



Transforming our world: A cooperative 2030

Cooperative contributions to SDG 8

This brief is part of the Transforming our world: A cooperative 2030 series produced by the Committee for the Promotion and Advancement of Cooperatives (COPAC). Through a series of 17 briefs, one for each Sustainable Development Goal (SDG), COPAC hopes to raise awareness about the significant contributions of cooperative enterprises towards achieving the 2030 Agenda in a sustainable, inclusive and responsible way, and encourage continued support for their efforts.

This brief focuses on SDG 8 – promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

About the Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development were adopted by world leaders in September 2015 during a historic summit at the United Nations. The SDGs set out a vision for countries to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind.

For more information, visit www.un.org/sustainabledevelopment.

About cooperatives

Cooperatives are defined as 'autonomous associations of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise'.¹

All cooperatives subscribe to a set of values and principles that support the social and people-focused nature of their activities. They are operated democratically by their members. Whether customers of the business, workers or residents, members have an equal say and a share of the profits.

Cooperatives are a powerful economic and social force, present in most countries of the world and in most sectors of the economy. The cooperative movement counts more than a billion members.

¹ International Co-operative Alliance, Statement on the Co-operative Identity (Manchester, 1995). Available from <https://ica.coop/en/whats-co-op/co-operative-identity-values-principles>

The cooperative difference

Sustainable development cannot be achieved without a healthy global economy that provides everyone with access to quality employment. Stable, well-paid jobs are key to eradicating poverty, particularly for the 767 million people, or 10.7 per cent of the world's population, who live on less than US\$ 1.90 per day.²

Despite progress, we are still far from achieving SDG 8. In 2017, more than 192 million people were unemployed, and 1.4 billion workers were in vulnerable employment, which affects three of every four workers in developing countries. Workers in these situations are more likely to be informally employed, excluded from social dialogue and withheld the benefits of job and income security and social protection.³ In 2016, about 152 million children around the world, aged between 5 and 17, were victims of child labour and more than 40 million people were victims of modern slavery, of which 25 million were in forced labour.^{4,5}

Cooperative enterprises have proven their ability to both create and sustain jobs. Employment in or within the scope of cooperatives concerns at least 279.4 million people in the world, or 9.46 per cent of the employed population. Of these, 27.2 million are directly employed by cooperatives, a substantial portion of the global workforce.⁶ Cooperatives can foster economic growth and productive improvement by providing affordable financial services and training opportunities for their members which enable them to make investments, upgrade technologies and diversify their income sources.

Cooperatives have great potential to advance decent work through formalization of the informal economy by creating economies of scale, collective voice and negotiation power.⁷ They have the potential to create not only quality jobs but also a space for people to pool their resources and skills to create their own economic opportunities. Based on the cooperative principle of open and voluntary membership, they can also be inclusive enterprises that offer the chance to some of the most vulnerable groups, such as low-income women, unemployed youth, persons with disabilities, indigenous people, migrants and refugees, to actively participate in the formal economy.

Being democratically run and focused on the needs of their members, cooperatives can be platforms for advancing decent work. They often provide competitive pay and prioritize job security more so than other private sector enterprises. They also invest in the community, by helping establish health clinics and schools, for example.⁸ Cooperatives have a proven record of providing stable employment even in times of economic downturn and are often the business model of choice for preserving jobs in enterprise restructuring through worker cooperatives.⁹

The cooperative values and principles of democratic governance, equality, equity and solidarity and concern for community can also position cooperatives as advocates of labour rights. Cooperatives and their members can be instrumental in preventing and eliminating child labour and forced labour and securing safe working environments.

Given these characteristics, cooperatives are already making a significant impact on the world of work and economic growth. These case studies highlight just a few of the many cooperatives contributing to the achievement of SDG 8. With a supportive enabling environment, they have the potential to scale up their contributions in substantial ways.

2 World Bank, *Poverty and Shared Prosperity 2016: Taking on Inequality* (Washington, D.C., 2005). Available from <http://www.worldbank.org/en/publication/poverty-and-shared-prosperity>

3 International Labour Office (ILO), *World Employment and Social Outlook: Trends 2018* (Geneva, 2018). Available from http://www.ilo.org/global/research/global-reports/weso/2018/WCMS_615594/lang-en/index.htm

4 ILO, *Global Estimates of Child Labour: Results and Trends, 2012-2016* (Geneva, 2017). Available from http://www.ilo.org/global/publications/books/WCMS_575499/lang-en/index.htm

5 ILO, *Global Estimates of Modern Slavery: Forced Labour and Forced Marriage* (Geneva, 2017). Available from http://www.ilo.org/global/publications/books/WCMS_575479/lang-en/index.htm

6 Hyungsik Eum, *Cooperatives and Employment: Second Global Report* (Brussels, CICOPA, 2017). Available from <http://www.cicopa.coop/publications/second-global-report-on-cooperatives-and-employment/>

7 For more information on formalization of the informal economy through cooperatives, visit http://www.ilo.org/global/topics/cooperatives/areas-of-work/WCMS_546476/lang-en/index.htm

8 John Logue and Jacquelyn S. Yates, *Productivity in Cooperatives and Worker-Owned Enterprises: Ownership and Participation Make a Difference!* (Geneva, ILO, 2005).

9 ILO, *Job Preservation through Worker Cooperatives: An Overview of International Experiences and Strategies* (Geneva, 2014). Available from http://www.ilo.org/actrav/info/pubs/WCMS_312039/lang-en/index.htm

For further information on decent work and the 2030 Agenda, visit ilo.org/global/topics/sdg-2030/lang--en/index.htm

From the field: How cooperatives promote decent work and economic growth

Cooperative Home Care Associates (CHCA) is the largest worker cooperative in the United States, employing 2,200 inner-city homecare workers in the South Bronx area of New York City. CHCA is owned by 1,700 low-income women from African American and Latin American backgrounds, many from immigrant families. The cooperative generates US\$ 40 million annually. New trainee members are offered extensive classroom and in-service training, counselling, supportive management and permanent jobs. By improving home care jobs, CHCA aims to ‘transform the challenges faced by unemployed women into sustainable opportunities for economic independence’.¹⁰



The San Francisco Association of Differently Able Persons (Safra-Adap), a cooperative in the city of San Francisco in the southern Philippines, produces quality furniture for the government’s education department with a staff made up entirely of people with disabilities. Safra-Adap offers its 45 members both training and above average income. Though 80 per cent of its outputs are school chairs through its government contract, the cooperative’s reputation for quality has allowed it to compete successfully in the local market.¹¹



In Rwanda, the cooperative COOJAD (la Coopérative de la Jeunesse pour l’Auto d’Emploi et Développement) assists young people in creating self-employment opportunities by providing them with capital. COOJAD offers loans to young entrepreneurs without collateral and with low interest rates. Young people themselves are actively involved in the cooperative and are among the board members. The government also provides support for this innovative cooperative bank.¹²

Since 1982, the Union of Indigenous Communities of the Isthmus Region (UCIRI) in Mexico has brought together coffee producers from 53 different communities from Zapotec, Mixe and Chontal ethnic groups. The cooperative boasts many national clients and a competitive selling price on the global Fair Trade market. Workers have also benefited from better knowledge about organic production methods through the cooperative. In addition to its warehouses, transport, food supply systems and health services, the cooperative’s ‘Solidarity Fund’ allows for the 5,000 families it serves to buy consumer goods and equipment or receive credit support. The cooperative has also reinforced and strengthened members’ indigenous culture and is influenced by indigenous governance systems.¹³



10 ILO, Cooperating out of Isolation: Domestic Workers’ Cooperatives. Cooperatives and the World of Work Series No. 2 (Geneva, 2014). Available from http://www.ilo.org/global/topics/cooperatives/WCMS_445126/lang--en/index.htm

11 ILO, At Work Together: The Cooperative Advantage for People with Disabilities. Cooperatives and the World of Work Series No. 3 (Geneva, 2015). Available from http://www.ilo.org/global/topics/cooperatives/WCMS_445126/lang--en/index.htm

12 ILO, Rediscovering Cooperatives: Young People Finding Work the Cooperative Way. Cooperatives and the World of Work Series No. 4 (Geneva, 2015). Available from http://www.ilo.org/global/topics/cooperatives/WCMS_445126/lang--en/index.htm

13 ILO, Securing Rights, Creating Jobs and Ensuring Sustainability: A Cooperative Way for Empowering Indigenous Peoples. Cooperatives and the World of Work Series No. 5 (Geneva, 2016). Available from http://www.ilo.org/global/topics/cooperatives/WCMS_445126/lang--en/index.htm



The Coopérative Agricole Kavokiva du Haut Sassandra (CAKHS) in Côte d'Ivoire is a cocoa and coffee marketing cooperative made up of 5,817 members. Since 2010, CAKHS has been involved in the fight against child labour in the informal and rural economy. With the support of the International Labour Organization, it has prevented or withdrawn 1,800 children (aged 5 to 17) from hazardous child labour and provided them with basic education and vocational training. It has also set up five kindergarten centres and school facilities that welcomes 100 children. Through CAKHS, 80 cocoa growing families have been economically empowered to take care of their children at risk of or already engaged in child labour.¹⁴

In the United Kingdom, the Co-op Group has been engaged in the fight to end modern slavery and human trafficking. Owned by 4.6 million members, the consumer cooperative has put in place policies to improve practices in supply chains, campaign for improved support for survivors and educate and mobilize suppliers, staff and others about modern slavery. The Co-op has been partnering since 2016 with the charity City Hearts. Their joint Bright Future programme aims to help trafficking victims rebuild their lives through the dignity of paid and freely chosen employment. Through the programme, the Co-op offers job placements in its food retail business, while the charity continues to provide support. The Co-op is now collaborating with seven charities on the Bright Future programme.¹⁵

Following the devastating economic crisis in Argentina in 2001, the phenomenon of *empresas recuperadas* flourished – the collective buyout of failing businesses by workers, mostly in the industrial sector, to save their jobs and safeguard their livelihoods. Of these takeovers, 93 per cent turned to the cooperative model for their organization.¹⁶

Established in 1998, Multicultural Health Brokers Co-op (MCHB) is a worker cooperative in Canada with 75 worker-members who are immigrants and former refugees themselves. MCHB helps 2,000 migrant and refugee families each year access a variety of services: perinatal education with maternal/infant health outreach, early parenting and early childhood development support, intercultural childcare services, multicultural family support for children with disabilities, collaborative work with local child and family services and health and mental health support for the most vulnerable populations. It connects families to cultural community groups and resources and designs and delivers cross-cultural care training to care providers.¹⁷

14 Simel Esim, "Cooperatives' considerable clout in the fight against child labour", 14 July 2014. Available from http://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_249483/lang-en/index.htm

15 Co-operative Group Limited, Co-op Modern Slavery and Human Trafficking Statement 2017 (Manchester, 2018). Available from <https://www.co-operative.coop/ethics/modern-slavery>

16 Melanie Howarth, Worker Co-Operatives and the Phenomenon of *Empresas Recuperadas* in Argentina: An Analysis of Their Potential for Replication (Oldham, United Kingdom, The Co-operative College, 2007).

17 ILO, Cooperative Responses to Refugee Crises (Geneva, 2015). Available from http://www.ilo.org/global/topics/cooperatives/publications/WCMS_455734/lang-en/index.htm

For more examples of cooperatives' contributions to SDG8, visit www.coopsfor2030.coop and ilo.org/coop

In Pune, India, the trade union Kagad Kach Patra Kashtakari Panchayat (KKPKP) unites more than 9,000 waste pickers, waste buyers, waste collectors and informal recyclers, 80 per cent of whom are women from socially disadvantaged groups. The union founded the worker-owned cooperative SWaCH to comply with new laws and rules that required segregation of waste, door to door collection and waste processing rather than dumping. Through SWaCH, more than 3,000 waste pickers in the informal economy were able to improve their working conditions (i.e. improved occupational safety and health, ID cards, etc.), benefit from training and participate in democratic decision-making. In addition to improving workers' livelihoods directly, the cooperative's members also advocate for sustainable waste management and better labour practices.¹⁸



¹⁸ For more information, visit www.swachcoop.com



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About COPAC

COPAC is a multi-stakeholder partnership of global public and private institutions that promotes and advances people-centered, self-sustaining cooperative enterprises, guided by the principles of sustainable development – economic, social and environmental – in all aspects of its work. The Committee's current members are the UN Department of Economic and Social Affairs (DESA), the International Labour Organization (ILO), the Food and Agriculture Organization of the United Nations (FAO), the International Co-operative Alliance and the World Farmers' Organisation.

For more information, please visit
www.copac.coop.