Nigeria, and Harambee (community self-help) in Kenya (Borzaga and Galera, 2014). These concepts, and many similar self-help strategies applied throughout the continent (Hamer, 1981), prioritize the community over the individual, solidarity over profit, the local over the global, and social capital over finance, thereby reflecting essential principles and characteristics of the SSE. The World Development Report 2000-01 (World Bank, 2000) stressed the importance of social capital and social institutions, such as kinship systems, community organizations and informal networks; the report recognized the significance of personal relations uniting the members of a social institution, but did not consider this common bond as a critical factor for building social capital. I believe that the common bond that permeates SSE organisations is a defining element that differentiates the SSE from capital-based, for-profit companies and organisations. The common bond may be derived from a variety of features shared by all members of the SSE organization: faith, kinship, political orientation, professional occupation, nationality, ethnic origin, class or caste, age group, income levels, cultural practice, etc., or ‘something forged through acts of solidarity between stakeholder groups’ (Ridley-Duff and Bull, 2019:245).

The term ‘social and solidarity economy’ as such is relatively recent in Africa. Borzaga and Galera (2014) observed that in many African countries, the term ‘social economy’ did not belong to the language commonly used by policymakers and researchers; this however did not mean that these countries did not have a social economy. Still, according to Borzaga and Galera (op.cit.), one could say that Africa was the continent in which the social economy plays the most prominent role, as all African countries had a large number of organisations that pursue social and solidarity objectives. The SSE appeared on the African continent during the first decade of the 21st century, initially in French-speaking North and West Africa before slowly spreading to the rest of the continent (RIPESS, 2019). The principal components of the SSE in sub-Saharan Africa, i.e. cooperatives (see 2.1.1.2), mutuals (Waelkens and Criel, 2004), self-help associations (Hamer, 1981), social enterprises (Rivera-Santos, et al., 2015; Littlewood and Holt, 2018b) and rotating savings and credit associations

(ROSCAs), i.e., parallel systems to formal banking and financial services which are widespread on the African continent (Reito, 2019; Ifedapo, et al., 2020) are relatively well researched in sub-Saharan Africa, whereas much less literature exists on the state of SSE as a movement, in its entirety in Africa (Tremblay, 2009). The advance of the SSE in Africa, including in countries where the term is not used, is driven by four factors:

1. The failed policies of forced 'cooperativization' (see publication 4 of my portfolio), which have discredited the word 'co-operative' in many African countries, so that disgruntled citizens developed alternative forms of collective action (Braverman, et al., 1990).
2. The flexibility, adaptability and versatility of the SSE concept, making it more attractive for workers and operators in the informal economy (see publication 5 of my portfolio) than the rigid nature of formal cooperatives.
3. The congruence between the values and principles of the SSE and those of traditional forms of cooperation in Africa. This similarity of principles may have facilitated the impressive growth of credit unions (see Figure 2:5), whose *modus operandi* is

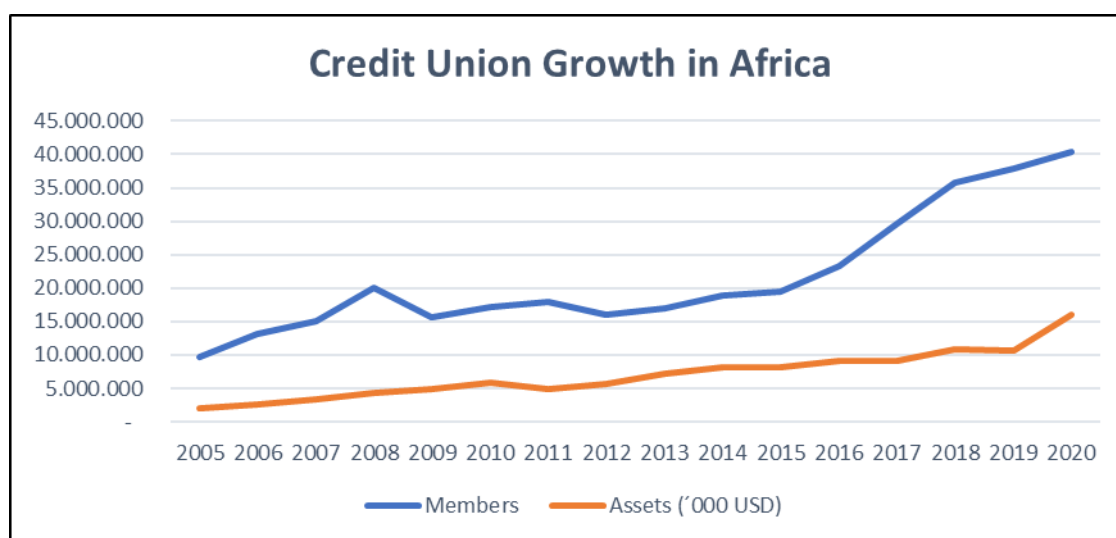


Figure 2:5: Growth of credit unions in Africa; source: (WOCCU, 2006 - 2020)

comparable to the functioning of ROSCAs.

4. The omnipresence and magnitude of the informal economy in sub-Saharan Africa; as discussed in publication 5 of my portfolio, informal economy actors have formed a

great variety of self-help associations and mutual assistance groups as a means to foster recognition, support and protection.

These factors explain the emergence of alternative ‘cooperative forms of social organization’ (Hopkins and Nash, 1976) on the African continent. Several governments introduced legislation that provided recognition and legal status to social organizations that apply cooperative principles without meeting all the legal requirements that a formal cooperative enterprise must fulfil. Those organizations are known as ‘groupements d’intérêt économique’ (GIE, Senegal), ‘groupements d’initiative commune’ (GIC, Cameroon), ‘groupements villageois’ (GV, West Africa), groupements à caractère coopératif (Guinea), ‘groupements Naam’ (Burkina Faso) or ‘groupements à vocation cooperative’ (GVC, Côte d’Ivoire) in French speaking Africa, or as farmers’ groups, farmers’ clubs, producers’ associations or informal economy associations in other parts of the continent. In addition to those, mutual health benefit societies and/or community-based health insurance schemes are playing an increasingly important role in extending health insurance coverage in Africa’s rural areas and in the informal economy (Awortwi, 2018; Schwettmann, 2021). Member-based micro-finance institutions, including ROSCAs, are omnipresent on the continent (Nyanzu, et al., 2018; Reito, 2019; Seibel, 2006), while various forms of micro -insurance, including burial societies, are widespread in Southern Africa and in Ethiopia (Oduro, 2010). Social enterprises – a term more common than SSE in Africa’s English-speaking countries – are expanding in Southern Africa, East Africa and the Maghreb region, often with considerable external support (Hoyos and Angel-Urdinola, 2019), but cross-country research on social enterprises remains limited in sub-Saharan Africa (Littlewood and Holt, 2018b). This gap has been filled to some extent by Barran et al. (2020), who identified 1,92 million social enterprises in 12 African countries, having created 4,43 million direct job opportunities, while offering the potential to generate an additional one million jobs by 2030.

The manifold and diverse manifestations of organized self-help and mutual assistance are of major significance to the self-employed in Africa’s informal economy, since they provide essential social and economic services which neither the State nor the private sector is willing or able to deliver. A few African countries, including Cameroon, Cabo Verde, Djibouti, Mali, Senegal and Tunisia, have in recent years adopted specific SSE legislation (Socioeco, 2021), whereas South Africa is in the process of formulating a national SSE policy. These few

examples, however, cannot obscure the fact that in most African countries, SSE initiatives operate in a legal vacuum; for example, the ‘uniform’ cooperative act adopted by OHADA¹¹, an organization covering 14 French-speaking African countries, is silent about the SSE (Tadjudje and Caire, 2019), although it has introduced the notion of a ‘simplified cooperative’ with less stringent registrations, management and accounting requirements (OHADA, 2010). The lack of an appropriate legal environment is one of the reasons explaining the difficulties in assessing the numerical strength, economic importance and geographic outreach of the SSE in Africa, since most of its organizations are not registered and not counted. While Publication 4 of my portfolio provides data on SSE organizations for a several, mostly French-speaking African countries, considerably more research is needed to accurately assess the weight of the SSE in Africa.

The traditional forms of cooperation and solidarity in sub-Saharan Africa could be considered the continent’s indigenous SSE whereas the more recent, formal organizations, such as cooperatives, would belong to the ‘imported’ SSE. The hybrid organizations In-between belong to both worlds, as exemplified in Table 2:6.

Indigenous versus imported SSE			
Domain	Indigenous SSE	Hybrid SSE	Imported SSE
Finance	Rotating savings and credit association	Credit union	Cooperative bank
Mutual assistance	Kinship association	Community-based health insurance	Mutual insurance company
Collective labour	Rotating crop harvesting groups	Informal economy artisans’ association	Workers’ cooperative
Trade	Village market group	Street vendors’ association	Consumer cooperative
Transport	Fuelwood carrier association	Motor-cycle taxi association	Taxi cooperative
Professional representation	Craft guilds	Artisans’ association	Trade union
Fisheries	Jointly operated fishing boat		Fishery cooperative

Table 2:6: Indigenous versus imported SSE (author’s own)

¹¹ OHADA = Organisation pour l’harmonisation en Afrique du Droit des Affaires = Organization for the Harmonization of Business Law in Africa; laws adopted by OHADA are immediately applicable in all 14 member states.

2.1.3 Area III: The Decent Work Agenda

2.1.3.1 Overview

When Juan Somavia took office as the ILO's ninth Director-General in March 1998, he introduced the pioneering concept of 'decent work', which he, in his opening speech at the 87th International Labour Conference (ILC), defined as follows: *'The primary goal of the ILO today is to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity.'* (ILO, 1999:3). The concept of decent work had been elaborated by Mr. Somavia's 'transition team' between March 1998, when he was elected, and March 1999, when he assumed office. Subsequently, the ILO adopted 'Decent Work' as the contemporary expression of its historical mandate. Supporting the then novel agenda, Sen (2000:120) applauded its comprehensiveness, since 'it includes all workers, wherever and in whatever sector they work; not just workers in the organized sector, nor only wage workers, but also unregulated wage workers, the self-employed, and the homeworkers.' The Decent Work Agenda (DWA) rests on four pillars: labour rights, productive employment, social protection and social dialogue (ILO, 1999); upon taking office Mr Somavia regrouped the then existing organizational units of the ILO around those four pillars, each led by an Executive Director. The decent work construct was not uncontested. Standing (2008) criticised it for its vagueness as an 'infinitely elastic slogan'; Sehnbruch et.al. (2015:198) observed that the decent work concept was 'based on an elaborate and extremely broad definition without any accompanying internationally comparable statistics'. Blustein et.al. (2016) expressed concern that decent work might entail a weakening of the social justice ethos that had initially defined the concept and remarked that decent work did not include a focus on the role of meaning and purpose at work. Somavia himself acknowledged some weaknesses of the decent work agenda when he declared that it was not defined in terms of any fixed standard or monetary level, and that it varied from country to country. He emphasized nevertheless that everybody on earth had a sense of what decent work means in terms of one's own life, and in relation to one's own society (ILO, 2001a). To address shortcomings in terms of measurement, the ILO in 2003 made an attempt to construct a compound Decent Work Indicator. Mr Dharam Ghai¹² (2003:144) however

¹² Who, as the Head of Mr Somavia's transition team, had been instrumental in developing the concept of decent work.

concluded that insufficient data was available to measure employment in the informal economy, and that ‘a good deal of this information [on decent work] is of necessity of a qualitative nature, assessing the effectiveness of laws, institutions and procedures and practices in the various domains pertaining to decent work.’ A second effort to measure decent work was deployed in 2008 through a tripartite meeting of 20 experts (plus a large crowd of ILO officials) which proposed a set of 19 core decent work indicators, 25 additional indicators and another 8 variables related to the socio-economic context of ILO member countries (Burchell, et al., 2014). This meeting rejected the idea of a composite decent work indicator (ILO, 2008:5), thereby vetoing any attempt to rank countries according to their decent work performance. At the end, the idea of measuring decent work was abandoned and replaced by the compilation of a small number of decent work country profiles, based on whatever information each country had available (Burchell, et al., 2014).

ILO’s contemporary definition of the term ‘decent work’ reads as follows:

Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men. (ILO, 2019b)

The DWA was formally institutionalized as the overarching, permanent ILO policy framework through the 2008 Declaration on Social Justice for Fair Globalization, which elevated the ‘pillars’ to four permanent strategic objectives, noting that those were ‘inseparable, interrelated and mutually supportive’ (ILC, 2008). The ILO implements the DWA through two principal tools grounded in results-based management principles: the biannual Programme and Budget, which is composed of (currently) eight policy outcomes with associated outputs and indicators, and the Decent Work Country Programmes (DWCP), which translate the global DWA into country-specific strategies (ILO, 2020b).

Since its inception the DWA has found resonance far beyond the ILO; Di Ruggiero et.al. (2014) conclude that the ILO has been successful in international agenda setting, thereby improving policy coherence within the UN context, and paving the way for the explicit reference to Decent Work in SDG 8 of the 2030 Agenda. The African Union endorsed the

Decent Work concept as far back as 2004, when the AU Extraordinary Summit on Employment and Poverty alleviation, held in Ouagadougou, adopted a Plan of Action (African Union, 2004) which places ‘employment creation as an explicit and central objective of economic and social policies at national, regional and continental levels’; a commitment the African Union renewed in 2014 (AUC, 2015). In 2006, the European Commission issued a Communication (2006) entitled ‘Decent Work for All’ which sought to strengthen the EU contribution the ILO Decent Work Agenda. These examples, and many others that could be cited, bear testimony to the fact that the DWA has evolved from a nebulous concept into a fully recognized term of the international development vocabulary.

2.1.3.2 Cooperatives, the SSE and Decent Work

The relationship between cooperatives and the DWA *in its entirety* (covering all four DWA pillars) has not been systematically researched, nor therefore been the subject of an academic publication. The 2019 International Day of Cooperatives (IDC, which is being celebrated on the first Saturday of the month of July) was organized under the theme ‘cooperatives for decent work’, but the supporting reports and statements referred to the sole employment pillar of the DWA (UN, 2019). Prior to the IDC a few non-academic publications examined the impact of cooperatives on employment (including paper 2 in my portfolio); the second ‘global report on cooperatives and employment’ (Eum, 2017) estimates, based on data from 156 countries, that employment generated by cooperatives amounts to 279.4 million people across the globe, equivalent to 9.46 per cent of the world’s employed population. This figure includes 27.2 million persons working in cooperatives (16 million cooperative employees and 11.1 million worker-members), and 252.2 million self-employed producer-members, mainly in agriculture, whose livelihoods depend on cooperatives.

The dearth of literature on the (potential) contribution of cooperatives and the SSE to the remaining three pillars of the DWA is astonishing since SSE organizations are active in all three domains. In the area of *social protection*, health cooperatives play an active role; a recent study carried out in 15 Asian, European and South American countries identified 14,022 health cooperatives providing medical or pharmaceutical services to 101.5 million individuals (IHCO, 2018). Housing cooperatives, which exist in 69 countries (including 11 African nations) (CHI, 2020), make affordable housing available to millions of households.

Social Cooperatives, which are particularly widespread in Italy, extend not only social services to members, but facilitate the social integration of persons with disabilities (Borzaga, et al., 2017). Insurance cooperatives and mutuals offer affordable insurance coverage to 300 million members around the world (ICMIF, 2018). The relationship between cooperatives and *labour rights* is threefold: cooperatives are *the subject* of certain ILO standards, such as Recommendation 193 (2002) on the Promotion of Cooperatives and Recommendation 204 (2015) on the Transition for the Informal to the Formal Economy. Cooperatives *promote the application* of certain ILO standards, such as the Worst Forms of Child Labour Convention, 1999 (No. 182) which is being operationalized through cooperatives, for instance in the cocoa-producing countries of West Africa. Thirdly, cooperatives, as enterprises and employers, systematically *apply* labour standards in their own business operations, in line with the people-over-profit principle. Fourthly, cooperatives play an indispensable role in extending *social dialogue* to persons not covered by the traditional social partners (trade unions and employers' organizations)¹³, such as rural producers, informal economy actors, owners of micro-businesses, freelance workers and members of similar independent professions. The representational function of cooperatives, which can be exercised at the local, sectoral, national and international level, gains strength through vertical integration, i.e., the formation of cooperative unions, federations or apex bodies. For example, Cooperatives Europe, the cooperative apex organization of the European Union, sees its role as follows (inter alia): 'Cooperatives Europe works on integrating the cooperative business model into the EU policies and programmes and to promote cooperatives as viable partners for the EU institutions.' (Cooperatives Europe, 2020). The social dialogue and collective bargaining functions of cooperatives and other SSE organizations is examined in greater detail in publication 5 of my portfolio.

The significant contribution of the global cooperative movement to the Decent Work Agenda was recognized in 2004 through the signing of a Memorandum of Understanding (MoU) and of a 'common cooperative agenda' between the ILO and the ICA; this MoU was renewed in 2013 and in 2019 (Bajo, 2020).

¹³ It is for this reason that the ILO Constitution in its Article 12, Paragraph 3 stipulates that 'The International Labour Organisation may make suitable arrangements for such consultation as it may think desirable with recognized non-governmental international organisations, including international organisations of employers, workers, agriculturists and co-operators'.

While the impact of the wider SSE on the DWA is similar to that of cooperatives, the SSE organizations and enterprises are more diverse and certainly more numerous than cooperatives so that their impact is potentially larger. The SSE is particularly important for the creation and consolidation of jobs and livelihoods, for the extension of basic social protection benefits, and for the representation of interests and the preservation of rights of the workers and operators in the informal economy, which employs more than half of the global labour force (ILO, 2018). The changing world of work and its implications on the employment relationship is likely to trigger a growth in non-standard forms of employment which resemble those in the informal economy (Borzaga, et al., 2017). This will require new forms and types of cooperatives and SSE organizations, as discussed in publication 7 of my portfolio and the associated literature review.

2.1.3.3 *The Decent Work Agenda in Africa*

In the context of sub-Saharan Africa, all four pillars of the DWA exhibit major deficits. The continent's working age population (15+) stood at 602.9 million in 2018. The African region shows a very high labour force participation rate and a very low official unemployment rate, both due to the fact that, in the absence of any unemployment benefits, a large part of the African population can simply not afford to remain without work. Consequently, almost two thirds of the workforce live in extreme or moderate poverty:

Selected employment indicators for Africa (per cent)			
		2015	2019
Labour force participation rate	Total	67.9	68.0
	Male	73.2	73.0
	Female	62.7	63.1
Unemployment rate	Total	5.9	5.9
	Male	5.6	5.6
	Female	6.2	6.3
Extreme working poverty rate (less than 1.90 \$/day)		40.1	37.8
Moderate working poverty rate (between 1.90 \$ and 3.20 \$/day)		25.2	24.7

Table 2:7: Selected employment indicators for Africa; Source: (ILO, 2019c)

89.2 per cent of the labour force (86.4 per cent men, 92.1 per cent women) in sub-Saharan Africa works in the informal economy (ILO, 2018), where decent work deficits are overwhelming. The high degree of informality means that the majority of the African population is excluded from any form of social protection:

Social Protection Coverage in per cent of the eligible population						
	At least one benefit	Health insurance	Old age pension	Child/ family grant	Maternity benefit	Unemployment benefit
World Average	45.2	61	67.9	34.9	41.1	21.8
Africa	17.8	25	29.6	15.9	15.8	5.6

Table 2:8: Social protection coverage (computed from (ILO, 2017))

Some 75 per cent of the African population have no legal health coverage, with significantly higher rates of non-coverage in rural than in urban areas (83 and 75 per cent respectively) (ILO, 2017). The preponderance of informality also means that labour standards, even if ratified, are not applied. With 98 per cent Africa has achieved the almost universal ratification of ILO eight core conventions¹⁴, but this does not mean much to workers in the informal economy, where those conventions are impossible to enforce. Social dialogue, the fourth pillar of the DWA, is as well constrained by the high degree of informality in sub-Saharan Africa, since the continent's trade unions and employers' organizations represent primarily *formal* sector workers and businesses, whereas social dialogue institutions (which exist in 85 per cent of African countries (ILO-ITUC, 2017)) generally exclude informal economy workers and operators. Publication 5 of my portfolio discusses this point in depth, whereas publication 7 examines the role of cooperatives in organizing social dialogue in a changing world of work.

This section of the thesis has identified research gaps in the relationship between the DWA, cooperatives and the wider SSE, in particular with regard to DWA pillars other than employment, highlighting in particular the extent of decent work deficits in the informal economy. I now turn to the sustainable development agenda.

¹⁴ Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); Right to Organise and Collective Bargaining Convention, 1949 (No. 98); Forced Labour Convention, 1930 (No. 29); Abolition of Forced Labour Convention, 1957 (No. 105); Minimum Age Convention, 1973 (No. 138); Worst Forms of Child Labour Convention, 1999 (No. 182); Equal Remuneration Convention, 1951 (No. 100), Discrimination (Employment and Occupation) Convention, 1958 (No. 111).

2.1.4 Area IV: The Sustainable Development Agenda

2.1.4.1 *From the MDGs to the SDGs*

On 8 September 2000 149 Heads of State and Government, plus high-ranking officials from 40 additional countries, adopted the UN Millennium Declaration, including the eight Millennium Development Goals (MDGs)¹⁵ (United Nations, 2000). The Millennium Summit had been preceded by a series of UN development conferences on children (New York, 1990), education (Jomtien, 1990), climate (Rio de Janeiro, 1992) population and development (Cairo, 1994), social development (Copenhagen, 1995), women (Beijing, 1995) food (Rome, 1996) and human settlements (Istanbul, 1996). Fakuda-Parr et.al. (2014) underline that many of the declarations and action agendas adopted at these conferences emphasized the promotion of human rights as a central principle behind the development priorities in question. They further point out that a common theme transcending these declarations, presumably as a reaction to the neoliberal reforms of the 1980s, was the emphasis on reducing exclusion and inequality, which would guide the global economy to a path of inclusive globalization.

The MDGs were formulated in a results-based fashion, comprising 18 numerical targets (later extended to 22) to be measured by 48 indicators (later 60), all to be achieved by 2015. The baseline for these targets was the status in 1990, not in the year 2000, so that in actual fact the MDGs covered a period of 25, not 15 years. The eight MDGs appear unobjectionable, and yet they were met with criticism because of concerns they did *not* address. Nanda (2016:393) bemoans that ‘the MDGs were designed to reflect the Millennium Declaration vision. But when they were finally released something had been lost in translation, as there was a glaring omission of an important component of the Declaration—human rights, democracy, and good governance’. Other areas that were missing from the MDG framework are peace and security, inequality within and between countries and reproductive health, while the objective of gender equality was reduced to gender equality *in education* only (Fehling, et al., 2013). Moreover, the MDGs, confined to the developing world only, were drafted not by the countries of the South but by a group of

¹⁵ (1) Eradicate extreme poverty and hunger; (2) achieve universal primary education; (3) promote gender equality and empower women; (4) reduce child mortality; (5) improve maternal health; (6) combat HIV/AIDS, malaria and other diseases; (7) ensure environmental sustainability; and (8) develop a global partnership for development.

UN officials and consultants guided by the powers of the North (EU, US, Japan), the OECD and the Bretton Woods institutions (Amin, 2006). Generally, there was very little involvement of developing countries and civil society constituencies in the creational process of the MDGs (Fehling, et al., 2013); hence, the MDGs became a donor-led agenda (Fukuda-Parr and McNeill, 2019). Nanda (2016:368) stressed that ‘the lack of transparency in the formulation of the MDGs was one of their shortcomings, for a group of staff members from the U.N., International Monetary Fund, World Bank, and OECD were responsible for the drafting process without any broader participation, especially from civil society. Thus, it was that the MDGs originated in obscurity and lacked a human rights focus, for which they have faced major criticism’. Fukuda-Parr (2014) noted that the MDGs had side-lined several non-quantifiable priorities, such as the principles of participation, equality, democratic voice and accountability, which, despite being unmeasurable, are considered essential for a transformative development agenda. Others, however, applauded the MDGs for their simplicity and straightforwardness. Sachs (2012) saw MDGs as a historic and effective method of global mobilisation to achieve important social priorities worldwide, such as poverty, hunger, disease, unmet schooling, gender inequality, and environmental degradation; he praised the MDG’s measurable and timebound objectives, which helped to promote global awareness, political accountability, improved metrics, social feedback, and public pressures. MDG 1 (‘halving poverty’) in particular galvanized world attention, triggering in almost all developing countries the formulation of national ‘Poverty Reduction Strategy Papers’ (PRSP) as templates for development support strategies of donor countries and UN agencies.

The MDGs were reviewed at the 2010 MDG Summit, where world leaders agreed on a global action plan entitled ‘Keeping the Promise: United to Achieve the Millennium Development Goals’; in the Summit Outcome Document (UNGA, 2010), UN Member states explicitly recognized the importance of all human rights for achieving the MDGs, and noted the importance of ‘Respecting, promoting and protecting all human rights ... [i]ncreasing efforts to reduce inequality and eliminate social exclusion and discrimination; [and] [e]nhancing opportunities for women and girls and advancing the economic, legal and political empowerment of women’ (UNGA, 2010:5), thereby attenuating some of the shortcomings noted above.

The final evaluation of the MDGs, contained in the Millennium Development Goals Report (UN, 2015), came to a positive assessment of the effectiveness of the goals. The report highlighted impressive achievements:

Outcome of the Millennium Development Goals			
Target		1990	2015
MDG 1	Percentage of persons in developing countries living in extreme poverty (1.25 US-\$/day)	47 %	14 %
	Number of persons living in extreme poverty (millions)	1,926	836
	Proportion of undernourished persons	23.3 %	12.9 %
MDG 2	Primary school net enrolment rate in sub-Saharan Africa	52 %	80 %
MDG 3	Primary school enrolment ratio in Southern Asia (percentage of girls compared to boys)	74	103
	Share of women of paid workers outside the agricultural sector	35 %	41 %
MDG 4	Global under-five mortality rate per 1,000 live births	90	43
	Global number of deaths of children under five (millions)	12.7	6
MDG 5	Global maternal mortality ratio (deaths per 100,000 live births)	380	210
	Global births attended by skilled health personnel	59 %	71 %
MDG 6	Global antiretroviral therapy treatment for HIV (millions of persons, period 2003 to 2014)	0.8	13.6
MDG 7	Number of persons having access to piped drinking water (billions)	2.3	4.2
MDG 8	Official development aid (period 2000 to 2014, billion \$)	81	135
	Global Internet penetration (period 2000 to 2015)	6 %	43 %

Table 2:9: Outcome of the Millennium Development Goals; source: (UN, 2015)

Nonetheless, the report admitted that progress had been uneven throughout the developing world. The substantial decrease in global poverty rates was largely due to advances in China (which reduced poverty incidence from 61 per cent in 1990 to 4 per cent in 2015) and, to a lesser extent, in India. Much less improvement was recorded in sub-Saharan Africa, where poverty declined moderately only, from 57 per cent in 1990 to 41 per cent in 2015. And while the MDG target of halving the incidence of hunger was almost met globally, the proportion of people suffering from hunger *increased* in Western Asia during the MDG period. Most of the other MDG targets show similar regional disparities. The report showed that in essence, the poorest and most vulnerable people and countries *had been left behind*.

The post-MDG (post-2015) debate, as it was called initially, began in earnest in 2012, when the UN Conference on Sustainable Development (better known as 'Rio+20') adopted an outcome document under the heading 'The Future we Want' (UNGA, 2012), introducing a 'triple bottom line' of sustainability: economic, social and environmental. The outcome document determined the thematic priorities for the future Sustainable Development

Agenda, without however specifying targets and indicators; it set in motion an intergovernmental process to develop the future SDGs¹⁶, and mandated the UN Secretary-General to establish an Open Working Group (OWG) to support this process; in July 2014, this group, which comprised 30 UN member states, including 20 developing countries, proposed a set of 17 SDGs with 169 targets. In parallel to the OWG, the United Nations Sustainable Development Group (UNSDG), which brings together 36 development-oriented UN Funds, Programmes and Agencies, gathered the perspectives on the 'World we Want' from over one million people around the globe (UNDG, 2013). Earlier, in July 2012, the then UN Secretary-General Ban Ki-moon had convened a High-level Panel of 27 members to advise on the post-2015 development framework; the panel's report (HLPEP, 2013) agreed on five overarching priorities: (i) leave no one behind; (ii) put sustainable development at the core; (iii) transform economies for jobs and inclusive growth; (iv) build peace and effective, open and accountable institutions for all; and (v) forge a new global partnership. In December 2014, Ban Ki-moon integrated these manifold contributions, plus others not mentioned here, into his 'synthesis report on the post-2015 Sustainable Development Agenda' (Ki-moon, 2014), calling for an integrated, multi-dimensional development agenda that 'leaves no one behind'. In September 2015, the world leaders gathered in New York to adopt the 2030 Agenda for Sustainable Development¹⁷, including the 17 SDGs and 169 targets proposed by the OWG. Implicitly recognizing the shortcomings of the MDGs the leaders declared:

'As we embark on this great collective journey, we pledge that no one will be left behind. Recognizing that the dignity of the human person is fundamental, we wish to see the Goals and targets met for all nations and peoples and for all segments of society. And we will endeavour to reach the furthest behind first.' (UNGA, 2015:paragraph 4)

¹⁶ 'We resolve to establish an inclusive and transparent intergovernmental process on sustainable development goals that is open to all stakeholders, with a view to developing global sustainable development goals to be agreed by the General Assembly. [...]' (UNGA, 2012: paragraph 248)

¹⁷ The 2030 Agenda includes 22 SDG targets that must be achieved by 2020, two by 2025, and one by 2017.



Figure 2.6: The 17 Sustainable Development Goals; source: (UN DESA, 2019)

The SDGs targets have been further concretized and quantified through a set of 232 indicators that were developed by the Inter-Agency Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs) and endorsed by the UN General Assembly in 2017 (UNGA, 2017). When examining the proposed indicators, it appears that their selection has been largely guided by the availability of data rather than by the objective requirement of the underlying goal and target. This has in many instances reduced the scope and ambition of the goal to what can be statistically measured, or for what data sources are available¹⁸. Fukuda-Parr and McNeill (2019) deplored that the indicators had watered down the ambition of the goals by narrowing them down, if not distorting them. Moreover, Hickel (2019) asserts that the SDGs perpetuate the assumption that growth is essential for achieving its human development objectives on poverty, hunger, health, etc., further stressing that the focus on economic growth violates the environmental objectives of the SDGs. This view is shared by (O'Neill, et al. (2018), who assert that the SDG's goal of universal human development has the potential to undermine the Earth-system processes

¹⁸ As an example: SDG target 8.3 reads: 'Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage formalization and growth of micro-, small- and medium-sized enterprises including through access to financial services'. The sole indicator associated with this target reads: 'Proportion of informal employment in non-agriculture employment, by sex.' (UNGA, 2017)

upon which development depends; just as Hickel, they call for an economic model where the goal is not economic growth, but sustainable and equitable human well-being.

Despite such criticism, the SDGs are seen as a considerable improvement over the MDGs since they have been formulated through an inclusive and participatory process, and they address a comprehensive development agenda that embraces economic, social and environmental concerns, including the respect for human rights, the provision and protection of global public goods, and the preservation of peace and stability (Stewart, 2015). Moreover, the SDGs are universal, covering the needs and aspirations of all peoples and nations, whereas the MDGs were confined to the developing world. Of great importance is the SDG commitment ‘to leave no one behind’, which distinguishes the SDGs from the ‘cherry-picking of the MDGs, under which those who were easiest to help benefited more’ (Stuart and Woodroffe, 2016:73). The improvement of the SDGs over the MDGs came at a price however: the SDG framework is far more complex than its predecessor, putting an enormous monitoring and reporting burden on countries, many of which, in particular the fragile and poverty-stricken states, may not be able to cope with because of their insufficient statistical capacity¹⁹.

2.1.4.2 The MDGs, the SDGs and the DWA

While the MDG’s original framework did not include a goal on decent work, the very concept was beginning to find resonance within UN circles. At the 2005 UN World Summit, the heads of States and governments of more than 150 countries recognized decent work as an international development goal (UN DESA, 2006), followed by a commitment at the UN Economic and Social Council (ECOSOC) which adopted a Resolution (2007) on ‘The role of the United Nations system in providing full and productive employment and decent work for all’; This paved the way for the inclusion, under MDG 1 (poverty) of an additional target: ‘1.b Full and productive employment and decent work for all, including women and young people’, plus four associated indicators focussing primarily on the income dimension of employment. The remaining three DWA pillars (protection, rights, dialogue), however, remained absent from the MDG framework. Fukuda-Parr (2014) recalls that the heads of several UN agencies, including FAO, ILO, UNESCO, UNICEF, UNIFEM, and UNFPA, initially

¹⁹ Data on statistical capacity is available at the World Bank’s web site:
(<http://datatopics.worldbank.org/statisticalcapacity/SCIdashboard.aspx>) (World Bank, 2020b)

participated half-heartedly only in the process of elaborating the MDGs, believing that their own agendas were more relevant. I can confirm from my personal experience that former ILO Director-General Somavia was at first rather sceptical about the MDGs, expressing the view that these goals reduced the notion of ‘development’ to what can be statistically measured.

While the DWA was being mainstreamed throughout the UN system and beyond, as well as in numerous national development strategies, Sehnbruch et.al. (2015:218) somewhat surprisingly, concluded that: ‘probably the most serious consequence of the failure of decent work to have a significant impact on the development literature is that development institutions as well as governments of developing countries have systematically neglected the issue of employment as a policy priority in its own right’. This astonishing conclusion was drawn at a time when the SDGs had been finalized, including SDG 8 which calls for ‘full and productive employment and decent work for all’. In fact, learning its lessons from the MDG elaboration period, the ILO participated intensely in the formulation of the SDG framework; as Director of the ILO Partnerships and Development Cooperation Department I had become personally involved in these negotiations.

Beyond employment the other Decent Work pillars are reflected in the SDGs to some extent:

Decent Work in the 2030 Agenda for Sustainable Development		
Decent Work Pillar	SDG target	Short title
Labour rights	5.2	End discrimination against women and girls
	8.7	Eradicate forced labour and child labour
	8.8	Protect labour rights and promote safe and secure working environments
Social protection	1.3	Social protection floor
	3.8	Universal health coverage
	8.8	Protect labour rights and promote safe and secure working environments
Employment	8.3	Decent job creation
	8.5	Full and productive employment
	8.6	Youth employment
	8.b	Global Jobs Pact
Social dialogue	16.6	Effective, accountable and transparent institutions
	16.7	Responsive, inclusive, participatory and representative decision-making

Table 2:10: Decent Work in the 2030 Agenda for Sustainable Development (compiled by the author)

While employment, social protection and labour rights are mentioned explicitly in the SDG framework the objective of social dialogue is addressed indirectly only. Frey (2016) observed

that the formulation of SDG 8 can be seen as problematic since it makes employment dependent on economic growth; he argues that governments can pursue the goal of full employment even in the absence of economic growth, while, on the other hand, economic growth does not automatically generate more jobs. Scherrer (2020) maintains that the oversupply of the working age population in developing countries severely limits the possibilities for reaching SDG 8. The relationship between the DWA and the SDGs is discussed in much greater detail in publication 6 of my portfolio, which is grounded in the systematic mapping of the 169 SDG targets against the 35 indicators of the ILO Programme and Budget.

2.1.4.3 Cooperatives, the SSE and the SDGs

Soon after the adoption of the MDGs the international cooperative movement embraced the new agenda, even though cooperatives were mentioned neither in the Millennium Declaration nor in the MDGs. The 2003 International Day of Cooperatives (IDC) was placed under the theme ‘Co-operatives Make Development Happen! The contribution of co-operatives to the United Nations Millennium Development Goals’, the Committee on the Promotion and Advancement of Cooperatives (COPAC) organized an Open Forum in May 2004 under a similar headline, and in the same year the ILO and COPAC requested Johnston Birchall (2004), a professor of sociology, to write a book on ‘Cooperatives and the Millennium Development Goals’. Likewise, after the SDGs were adopted, the 2016 IDC titled ‘Cooperatives: The power to act for a sustainable future’ whereas the 2017 IDC stressed that ‘Cooperatives ensure no one is left behind’. As a contribution to the post-2015 debate the ILO published a book on the link between cooperatives and the SDGs (Wanyama, 2014), and after the adoption of the SDGs ILO and COPAC jointly produced a series of policy briefs establishing the link between cooperatives and each of the 17 SDGs (ILO and COPAC, 2020). All of these undertaking sought to demonstrate that cooperatives were the ideal, the very best instrument to achieve each and every development goal and target. The same approach was adopted by the International Cooperative Alliance in its ‘Coops for 2030’ campaign (ICA, 2017a). However, while the self-help function of cooperatives is a peculiar contribution to poverty reduction²⁰ (MDG 1 and SDG1), it is far less obvious that cooperatives can play a

²⁰ Kwapong and Hanisch (2013) carried out a comprehensive literature review on the role of cooperatives in reducing poverty, and came to the conclusion that this nexus does indeed exist, provided that cooperative principles are fully respected.

distinct role in, for instance, ensuring universal primary and secondary education (SDG 4), reducing child mortality (SDG 3) or fostering the sustainable use of oceans (SDG 14). In a recent journal article Moxom and Romenteau (2019) argue that cooperatives are particularly efficient in pursuing SDGs 1 (poverty), 2 (hunger), 5 (gender equality), 8 (decent work), 12 (sustainability) and 16 (peace), because these goals can be related to specific cooperative principles. However, most of the aforementioned publications looked at the goals only, not at the associated targets, which are considerably more precise and concrete, and often open new perspectives²¹, nor at the indicators, which constitute the SDG results framework. It is for these reasons that I adopted a different approach when preparing publication 3 of my portfolio, which seek to identify a limited number of SDG *targets* that offer the highest degree of ‘cooperative sensitivity’,

Very little literature (in English language at least) on the role of the SSE in achieving the MDGs exists; this may be due to the fact that the SSE was a relatively new phenomenon at the time when the MDGs were formulated. This changed when RIPESS published a the ‘Rio plus 20’ summit a Declaration on the role of the SSE (RIPESS, 2012). Since then, numerous papers and studies on the relationship between the SSE and the 2030 Agenda or specific SDGs have been published, many of which are accessible through the ‘Knowledge Hub’ (<http://unsse.org/knowledge-hub/>) maintained by the United Nations Task Force on the Social and Solidarity Economy (UNTFSSSE). The collection includes a UNTFSSSE position statement on the relationship between SSE and the SDGs, which identifies eight domains in which the SSE was deemed particularly effective (UNTFSSSE, 2014a):

²¹ One example among many: One would not expect that SDG 16 on ‘peaceful societies’ includes a target 16.9 ‘by 2030 provide legal identity for all including birth registration’.

SSE priority domains and corresponding SDGs (as proposed by the UNTFSE)			
	Priority Domain	Corresponding SDGs	Relevant SSE structures (examples)
1	Transitioning from Informal Economy to Decent Work	Targets 8.2 to 8.10	Informal economy associations, workers' cooperatives, social enterprises
2	Greening the Economy and Society	SDGs 12, 13, 14 and 15	Renewable energy coops, recycling coops, waste management associations
3	Local Economic Development	SDG 11 and targets 6.b, 8.9 and 12.b	Community-based organizations
4	Sustainable Cities and Human Settlements	SDG 11	Housing cooperatives, kinship groups, local economic development
5	Women's Well-Being and Empowerment	SDG 5	Female participation in SSE organizations
6	Food Security and Smallholder Empowerment	SDG 2	Farmers' groups, marketing coops
7	Universal Health Coverage	Targets 1.3 and 3.8	Health mutual, health coops
8	Transformative Finance	Targets 1.4, 2.3, 5.a, 8.3, 8.10 and 9.3	Credit unions, tontines, ROSCAs, coop banks

Table 2:11: SSE priority domains and corresponding SDGs (compiled by the author)

In a revised version of the position paper the UNTFSE observed that the 'SSE can also help to shed light on what is often a blind spot in strategies to address the structural determinants of inequality and exclusionary and unsustainable development, namely, unequal power relations. SSE focuses attention on active citizenship and participatory democracy, which are essential to the implementation of the goals and for ensuring social inclusion and accountability.' (UNTFSE, 2014b:2). This statement points to a possible comparative advantage of the SSE that distinguishes it from other forms of business and social organization. (Utting, 2018).

While sharing the view that the SSE has indeed a considerable potential to contribute to the SDGs Salustri (2018) cautions against 'social and solidarity failures' resulting from the instrumentalization of SSE organizations by external actors. Lee (2020) argues that the SSE is particularly effective in 'localizing' the SDGs, because SSE organizations are member-based, rooted in the community, managed democratically and operate from 'bottom-up', whereas Hudon (2017:142) noted that 'scholars working on sustainable development and transition themes have paid increasing interest to social innovation and to alternative types of organizations – such as those of the social economy – as ideal vehicles for bottom-up transition initiatives.' Littlewood and Holt (2018a) observe a lack of academic literature on the relationship between social enterprises (here used as an umbrella term for SSE), and the SDGs; they propose a novel conceptual framework to examine whether social enterprises make a broad or a focussed contribution to the SDGs, and whether this contribution is concentrated in certain value chains, or manifests itself across value chains.

In summary, despite the many connecting points between the SSE and the SDGs it appears that the authors of the 2030 Agenda have not sufficiently taken into account the potential of organized self-help and community-based mutual assistance in addressing development challenges, thereby ignoring a powerful ‘means of implementation’ that could contribute to the achievement of the SDGs.

2.1.4.4 The SDGs in Africa

While the SDGs are applicable to all countries on earth it is widely agreed that they are particularly relevant to the world’s least developed, low-income and lower middle-income countries, the majority of which are located in sub-Saharan Africa. The Sustainable Development Declaration in its paragraph 16 recognizes that progress in implementing the MDGs had been ‘uneven’, particularly in Africa, and The Sustainable Development Goals Centre for Africa (an autonomous non-for-profit international organization) in its progress report paints a very sober picture, projecting that Africa might achieve just 3 of the 17 SDGs by 2030: SDG 5 (gender equality), SDG 13 (climate action) and SDG 15 (life on land) (SDGC/A, 2019). The report highlights in particular the lack of up-to-date data and statistics (see also footnote 19): ‘A holistic review of SDGs over the three years – was not possible due to nonexistence of enough data. Only 96 indicators have data (41.4% of the global indicator framework). Where data exists, it is not comprehensive and consistent. The majority of African countries do not possess updated data for crucial indicators such as poverty, health, nutrition, education, and infrastructure. In case where countries possess the data, they are outdated and the latest available is from 2015’ (SDGC/A, 2019:8).

The most recent statistics gathered by the UN show that sub-Saharan Africa (SSA) in particular is lagging behind in most areas measured by the SDG indicators.

Selected SDG Indicators		
Indicator	World	SSA
Persons living below the poverty line (1.90 \$/day)	8.2 %	38%
Proportion of population covered by at least one form of social protection benefit	45 %	13 %
Prevalence of severe food insecurity	9.7 %	21.3 %
Under 5 mortality rate per 1,000 births	39	78
HIV incidence rates, 2010 and 2018 (new cases per 1,000 uninfected adults aged 15 to 49 years)	0.39	1.9
Percentage of children and adolescents <u>not</u> achieving minimum proficiency in reading	58 %	88 %
Proportion of women in managerial positions	29 %	27 %
Proportion of population with access to electricity	89 %	44 %
Annual growth rate of real GDP per worker	2.1 %	0.3 %
Share of informal economy in total employment)	61.2 %	85.8 %
Manufacturing value added share in GDP	16.5 %	10 %
Domestic material consumption per unit of GDP (kg per \$)	1.2 %	2.5 %
Proportion of degraded land from 2000 to 2015 (in %)	20 %	22.4 %
Share of government expenditure funded by domestic taxes	62.5 %	66 %

Table 2:12: Selected SDG Indicators; source: (United Nations, 2019)

Begashew (2019) stated in mid-2019 that sub-Saharan Africa was on track to meet just three goals: SDG 5 (gender equality), SDG 13 (climate action), and SDG 15 (life on land). Two years later, the modest progress is jeopardized by the COVID-19 outbreak, which reached Africa late but then spread exponentially on the continent (SDGC|A, 2020). In this situation, it is indispensable to mobilize the African cooperatives and social and solidarity economy organizations so as to complement the efforts of governments, communities, private sector entities, civil society and development partners to reach the SDGs. This is further elaborated in publications 3 and 6 of my portfolio, as well as in chapter Chapter 5: of my thesis.

2.1.5 Area V: The Informal Economy

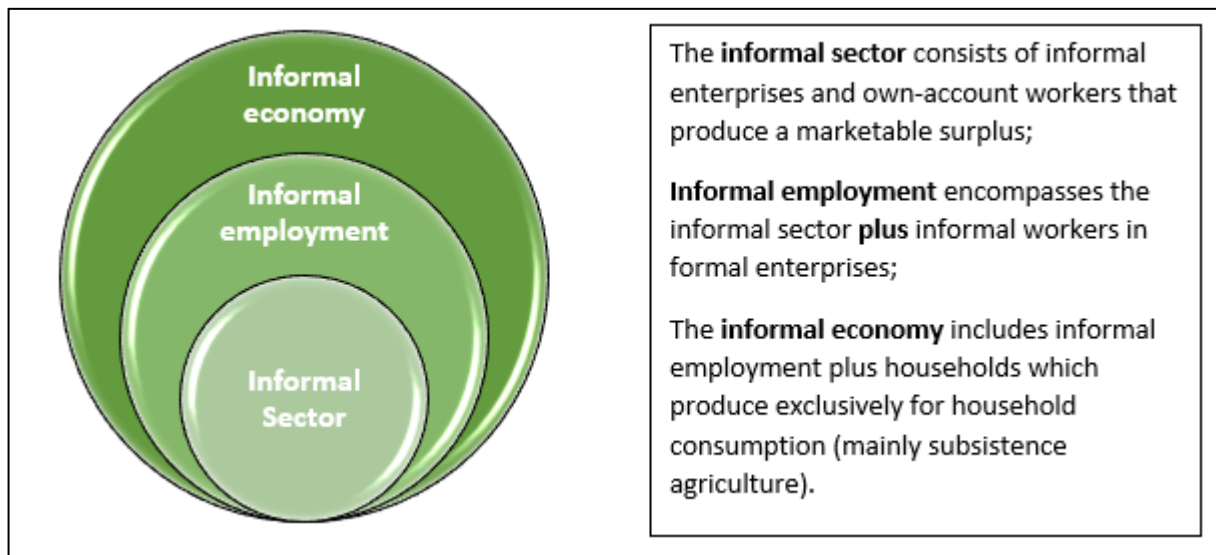


Figure 2.7: Informal economy - a clarification of terms; by the author, based on (ICLS, 2018a)

The previous pages of this thesis make numerous references to the informal economy and its significance in the sub-Saharan African context. Section 2.1.5, then, sheds more light on the informal economy, and justifies why it is of particular relevance to the present thesis. Kanbur (2021) points out that attempts to formulate key features of informality were made as far back as the 1930s, whereas the term ‘informality’ itself was introduced in the early 1970s only. It then took another 40 years to develop a dedicated ILO standard, namely ILO Recommendation 204 on the transition from the informal to the formal economy (ILC, 2015). This instrument stipulates that the term ‘informal economy’ ‘refers to all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements’, further making the point that illicit and illegal activities do not fall under the realm of the informal economy. Bangasser (2000:10) lists the following defining characteristics of informal economic activities:

- ease of entry;
- reliance on indigenous resources;
- family ownership of enterprises;
- small scale of operation;
- labour-intensive and adapted technology;
- skilled acquired outside the formal school system; and

- unregulated and competitive markets.

Mbaye et.al (2020) underline that Informality is a continuum rather than a binary distinction, meaning that any informal economy economic unit may exhibit formal and informal features at the same time, and at varying degrees.

Figure 2:7 above provides a clarification of terms which are often used interchangeably. According to the ILO, the livelihoods of over half of the global labour force depend on the informal economy, with much higher ratios in the global South than in the wealthier North (ILO, 2018a).

2.1.5.1 The omnipresence of informality in sub-Saharan Africa

From a decent work and sustainable development perspective, the most striking feature of African societies and economies is the sheer magnitude of the informal economy, which, as mentioned earlier, employs almost 90 per cent of the region's labour force, contributes up to 65 per cent to the GDP in some countries (Medina, et al., 2017), and hosts more than 90 per cent of the region's micro and small enterprises (see [publication 6](#), topic 13). Kraemer-Mbula and Wunsch-Vincent (2016) point out that in more general terms, many developing countries are characterized by the ubiquity of the informal sector and its demonstrated contribution to economic output and employment. Mhando and Kiggundu (2018) affirm that without the informal economy, there would be no economy at all, since the informal sustained the formal. Indeed, the scale of the informal economy is so overwhelming in sub-Saharan Africa that the expression 'informal', with all its negative connotations, appears inappropriate. Dungy and Ndofor (2019) propose to use the term *indigenous economy* instead, in which case the formal economy would be labelled as 'imported' or 'alien' – which is it, as a matter of fact. Mbaye et.al (2020) share this view by underlining that the informal sector embodies traditional pre-modern economic practices at the village level.

Share of informal employment in total employment (per cent), selected African countries				
Country	Year	Total	Male	Female
Burkina Faso	2018	95,4	93,5	97,7
Botswana	2019	67,8	66,9	68,7
Chad	2018	96,9	95,2	99,0
Ghana	2015	78,1	77,2	91,5
Mali	2018	94,7	93,4	96,6
Mauritania	2017	90,9	90,8	91,2
Mozambique	2015	95,7	92,7	98,4
Rwanda	2019	83,8	77,6	83,4
South Africa	2019	34,7	33,3	36,4
Uganda	2017	89,4	88,5	90,4
Zimbabwe	2019	79,8	79,0	80,8
UEMOA ²²	2018	89,6	85,7	94,1
Average		83,1	81,2	85,7

Table 2:13: Share of informal employment in total employment; Source: (ILO STAT, 2021; UEMOA, 2018)

Table 2:13 above provides a snapshot of the proportion of informal employment in those African countries for which relatively recent data sets are available. The table reveals that in all countries, women are significantly more affected by informality than men. Longitudinal statistics do not exist for most countries so that it is difficult to state whether the share of informal employment has been growing or shrinking²³, but in light of the figures above one can safely conclude that informality is pervasive in the entire sub-Saharan African region. Charmes et.al. (2018) express the view that informality has been an intrinsic factor of African economies even prior to colonization, and remains a structural feature of a region where formal employment is uncommon.

²² The 'Union Economique et Monétaire Ouest-Africain' (UEMOA) covers eight West African countries (Bénin, Burkina Faso, Côte d'Ivoire, Guinée-Bissau, Mali, Niger, Sénégal and Togo); in 2018, UEMOA carried out a very comprehensive survey of the informal economy in those eight countries (UEMOA, 2018)

²³ Some aggregate data for sub-Saharan Africa exist, however: the share of informal employment in non-agricultural employment grew from 66.5 per cent in 1980 to 73.7 per cent in 1990 and 76.8 per cent in 2016 (Kanté, 2002; ILO, 2018a).

One country, namely Kenya, has been publishing statistics on informal economy employment in its annual economic surveys published by the Kenyan National Bureau of

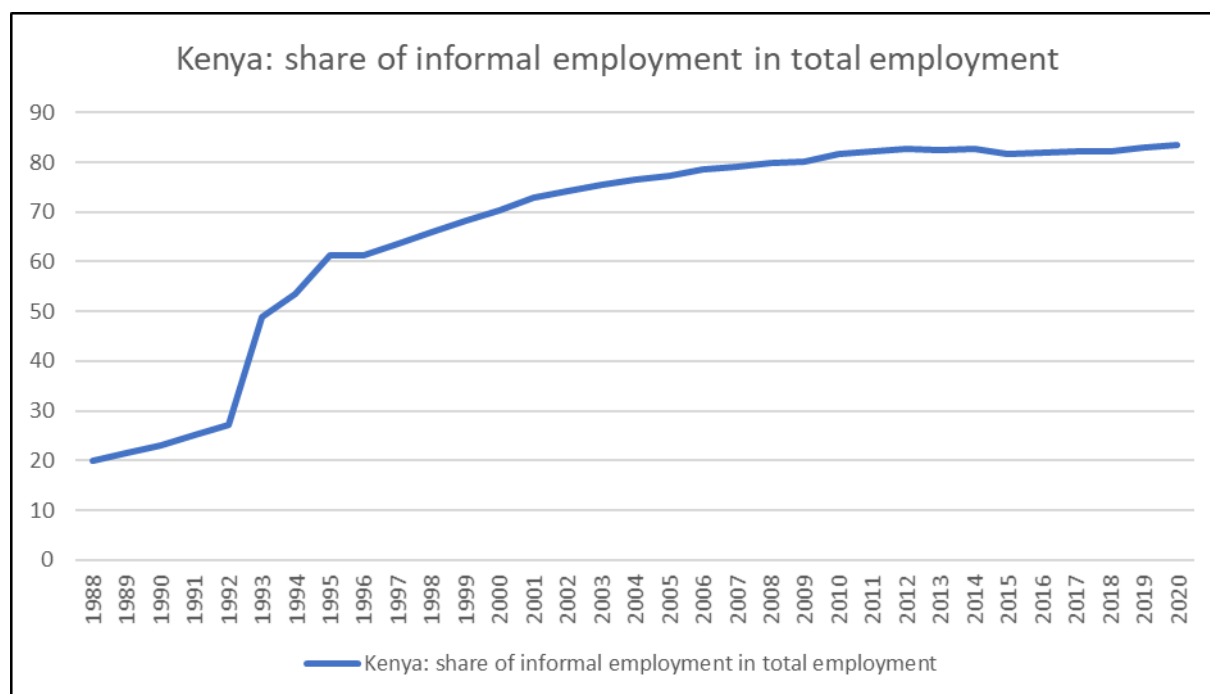


Figure 2:8: Kenya: share of informal employment in total employment 1992 - 2020

Statistics (KNBS, 1988 - 2021). Figure 2:8 shows that the share of informal employment in total employment increased from 20.0 per cent in 1988 to 83,4 per cent in 2020. During the same period of time, the *absolute* number of Kenyans employed in the informal economy (excluding smallholder agriculture) increased by 4,088 per cent, from 346.400 in 1988 to 14.508.000 in 2020 (of whom 64.5 per cent in urban and the remainder in rural areas), while Kenya's population grew by 143 per cent only during the same period of time. The stark increase in informal employment registered in the late 1980s and the 1990s must be, in all likelihood, attributed to the implementation of neoliberal structural adjustment programmes during that period.

Aryeetey (2015) underlines the significance of the informal economy for domestic production and economic growth, and its importance as a source of employment and as an instrument for poverty reduction, further observing that the informal economy's main contribution to poverty reduction is through the employment channel. Sallah (2016) believes that the persistent existence and growth of the informal sector in Sub-Saharan Africa after

years of unsatisfactory structural adjustment policies has led to renewed attention being paid to the informal economy, not least concerning its role in economic development. Holt and Littlewood (2014) point out that the informal and the formal economy are intensely intertwined, with some supply chains stretching from international suppliers to local sellers working at the roadside. An example are those low-priced consumer goods made in China that are flooding African markets, where they end up in the hands of street vendors. Hart (1985) noted decades ago that the street peddlers of cigarettes complete a global value chain linking large multinationals to consumers. But the informal economy can be as well at the origin of a global supply chain: it is, for example, quite likely that the espresso enjoyed by a banker on Wall Street has been brewed from coffee beans produced by smallholder farmers somewhere in sub-Saharan Africa. Charmes (2018) underlines the cross-border dimension of informal trade in sub-Saharan Africa, reporting that it contributes about 40 per cent of total intra-regional trade in Eastern and Southern Africa.

African governments (and their development partners) have approached the informal-economy-phenomenon with varying attitudes: some expected that an expanding, modern formal sector would almost automatically entail the disappearance of the informal economy (Sallah, 2016); others undertook efforts to ‘formalize’ the informal economy, as recommended by a recent ILO instrument (ILC, 2015); some consider the informal economy as a useful complement to the formal sector, whereby both would grow or decline in tandem (Sallah, 2016), while some ‘neo-liberals’ portray informal workers as heroes casting off the shackles of an over-burdensome state.’ (Sallah, 2016:1070). Again, other governments seek to criminalize, suppress, eradicate or prohibit the informal economy (see [publication 5](#)). Whatever policy has been adopted, it has clearly not eliminated Africa’s informal sector, which is likely to expand even more as a result of changing employment relationships (see [publication 7](#)) and the COVID-19 pandemic (Schwettmann, 2020).

2.1.5.2 Informal economy, sustainable development and decent work

Considering the fact that informal economy occupations employ the majority of the labour force in all developing countries and emerging economies (Vanek, 2020) the scarcity of references to informality in the 2030 Agenda is indeed striking (see [publication 5](#) and [6](#)). With the exception of SDG indicator 8.3.1 (share of non-agricultural informal employment in

total employment) the Agenda is silent about informality²⁴. If the Agenda is to keep its promise to 'leave no-one behind' it cannot possibly ignore the fact that the overwhelming majority of individuals, households and communities in sub-Saharan Africa derive their livelihood from the informal economy. One may argue that many SDG targets implicitly include informal economy actors without naming them explicitly; this would apply to several targets under SDG 1 (poverty), 2 (hunger), 8 (decent work), 10 (equality) and 16 (institutions). Still, a greater number of explicit references to informal economy actors in the 2030 Agenda would have been appropriate, not least because informal economy actors and their associations in sub-Saharan Africa are actively involved in SDG-related areas such as agricultural production, fisheries and livestock, solid waste management, universal health coverage, food loss prevention, recycling, affordable transport, small-scale mining, local economic development, to name a few.

ILO's DWA is more 'informal-economy-sensitive' than the 2030 Agenda; in fact, the term 'decent work' was preferred over 'decent employment' since the latter would have excluded own-account workers and subsistence farmers, who dominate the informal economy. Informal economy workers in Sub-Saharan Africa suffer from wide-ranging decent work deficits, be it in the area of livelihoods (low productivity and incomes, high rates of poverty, instability and vulnerability), protection (very low degree of social security coverage), rights (exclusion from labour rights which apply to the formal sector) or dialogue (absence of representative structures and exclusion from social dialogue processes) (ILO, 2014). Blustein, et al (2016:4) deplores the increasing prevalence of precarious work, a term they define 'as a multidimensional construct defined along four dimensions: continuity/employment insecurity, vulnerability (i.e., powerlessness/lack of bargaining position or ability to exercise workplace rights), protection (i.e., access to benefits and legal protections), and income'. Without mentioning the informal economy in his article, he accurately describes the deficiencies of work in the informal economy.

²⁴ Trebilcock (2005, p. 18) reminds us that the MDGs as well were silent about the informal economy: 'True, the MDG indicators do include two relating to employment (women's share of non-agricultural employment and the unemployment rate of 15- to 24-year-olds), but neither one tells us much about addressing decent work deficits in the informal economy.'

The relationship between the SDGs and the DWA has been analysed in depth in [publication 6](#), both in the introductory section and in each of the 24 thematic sections of the publication, one of which covers the informal economy.

The ILO, which coined the term “informal sector’ in 1972 (Hart, 1985), has devoted considerable efforts and resources to better understand the phenomenon and to find ways to attenuate the decent work deficits prevailing the informal economy. Bangasser (2000) in a historical review noted that several ILO officials continued working uninterruptedly on the informal economy for three decades, but that the theme itself never obtained an institutional home. This dilemma has continued till today; despite the adoption of Recommendation 204 and despite the elevation of the informal economy to an ‘area of critical importance’ in 2014, and to a policy outcome in 2016, the organizational chart of the ILO does not include a dedicated informal economy unit, a shortcoming which diminishes the effectiveness, impact and visibility of the organization’s work on the subject.

2.1.5.3 Informal economy, Cooperatives and the SSE

Charmes et.al. (2018:16) asserts that sooner or later, all informal-economy-centred policies and projects will seek to organize the population, ‘because organising is key for financing, extending social protection, increasing its share in the value chain, and more generally for gaining visibility, voice and self-esteem and confidence’. The great majority of informal economy organizations fall under the ambit of the SSE.

Besides constituting the subject of [publication 5](#) of my portfolio, the role of the SSE in organizing informal economy actors in sub-Saharan Africa is being considered in one way or another in all seven titles of my portfolio, for example in relation to post-adjustment developments (publication 1:80), the formalization of the informal sector (publication 2:49), poverty and livelihoods (publication 3: 6 and 9), non-standard forms of cooperation (publication 4, numerous references), the SDGs and the DWA (publication 6:62), and the future of work (publication 7, page 52). The background report to the first ILC discussion in 2014 on the ‘transition from the informal to the formal economy’ (ILO, 2014:45) noted that ‘the development of the social and solidarity economy is a promising path to facilitate transitions to formality at the local level. Cooperatives of various types and organizations from the social and solidarity economy play an important role in local development,

especially in rural areas'. This was reflected a year later in the resulting Recommendation 204 (ILC, 2015) which includes three specific references to cooperatives and the SSE.

SSE organizations (sometimes referred to as 'social networks') are omnipresent and pervasive in Africa's informal economy. Leonhard (2000) underlines the importance of kinship and community networks for providing assistance in insecure economic environments, as those prevailing in the informal economy. Meagher (2005) expresses the view that social networks represent an important concept for the analysis of the informal economy and its role in the process of economic change. While the ILO considers the absence of formal regulation as the key defining characteristic of the informal economy (ILC, 2015), Meagher (op.cit.) affirms that the SSE provides an alternative, flexible regulatory framework embedded in popular relations of solidarity and trust. The SSE, therefore, fills a regulatory vacuum by self-regulating informal economy activities. Hence it would be mistaken to regard the informal economy as an 'unorganized' sector, as some French-speaking scholars did in the 1980s, when they called it the 'secteur non-structuré'. Ridell (1992) observes that informal economy operators act within a social exchange system whereby goods and services are transferred by mechanisms such as reciprocity and redistribution. Kinyanjui (2010) notes that informal economy associations often exercise multiple functions simultaneously, such as market regulation, social assistance and community cohesion, while Kanbur (2021) applauds the emergence of new forms of social organizations in the informal economy, relying on modern technologies to provide support and advocacy to informal economy operators.

Between 2018 and 2020, the German Friedrich-Ebert Foundation (FES), in collaboration with the ILO and the German Development Institute (DIE), carried out comprehensive surveys on the informal economy, covering 10,800 households in six sub-Saharan African countries: Benin, Côte d'Ivoire, Ethiopia, Kenya, Senegal and Zambia. In this endeavour, I was responsible for formulating fifteen questions designed to explore the organizational density and the characteristics of informal economy organizations in the informal economy of these six countries, and for analysing the survey results from that perspective. The survey confirmed that over half (54.2 per cent) of all respondents were members of an organization (any type), with significant variations between the six countries, as shown below (FES, forthcoming):

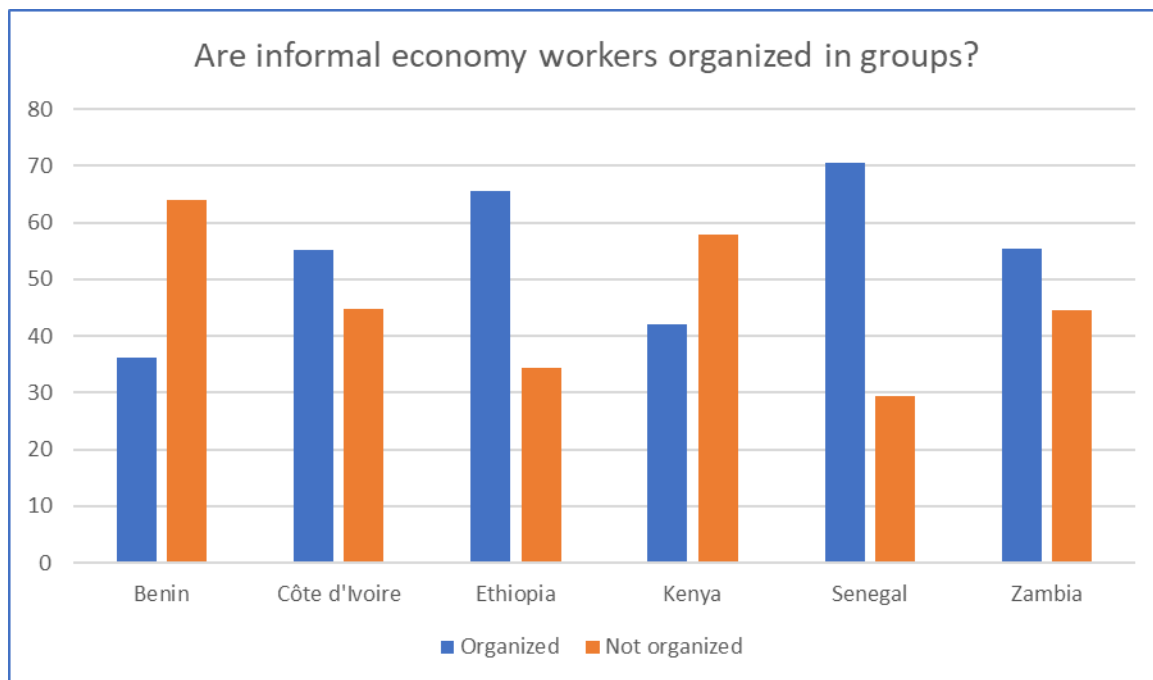


Figure 2:9: Percentage of informal economy actors affiliated with a group

I had expected an even higher degree of organization in the informal economy since I have, during my professional practice, personally encountered a great variety of SSE organizations, many of which impressed me by their extraordinary diversity, creativity and flexibility. The FES survey assessed also the degree of formality of the groups and associations on the basis of the criteria listed in Table 2:14. This high degree of formality is encouraging, since it suggests that indeed, informal economy associations can build a bridge between the formality and informality.

Degree of formality of informal economy groups							
Indicator	Benin	Kenya	Senegal	Zambia	Ivory Coast	Ethiopia	Average
Registered or formally recognized	46.4	67.1	55.3	85.2	39.1	56,0	58.2
Account keeping	73.9	86.2	77.7	90.5	71.1	75,3	79.2
Permanent operations	76.5	86.5	84.3	88.9	78.1	74,7	81,5
Average	65.6	79.9	72.4	88.2	62.8	68,7	73.0

Table 2:14: Degree of formality if informal economy groups

In a growing number of African countries, local grassroot initiatives have formed national informal economy umbrella organizations. Brown and Lyons (2010), for instance, report that the Tanzanian Association of Small Businesses (VIBINDO) has achieved considerable status,

representing about three hundred associations with a combined membership of 40,000 people. Mali's national federation of artisans (FNAM) comprises 1,226 associations with over 70,000 members, active in 94 different informal economy occupations (FNAM, 2020). The Zimbabwe Chamber of Informal Economy Associations (ZCIEA) was founded in 2002 as a representative body of informal economy actors engaged in small unregistered or unincorporated enterprises. The Malawi Union for the Informal Sector, a trade union, also established in 2002, represents around 5,000 informal economy actors. Greve (2017) reports from Senegal that two umbrella federations of street vendors are at the helm of 27 associations with 12,400 individual members. Streetnet, a global alliance of street vendors founded in 2002, operates as an advocacy and knowledge-sharing platform; it has members in 24 sub-Saharan African countries (Streetnet, 2021)

The proliferation of member-based organizations in Africa's informal economy is a response to the inability of a 'lean state', whose service-delivery capacity has been severely constrained by neoliberal policies (see section 2.2), to deliver essential services to its population. Agricultural marketing and supply cooperatives are replacing parastatal marketing boards which were closed down under structural adjustment; community-based health insurance schemes extend basic protection to those who remain out of reach of downsized Social Protection Agencies; credit unions offer affordable financial intermediation to low-income households which are not of interest to commercial banks; informal economy umbrella organizations lend voice and representation to informal economy actors not covered by formal social dialogue structures. The SSE therefore plays an essential, if not irreplaceable, and yet not sufficiently recognized role in reducing decent work deficits and furthering sustainable development in the informal economy. For this reason, informal economy actors (be they subsistence farmers, own-account workers, micro-entrepreneurs, wage workers or family members) appear as the appropriate target group to explore the SDG-SSE-DWA relationship and interaction (see Chapter 5: of my thesis).

2.2 DEVELOPMENT AND CO-OPERATION IN A NEOLIBERAL AFRICA

In this section of the literature review I aim to theoretically contextualise my work within related academic literature on neoliberalism. This review of the nature and impact of neoliberal reforms in Africa provides an orienting frame for the analysis of the role of

cooperatives in furthering sustainable development and decent work. Indeed, neoliberal policies imposed upon sub-Saharan Africa since the 1980s have had a profound and largely adverse impact on the five key areas in which my publications reside; sustainable development, decent work, cooperatives, the social and solidarity economy, and the informal economy.

2.2.1 Defining neoliberalism

The term ‘*neoliberalism*’ lacks a universal definition. Springer et.al. (2016) describe it as a slippery concept that means different things to different people, and, recalling that scholars have examined an array of conceptual categories in theorising various relationships to neoliberalism, conclude that neoliberalism should be considered a multi-disciplinary and expansive concept. Far from being just an economic concept, neoliberalism has been branded a ‘political project’ (Hanlon, 2018), as ‘global social engineering’ (Harrison, 2013) or as a form of class struggle that dispossesses the working class for the benefit of capital accumulation (Harvey, 2006). From the perspective of the developing world, in particular sub-Saharan Africa, neoliberalism has been generally perceived as a neo-colonial endeavour, imposed by rich countries upon poorer nations (Radice, 2005).

A comparison between classical liberalism and neoliberalism sheds some light on the features distinguishing the two concepts, as shown in Table 2:15:

Comparing definitions	
Liberalism	Neo-liberalism
‘A political programme or ideology whose goals include most prominently the diffusion, deepening and preservation of constitutional democracy, limited government, individual liberty, and those basic human and civil rights which are instrumental to any decent human existence’. (Thorsen and Lie, 2003:7).	‘Neoliberalism is in the first instance a theory of political economic practices which proposes that human well-being can best be advanced by the maximization of entrepreneurial freedoms within an institutional framework characterized by private property rights, individual liberty, free markets and free trade’. (Harvey, 2006:145)

Table 2:15: Liberalism versus Neoliberalism (author’s own, 2020)

Table 2:15 reveals that the prefix ‘*neo*’ reduces classical liberalism’s ‘*basic human and civil rights*’ to mere ‘*private property rights*’, which mean little to those who own nothing. The

definition of neo-liberalism makes no reference to democracy; as a matter of fact, neoliberal policies have been, and are being, pursued by democratic as well as dictatorial regimes²⁵. Neo-liberals, while not fully espousing the laissez-faire approach²⁶ of their liberal forefathers, envision a state whose 'only legitimate purpose (...) is to safeguard individual, especially commercial, liberty, as well as strong private property rights' (Thorsen and Lie, 2003:14). The neo-liberal policy agenda typically includes measures to privatise, deregulate and 'liberate' the economy, and calls for severe tax cuts, the squeezing of welfare, education, and health spending, the abolishment of public subsidies, the devaluation of the national currency, all for the sake of improving a country's macro-economic environment (Jones and Kiguel, 1994). Fifty year earlier, Polanyi (1944:2) defended the thesis 'that the idea of a self-adjusting market implied a stark utopia. Such an institution could not exist for any length of time without annihilating the human and natural substance of society; it would have physically destroyed man and transformed his surroundings into a wilderness'. It is probably not by coincidence that in the same year when Polanyi deplored the commodification of labour, the 26th session of the International Labour Conference, convened by President Roosevelt in Philadelphia, solemnly declared that '*labour is not a commodity*' (ILC, 1944).

2.2.2 Structural Adjustment – neoliberalism in Africa

Neoliberal policies became popular among conservative Western governments towards the end of the 1970s. Prominent advocates of neoliberalism were Margaret Thatcher (UK Prime Minister 1979 to 1990), Ronald Reagan (US President 1981 to 1989) and, to a lesser extent, Helmut Kohl (German chancellor from 1982 to 1998). These leaders actively spread neoliberal policies through the so called '*Group of Seven*' (G7: Canada, France, Germany, Italy, Japan, UK, US) which, at its establishment in 1976, controlled almost two thirds of global GDP (World Bank, 2020a), was by far the world's largest provider of development aid, and held 52.57 per cent of the voting rights at the World Bank (World Bank, 1976). Its dominant role on the global scene allowed the G7 to inject neoliberal principles into

²⁵ As an example, the dictatorial Pinochet regime in Chile (1973-1990) pursued strictly neoliberal policies with strong backing from the US government (Connell and Dados, 2014). Hasting Banda, who presided over Malawi from 1964 to 1994, could be considered a 'neoliberal dictators'

²⁶ An approach whereby economic decisions are guided solely by market forces, without intervention by the state. Keynes observed a close relationship between the laissez-faire principle and Darwinism (Keynes, 1926).

international development cooperation strategies. Neoliberalism provided the conceptual foundation for the so-called '*Structural Adjustment Programmes*' (SAPs) conceived by the World Bank (which modestly calls itself '*the Bank*') and the International Monetary Fund (IMF, 'the Fund'), and swiftly supported by many bi- and multilateral donors, including the African Development Bank (Hecan, 2017). In the late 1970s/early 1980s, when many African countries faced a severe debt crisis²⁷, their governments saw no alternative but to adopt SAPs as a condition *sine qua non* for the disbursement of funds they needed so desperately to repay their debts. The first-generation SAPs in sub-Saharan Africa were devised to address the (alleged) key problems of African countries' economies: unsustainable levels of debts, weak management of the public sector, price distortions and price controls, overvalued exchange rates, subsidised credits, and high wage costs; all of these factors were perceived as increasing the cost of '*doing business*' and discouraging local and foreign investors (Heidhues and Obare, 2011). Jones and Kiguel (1994) define SAPs as programmes meant to establish a market-friendly incentives that encourage the accumulation of capital and a more efficient allocation of resources. The SAPs drew their policy prescriptions from the 'Washington Consensus'²⁸, characterised as a set of ideas generated in the global North and imposed on the global South' (Connell and Dados, 2014). Green (1998) also pointed out that that at their inception, SAPs in sub-Saharan Africa were very much led, designed and driven by the Bank, despite substantial African opposition and very little effective African participation or support from African countries themselves.

As the Bank drove through with its policies, Owuso (2003) bemoans that the SAPs effectively replaced any form of development planning in Africa for the next decade, whilst African leaders all but surrendered their right to design and implement their own policies for their countries. Sallah (2016:1073) noted that the IMF/World Bank's structural adjustment and economic recovery programmes were grounded in the widespread belief 'that African countries were transitioning into the global capitalist economy (through the framework of free-market neo-liberal policies) and as a result, economic policy has entirely concentrated

²⁷ Green and Khan (1990) report that from US\$8 billion in 1970, the total external debt of African countries (excluding arrears) had by the end of 1987 risen to US\$174 billion, including short-term debt estimated at US\$12 billion.

²⁸ A term coined by John Williamson (2009) in early 1989, to describe a standard package of ten economic reform measures, including those mentioned in this paragraph. The Washington Consensus was never formally adopted, but the term was commonly used in the 1990s and the first decade of the 21st century.

on fostering capitalist endeavour in these societies'. Harrison (2013) observed that SAPs were imposed as a template upon all African states with very little variation, as if the continent was a single space. Kingston (2011) recalls from the time that the IMF's 2,500 staff dictated the economic conditions of the lives of over 1.4 billion people in 75 developing countries. Ridell (1992) came to the acrimonious conclusion that hundreds of economists worked for over a quarter of a century to work out the SAPs, only to cause outright chaos and misery in sub-Saharan Africa. Harrison (2013) also affirms that neoliberalism entails the forced opening up of non-Western economies to Western influence, imposing Western models of society on non-Western social forms throughout the rest of the world. Indeed, between 1980 and 1993, about 70 developing countries were subjected to a total of 566 stabilisation and structural adjustment programmes (Ismi, 2004); turning to sub-Saharan Africa, Ridell (1992) found that between 1980 and 1991, every single country in that region, except Botswana and South Africa, had implemented at least one SAP-related programme, and some as many as ten. Even worse, Easterly (2005) found that the top-12 African countries receiving adjustment loans had contracted between 1980 and 1999 a total of 225 such loans, spent on average 13.6 years 'under adjustment', while their average GDP per capita had shrunk by 0.5 per cent on average. No matter what situation the highly diverse countries found themselves in, the remedy was forever the same: SAP. Mosse (2007) noted that the so-called professionals of all kinds endeavoured to establish against all experience the notion that socio-economic and technical change is brought about by generalizable policy ideas; and that 'global knowledge' produced by international organisations occupies a transcendent realm that stands above particular contexts. Polanyi (1944:148) accurately described SAPs long before they were invented:

"The repayment of foreign loans and the return to stable currencies were recognized as the touchstone of rationality in politics; and no private suffering, no restriction of sovereignty, was deemed too great a sacrifice for the recovery of monetary integrity. The privations of the unemployed made jobless by deflation; the destitution of public servants dismissed without a pittance; even the relinquishment of national rights and the loss of constitutional liberties were judged a fair price to pay for the fulfilment of the requirement of sound budgets and sound currencies, these a priori of economic liberalism".

The first generation of SAPs was designed under the premise that economic growth equals development. A second generation, devised in the 1990s, added the '*good governance*'

criterion to the list of conditionalities that governments were to meet to obtain concessional loans from the IMF (Oringer and Welch, 1998). Scholte (2005) observed that the traditional SAP recipes, such as privatisation, liberalisation and deregulation, were now complemented by measures to address corruption and improve transparency and financial codes and standards. It is not without coincidence that the 'good governance' principle was added shortly after the fall of the Berlin Wall; the subsequent end of the Cold War meant that Africa's (then mostly authoritarian) regimes could no longer count on the rivalry between the erstwhile protagonists of the East and the West to extract financial support and gain political protection (Decalo, 1992). Moreover, as Herbst (1990) recalls, structural adjustment made the political climate much riskier for leaders while weakening the central apparatus of the state on which rulers have long relied to stay in power. The ensuing political dilemma increased even further the power and influence of the World Bank and the IMF.

The Bank and the IMF continued imposing SAPs until the end of the 20th Century; these programmes yielded disastrous results: Naiman and Watkins (1999) observed, on the basis of data published by the IMF itself, that:

- Developing countries worldwide implementing structural adjustment programmes had experienced lower economic growth than others, and African countries had seen their per capita incomes decline;
- The average amount of per capita government spending on education had declined between 1986 and 1996;
- In sub-Saharan Africa debt rose as a share of GDP from 58% in 1988 to 70% in 1996.

Reporting on behalf of the World Bank, Jones and Kiguel (1994) observed that, after a decade of SAPs, not a single African country had achieved a 'sound macroeconomic stance', i.e., low inflation, low budget deficit and a 'competitive' exchange rate. Therefore, the authors concluded, more adjustment was needed, not less. The Bretton Woods Project (2019), analysing 'volumes of documents', concluded that millions of people had been negatively impacted by Bank and Fund policies, and that those policies had failed to achieve their stated objectives, and instead supported an economic order that benefited elites and private sector interests at the expense of poor and marginalised communities. Charmes et.al. (2018) noted that SAPs introduced 'user fees' for hitherto free medical services, thereby excluding the greater part of the population from social security and protection.

Working in Cameroon at the time, I witnessed first-hand the catastrophic effects of the 50 per cent devaluation of the Franc CFA, the common currency of 14 mostly French-speaking African countries, dictated in January 1994 by the IMF, thereby doubling the price of all imported goods overnight. A joint World Bank/SAPRIN study (SAPRIN, 2002) concluded that adjustment had made employment more precarious and less remunerative, while employees had lost much of their bargaining power; inequality had increased, family incomes had decreased, the incidence of child labour had grown, and the informalization of labour had become more pervasive. The ‘liberalization’ of labour laws had augmented the vulnerability of workers, just as the ‘liberalization’ of agricultural marketing systems had thrown small farmers into disarray. Easterly (2005) concluded dryly that, if the original objective of SAPs was adjustment with growth, there was no not much evidence that structural adjustment lending generated either adjustment or growth.

2.2.3 Neoliberalism, Decent Work and Sustainable Development

Facing mounting criticism of its policies (Bretton Woods Project, 2019; Easterly, 2005; Oringer and Welch, 1998), the World Bank decided in 1999 to replace structural adjustment with its ‘*Comprehensive Development Framework*’ (CDF) which, at the country-level, was translated into ‘*Poverty Reduction Strategy Papers*’ (PRSPs). These two instruments represented a major departure from development strategies that the World Bank and the IMF, under structural adjustment, had imposed upon poor countries (Cheru, 2006). While the PRSPs continued pursuing neoliberal recipes, they maintained the good governance principle, added a social dimension to economic reforms, and sought to strengthen country ownership through participation and civil society engagement (Harrison, 2013). However, the same author stressed that governments which are highly dependent on external funding will formulate PRSPs in a way that pleases the World Bank and the IMF (op.cit.). The PRSPs renewed focus on poverty reduction was further underscored by the Bank’s second World Development Report (WDR), published in the year 2000 under the title ‘*Attacking Poverty: Opportunity, Empowerment, and Security*’ (World Bank, 2000). Mosley (2001) observed that the expression ‘empowerment’, which appeared prominently in the WDR, was a completely new add-on to the orientation of the first WDR, published in 1990, which recommended labour-intensity, investment in human capital and social safety nets as the most efficient anti-poverty strategies. In the WDR’s terminology, empowerment meant democratisation,

decentralisation, and measures to build social capital. In 1999, the IMF joined the anti-poverty crusade, rebranding its erstwhile 'Enhanced Structural Adjustment Facility' as 'Poverty Reduction and Growth Facility.'

The PRSPs came into being very much at the same time as ILO's Decent Work Agenda (DWA). The DWA, introduced in 1998, was designed as a social agenda whose four pillars – job creation, social protection, labour rights and social dialogue – stand in stark contrast to what Macnaughton and Frey (2018) calls an ideology of market fundamentalism, which considers economic growth as the sole avenue to development and social progress. Piasna et.al (2020) recall that the decent work approach had been launched not least to re-establish the ILO's influence at a time when the Washington Consensus was at its most influential. Plant (1994:10) reports that 'World Bank economists see government regulations of wages, mandatory contributions to social funds, job security and, collective bargaining as 'distortions' in an otherwise ideal world'. While Decent Work was absent from the first PRSP generation, some elements of the DWA, mainly employment and social dialogue, appeared in later versions of the papers (Hughes and Haworth, 2011).

The World Bank's/IMF's replacement of SAPs with PRSPs and the design of ILO's DWA coincided with the proclamation in the year 2000, by the UN General Assembly, of the Millennium Development Goals (MDGs), which shifted the attention of development policy makers from their erstwhile, almost exclusive focus on economic growth as a development indicator to the overarching goal of halving poverty by 2015. A broad consensus on this goal had been achieved at the 1995 World Summit on Social Development in Copenhagen (whose Chair, Juan Somavia, was elected ILO Director-General in 1998). The MDGs were adopted after protracted negotiations involving the UN, the OECD-DAC group and the Bretton Woods institutions, under the condition that the World Bank retained authority over the PRSP process (Hulme, 2007). All three, the DWA, the MDGs and the PRSPs, reflected a broad, albeit not universal consensus, reached at the dawn of the 21st century, that people mattered more than profit. This consensus laid the foundation for the emergence of a human-centred approach to development as an alternative to neoliberalism (Nagani, 2016; ILC, 2019).

Environmental and cultural aspects, however, remained largely absent from the PRSPs. Human rights were mentioned in some of them, mostly cosmetically (Fukuda-Parr, 2007),

and decent work appeared neither in the PRSP framework nor in the MDGs. It took another 15 years to blend the objectives of poverty reduction, economic growth, social justice, human rights, decent work, environmental responsibility and good governance into an overarching, universal framework, namely, the 2030 Agenda for Sustainable Development, adopted by the UN General Assembly in September 2015. Agenda 2030 certainly represents a more balanced and more comprehensive development framework than the MDGs and, certainly, the SAPs; it does, however, still feature neoliberal connotations. For example, the wording of SDG 8 '*Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.*' insinuates that employment creation is an automatic and natural outcome of economic growth, which it is not²⁹. While SDG 8 refers to 'decent work', its associated targets refer to employment and labour rights only; the DWA's social protection pillar is referenced in SDG targets 1.3 (social protection floor) and 3.8 (universal health coverage), whereas the term 'social dialogue' is 'paradoxically' absent from the 2030 Agenda (Hermans, et al., 2017).

2.2.4 Cooperatives and the SSE in a neoliberal Africa

Forty years of neoliberal reforms (from 1980 to 2020), attenuated in later years through poverty alleviation and social assistance programmes, had a profound impact on the continent's cooperative movements. SAPs inevitably reduced the role of the State to its basic regulatory function so as to unleash the free market's 'invisible hand' (Smith, 1776). Economic growth as the engine for social development and poverty alleviation became the central platform of the Bank's lending policy (Hughes and Haworth, 2011). Cooperatives, which hitherto had been under state control in many sub-Saharan African countries, found little space nor resonance in a neoliberal environment. Kalmi (2007), when analysing the occurrence of the term 'cooperative' in economic textbooks, argued 'that the main reason for the disappearance of that term was the paradigm shift from institutional to neoclassical analysis, which led to a neglect of the potential of cooperatives in addressing social problems. Structural adjustment policies forced governments to cut subsidies and privileges accorded to cooperatives, to withdraw marketing and supply monopolies, to shut down

²⁹ Empirical evidence presented by Page and Shimeles (2015, p. 18) shows that this has not been the case. They observe a 'strong negative relationship between the rate of growth and the employment growth across Africa', with Africa's fastest growing economies, including Ethiopia, Rwanda, Tanzania, and Uganda having the lowest employment growth rates, mainly because economic growth was driven by rising mineral prices and discoveries, rising commodity prices and fewer mistakes in economic management.

marketing boards and parastatal agencies, and to significantly reduce the personnel of governmental cooperative development departments and colleges. As a result, the majority of state-dependent cooperatives rapidly collapsed, leaving behind thousands of smallholder farmers who suddenly lost access to markets and to vital support services. Birchall (1997) clarified, though, that the old paradigm of co-operative development through state promotion was dead even before the era of structural adjustment. Wedig and Wiegratz (2018) found that the neoliberal restructuring of African agriculture through structural adjustment programmes has had debilitating effects on smallholders who experienced reduced access to finance, technologies and supporting infrastructure. Focusing on Côte d'Ivoire, Woods (2000) noted that most rural cooperatives had ceased to function as a result of the economic crisis of the 1980s, while the few that survived had done so because of local village initiatives. Quite naturally, this grassroots movement resulted in a great deal of variation across Côte d'Ivoire (a country inhabited by 60 different ethnic groups) in terms of the dynamics of rural associations. In some Ivorian regions, rural cooperatives survived despite the economic crisis and the retreat of the state. Maugé (1996) reported from Senegal that some leaders of the cooperative movement felt that the state was abandoning cooperatives and the ideals they embodied, in order to encourage a more liberal mode of development that was more in line with the demands of donors (e.g., 'the Bank'). This included the promotion of 'socio-professional organisations' that should take over 'transferable tasks' from the state. Vingwe et.al. (1996) testified from Zimbabwe that agricultural cooperatives were severely affected by structural adjustment, since, on the one hand, they lost guaranteed markets and stable prices after the abolishment of marketing boards, while, on the other, the prices for agricultural inputs were escalating when price controls were lifted.

The impact of SAPs on African cooperatives is discussed in greater detail in papers 1, 2 and 4 of my portfolio. Suffice it to recall that the collapse of state-controlled cooperatives paved the way for the emergence in the mid-1990s of a more diverse and heterogeneous '*social and solidarity economy*' (SSE) which includes, in addition to cooperatives, a multitude of self-help organisations, as discussed in section 2.1.2. Favreau (2003) observed that the shrinking room for manoeuvre of the governments of the South, namely in their redistributive function had compelled the citizens of these countries to develop new forms of solidarity

and mutual aid, both economic and social, in order to resolve their most crucial problems. Ndiaye and Boutillier (2011) noted that the destruction of public services and the impoverishment of the populations in developing countries caused by SAPs had favoured a mushrooming of survival solutions, many of which were part of the SSE. Wanyama (2013) went further even by stating that it was indeed neoliberalism that provided the 'springboard' for the SSE to emerge in Africa. The deregulation of administrative procedures and the down-scaling of public services under SAPs had broadened the space for a wider range of SSE organisations to lawfully exist, while at the same time creating the urgent need for such organisations to fill the vacuum, in terms of service delivery, that a receding state had left behind. Jackson (2012) recalls that the SAPs left huge gaps to be filled by informal economy initiatives in areas including shelter, employment, law and order, transportation, refuse collection, trade and household credit supply. Referring to Tanzania, Bee (2013) noted that the re-emergence of the SSE in his country had been triggered by the massive retrenchment of employees in parastatal agencies, the push by international aid agencies for the establishment of civil organizations in 'fashionable' areas such as gender, youth, environment and human rights, and the need to fill the gap left by the state in the delivery of social service. Leonhard (2000) believes that social support networks can to some extent reduce the social unrest governments may face in attempting to implement SAPs. Defourny and Develtere (1999) recall that during the structural adjustment period, the SSE was mobilised to frame collective responses to a spectrum of people's most vital needs in society. The SAPs neoliberal onslaught on African economies and societies had created a situation for the poor – in particular smallholder farmers and urban informal economy operators – not too different from the conditions that prevailed 150 years earlier in the poverty-stricken workers' quarters of Manchester; the solution found by the African citizens has been quite similar to the one developed by the Pioneers of Rochdale, who established the world's first cooperative: self-help and mutual assistance. On the other hand, advocates of a neoliberal agenda might welcome SSE initiatives as a 'cheap solution' to reduced state responsibilities with respect to social and environmental prerogatives (Poirier, et al., 2018). Bompani (2011) noted that religious organizations – many of which belong to the realm of the SSE - were the most significant non-state providers of basic social services to the poor in Africa. She saw the proliferation of faith-based organizations as a direct result of growing poverty, inequality and social exclusion brought about neoliberal economic policies.

Charmes et.al. sees the proliferation of community-based health insurance schemes (which belong to the SSE) in sub-Saharan Africa as a response to the SAP-induced social protection reforms, which made medical care unaffordable to most. Similar developments happened elsewhere; as Saguier and Brent (2017) stress that neoliberal policies in Latin America helped to rekindle traditional practices of production, exchange, consumption, and solidarity finance.

Neoliberalism has not disappeared. Bird, et.al. (2021) deplores the consolidation of neoliberalism in recent decades, despite the sort of shocks which ought to have shattered its internal logic and fatally undermined its foundations. The current, conservative governments of the UK and Brazil (to name just two) are re-applying neoliberal policies, albeit sprinkled with protectionist elements; David Malpass, the 13th President of the World Bank, is expected to pursue the same neoliberal policies as the now defunct Trump administration, which nominated him for the post in 2019. Multilateralism is on the retreat, thereby weakening the pertinence of multilateral frameworks such as the DWA and the SDGs. Dozens of Heads of State travel every year to the World Economic Forum, none attends the World Social Forum. The rate of GDP growth continues to serve as the most important (and visible) development indicator among the 232 indicators associated with the 2030 Agenda. In this environment, locally rooted, democratically controlled, financially viable and people-centred SSE organisations and businesses are needed more than ever to foster *sustainable* development and *decent* work.

Chapter 2 of my thesis offers a comprehensive literature review of the subjects represented by the five focus areas of my research terrain, plus a critique of neoliberal policies. The next chapter introduces the seven publications of my portfolio, and extracts their contribution to knowledge.

Chapter 3: CONTRIBUTION TO KNOWLEDGE, POLICY AND PRACTICE

In distilling forty-one years of professional practice in development cooperation, this thesis is based on a selection of papers published during the latter years of that period; it represents an effort to articulate theoretically relevant insights gained from field engagement with cooperative members, leaders, regulators and promoters in sub-Saharan African, complemented by policy debates with government officials and development practitioners, researchers, advocates and financiers at the country, regional and global levels. These insights will be enriched by the findings of extant literature in the relevant thematic fields as a means to generate a theorized storyline that contributes new elements to the existing body of knowledge (Golden-Biddle and Locke, 2011). In a sense, my thesis is an attempt to overcome a dilemma that in Seibel's words (2006:49) reads as follows: 'Academic research generates scholarly publications which practitioners do not read. Practitioners face challenges which scholars do not address. They speak different languages and move in



Figure 3.1: The triple storyline of my professional practice (author's own)

different worlds.’. I hope that my thesis, which feeds the experience of a practitioner into the universe of academic research, will bring these two worlds together. My theorized storyline comprises three parallel, yet related streams, as depicted in Figure 3:1; the triple storyline within which my thesis is grounded stretches from practical, hands-on field work with small-scale coffee producers in a rural municipality in South-Western Cameroon to the co-design of international development frameworks through UN processes. The common elements binding together the 12 boxes of Figure 3:1 are: (i) cooperatives and the SSE; (ii) development cooperation, decent work, sustainable development and the role of the state; and (iii) sub-Saharan Africa as the socio-cultural context. These three elements – discussed in greater detail in the literature review – constitute the borders delimiting the terrain within which the seven publications of my portfolio reside. These publications, derived from professional practice rather than academic research, will be critically examined through the lens of extant academic literature; this process of academic reframing is the purpose of the present section, which subjects each publication to a literature review, and provides a critical account of how each of them makes a coherent and significant contribution to knowledge, practice and policy.

Publication 1 evaluates the response strategies that cooperative movements and governments in three African countries had adopted in view of the challenges posed by structural adjustment; it concludes that such strategies will be successful *only* if cooperative movements themselves are involved in their design and implementation. *Publication 2* examines the role of cooperatives in creating employment in the African context, concluding that greater efforts should be deployed to promote ‘non-traditional’ cooperative ventures beyond the realm of agricultural marketing and supply. The *third publication* proposes a methodology to assess the potential contribution of cooperatives to the economic dimension of the Sustainable Development Goals (SDGs), and applies this methodology to identify the most ‘cooperative-sensitive’ SDG targets. *Publication 4* recounts, in a very condensed fashion, the history and current status of cooperatives in Africa before formulating recommendations towards enhancing the role of cooperatives in sustaining the development of individuals, communities and nation-states in Africa. The *fifth publication* focusses on the informal economy which, in sub-Saharan Africa, provides livelihoods and incomes to almost 90 per cent of the labour force; it concludes that *organizing* is key to

reducing the severe decent work deficits prevailing in Africa's informal economy. *Publication 6* proposes a methodology to analyse the relationship between two global agendas, i.e., Decent Work and Sustainable Development, and determines, using this methodology, a limited number of SDG targets which are most relevant to the DWA. The *seventh publication* discusses the role of cooperatives and similar organizations in a rapidly and profoundly changing world of work; it calls for the emergence of new forms of cooperation which are compatible with the future of work. Table 3:1 below situates the seven publications of my portfolio within the scope of my thesis; cells shaded in dark grey indicate a primary (strong) relationship between the publications and the elements of my thesis, those in light grey a secondary (moderate) relationship:

The portfolio of publications											
N°	Year	Short Title	Methodology	Format	Pages	Relevance					
						Africa	SDGs	DWA	Coops	SSE	Infor- mality
1	1993	Coops in economies under reconstruction	Qualitative research: field visits and interviews in 3 countries	Book chapter	13						
2	1997	Coops and employment	Quantitative research	Report	53						
3	2014	Coops and the SDGs	Conceptual	Report	15						
4	2014	Coops in Africa	Empirical: quintessence of several hundred field missions	Report	19						
5	2020	Organizing in the informal economy	Literature review and empirical	Book chapter	34						
6	2017	Decent work for sustainable development	Conceptual and methodological	Web platform	109						
7	2019	Coops and the Future of Work	Literature review	Book chapter	23						

Table 3:1: Format, approach and thematic relevance of the publications contained in my portfolio

The seven publications illustrate my storyline which is grounded in professional practice before being theorized through the literature review. The outputs of this theorized storyline have made contributions to:

- *Knowledge*: identifying the synergies and complementarities between decent work, sustainable development, cooperatives and the SSE (the very gist of the present thesis) in the anticipation that these commonalities will inform the periodic review of the SDGs³⁰.
- *Policy*: by redefining the relationship between cooperatives and the State, later codified in section II of ILO Recommendation 193 (ILO, 2002) which triggered legal reforms in over 60 countries (ILO, 2015); and by broadening the concept of 'cooperatives' to that of the social and solidarity economy, which has been embraced by the UN system through the formation of the UNTFSE (2020);
- *Practice*: by developing a method and an algorithm to systematically explore the relationship between cooperatives and the SDGs, and between the DWA and the SDGs.

3.1 PUBLICATION 1: CO-OPERATIVES IN ECONOMIES UNDER RECONSTRUCTION: CAMEROON, TANZANIA AND UGANDA (1993)

When this article appeared, the number and size of structural adjustment programmes implemented in Africa was about to peak (see page 64). In those years, many hitherto single-party and/or military regimes were struggling not only with SAPs, but with popular demands for free elections and multiparty systems as well. Decalo (1992) recalls that, when the Berlin Wall fell in 1989, 38 of the 45 nations of sub-Saharan Africa were governed by single-party regimes; 18 months later, over half of them had committed themselves to multi-party elections. Cameroon, Tanzania and Uganda introduced multiparty systems as well, and yet all three are governed in 2020 by the same political party as in 1993, and two of them, Cameroon and Uganda, are still ruled by the same head of state (Paul Biya in Cameroon since 1982, Yoweri Museveni in Uganda since 1986).

³⁰ The SDG review process comprises three main streams: (a) Thematic reviews of clusters of SDGs by the UN High-Level Political Forum on Sustainable Development (HLPF); (b) Voluntary national reviews of the implementation of the SDGs at the national and sub-national levels; and (c) the preparation by the UN Secretary-General of an annual Sustainable Development Report (UNGA, 2020)

I served at the time as ILO Regional Advisor on Co-operatives for Eastern, Southern and Central Africa, with duty station in Kinshasa, Zaire³¹. When the Plunkett Foundation³² asked me to write an article on 'Co-operatives in Economies under Reconstruction in Africa' I chose from within this region three countries that I was most familiar with: Cameroon³³, Tanzania and Uganda. Although the three countries had different historical, cultural and societal backgrounds, their economic structures were fairly comparable since the economies of all three depended to a large extent on export-oriented agriculture, a sector in which agricultural marketing and supply cooperatives played a critical role.

The article is based on is the outcome of around 300 in-depth, face-to-face interviews with cooperative members and leaders, government officials, UN agencies and development partners that I conducted in the course of 14 field missions undertaken on behalf of the ILO and the United Nations Development Programme (UNDP):

- Five visits to *Cameroon* between March 1989 and April 1993 (19 working days in total) to finalize and later backstop the country's cooperative reform programme;
- Six visits to *Tanzania* between July 1991 and June 1993 (53 working days) to formulate several cooperative development projects, support the University of Dar-es-Salaam in carrying out a 'cooperative management training needs assessment study', and to assist the Government of Tanzania in designing a cooperative reform programme;
- Three visits to *Uganda* between April 1991 and April 1992 (28 working days) to assist the Uganda Cooperative Union (UCA) in designing a project document for the establishment of a 'Cooperative Management Institute'.

Face-to-face interviews were complemented by the review of relevant grey literature (national development strategies, UN and World Bank documents, cooperative statistics and

³¹ A country which itself went through a difficult and violent transition during my stay there (October 1988 to November 1991); the multiparty regime was abandoned in April 1990, a national sovereign conference was convened in July 1991, and a violent military uprising erupted in September 1991.

³² The Plunkett Foundation, established in 1919 in Oxford, served at the time as a clearinghouse of information on agricultural co-operation in the English-speaking world. It has in recent years refocused on the promotion of 'community businesses' in the UK (Plunkett Foundation, 2021)

³³ I had been posted in Cameroon as cooperative advisor from January 1979 to October 1987; during the last two years of this assignment, I had become intensely involved in efforts to reform the hitherto state-controlled cooperative system.

accounts, project documents etc.), and newspaper articles. The findings and contribution to policy distilled from this work and presented in publication 1, suggest that cooperative reform programmes will succeed only if (a) the cooperative movements themselves play a significant role in designing them and (b) all parties involved (governments, cooperative leaders and members, development partners) are fully committed to their success. While this appears obvious today, it was far less common knowledge at a time when the World Bank and the IMF had the power to enforce 'adjustments' *against* the will of governments and the people. In Cameroon, government and the officials of parastatal cooperatives exercised a form of passive resistance to somehow delay the cooperative reforms process designed and implemented by the Bretton Woods institutions, without much participation or enthusiasm from national stakeholders. In Tanzania, on the contrary, government had decided to steer the cooperative reform itself process whereas in Uganda, it was the cooperative movement that assumed a leading role in designing and implementing the reform process. The Ugandan movement had been able to play this role because its apex body, the Ugandan Cooperative Alliance (UCA), was an independent, member-based, national apex organization equipped, as Bibangambah (1993) noted, with a revolutionary vision and a determination for a fundamental change. Many years later, Wanyama (2013) reaffirmed that Uganda could be seen as one of the best examples of structural reengineering of the cooperative movement. Ushirika, the Tanzanian counterpart to the UCA, was unable to do the same since it had lost much of its credibility through its past role as a 'mass organization' of then ruling party. Hussi et.al. (1993) stressed that Tanzania's government-controlled and party-affiliated cooperatives failed to attract the committed participation of their members. Maghimbi (2010), referring to efforts to revive the once flourishing Tanzanian cooperative movement in the early 1980s, recalled that cooperative members had become disenchanted with cooperatives and distrusted the sincerity of the efforts to revive cooperatives. In Cameroon, where no national cooperative apex organization ever existed, the movement had no voice nor representation at the national level. Hence, the article identified the leadership by a strong, determined and independent cooperative apex body as a key factor for the success of cooperative reform programmes, which at the time were being implemented in numerous African countries.

The article concluded with the prediction that the collapse of state-controlled cooperatives would open space for new cooperatives to spontaneously emerge ‘in all regions and in all economic sectors’. This has not happened in Tanzania where the cooperative movement remains ‘motionless’ and subject to significant, but largely uncoordinated government interference (Sambuo and Msaki, 2019). In Uganda, the movement saw a bottom-up revival after the dramatic decline of top-down cooperatives in the 2000s (Nannyonjo, 2013; Bibangambah, 1993; Wanyama, 2013). In Cameroon, legal reforms adopted in 1994 paved the way for the mushrooming of so-called ‘common interest groups’ which replaced cooperative structures in many parts of the country, and became the forerunners of what is known today as the social and solidarity economy. Indeed, in 2019, Cameroon became one of the first African countries to adopt a legal framework for social economy units (law 2019/04), and to establish a government department in charge of the social economy.

Publication 1 has been one of the many mosaic pieces the ILO assembled to draft its report on the ‘Promotion of Cooperatives’ (ILO, 2001b) which in 2002 led to the adoption of Recommendation 193, (which bears the same title) by the 90th session of the International Labour Conference, held in 2002 in Geneva. This can be considered the publication’s contribution to policy.

3.2 PUBLICATION 2: CO-OPERATIVES AND EMPLOYMENT IN AFRICA (1997)

I wrote publication 2 after my transfer, in April 1994, from ILO’s Yaoundé country office to the ILO Cooperative Branch in Geneva, where I was responsible, inter alia, for an international programme on the reform of cooperative policies, laws and support institutions, as well as for the design of the cooperative component of a major ‘Jobs for Africa’ programme which was being formulated by the United Nations Development Programme (UNDP) and ILO at the time. Hence, it became important to provide an estimate of the number of jobs created by cooperatives in Africa, and to formulate recommendations towards maximizing their employment-creation potential through ‘Jobs for Africa’; this then was the purpose of publication 2.

I applied quantitative research methods to collect the data reported in publication 2, using the following sources:

- A total of 119 mission reports prepared after as many field visits that I had undertaken as Regional Advisor to some 30 African countries between October 1988 and April 1994. During these missions I established 2.384 individual contacts and visited 342 cooperative organizations (Schwettmann, 1994). 15 additional missions took place to African countries between the date of my transfer to Geneva and the completion of publication 2.
- A questionnaire dispatched to all (governmental) cooperative departments and all cooperative apex organizations in Central, Eastern and Southern Africa with the request to provide data on the number of jobs created by cooperatives in Africa.
- Secondary literature, including grey literature such as project documents and progress reports, as listed in the annex to publication 2.

Publication 2 provided, for the first time, an estimate of the '*cooperative density*' (expressed as the percentage of cooperative members in the total population) in Africa. Based on data from 30 countries this ratio was estimated at 7 per cent. Although dating back to 1997 the cooperative density reported in publication 2 is still frequently quoted since no alternative, comparable, continent-wide figure has been published before or after, with the exception of my publication 4. The publication's second contribution to knowledge refers to the *number and type of jobs* that cooperatives create; here, data from 15 countries suggest that cooperatives in these countries had generated 626,375 *direct* job opportunities, of which 467,735 jobs in worker-owned cooperatives and 158,640 salaried jobs in client-owned cooperatives. The number of jobs created *indirectly* by cooperatives is far greater, since it could reasonably be assumed that the 13.9 million members of agricultural marketing and supply cooperatives in 30 African countries derived their livelihood from the pre- and post-harvesting services provided by cooperatives. Moreover, publication 2 identified the *cooperatives' comparative advantage* in creating jobs that distinguishes them from other forms of private business or the public sector (pages 8 and 9 of publication 2); this can be considered a contribution to policy.

The role of cooperatives in promoting (self-) employment in Africa was and remains under-researched; an MMU library literature review with the keywords 'cooperatives +employment +Africa' (all three words to appear in the abstract) yields just 63 results, with none of those 63 papers covering the entire scope and spectrum of the topic. A search with

the parameter 'allintitle:cooperatives employment Africa' in Google scholar yields just one result, i.e., publication 2. Most articles discussing the role of cooperatives in creating employment confine their analysis on worker-owned cooperatives, which represent just a minor fraction of the global cooperative movement³⁴. The subject of 'cooperatives and employment' was discussed in depth at an Expert Group Meeting³⁵ organized by the UN Department of Economic and Social Affairs (UN DESA) in May 2006 in Shanghai, but it was not until 2014 that the International Cooperative Alliance published a global report on cooperatives and employment (Roelants, et al., 2014), followed by a second edition in 2017 (Hyungsik, 2017); the latter estimated the number of persons deriving their livelihood from cooperatives at 279.4 million across 156 countries including 27.2 million working directly in cooperatives and 252.2 million self-employed, mainly in agriculture.

Publication 2 included a compilation of experiences, methods and tools for employment creation through cooperatives which emphasized the importance of non-traditional types of cooperatives (other than those engaged in agriculture, savings and credit or retail business) for the diversification of jobs and livelihoods, such as worker-owned enterprises, labour-contracting cooperatives, social service cooperatives and cooperative networks of small enterprises. These non-traditional forms of cooperatives still remain very much the exception in Africa, but other forms of social and solidarity economy organizations are spreading on the continent (as discussed earlier in this thesis), where they contribute to creating jobs and improving livelihoods in rural areas and the urban informal economy.

³⁴ A worker cooperative is an employee-owned business whose workers are also members and owners of a collective enterprise. The International Organisation of Industrial and Service Cooperatives (CICOPA), which represents this type of cooperatives, estimates their number at 65.000 with 4 million members in 33 member-countries (of which only 2 in Africa), out of a total of 3 million cooperatives with 1.2 billion members in 109 countries (ICA, 2018b) (CICOPA, 2021)

³⁵ UN-DESA, a unit of the UN secretariat, serves the United Nations Economic and Social Council (ECOSOC). Within UN-DESA, the Division for Inclusive Social Development (DISD) coordinates the cooperative development activities of the UN system, and prepares the bi-annual UN Secretary-General Report on Cooperatives. UN DESA organizes every year several Expert Group Meeting on a wide range of subjects, including cooperatives (<https://www.un.org/development/desa/dspd/2021-meetings.html>) .

3.3 PUBLICATION 3: THE ROLE OF COOPERATIVES IN ACHIEVING THE SUSTAINABLE DEVELOPMENT GOALS - THE ECONOMIC DIMENSION (2014)

In 2014, when publication 3 was put on paper, the UN system and the international development community were intensely involved in the ‘post-2015’ process, which had been launched in 2012 to determine the future global development results framework that would replace the Millennium Development Goals (MDGs), set to expire in 2015. I served at the time as Director of the ILO Partnerships and Development Cooperation Department (PARDEV) which, together with other units, worked towards the integration of ILO’s Decent Work Agenda into the post-2015 framework (see section 2.1.4.2). Because of this role and my background in cooperative development, the UN Department of Economic and Social Affairs (UN DESA) invited me as a speaker to an [Expert Group Meeting](#) on ‘The Role of Cooperatives in Sustainable Development: Contributions, Challenges and Strategies’ (Nairobi, December 2014), and requested me to contribute publication 3 as a resource paper to the meeting.

By the end of 2014, the list of the 17 future SDGs and their 169 targets had been finalized by the Open Working Group (see 2.1.4.1), and was awaiting endorsement by the UN General Assembly, convened for September 2015. Not much had been written about the possible role of cooperatives in achieving the SDGs, with the exception of Wanyama (2014) whose report, however, was based on the 12 goals and 54 targets proposed earlier by the ‘Secretary-General’s High-level Panel of Eminent Persons on the Post-2015 Development Agenda’ (2013), rather than on the more detailed, granular and all-inclusive SDG and targets.

I conducted the analysis of the potential contribution of cooperatives to the economic dimension of the SDG in two stages. As a first step, I assessed how cooperatives feature in nine key documents published by the UN in the run-up to the SDGs (see text box on page 1 of publication 3); it was quite sobering to note that the word ‘cooperative’ appeared just 12 times in a total of 521 pages of UN literature – a rather poor record for a movement representing over one billion individuals throughout the world. In a second step, I proposed a methodology to identify among the 169 SDG targets those that are both ‘economic’ in

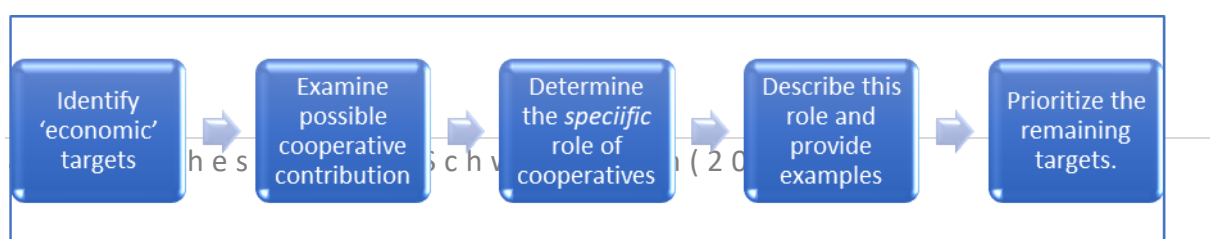


Figure 3.2: Methodology applied to identify cooperative-relevant SDG targets (author's own)

nature and most likely to benefit from the involvement of cooperatives. This methodology is illustrated in Figure 3:2 below:

The methodology, as a contribution to practice, is explained in greater detail on pages 4 and 5 of publication 3; its application identified 31 SDG targets as most ‘cooperative friendly’, of which 3 were most likely to benefit from the involvement of cooperatives, as shown in Figure 3:3 below:

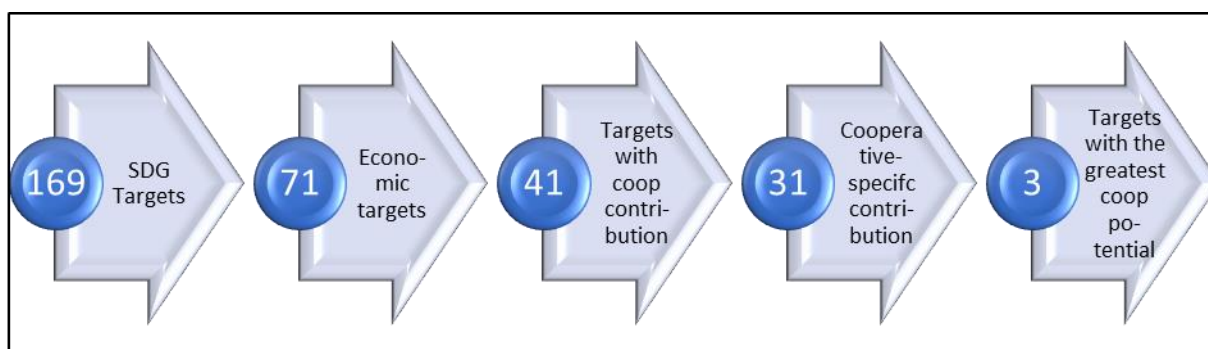


Figure 3:3: The most 'cooperative-friendly' SDG targets (author's own)

Publication 3 includes a table listing the 31 ‘cooperative-friendly’ SDG targets, pin-pointing their cooperative-specificity, and providing concrete examples of cooperative action in support of the respective target; this is the publication’s contribution to knowledge. The publication’s contribution to policy is twofold:

1. Despite its size, global outreach and economic might, the international cooperative movement was largely ignored in the design and content of the 2030 Agenda for sustainable development. *Having missed the opportunity to co-design the Agenda, the movement should focus on playing an active role in implementing it, both at the global, national and local levels.*
2. In theory, cooperatives could contribute to each and every of the 169 SDG targets; but to achieve impact and gain visibility, *the movement should focus on a limited number of targets which offered the greatest potential for cooperative action.*

The first point insinuates a disconnect between the UN processes leading to the adoption of the SDGs and the advocacy strategy of the international cooperative movement. The 2012 International Year of Cooperatives (IYC) (UN, 2011) would have provided an extraordinary

entry point to influence the post-2015 debate, but the events organized to celebrate the IYC had little or no impact on the post-2015 agenda, despite the fact that the IYC's first objective was to 'Increase public awareness about co-operatives and their contributions to socio-economic development and the achievement of the Millennium Development Goals' (ICA, 2013:2). Likewise, the 'Blueprint for a Cooperative Decade' (ICA, 2013) is silent about the MDGs and the post-2015 process. The second point argues that cooperatives should concentrate their energy and potential on just a few SDG targets so as to increase impact and visibility; this has happened to a limited extent only. The 'Coops for 2030' campaign launched by the ICA in 2017 (ICA, 2017b) proposes four 'action areas' in which cooperatives could achieve the greatest impact: environment, basic goods and services, food systems and poverty eradication, thereby limiting the number of relevant SDG targets. The Committee for the Promotion and Advancement of Cooperatives ([COPAC](#)), has, on the other hand, published 17 policy briefs to demonstrate that cooperatives can contribute to each and every SDG (ILO-COPAC, 2020). Likewise, the resolution adopted by the 2019 ICA General Assembly reaffirms 'that the nature of the cooperative enterprise model corresponds to the interlinkages and the interdependencies amongst the 17 SDGs' (ICA, 2019), without any prioritization.

3.4 PUBLICATION 4: COOPERATIVES IN AFRICA – SUCCESS AND CHALLENGES (2014)

Publication 4 was meant as a contribution to an International Symposium on '*Cooperatives and Sustainable Development Goals: The Case of Africa*', organized in September 2014 by the Friedrich-Ebert Stiftung³⁶. The paper can be seen to some extent as the quintessence of (then) 35 years of field work in the promotion of cooperatives in Africa; it is based on thousands of interviews with cooperative members, leaders, researchers and promoters, government officials and development partners during my professional life (see page 10), and recorded in hundreds of mission reports, complemented by literature review (including grey literature) and the compilation of statistics on cooperatives.

The history of cooperatives in Africa is a history of alienation (during the colonial period), indoctrination (post-independence), resignation (structural adjustment) and emancipation

³⁶ Founded in 1925 the Friedrich-Ebert-Stiftung (FES) is the oldest political foundation in Germany; it is closely related to the Social Democratic Party and the trade union movement.

(at present). As these four stages are further discussed in publication 4, as well as in the literature review sections on neoliberalism (see section 2.2) and on ‘cooperatives in Africa’ (section 2.1.1.2), they shall not be repeated here.

Publication 4 contributed three elements to knowledge:

1. It provided up-to-date statistics for 13 countries to show that the ‘cooperative density’ on the African continent had remained stable at about 7 per cent of the population during a twenty-year period (1994 – 2013).
2. It found that the average membership per cooperative society had declined from 334 in the 1990s to 164 in 2014, a development caused in all likelihood by the disappearance of large, state-run cooperatives and the emergence of smaller, localized grassroots initiatives³⁷.
3. It substantiated the positive and unique contribution that cooperatives, because of their very nature and principles, can make to the achievement of all four objectives of the Decent Work Agenda and, thereby, to the SDGs.

Few scholars have devoted their research interest to the role and status of cooperatives in Africa, especially not in recent years, as shown in Table 3:2 below:

Results of literature research on cooperatives in Africa (January 2021)								
Search Term	MMU Library (journals and books only)		Google scholar		Base ³⁸ (journals and books only, no quotation marks)		Google	
	All	Since 2016	All	Since 2016	All	Since 2016	All	Since 2016
‘Cooperatives in Africa’	57	15	558	164	505	295	201,000	17,600
‘Coopératives en Afrique’	11	1	75	7	112	36	52,600	2,160
‘Cooperativas en África’	0	0	17	5	54	26	24,700	2,150
‘Genossenschaften in Afrika’	2	0	24	2	2	0	12,600	277

Table 3:2: Results of a literature research on cooperatives in Africa (January 2021)

³⁷ In my final report as ILO regional advisor (1994) I noted that in the 27 countries that I had been covering the total number of cooperative societies was 69.919, with a total membership of 26.264.932, resulting in an average membership of 376.

³⁸ Base stands for ‘Bielefeld Academic Research Engine’ (<https://www.base-search.net/>) which provides access to over 168 million documents from 8000+ sources.

In most cases, the documents referenced by the search engines relate to very specific case studies focusing on a local community somewhere in Africa, rather than providing an overview of the situation of cooperatives on the entire African continent.

Reviewing the history of cooperatives in Africa, publication 4 came to the policy conclusion that, taking into account the societies, economies and traditions of the African nations, the traditional, Western-style cooperative pattern needed to be complemented by the more flexible and adaptable social and solidarity economy model; SSE organizations were already flourishing on the continent, in particular in the informal economy, since *‘the proliferation of social economy initiatives in Africa was triggered by the liberalization, deregulation and democratization process of the 1990s, and the legislative reforms that ensued’* (page 13 of publication 4). This process would allow *cooperatives in Africa* to become *African cooperatives*.

3.5 PUBLICATION 5: ORGANIZING [IN] THE INFORMAL ECONOMY - FOCUS ON TRADE UNION ACTION IN SUB-SAHARAN AFRICA (2020)

Publication 5 was initially commissioned in 2017 by the Friedrich-Ebert Foundation (see footnote 36) as a policy brief grounded in a systematic literature review. This policy brief was then used as a resource for 16 advisory missions which I carried out, on behalf of the FES, between 2017 and 2019 to nine African countries (Benin, Burkina Faso, Côte d’Ivoire, Kenya, Namibia, Tanzania, Togo, Uganda, and Zambia). The insights and data gathered during these missions informed later issues of the paper, an updated and expanded version of which was presented at the third ‘Global Knowledge Sharing Forum on the Transition to Formal Economy’, held in November 2019 at the International Training Centre in Turin. This version was included as a chapter into the book ‘Transition to Formality and Structural Transformation’ (Lapeyre and Islam, 2020) published by the ILO in March 2020.

With 69.2 per cent, sub-Saharan Africa has the highest labour force participation rate of all regions in the world, compared with a global average of 62 per cent in 2017. According to the most recent estimates, non-agricultural employment in the informal economy represents 76.8 per cent of total employment in sub-Saharan Africa; when agriculture is included, the proportion reaches 89.2 per cent (ILO, 2018a). The vulnerable employment rate – the share of own-account workers and unpaid family workers in total employment –

was estimated at 72 per cent in sub-Saharan Africa in 2017; extreme working poverty³⁹ on the continent was estimated at 36 per cent, and moderate working poverty at 24 per cent (ILO, 2018b). Based on data from 38 African countries Galdino et.al (2018) report that the contribution of the informal economy to GDP exceeds 25 per cent in all of them, and 50 per cent in three (Nigeria, Tanzania, Zimbabwe). These figures bring to light the ubiquity and singular significance of the informal economy for the labour markets and economies of sub-Saharan Africa, where *formal* employment relationships are the privilege of a fortunate minority. Informal economy workers are affected by a multitude of decent work deficits in terms of livelihoods, income, labour and human rights, social protection, and voice and representation. Publication 5 argues that the formation by informal economy workers of self-help groups, professional associations, credit unions or cooperatives provides an effective means to reduce such deficits; the publication offers numerous examples and case studies to underscore this argument.

The publication contributes to:

- *Knowledge* by identifying innovative measures allowing informal economy workers and employers to engage in social dialogue and collective bargaining processes despite the informal nature of their employment relationship;
- *Policy* by providing, on the basis of case studies, six policy options for the involvement of trade unions in organizing the informal economy;
- *Practice* by offering guidance on the extension of social protection to the informal economy through a hybrid scheme that combines centralized oversight and risk pooling with the decentralized, community-based collection of fees and the management of local health facilities.

With more than half of the global labour force deriving its livelihood from informal economy occupations (ILO, 2018a) it is not surprising that the subject has become central to the Decent Work Agenda; ILO Recommendation 204 on the transition from the informal to the formal economy (ILC, 2015) gave a major boost to global efforts towards improving living and working conditions in the informal economy, as I (2019) reported in a parallel

³⁹ Moderate and extreme working poverty rates refer to the shares of workers living in households with income or consumption per capita between US\$1.90 and US\$3.10 per day (PPP) and less than US\$1.90 per day (PPP), respectively.

paper on informal economy policies. Agenda 2030, however, largely ignores an economic sphere which occupies half of humanity (see section 2.1.5.2), a startling observation when considering that the informal economy, because of its flexibility, its capacity to innovate, its reliance on social capital and its rootedness in local areas, holds the key to sustainability (Ruzek, 2014). The lack of references in Agenda 2030 to informal economy actors may stem from the fact they are not represented at the global level, where such frameworks are crafted. This observation underscores the importance of ‘organizing the informal economy’, i.e., the title of publication 5.

3.6 PUBLICATION 6: DECENT WORK FOR SUSTAINABLE DEVELOPMENT – THE COMPANION (2017)

This component of my portfolio was published as a [digital platform](#), designed to illustrate the relationship between the Sustainable Development Goals and the Decent Work Agenda. In 2016 I was asked by ILO’s Department for Multilateral Relations to develop a practical guidebook on the SDG-DWA relationship; to accomplish this task I needed to devise a methodology for which no prototype was available. I proceeded in four steps:

1. I mapped the 169 SDG targets against the 35 indicators (grouped under ten policy outcomes) of ILO’s Programme and Budget (P&B) for 2018-19, which operationalizes the DWA for a two-year period. This resulted in a total of 5,915 *potential* SDG-DWA associations (169 * 35).
2. I analysed those associations one by one on a spreadsheet with the above dimensions, and inserted a code into those cells that seem to offer a plausible relationship between the two agendas (SDGs and DWA). The code referred to the three dimensions of the SDGs (Economic, Social and environmental (or Climate)) and the four pillars of the DWA (Jobs, Protection, Rights, Dialogue), plus an ‘I’ in instances where this relationship was seen as most ‘Intense’. For example, the intersection between SDG target 1.3 (social protection floor) and P&B indicator 3.3 (extension of social protection) would warrant the code ‘PSI’.
3. I inserted into the spreadsheet a formula that associates each code-letter with the ascending power of ‘2’: ($2^0 = 1 = \text{J}$, $2^1=2 = \text{P}$, $2^2=4 = \text{R}$, etc.), so that each possible combination of letters would yield a unique numerical value, ranging from 0 to 255,

i.e., equivalent to 8 bits or 1 Byte; the code **PSI** would yield the value 162. This technique permits the filtering of all relevant associations by DW pillar and/or SD dimension, using the Boolean operator 'AND' as a thief:

Filtering SDG-DWA Associations								
Bit number	1	2	3	4	5	6	7	8
Power of '2'	2 ⁰	2 ¹	2 ²	2 ³	2 ⁴	2 ⁵	2 ⁶	2 ⁷
Numerical value	1	2	4	8	16	32	64	128
Value assigned to code:	J	P	R	D	E	S	C	I
If set then	1	1	1	1	1	1	1	1
Filter 'PSI'	0	1	0	0	0	1	0	1
Result of a Boolean 'AND'	0	1	0	0	0	1	0	1
Numerical value of PSI	0	2	0	0	0	32	0	128

Table 3:3: Filtering SDG-DWA Associations

The result of this exercise is given in Table 3:4 below, which indicates the number of P&B indicators per SDG, and the number of SDG targets per ILO policy outcome:

Associations between The SDGs and the ILO Programme and Budget					
Number of P & B Indicators per SDG			Number of SD Targets per P & B Indicator		
SDG 1	Poverty	20	PO 1	Employment Policy	40
SDG 2	Hunger	5	PO 2	Labour Standards	22
SDG 3	Health	1	PO 3	Social Protection	12
SDG 4	Education	4	PO 4	Enterprises	15
SDG 5	Gender	14	PO 5	Rural Economy	27
SDG 6	Water	0	PO 6	Informal Economy	15
SDG 7	Energy	0	PO 7	Labour Inspection	16
SDG 8	Jobs	79	PO 8	Unacceptable forms of work	20
SDG 9	Industry	9	PO 9	Labour Migration	13
SDG 10	Equality	42	PO 10	Workers/Employers	29
SDG 11	Cities	0			
SDG 12	Sustainability	1			
SDG 13	Climate	1			
SDG 14	Oceans	0			
SDG 15	Ecosystem	0			
SDG 16	Justice	19			
SDG 17	Partnerships	14			
Total		209			209

Table 3:4: SDG-DWA relationships (by the author)

- The final step consisted of validating those 209 associations through interviews with some 40 concerned ILO officials; once validated, the 209 associations were grouped into 24 thematic clusters representing ILOs principal work streams. For each thematic

area I prepared a text introducing the theme and its relationship with the two agendas, and providing relevant resources and hyperlinks. The draft text was shared for comments and suggestions with the heads of the relevant technical units at ILO headquarters, before being finalized and printed in a few hard copies, and published on the Internet as a web-based data base, i.e., the [DW4SD digital platform](#), which has become quite popular: a Google search with any of the thematic areas (for example: employment-rich economic growth) will in many cases point to the relevant entry of the DW4SD platform.

I consider the methodology described above as the publication's contribution to practice, since no alternative procedure or mechanism was available at the time to identify the area of congruence between the two global agendas. In applying this methodology, I identified 10 SDGs (out of 17) and 41 SDG targets (out of 169) which presented the greatest potential for the mutual reinforcement of decent work and sustainable development. This then is the publication's contribution to knowledge. As a matter of fact, the entire publication was meant as a contribution to practice.

3.7 PUBLICATION 7: COOPERATIVES AND THE FUTURE OF WORK (2019)

The seventh paper of my portfolio was originally prepared as a contribution to the 'Co-operatives and the World of Work Research Conference' organized by the International Co-operative Alliance's Committee on Co-operative Research (ICA CCR) in November 2015 in Antalya, Turkey. Thereafter, it was proposed for inclusion as a chapter into a book titled 'Cooperatives and the World of Work' which, after a lengthy process of editing, was eventually published in 2020 (Roelants, et al., 2020).

In 2013 Mr Guy Ryder, the ILO Director-General, launched seven so-called ‘Centenary Initiatives’ in the run-up to ILO’s centenary celebrations, including the ‘Future of Work’ initiative (ILC, 2013). In his opening address to the 2013 International Labour Conference (ILC) Guy Ryder presented the Future of Work initiative (FoW) as an umbrella and point of convergence for the other six centenary initiatives⁴⁰. From then onwards, the FoW topic began occupying the centre of attention of ILO constituents, staff and partner organizations, culminating in the adoption by the 2019 Centenary ILC of the ‘Centenary Declaration⁴¹ for the Future of Work’ (ILC, 2019). The FoW initiative is presented in greater detail in the [thematic area 9](#) of publication 6 in my portfolio.

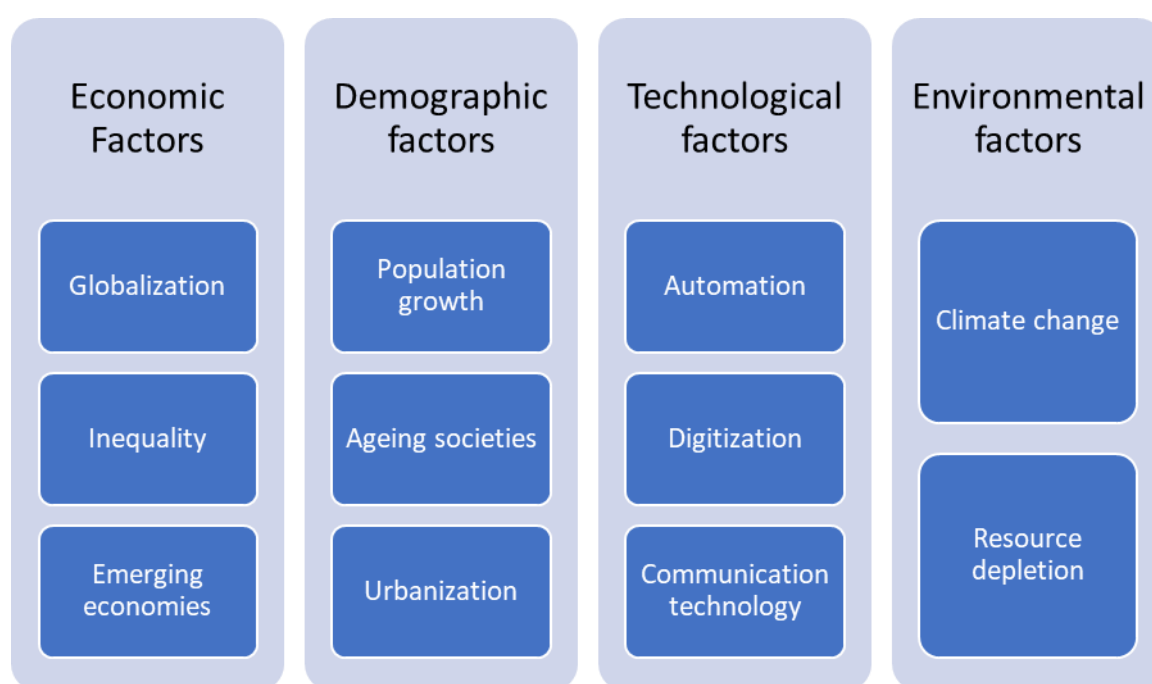


Figure 3:4: Global trends affecting the world of work (author's own)

As a contribution to knowledge, publication 7 identified the main global trends that will shape the Future of Work, and assessed how cooperatives worldwide would be affected by these global trends, and how they might reinforce positive and attenuate negative developments occurring in the world of work. The publication is based on a systematic

⁴⁰ Namely: Poverty Initiative; Enterprises Initiative; Women at work Initiative; Green Initiative; Standards Initiative; Governance Initiative.

⁴¹ Declarations are resolutions of the International Labour Conference used to make a formal and authoritative statement and reaffirm the importance which the ILO constituents attach to certain principles and values. In its 101 years of existence the ILC has adopted not more than six Declarations.

literature review, complemented by interviews with cooperative leaders and researchers and concerned ILO officials. It is structured in three parts, namely:

- The global trends shaping our future (see Figure 3:4);
- The positive and negative impact of those trends on the world of work in developing and in industrialized countries.
- The role of cooperatives in the changing world of work.

The article came to the (not really novel) conclusion that the current economic system, which is based on growth as the sole measure of progress, was no longer sustainable, and called for a transition from neoliberal capitalism to a post-growth (or de-growth) society. This relates to the discussion on neoliberalism in the literature review (see page 64), as well as to the 2030 Agenda whose goal 12 calls for ‘sustainable consumption and production patterns’. Cooperatives, the article argued, could play a key role in driving such a transition since the cooperative values and principles provided the foundation for a fairer and more sustainable economic system. This was a relatively new concept in the Future of Work debate; while scholars agree that the future organization of work will be self-organized, self-managed, participatory, people-centred and, above all, decentralized (Malone, 2004), few mention cooperatives as a possible, if not desirable option within a rapidly evolving world of work. The 2019 World Development Report entitled ‘The changing nature of Work’ (World Bank, 2019) does not mention cooperatives or the SSE at all. This notwithstanding, the cooperative model, and the SSE in particular, has amply demonstrated its flexibility and adaptability while responding to changes in society and economy:

- Cooperatively-managed village shops have filled the vacuum that the disappearance of retail trade in rural areas has created (Press, 2014);
- In the EU, 1,500 renewable energy cooperatives are addressing the challenge of global warming caused by the combustion of fossil fuels (RESCOOP.EU, 2020);
- The growing number of Internet-based platform cooperatives or SSEOs are offering valid alternative to privately-owned platform businesses, such as Uber and AirBnB, which are considered as ‘trojan horses for inequality and precarity’ (Ridley-Duff and Bull, 2021:4);

Open-source movements (such as Wikipedia, Linux and Mozilla) are not platform cooperatives per se, but their members and contributors comply with cooperative principles. The number of platform cooperatives is likely to grow since ‘platform-based workers typically lack the expectation of coverage for illness, injury and retirement’ while cherishing ‘independent livelihoods and a departure from the drudgery and discipline of an old-fashioned job’ (Schneider, 2020). In Finland, a new, distinct type of cooperatives of self-employed entrepreneurs has emerged since the 1990s (Puusa and Hekkila, 2020). Publication 7 concludes ‘that Internet-based forms of cooperation may facilitate the transition from a future of work characterized by unstable employment relationships, isolated workplaces, greater informality, and lack of representation and protection towards one with more autonomy but also decent work’ (publication 7:52). Bajo (2015) believes that this development will entail the diversification of representation of cooperatives [at the ILO] through other movements such as consumers, informal economy workers and the social and solidarity economy.

3.8 CONTRIBUTION TO KNOWLEDGE: KEY THEMES

The seven publications, produced over a period of 27 years, differ vastly in terms of structure, format, length, thematic area, research method and intended audience; their respective contributions to knowledge vary as well, being related to empirical, statistical, conceptual and methodological aspects. This stems from the fact they were all prepared ‘on-demand’, for specific events or purposes, rather than with the aim of systematically occupying a well demarcated academic terrain. Given these differences and deficits, all seven publications share common traits:

- The publications were meant to provide information, advice and ideas to development practitioners and cooperative and SSE promoters;
- They are all related to at least one of the five areas of focus of my thesis, and at least one dimension of my ‘triple storyline’ (see Figure 3:1);
- They are all anchored in the realm of development cooperation, which provides both the context and the orientation of my professional practice;
- They all highlight the omnipresence of the informal economy in the developing world in general, and in sub-Saharan Africa in particular.

The process of ‘academic retrofitting’ of the seven publications has made it possible to embed all of them into a coherent outfit, as shown in Figure 3:1 on page 76. All seven publications contributed to knowledge, policy and/or practice in different ways:

Portfolio of publications: contribution to knowledge, policy and practice			
Publication	Knowledge	Policy	Practice
1. Coops in economies under reconstruction	Success factors for cooperative reform programmes	Elements for ILO R.193	
2. Coops and employment in Africa	Cooperative density and number of jobs created by coops	Coops comparative advantage in creating jobs	Focus on non-traditional cooperatives
3. Coops and the SDGs	Identification of the 31 most coop-friendly SDG targets	The most effective way in which coops can pursue the SDGs	Methodology for identifying coop-friendly SDG targets
4. Coops in Africa	Coop density and size in Africa	From coops to the wider SSE	
5. Organizing the informal economy	Measures allowing informal economy workers to engage in social dialogue	Policy options for trade union involvement in the informal economy	Guidance on the extension of social protection to the informal economy
Decent work for sustainable development	The 41 most DWA-friendly SDG targets		The entire publication is meant as a contribution to practice
Coops and the future of work	Global trends shaping the FoW, and coop response	Rationale for the promotion of new types of coops	

Table 3:5: Contribution to knowledge, policy and practice

These various contributions have furthered practical and sustainable outcomes, including the decision by the 341st session of the ILO Governing Body (March 2021) to include a General Discussion on the relationship between the SSE and the DWA on the agenda of the 110th session of the International Labour Conference. The conclusions of this General Discussion will reinvigorate the role of the ILO and other partners in the promotion of the SSE.

Chapter 3 provides a summary of the seven publications of my portfolio, and extracts the contributions to knowledge they have made. The next chapter will critically reflect on the methodology applied to write those publications, and on several theoretical and political aspects of my thesis.

Chapter 4: CRITICAL REFLECTIONS

This chapter offers a critical assessment of my research and its various components, taking into account methodological, theoretical/conceptual and political aspects.

4.1 METHODOLOGICAL ASPECTS

Publications 1, 2, 3, 4 and 7 of my portfolio examined the strengths and weaknesses of the cooperative concept in developing countries, in particular in the African context; publication 6 analysed and documented the relationship between the SD and DW Agendas, identifying areas of congruence and dissimilarity. Publication 5 investigated the role of the wider SSE in the context of Africa's informal economy. I believe that, taken together, these seven publications paint a sufficiently realistic and fairly accurate picture of the five areas of focus of my research terrain, and that their empirical findings amount to a coherent body of knowledge (Bell and Thorpe, 2013). This being said, none of these publications was written for an academic purpose, nor in an academic style. The facts and figures underlying publications 1 to 5 were compiled during field visits, through interviews with cooperative members and leaders, government officials and development partners. The people in the sample I interviewed typically included the heads of cooperative apex organizations, officials working in (governmental) cooperative departments, and the principals of cooperative colleges, plus the leaders and members of primary cooperatives that I was able to visit, as well as representatives of workers' and employers' organizations. These interviews were usually scheduled in advance by the respective ILO field offices, and followed a standard template of issues to be raised and data to be compiled. In most instances, the scheduled meetings often led to further, ad-hoc encounters which provided additional, often unexpected insights. The interview templates were designed to obtain as much data and information as possible on the status of the country's cooperative movement, including informal types of cooperatives, and the legal, institutional and policy environment in which it evolves, a snapshot of which is provided in appendix II. The interviews were complemented by secondary data obtained from official statistics and information extracted from grey literature.

The compilation and analysis of the data compiled during field work was performed in a practice context – mostly to develop project documents – and did not necessarily follow academic conventions. This means, for example, that the group of persons interviewed was selected randomly⁴², and therefore did not always form a representative sample of the intended target community. This may have affected the significance of the research findings. Moreover, the official statistics used in my research were not always reliable, complete and/or up-to-date. This problem worsened when, during the structural adjustment period, the governmental cooperative departments in many African countries were downscaled so drastically that they lost the ability and motivation to collect statistics.

My research focused primarily on quantitative data since it had been my goal to compile a statistical picture of the cooperative movement in Africa as complete and accurate as possible. The focus on statistics may have led me to neglect the qualitative insights that one invariably gains through encounters with people in rural areas and the informal economy. While much of this qualitative knowledge is present in my memory in the form of hundreds of episodes and anecdotes, it has not been reflected in my publications. For a similar reason, i.e., the focus on formal cooperatives, I did not, prior to 2006, collect much information on social and solidarity economy organizations other than cooperatives in sub-Saharan Africa. As from 2006, when the SSE as a concept gained prominence in the ILO, I began collecting data and information on non-cooperative SSEOs whenever possible.

Depending on the nature of the research topic the quantitative data collected during field research was processed in different ways. For example, the study on cocoa-marketing cooperatives in Southern Cameroon (see appendix I) required a comparative analysis of the balance sheets and profit & loss accounts of fifteen large cooperatives, both in absolute terms and as a ratio of costs per ton of cocoa sold. I used the data gathered during the informal economy surveys carried out in six African countries between 2018 and 2020 to build the ‘formality index’ contained in Table 2:14. The design of project documents would typically call for the establishment of numerous baselines (at least one per project output,

⁴² This notwithstanding, the research conducted in 1986 (rural finance), 1986 (cocoa-marketing cooperatives), 1988 (tomato-paste factory), 1991 (cotton growers), 1999 (Jordan), 2005 (cooperative facility for Africa) and 2018 to 2020 (informal economy in Africa) involved representative samples of the target population (see appendix I).

for example, per capita income at present) and targets (per capita income in five years), and this would require the collection of comparative data from a variety of sources.

I should underline that the interviews were conducted in a practice context, and therefore not subjected to a formal ethical review process. They were nevertheless held in accordance with good ethical practice. When carrying out interviews in a village or an informal settlement I would always visit the Chief of that village first, to seek his permission. Before conducting an interview, I would explain its aim and purpose, and ask the interviewee for his or her consent, including for taking photos or recording a conversation. I would pay my utmost respect to all respondents, since the principles of respect for others (in terms of status, age, gender etc.) and of cultural sensitivity were central elements of the preparatory courses that I completed before serving as a volunteer in Cameroon. I should also mention that I obtained the MMU ethical approval for my research on 16 February 2020 (EthOS Reference Number: 16554).

The field research activities undertaken during my professional life can be considered as action research, a term for which many different definitions exist; in an attempt to capture the essential features of the term, Hult & Lennung (1980:247), affirm that action research ‘simultaneously assists in practical problem-solving and expands scientific knowledge, as well as enhances the competencies of the respective actors, being performed collaboratively in an immediate situation using data feedback in a cyclical process aiming at an increased understanding of a given social situation, primarily applicable for the understanding of change processes in social systems and undertaken within a mutually acceptable ethical framework.’

In my case, action-research included a continuous process of ‘accidental ethnography’, a term which Fujii (2015:527) defined as ‘moments of insight [that] arise by happenstance or chance’⁴³. Levitan et.al (2020) introduce accidental ethnography as a research method that allows practitioners-turned-researchers to utilize pre-existing data from their prior

⁴³ One example: during my volunteer years in Cameroon, I could not understand why there were so many half-finished buildings in the country. It was only after participating in a ‘rural finance sector study’ (Heidhues and Weinschenck, 1986) that I realized that these buildings served as piggy-banks: whenever the owner had some cash, he would buy material to bring the building a bit closer to completion, a process which could take well over a decade.

experience to explore important phenomena, thereby providing an avenue for bridging research and practice, i.e., the purpose of the present thesis (see, for example, footnote 43).

As a research methodology, action research is particularly well suited to the areas of cooperative development *and* development cooperation (as defined in section 1.1) since it is values-based (promoting a particular conception of the common good or human well-being), action-oriented (finding practical solutions to problems) and participatory (involving a collective process of knowledge generation and ultimately aim to democratise this process) (Poppewell & Hayman, 2012). In my role as a development worker, I was frequently invited to design projects that aimed either at improving the socio-economic conditions of disadvantaged population groups through collective action, or at strengthening the collective institutions those population groups had established, or both. This required a participatory approach, starting with a stakeholder analysis, interviews with members of the target group and other concerned stakeholders to construct a ‘problem tree’ (cause and effect analysis) through group discussions and visual tools, the determination of indicators, baselines and targets required to measure progress in implementing the project, the formulation of assumptions underlying the project’s design, and the identification of risks that may jeopardize the project’s success; these elements are required for the the design of a draft logical framework⁴⁴ that converts the ‘problem tree’ into a ‘solution tree’. This would then be followed by group discussions to validate the logical framework, by the finalization of the project document and its budget, and by the mobilization of resources to finance the project (ITC-ILO, 2010). This approach was applied in most of the field research activities listed in appendix I. The design, negotiation and finalization of a project document would typically require five to seven working days, during which I would conduct 30 to 50 interviews and collect numerous documents and statistics.

Gunbayi (2020) argues that action research offers several advantages, such as the direct link between research and problem solving and the joint development in terms of policy and practice that lead to changes in an organization; he nevertheless lists several action-research disadvantages, including a limited research scope, extra work load for practitioners, a

⁴⁴ The logical framework gives an overview of the objectives, outputs, activities and resources (inputs) of a project, and provides information about assumptions, indicators of success, and that the means of verification (Logframer, 2012).

sometimes atheoretical research approach, and the uneven relationship and balance of power between the researcher and the subjects of research.

This latter point highlights the importance of reflecting on the researcher's positionality when undertaking field research. Positionality refers to the stance or positioning of the researcher in relation to the social and political context of the study—the community, the organization or the participant group (Rowe, 2014). The term both describes a researcher's world view and the position he or she adopts about a research task and its social and political context (Holmes, 2020). Positionality is closely related to, and informed by, reflexivity, defined as a process of identifying preconceptions and pre-study beliefs (ibid.). My personal positionality has evolved over the years, very much in tandem with the evolution of my triple storyline (see Figure 3:1). At the beginning of my career, I was posted, at the age of 24, in a rural town in the South-West of Cameroon – as the only white persons among around 15,000 inhabitants. As a leftist, I believed that smallholder farmers were essentially 'good' people, because they were poor; I believed that cooperatives were 'better' than capitalist enterprises; I was convinced that colonialism was the root cause of the woes that afflict the African continent. During those years, I felt very much an *insider*, as a fully integrated and accepted member of the local community. But to 'say that one is an insider raises the question of 'What is it that an insider is insider of?' (Sharan B. Merriam, et al., 2001: 411). While my living conditions did not differ much from those of the other households around me, I was not a farmer and did not have any kinship relations in the country; moreover, I had a formal work contract and received a regular salary, was covered by health, life and property insurance (barely any household in town had such protection), – and I was European, not an African. Despite these differences, the power relations between me (as a volunteer) and the community members (small coffee farmers) were quite balanced. In this context, I personally might have felt as an insider, but was probably perceived as an outsider by most around me. As Holmes (2020) argues, the insider/outsider dichotomy should rather be seen as a continuum; a researcher may find him/herself on multiple positions on that continuum, depending on the research subject and other factors. The action-research that I conducted during those years was almost entirely devoted to finding ways to enhance the financial viability of 'my' cooperatives, three of which found themselves in a precarious economic situation. This research involved numerous interviews

and meetings with farmers, board members, local governments officials, and private sector representatives, where I sought to defend the interests of ‘my’ cooperatives and their farmer-members against interference by local authorities and the greediness of the (mostly Greek) coffee exporters. In this role, I was situated somewhere at the centre of the insider-outsider continuum.

In later years of my professional practice my positionality moved further towards the outsider role since my increasing income and rising status widened the gap between the ‘target group’ and myself. For example, while working in Addis Ababa as ILO Deputy Regional Director for Africa, I tried to initiate an action-research venture with the aim of improving the living and working conditions of three categories of particularly vulnerable informal economy workers: fuelwood carriers (all women), parking lot attendants⁴⁵ (all women) and shoe-shiners (mostly young men). After realizing that it was impossible to obtain any information from the members of these groups as a white, English-speaking man, dressed in a suit and driving a UN car, I developed a questionnaire and hired a local consultant to conduct the interviews. This approach allowed me to obtain quantitative data, but I lost access to the qualitative information which would have emerged from the direct contact with the target group. My positionality had made it very difficult to interact with ‘real’ people in the field. This has changed again after my retirement from the ILO in 2015: as an independent consultant, I have no position of power and do not appear as a ‘donor’; this has made it much easier to conduct action-research in the informal economy in sub-Saharan Africa appendix 1)

Other aspects of my positionality have changed as well. I no longer believe that *all* poor people are necessarily ‘good’ since I have witnessed in all my duty stations instances of poor people exploiting or cheating others who are equally poor. I still believe that colonialism has inflicted great damage on African nations, but I must admit that after sixty years of independence, many problems facing these countries must be considered home-made. I still believe that cooperatives and other SSEOs are ‘better’ than capitalist enterprises but, after having seen many failed SSE initiatives, I think that a more objective and pragmatic research

⁴⁵ At the time, the municipality of Addis Ababa left certain streets against a fee to so-called ‘investors’; those then acquired the right to manage parking spaces along those streets. The parking fees were collected by parking lot attendants who worked at their own risk, without contract or any form of social protection.

approach is needed when studying such initiatives. For this reason, I am rather critical of the self-congratulatory attitude of many SSE protagonists. What has not changed is my political orientation – and the colour of my skin.

I believe that the methodological limitations of my portfolio of publications stem from the nature of a PhD by Professional Practice, whose ‘route 3’ is meant for ‘candidates who are practicing in a working research environment with the objective of producing outputs in a professional context, which have not been subject to the academic peer review process.’ (MMU, 2019). This has been my case exactly. From an epistemological perspective, I would share the view that solidarity, as a moral concept and as a foundation for the SSE, is inherent to humanity. Such a proposition amounts to the rationalists’ notion of ‘innate knowledge’ (Markie, 2017). However, I also believe that innate knowledge must be warranted by empirical evidence. The empirical journey of my professional practice has on the one hand confirmed the innate knowledge that solidarity and cooperation are intrinsic to human society, while on the other emphasising that the *practice* of cooperation differs considerably between countries and ethnic groups. This then has influenced my positionality.

A second methodological, as well as theoretical challenge of my thesis relates to definitions. As discussed in section 2.1, two of the five focus areas of my research terrain lack a universal definition. The SSE is known under many different denominations and has been defined manifold ways, but none of these definitions has led to a universal agreement about the principles and components that constitute the SSE. Likewise, the concept of the informal economy, which was first theorized in the 1970s (Hart, 1985) before being discussed in close to a quarter of a million academic articles, still lacks an authoritative definition. Scholars consent that there is a continuum, not a dichotomy between the formal and the informal (Mhando and Kiggundu, 2018; Mbaye, et al., 2020), but fail to agree on what is meant by the term “informal economy”. My research terrain, therefore, is partly vague and uncertain; I hope that my thesis will add some clarity to two partly unclear concepts.

A third methodological issue relates to the perception that cooperatives and the SSE are inherently virtuous because they embody a distinctive set of undisputed principles and values that differentiate them from mainstream business. The advocates of such a position, who populate the cooperative and SSE universe, assert in essence that *cooperatives are worth being supported because they are cooperatives*. This belief has led to the

instrumentalization of cooperatives in numerous countries, as discussed in section 2.1.1.2. Bearing in mind the sobering experiences described therein, I share Birchall's view (1997) who stressed that one needs to understand the history of cooperatives in Africa, and their current strengths and weaknesses, before finding out their potential to contribute to human needs, to sustainable development and to the support of civil society. Even if one believes (as I do) in the virtues of the SSE, including cooperatives, when researching them it is essential to maintain objectivity, so that the results of scientific inquiry do not depend on the idiosyncratic features of any given individual such as opinions, values, biases, interpretations, or feelings (Maul, 2018).

4.2 THEORETICAL AND CONCEPTUAL ASPECTS

Under this heading I discuss three topics: (i) the ambiguous impact of neoliberalism on the SSE; (ii) the use of the term 'sub-Saharan Africa'; and (iii) the relationship between the SSE and the State.

While it is beyond doubt that the neoliberal policies of Africa's structural adjustment era (section 2.2.2) has inflicted untold harm on citizens, communities and nation-states, the relationship between these policies and the evolution of the SSE in Africa is double-edged: on the one hand, the SAP-induced reduction in public services (especially education and health) has created a void that the private sector, for reasons of insufficient profitability, was not willing to fill, so that self-help and mutual-assistance mechanisms became the citizenry's sole option to obtain essential services; on the other hand, the deregulation that went along with SAPs paved the way for the emergence and recognition of a much broader spectrum of SSE organizations than the hitherto restrictive cooperative laws would have allowed (Wanyama, 2013). The implementation of neoliberal policies in Africa has accelerated the informalization of the continent's economies and societies, and the devastating effects of such policies have triggered a shift towards a human-centred development agenda, as it is embodied in the SDGs and the DWA. Hence, the reflections around neoliberalism are central to all five focus areas of my thesis.

The second conceptual aspect relates to the use of the term 'sub-Saharan Africa'; most sources consulted for this thesis interpret the term differently, depending on the origin of the authors; researchers of English-speaking origin focus on Eastern and Southern Africa

(plus Nigeria and Ghana), while French-speaking academics direct their research towards West and Central Africa, plus Madagascar. The researchers thereby involuntarily contribute to perpetuating the colonial divide which, to this day, is reflected in the morphology, terminology and status of member-based organizations on the continent. For example, the term 'social enterprises' is more prevalent in the English-speaking world whereas Francophone countries favour the term 'social and solidarity economy'. Both mean essentially the same, but do not always understand each other. More cross-cultural research is needed to bridge this divide, which is more than just linguistic (Jackson, 2012).

The third conceptual reflection examines the role of the state vis-à-vis cooperatives and the SSE; while in the 1960s and the 1970s, it was widely held that the state and, by extension, international development partners, should play a proactive, if not central role in promoting cooperatives in Africa, the neoliberal policies of the 1980s and the 1990s demanded, on the grounds of the poor performance of state-sponsored cooperatives, a drastic reduction in state support (Holmén, 1990; Hussi, et al., 1993; Wanyama, et al., 2009). Distressed by the poor record of state-controlled cooperatives, I have for many years joined the call for the reduction of state involvement in cooperative affairs to a bare minimum. Nowadays, I am concerned that the 'liberalization' of the cooperative movement possibly went too far, because cooperative apex organizations or similar institutions have not been able to replace the Government's supervisory and promotional functions. Moreover, the lack of reliable statistics on cooperatives and SSE organizations in sub-Saharan Africa is a direct consequence of the abolishment of governmental cooperative department during the SAP era. In conclusion, the optimal relationship between cooperatives and the state has yet to be determined, and may be a subject of further research.

4.3 POLITICAL ASPECTS

The SDGs have been applauded, and rightly so, for their comprehensiveness and the participatory manner in which they were developed (section 2.1.4). However, rather than constituting an outcome of scientific research, the 2030 Agenda is the result of a lengthy political process, involving numerous stakeholders and lobby-groups, such as governments from the North and the South, a myriad of UN entities, the academia, politicians, civil society organizations and networks, donor agencies, private sector lobbyists, etc. Consequently, the

SDG's goal – target – indicator architecture does not form a coherent logical framework in the proper sense, consisting of a logical chain from inputs to impact, via activities, outputs (targets) and outcomes (goals). Instead, each SD goal, target and indicator constitutes a negotiated compromise, as demonstrated, for example, by the reservation 'in accordance with national laws, policies or circumstances' attached to several targets (1.2, 1.3, 3.3, 5.4, 5.a, 8.1, 9.2, 10.3, 12.7, 12.c, 15.5, 16.10). The 2030 Agenda includes many areas of overlap, mutual interdependence as well as contradiction and trade offs between the various SDGs and their targets (Hickel, 2019; O'Neill, et al., 2018). Numerous attempts have been made to analyse and visualise the interlinkages between SDGs and their targets, such as the very detailed study undertaken by Zhou and Moinuddin (2017). Those efforts constitute an attempt to academically retrofit the outcome of a political process; they can reveal the contradictions that exist between SDG targets, but they cannot offer a remedy, since this would require a reformulation of the 2030 Agenda itself and hence, a vote by the UN General Assembly. One might, however, consider undertaking a theoretical exercise through which interrelated SDG targets would be clustered into thematic blocks spread over several SDGs. For example, targets 1.3, 1.4, 4.4, 5.1, 8.3, 8.5, 8.6, 8.7, 8.8, 10.1, 16.6 and 16.7 could be grouped into a 'decent work cluster'.

ILO's Decent Work Agenda (section 2.1.3) is the outcome of a political process as well, even though that process was less cumbersome and involved fewer stakeholders than in the case of the SDGs. The great achievement of this Agenda is the fact that the term 'decent work' – originally criticized for its vagueness – has become part of the international development vocabulary, including the SDGs. However, as Piasna et.al. (2020) pointed out, the DWA found it difficult to find a place in the wider socio-economic debate, because it was formulated as a policy statement, linked to the institutional initiatives within the ILO; this shortcoming limited the agenda's broader impact. Piasna et.al. further observed that almost all books about decent work were published by the ILO itself. Additional difficulties arose from the translation of the agenda's 4-pillar architecture into the organizational structure of the ILO, where each pillar became a 'sector'. On the one hand, some technical units and work areas (such as the informal economy) where transversal by nature, did not belong to any one of the four sectors, and therefore could not find a home. On the other hand, the four sectors developed into archipelagos, each jealously struggling for power, influence and resources, to

such an extent that Director-General Somavia established in 2002 a 'Policy Integration Department' in an unsuccessful attempt to break the walls between the sectors. A second policy issue afflicting the DWA stems from its strict adherence to ILO's traditional tripartite structure (governments, trade unions, employers' organizations). Other interest groups, including civil society, SSE organizations or informal economy associations, may sometimes be allowed to take part as observers in ILO forums and conferences, but are very unlikely to ever acquire voting rights.

This chapter has critically reflected on the methodology applied to produce the seven publications of my portfolio, and analysed various theoretical and policy-related aspects of the focus areas of my thesis. The next chapter will draw those focus areas together through the development of a novel SDG-SSE-DWA conceptual model.

Chapter 5: SYNTHESIS: TOWARDS AN SDG-SSE-DWA CONCEPTUAL MODEL

Having presented the seven publications of my portfolio, and having identified their individual contribution to knowledge, policy and practice, I now connect the five focus areas of my thesis' research terrain to build a conceptual model that will improve our understanding of the interaction between cooperatives, the SSE, sustainable development and decent work in the informal economy. In this endeavour, sub-Saharan Africa constitutes the geo-cultural environment in which two potential *development actors*, namely cooperatives and the wider SSE, contribute their agency to achieve two broad *development goals* (the DWA and the SDGs) for the benefit of a neglected *target group*: informal economy workers and entrepreneurs. The model therefore closely relates to the five focus areas discussed in the literature review (section 2.1).

While a growing body of literature seeks to establish the link between the SDGs (including the DWA) and the SSE (including cooperatives), much of this material analyses the SDG-SSE-DWA relationship in particular geographic or organizational contexts, and/or in relation to selected SD goals or DWA pillars. A more general, overarching analytical framework is missing. Villalba-Eguiluz et al. (2020), while acknowledging the presence of 'some interesting building blocks', noted that to the best of their knowledge, no broadly acknowledged, comprehensive and systematic framework for analysing the links between the SSE and the SDGs yet existed. I propose to fill this gap with a conceptual model that I have been developing while writing this thesis, after many attempts to construct an easily understandable graphical representation of my thesis (see an attempt in Figure 5:2). This process could be understood as an exercise in 'sensemaking' (Weick, 1995) that aims at asserting the plausibility of the SDG-SSE-DWA relationship through retrospection, the construction of identity and the enactment with the environment that occurred during my professional practice before being theorized through academic research. The sensemaking process, at the end of which the conceptual model became available, took four steps:

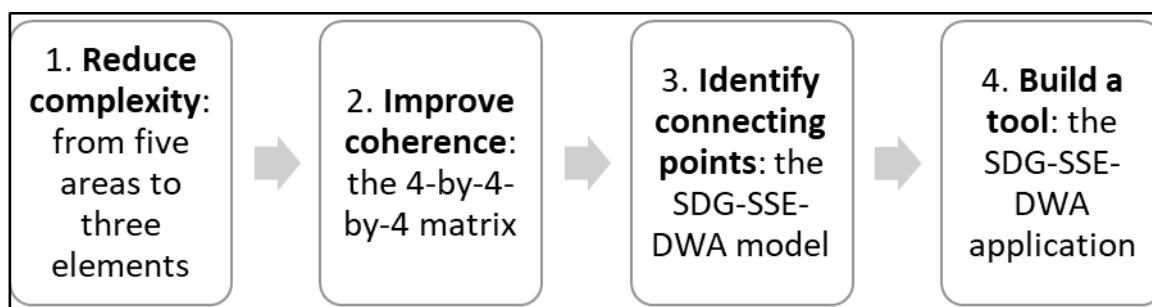


Figure 5:1: Steps in developing the conceptual model (author's own)

The first step was achieved by subsuming cooperatives under the SSE, and by considering the informal economy not as a separate thematic area of the research terrain, but rather as the ultimate target group of the research endeavour. Three elements remained after this step: The SDGs, the DWA, and the SSE.

The second step required a certain amount of reconceptualization. Informal economy actors experience severe decent work deficits, as discussed in section 2.1.5; decent work deficits are a subset of wider sustainable development deficits, albeit decent work does not expressively encompass environmental concerns whereas the SDGs are silent about social dialogue. This partial mismatch between the two agendas could be overcome by adding a fourth – institutional/political/governance – dimension to the three conventional dimensions of sustainable development (economic, social, environmental) that are encapsulated in the 2030 Agenda. This is not a new proposition; a four-dimensional sustainability framework has been suggested by, for instance, Spangenberg (2004), O'Connor (2007) and Ramzy, et.al (2019), with the argument that (good) governance and strong institutions are indispensable to ensure that the SDGs economic, social and environmental dimensions are addressed in an equitable and balanced manner⁴⁶. The SDG's institutional dimension would address the DWA's social dialogue pillar, since social dialogue involves the principal institutions governing the world of work: government (ministries in charge of labour), workers (trade unions) and business (employers' organizations), often

⁴⁶ The SDGs' institutional dimension is, to some extent, addressed in SDG 16 (peaceful and inclusive societies) and SDG 17 (partnerships), as well as in several SDG targets designated with a letter instead of a number. Example: 16.b promote and enforce non-discriminatory laws and policies for sustainable development.

brought together via formal social dialogue councils that exist in most African countries. Moreover, the SDG's environmental dimension is included in the DWA's jobs pillar, in particular its '[Green Jobs](https://www.ilo.org/global/topics/green-jobs/lang--en/index.htm)' programme (see <https://www.ilo.org/global/topics/green-jobs/lang--en/index.htm>).

A four-dimensional Sustainable Development Agenda would therefore integrate all four pillars of the DWA as a starting point for analysing the role of cooperatives and the SSE in reducing decent work/sustainable development deficits in Africa's informal economy. The potential of SSE organizations (including cooperatives) to support the SDGs and the DWA, particularly in the informal economy, stems from their nature as people-centred, democratically controlled, locally rooted and community-oriented associations. Indeed, SSE organizations *empower* people by giving them a collective voice, and providing them with an institution that represents their interests and fights for their rights; they create *opportunities* by facilitating access to land, markets, finance and resources; and they extend *security* through mutual assistance and risk mitigation in local communities. This triplet, empowerment, security, opportunity, had been advanced by the World Bank as far back as 2000 as a post-Washington-consensus-poverty-reducing strategy (World Bank, 2000; Mosley, 2001); it resonates well with the three traditional functions of the SSE, those that are implicitly recognized in many SSE definitions, i.e., economic opportunity, social security and societal empowerment. However, the triplet does not explicitly address the SDG's environmental dimension. This shortcoming could be overcome when recalling that the SSE's *concern for community* principle includes, by extension, concern for the environment. This observation is shared by Chirisa and Nyevera (2019) who, based on an examination of global experiences, conclude that the SSE is being utilised to meet economic, social and environmental development goals; Esteves et.al. (2021) introduce the SSE as an approach to the production and consumption of goods, services and knowledge that promises to address contemporary economic, social and environmental crises more effectively than business as usual. Salustri (2021) extends the meaning of 'concern for community' further by introducing the concept of 'social and solidarity commons (SSC)', which include all those relational activities (fair, co-operative, social, and collaborative practices) that contribute to the accumulation and regeneration of human and social (and other forms of) capital. Those commons are defined by Esteves et.al. (2021:3) 'as a form of socio-economic organisation in

which users self-organise for collective management of shared resources’. In other words: commons are social institutions which cater for their environment in the broad sense.

Consequently, I propose to complement the conventional triplet of SSE functions, i.e., economic opportunity, social security, societal empowerment with a fourth function, namely that of *environmental protection*; this quadruplet was recognized by the UN Secretary-General who, in a recent report (ECOSOC, 2020:8), affirmed that: ‘By empowering individuals through greater control over decision-making processes and resources, the social and solidarity economy fosters economic dynamism, social and environmental protection and socio-political empowerment.’. These four functions, which are interdependent and mutually reinforcing, enable SSE organizations to reduce social, economic, environmental, and institutional sustainable development and decent work deficits in the informal economy in a peculiar and inimitable way.

This discussion paved the way for the third step in building the conceptual SDG-SSE-DWA model. A 4-by-4-by-4 matrix, comprising four Sustainable Development dimensions (economic, social, environmental and institutional); four Decent Work pillars (jobs, protection, rights, dialogue); and four SSE functions (as above). Figure 5:2 below illustrates

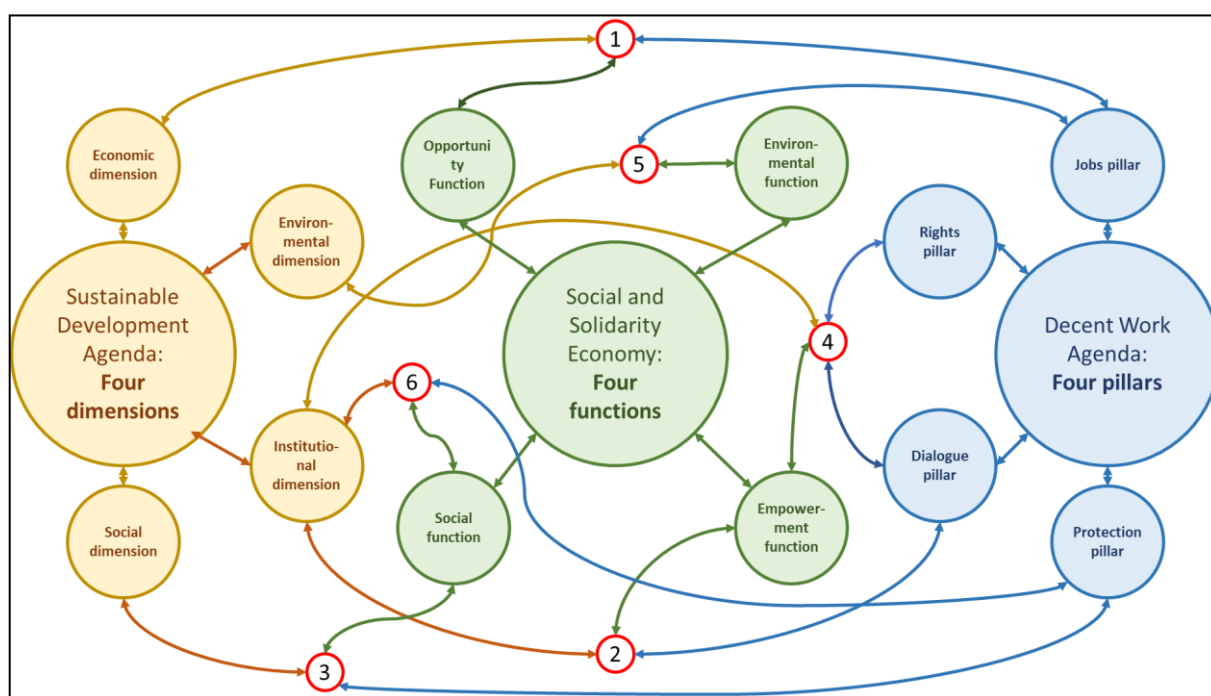


Figure 5:2: The SDG-SSE-DWA relationship

some of the resulting associations:

Figure 5:2 illustrates a high degree of congruence between the SDG dimensions and the SSE functions, as well as a reasonable correspondence between the SSE and the DWA (the rights pillar of the DWA is not being addressed directly by any of the four SSE functions, but can be associated with its empowerment function). There is, of course, a certain amount of overlap, complementarity and, occasionally, contradiction between the various dimensions, pillars and functions: a waste-picker association fulfils simultaneously economic, environmental and, possibly, also social functions. A labour-intensive public works programme creates jobs while at the same time contributing to social protection. The pursuit of SDG target 8.1 (7 per cent annual GDP growth in LDCs) may, on the other hand, jeopardize the achievement of environmentally-oriented SDGs (Hickel, 2019).

SDG-SSE-DWA Complementarity and Synergies				
N°	Relationship	Related informal economy deficits	SDG Target	Illustrative SSE examples
1	SDG economic dimension -> SSE opportunity function -> DWA jobs pillar	Joblessness, underemployment; vulnerable employment; working poverty Low incomes, low productivity	8.1 growth; 2.3., 2.4, 8.2 productivity; 7.1 energy; 8.3, 8.5, 8.6, 8.9 (youth) employment	Agric. coops; credit unions; producers' organizations; worker coops; informal economy self-help groups
2	SDG institutional dimension -> SSE empowerment function -> DWA dialogue pillar	Informal economy actors excluded from decision-making processes	16.3 justice; 16.6 effective institutions; 16.7 inclusive decision-making; 17.17 inclusive partnerships	National, sectoral, and international federations of informal economy organizations
3	SDG social dimension -> SSE social purpose -> DWA protection pillar	Absence of social protection in the informal economy	1.1, 1.2 poverty; 1.3 social protection; 3.8 universal health coverage; 8.8 safe workplaces	Community-based health insurance schemes; mutual health benefit groups
4	SDG institutional dimension -> SSE empowerment function -> DWA rights and dialogue pillars	Informal economy workers excluded from labour rights coverage	1.4 Economic rights; 8.7, 8.8 labour rights; 10.4 legal equality; 16.3 rule of law	Informal economy trade unions and advocacy and pressure groups; relevant CSOs and NGOs
5	SDG environmental dimension -> SSE environmental function -> DWA jobs pillar	Occurrence of environmentally harmful practices in the informal economy; joblessness	8.4, 12.2 resource efficiency; 12.3, 12.5 (food) waste; 13.1 climate change adaptation	Waste pickers groups; renewable energy coops; community-based repair shops
6	SDG institutional dimension -> SSE social function -> DWA protection pillar	Informal economy actors not represented in the board of social protection agencies	1.3 social protection floor; 16.6 effective institutions; 16.7 inclusive decision-making;	National informal economy umbrella organizations.

Table 5:1: SDG-SSE-DWA Complementarity

The relationship pattern depicted in Figure 5:2 above can now serve as a conceptual model to analyse the role of the SSE in reducing sustainable development and decent work deficits in the informal economy; this role is demonstrated in Table 5:1 above. The numbers refer to their counterparts in Figure 5:2.

The fourth step in building the conceptual model consists of developing a software application to analyse, categorize and filter the SDG-SSE-DWA relationship; this was achieved by attaching a label to each possible SDG-SSE-DWA association:

The SDG-SSE-DWA Label					
Sustainable Development Dimension		Social and Solidarity Economy Function		Decent Work Pillar	
Dimension	Label	Function	Label	Pillar	Label
Economic	ED	Opportunity	OF	Jobs	JP
Social	SD	Social	SF	Protection	PP
Environmental ⁴⁷	CD	Empowerment	EF	Rights	RP
Institutional	ID	Environment	CF	Dialogue	DP

Table 5:2: The SDG-SSE-DWA label

The twelve elements above could potentially form 4,096 (2^{12}) distinct label combinations, of which however only 3,375 would be valid, since each label must contain at least one Function, one Dimension and one Pillar. Table 5:3 provides a few examples of how labels may be assigned:

Classification of SSE Organizations														
SSE Organizational Type	SSE Function				SDG Dimension				DWA Pillar				Label	
	OF	SF	EF	CF	ÊD	SD	CD	ID	JP	PP	RP	DP		
Credit union													OF-ED-JP-PP	
ROSCA/Tontine with a social fund													OF-SF-ED-SD-JP-PP	
Domestic workers’ association													EF-ID-RP-DP	
Waste-pickers SHG													OF-CF-ED-CD-JP	
Informal economy trade union													EF-ID-RP-DP	
Environmentally oriented social enterprise													OF-SF-CF-ED-SD-CD-JP-PP	
Cooperative apex body													EF-ID-RP-DP	
Renewable energy coop													OF-CF-ED-CD-JP	
Mutual health benefit association													SF-SD-PP	
Community-based public works													OF-SF-CF-ED-SD-ID-JP-PP	

Table 5:3: Classification of SSE organizations by function, SD dimension and DW pillar

⁴⁷ Refers to 'environmental' (climate), since the letter 'E' is already used to designate the economic dimension.

The label permits the screening of SSE organizations by SSE function, SD dimension and DW pillar, applying a modified and expanded methodology building on the one described in [publication 6](#). Subsequently, I have developed an MS Excel application that maps the 169 SDG targets against 53 types of SSE organizations (8,957 potential associations), assigns relationship labels to each valid intersection within this matrix, and applies screening and filtering algorithms to categorize the SSE organizations and SDG targets by SSE function, SD dimension and DW pillar. The Excel application is attached as a separate file to this thesis. Figure 5:4 below represents a screenshot taken from the Excel application, listing those SSE organizations that exercise an empowerment function (EF), address the SDGs institutional dimension (ID), and relate to the DWA's social dialogue pillar (DP). Figure 5:4 thereafter shows the result of filtering the entire set of SDG-SSE-DWA relationships through the label 'SF-SD-PP', which could refer, for example, to a community-based health insurance scheme.

SSEOs whose label includes EF, ID and DP	
SSEOE	Label
Marketeers association	OF-EF-ED-ID-JP-DP
Women's associations (advocacy)	EF-ID-RP-DP
Informal economy trade unions	EF-ID-RP-DP
Domestic workers' associations	EF-ID-RP-DP
Informal economy workers' associations	EF-ID-RP-DP
Neighbourhood groups (advocacy)	EF-ID-DP
SSE apex organization and network	EF-ID-RP-DP
Civil society organization (advocacy)	EF-ID-RP-DP
Environmental lobbying CSO	EF-CF-CD-ID-DP
Community organization (environmental)	EF-CF-CD-ID-DP
Multistakeholder cooperative (urban)	EF-ID-RP-DP

Figure 5:4: SSEOs with the label EF-ID-DP

	SSE Function				SDG Dimensions				DWA Pillar			
	Opportunity	Social	Empowerment	Environmental Protection	Economic	Social	Environmental	Institutional	Jobs	Protection	Rights	Dialogue
	OF-	SF-	EF-	PF-	ED-	SD-	CD-	ID-	JP-	PP-	RP-	DP
Multiplier	1	2	4	8	16	32	64	128	256	512	1024	2048
Filter	0	1	0	0	0	1	0	0	0	1	0	0
Value	0	2	0	0	0	32	0	0	0	512	0	0
Switch	If switch = 1 then count only relations bearing the marker SF-SD-PP- If switch=0 then include all relations in which the elements of SF-SD-PP- appear											1
Number of SSE types per SSE target	0	14	0	0	0	14	0	0	0	14	0	0
Number of SDG targets per SSE type	0	10	0	0	0	10	0	0	0	10	0	0

Figure 5:4: Example of an SDG-SSE-DWA relationship

In this example, 14 SSE organizations (out of 53) and 10 SDG targets (out of 169) would relate to the said label.

The 4-by-4-by-4 classification scheme and its associated Excel application enables SSE promoters, researchers and practitioners to better understand, and therefore harness, the SSE's specific role in pursuing the SDGs and the DWA; moreover, field researchers might use the method and its tool to identify an SSE organization's appropriate label through a participatory process, involving the organization's membership. For example, a moderator could apply the conceptual model to initiate a group discussion towards identifying the group's specific "SDG-SSE-DWA" label, explaining in *en passant* what these acronyms stand for. Alternatively, the moderator could pick any label out of the 3,375 valid combinations and initiate brainstorming session to explore whether any SSEOE would correspond to that label. Moreover, the conceptual model could be easily adapted to other development framework. The FAO, for instance, which considers rural SSE organizations as central to the organization's business model, seeks to attain four strategic objectives in its 2022 – 2031 strategic framework (2021): better production, better nutrition, better environment, better life. This would translate into a SDG-SSE-FSF relationship with its corresponding labels (BP, BN, BE, BL).

In this chapter I systematized the relationship and interaction between the five focus areas of my research terrain in the geo-cultural context of sub-Saharan Africa, and proposes a novel conceptual model to better analyse, understand and harness this relationship. The next chapter will identify areas of future research related to the five focus areas of my thesis.

Chapter 6: SUGGESTIONS FOR FURTHER RESEARCH

Table 1:2 on page 13 shows that, taken individually, the five focus areas of my research terrain are relatively well researched, whereby it is noticeable that the search terms ‘SDGs’ and ‘cooperatives’ yield a much higher number of hits than ‘DWA’ and ‘SSE’. However, a search combining these five focus areas, plus ‘Africa’ as the geo-cultural environment, returns a very low number of findings, suggesting that the relationship between the five elements of my thesis’ research terrain has not been systematically researched. The present thesis, which examines the relationship between the five focus areas in the African context, therefore fills a research gap in extant literature. At the same time, the present thesis has identified an additional five thematic areas that remain under-researched; those are briefly outlined below.

Given the prominence of decent work in the 2030 Agenda, where the term ‘decent work’ appears not only in SDG 8, but also in paragraphs 3, 9 and 27 of the Declaration, it is astonishing that very few scholars have examined the interaction between the SDGs and the DWA (see Table 1:2). This lack of interest may be explained, at least partly, by the fact that SDG 8 is not particularly popular among researchers. Meschede (2020), on the basis of a bibliometric overview of 4,593 research articles referring explicitly to the SDGs, identified the following priority SDGs selected by the authors of those articles:

Research priority SDGs per region					
	1 st Priority	2 nd Priority	3 rd Priority	4 th Priority	5 th Priority
Africa	3 (health)	6 (water)	10 (inequalities)	4 (education)	17 (partnerships)
Asia	3 (health)	13 (climate)	6 (water)	10 (inequalities)	17 (partnerships)
Europe	3 (health)	4 (education)	13 (climate)	6 (water)	10 (inequalities)
North America	3 (health)	6 (water)	10 (inequalities)	13 (climate)	16 (peace)
Oceania	3 (health)	13 (climate)	10 (inequalities)	6 (water)	17 (partnerships)
South America	3 (health)	4 (education)	13 (climate)	17 (partnerships)	6 (water)

Table 6:1: Research priority SDGs per region

Table 6:1 shows that SDGs 1, 2, 5, 7, 8, 9, 11, 12, 14, 15 are not among the top 5 in any continent, whereas SDG 16 is mentioned only once, as a 5th priority. This table exposes a partial disconnect between what people aspire to (better education, better health care, a honest government and better jobs (UNDG, 2013) and what academics see as research priority. Research on *the relationship between decent work and sustainable development* could benefit from the conceptual model introduced in chapter Chapter 5: , i.e., a systematic

analysis of how the four pillars of the DWA are reflected in the four dimensions of SDGs, and vice-versa. It could further build on publication 6 of my portfolio, which analysed the DWA-SDG relationship through the lens of 24 thematic areas.

As second research topic relates to the *informal economy in sub-Saharan Africa*, which, as discussed in section 2.1.5, exposes significant knowledge gaps, especially when situated in the context of the SDGs and the DWA. Despite its size and socio-economic significance, the informal economy in sub-Saharan Africa remains not only under-researched, but also underrepresented in the SDG. Jackson (2012) deplores a lack of cross-cultural research on the informal economy in sub-Saharan Africa, underlining that the informal economy actors themselves must be fully involved in the design and implementation of any research project concerning them. One of the few cross-cultural informal economy studies was undertaken by Galdino et.al. (2018) who reviewed 102 studies published from 1992 to 2017 in English, French and Portuguese languages, concluding that in particular the motives and mechanisms of transiting from the informal to the formal economy (and vice versa) were not well researched; moreover, they observed, as Jackson (2012), a lack of studies on the informal economy that went across Africa's linguistic communities. The authors propose a large number of research topics, including the following which would be of particular relevance to my thesis: *'How do entrepreneurs organize to improve working conditions in the informal economy in Africa'*? From a DWA perspective, this topic would relate primarily to the 'protection' pillar of decent work; from an SDG perspective, it would focus on target 8.8, which inter alia calls for 'safe and secure working environments of all workers'; from an SSE perspective, it would analyse if and how informal economy actors are organized, ideally broken down by gender, profession and location. Related to this topic is the extent (or absence) of social protection, in particular health care, in the informal economy. Access to affordable health care has been identified by the majority of respondents of the aforementioned FES survey as a top priority (FES, forthcoming). In response to this concern many governments in the region have introduced variants of community-based health insurance (CBHI) schemes or 'mutuelles' to achieve universal health coverage, some of which are far more successful than others. Hence, future research could identify *'the type of CBHI is best suited in the context of the informal economy in sub-Saharan Africa to achieve the goal of universal health coverage'*, an issue related to the DWA's protection pillar, to the SDG's

target 3.8 (universal health coverage), and to the SSE, since CBHIs are SSE organizations. Moreover, it would respond to Oldekop et.al's⁴⁸ (2016) question 83, formulated as follows: 'what systems of Universal Health Coverage are most effective at providing quality health care for all?'

A third area where our knowledge is limited relates to the role of the SSE, including cooperatives, in pursuing the 2030 Agenda. As mentioned earlier, the SSE as a development actor is almost completely absent from the 2030 Agenda. This gap was pinpointed by Ridley-Duff and Bull (2021), who stressed the need for further research to assess the impact of community-based, co-operatively led, transparently governed, collaborative and inclusive enterprises on the delivery of UN SDGs through the SSE. The conceptual model proposed in Chapter 5: , plus the methodology applied in publication 3 of my portfolio, could help in carrying out such an undertaking. The research question advanced by Ridley-Duff and Bull implicitly singles out the role of the SSE in *localizing the SDGs*, a term which has become popular recently. It means, essentially, to analyse the SSE-SDG relationship from the standpoint of real people ('eradicate extreme poverty for all people everywhere', SDG target 1.1), rather than through the lens of statistical variables ('proportion of population below the international poverty line', SDG indicator 1.1.1). The SDGs include around 40 targets that call for access (to rights, land, finance, markets, information etc.), which appear particularly relevant for collective action through the SSE. One of those targets is the ambitious and complex SDG target 2.3, formulated as follows:

'By 2030 double the agricultural productivity and the incomes of small-scale food producers, particularly women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets, and opportunities for value addition and non-farm employment.'

This target encapsulates two objectives (doubling productivity and incomes), prioritizes six target groups (all operating in the informal economy), and calls for access to six productivity factors, plus opportunities for value addition and non-farm employment. This makes target 2.3 a development agenda on its own; its formulation offers numerous entry points for SSE

⁴⁸ This author, and his large team of 43 scholars propose a list of 100 essential research questions related to the Sustainable Development Agenda, drawn from a list 704 questions submitted by 110 organizations located in 34 countries.

organizations, such as credit unions, agricultural marketing and supply cooperatives, and fishers' associations. The complexity of target 2.3 would merit a dedicated research project, possibly formulated as follows: *'How can SSE organizations contribute to doubling agricultural productivity and incomes in sub-Saharan Africa?'*

A final research subject would scrutinize the role of the SSE in a digitized economy, including common-pool resource institutions and common-based peer production, such as cooperatively-run internet platforms (Ridley-Duff and Bull, 2021). The subject is definitely of relevance to the DWA and the future-of-work debate (ILC, 2019), as well as to SDGs (target 4.4), but is it also of interest to the informal economy in sub-Saharan Africa? I would answer in the affirmative, because Internet connectivity has improved dramatically on the continent during the past ten years. The International Telecommunication Union (ITU) reports that in 2020, 82,3 per cent of the African population owned a mobile phone, while 33, per cent had subscribed to mobile broadband network (ITU, 2021); a much larger percentage bought 'airtime' to access the Internet sporadically. The use of messaging services such as 'WhatsApp' and of mobile money has become ubiquitous in Africa. Internet platforms such as Uber have demolished the traditional taxi industry and reduced independent motor-cycle taxi drivers to totally dependent, yet completely unprotected Uber-servants. Therefore, the role of the SSE in the digitization of Africa's informal economy is a subject of great topicality.

These are but a few of many possible areas of future research that could be derived from the conceptual model and its accompanying tool proposed in this thesis. To make research efforts 'problem-driven, usable and solution-oriented' (Oldekop et.al., 2016:57), each future research item related to my thesis should simultaneously address at least one SSE function, one DWA pillar, and one SDG dimension, and concentrate on at least one specific SDG target.

This chapter has identified knowledge gaps emerging from my thesis, suggesting research questions to fill these gaps. The next chapter will draw the thesis' overall conclusions.

Chapter 7: CONCLUSIONS

This PhD by Professional Practice thesis is meant to demonstrate a coherent and significant contribution to knowledge, practice and policy, as well as evidence of appropriate research skills; it is presented through a portfolio of seven publications encapsulating my research outputs (published works) and an accompanying analytical commentary that critically explores the relationship between the portfolio of work and the current body of knowledge in the field. The thesis, therefore, represents an endeavour to reframe the outcomes of four decades of professional practice into the sphere of academic research which I had left when I resumed my professional practice in January 1979. The task of ‘retrofitting’, or sensemaking, was complicated by the multidimensional nature of my research terrain with its five areas of focus, within the highly heterogenous, geo-cultural context of sub-Saharan Africa; the dearth of literature embracing all those elements together compounded those difficulties further. This is illustrated by the thesis’ research question, which is simple and yet complex: ‘how can the contribution of cooperatives and the wider SSE to global development frameworks (SDGs and DWA) be made more effective, impactful and visible, in particular with regard the informal economy in sub-Saharan Africa?’

The thesis answers this question in stages. The preface tells the story of my professional journey which over the years has unfolded into a triple storyline, spreading from volunteer work in a Cameroonian rural town to global engagement with UN circles, from providing managerial support to three coffee-marketing cooperatives to participating in development policy-making in international forums, and from a narrow focus on formal cooperatives to the recognition of the much wider kaleidoscope of social and solidarity economy organizations. Figure 0:1 on page 8 and Figure 3:1 on page 76 illustrate this triple storyline, which provides the frame for the research question.

Chapter 1 demarcates the state of the field in which the thesis resides. From a practice viewpoint, it is regrettable that cooperatives and the SSE are largely absent from global development frameworks such as the SDGs and the DWA. From an academic perspective, chapter 1 observes an unfortunate lack of literature embracing the totality of the elements of my thesis (see Table 1:2 on page 13). This then confirms the validity and value of the research question.

The second chapter consists of a comprehensive literature review that assesses the current state of knowledge on cooperatives, the SSE, the SDGs, the DWA and the informal economy in the context of sub-Saharan Africa, and examines if and how the extant literature appreciates the relationship between these five areas of focus. A dedicated section of the literature review analyses the impact of neoliberal economic policies on sustainable development, decent work, cooperatives and the SSE, and, in more general terms, on African societies and economies. Figure 2:1 on page 16 depicts the structure of the literature review, which addresses the research question from the academic angle.

The thesis' third chapter contains summaries of the seven publications of my portfolio and extracts the contributions to knowledge, practice and policy they have made, as synthesized in Table 3:5. The chapter identifies the key features that transcend all seven publications, despite their differences in terms of structure, format, length, thematic area, research methodology, intended audience and contribution to knowledge. These seven publications have addressed the research question from the practitioner's point of view.

The fourth chapter critically reflects on the methodologies applied to develop the seven publications of my portfolio, which are the outputs of professional practice rather than academic research. The chapter reflects on my positionality as an action-researcher, and concludes that, despite some shortcomings, each of the seven publications did make a useful contribution to knowledge, practice and/or policy. Beyond methodological considerations, Chapter 4: critically examines several theoretical and conceptual aspects of my thesis, as well as the political aspects that lead to high-level outcome such as the SDGs and the DWA.

Chapter 5 brings my thinking together as it evolved during the process of elaborating the thesis; it proposes a conceptual model to analyse and systematize the manifold points of congruence that connect the SDGs, the SSE and the DWA. The model is based on a 4-by-4-by-4 matrix representing the four functions of the SSE, the four dimensions of the SDGs and the four pillars of the DWA; this matrix is then converted into a label that indicates the particular function(s), dimension(s) and pillar(s) of any given SSE organization or enterprise, and provides the basis for an associated Excel tool. Chapter 5 answers the 'how' in the research question as follows: 'by identifying and harnessing the SDG-DWA *specific* development potential of the SSE.'

Chapter 6 relates back to section 1.4 of the thesis, which deplores the lack of academic literature encompassing all five focus areas delimiting my research terrain, plus sub-Saharan Africa as its geo-cultural context. While the body of academic literature on the sustainable development agenda is growing fast, it appears that many researchers pursue thematic priorities that are not necessarily in line with the needs and aspirations of the non-academic world. Consequently, chapter 6 proposes areas for future research, some of which would be suitable to validate the conceptual model proposed in Chapter 5: .

The seven publications of my portfolio, originally considered the foundation of my thesis, moved, during the process of writing it, more and more into the background, being overshadowed by the more recent literature review and the subsequent discussion and reflection. This notwithstanding, the seven publications constitute the thesis' framework, and their contributions to knowledge shall continue informing future research (from the academic perspective), as well as policy-making and operational activities (from the practice perspective). During the writing (or sense-making) process, it occurred to me that I should focus my thesis on the informal economy, because: (i) it is omnipresent in sub-Saharan Africa; (ii) it can greatly benefit from cooperatives and the wider SSE, (iii) it suffers from serious decent work deficits; and (iv) it is of great relevance to, but hardly visible within, the Sustainable Development Agenda. The informal economy, therefore, offers an appropriate lens through which the congruence, complementarity and interaction between the elements of my thesis can be explored. This then led to the design of the conceptual model introduced in Chapter 5: which I consider as a contribution to knowledge of practical applicability. The next steps would consist of validating this conceptual model *in vivo*, at the local or national level, possibly through a development cooperation project and carrying out further research on the SDG-SSE-DWA relationship, as proposed in Chapter 6: .

From an academic point of view, the present thesis has produced evidence that cooperatives and the SSE can effectively contribute to two universal development policy agendas, the SDGs and the DWA, in the geo-cultural context of sub-Saharan Africa, and with a particular focus on the informal economy. To harness the SSE's full potential, it needs to become more visible and better known to the public. There is no shortage of global SSE networks or research institutes: UNTFSSSE, GSEF, GECES, RIPESS, SSE-IF, CIRIEC, EUCLID, EMES, EURICSE, AIM, ICMIF, SEWF, COPAC, ICA, to name a few, each of which organizes numerous

conferences and workshops; however, these events are almost exclusively attended by the same small group of SSE researchers, advocates and practitioners who are already 'converted'. For the SSE to become more impactful, it would be essential to break out of the SSE comfort zone to reach and convince the unconverted.

Of great importance is the need to better understand how the informal economy is organized in sub-Saharan Africa. The size, density and agency of informal economy organizations differs not only from one country to another, but may vary significantly between the different ethnic groups inhabiting any given country, and/or the various socio-economic sectors in which they operate.

From a practice point of view, the thesis has produced a conceptual model-cum-tool that can be used by development policy makers and field workers alike to enhance their understanding about what the SSE can contribute to the achievement of the SDGs and the DWA, which SDG targets are the most SSE-relevant, and which type of SSE organization or enterprises is best suited to pursue a specific SDG target. The model could be adapted to the results-framework of other UN agencies, or in fact any organization or institution working with SSE in the context of the SDGs.

Polanyi (1944) argued that human beings should use the instruments of democratic governance to control and direct the economy so as to meet the individual and collective needs of mankind, rather than subordinating human purposes to unrestrained market forces. This thesis has shown that, given the right environment, SSE organizations can play a crucial role in achieving Polanyi's vision. In doing so they would advance people, planet and prosperity, as called for by the 2030 Agenda, and promote decent work for all in Africa's informal economy.

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APPENDICES

APPENDIX I: SELECTED RESEARCH ACTIVITIES DURING PROFESSIONAL PRACTICE

Selected research activities carried out during professional practice					
Year	Role	Subject	Approach/Method	City	Publication
1977/78	Author	A review of Tanzania's cooperative movement	Literature review and data collection	Nürtingen	Cooperatives in Africa – theory and practice: the case of Tanzania (thesis) (in German)
1981	Author	The economic and financial situation of nine cooperatives in Cameroon's Moundou division	Analysis, evaluation and synthesis of 27 balance sheets and profit and loss accounts of nine cooperatives over three years	Loum	A report (in French), not public
1985	Editor	The current status of the Cameroonian cooperative movement	Field visits, data collection, literature review, written contributions by colleagues	Yaoundé	Cooperatives in Cameroon – a manual; printed, (in German)
1986	Participant	State of the rural finance system in Cameroon	Qualitative and quantitative research with 160 field visits and as many interviews	Yaoundé	Rural Finance Sector Study Cameroon (printed as a working paper)
1986	Co-author	Status and future directions of the cocoa-marketing cooperatives in Southern Cameroon	Field visits to all 15 concerned cooperatives (2 days per cooperative), plus data collection and balance sheet analysis	Yaoundé	Rehabilitation of the cocoa-marketing cooperatives in the Central-Southern Region of Cameroon (printed as a working paper)
1987	Author	Macro-economic analysis of the Cameroonian cooperative movement	Data collection, interviews, field visits to some 30 cooperatives in all ten provinces of Cameroon	Yaoundé	Macro-economic analysis for the National Cooperative Conference in Cameroon (printed in French and English)
1988	Co-author	Feasibility study for the establishment of a cooperative and of a tomato-paste factory in West Cameroon	Interviews with some two hundred tomato producers in 15 villages, market research, supply chain analysis	Foumbot	Feasibility study (in French, not public)
1990	Participant	The economic situation of artisanal timber producers in Eastern Zaire	Field visits and interviews with timber producers in Goma, Butembo, Beni, Rutshuru and Lubumbashi	Kinshasa	Project document (in French, not public)
1991	Author	Strategy to expand small-scale cotton	Structured interviews with some 50 small-scale	Kinshasa	Research report (in French, not public)

Selected research activities carried out during professional practice					
Year	Role	Subject	Approach/Method	City	Publication
		growing in Likasi, Haut-Katanga, Congo	cotton produces in 7 villages		
1991	Participant	National employment strategy for Zambia (section on cooperatives)	Interviews with government officials; data collection	Lusaka	National employment policy Zambia (ILO document)
1993	Participant	National employment strategy for Ethiopia (section on cooperatives)	Interviews with government officials; extensive field visits; data collection	Addis Ababa	National employment policy Ethiopia (ILO document)
1994	Participant	National employment strategy for Eritrea (section on cooperatives)	Interviews with government officials; data collection	Asmara	National employment policy Eritrea (ILO document)
1998	Co-author	Design of a reform programme for India's financial cooperatives (jointly with the World Bank)	Interviews with government, field visits to three states	New Delhi	Project document (not public)
1999	Co-author	Design of a cooperative reform programme for Jordan (jointly with the World Bank)	Interviews with government, field visits within Jordan	Amman	Project document (not public)
2000	Participant	Design of a special programme of assistance to the occupied Palestinian territories	Interviews with government, field visits within the West Bank	Ramallah	Official ILO document
2005	Participant	Essential research for the establishment of a Cooperative Facility for Africa	Cooperation with three international and eleven national cooperative researchers	Geneva	Cooperating Out of Poverty: The Renaissance of the African Cooperative Movement (book)
2006	Author	The Social Economy and Decent Work	Literature review	Geneva	Working paper (not public)
(Between 07/2006 and 09/2015 I occupied managerial positions without much opportunity for research)					
2016	Author	Decent Work in middle-income countries in Africa	Literature review and field visits to six countries	Abidjan	Printed in four languages; also online
2017	Author of two book chapters	Decent Work manual for the European Commission	Literature review and interviews	Brussels	Published online by the EC
2017	Author	Informal economy in sub-Saharan Africa (various aspects)	Literature review, field visits and workshops	Berlin	Three working papers (not published)
2018 - 2020	Team member	Survey of the informal economy in six African states	Data collection through a questionnaire and interviews with 10,800	Berlin and Geneva	Joint FES-DIE-ILO report to be published in 2022

Selected research activities carried out during professional practice					
Year	Role	Subject	Approach/Method	City	Publication
			households		
2018	Author	The social economy in Tunisia	Literature review, field visits	Tunis	ILO working paper (in French)
2019	Author	Rural transformation through South-South and Triangular Cooperation	Literature review and interviews	Rome	Printed by IFAD Rome; also online
2020	Team leader	A cooperative development strategy and action plan for the Hashemite Kingdom of Jordan	Desk review, virtual meetings with around 140 persons, telephone calls	Amman	Strategy document approved by the Prime Minister of Jordan, and published in Arabic in July 2021
2020	Author	COVID-19 and the Informal Economy in Sub-Saharan Africa	Literature review and data collection	Berlin	Printed by the FES, also online
2021	Author	Towards Universal Health Coverage in sub-Saharan Africa – six country studies	Literature review, data collection and telephone interviews	Berlin	To be published in January 2022 by the FES in English and French

APPENDIX II: SUMMARY STATISTICS COLLECTED DURING FIELD VISITS 1988 – 1994

3.3. DATA ON CO-OPERATIVE MOVEMENTS

COUNTRY	AGRIC.	MEMBERS	CONSUMER	MEMBERS	CREDIT	MEMBERS	OTHERS	MEMBERS	TOTAL	MEMBERS %/POP	ACT OF	AX	BK	CL	DP
ANGOLA	2.063	193.805	--	--	--	--	--	--	2.063	193.805	2 %	NONE	*	-	*
BOTSWANA	16	7.320	12	31.020	36	5.718	67	35.653	131	79.711	6 %	1989	*	*	*
BURUNDI	102	31.095	--	--	70	86.910	--	--	172	118.005	2 %	1988	-	-	*
CAMEROON	59	302.524	--	--	267	82.070	20	500	346	385.094	3 %	1992	-	-	*
CONGO	1.351	40.158	25	326	35	14.130	37	568	1.448	55.182	2 %	1955 1)	-	-	*
EGYPT	6.389	3.500.000	6.000	4.200.000	--	--	2.480	2.200.000	14.869	9.900.000	17 %	1980	*	-	*
ERITREA	1	50	--	--	17	1.000	1	100	19	1.150	0 %	NONE	-	-	-
ETHIOPIA	6.424	4.900.000	--	--	495	119.799	1.679	103.057	8.598	5.122.856	10 %	1978 2)	-	-	*
KENYA	3.458	1.152.511	88	21.572	1.760	991.665	289	229.781	5.595	2.395.729	10 %	1966 1)	*	*	*
LESOTHO	125	8.378	--	--	88	32.409	33	3.160	246	43.947	2 %	1966 2)	*	-	*
MADAGASCAR	151	11.380	722	81.151	--	--	97	2.956	970	95.467	1 %	1977 2)	-	-	*
MALAWI	7	100	1	815	129	23.709	1	146	138	24.624	0 %	1946 1)	-	-	*
MAURITIUS	298	55.264	27	14.088	78	34.321	52	26.051	455	129.724	12 %	1993	*	*	*
MALAWI	371	34.000	1.692	760.000	--	--	74	2.174	2.137	796.174	5 %	1979	-	-	*
SIERRA LEONE	2	5.330	1	12.600	10	1.600	1	1.470	14	21.000	2 %	1946 2)	-	-	*
RWANDA	3.000	21.000	--	--	139	329.237	--	--	3.139	350.237	5 %	1988	-	-	*
SEYCHELLES	7	150	--	--	1	4.100	2	12	10	4.262	6 %	1987	-	-	-
SOMALIA	687	76.496	100	11.528	--	--	69	11.442	856	99.466	1 %	1973	*	*	*
SOUTH AFRICA	211	167.180	3	60.382	1	?	201	80.270	416	307.832	1 %	1982 1)	*	-	*
SUDAN	422	90.369	6.496	1.600.000	--	--	1.075	300.000	7.993	1.990.369	7 %	1990	*	*	*
SWAZILAND	21	1.802	23	1.605	15	4.174	--	--	59	7.581	1 %	1964 2)	*	*	*
TANGANYIKA	5.417	1.022.663	2.660	210.000	964	177.492	451	6.240	9.522	1.416.395	6 %	1991	*	-	*
UGANDA	3.841	859.489	236	16.695	429	196.844	418	42.547	4.924	1.115.575	6 %	1992	*	*	*
ZAIRE	437	277.491	43	20.077	176	213.398	24	4.677	680	515.543	1 %	1956 2)	-	-	*
ZAMBIA	1.099	699.000	170	16.000	265	44.000	271	147.000	1.805	906.000	11 %	1970 2)	*	*	*
ZANZIBAR	146	3.000	1.089	29.000	73	2.847	165	5.000	1.473	39.847	6 %	1986	-	*	*
ZIMBABWE	635	127.699	260	6.763	57	1.879	889	12.750	1.841	149.091	2 %	1990	*	-	*
TOTAL	36.740	13.588.254	19.648	7.093.622	5.135	2.367.502	8.396	3.215.554	69.919	26.264.932	7 %	--	14	9	16

Notes: "%/POP" means the percentage of co-operative members in the total population of the respective country; in the row "TOTAL", it refers to the weighed average of all countries. This information is given only as a standard of comparison between the various countries.

"ACT OF" refers to the year when the country's co-operative act was promulgated; 1) means that a revision of the act is being envisaged; 2) means that a revision is envisaged, and that the draft of a new act is already available.

"AX" = Apex Organization; "BK" = Co-operative Bank; "CL" = Co-operative College; "DP" = Co-operative Department; an asterisk indicates that the institution is present in the respective country.

It is surprising that the average membership per co-operatives varies so little between the four types: agriculture = 370; consumer = 361; credit unions = 463; other co-ops = 383; total average = 376.

APPENDIX III: ACADEMIC JOURNALS CONSULTED

Literature Review																	
Author	Year	Journal	Article	Journal Type	Article Thrust	Thesis Relevance								Methodology			
						Coops	SSE	SDG	DWA	Informal economy	Africa	Neo-liberalism	Theo-retical	Quantita-tive Research	Qualita-tive Research	Secondary data	Literature review
Awortwi, N.,	2018	Development Policy Review	Social protection is a grassroots reality: Making the case for policy reflections on community-based social protection actors and services in Africa	Development Policy	Social protection		Y	X	Y		Y			Y			
Hoyos, A. & Angel-Urdinola, D	2019	Development Policy Review	Assessing international organizations' support to social enterprise	Development Policy	Social economy	X	Y	X						Y			
Oldekop, J. e. a.,	2016	Development Policy Review	100 key research questions for the post-2015 development agenda	Development Policy	SDGs			Y	X								Y
Fukuda-Parr, Sakiko	2007	Economic Rights Working Paper Series	Human Rights and Human Development	Human rights	Human rights			X	Y		X			Y			
Amaeshi, K. & Idemudia	2015	Entrepreneurship in Africa	Africapitalism: A management idea for business in Africa?	Entrepreneurship	Social responsibility	X	X		X		Y						Y
Seibel, Hans-Dieter	2006	Euoepan Dialogue	From Informal Microfinance to Linkage Banking: Putting Theory into Practice, and Practice into Theory	European Affairs	Microfinance		Y			X	Y				Y		
Münkner, H.,	2012	EURICSE Working Paper	Worldwide Regulation of Co-Operative Societies - An Overview	Social economy	Cooperatives; SSE	Y	X				X						Y
Dash, Anup	2016	Forum for Social Economics	An Epistemological Reflection on Social and Solidarity Economy	Social Economy	SSE	X	Y						Y				
Blustein, David L.; Olle, Chad; Connors-Kellgren, Alice; Diamonti, A.J	2016	Frontiers in Psychology	Decent Work: A psychological perspective	Psychology	Decent Work				Y	X			Y				
Stuart, E. & Woodroffe, J.,	2016	Gender & Development	Leaving no-one behind. Can the sustainable Development Goals succeed where the Millennium Development Goals failed?	Development Policy	SDGs			Y	X					Y			
Harvey, D.	2006	Geografiska Annaler. Series B, Human Geography	Neo-Liberalism as Creative Destruction	Geography	Neoliberalism	X		X	X			Y	Y				
Fukuda-Parr, Sakiko; McNeill, Desmond	2019	Global Policy	Knowledge and Politics in Setting and Measuring the SDGs: Introduction to a Special Issue	Political affairs	SDGs			Y					Y				
Fehling, M., Nelson, B. D. & Venkapataram	2013	Global Public Health	Limitations of the Millennium Development Goals: a literature review	Health	MDGs			Y	X								Y
Saguier, Marcelo; Brent, Zoe	2017	Global Social Policy	Social and Solidarity Economy in South American regional governance	Social Policy	Social Economy		Y						Y				
Di Ruggiero, Erica; Cohen, Joanna E; Cole, Macnaughton, Gillian; Frey, Diane	2014	Globalization and Health	The politics of agenda setting at the global level: key informant interviews regarding the International Challenging Neoliberalism: ILO, Human Rights, and Public Health Frameworks on Decent Work	Globalization	Decent Work				Y						Y		
Wanyama, Frederic O.	2013	International Journal of Arts and Commerce	Some positive aspects of neo-liberalism for African development: the revival of solidarity in cooperatives.	Commerce	Cooperatives; Africa	Y	Y				Y	Y				Y	
Sallah, Abdoulie	2016	International Journal of Social Economics	Re-reading the narrative of the informal economy in the context of economic development in sub-Saharan Africa	Social Economy	Informal economy		X				Y						Y
Lee, S.	2020	International Journal of Sustainable Development & World Ecology,	Role of social and solidarity economy in localizing the sustainable development goals	Development Policy	Social Economy; SDGs	X	Y	Y								Y	
Fauquet, G.	1939	International Labour Review	The Diversity of Co-operative Institutions and their Classification	Labour	Cooperatives	Y											Y
Ghai, D	2003	International Labour Review	Decent work: Concept and indicators	Labour	Decent Work			X	Y				Y				
Kanbur, Ravi	2021	International Labour Review	The long discours on informality as reflected in selected articles of the International Labour Review	Labour	Informal economy					Y							Y
Sen, Amartya	2000	International Labour Review	Work and Rights	Labour	Decent Work				Y				Y				
Wedig, Karin; Wiegratz, Jörg	2018	Journal of Agrarian Change	Neoliberalism and the revival of agricultural cooperatives: The case of the coffee sector in Uganda	Agriculture	Cooperatives; Africa; Neoliberalism	Y	X				Y	Y		Y			
Kramer, Karen	2019	Journal of Anthropological Research	How There Got to Be So Many of Us: Evolutionary Story of Population Growth and a Life History of Cooperation	Anthropology	Cooperation and demographics	Y	X								Y		
Bull, Michael; Ridley-Duff, Rory	2018	Journal of Business Ethics	Towards an appreciation of ethics in social enterprise business models	Business ethics	Social enterprises	Y	Y										Y

Literature Review

Author	Year	Journal	Article	Journal Type	Article Thrust	Thesis Relevance							Methodology				
						Coops	SSE	SDG	DWA	Informal economy	Africa	Neo-liberalism	Theoretical	Quantitative Research	Qualitative Research	Secondary data	Literature review
Ifedapo, A., John, L., Judy, M. & Kenneth, A.,	2020	Journal of Business Ethics	Business Ethics in Africa: The Role of Institutional Context, Social Relevance, and Development Challenges	Business ethics	Business ethics; Africa		X		X		Y						Y
Sambu, Damian; Msaki, Juda	2019	Journal of Co-operative and Business Studies	Mechanism for Co-operative Revitalization in Tanzania: a Policy Review	Cooperatives	Cooperatives	Y					Y				Y		
Easterly, William	2005	Journal of Development Economics	What did structural adjustment adjust? The association of policies and growth with repeated IMF and World Bank adjustment loans	Development Policy	Structural adjustment						X	Y				Y	
Stewart, Frances	2015	Journal of Global Ethics	The Sustainable Development Goals: a comment	Ethics	SDGs			Y					Y				
Fukuda-Parr, S., Ely Yamin, A. & Greenstein	2014	Journal of Human Development and Capabilities	The Power of Numbers: A Critical Review of Millennium Development Goal Targets for Human Development and Human Rights	Human development	Human rights; MDGs			Y	Y					Y			
Green, R.H.	1998	Journal of International Affairs	A Cloth Untrue: The Evolution of Structural Adjustment in Sub-Saharan Africa	Development Policy	Structural Adjustment			X			Y	Y			Y		
Leonhard, Madeleine	2000	Journal of International Development	Coping Strategies in Developed and Developing Societies: the workings of the informal economy	Development Policy	Informal economy		X			Y				Y			
Schotanus, F. & Telgen, J.	2007	Journal of purchasing and supply management	Developing a typology of organisational forms of cooperative purchasing	Management	Cooperatives	Y									Y		
Kwapong, N. A. & Hanisch, M.,	2013	Journal of Rural Cooperation	Cooperatives and Poverty Reduction: A Literature Review	Agriculture	Cooperatives	Y	X	Y	X		X						Y
Nyanzu, F., Peprah, J. & Ayayi, A.	2018	Journal of Small Business Management	Regulation, Outreach, and Sustainability of Microfinance Institutions in Sub-Saharan Africa: A Multilevel Analysis	Management	Microfinance		Y				Y				Y		
Frey, D. F. a. M. G.,	2016	Journal of Workplace Rights	A Human Rights Lens on Full Employment and Decent Work in the 2030 Sustainable Development Agenda	Workers' rights	SDGs			Y	Y				Y				
Williamson, John	2009	Law and Business Review of the Americas	A Short History of the Washington Consensus	Economic Policy	Neoliberalism			X	X		X	Y	Y				
Amin, S.,	2006	Monthly Review - An independent socialist magazine	The Millennium Development Goals: A Critique from the South	Political affairs	SDGs			Y					Y				
Fujii, Lee-Anne	2015	Qualitative research	Five stories of accidental ethnography: turning unplanned moments in the field into data	Qualitative research	Ethnography					X					Y		
Heidhues, F. & Obare, G.,	2011	Quarterly Journal of International Agriculture	Lessons from Structural Adjustment Programmes and their Effects in Africa	Agriculture	Structural adjustment	X					Y	Y					Y
Hughes, Steve; Haworth, Nigel	2011	Relations industrielles	Decent Work and Poverty Reduction Strategies	Industrial relations	Decent Work			X	Y						Y		
Carmody, Pádraig	1998	Review of African Political Economy	Constructing alternatives to structural adjustment in Africa	Political affairs	Structural adjustment						Y	Y	Y				
Salustri, A	2018	Review of Applied Socio-Economic Research	The UN 2030 Agenda and Social and Solidarity Economy: toward a structural change?	Sociology	SDGs; SSE	X	Y	Y					Y				
Moxom, J. & Romenteau, A.	2019	Review of International Cooperation	Co-operatives and the sustainable development Goals: The Role of Co-operative Organisations in Facilitating SDG Implementation at Global, National, and Local Levels	Cooperatives	Cooperatives; SDGs	Y	X	Y									Y
Reito, Francesco	2019	Review of Social Economy	ROSCAs without sanctions	Social economy	SSE		Y			X						Y	
Noumen, R	2008	Revue Française de Gestion	Les coopératives : des utopies occidentales du XIXe aux pratiques africaines du XXe	Management	Cooperatives; Africa	Y	X				Y		Y				
Caire G, Tadjudje W.	2019	Revue internationale de l'économie sociale	Vers une culture juridique mondiale de l'entreprise d'ESS? Une approche comparative internationale des législations ESS	Social Economy	SSE	X	Y										Y
Bosc, P.-M., Berthomé, J., Losch, B. & Mercoiret, M.-R	2002	Revue Internationale de l'Economie Sociale	Le grand saut des organisations de producteurs agricoles africaines	Social economy	Farmers' organizations	X	Y				Y	X					Y

Literature Review

Author	Year	Journal	Article	Journal Type	Article Thrust	Thesis Relevance								Methodology			
						Coops	SSE	SDG	DWA	Informal economy	Africa	Neo-liberalism	Theoretical	Quantitative Research	Qualitative Research	Secondary data	Literature review
Kingston, Kato Gogo	2011	Sacha Journal of Policy and Strategic Studies	The Impacts of the World Bank and IMF Structural Adjustment Programmes on Africa: The Case Study of Cote D'Ivoire, Senegal, Uganda, and Zimbabwe	Development Policy	Structural Adjustment; Africa						Y	Y			Y		
Mohan, J.	1966	Socialist Register	Varieties of African Socialism	Development Policy	Socialism; Africa		X				Y		Y				
Hickel, Jason	2019	Sustainable Development	The contradiction of the sustainable development goals: Growth versus ecology on a finite planet	Development Policy	SDGs			Y	X							Y	
Hanlon, G.	2018	Sociology	The First Neo-Liberal Science: Management and Neo-liberalism	Sociology	Neoliberalism	X			X			Y					Y
O'neill, Daniel W.; Fanning, Andrew L.; Lamb, William F.; Steinhilber, Julia K.	2018		A good life for all within planetary boundaries	Sustainability	Ecology and economy			Y					Y				
Meschede, Kristine	2020	Sustainability	The Sustainable Development Goals in Scientific Literature: A Bibliometric Overview at the Meta-Level	Sustainability	SDGs			Y						Y			
Ruzek, W.	2014	Sustainability	The Informal Economy as a Catalyst for Sustainability	Sustainability	Informal economy			Y		Y			Y				
Hart, Keith	1985	The Cambridge Journal of Anthropology	The informal economy	Anthropology	Informal economy					Y	X		Y				
Jackson, Terence	2012	The International Journal of Human Resource Management	Cross-cultural management and the informal economy in sub-Saharan Africa: implications for organization, employment and skills development	HR management	Informal economy					Y	Y		Y				
Riddell, Barry J.	1992	The Journal of Modern African Studies	Things Fall Apart Again: Structural Adjustment Programmes in Sub-Saharan Africa	African studies	Structural adjustment					X	Y					Y	
Woods, Dwayne	2000	The Journal of Modern African Studies	The politics of organising the countryside: rural cooperatives in Côte d'Ivoire	African studies	Cooperatives	Y	X			X	Y						Y
Sachs, J. D.	2012	The Lancet	From Millennium Development Goals to Sustainable Development Goals	Development Policy	SDGs			Y					Y				
Connell, Raewyn; Dados, Dados	2014	Theory and Society: Renewal and Critique in Social Theory	Where in the world does neoliberalism come from?	Economic Policy	Neoliberalism			X	X		X	Y					Y
Cheru, Fantu	2006	Third World Quarterly	Building and Supporting PRSP in Africa: what has worked well so far? What needs changing?	Development Policy	Poverty reduction			X			Y	Y			Y		
Owuso, Francis	2003	World Development	Pragmatism and the Gradual Shift from Dependency to Neoliberalism: The World Bank, African Leaders and Development Policy in Africa	Development Policy	Structural adjustment; Africa			X	X		Y	Y	Y				
Total Y (intense relation)						20	19	19	12	8	33	14	25	13	15	8	24
Total X (moderate relation)						10	15	14	14	7	7	2	0	0	0	0	0
Total relations						30	34	33	26	15	40	16	25	13	15	8	24
Total journal articles						85											

APPENDIX IV: SAMPLE OUTPUT SCREENS OF THE EXCEL TOOL (LABEL SF-EF-SD-PP)

Filtering Mechanism													
	SSE Function				SDG Dimensions				DWA Pillar				Marker
	Opportunity OF-	Social SF-	Empower- ment EF-	Environment Protection CF-	Economic ED-	Social SD-	Environ- mental CD-	Institutional ID-	Jobs JP-	Protection PP-	Rights RP-	Dialogue DP	
Multiplier	1	2	4	8	16	32	64	128	256	512	1024	2048	550
Filter	0	1	1	0	0	1	0	0	0	1	0	0	
Value	0	2	4	0	0	32	0	0	0	512	0	0	
Switch	If switch = 1 then count only relations bearing the marker SF-EF-SD-PP- If switch=0 then include all relations in which the elements of SF-EF-SD-PP- appear											0	550
Number of SDG targets per SSE type	0	48	48	0	0	48	0	0	0	48	0	0	
Number of SSE types per SSE target	0	36	36	0	0	36	0	0	0	36	0	0	

Current marker as per filter: **SF-EF-SD-PP-**

Total number of SSE-SDG Relationships	
Total number of SDG target/SSE types relationships	194
Total number of SD targets relevant to the SSE	60
Total number of SD goals relevant to the SSE	14
Total number of SSE types relevant to the SDGs	57
Total number of SSE categories relevant to the SDGs	7

SSE/SDG relationships per goal		
SDG 1	Poverty	28
SDG 2	Hunger	17
SDG 3	Health	17
SDG 4	Education	0
SDG 5	Gender	5
SDG 6	Water	6
SDG 7	Energy	4
SDG 8	Jobs	49
SDG 9	Industry	11
SDG 10	Equality	15
SDG 11	Cities	10
SDG 12	Sustainability	13
SDG 13	Climate	0
SDG 14	Oceans	2
SDG 15	Ecosystem	0
SDG 16	Justice	14
SDG 17	Partnerships	3
Total		194

SSE/SDG relationships per SSE category	
Job creation	38
Financial services	23
Social services	25
Economic services	36
Societal services	25
Environmental service	19
Other services	28
Total	194

DG/SSE relationship per DW pillar (all occurrences)		
Jobs	JP	120
Protection	DP	66
Rights	RP	32
Dialogue	DP	56
Total		274
DG/SSE relationship per DW pillar (yes/no)		
Jobs	JP	38
Protection	DP	28
Rights	RP	14
Dialogue	DP	27
Total		107

Number of SDG dimensions, SSE functions and DWA pillars addressed											
OF	SF	EF	CF	ED	SD	CD	ID	JP	PP	RP	DP
120	66	64	21	111	74	21	57	120	66	32	56

Select number of SSE functions, SDG dimensions and DWA pillars		Select label to search for			SSEOEs that carry the label		SDG Targets associated with the label		
					SSEOE	Label			
SSE functions 1-4, 5 = "any" SDG dimensions 1-4, 5 = "any" DWA pillars: 1-4, 5 = "any"	Input	OF	0	SF EF	Social cooperative (work integration)	OF-SF-EF-SD-ID-JP-PP	01,2	SF-EF-SD-PP	
	1	SF	1				01,4	SF-EF-SD-PP	
	1	EF	1		Food distribution association	SF-EF-SD-PP	02,1	SF-EF-SD-PP	
	1	CF	0				10,2	SF-EF-SD-PP	
Show Labels	Clear screen	ED	0	SD			12,3	SF-EF-SD-PP	
		SD	1						
		CD	0						
		ID	0						
Search SSEOEs	Clear screen	JP	0	PP					
		PP	1						
		DP	0						
		RP	0						
Search targets	Clear screen								

4