Brief on “Boundaries and Linkages between the Social and Solidarity Economy, Corporate Social Responsibility and Responsible Business Conduct”

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Key points
This brief complements the Office Report “Decent work and Social and Solidarity Economy” (ILO, 2022a). It aims at clarifying the concepts and linkages between the Social and Solidarity Economy, Corporate Social Responsibility and Responsible Business Conduct and why Responsible Business Conduct (RBC) is particularly relevant to social and solidarity economy (SSE), consisting of value and principle driven/based units. The brief also describes why SSE units, small and MNE, and RBC are critical to enhance the contribution of business to decent work and act as responsible business with instruments on the topic (ILO MNE Declaration, UN Guiding Principles on Business and Human Rights and OECD MNE Guidelines).

Introduction

The idea of the corporate responsibility has gained strong legitimacy and a rising interest at the national and international levels together with a growing concern for a more responsible, ethical and solidarity society. Since Brundtland’s report ¹ which developed guiding principles for sustainable development, defined as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” (pg. 41), there has been a growing understanding that economic development cannot come at the expense of people and planet. In the last decades, “several measures and initiatives have been introduced by governments, businesses, trade unions and civil society organizations to make global supply chains more sustainable and responsible” (ILO, 2019c, p 6). Different concepts such as Corporate Social Responsibility (CSR), Responsible Business Conduct (RBC) or Business Human Rights (BHR) have emerged in relation with this concern for more responsible business practices.

The COVID-19 pandemic has exacerbated inequalities in income and widening gaps in labor market opportunities, and exposed existing vulnerabilities in economies, labor markets and societies (ILO, 2022c). On the one hand, particularly in the current recovery context, responsible business conduct emerges as crucial to enable a more human-centered recovery that is inclusive, sustainable and resilient. On the other hand, the social and solidarity economy (SSE) has gained further recognition for its role in creating and sustaining jobs and providing services for members, users, and communities, particularly during the global COVID-19 pandemic. As the call and expectation for new ways of doing

business are growing, the SSE can provide a basis for a model of enterprise that fosters inclusiveness, sustainability, and resilience.

Against this backdrop, this brief sets out to explore the linkages and boundaries between the social and solidarity economy and Corporate Social Responsibility and Responsible Business Conduct. It is structured in the following sections:

(1) The changing landscape of corporate responsibility: concepts and international instruments. This section underlines the specificity of SSE in social responsibility by clarifying the different concepts, including: Social and Solidarity Economy (SSE), Corporate Social Responsibility (CSR), Responsible Business Conduct (RBC), as well as the key guiding instruments and reporting standards in the area of responsible business conduct.

(2) The social and solidarity economy: putting responsible business conduct into practice. This section provides illustrative examples from around the world of how SSE units practice responsible business conduct, based on principles contained in ILO’s Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.

(3) Recommendations. This section identifies recommendations to governments, employers’ organizations and workers’ organizations in order to improve contribution of SSE to decent work and responsible business.

1. The changing landscape of corporate responsibility: concepts and international instruments

Enterprises, both big and small, and of diverse ownership structures, are the engine of the economy. They contribute to economic and social development through job creation, development of skills and technology, and the provision of goods and services. At the same time, the activities of enterprises can have adverse impacts on people, the environment and society. All business, regardless of their location, size, sector, operational context, ownership, and structure, should act responsibly, and identify and manage risks of impacts linked to their operations, products or services, including in their supply chains and other business relationships.

1.1. Concepts, plethora definitions to express the corporate responsibility

There are several terms that have emerged to encompass these expectations. Some of them are more commonly used in some regions than others, and some, and other have emerged due to institutional usage guided by the international standards.

Corporate Social Responsibility (CSR), as defined by the ILO, “is a way in which enterprises give consideration to the impact of their operations on society and affirm their principles and values both in their own internal methods and processes and in their interaction with other actors. CSR is a voluntary, enterprise-driven initiative and refers to activities that are considered to exceed compliance with the law” (ILO, 2006, pg. 1). Similarly, in the guidance standards ISO 26000, CSR is defined as “the responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behavior that: contributes to sustainable development, including health and the welfare of society; takes into account the expectations of stakeholders; is in compliance with applicable law and consistent with international norms of behavior; and is integrated throughout the organization and practiced in its relationships”\(^1\). Emphasis is given to a global approach with the adoption of an ethical behavior. ISO 26000 gives guidance to those who recognize that respect

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for society and environment is a critical success factor and provides a structure with seven key principles: Accountability, Transparency, Ethical behaviour, Respect for stakeholder interests Respect for the rule of law, Respect for international norms of behaviour, and Respect for human rights.

**Responsible Business Conduct (RBC),** as defined by OECD, refers to making a positive contribution to economic, environmental and social progress with a view to achieving sustainable development and avoiding and addressing adverse impacts related to an enterprise’s direct and indirect operations, products or services (OECD, 2011).

The terms CSR have increasingly been used alongside Responsible Business Conduct (RBC) and Business and Human Rights (BHR), with some using the terms interchangeably (e.g. the European Union, 2019) as different expressions that “all business, regardless of their location, size, sector, operational context, ownership and structure, should act responsibly, and identify and manage risks of impacts linked to their operations, products or services, including in their supply chains and other business relationships” (ILO-OECD-UN, 2019, pg. 2).

**Business and human rights (BHR),** as recalled by the European Union, are an increasingly important aspect of CSR/RBC, especially when it comes to businesses’ global supply chains.

**Inclusive business (IB),** which has been stressed especially by the G20, “provides goods, services, and livelihoods on a commercially viable basis, either at scale or scalable, to people living at the base of the economic pyramid (BOP) making them part of the value chain of companies’ core business as suppliers, distributors, retailers, or customers” (G20, 2015, pg. 3). These approaches share with CSR, RBC and BHR a voluntary nature and aim at stressing the positive contribution of businesses to social issues.

Other terms, such as **Corporate Philanthropy (CP)** has different historical roots that go back to the early 20th century and follows a different philosophy by stressing the investments and activities that a company voluntarily undertakes to responsibly manage and account for its impact on society (San Diego Foundation, 2020, online document 3). Corporate philanthropy differs from the above-mentioned terms in that investments and activities are often not linked to its business operations, but refer to charitable donations made to non-profits and community organizations.

**Stakeholder capitalism** is a form of capitalism in which companies seek long-term value creation by taking into account the needs of all their stakeholders, and society at large (World Economic Forum, 2021). It is rooted in the main idea that a company’s purpose is to serve the interests of all its stakeholders not only its shareholders. Stakeholder capitalism is “based on freedom, rights, and the creation by consent of positive obligations.” (Freeman et al., 2007, pg. 311). These different concepts contribute to take into account specific approaches of corporate responsibility.

### 1.2. International instruments for guiding business to comply with responsibility

In relation with this global concern and related concepts and approaches, different instruments and reporting standards have been produced by international organizations in order to guide businesses to comply with increasingly global expectations and recommendations.

Three international instruments are recognized as the key reference documents on responsible business: the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (ILO MNE Declaration, 2017a), the UN Guiding Principles on Business and Human Rights (UN...

These three main instruments are the main authoritative sources, as they are based on standards. They are aligned and complement each other, and provide a complete scope on all CSR/RBC issues, from labour issues, to the roles of government and business, to the need to ensure access to remedy, to issues related to corruption, consumer issues, etc. The guidance contained in these three instruments are not limited to multinational enterprises but apply to all kinds of enterprises regardless of their legal statute and include all “enterprises – whether fully or partially state-owned or privately owned – which own or control production, distribution, services or other facilities outside the country in which they are based” (ILO MNE Declaration, 2017a, para 6, pg. 3).

The ILO MNE Declaration provides guidance on how multinational companies can contribute to the realization of decent work for all. This guidance targets enterprises, governments and employers’ and workers’ organisations on their respective roles “to encourage the positive contribution which multinational enterprises can make to economic and social progress and the realization of decent work for all; and to minimize and resolve the difficulties to which their various operations may give rise” (ILO, 2017a, para 2, pg. 2). Its recommendations on employment, training, conditions of work and life, and industrial relations are based on international labour standards, including the fundamental Conventions underpinning the ILO Declaration on Fundamental Principles and Rights at Work (1998) which addresses forced labour, child labour, non-discrimination and freedom of association and collective bargaining. The ILO MNE Declaration was most recently updated in 2017 to include new labour standards and policy outcomes and to make explicit references to global developments such as the adoption of the UN Guiding Principles and the 2030 Agenda for Sustainable Development.

UN Guiding Principles aim at leading the companies to engage in the service of human rights respect. They represent the current global standard for government and businesses on preventing and addressing business-related human rights harms. “Business enterprises should respect human rights…. Nevertheless, the scale and complexity of the means through which enterprises meet that responsibility may vary according to these factors and with the severity of the enterprise’s adverse human rights impacts” (UN Guiding Principles on Business and Human Rights, 2011, pg. 15). The EU endorsed the UN guiding principles in its 2015 action plan on human rights and democracy and has committed to supporting their implementation.

OECD MNE Guidelines “are recommendations from governments to businesses on how to act responsibly. They cover all areas of business responsibility, including labour and human rights issues, environment, disclosure, bribery, consumer interests, science and technology, competition, and taxation. The Guidelines were adopted in 1976 and last updated in 2011 to include a chapter on human rights aligned with the UN Guiding Principles. The chapter on Employment and Industrial Relations is aligned with ILO labour standards. The Guidelines also include a unique non-judicial grievance mechanism: National Contact Points (NCPs). The OECD Working Party on Responsible Business Conduct brings together the governments that have adhered to the Guidelines – currently 48 – whose mandate is to promote the implementation of the OECD MNE Guidelines and RBC policies” (ILO, UN, OECD, 2019, Responsible Business, pg. 3).

Dominant institutional logics behind each of these concepts are different and hybrid mixing civil society, political leaders, international organizations, global capitalism, community development, etc. Social and Solidarity Economy (SSE) units have been developed by organizations themselves and their members that voluntarily accept de facto to respect these principles in their operation.
1.3. The rising interest for Social and Solidarity Economy as a principle-driven economy

Social and Solidarity Economy (SSE) also expresses this concern for an economic development and a business model that is able to create and sustain jobs, to provide important services to members, users and communities, and be resilient in crisis. The SSE is gaining a growing legitimacy around the world and appears as an inspiring model, what is more an original and resilient responsible business option.

However, how the SSE units apply responsible business and CSR in their operations and services is not well documented (Bidet, Filippi et Richez-Battesti, 2019) and often under-estimated due to lack of visibility, appropriate measurement tools and therefore of an international consensus on the definition and contribution of SSE. Yet, in many countries, SSE has been gaining a stronger recognition and reached a formal level of institutionalization and regulation through specific supportive public policies and legal frameworks. Several countries in Europe, Africa or America, have recently introduced SSE laws in order to provide a legal definition of SSE and set up financial and technical means for its emergence and resilience (ILO, 2022a, pg. 11).

The ILO Office recently proposed a universal definition of SSE and associated principles and values based on revised legislative texts: “The Social and Solidarity Economy (SSE) encompasses institutional units with a social or public purpose, engaged in economic activities based on voluntary cooperation, democratic and participatory governance, autonomy and independence, whose rules prohibit or limit the distribution of profit. SSE units may include cooperatives, associations, mutual societies, foundations, social enterprises, self-help groups and other units operating in accordance with SSE values and principles in the formal and the informal economies” (ILO, 2022a, pg.11).

These principles and values express that the SSE units belong to the formal economic sector, operate on a voluntary basis and in full autonomy, and have a primary purpose which is not to generate individual profits for their shareholders or participants, but to address needs and issues met by their members and/or the communities and not sufficiently or correctly answered by other institutions. They operate under a few specific principles regarding their governance which is either democratic (“one person, one vote“) or participatory through inclusive rules and their limited profit distribution formally limited by rules. SSE principles and values allow the SSE units to act in a positive and original way towards the delivery of decent work and responsible business conduct.

2. The Social and Solidarity Economy: Putting responsible business conduct into practices

Whereas they converge and share a similar conviction that businesses aim should not be limited to maximize their shareholders profit, SEE on the one hand, and CSR, RBC and BHR on the other, do have their own specificities and their own emphasis on how they suggest reaching this aim. In view of the changing landscape of corporate responsibility and emergence of laws, international instruments, and guidance to enhance the positive contribution of enterprises to socio-economic development and to minimize or resolve the negative impacts they make cause, this section provides concrete examples of the convergence, of responsible business practices and the principles of the SSE.

To this end, illustrative examples are given in four of the five areas of the ILO MNE Declaration, as it provides “guidelines to multinational enterprises, governments, and employers’ and workers’ organizations in such areas as employment, training, conditions of work and life, and industrial
relations” (ILO, 2017a, pg. 6) and constitute a reference framework for any kind of organizations, including the SSE units and their contribution to SDGs.

Figure 1. ILO MNE Declaration recommendations in five areas

2.1. Employment, contributions by SSE

The ILO MNE Declaration provides recommendations in the following areas: employment promotion; social security; elimination of forced or compulsory labour; effective abolition of child labour: minimum age and worst forms; equality of opportunity and treatment; and security of employment. The examples provided below highlight contributions of the SSE to some of these areas. They also stress the need for reliable data to report on the effects and impacts of SSE units and to generalise innovative schemes on a wider scale.

Employment promotion
The contribution of SSE in terms of employment is diversely documented according to each national context. However, in the few countries that are able to release aggregated data about SSE employment size, this size varies between 2-3% until 10-12% of total employment. Contribution of SSE in terms of general employment is therefore significant and in specific industries like social services, health or education. This contribution includes both the creation of jobs in activities that are not sufficiently addressed by other organizations and the preservation of jobs, especially through worker-owned enterprises or recovered companies (empresas recuperadas) such as in Argentina.

Most of the time SSE jobs have the characteristics of being locally based. They are rooted in the communities, remaining a barrier to delocalization. Nevertheless, a few major stakes remain for some SSE units that may encounter difficulties to access financial resources and are often concentrated in the segment of supply chain with low productivity and high risk and may therefore have difficulties to enter higher value markets and realize long-term sustainability. Different strategies of scaling up are proposed.

4 https://participedia.net/case/5530
Formal sector
In countries where large parts of the economy are still in the informal sector, SSE is therefore considered as a lever for the transition to the formal economy (see in particular SDGs 8-9). “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” (ILO, 2022a, pg. 41).
The SSE units can contribute to the formalization and growth of micro or small-sized enterprises and promote the social economic and political inclusion of all. SSE Units help to scale up the activities of informal economy units through collective form of entrepreneurship, reinforcing their bargaining power and the social protection for workers. In India, SEWA, a national union of 1.8 million informal women workers in 14 Indian states, serves as an incubator for nascent collective social enterprises in the local handicraft, dairy, agriculture, domestic work, construction and recycling sectors, linking them to other collective enterprises that provide health, childcare, insurance and financial services. An estimated 80 per cent of SEWA-supported cooperatives have achieved economic viability.
In the same dynamics, informal own-account workers can organize into SSE units as a way of transition or “they can work together cooperatives and community-based organizations” (ILO, 2019a). More specifically, in the face of the pandemic crisis of COVID-19, SSE units of informal workers distributed relief measures and services, conducted awareness-raising on this pandemic 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.

Equality of opportunity and treatment
Considering the gender dimension SSE has particularly high records in terms of employment for women, including in leadership positions and especially through its development in women-oriented sectors or professions. Volunteer work in SSE units is also a frequent lever for women participation to society (see SDGs 1-5-10). SSE units are well-suited to advancing women’s economic participation in three key ways: increasing access to employment and work, enabling economic democracy and agency and boosting leadership and management experience. In Italy, Copernico is a consortium of six social cooperatives that provides children, adolescents, families, immigrants and asylum seekers with educational and social welfare services, and marginalized groups with job opportunities. It employs more than 200 workers, 76 per cent of whom are women. Relating to the leadership roles, in the United Kingdom, 47 per cent of social enterprises were led by women in 2021 and 83 per cent of the leadership teams of social enterprises included a woman.
In addition, the democratic and participatory governance of SSE units allows women the opportunity to engage in decision-making and power-sharing. Nevertheless, and in this perspective, there is a challenge for governments to support women empowerment in the SSE by providing them skill-building programs for women. Last but not least, the SSE units can offer multiple benefits in terms of providing affordable and accessible services for women in housing, finance and a range of care services.

Social security
Regarding social security, SSE organizations have been for long playing a central role either as primary service providers in contexts where public services remain embryonic like mutual benefit societies in many African countries or as supplementary service providers and partners of public policies in welfare-mix systems as do associations, health mutual, foundations or cooperatives in the fields of health, housing, long-term care or childcare. SSE units like NGOs and numerous associations and nonprofits do have a strong and long involvement in the fight against forced or compulsory labor, promotion of labor rights or reduction of reliance on child labor in agriculture (See SDGs 1-3-10). In Costa Rica farmer cooperatives concluded collective insurance agreements with the Costa Rican Social
Security Fund (CCSS) extending health coverage to farmers. In Belgium, compulsory social health insurance is provided through mutuals. In another dimension, China (Hong Kong), Japan, the Republic of Korea and Singapore: SSE units address long-term care and senior housing needs.

Security of employment
Another relevant contribution of SSE in terms of employment concerns more specifically work integration and how it helps low skilled and/or marginalized people to access job market\(^5\). SSE units can promote international labor standards in their interactions with their members and other third parties. In a country like the Republic of Korea, organizations units of SSE like social enterprises and self-help organizations, have been clearly identified as an element of welfare-mix and promoted through specific public schemes in order to contribute to the return to work and to provide decent works to specific categories of citizens including low skilled workers, migrants, handicapped workers or women.

Effective abolition of child labour
There is a growing concern and recognized support to ending child labour, because it is a violation of fundamental human rights, it reinforces poverty and has negative consequences on children’s health and educational achievements and for their future employability and chances of breaking out the poverty cycle (see SDGs 7-8). Agriculture is the sector where most child labor is found, it is also a sector where cooperatives are largely involved in production, processing, marketing and sales activities. Linked with their cooperative principles and values, they are well placed to contribute to the abolition of child labour because they combine a social and economic mission to meet their members’ needs. A study of cooperatives in Rwanda, shows that cooperative membership significantly reduces the probability of child labour. Child labour is one-third lower on family farms selling to cooperatives (ILO, 2016, 2017b). This may be explained by the cooperatives’ potential to reduce the vulnerability of households by creating jobs, generating alternative income opportunities and providing social services. Through education and training they can empower their members to improve their livelihoods and reduce the need for child labour. Moreover, cooperatives are rooted in communities and play a political role as schools of democracy providing members with a voice to influence public authorities and gain bargaining power vis-a-vis other businesses. Cooperatives can also improve livelihoods of vulnerable households contributing by this way to reduce child labour. Kuapa Kokoo cooperative in Ghana: supports parents of child beneficiaries with alternative livelihood activities to ensure the generation of additional income for their families and education of their children. Community group projects like the establishment of corn mills have been implemented to support family beneficiaries\(^6\).

2.2. Training
The SSE contributes to the training of workers through both salaried employment and volunteer work. In some SSE law, training is a prominent principle, e.g. in Columbia (Law No. 454/1998 of 4 August 1998 on the Solidarity Economy). More specifically, the 5th principle of cooperatives, as one of the organizational forms of SSE, is training for the members and the community. This role given to training is central to Mondragon in the Spanish Basque Country. For this cooperative group, socialising knowledge is the condition for democratising power. Cooperation is above all an educational

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\(^5\) “For example, since the adoption of the ILO’s Indigenous and Tribal Peoples Convention, 1989 (No. 169), ratified by 24 countries to date, the promotion of the SSE has been included as an objective in national plans for the integration of indigenous peoples and SSE organizations have participated in the deliberations of national indigenous people’s committees” (ILO, 2022a, pg. 37).

movement and requires the development of specific learning. They have also a cooperative university. Cooperative colleges and universities have prospered in countries such as Colombia, Uganda, Kenya and Tanzania in advancing capabilities of young people and functioning as adult learning centres for cooperatives and other SSE units in supporting their management capacities (ILO, 2019b). There is nevertheless a challenge for SSE units to reinforce their long-term sustainability and invest in training and in improving skills, know-how, processes and equipment (see SDG 10).

In Ecuador, the Foundation of Rural Community Cheese Makers (Funconquerucom) provides training to farmers on technical, sanitary and managerial aspects of cheese making. In South Africa, the Bela Communal Property Association creates employment and provides skills development and training to upskill its community members.

2.3. Conditions of work and life

Issues addressed under conditions of work and life include those pertaining to wages, benefits and conditions of work, and safety and health. They also provided a wide range of services to marginalised group of population to facilitate access to the market. These services improve incomes and livelihoods: food and housing, care services for child and elderly, access to health, financial services, fair trade organisations. In different ways, SSE contributes to limiting income volatility and reinforce the subsistence of the most fragile groups.

Wages, benefits and conditions of work

Through its contribution to job creation and its strong involvement in social security issues, SSE appears to be a major lever for poverty alleviation, for reducing inequalities, for improving health conditions, and for building inclusive societies. It also frequently helps to prevent crisis or help recovering from crisis and “has demonstrated its relevance and capacity and agency in the aftermath of natural disasters, as a means for communities to cope with the destruction and contribute to recovery and reconstruction” (ILO, 2022a, pg. 42). From waste management to transportation, cooperatives such as Assemtamorwa in Rwanda, Attawafouk in Morocco and Swach in India provide personal safety equipment and improved working conditions to thousands of worker members. Cooperatives in the garment sector in countries such as Vietnam and Thailand ensure eight-hour working days and/or flexible working hours as well as adequate living wages for their worker members (ILO, 2019b).

However, it should be stressed as well that the question of job quality and decent work deficits observed sometimes in SSE units cannot go unattended. This issue concerns sectors and countries with high standards in terms of protection of workers and working conditions where SSE has an ambivalent role as a provider of jobs that often have a lower quality than average in terms of employment status, working hours, remuneration and access to social protection, but also as an efficient answer to transform own-account workers into salaried workers with a better protection or as an alternative to a general tendency to replace salaried workers with rights by free individual entrepreneurs without any rights (the so-called uberization of economy). “Vertical SSE structures of informal own-account workers provide those workers with voice and representation at the local, national, regional and international levels” (ILO, 2022a, pg. 41).

The SSE has often been a pioneer in proposing innovative responses to environmental issues both through political activist mobilization (NGOs and other NPOs engaged in criticizing environmental scandals since the 1970s), original business models (organic coops; fair-trade; etc.), and promotion of renewal energies and resources efficiency. In Mexico, the green market in Morelos holds a monthly event offering space to 200 producers selling sustainably produced goods to consumers who care about the environment. In Thailand, Lemon Farm Cooperative is co-owned by 28,000 consumer and producer households and serves as major market channel for 3,000 organic (certified through Peer Guarantee System) and natural agricultural products.
2.4. Industrial relations

In area of industrial relations, the ILO MNE Declaration provides recommendations related to freedom of association and the right to organize; collective bargaining; consultation; access to remedy and examination of grievances; and settlement of industrial disputes. Given their participatory model, cooperatives and other SSE units have historically represented an alternative organizational form used by workers’ and employers’ organizations to advance social dialogue. Cooperatives have contributed to the representativeness of workers, especially those working in the informal economy and in areas where other organizational forms are limited. (ILO, 2018).

Freedom of association and the right to organize

The democratic and participatory governance of SSE units is a vector for stakeholders that are traditionally marginalized or under-represented, including women, to equally participate to governance and decision-making process and power-sharing. The specific governance of SSE, formally organized in the legal statutes, offers an innovative answer to the rising concern for an extended governance which should not be limited to shareholders but also include other stakeholders and especially the workers. SSE units tend to propose experimental models for an inclusive governance not only focusing on investors and workers, but embracing also other important stakeholders and especially users, public authorities, citizens, and volunteers. The National Association of Street Vendors of India, a coalition of 373 trade unions, cooperatives, associations and community-based organizations representing around 300,000 street vendors, played a pivotal role in drafting the National Policy on Urban Street Vendors, which accorded legal status to street vendors. HomeNet South Asia is a subregional network of home-based worker organizations that helps build regional solidarity among home-based workers and their representative organizations. In Vietnam, DVIC helps poor households from ethnic minorities and mountainous regions organising them into interest groups of farming households to help them diversify their production, from just planting rice and corn to also producing ginger, thus enabling these farmers to become their partner suppliers for these products. DVIC signed contracts with these interest groups, usually composed of 10–30 women and men farmers, assuring them that they would buy all their produce at flexible market rates but with a minimum purchase price, so as to protect the farmers when market prices went down.

Collective bargaining

Cooperatives have also been part of social dialogue through employers’ organizations, such as the European Association of Cooperative Banks which is part of the banking sector social dialogue at the regional level. In some countries, such as in Niger and Vietnam, cooperatives are recognized as social partners on their own and work alongside other employers’ and workers’ organizations (ILO, 2022b).

3. Recommendations

According to outcomes in Part 2, some policy recommendations have to be addressed to the different stakeholders, particularly for governments, employers’ organizations, and workers’ organizations. These are the pathways that are observed to be more promising. The different stakeholders should invest on putting responsible business conduct into practices for their contribution to decent work and SDGs.

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3.1. Towards governments

This refers to public sector in partnership with the key stakeholders: workers’, employers’, SSE orgs.

Impact and measurement issue, regarding data collection

Data collection is a crucial issue in order to improve the understanding of SSE specificities and its contribution to decent work and CSR but also, steer the public support to SSE units. It is essential to promote the collection and compilation of comparable, harmonized data on the SSE, building on the work done to produce statistics on cooperatives, and move towards the development of international guidelines on statistics concerning the SSE (ILO, 2022, para 148). This is a challenge for all:

- To adapt specific measurement tools (e.g., including new variables and appropriate indicators) and to provide solid data about SSE as well as appropriate indicators to measure concrete added-value
- To establish an institutional framework, adapt methodology for the production of statistics according to international standards, although adapted to the needs of each specific country, that highlight the broadened impact and performance of the SSE on welfare increases, economic development and the SDGs, improving comparative methods and studies between SSE entities and other forms of business enterprises.

The goal is to contribute documenting the real worth of SSE in an increasingly precise way in order to define public supports. The Office supports ILO constituents in SSE-related areas (ILO, 2022, para 129).

Support to legal and general policy frameworks

The tripartite understanding of the level playing field that emerged during the drafting of Recommendation No. 193 is applicable to the SSE as a whole. Governments should provide a supportive policy and legal framework that is consistent with the nature and function of SSE units and guided by SSE values and principles. A conducive policy environment must reinforce the conditions for safeguarding the principles of the SSE, including the autonomy and independence of the SSE from public and private sector actors. Moreover, SSE units should be treated in accordance with national law and practice and on terms no less favourable than those accorded to other forms of enterprise and social organization.

- Enactment of appropriate legal frameworks (SSE Law) in order to allow a proper and efficient development of the SSE;
- Promote ILO conventions. ILO plays a role by helping to promote dialogue between governments, workers and employers’ organisations, by promoting assistance and tools to better understand the labour dimension of CSR (ILO, 2022a).
- Multinational enterprises should be consistent with national law and aligned with the development priorities and social aims and structure of the country in which they operate (ILO, 2017a).
- Teaching SSE specific model and values (democratic governance) for local communities, vulnerable populations as well as refugees’ integration for decent and responsible work.

Support employment promotion and decent work

In many ways, SSE can provide a crucial role in the provision of public welfare schemes and services linked to public policies with new partnerships. A few points can be stressed here:

- Identify specific fields where an articulation between SSE and public schemes can provide an efficient answer for employment promotion (e.g. diversity of interests for the social enterprise especially in contexts where the welfare state is residual, sectors where limited access financial resources).
- Take effective measures to prevent and eliminate forced labour, child labour to provide protection and access to appropriate and effective remedies to victims, such as compensation and rehabilitation, and to sanction the perpetrators of forced or compulsory labour.
- Support women participation to society, favouring specific training programme for women leadership position access, gender

Governments should develop a national policy and plan of action, in consultation with employers’ and workers’ organizations and SSE units.

3.2. Towards employers’ organizations

The founding principles of the ILO enable the development of strong and representative workers’ and employers’ organizations that can shape the trajectory of recovery through effective social dialogue (ILO 2022b). Recommendations deal with:

- Improve conditions of work by reducing inequalities, by reinforcing health conditions, by supporting inclusive societies as proposed by SSE units
- Support SSE to protect salaried workers, own-account workers in order to avoid uberization of economy
- Reaffirm the democratic principles and rights that give employers and workers a voice in the work governance: freedom of association and effective recognition of the right to collective bargaining.
- Pay more attention to multi-stakeholders’ legal forms which have an ability to propose principles respecting all interests in organisation governance and profit distribution.
- Share experiences to find more inspiration in SSE (principles and practices) for applying CSR strategy and for building new partnerships between private/public and sponsorship.
- Encourage the adoption of ILO conventions by enterprises as a guidance for behavior in order to promote dialogue between government, workers, employers’ organizations and by providing assistance and tools to better understand the labour dimension of CSR.

3.3. Towards workers’ organizations

The ILO’s enterprise work generally complements that of other actors and aligns with the Sustainable Development Goals (SDGs) and fostering industrial relations.

- Reinforce connection between the SSE and workers organizations that share most values and principles but also are in competition and even sometimes in conflict and recognise their role.
- Improve worker protection measures, particularly in worker-owned businesses, for employees who are also members (ILO, 2022a) and favour the transition from informal to formal economy.
- Encourage workers’ representatives to engage more at an operational level, to have representative at the local, national, regional and international levels and to build their competencies and skill to defend their interests and decent work.
- Foster collective bargaining as voluntary negotiation between one or more employers, or their organizations and workers’ organizations (or trade unions) for developing effective collective agreements between MNE and national enterprises and workers’ representatives, encouraging / enhancing social dialogue and bona fide negotiation.
- Associate more systematically SSE units, particularly the larger ones and their federations, in social dialogue as employers, and even work on collective bargaining agreements with unions.
- Favorize representatives of SSE units which can take part in cross-border social dialogue mechanisms, notably in regional integration communities (ILO, 2022a).
- Endeavor to provide stable employment for workers and observe freely negotiated obligations concerning employment stability and social security, promote security of employment, providing reasonable notice of intended changes in operations and avoiding arbitrary dismissal (ILO, 2017a).
- Maintain highest standards of safety and health at work, provide information on good practice observed in other countries, cooperate with international and national safety and health organizations, national authorities, workers and their organizations (ILO, 201a7).
- Promote a new vision of co-management involving traditional workers organizations and new hybrid forms which may enrich the traditional boundaries between workers and entrepreneurs.
Annex: Short references, resource pages and detailed bibliography

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