

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

Source: ILC.110/Resolution II: Resolution concerning decent work and the social and solidarity economy

SOCIAL SOLIDARITY ECONOMY: DEFINITION, PRINCIPLE AND VALUE

SSE has different definitions and integrates a multiplicity of currents of thought and productive organization modalities, all the above converge in common elements; therefore, it is strategic to start with an agreed definition of the SSE, and for this purpose will resort to the one established in **ILO resolution ILC 110**, entitled **“Resolution concerning decent work and SSE. From it, identify its principles and values with their respective definitions”**; and take this definition to disaggregate its principles, values, and objectives.

The SSE encompasses companies, organizations and other entities that carry out economic, social, and environmental activities of collective or general interest, which are based on the principles of...

1. Voluntary cooperation and mutual assistance,
2. Democratic or participatory governance,
3. Autonomy and independence, and
4. The primacy of people and social purpose over capital in the distribution and use of surpluses or profits as well as assets.

SSE entities aim for long-term viability and sustainability and transition from the informal to the formal economy and operate in all sectors of the economy. They put into practice a set of values that are intrinsic to their operation and are in line with...

1. Care for people and the planet,
2. Equality and
3. Equity,
4. Interdependence,
5. Self-governance,
6. Transparency and accountability, and
7. The achievement of decent work and decent livelihoods. (Objectives of decent work: Fair Income, Safety in the workplace, Social Protection and Social Dialogue. Goals of decent work: Social inclusion, Eradication of poverty, Strengthening of democracy, Integral development, and personal realization.)

Depending on national circumstances, the SSE comprises cooperatives, associations, mutuals, foundations, social enterprises, self-help groups and other entities that operate according to its values and principles.

**Source: WIEGO – Women in Informal Employment: Globalizing and Organizing*

Social Solidarity Economy and ASEC

Today, perhaps as never before, more people are becoming aware that capitalism has turned our lives and our planet into a commodity. A system that is environmentally unsustainable and socially unjust, and that it is not able to guarantee the happiness and dignified life conditions of all persons in any place on the planet. In this context, grassroots solidarity-based economic initiatives have emerged rediscovering timeless practices and cultural traits, renewing and adapting them to the current context through the use of new technologies and other contemporary, regenerative and resilient resources.

The term “Social Solidarity Economy” or SSE started to be used in the late 90s, where an assembly took place in Lima, Peru on July 4th, 1997, and the participants from more than 30 countries agreed that there needed to be a strong integration between the more traditional social economy structures and the more holistic and alternative approaches of solidarity economy practices and communities. There is nevertheless a common, general vision with shared values and principles that is found worldwide. In recent years, a global SSE movement is emerging – a rapidly growing transformative, citizen-led alternative to market-driven capitalism, aimed at systemic change to build an economy and society that serves people and planet. SSE is grounded in locally rooted initiatives that are increasingly globally networked, with a broad political (but not ideological) framework based on solidarity, equity, human and Earth rights, self-determination, mutuality, and cooperation.

To host the movement in Asia, Asian Solidarity Economy Council was established in 2017. ASEC, the organization, is the continental network in Asia of the Intercontinental Network for the Promotion of Social Solidarity Economy (RIPESS). The partners and members of ASEC are spread in 16 countries (Bangladesh, Cambodia, China, India, Indonesia, Japan, Laos, Malaysia, Myanmar, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, and Vietnam).

Through training, seminar, consultation, and raising public awareness ASEC promotes the concept and practices of SSE using Five Dimensions Guidelines to assess how organizations reflect the principles of SSE :

1. Socially responsible governance
2. Edifying ethical values
3. Ecological conservation
4. Socio-economic benefits
5. Economic sustainability



The “SSE Five Dimensions” are found in cooperatives, associations, mutual societies, foundations, social enterprises, self-help groups and other entities operating in accordance with the principles of the SSE, with various sectoral issues. ASEC believes the attainment of marginalized workers organizations in establishing transformative social protection will shape social solidarity economy to live a life of dignity, equality, and prosperity.

**Source: ASEC- Asian Solidarity Economy Council*

SSE AND TRANSITION TO THE INFORMAL ECONOMY

93. Informal own-account workers can organize into SSE units to engage in the transition to the formal economy. The Global Commission on the Future of Work recognized that “workers in the informal economy have often improved their situation through organizing, working together with cooperatives and community-based organizations.”

94. Vertical SSE structures of informal own-account workers provide those workers with voice and representation at the local, national, regional, and international levels, as described below:

- At the local level, SSE units of artisans, taxi drivers, smallholder farmers or street vendors come together in vertical structures. For example, in the United States, the New York City Network of Worker Cooperatives provides services for worker cooperatives whose members are mostly informal own-account workers. It advocates to secure public funding for worker cooperative development and for the adoption of legislation for worker cooperatives at the city and state levels.

95. SSE units help to scale up the activities of informal economy units through collective forms of entrepreneurship, enhancing their bargaining position and facilitating the access of workers to social protection. Through the SSE, informal economy enterprises can improve their economic viability and resilience, increase their productivity, realize cost savings through shared services and boost their incomes through an increased level of production and the diversification of product lines. By forming or joining SSE units, informal economy operators can secure access to finance, information, inputs, technology, support services and markets. SSE units can facilitate access to social security for their members by helping with registration, providing information about their members’ rights and entitlements, and raising awareness. When SSE units are officially registered, they belong to the formal economy, while their workers may still operate in the informal economy.

96. The impact of COVID-19 has been particularly severe on the world’s 2 billion informal workers. Research conducted in mid-2021 on the impact of the pandemic on the livelihoods of informal workers showed that most informal workers had not recovered the ability to work. Their earnings still remained far below pre-pandemic levels. In dealing with the effects of the public health and economic crisis caused by the pandemic, women workers in the informal economy have been even more disproportionately burdened with unpaid care work within households. In South Asia, women home-based workers reported an inability to work due to lockdowns and mobility issues, cancellations of orders and services, increases in the cost of raw materials and seeds, and increased care responsibilities. In the face of the crisis, SSE units of informal workers distributed relief measures and services, conducted awareness-raising on COVID-19 and provided linkages with the health system for preventive care and treatment. In India, SSE units of women informal economy workers have provided much-needed employment and business-related relief to their members.

**Source: ILO’s Office Report on Decent work and the social and solidarity economy, ILC 2022 General Discussion on Decent Work and the Social and Solidarity Economy*

THE WORKERS IN INFORMAL ECONOMY AND SSE



Workers in informal employment have made use of Social and Solidarity Economy figures to organize themselves, since they constitute forms of organization and production created to solve common needs of certain social collectives, particularly the most defenseless and unprotected social groups.

The SSE has been recognized as having a unique potential to bring together workers in informal employment and move towards 1) accessing decent work standards, 2) advocating for social justice in their national contexts, 3) improving living conditions for all, and 4) promoting a proper and appropriate transition from the informal to the formal economy.

Notwithstanding its importance, the SSE faces several obstacles, particularly regulatory frameworks that do not allow its development (tax policies, lack of access to credit, formal restrictions), or, if they do allow it, it does so but in disadvantageous conditions compared to other actors such as traditional capitalist companies or enterprises.

The other major challenge is for workers' organizations that have been formed as entities of the Social and Solidarity Economy, since this requires the appropriation by workers of their principles and values and their materialization in concrete productive and organizational practices; organizational adaptation to meet the requirements of the organizational forms of the SSE in each of their national contexts, and articulation with a specific economic and productive environment.

**Source: WIEGO – Women in Informal Employment: Globalizing and Organizing*

HOMENET SOUTHEAST ASIA CALL FOR SUPPORTING AND STRENGTHENING SSE OF INFORMAL WORKERS IN ASEAN

1. ASEAN and all member states recognize and promote SSE as the socio-economic unit with a distinct identity that differentiates it from both the public and private sectors and benefits workers in the informal economy in various dimensions.
2. All ASEAN member states ratify, formulate, and implement national laws and policies in line with the ILO's Decent Work Agenda, ILO Resolution concerning decent work and the informal economy (2002), ILO R193 on Cooperatives, and R204 on Concerning the Transition from the Informal to the Formal Economy.
3. ASEAN and all member states provide the legal and policy frameworks on the SSE. Appropriate legal and regulatory frameworks must be put in place for workers in the informal economy. Necessary actions include affordable and easily accessible registration procedures, and access to finance, particularly start-up capital.
4. All ASEAN member states provide the space for representatives of SSE units to participate in the social dialogues where all relevant policies are decided.

HomeNet Southeast Asia is a sub-regional network of membership-based organizations of informal home-based workers located in Cambodia, Indonesia, Laos Philippines, Thailand and Vietnam. It aims to enable organized home-based workers to democratically run and manage self-sustaining organizations and networks at the national and sub-regional levels.

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