

Co-operatives and Workers in the Informal Economy: Possibilities and Challenges



Prepared by the Co-operative College for Women in Informal Employment:
Globalizing and Organizing (WIEGO)



ABOUT WIEGO: Women in Informal Employment: Globalizing and Organizing is a global research-policy-action network that seeks to improve the status of the working poor, especially women, in the informal economy. WIEGO draws its membership from membership-based organizations of informal workers, researchers and statisticians working on the informal economy. For more information see www.wiego.org.

Published by Women in Informal Employment: Globalizing and Organizing (WIEGO). A Charitable Company Limited by Guarantee – Company No. 6273538, Registered Charity No. 1143510

WIEGO Secretariat

Harvard Kennedy School,
79 John F. Kennedy Street
Cambridge, MA 02138, USA

WIEGO Limited

521 Royal Exchange
Manchester, M2 7EN,
United Kingdom

www.wiego.org

Copyright © WIEGO. This report can be replicated for educational, organizing and policy purposes as long as the source is acknowledged.

Table of Contents

Preface	1
Introduction	2
Overview of the Global Co-operative Movement	3
Box 1: The Size of the Trade Unions and Co-operative Movements	3
Statistical Shortcomings	4
Defining Co-operatives	5
Table 1: Differences Between Co-operatives and Other Organizations	6
Co-operative Governance	7
Primary and Secondary Co-operatives	8
Co-operative Membership	8
Main Types of Co-operatives in the Developing World	9
Building a Co-operative Typology	9
Worker Co-operatives	10
Service Provider Co-operatives	11
A Legacy of Government Control	11
Co-operatives and the Solidarity Economy	11
The ILO and Co-operatives	12
Co-operatives: Policy and Law	13
The Role of the Enabling Environment: Case Studies of Brazil and India	14
India	14
Brazil	16
Co-operatives and Informal Workers: Sectors and Services Overview	18
Waste Pickers	18
<i>Brazil</i>	18
<i>Colombia</i>	19
<i>India</i>	19
Domestic Workers	20
Migrant Workers	20
Street and Market Vendors	21
Home-Based Workers	22
Agricultural Co-operatives	23
Transport	25
Housing	26
Other Services	27
Challenges for Co-operative Development	28
Start-up	28
Ensuring Good Governance	28
Legal Barriers	29
Finance	29
Membership	29
Conclusions	30
Bibliography	32

Preface

Workers in the informal economy – especially those that are self-employed – are organizing into a variety of co-operatives or co-operative-like associations or groups. Through experience in working with informal workers' co-operatives, Women in Informal Employment: Organizing and Globalizing (WIEGO), a global action-research-policy network that seeks to improve the status of the working poor in the informal economy, especially women, has identified that co-operatives have played multiple roles.

This paper is an initial study of co-operatives and their relationships to informal workers. It seeks to answer the following questions:

- What constitutes / defines an informal workers' co-operative?
- What are the different forms of informal worker co-operatives (registered co-operatives, associations operating as co-operatives but registered as something else, unregistered groups operating as co-operatives, etc.) and why are they formed differently?
- What are the key legal and policy frameworks that help or hinder the organization of informal workers into co-operatives?
- What are the challenges in forming and sustaining co-operatives of informal workers?
- Are workers in registered co-operatives considered to be no longer informal workers?
- What are the roles of informal worker co-operatives in improving lives in struggle and development?
- What aspects and different forms can development take as a route to decent work and as a route to formalization?

After an introduction, the paper will give a brief overview of the co-operative movement, including statistics, definitions, governance structures, types, and co-operative interactions with international organizations.

The paper then examines a complex landscape of case studies in Brazil and India before providing an overview of the relationships between co-operatives and informal workers' sectors and services, which include waste pickers, domestic workers, street and market vendors, home-based workers, agricultural and fisheries workers, housing and other services, and transport workers.

Finally, the paper offers conclusions and recommendations.

Introduction

WIEGO, like other international organizations and agencies, has recently noted the important role that co-operatives play globally and especially within the informal economy. WIEGO's experience in working with informal workers organized into co-operatives has highlighted the importance that co-operatives play not only in organizing informal workers, but also in a number of other roles: the political/social role, i.e. struggle for rights; the service provider role for members and citizens; and the economic enterprises role in providing livelihoods for informal workers. In particular, the ways in which the co-operative model offers an inclusive business model contributing to social inclusion and poverty reduction in developing countries has been noted both by the European Commission and during the Rio+20 deliberations: "association of cooperatives [...] are particularly active in promoting entrepreneurship and job creations by mobilizing grassroots communities, delivering services and stimulating income generating activities for the poor and marginalized". Further, it is stated that "the EU will support CSO initiatives and partnerships, which combine social and economic ambitions."

According to the International Co-operative Alliance, over a billion people globally are members of a co-operative. The UN states that almost half the world's population depends for part of its livelihood on co-operatives. Despite this involvement, in recent years, co-operatives have been largely absent from mainstream development research and hence from many policy/decision-making forums. This is coupled with the prevalence of overlapping and commonly held misconceptions about co-operatives, including the beliefs that co-operatives are only suited to small scale rural initiatives, represent a "failed" model, or that their numbers are in decline.

This paper seeks to overturn these misconceptions by illustrating that co-operatives formed on the basis of self-help can and do assist their members by bringing more benefits to the worker than if the worker remained a sole operator. Co-operatives can also help promote a wider model of socially inclusive development. As a collective representation of often very poor people, co-operatives play wide-reaching roles in the lives of informal workers. Co-operatives can provide income and enhance livelihoods, help workers gain control of and improve their employment conditions, and enhance workers' access to resources, facilities, public institutions, and markets. They can also ensure the inclusion of poor women, empower members to channel concerns in policy circles and influence decisions affecting them, and build strong and sustainable organizations at both local and national levels (Motala 2002). The fact that co-operatives can address all these aspects makes them unique.

Many of these benefits also characterize other organizational forms seeking to mobilize and help workers in the informal economy – the key difference is that a co-operative is an enterprise. It is through engaging with the market that members organize. It is possible, and it has happened, that workers create another organization first, and then set up a co-operative. In a co-operative, members can be both owners and workers. This enterprise model is as deeply rooted and has as long a history as the investor-owned enterprise model, but it has been relatively little scrutinized in comparison.

The paper, seeking to address this gap, begins from the premise that co-operatives are important, if little understood actors in the informal economy. It aims therefore to map their presence, provide a better understanding of the wider co-operative movement, and explore some of the ways in which co-operatives benefit workers in the informal economy. The paper is based on a literature search, desk research of relevant websites and interviews with key stakeholders.

Overview of the Global Co-operative Movement

The co-operative model of enterprise can (and has been) applied to practically all business activity. Co-operatives exist in traditional economic sectors such as agriculture, fisheries, consumer and financial services, housing, and production (workers' co-operatives). Co-operatives also provide a number of different social and cultural services. However, what a "typical" co-operative looks like can vary hugely from country to country, from a health provider to a food retailer, from a credit union to a coffee marketer, from a school to a university, and from an energy provider to a waste collector (Birchall 1997).

Because the co-operative range is enormous, it can be hard to see a connection between co-operatives, and they are frequently viewed through the prism of a specific enterprise, institutional form or a single country rather than as a diverse sector with a global reach.

A common misconception about the role of co-operative enterprise is that it is best suited to the establishment of smaller rural enterprises serving the needs of the poor and marginalized and is not for the development of globally competitive and large scale enterprises. Sometimes a co-operative is viewed as a "stepping stone" to the development of large scale enterprise. This is very far from the truth. In terms of size, co-operatives include large multi-billion pound enterprises, such as CIC insurance group, the largest provider of microfinance in Kenya, or the Indian Farmers' Fertilizer Co-operative, which runs several fertilizer factories.

Perhaps because of this flexibility and diversity, the scale of the movement, which is larger and arguably more complex than the global trade union movement, is relatively little understood.

Box 1

The Size of the Trade Union and Co-operative Movements

Co-operative statistics are incomplete as there may be double counting of members.

The International Co-operative Alliance (ICA) represents close to one billion individual members. These statistics are calculated from the subscription formula on ICA's 269 members from 94 countries (30.09.2013).

More than 900,000 co-operatives with approximately 500 million members in over 100 countries are linked to the Raiffeisen co-operative movement (ww.iru.de). Some of these may also affiliate to the ICA.

The World Council of Credit Unions (WOCCU) estimates that there are 200 million members joined in 56,000 Credit Unions in 101 Countries; some of these may also be affiliated to the ICA.

The International Trade Union Confederation (ITUC) claims 174 million members. If we add those outside the ITUC, principally the World Federation of Trade Unions (WFTU) which claims 78 million, and the All-China Federation of Trade Unions (ACFTU), which claims 134 million members, and non-affiliated trade unions, we may have a world total of trade union members of 400 million, which is less than 50 per cent of the estimated numbers of co-operators.

The scale of the questions posed is extremely large when you consider the scale, diversity and reach of co-operatives globally. With an (estimated) global membership of around a billion people, even taking into account dual or triple memberships held by individuals, this is still more than twice as large as the trade union movement. As a result, a definitive set of “answers” to questions posed is not achievable.

This difficulty is compounded by the fact that despite extensive literature searches, there are relatively few recent studies on co-operatives given the size and reach of the movement, an exclusion that reflects the overall marginalization of co-operatives from the mainstream of academic life – much as informal workers have been sidelined. However, with the long term investment and research development (as WIEGO has spearheaded) on co-operatives, especially in international development, economics and business studies, only now beginning to happen, potential findings are still some way off. This lack is recognized by academics, UN agencies and practitioners alike. In a study cited by the World Trade Organization, Saner et al (2012) remark, “taking into consideration the achievement of various forms of cooperative initiatives undertaken by local communities across the global and the success of the existing large and competitive cooperatives in the mainstream economy, the development potential of cooperatives has not been properly recognized and mainstreamed into the trade and development discourse.”

One ILO official recently said co-operatives have been “completely ignored.”¹

Statistical Shortcomings

Up-to-date, accurate information about co-operatives is hampered by the absence of large-scale and comparable data sets for co-operatives. To counter this in recent years, the movement has begun to generate some data on the scale and reach of the co-operative economy, i.e. the top 300 global co-operatives. The challenge now is to ensure data for co-operatives are collected and analyzed by national statistical offices (World Co-operative Monitor 2012). To this end, the International Labour Organization (ILO) is the UN lead agency for co-operatives, and its Department of Statistics provides a comprehensive range of Labour Statistics. While the Department stopped collecting data on co-operatives in 1988, fortunately it is now preparing a methodology paper with a series of pilot co-operative statistical studies that will be undertaken in a number of countries, starting with Egypt (ILO 2013).

In addition, as a recent ILO paper pointed out, there are problems with the definition of co-operatives under the International Classification of Status in Employment (ICSE-93), which is the international statistical norm. Currently, “members of a producer cooperative” constitute one of the five standard statuses in employment together with employer, employee, own account operator, and unpaid contributing family worker. However, in practice, the category of “member of producers’ co-operatives” has only a very limited remit. It is commonly understood to refer to workers who work in a co-operative, but in reality it actually only covers those “workers who work in a producers’ co-operative of which they are also members, for example, farmers in collective farms” and, as a result, the number of producers’ co-operatives collected by national statistical officers is misleadingly low (ILO 2013). In other words, this definition excludes members of producer co-operatives as it does not include, for example, self-employed workers who own a farm/smallholding and who are members of a co-operative providing services to them such as agricultural marketing or processing. As most of these workers do not have formal paid employment in the co-operative despite the fact that they may derive all or a large part of their income from the co-operative, they appear in the statistics as employers or own account workers.

The ILO has also noted other problems with the statistics on co-operatives. Although many countries produce statistics on co-operatives, currently these statistics tend to cover only a subset of co-operatives in the countries, often only in certain industries. These limitations derive from the way the statistics are obtained, which is primarily from official registrations. These registrations have a number of serious limitations such as their partial coverage and lack of reliability. They also do not capture enterprises registered as co-operatives that do not function as such. Nor do they tackle the issue of double counting where a person may be a member of more than one co-operative (ILO 2013).

¹ Comment made by a UN official during interview.

To compound these statistical shortcomings, the academic literature on co-operatives is also thin and fragmented though this is now beginning to change, especially in relation to producer organizations and agricultural development. Co-operatives are often seen through the lens of broader approaches such as studies of producer organizations that do not differentiate between different organizational types. This can make it difficult to locate studies of co-operatives in the academic literature; co-operatives can be identified not as co-operatives but as producer organizations, collective enterprises, micro-finance institutions or companies. Many studies are limited to those of individual co-operatives (OCDC 2012). Further, co-operative development is often a secondary area of focus within civil society, poverty alleviation or enterprise development. Studies of urban-based co-operatives are particularly limited with the exception of some literature on Brazil. Other studies are individual case studies found on the websites of organizations such as SEWA, WIEGO, the ILO, and fair trade agencies.

Indeed, co-operatives rarely appear on the curricula of university business schools or indeed in schools more generally. There has been a dramatic decline, for example, in the presence of co-operatives in mainstream economic textbooks since the Second World War (Whyman 2012). The duality of the co-operative model with both social and economic aims provides problems for mainstream economists and has been described as the “enfants terrible” of economics: too socially focused for mainstream economics and business but too economically focused for the non-profit or “third” sector (Levi and Davis 2008).

Defining Co-operatives

Given the above shortcomings in the academic and statistical work on co-operatives, a definition of co-operatives is needed. The “Statement of Co-operative Identity” adopted in 1995 by the International Co-operative Alliance (ICA), which is the largest organization of co-operatives, is regarded as the definitive view and is increasingly used in national legislation. The Statement defines a co-operative 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.”²

Essentially, co-operatives are membership-based organizations (MBOs) that are at the same time enterprises. They produce goods and services like any other enterprise but are set up to meet the needs of their members. Many co-operatives produce goods or services for sale in the market and make considerable profit. Others focus on providing services for their members. Profits may be ploughed back into the enterprise or distributed to members as a dividend, which is often in proportion to members’ transactions. Co-operatives have a distinctive ownership and governance model linked to a clearly defined values base. It is their democratic and values-based governance structures rather than their sector or location that make co-operatives different from other kinds of enterprises. It is their focus on meeting needs through enterprise that distinguishes them from trade unions and other democratic, values-based MBOs.

As well as meeting their members’ needs, the majority of co-operatives share a set of common values that have also been agreed by the International Co-operative Alliance (ICA). These values are self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of the founders of the co-operative movement,³ co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others. These values are expressed in a set of principles through which all co-operatives should aim to put the values into practice:

- open and voluntary membership;
- democratic member control – one member, one vote (regardless of shares held);
- member economic participation – members contribute equitably to capital and receive limited compensation on this capital;
- autonomy and independence (from governments or other external agencies);
- provision of education, training and information to members and others;

² <http://ica.coop/en/what-co-op/co-operative-identity-values-principles>

³ Generally accepted within the ICA to be the establishment of the Rochdale Equitable Pioneers Society in the UK in 1844.

- co-operation among co-operatives; and
- concern for community – they work for the sustainable development of their communities.

Of course, no co-operative operates in accordance with these principles all the time, but the principles serve as the international standard and clearly differentiate co-operatives from other organizational forms in a number of key aspects (**table 1**).

Table 1
Differences Between Co-operatives and other Organizations

	Community-based organizations	Trade unions	Co-operatives	Investor-owned business
Purpose	Based on a common interest - can be social, economic, cultural, or environmental. Often have advocacy function.	Representing and defending member needs in workplace and sometimes more widely.	Meeting needs of members: economic, social, and cultural.	To generate profit for shareholders.
How is it run?	Often democratic, managed by volunteers, but can be "trustee" led.	Normally democratic, OMOV.* May have elected committee. Many elected workplace voluntary representatives ("shop stewards" etc.).	Management answers to board of democratically elected members, on OMOV principle. Non-transferable shares.	Board answerable to shareholders – votes determined by size of shareholding. Transferable shares.
Where do profits go?	Do not normally generate profits.	Do not generate much income beyond members' contributions – no profit.	Reinvested in cooperative or community, and/or member dividend, based on trade with and via the co-operative.	To shareholders and invested in business.
Income	Membership fees and external donors.	Membership fees.	Charges for goods and services.	Charges for goods and services.
Key advantages	Small and flexible, few legal barriers, can fulfill a range of functions.	Can be part of wider movement. Provides voice. Can change working conditions.	Inclusive business model. Generates income for members. Social and economic goals. Resilient in times of crisis. Part of wider movement.	Focus on profit maximization. Can raise capital.

Key challenges	Lack of legal identity for trading. Can find it difficult to scale up.	standard employer-employee relationship does not exist. Can be subject to high levels of government interference.	Historical legacy of government control. Skills deficit among board members. Lack of enabling environment.	Governance challenges.
-----------------------	---	---	---	------------------------

*OMOV = One member one vote

At the same time, co-operatives may be “classic membership-based organizations,” but they are not necessarily focused on the poor. Co-operatives are not simply “akin to private sector firms,” but according to the ICA definition, co-operatives are enterprises that should sit within the private sector albeit with a distinctive governance model (Chen et al. 2005).

Co-operatives have formal structures with bylaws and a constitution (even for the smallest), and they are set up to trade, have a legal identity, and to have the capacity to enter into legal contracts. There are undoubtedly a large number of groups in many developing countries who may be considered to be at a pre-co-operative stage or informally operating as co-operatives. As we shall see below, in some countries, co-operative law is so restrictive that groups who wish to set up co-operatives are discouraged to do so. However, sometimes the parameters of what is considered to be a co-operative are set so wide as to cover any group that collaborates together or informally trades. There are popular misconceptions that any group that “co-operates” together is a co-operative, but legally and statistically these groups cannot be counted as co-operatives.

Co-operative Governance

That co-operative values and principles are embodied within co-operative governance specifically differentiates co-operatives even from other types of social economy organizations, including social enterprises that also have social aims.

In many co-operatives, all members have the right to attend the General Assembly of Members held annually, which then elects the Board of Directors from amongst the membership. Each member has one vote regardless of the size of individual investment in the co-operative. The position of a Director is normally held in a voluntary capacity without salary though with payment of expenses. In some co-operatives, board members receive allowances for their time, but in other co-operatives, board roles are completely voluntary.

The board has a role in determining the overall strategy of the co-operative, and board members in smaller co-operatives may well have a more hands-on role in the day-to-day management of the business. The paid management reports to the board. The board can determine the prices to be paid for members’ products, when and where to sell them, the amount of dividend to be paid to members each year (sometimes called the patronage refund), how much to spend on education and training, and how much money to hold in reserves, etc. Many co-operatives, but not all, reward economic participation by a payment to members based on the amount of trading with the society (sometimes called a dividend or patronage refund) rather than the amount of capital invested. This, of course, is dependent on the achievement of a profit or surplus in trading. Membership shares are not transferable and cannot be traded, so the ownership always remains with the local members. The value of shares always remains the same.

Primary and Secondary Co-operatives

In most developing countries, the most common co-operative is called a primary society, which operates at the village or local community level from which its membership is drawn.

Primary societies can join together to set up a secondary level co-operative, usually called a co-operative union or area co-operative enterprise, which then provides consolidated marketing, transport, and/or financial services to its members. In these instances, the members of the secondary co-operative are the primary co-operatives. The basic principles remains constant: one member one vote; fixed share capital; and a share of profits based on the quantity of trade the primary co-operative has with the secondary co-operative. Machakos Co-operative Union in Kenya is one such example, bringing together 79 primary societies with over 60,000 members. The union supports its member co-operatives to produce a range of agricultural products and handicrafts. Some unions, on the other hand, focus on a single commodity such as coffee. This is the case with the Mzuzu Coffee Planters Co-operative Union based in northern Malawi, which has 6 primary societies as members, which themselves have 2,900 members.

Secondary co-operatives can also come together to form a third tier – often combining into a national federation that can represent a single sector or bringing together co-operatives from different sectors.

The global co-operative movement has long had its own internal federations and networks at the national and international level. These can vary from trade-based business associations to representative structures similar to those found within the trade union movement. Globally, the International Co-operative Alliance (ICA) is the largest co-operative apex body with four regional offices in Latin America, Europe, Asia and Africa. It has 276 affiliates from 98 countries.⁴

Co-operative Membership

Co-operatives take many different forms in different countries; even within a country there can be high levels of heterogeneity between different co-operatives.

Most co-operatives typically draw their membership base from a relatively homogeneous group of people who share a particular activity such as farming and waste picking or who live in a specific area.

Currently, some new types of service provider co-operatives are developing, which draw on a wider membership base such as multi-stakeholder co-operatives or those targeted to a youth membership (Lund 2012; Hartley 2011). Like other types of co-operatives, service provider co-operatives carry out trading activities but with a more heterogeneous membership. Multi-stakeholder co-operatives are potentially of relevance for informal workers as these have a more heterogeneous membership, which can include a range of different stakeholders. One example is Cooperativas sin Fronteras, which brings together 18 co-operatives and producer associations from 11 countries to promote co-operative development and market its members' products internationally. Cooperativas sin Fronteras' products include honey, coffee, fruit juice, cocoa and sugar.⁵ Members are based in Latin America, Europe and North America.

In addition, many financial co-operatives, such as credit unions, have a heterogeneous membership from different occupational groups, which helps them become more resilient (Borda-Rodriguez and Vicari 2013).

⁴ <http://www.ica.coop>

⁵ <http://www.cooperativasinfronteras.net/>

Main Types of Co-operatives in the Developing World

Co-operatives operate in a range of economic sectors. Some of main types relevant for the informal economy are listed below, but it is important to note the co-operative models outlined are used across the whole of the economy – both formal and informal. They are not bound to a specific sector. There is no such thing as a form of co-operative specific to the informal economy – the values base and legal frameworks remain the same. Indeed, as Birchall points out, the concept of the informal economy has not been much used within the co-operative movement. He attributes this to the fact that “the boundaries between formal and informal are not as important to organizations that are used to dealing in the market economy as a whole” (Birchall 2001: viii).

It is also important to be mindful of the ways in which co-operatives can evolve – categories are not watertight but rather blend into each other. Often, co-operatives start with a single focus of activity but evolve to develop more services that members require or even start forms of joint production. In some countries, co-operatives that started out by providing marketing services have developed the capacity to produce as well. In others, farmer co-operatives have also begun to provide financial services for their members.

Agricultural or farmer co-operatives (often included in the category of producer organizations) provide services for their members, who are farmers working their own plots of land. They also include fisheries co-operatives. These co-operatives can focus on a single crop or several. Services offered include the provision of farm inputs such as seeds and fertilizers, extension and training services, marketing, including processing, consumer services such as local shops, credit, and sharing of farm machinery. Farmer members may use only their own and family labour to farm or some may hire seasonal casual workers.

Financial co-operatives can be banks, insurance companies, or credit unions. They offer savings and credit facilities and insurance services plus a range of other financial services, including credit cards. They service members as both producers and consumers. They can range from large multi-million dollar enterprises to small village level credit unions.

Housing co-operatives are those in which members are both owners and tenants of their building.

Utility co-operatives can be found in both Asia and America. They provide electricity or water supplies to their members often where public supplies are lacking and commercial providers absent.

Handicraft co-operatives offer a range of services to their members including product development, supply of raw materials and marketing.

Health care co-operatives provide medical services for their members or can provide self-employment for health care professionals such as doctors or nurses.

Waste picker co-operatives assist their members by selling waste products, assisting with health and safety issues, etc.

Schools, youth and childcare co-operatives include student run co-operatives as well as those co-operatives providing nursery care for young children.

Building a Co-operative Typology

There is no single and universally agreed typology of co-operatives, and several approaches have been adopted to make sense of a complex and global movement. There are, of course, enormous variations in the ways co-operatives function on a day-to-day basis. Some operate with completely flat management and pay systems; others utilize more conventional (and hierarchical) management systems for staff. Typically, the larger the co-operative, the more complex is its management structure.

One approach is that adopted by Birchall, who proposes a typology of three main types of co-operative: producer co-operatives, consumer co-operatives and worker co-operatives (Birchall 2009). For example, a retail grocery outlet could be owned by the farmers who grow the produce the store sells (producer co-operative); or the outlet could be owned by the customers, who want quality goods at a good price (consumer co-operative); or the store could be owned by the employees who operate the store (worker co-operative).

A second approach can be found in recent ILO report, which has argued the most useful distinction is between consumer co-operatives that supply their members with goods or services for personal use and co-operatives that service production. Some in the latter category, like workers co-operatives, service the whole production process, and others only take on part of the production process. These, known as “shared services or support services” co-ops, include agricultural, financial, recycling, and producer co-operatives.

But the report cautions that not all co-operatives fall neatly into one group – some carry out more than one activity or one service; for example, financial co-operatives (one of the largest types in the world) may service both producers and consumers (ILO 2013).

Alternatively, Tchami (2007) proposes two main types of co-operatives that would appear to be of most relevance in relation to the informal economy: those whose aim is to provide jobs for their members, such as labour co-operatives, and those co-operatives offering services and products to their members. The co-operatives falling into the latter type could be very broad: financial services such as savings and loans; inputs such as fertilizer, seeds, tools; housing; and joint processing and marketing (credit unions, consumer co-operatives, housing co-operatives, agricultural producer co-operatives, etc.). Members of these co-operatives can be individuals or co-operatives.

As we have seen, co-operatives share the same values and governance structures whether they operate in the formal or informal economy. In terms of providing formal paid employment, worker co-operatives are the only type of co-operative with a main emphasis on providing jobs. The majority of co-operatives operating in the informal economy provide services for their members rather than direct employment.

Worker Co-operatives

In essence, a worker co-operative is set up with a primary aim to provide formal and decent employment for its members. This could be a route for formalizing employment for many informal economy workers.

Within the co-operative movement, a more common name for the “producers’ co-operative” as defined by the ILO is worker co-operative. A worker co-operative can provide an important route into formal employment for informal economy workers. This type of co-operative jointly produces goods and services while providing employment for the majority of its members. Workers need to hold the majority of the shares – at least 51 per cent. In doing so, the workers then decide jointly on the major guidelines of their enterprises and appoint their leaders (managers, boards of directors, etc.) (CICOPA, 2005). Worker co-operatives may jointly produce and sell their own goods or may sell their labour skills to other enterprises, in which case they often are known as labour co-operatives. The latter generally operate in the fields of packing, maintenance of highways, and maintenance of public buildings, etc. (Tchami 2007:12).

Employment in a registered worker co-operative brings the benefits of formal employment and compliance with labour laws although self-management and self-ownership does not always co-exist easily with traditional trade union approaches to collective bargaining. Or, as the international body for worker co-operatives, the International Organisation of Industrial, Artisanal and Service Producers’ Cooperatives (CICOPA) states, “the worker-members’ relation with their co-operative shall be considered as different to that of conventional wage-based labour and to that of autonomous individual work.”⁶

CICOPA also calls for legislation on co-operatives to meet the general criteria for decent work set by the ILO. However, worker co-operatives represent only a small segment of the global movement in which the large majority of co-operatives are service providers.

⁶ <http://www.cicopa.coop/World-Declaration-on-Worker.html>

Service Provider Co-operatives

Service provider co-operatives are not set up with aim of providing jobs for members, but rather to provide services to meet their members' needs whether social, cultural or economic. These co-operatives may be aware of the importance of decent labour standards, but see the standards as a means to meet their objective rather than as an end in itself (Munkner 2012).

For workers in the informal economy, their relationship with a service provider co-operative can differ greatly from that with a worker co-operative. Though their co-operative may well be a formally registered enterprise, their members typically remain own-account workers and small farmers. In addition, members of these co-operatives may themselves be in permanent or temporary employment elsewhere. While any staff employed by the co-operatives are covered by the general labour law and their number is normally much smaller than that of the total membership, labour laws do not typically cover autonomous workers or members of co-operatives, with the exception of Brazil (ILO 2009:26).

A Legacy of Government Control

In many countries, co-operatives have a damaged reputation. In large part, this derives from a legacy of long periods of government control. For many years, in a large number of countries in the developing world, governments and development agencies promoted co-operatives that were not member owned and controlled and that were subject to direct state interference. State control was reflected in a disabling policy and legal environment. Co-operatives were used as vehicles for political influence or as vehicles to deliver donor funded programmes for poverty alleviation. Under these regimes, many co-operatives were essentially para-statal institutions and not market-based. Co-operatives were restricted as to where they could operate, membership was made compulsory, and there could be direct intervention in the management of the co-operative.

The bad reputation of co-operatives still lingers on, which can lead many potential members, such as farmers and workers in the informal economy, to adopt another organizational structure. In addition, a co-operative's legal framework may be complex or inappropriate. Often knowledge and advice as to the most appropriate organizational form for the proposed activities is not available. Consequently, organizations that in many ways are de facto co-operatives may register as other types of organizations such as associations or welfare societies, or they may not formally register their activities at all but continue to operate informally. It is, of course, very difficult to assess the extent of these de facto co-operatives in many countries. In what was described as the "dark ages" for co-operatives, farmers in Malawi set up associations and farmers unions (de-facto co-operatives) because of the lack of the right environment in which to operate. However, now that the political situation has changed, the Farmers Union NASFAM has started a new 10 year co-operative development programme.⁷ The experience of co-operative incubators in promoting new co-operative formation among informal economy workers in Brazil (discussed in the case studies section) further shows these challenges can be overcome.

Co-operatives and the Solidarity Economy

Interest in alternative economic models has accelerated in the wake of the 2008 financial crisis. As a result, growing academic literature has variously conceptualized the third sector, social enterprise, and the social and solidarity economy. Co-operatives are seen as important actors in all of these approaches, especially given their resilience in the wake of the financial crisis.

⁷ Personal communication

Social and Solidarity Economy (SSE) actors, for example, have been defined in the literature as “democratically controlled, voluntary enterprises and organizations that produce goods, services and knowledge while pursuing economic and social aims and fostering solidarity among members and the larger society. In particular, this concept has been understood to refer to co-operatives, mutual benefit societies, associations, foundations and social enterprises” (ILO/ITC 2011).

This has helped to generate a growing research interest in co-operatives and in collective entrepreneurship and its benefits, which includes co-operatives. As Jones, Smith and Wills (2012) write, “produce and market goods, as well as to access inputs, credit, services, information, can offer economies of scale, knowledge sharing and increased bargaining power. Collective enterprises also have the potential to play a political role in networks, alliances or federated structures.”

It is also no accident that the growth of the solidarity economy and related research has its origins in South America, particularly in Brazil, where there is a strong and diverse co-operative sector.

The ILO and Co-operatives

The ILO has been concerned with co-operatives since its establishment in 1919. From the onset, the ILO recognized the importance of co-operatives in fulfilling its mandate, and in 1920 it established a specialized unit focusing on co-operatives, the Co-operative Branch. Article 12 of the ILO constitution referred to consultation with the international organizations of co-operators, and since then, the International Co-operative Alliance has had general consultative status with the ILO. Today, the ILO continues to be the only specialized agency of the United Nations with an explicit mandate on co-operatives.

A number of international labour standards make direct or indirect reference to co-operatives, but one is entirely devoted to co-operatives: the Promotion of Co-operatives Recommendation (No.193), adopted in 2002. This recommendation revised and replaced a previous one, the Co-operatives (Developing Countries) Recommendation of 1966 (No. 127). Between 1966 and 2002, there have been many significant changes in the world and in the co-operative movement, and the new Recommendation makes an effort to reflect them. For instance, the previous recommendation was limited only to developing countries while the current one is universal and covers all countries independently of the level of their economic and social development. Likewise, the previous recommendation mirrored the development concerns of the 1960s, especially in its approach to the role of governments and co-operatives in the development process. In some respects, it tended to overemphasize the role of governments in co-operative development and did not sufficiently stress the autonomous character of the co-operative identity. Today, co-operatives are not perceived as strongly as tools in governments’ hands. Importantly, the Recommendation embeds the Statement of Co-operative Identity and the Co-operative Values and Principles in its definition of a co-operative (Smith 2004).

The ILO views co-operatives as playing a critical role for workers in the informal economy by providing a vehicle for the formalization of the informal economy and the creation of decent work. However, the focus on decent work has not always had such a positive side for co-operatives as it has narrowed focus to worker co-operatives, which represent only a small segment of the co-operative movement (Munkner 2012:72).

In addition to providing advice on co-operative policy and law, the ILO’s Co-operative Branch advises on the impact on co-operatives of taxation policies, labour law, accounting standards, and competition law, among others. It also serves constituents and co-operative organizations in the following ways: raising public awareness on co-operatives through evidence-based advocacy and sensitization to co-operative values and principles; promoting the competitiveness of co-operatives by tailored tools such as management training, audit manuals and assistance programmes; strengthening the capacities of co-operatives and their apex bodies via technical co-operation projects; and promoting the teaching of co-operative principles and practices at all levels of the national education and training systems.

Currently, ILO work on co-operatives is well on its way to being integrated into a number of the Decent Work Country Programmes and a range of technical co-operation projects on youth employment, local economic development, value chain development, and gender equality in countries that range from

Bolivia, Peru and Colombia in Latin America to Tunisia, Egypt, Ethiopia, Tanzania and South Africa in Africa and Sri Lanka, Vietnam, Indonesia and Philippines in Asia.

Another ILO project, SYNDICOOP, brought trade unions and co-operatives together to assist workers in the informal economy. It operated principally in Kenya, Rwanda, Tanzania and Uganda, where trade unions and co-operative apex bodies formed joint committees at the national and international level. SYNDICOOP catalyzed collaboration between trade unions and co-operative structures at the national level and stimulated the creation or expansion of organizations of workers in the informal economy. These organizations usually took the form of a Savings and Credit Co-operative (SACCO). These were able to provide seed capital for market traders or small-scale entrepreneurs who were themselves providing services to the informal economy.⁸

Co-operatives: Policy and Law

The development of an enabling legal and policy environment for co-operatives is a major challenge in many countries. A High Level panel held on the International Day of Co-operatives (8 July 2013) at UN Headquarters in New York agreed that “law and regulation was another major challenge as negatively affecting the growth and development of cooperatives. Governments should encourage policies to support and strengthen cooperatives so they can contribute fully to inclusive and sustainable development.”⁹

Inappropriate and cumbersome laws and policies continue to hinder co-operative development. Setting up a new co-operative can be a complex, expensive and time-consuming process. In addition, the era of government control is still not completely over. A process of policy and legal reform is underway, but there is still some way to go. Countries such as India, China and Brazil are still engaged in a reform process as are many others. There is currently no definitive listing of the state of co-operative legal reform across the world.

Strong support for co-operatives as a vehicle for development is also evident in many countries, with some governments privileging co-operatives over other models. In Rwanda, any association who wishes to trade has now been legally obliged to register as a co-operative.

There is also considerable variation in co-operative legal frameworks between countries. However, generally speaking, most countries have specific laws and policies relating to co-operatives that differentiate them from NGOs, unions and investor-owned businesses. There may be a single law applicable to different types of co-operative or there may be different laws for different types of co-operatives. In many developing countries, legal frameworks are still shaped by colonial legacies.

The ILO published the Guidelines for Co-operative Legislation in 2013. In this publication, Henry, a leading co-operative legal specialist, discusses the relationship of co-operatives to the informal economy. He emphasizes the importance of adequate co-operative legislation covering taxation, dividend, and monetary reserves and accounting standards for ensuring that informal economy actors pay tax and contribute to social security schemes. However, he cautions that it is also important to differentiate between co-operatives as voluntary associations of persons and communities as a way of life. Henry argues that there can be some confusion between concepts of association and community. For example, in some societies, it proves difficult to understand the notion of a co-operative having a separate legal personality and limited financial liability of individual co-operators (44). Some countries, like Cameroon, are developing provision for simplified co-operative legal structures, which require less strict rules on accountancy, audit and internal administration (99).

Internationally, there have been some recent policy initiatives on co-operatives in a number of different forums. This has been stimulated in part by the UN International Year of Co-operatives (2012), which highlighted contribution of co-operatives across the world and underlined the social as well as economic aspirations of the movement as encapsulated in the tag line “Co-operative Enterprises Build a Better World.”

⁸ ILO Evaluation Summary “Evaluation: SYNDICOOP - Poverty Reduction among Unprotected Informal Economy Workers through Trade Union – Cooperative Joint Action” April 2006.

⁹ United Nations Social Development Network, Cooperatives Newsletter, August 2013. Available at www.unsdsn.org/?p=9172

These initiatives include the G8 call for strengthening co-operatives for sustainable development, the Rio+ 20 call for more support for agricultural co-operatives, and the June 2013 report of the European Parliament on the contribution of co-operatives to overcoming the economic crisis. In terms of international development, the European Commission has recognized co-operatives, alongside NGOs and Trade Unions, as key civil society actors that play an important role in stimulating income-generating activities among the poor and marginalized.¹⁰

The Food and Agricultural Organization (FAO) has also begun to stress the importance of co-operatives. On World Food Day in October 2012, the FAO's message was that co-operatives "are key to feeding the world" (FAO 2012). A Memorandum of Understanding between the FAO and the ICA has been agreed on and is expected to be signed off in 2013 with the aim of fostering closer collaboration on co-operative development.

The Role of the Enabling Environment: Case Studies of Brazil and India

For co-operatives, an enabling legal and policy environment has proven critical across the world. In fundamental ways, it has shaped the contours of co-operative engagement with workers in the informal economy although, as the following country case studies illustrate, it varies considerably from country to country.

India

In India, the share of workers in the informal economy is much greater than in other emerging market economies at 93 per cent of all workers in comparison to 55 per cent in Brazil. The shift in India from agricultural to non-agricultural work in the services and manufacturing sector has not been accompanied by a formalization of employment there. The informal form of employment remains the predominant form in the manufacturing sector (60 per cent) and non-manufacturing sector (80 per cent) (De Faria and Cunha 2009).

It is also the case that while co-operatives are deeply embedded in the economy and society, a legacy of government control has resulted in a mainstream sector with a lot of inherited problems – impaired governance and politicization of boards and lack of professional management, which is compounded by the lack of ownership by member stakeholders.

Co-operatives have been used by both colonial and post-colonial governments as instruments for the delivery of development interventions, such as fair price distribution, procurement operations, and price support operations, etc. The basic building block of the co-operative system has been the Primary Agricultural Credit Society (PAC), which provides loans and other services. As a result of government policy, PACs have developed as single window institutions providing integrated services such as inputs, storage and warehousing facilities, and consumer retailing, etc. Frequently, membership is limited to that of households, which has had the effect of severely curtailing women's participation as co-op membership is through the male head.

Co-operative law is devolved to state level, and in some states only one co-operative, the PAC, can be started in each village. The law also allows for government nominees on boards and financial stakes in co-operatives. As a consequence, the government has remained the key driver of co-operative

¹⁰ <http://www.coopseurope.coop/policy-topic/european-international-cooperative-development>

development, and there has been a limited role for NGOs and private institutions in co-operative development. In many states, most members have little sense of ownership of co-operatives, with notable exceptions in the state of Gujarat and Maharashtra where strong leadership has created space for autonomous and active co-operatives.

Historically, the co-operative federations in almost all states have been treated as para-statal and were often run directly by civil servants. In some states, elections were never held, and boards were superseded by the state government. However, the situation has not been an entirely static one.

It is possible to view the situation as one of two “parallel movements”: the state-run and politically dominated co-operatives on one hand and new “bottom-up” co-operatives from below on the other. Sometimes, the latter can receive a measure of support from the state.

Some government interventions have been successful in promoting new forms of co-operative development. In Kerala, the state government has initiated a large-scale women’s development programme called Kudumbashree. More than 3.5 million people participate, giving 50 per cent of households in the state access to Kudumbashree’s three core components of micro-credit, entrepreneurship and empowerment. Co-operatives are an important vehicle for the programme; people living below the poverty level can form co-operatives to lease and work fallow land to grow bananas and spices or purchase equipment for weaving or other manufacturing. With the goal of creating a labeling system identifying products created by women’s development groups, women receive assistance to develop value-added processing such as making jams and chutneys from locally-grown fruit as well as assistance with branding and marketing.

Products are sold at local markets and within networks of programme members – women are obviously inclined to ensure that their purchases, where possible, work towards the continued success of their programmes. They are also able to leverage economies of scale and now plan to open a chain of national retail stores, Shop for Change, developed with support from the Fairwear Foundation. The chain will target Indian middleclass consumers and has its own mark and certification scheme. The women are also working through their co-operatives to ensure that public institutions, government, hospitals, and schools, have procurement policies that support local social justice enterprises.¹¹

Because of the restrictions of the co-operative legal and policy environment, the space for co-operative innovation and development has been limited and has happened largely in relation to financial co-operatives. Some of the larger co-operatives have converted to producer companies to escape government intervention. At the other end of the spectrum, Women’s Self Help Groups (SHGs) have developed rapidly across India with support from NGOs. Essentially, they are informal co-operatives, which bring 10-20 women together. The women begin to save, putting their pooled deposits in a bank, thus “linking” to the bank. Once they have saved enough, they can also borrow from the bank as a group and then distribute the credit among themselves. Meanwhile, government regulations push the banks to meet targets for numbers of SHGs linked each year. The recruiting NGO often works with the women on areas beyond finance, trying to build their self-esteem as women and their capacity as a group to make change in their communities – in a word, to empower them. Over 25 million women in India are now enrolled in these groups; however, evidence for any beneficial long term impact of such micro-finance schemes on poverty reduction is currently lacking, and one study of SHGs in India has reported on increasing debt and caste vulnerability for these women (Garikipati 2010).

Another feature of the Indian co-operative movement has been the development of co-operatives for women informal workers. Women’s co-operatives look to meet the income and livelihood needs of women in both urban and rural areas. Many also have an explicit empowerment agenda and work to provide a strong voice for women. However, they remain largely limited to South Asia, which tends to underline the influence of the specific socio-economic context there.

The achievements of the Self Employed Women’s Association (SEWA) have been very important in this regard – although establishing these co-operatives has not been easy because they have challenged gender roles and the income of the powerful. For instance, SEWA’s efforts in setting up and reviving dairy co-operatives threatened the incomes of local traders who fought back in many ways. These traders tried to subvert the co-operative by offering higher prices for milk in the short term or loans or, in extremis, by

¹¹ <http://www.kudumbashree.org/>

hijacking milk vans. The often-used tool of spreading rumours about women in leadership positions was also employed. In addition, when defunct co-operatives were revived by women and began making a profit, men returned to reclaim them, and the co-operatives lost money again. Women have had to learn through experience, and government agencies have needed constant reminders, that official policies need to support what women are trying to do. Moreover, the dominant developmental model in India now privileges large-scale projects and big private sector players at the expense of informal workers and the poor. This has been continuously challenge by SEWA and other groups promoting women's co-operatives (SEWA 2008).

There are many other examples of women's co-operatives in India. Based in South India, for example, the Indian Co-operative Network for Women provides micro-finance for women and skills training and support for enterprise development, and it is also developing social protection schemes. A simple credit model has been developed based on local groups of 10 women, which are in turn members of the national women's co-operative network.¹²

As the government slowly withdraws from direct participation, India's co-operative sector is seeing even greater change. A process of legal reform is underway, and there is also a new co-operative policy designed to assist co-operatives' development into autonomous, self-reliant and democratically managed institutions. A Constitutional Amendment, intended to ensure that no state laws can abrogate the autonomy and freedom enshrined in the Constitution, was passed in 2012.

As this case study demonstrates, Indian co-operatives have been characterized by a persistent legacy of state control. In addition, in comparison to Brazil, there has been a lack of engagement with the co-operative sector by the trade union movement and other popular movements. The main areas of new co-operative development involving workers in the informal economy have been the development of both registered and unregistered financial co-operatives serving the needs of poor women.

Brazil

As is the case in South Asia, co-operatives in Brazil have a long history. The dying away of overt state control from the 1980s on has opened up a space for the development of a diverse and multi-faceted co-operative movement. The past two decades have seen the emergence of new co-operatives organizing marginalized and informal economy workers. Today, new and older forms of co-operatives often co-exist in both rural and urban areas.

In Brazil, the history of co-operatives stretches back to the 19th century, when European settlers introduced them. In the 20th century, under the military dictatorship, a new co-operative law was put in place that incorporated a high degree of state control. New co-operatives had to be licensed by a government agency, and all co-operatives had to belong to a single national federation Organizacao das Cooperativas Brasileiras (OCB). At the same time, the setting up of large co-operatives was incentivized. The members of OCB still tend to be the larger and more formalized co-operatives across a number of sectors, with over 7,000 co-operative societies comprised of over 8 million members. OCB co-operatives are particularly strong in the south of the country and in medicine, finance and agriculture – today, 37 per cent of the agricultural GDP is produced by co-operatives.¹³

During the 1980s, co-operatives moved towards self-management with a lessening of state licensing and control. This was embodied in a 1988 law that also introduced a national co-operative education system funded via co-operative employee income tax.

A second wave of co-operative development occurred during the past twenty years. Co-operative formation has been an important part of the strategies adopted by the new social movements that emerged in Brazil – the trade unions, the women's movements and the MST (the landless movement). These movements organized the many people who had not benefited from the economic miracle of the 1970s and 80s – including workers in the informal economy. The co-operatives that grew out of this connection

¹² <http://www.workingwomensforum.org/>

¹³ <http://www.fao.org/partnerships/fao-partnerships/producer-organizations-and-cooperatives/en/>

with the new social movements remained outside of the OCB federation and are often characterized as popular co-operatives. A common approach was for a university to set up a local incubator to promote and support the development of co-operatives, like the Technological Incubator for Popular Cooperatives (ITCP) set up by the Federal University of Rio to promote the development of new co-operatives.¹⁴

Popular co-operatives work with and are supported by a number of external partners including NGOs (both local and international) as well as universities. Often the leadership of these popular co-operatives overlaps with the leadership of the new social movements. These co-operatives are not just business associations but play a representative role and fight for/articulate members' needs. However, unionized labour's position in relation to co-operatives remains ambiguous. Only the *Central Única dos Trabalhadores* (CUT) one of the union federations, has had a debate about co-operatives and developed effective collaborations with them through the creation of an Agency for Solidarity Development in 1999 (Lima 2007). The strengthening of self-managed enterprises and co-operative law reform are central to the Agency's strategy.

Collectively, these initiatives defined themselves as part of an alternative solidarity economy. The metal workers union, for example, played a key role in the setting up of Unisol, a new co-operative federation in Sao Paulo in 2000. Unisol's membership has now grown rapidly to more than 700 members, reflecting the number of new co-operatives in agriculture, civil engineering, food, recycling, textiles and metal-working. Unicafes, set up in 2005, is another new co-operative federation that brings together co-operatives of small-scale farmers and aims to ensure the participation of women and youth.

Main co-operative federations	Membership	Sectors
OCB	7,261 co-operatives	Agriculture, medicine, finance,
Unisol	700 co-operatives	Agriculture, recycling, textiles, metal working, civil engineering, handicrafts, recovered enterprises
Unicafes	78 co-operatives	Smallholder and family farmers
MST	900 encampments	Agriculture
MNCR	500 groups	Waste pickers

There is also a co-operative movement specifically for waste pickers – *Movimento Nacional dos Catadores de Materiais Recicláveis* (MNCR). Its membership is comprised of about 500 of the 3500 registered waste pickers co-operatives and associations. It has kept its independence from the trade union federations, arguing that it wishes to remain politically independent. Some of the MNCR co-operatives have affiliated to OCB, but the movement has remained autonomous and directly accountable to its membership (Horn 2012).

For 25 years, the landless movement in Brazil, spearheaded by a social movement known as the MST, has carried out a wide range of protests, including what it calls land occupations. The MST settlers then organize agricultural co-operatives, which themselves have formed a national federation. The products are sold via a network of Agrarian Reform shops.

Under the Presidency of Lula (2002- 2011), the importance of the social and solidarity economy was recognized by the government. This recognition has resulted in a conducive environment for co-operative innovation and development, not the least of which have been some important legal changes. In 2010, Brazil adopted a new national solid waste law requiring cities and private businesses to collaborate with waste picking co-operatives. In the summer of 2012, following nine years of advocacy by the co-operative movement, some radical new co-operative legislation came into force that embeds legal protection and acknowledgement for the co-operatives working in these sectors. These changes open up a huge potential for improving conditions for thousands of informal economy workers.

¹⁴ <http://www.itcp.coppe.ufrj.br/ingles.php>

Under the new act, worker co-operatives are acknowledged as the main organizational form of the “Solidarity Economy” business. A new national programme, PRONACCOOP, has been created to promote and develop these co-operatives. The law emphasizes the importance of education. The minimum number of workers required to set up a co-operative has been reduced from 20 to 7. All co-operative members need to be treated as workers in terms of social protection and labour rights, which include minimum wage, annual leave, paid weekly rest, working time limits, and worker insurance.

Importantly, this law will be applied to all co-operatives active in producing products or delivering services. This means that the law will work also for smallholder / family farmers set up to trade their products.¹⁵

The effectiveness of the strategy to use co-operatives as a key route to formalization will no doubt be followed very closely. Treating all members of a co-operative as workers in terms of social protection marks a critical step for the co-operatives themselves. However, it will bring additional costs for the co-operative, which may make them less competitive. Given that many popular co-operatives do not yet have a profitable business model, and only generate a low level of income for their members, putting them below minimum wage levels, the impact of additional costs for these co-operatives may prove a serious threat to their viability (Lemaitre and Helmsing 2012).

Under the law, the members of the co-operatives concerned will be self-employed for much of the time, but possibly working “for” the co-operative at others, which may lead to a redefinition of the different activities.

The new law will also work to reduce the number of “false co-operatives” called *coopergatos*, an issue specifically referred to in ILO Recommendation 192. In the 1990s, a number of “labour co-operatives” were set up partly as result of provincial policy. They were created primarily to carry out work outsourced from factories but under much worse conditions for the workers who no longer enjoyed their former employment rights and were treated as self-employed. The labour co-operatives were also completely dependent on one source for their contract (Lima 2007). The new law includes clauses that limit these practices, with strict penalties for noncompliance.

Co-operatives and Informal Workers: Sectors and Services Overview

Co-operatives with a membership that includes people working in the informal economy can be found across a wide number of economic sectors though, as the following case studies illustrate, there are few research studies that specifically address the informal issue. Some co-operatives may have a “mixed” membership of workers from both the formal and informal economy.

This section of the paper takes a broad-brush approach to look at some of the key sectors and service co-operatives offered to workers in the informal economy.

Waste Pickers

Brazil

It is no coincidence that co-operatives among waste pickers are strongest in Latin America, where co-operatives are closely linked with popular movements and have relative autonomy in several countries, which has fostered the emergence of new types of co-operatives. In some countries, an enabling policy

¹⁵ Interview with Eugenio Soares, UNISOL.

environment in relation to co-operative development, together with state responsiveness, has also played an important role to the demands of waste pickers (Dias 2012). The long history of co-operatives across the region has meant a degree of familiarity with the co-operative model, and incubators such as the one in Rio have supported the development of recycling co-operatives. Further, becoming legally registered as a co-operative enterprise in Brazil provides an institutional framework so that waste picker organizations can effectively trade and negotiate with local authorities for contracts. The co-operative model accommodates the setting up of a micro-enterprise, and it also enables a micro-enterprise to scale up operations and to enter into public-private partnerships (see the example from Columbia discussed below). In addition, the National Solid Waste Policy, 2010, of Brazil recognizes waste picker co-operatives as service providers and, as a result, institutes a number of mechanisms to support co-operatives and municipalities that integrate informal workers into solid waste systems (Dias 2010).

Dias notes that the role of the co-operative is vital for waste pickers in that it can cut out the middlemen in the same way co-operatives do for smallholder farmers. Middlemen purchase recyclables recovered by waste pickers and sell on to scrap dealers, who in turn sell on to industry. In these circumstances, the middlemen make the profits and waste pickers are often paid very little.

Colombia

The waste pickers co-operative movement began in Bogota around 1986 when around 150 waste picker families began to mobilize themselves into co-operatives after having been displaced from the open dump they lived on to make way for a landfill site. They were assisted by the Fundacion Social (a foundation run by the Jesuit order) as well as others in the forms of loans, legal, administrative, technical and business advice, education, health services, and childcare. In 1990, an organized movement of waste pickers from around the city was formed, called Association de Recicladores de Bogota (ARB), which represented 9 waste picker co-operatives with 4500 members. Today, co-operatives organize between 30 and 50 per cent of all waste pickers in the city.

In 2012, the waste pickers were able to make a successful legal challenge to a multi-million pound tender for public waste collection in the city at the Constitutional Court, which ruled that the city had to create a new plan that included all waste pickers (Dias 2012). In 2013, for the first time, registered waste pickers were paid for their services by the city. However, they face ongoing opposition from vested interests and middlemen already operating in the sector.

India

The presence of fewer co-operatives among waste pickers in India undoubtedly relates to the less favourable environment for co-operative development. Studies have noted that government regulations make it extremely difficult to run their co-operatives in Gujarat (Samson 2009). However, there are now several co-operatives of waste pickers in different cities. In Ahmedabad, SEWA has developed co-operatives. In Pune, waste pickers established the KPPKP trade union. The union has also set up a credit union to meet members' needs for a safe place to deposit their earnings and to provide accessible credit at reasonable rates of interest so as to help members escape from the clutches of money lenders. It has also set up a co-operative, SWaCH, to provide door-to-door collection services to residents in several wards. SWaCH provides a positive example of how waste pickers can be integrated into municipal solid waste management systems benefiting both city and ensuring the livelihoods of waste pickers and better working conditions.

As Theron points out, whether a union or a co-operative model is adopted also relates to the purpose of organizing (2010). Co-operatives are an appropriate model if the members also intend to work together to tender for contracts with the public authorities, share marketing services or provide employment.

Domestic Workers

A literature search has revealed very few examples of co-operatives for domestic workers in the developing world. However, the background paper to the recently adopted ILO Convention 189 on Decent Work for Domestic Workers notes that “many organizers of domestic workers believe that a more effective way of organizing domestic workers is through workers’ co-operatives. Co-operatives, as reflected in the ILO’s Promotion of Co-operatives Recommendation, 2002 (No. 193), can create structures that allow domestic workers to take control of their working lives and their working time. They break the daily isolation and reinforce solidarity.”¹⁶

The co-operative model as a job-creation and organizing strategy for domestic workers is gaining traction throughout the USA. Several domestic workers’ co-operatives provide their worker-members with recruitment services while also protecting their rights. They help to make their members less vulnerable to exploitation by unscrupulous private recruitment agencies.

Migrant Workers

A recent ILO Issue Brief reports on how co-operatives have long improved the lives of women and men migrant workers and their families. A recent study on immigrant co-operatives in Canada showed that migrants tended to form co-operatives in cleaning, haulage, catering, education, research and cultural industries. Many migrants work in informalized employment such as day labour and domestic work. Recently, both the US and Canadian worker co-operative federations have decided to prioritize worker co-operative development in migrant communities.

The recently published *Immigrant Worker Owned Co-operatives: a users’ manual* provides a toolkit and information to assist in setting up a new co-operative. The manual argues that co-operatives are a good choice since “immigrants working in coops have twice the annual income of immigrants working for other people” (Li and Robinson 2012:4).

There is normally a need for external support to set up migrant workers’ co-operatives due to a lack of expertise and capital in addition to long hours worked by many. This support can come from a community organization, incubator or visionary benefactor. There are also a number of co-operative technical support organizations that assist the process such as Co-operation Texas, which links potential co-operatives to banks interested in funding them. It is currently assisting immigrant women to launch a green cleaning co-operative in Austin.

The manual emphasizes that joining a worker co-operative is not just about improving income but also that co-operatives can “play an important role in building movements for economic justice and social change: as institutions where real democracy is practiced on a day to day basis, they are a model for the empowerment we will need to create the change we envision” (Li and Robinson) (2012: 6).

In addition, for undocumented workers, enterprise promotions can be particularly productive as regulations/legislation requires different documentation than that needed for employment relationships.

In California, a co-operative incubation model based on the Brazilian experience has been developed by the Women’s Action to Gain Economic Security (WAGES). The incubator offers training and technical assistance to migrant Latina women to set up green business co-operatives. So far, four eco-friendly cleaning co-operatives, with over 70 worker owners have been launched. All the members earn decent wages (their household incomes have increased by more than 50 per cent), share business profits, and have health insurance and benefits like paid holidays (Hayashi 2010).

Co-operatives are also important providers of financial services for migrants wishing to transfer money home. Much of the money is sent to rural areas where financial co-operatives are significant players in remittance transfers.

¹⁶ (Report IV(1) 2010 Decent work for domestic workers Fourth item on the agenda).

Street and Market Vendors

Assessing the extent and reach of co-operatives among street and market vendors remains a challenging task though it is evident that market traders in many developing countries, especially women, operate either formally or informally as co-operatives. A study of market trader associations by the Food and Agriculture Organization (FAO) reported on their role in facilitating the business activities of their members and in providing for social welfare. These were associations of wholesalers rather than individual vendors (Shepherd 2005). The StreetNet summary of case studies of collective bargaining and representative forums for street traders notes the heterogeneous nature of street vendor organizations and their multiplicity of forms, though co-operatives as such are not specifically mentioned (StreetNet 2012).

However, a literature search identified several different examples of vendor and markets-based co-operatives. In the Philippines, co-operatives have long run public markets, though this appears to have been linked to the para-statal co-operative model. Their viability has been weakened by privatization programmes. This is the case in the town of Malabon, in the greater Manila area. After 12 years of being managed by market vendors' co-operatives, only one of the four public markets has remained co-operatively managed. The rest have been privatized. The last co-operatively managed public market was scheduled to be privatized in the first quarter of 2010. The dissolution of such co-operatives has meant the loss of self-employment for small market vendors.¹⁷ The challenge of privatization has also impacted on other co-operatives. However, according to a recent report on the co-operative sector, the Confederation of Co-operatives (NAMVESCO) reported a lack of success by its members in combating the current privatization of public markets. In Laguna and Dapitan, two market vendor co-operatives were dissolved due to privatization of public markets. The high rent and high goodwill money required to gain a stall in the "newly-improved" market proved too prohibitive for ordinary market vendors.

Other market vendor co-operatives focus on providing credit services for their members. For example, the Carbon Market co-operative (the largest farmers' market in Cebu), also located in the Philippines, was formed from the amalgamation of three smaller societies. It now has 1,800 members and runs a marketing service for them and provides credit finance.¹⁸ A national market vendors' society of credit co-operatives (NAMVESCO) was also set up in the Philippines in 1979.

Another example of co-operative management of market facilities comes from West Africa. The women's co-operative Cocovico in Cote D'Ivoire was started by six women vegetable vendors who came together to pool their resources and form a co-operative to run stalls. The market grew rapidly, despite being on squatted land, and soon there were over 600 vendors. The women started looking for a better site and one that was official. Accessing finance was a challenge for the co-operative, as its loan applications were turned down by conventional lenders. Eventually funds were obtained from Dutch Fairtrade lender, Oikocredit, and in 2008 a new secure and hygienic market opened. The co-operative now has 200 members and provides a space for 5,000 vendors each day. Importantly, the Cocovico not only provides its members with an income but also access to health, banking, childcare facilities, electricity, clean water and public toilets (Majoor and Manders 2009).

A SEWA co-operative development initiative has also intervened in markets and supply chains. A particular issue has been ensuring reliable supplies of raw materials for weaving and bamboo co-operatives. Outlets for products such as shops and exhibitions have also been arranged. A number of other development projects encouraging artisan co-operatives have neglected these other aspects of the supply chain.

Gikomba is the largest open-air market in Kenya, and it is visited every day by tens of thousands of people buying goods, trading, meeting, hawking, and simply trying to survive. Market hawkers (even by Kenyan standards) are extremely poor. Women in particular find many barriers to trading in the market. For example, they usually have children as well as the aged under their care, and they are often responsible for family members suffering from HIV / AIDS. This means that they are not mobile, and because they have children with them, they find it difficult to stay at the market during the day because of the lack of basic facilities such as toilets. It can also be hard to get started as a trader in the market on financial grounds.

¹⁷ <http://ausaid.gov.au/Publications/Documents/cso-mapping-assessment.pdf> p 171

¹⁸ <http://globalnation.inquirer.net/cebudailynews/enterprise/view/20090126-185627/Coop-helps-vendors-in-Carbon-market>

The Gikomba Self-Help Group was inaugurated in 2004 with support from the ILO's SYNDICOOP project. The group was formed by 30 people with the original purpose of providing basic services such as water, toilets and washing facilities in the market. The group now employs four people to charge two Kenyan Shillings to use the toilet or have a shower. More importantly, it allows women the freedom to use and trade in the market; without a toilet, they could not sit all day by their stall. The cash flow that has resulted from this first initiative has now been invested in a café which provides cheap food for market users and has created another 12 jobs (Smith and Ross 2006). The group has gone on to develop a scheme whereby loan and credit facilities can be offered to members. This scheme, the Gikomba Wanabiashara Sacco (Savings and Credit Co-operative) (SACCO) is like a credit union. Loans from the SACCO can help people to begin to trade, to develop their business, or have a lifeline in the case of an emergency.

In Accra, Ghana, women market traders were already working in a co-operative when they received support for a transport development programme. This is discussed in more detail in the transport section.

Many more studies of co-operatives of market traders are needed to gain a fuller understanding of the presence and impact of co-operatives. The examples above emphasize the importance of the financial services they provide for their members as well as their market management role. They also appear to be starting to play a role in negotiation and advocacy at the local level.

Home-based Workers

There is a dearth of literature on co-operatives among home-based workers in the developing world except in the handicrafts sector.¹⁹ Like other own account workers, craft workers, particularly workers engaged in small-scale traditional handicraft production, can benefit from collective organization for cheaper and more efficient access to raw materials and for marketing.

In some cases, governments have promoted top down, state controlled co-operatives and provided credit and management. In India, both the central and state government have supported these co-operatives, which are especially common in hand-spun or hand-woven textiles. Civil servants are appointed to manage the co-operatives and there is little membership involvement. The government, through Co-operative Banks, or state schemes, provides credit, buys products from weavers and sells them through government run shops.

The SEWA co-operatives have demonstrated that member-owned and controlled home-based worker co-operatives can function successfully. These have helped women artisans break from indebtedness to traders by giving them loans to buy their own equipment. SEWA co-operatives have also helped to upskill women to undertake more value-added processes. They also provided more exposure to the market through exhibitions, so the women artisans gained useful market information (Rose 1992).

Co-operatives have also been developed through the craft fair trade movement, which works with artisan groups in developing, creating, and selling craft products. These can be specialty handicraft items that consumers buy to support the producer group. The products may be marketed internationally as fair trade or aimed at domestic and international tourists. A co-operative is frequently selected as the organizational form for such groups by NGOs or faith groups, often working with groups of indigenous people. In some of these cases, the supporting group also provides expertise on design. The Machakos Co-operative Union Ltd. (MCU) in Kenya is an example. MCU is an umbrella organization for 79 affiliated primary organizations and provides support for the production, processing and global marketing of handicraft products (Machakos Co-operative Union 2012).

In Indonesia, Threads of Life and their sister organization YBB Foundation provide another example of craft co-operative development through their support for the development of 1,000 women organized into 35 weaving co-operatives across the country. For these two organizations, co-operatives offer the women a way to maintain their culture and identity as well as a way to make a living.²⁰

¹⁹ Information from Jane Tate, Homeworkers Worldwide

²⁰ <http://www.threadsoflife.com/supportingwomen.asp>

Kim Thanh Handicraft Cooperative is a co-operative in rural Vietnam providing work opportunities and vocational training for local women. There are currently 18 worker members. The co-operative mixes traditional elements and contemporary designs, using techniques like hand embroidery and natural dyeing. As well as producing crafts like embroidered handbags, hemp cushion covers and linen purses, it provides vocational training with the aim of supporting the economic and social inclusion of vulnerable and disadvantaged women while promoting traditional Vietnamese handicrafts in Vietnam and abroad. The co-operative provides employment for poor women and creates flexible working hours suitable for the different needs of women living in rural areas.²¹

Craft workers in both models above remain as independent workers, responsible for their own social security, and choosing working hours to fit around domestic commitments – a form of home-based work. A less advantageous market relationship for craft workers includes an “intermediary,” who then captures more of the value chain by exploiting the workers – a common occurrence for many home-based workers.

The limitation craft co-operatives face is the size of the market. And it is not just NGOs involved. Walmart has recently committed to source handicraft products directly from women’s enterprises, specifically including co-operatives.²²

Agricultural Co-operatives

It is estimated that 500 million small scale farmers worldwide support some 2 billion people. These farmers will need to grow much of the food to feed a future world population estimated to reach 9 billion by 2050 (Proctor and Lucchesi 2012).

According to the FAO, co-operatives and producer organizations (POs) are central to achieving food security (FAO 2012) because they can:

- improve negotiating power with market intermediaries;
- help stabilize markets;
- improve post-harvest services;
- provide marketing logistics and information;
- facilitate investment in shared structures such as processing plants;
- bulk purchase inputs;
- facilitate micro-credit schemes; and
- advocate with government.

Producer organizations can operate both formally and informally. Formal producer organizations include co-operatives, associations and societies that are distinguished by having a formal constitution linked to a legislative framework. An association is a non-profit organization that enables its members to collaborate to exchange knowledge, share services and represent its members. Associations are more commonly found in the Francophone countries in Africa (Develtere et al. 2008). The advantages of formality include the acquisition of a legal status that enables associations to enter contracts and borrow money, but this is not the case for associations in some countries where they are not allowed to generate profit or hold limited liability (Mangnus and Pifers 2010). Proper accounts must be kept by the PO, a practice that offers membership some protection from fraud and mismanagement and limits individual liability. A legally registered PO also allows the state the opportunity to levy taxes on the enterprise and sometimes on its members. A proper legal status also becomes essential to enable POs to grow and to participate in national and international value chains (Bijman and Ton 2008).

²¹ www.stories.coop

²² <http://corporate.walmart.com/global-responsibility/womens-economic-empowerment>

Some developing countries have developed legislation to enable small producer organizations to register and operate as enterprises. Often the law specifies a maximum size of producer organization. After the organization registers, it can access credit. The group can then go on to formally register as an association or co-operative. Many co-operatives and other POs may start out as informal organizations but then progress to more formal structures as they grow and develop, but not all do. In some cases, they remain in operation as producer groups but are required to ally with apex organizations that are able to support them (Mangnus and Piters 2010:26).

Informal and unregistered producer organizations can be more flexible and responsive to a changing market environment. They provide an attractive option where the legislation such as co-operative law is restrictive and registration processes are expensive and cumbersome. If middlemen and other traders do not pay taxes, then an informal PO may be more commercially viable if it also does not have to pay tax.

Smallholder organizations face a formidable number of challenges. While members can share a strong sense of belonging, they can be resistant to change because they are bound by conventions, custom and culture. It may also be difficult for “outsiders” to join (Mangnus and Piters 2010). Other challenges include lack of access to credit, little access to technical support, and low productivity. These producer groups are in the front line of climate change, facing both drought and erratic rainfall. Additionally, though external support for capacity building is very valuable for co-operatives, too much control by external stakeholders can diminish the members’ sense of ownership and loyalty. One of the main challenges for all producer organizations is to receive outside support while remaining truly controlled by their members (Bijman and Ton 2008; Munkner 2012).

Co-operatives face many challenges in terms of governance. Co-operatives strive to maintain a balance between the varying interests of different groups of members, particularly between large and small farmers. Boards need to remain accountable to members with regular changes of director so seats are not captured by a single elite group. There needs to be effective oversight of professional staff. Local reporting requirements need to be kept, such as an annual set of audited accounts. There needs to be compliance with labour legislation for employed staff.

Yet despite all these challenges, well-run co-operatives can have a very positive impact on the lives of their members and their communities. Some recent studies have emphasized that measures of co-operative impact should not just focus on income but need to include non-financial benefits as well. A study of rural youth co-operatives in Uganda and Lesotho revealed the ways in which co-operatives acted as a learning space for their members where youth acquired both enterprise skills and enhanced their own capabilities. This occurred in both formal and non-formal ways (Hartley 2011). In Kenya, dairy co-operatives have acted as a channel for training and knowledge sharing for their members, which has increased yields across a range of different farming activities. This has been particularly noticeable among the women members (Hannan 2013). A recent study emphasizes the social benefits for women in Uganda of co-operative membership. These include increased confidence and improved negotiating skills as well the ability to take control of certain household decisions when dealing with men (Ferguson and Kepe 2011). This corresponds with the findings of a study of women members of a nut breaking co-operative in north-east Brazil, where co-operative membership resulted in women’s empowerment in household decision making (Vicari 2013).

The positive potential of women’s membership in co-operatives needs to be set against the realities of rural society and deeply embedded socio-cultural norms. Historically, household-based membership of agricultural co-operatives has been the norm. As result, individual women members still tend either to be single or widows. Membership can also be based on the ownership of assets such as land or fishing boats – assets that are normally the property of men. In practice, this means that the male heads of household participate in the co-operative and collect the dividend payment even though it is their wives and daughters who carry out the work on the family plot. This is still common in cash crop, export-related co-operatives in Africa and Latin America. Women are more numerous in subsectors such as fruits, spices and dairy where their numbers are on the rise (Maturin 2012).

In India, the National Dairy Development Board initiated the Women Dairy Cooperative Leadership Programme (WDCLP) on a pilot basis in Valsad, Kolhapur, Wynad and Goa in Western India. The success of this programme has led to its replication in other co-operative unions throughout the country. Under this programme, dairy co-operatives are formed with the membership and the management

entirely composed of women milk producers. The dairy unions (secondary co-operatives) identified women staff to participate in training designed to develop their latent potential. At the village level, the key strategy was to train and position a local woman as a resource person to encourage and support women's involvement in their dairy cooperative. As a result, there are now over 10,550 women's dairy co-operatives. An analysis of the impacts of this programme in 50 villages indicated that co-operative training improved the capacity of rural women in income generation and saving while participation in the co-operative led to better health, hygiene, functional literacy and legal rights (OCDC 2010:19).

In terms of their role in relation to informal workers, agricultural co-operatives have perhaps the most impact in the developing world. This is not in the sense of creating formal employment, though they do, of course, create formal jobs. Their greatest impact lies in the financial and social benefits they provide to their members and their wider communities. This is illustrated by the case of dairy co-operatives in Kenya where the informal economy has been dominant in raw milk processing. The Githunguri dairy co-operative was set up in 1961 but by the late 1990s was practically dormant. Following the election of a new board in 1999, the fortunes of the co-operative began to revive through a combination of good internal governance, market liberalization measures and external support. Now the co-operative has 17,000 members and employs 300 staff organized in a trade union. A further 100,000 people could be earning an income. Members receive an income from selling their milk via the co-operative and also benefit from extension services, access to seeds and farm inputs among other things (ILO/ITC 2011:138).

Small scale fisheries contribute to more than half of the world's marine and inland catches and employ more than 90 per cent (33 million) of the world's capture fishers and a further 107 million in fish processing, distribution and marketing. Almost half of those employed are women. However, many small scale fishers are food insecure (5.8 m below US \$1 a day) and women are particularly marginalized (FAO 2012). While historically co-operatives, including women's co-operatives, have been seen negatively in fishing communities, they can improve the resilience and stability of these communities. In Gambia, for instance, the TRY Oyster Women's Association operates in 15 villages near Banjul, and Ecuador is home to the Isabela Women's Association Blue Fish. Both co-operatives empower fisherwomen while promoting responsible fisheries by setting up micro-finance schemes and facilitating access to better equipment.

Transport

Access to safe, efficient and effective transport is extremely limited for many people in the developing world. The rapid growth of cities has not been matched by a corresponding growth of public transport provision. In rural areas, many people have no access at all to either public or private transport. This limits their access to vital health services and also to markets for their produce. As a result, in sub-Saharan Africa, for example, it can cost up to 250 per cent more than in Europe to move goods over the same distance.

Urban areas have seen the rapid growth of the informal transport providers such as minibuses, three wheelers and motorcycle taxi services. These provide a significant source of employment, but workers suffer low wages and hazardous working conditions. The many owner-operators obtain only a low and irregular income despite working extremely long hours. Debt is a major problem and many operators face daily harassment, bribery and corruption from the police.

Co-operatives play an important role in improving conditions for transport workers and livelihood opportunities for small holder farmers in rural areas and for urban workers. They can do this in a number of ways. In Rwanda, with support from the national trade union organization, CESTRAR, the Assetamorwa co-operative of motorcycle drivers was set up in Kigali, the capital. More than 2500 commercial motorcyclists are members, and the co-operative runs a common garage, repairs motorcycles, and has a common money fund, which further enables it to buy new motorcycles or to give a consumer credit to the members. Each of the motorcycle taxi drivers is an individual trader, but together the traders support each other and can negotiate with the authorities. The co-operative, in turn, helps the city authorities to organize and to keep order in public traffic. The co-operative's presence has also given the members a better chance to protect themselves against raiders on the dangerous streets of Kigali (Smith and Ross 2006).

For many women market vendors, transport is a particular challenge. This is the case in Accra, Ghana, where women source then carry their products to market. The existing transport service fails to meet traders' particular needs as it increases their costs and forces many women into a punishing daily routine that makes life unnecessarily hard for them and their families. Bus drivers frequently refuse to allow women to board if they are carrying goods, and taxi drivers often demand that women take the whole taxi rather than share. Women traders in Accra were already members of a co-operative but traditionally had not involved themselves in transport, which was considered to be the domain of men. With support from UK-based NGO, Transaid, however, the women set up a new transport co-operative to buy and manage a small fleet of vehicles. This has helped reduce costs and enabled women to spend more time with their children.

Other forms of transport co-operatives found in urban areas include co-operatives of taxi drivers who may use cars, motorbikes or three wheelers. There is, unfortunately, the lack of any consolidated data on taxi drivers' co-operatives, but these co-operatives can be found in several Latin American countries including Ecuador, Puerto Rico and Nicaragua (Goler von Ravensburg 2009). There are also rickshaw and tuk tuk co-operatives in Asia. With its dedicated fleet and specially trained drivers, the Especial Coop Taxi12 in Rio de Janeiro, Brazil, specializes in providing services to physically disabled persons (ILO 2012).

In Kenya, recent legal and policy initiatives have resulted in a much greater co-operative presence in the urban transport sector. For many years, 14-seater vans and minibuses (commonly known as matatus), have provided the main form of transport. In 2011, the government made it mandatory for all those seeking Transport Licensing Board (TLB) certification to be members of a SACCO (a financial cooperative) or a registered company. About 1,000 Matatu SACCOS and 400 companies were registered soon after (Gicheru et al: 2012).

Research into the impact of these changes reveals a mixed picture. Whilst there have been some improvements in the working environment, customer relations and relationships with the government agencies, the rapidity of the changes has resulted in a lack of capacity among the SACCOS to effectively manage their new vehicles. Women remain very under-represented on the boards of the SACCOS. ILO research indicates that labour conditions for the workers in the sector have not improved much as there is a continuing lack of compliance with labour laws and a minimal union presence. The norm continues to be no employment contracts, long hours, the use of child labour and extremely limited access to social security schemes. Nonetheless, the ILO study recommends the continuance of the institutionalization of the industry using the SACCO model (ILO 2012a).

Housing

Finding adequate and affordable housing is one of the major challenges for workers in the informal economy. For home-based workers, housing and infrastructure are critical as their home is their workplace. Although they are more common in the developed world, housing co-operatives can provide a way for slum dwellers to gain better accommodation.

The National Co-operative Housing Union of Kenya (NACHU) provides just such assistance to its member housing co-operatives. NgumoMbegha Housing Cooperative, a member of the NACHU, began as a group of 25 women living and working in the Mitumba slum. Bordering the Wilson Airport and the fences of Nairobi National Park, Mitumba settlement has been occupied for over 10 years. Home to an estimated 5,300 people, Mitumba is crowded with single-room homes of carton and iron sheeting. Residents were not only forced to deal with poor sanitation and insecurity, they also were continuously threatened with eviction notices. The piece of land lies in the flight path of planes coming from Wilson Airport, and authorities claimed it posed a safety threat to those living there. However, in the past, demolitions usually led to the use of land by private developers to build high-rise apartments where the corrugated structures previously stood. In November 2011, many of the homes at Mitunga were demolished, and the residents were evicted.

As a member society of NACHU, the women of NgumoMbegha had mobilized their modest savings to take out a loan and buy a plot of land in Ruai, an area east of Nairobi. At the time of the demolition, they were not financially ready to begin building their houses although with help of a loan and technical

assistance from NACHU, they built their new homes. At the beginning of 2012, the women celebrated the reward of their years of savings, budgeting and continuous courage in the face of eviction notices, demolitions, and insecurity.²³

Other Services

Credit and access to finance remain some of the most pressing needs for informal workers. As with other forms of co-operatives, however, being a credit union member is not just about receiving financial benefits. Critical though this is, being a member is also about working together and sharing control of an organization while developing the skills needed to run and sustain a viable co-operative enterprise (OCDC 2012). In addition, co-operatives are “natural aggregators” of those at the bottom levels of the informal economy and can provide access to credit and financial products to the poor, who are traditionally excluded from formal banking procedures and financial services. Credit unions (known as SACCOs in Africa) can function well with a diverse range of members. Credit unions pool their members’ savings deposits and shares to finance their own loan portfolios rather than rely on outside capital. Members benefit from higher returns on savings, lower rates on loans and fewer fees on average. Owning and running their own financial institutions can be a challenge, but the success of credit unions in many countries proves it is not an insurmountable one.

In credit unions, deposits are made voluntarily by members according to their needs, and resources are developed from within the community, meaning there is less reliance on external finance. Credit unions also differ from other micro-finance initiatives in that the emphasis is on the setting up of a sustainable institution – the co-operative – where savings are also important and required before disbursement of loans.

In Africa, credit unions or SACCOs are probably the most rapidly growing type of co-operative with a relatively high percentage of women as members – around 50 per cent. Many have formally employed workers as their main type of members, but many, especially in the rural areas, do not. Sometimes becoming a formal member of a credit union can be too daunting a step, especially for women – especially if they are only able to save a very small amount. In Kenya, many informal saving groups have been set up for such hard-to-reach groups. These groups are called Village Savings and Loans Associations and are often linked to a larger co-operative. These groups operate along simple lines with the money kept in a cashbox and are thus operating with very small savings and loans. They are analogous to the women’s Self Help Groups set up in India, but their membership is not restricted to women and no external capital is provided.²⁴

There are other ways in which financial co-operatives can interact with informal economy workers such as the provision of micro-insurance products. The Co-operative Insurance Corporation of Kenya (CIC) offers products designed for informal economy workers such as street vendors who earn their money on a day-by-day basis. CIC has developed M-Bima, a payment platform that allows clients to sign up, pay for the premiums, and review their statements from their cell phone without leaving their stall.

The main distribution channel for CIC micro-insurance products is via M-Pesa outlets and existing networks in the informal economy. To stimulate the market, CIC organizes popular activities whereby the company goes to a locality, sets up a tent and plays popular music and entertainment to attract attention. CIC is also planning to set up micro-insurance subsidiary that will specialize in developing more products for low income groups and those in the informal economy in Kenya.

Many trade unions in Africa also set up SACCOs for their members, especially in rural areas where access to conventional banking is not available. They are particularly valuable for union members, such as teachers, working in rural areas where there is no access to formal banking services. In northern Tanzania, the Moshi Teachers Rural SACCOs were set up by the teaching unions and provide just such a service.²⁵

²³ <http://www.nachu.or.ke/index.php/achievements/success-stories/slums-to-security>

²⁴ <http://www.vsla.net/>

²⁵ <http://www.moshiruralteacherssaccos.com/>

Other services provided by co-operatives also benefit formal and informal economy workers. These include the provision of electricity in rural areas by co-operatives, which is a model successfully utilized in Bangladesh and the Philippines with widespread social and economic benefits. A survey of the impact of rural electric co-operatives in Bangladesh credited them with the creation of 3 million new jobs. In Latin America, telecommunications co-operatives provide telephone and internet services. In Bolivia, co-operatives provide the majority of the country's local telecommunications service in both rural and urban areas (OCDC 2010).

Challenges for Co-operative Development

It is no accident that education and training is a key co-operative principle since building and sustaining a successful co-operative is a demanding process - whether it operates in the formal or informal economy. The barriers and challenges are many though it is beyond the scope of this paper to do more than highlight some of the key issues.

Start-up

The practical difficulty is that setting up a new co-operative for informal workers frequently absorbs huge amounts of time and money to the exclusion of much else. Running a co-operative as a viable enterprise requires skills and knowledge from its members, particularly those elected to the Board. Building sufficient individual and organizational capacity is a lengthy and time-consuming process, which often needs external support. Munkner points out that during their start-up phase, many co-operatives can only survive by members and workers working hard and making sacrifices to the extent of self-exploitation (Munkner 2012:72).

Ensuring Good Governance

There is a great emphasis in the co-operative literature and in the movement on the importance of good governance and of ensuring that members/directors have the capacity to effectively run their co-operatives: "boards are a decisive success factor in cooperatives when they function as a team, have an entrepreneurial spirit and promote new initiatives, assume and control risks, know how to overcome difficulties and setbacks, and always consider the members as the *raison d'être* of the cooperative endeavours" (Pinto 2011:2). Among a successful board's key roles are strategic and business planning and financial oversight.

Still, many co-operatives struggle to elect directors with appropriate skills and education levels. There can be real capacity problems, and a board can find itself dominated by better-educated paid managers (DFID 2010; Hannan 2013; CGap 2005). There is also a real challenge to ensure more gender equity in terms of co-operative leadership (Rawlings and Shaw 2013).

Legal Barriers

In many countries, the legal framework places undue burdens on co-operatives in terms of start-up and reporting requirements. This can be especially problematic for co-operatives whose members have low levels of literacy and numeracy. In some cases, co-operatives have had to register under alternate legal forms because of restrictive legal conditions.

Finance

The financial needs of co-operatives also pose challenges. Members of small rural co-operatives are often tempted to side sell their crops and products to middlemen because of their need for immediate cash and inability to wait for the co-operative marketing to happen. To combat this, some co-operatives provide micro-credit for their members while others work in partnership with local credit unions. A further challenge is for larger co-operatives and co-operative unions to obtain mid-range finance (\$250,000+) to support business development projects such as new warehousing or other forms of upgrading.

Membership

As member-based organizations, co-operatives and trade unions both need a committed and well-informed membership at their heart. Effective strategies to enhance member participation are critical.

Conclusions

As the preceding examples have illustrated, co-operatives are present in both the informal and formal economy. Clearly, much is happening in the co-operative movement globally, and the co-operative movement is thriving, but it remains difficult to draw absolute conclusions on the current role of co-operatives and the informal economy.

Nonetheless, it is clear that as member-owned economic enterprises, co-operatives can and do benefit informal workers in a number of ways. Globally, they offer one of the most important ways through which own account workers can improve their livelihoods.

Co-operatives provide cost effective and accountable services for their members and wider communities through common services such as the joint marketing of goods.

Co-operatives meet a number of needs of workers that both includes and transcends income. While livelihoods are naturally a key focus for workers in the informal economy, they do have other needs, and this is where the wider definition of a co-operative may come into play: a co-operative is an enterprise established to meet its members' economic, social or cultural needs. Thus, while a co-operative might help to secure a better income for the goods and services produced by its members, other needs might include access to basic commodities and foodstuffs, transport or childcare. These can be organized either through separate, though parallel, co-operative enterprises or by the existing co-operative expanding its field of operation. As Rose (1992: 226-227) remarks in a discussion of SEWA co-operatives, co-operatives are an organizational form that can support complementary multiple occupations, rather than imposing the one person/one occupation model. Thus, a woman worker in Gujarat might be a member of a handicrafts co-operative and a dairy co-operative.

There is no single blueprint for co-operatives as the core values and principles are put into practice in many different ways. However, increasingly these values and principles are being embedded into national legal and policy frameworks for co-operatives.

In some countries, co-operatives play a role in struggles for rights and in providing a voice for their members, sometimes through secondary co-operatives (co-operative "unions") and federations. And sometimes this advocacy and campaigning role is played by linked or parallel organizations, where workers are members of both organizations. Participation in a co-operative can provide the kinds of skills and experience that enable members to become more active politically. Co-operatives also put democracy into action through the seven co-operative principles. As Mr. Salazar-Xirinachs, Executive Director for Employment at the ILO notes "cooperatives are schools of democracy, they promote dialogue, consultation and negotiation. They are a powerful way of organizing and providing voice to many small economic and social actors that often do not have other ways of coming together. In this way they are an important channel to strengthen social dialogue, as they are often linked to both employer and worker organizations."²⁶ Co-operatives can enable strong local, state and national leadership to emerge. In the Philippines, co-operatives play a substantial role in national politics and a seat in the House of Representatives is reserved for them (OCDC 2010).

There are, of course, many challenges, both old and new, for co-operatives. In many countries, there is still some way to go before there is a genuinely enabling legal and policy environment for co-operatives. There is a lack of recent substantive research into co-operatives, especially in the developing world, and in relation to their role in the informal economy. Basic data about the extent and presence of co-operatives is still lacking at the national and international level. There also needs to be a greater recognition of the complex histories of co-operatives and how these histories still shape co-operatives' presence today.

To see the categories of co-operatives and trade unions as somehow separate and mutually exclusive may be to limit the options available. Historically, some groups of workers in formal employment have developed a dualist model in which trade unions focus on representation/voice and co-operatives focus on livelihoods. However, workers in the informal economy – including some WIEGO members – have shown that these are not either/or alternatives. The voice/struggle and livelihood functions can operate within the same organization or through linked, even interlocking, organizations, such as KKP in Pune and the SWaCH co-operative.

²⁶ http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ed_emp_msu/documents/statement/wcms_194050.pdf

Co-operatives seem to operate beyond and outside many categories normally employed in social and economic analysis – civil society, social movements, enterprises, and workers organizations. As a result, their full potential has more than often been misunderstood and neglected. They do not easily fit into the existing models of the informal economy. Currently, these models downplay the presence of co-operatives in the informal economy by focusing on the role of the worker co-operatives or by seeing co-operatives primarily as a way to formalization.

Worker co-operatives are not the main category of relevance for the informal economy, which is an assumption based on the idea that worker co-operatives can provide formal employment, i.e. jobs for previously informal workers. While this may be true in terms of formal jobs, there are a number of additional ways in which co-operatives provide support and services for workers.

The strategy of enforced formalization via co-operatives remains a debatable one. In the case of the Kenyan transport sector, it has not so far resulted in improved conditions for the workers in the sector. The new legislation in Brazil is also increasing levels of formalization for co-operatives, but the effectiveness of this strategy is yet to be tested. As Munkner cautions, when informal enterprises are formalized, they often lose their competitive advantage and new informal enterprises will spring up to take their place (Munkner 2012:72).

There needs to be a better understanding of the ways in which co-operatives operate in the informal economy and move beyond a dualistic understanding of the informal economy as it is “comprised of both self-employment in informal enterprises (i.e., small and/or unregistered) and wage employment in informal jobs (i.e., without secure contracts, worker benefits or social protection)” (Chen 2007:6).

Takaki suggests the need for the notion of “semi-formality” in relation to co-operatives: “semi-formality because, while co-operatives are legally established enterprises and its members are (or should be, by law) registered, tax-paying citizens, they do not constitute a source of ‘formal’ employment, in the sense that they are not on any business’ payroll, or enjoy any kind of benefit or job security” (Takaki 2009:6).

Co-operatives organize millions of workers in the informal economy by providing decent work and decent livelihoods. In some cases, they provide income and social benefits especially for poor women. Given the multiple domestic, social and economic responsibilities of poor women, the capacity of co-operatives to address the multiple needs of workers, including anything from access to credit to the provision of childcare services to building toilets, especially for women, makes them of critical importance.

As the informal economy gains recognition for its importance (in size, permanency and discursive space on employment issues), so will the importance of co-operatives from both an economic and social viewpoint grow. As co-operatives move up the development agenda, there is a danger that because of lack of understanding by different players like NGOs and development agencies, these players will make unhelpful interventions at the policy and implementation level. Developing an ongoing dialogue to avoid these possibilities is critical.

Bibliography

- Bateman, M (2010) *Why doesn't microfinance work?* London: Zed
- Bijman and Ton (2008) 'Producer organizations and value chains' in *Capacity* August 2008 pp 4-6
- Birchall, J (1997) *The International Co-operative Movement* Manchester: Manchester University Press
- Birchall, J (2001) *Organizing workers in the informal sector – a strategy for trade union-cooperative action* Geneva: ILO Coop Working paper 01- 01
- Birchall, J (2009) Discussion Paper for UNDESA Division for Social Policy and Development Expert Group Meeting on 'Cooperatives in a World in Crisis' New York:UNDESA
- Birchall, J. and R. Simmons (2010), "The Cooperative Reform Process in Tanzania and Sri Lanka", *Annals of Public and Cooperative Economics*, Vol. 83, No. 3, pp. 467- 500
- Borda-Rodríguez, A and Vicari, S (2013- forthcoming) *Co-operative Resilience in Malawi* College Paper 18 Manchester: Co-operative College.
- CGAP (2005) *Working with savings and credit cooperatives* Donor brief available at <http://www.cgap.org/publications/working-savings-and-credit-cooperatives>
- Chen, M (2007) *Rethinking the Informal Economy: Linkages with the Formal Economy and the Formal Regulatory Environment* DESA Working Paper No. 46
- CICOPA (2005) World Declaration on Worker Co-operatives CICOPA 2013
- Cornforth, Chris (2004) "The governance of co-operatives and mutual associations: a paradox perspective". *Annals of Public and Co-operative Economics*, 75(1), pp. 11–32.
- De Faria, M and Cunha, G (2007) 'Self-management and Solidarity Economy: the challenges for worker – recovered companies in Brazil' *Austrian Journal of Development Studies* Vol XXV 3
- Develtere, P., Pollet, I and Wanyama, F (eds) (2008) *Co-operating Out of Poverty The Renaissance of the African Cooperative Movement* Geneva: ILO
- DFID (2010) *Working with Co-operatives for Poverty Reduction* London: DFID
- Dias, S (2010) Dias, Sonia Maria. 2010. *Belo Horizonte Selective Waste Collection Programme*. WIEGO.
- Dias, S (2012) "Waste and Development – Perspectives from the Ground" *Field Actions Science Reports* [Online], Special Issue 6, Available at <http://factsreports.revues.org/>
- Duvendack M, Palmer-Jones R, Copestake JG, Hooper L, Loke Y, Rao N (2011) What is the evidence of the impact of microfinance on the well-being of poor people? London: EPPI-Centre, Science Research Unit, Institute of Education, University of London.
- Fall, A. S. (2008), "The Senegalese Cooperative Movement: Embedded in Social Economy", in P. Develtere, I. Pollet & F. Wanyama (eds.), *Cooperating Out of Poverty: The Renaissance of the African Cooperative Movement* Geneva: ILO
- FAO (2012) Cooperatives in small scale fisheries: enabling successes through community empowerment IYV Issue Brief Series <http://www.fao.org/cofi/33758-0b51988bb8fe1341d2885e38cbb9a0e44.pdf>
- Ferguson, H and Kepe, T (2011) 'Agricultural cooperatives and the social empowerment of women; a Ugandan case study' *Development in Practice* Vol 21:3, pp 421-429

- Garikipati, S (2010) "Microcredit and Women's Empowerment: Through the Lens of Time Use Data from Rural India" *Development and Change* Vol 43 issue 3 pp 719-750
- Gicheru, E., Wanjohi, M and M'Imanyara, K (2012) *An Analysis of the Socio-Economic Impacts of the New Integrated National Transport Policy: The Case of 14 Seat Transport SACCOs in Kenya*. Paper presented at the ICA Global Research Conference Mikkeli in Finland, August 2011 <http://www.helsinki.fi/ruralia/ica2011/presentations/Gicheru.pdf>
- Goler Von Ravensburg, N (2007) *Economic and other benefits of shared services cooperatives as a specific form of enterprise cluster* Geneva: ILO
- Gute, D., Siqueira, E., Goldberg, J., Galvao, H., Gianelli, M and Pirie, A (2009) "The Vida Verde Women's Co-Op: Brazilian Immigrants Organizing to Promote Environmental and Social Justice" *American Journal of Public Health*. 99(S3): S495-S498.
- Hannan, R (2013 - forthcoming) "The co-operative institutional form and good governance: the elephant in the room with poverty reduction" *Journal of International Development*
- Hartley, S (2011) *A New Space for a New Generation: the rise of co-operatives amongst young people in Africa* Manchester: Co-operative College
- Henry, H (2012) *Guidelines for Cooperative Legislation* Third Edition Revised Geneva: ILO
- Hayashi, R (2010) "Empowering Domestic Workers Through Law and Organizing Initiatives" *Seattle Journal for Social Justice* Vol 9:1
- Holmen, H (1990) *The State, Cooperatives and Development in Africa* Upsala: Scandinavian Institute of Development Studies
- Horn, P (2012) *Cooperatives and Trade Unions: an international perspective* paper presented at Engendering Social Protection International Conference held in Lusaka, October 22-23, 2012 <http://www.fes-Zambia.org/media/publications/Cooperatives%20and%20Trade%20Unions%20-%20an%20international%20perspective.pdf>
- Hussi, P., Murphy, J., Lindberg, O. and Brenneman, L. (1993), *The Development of Co-operatives and Other Rural Organizations: The Role of the World Bank*, Washington: The World Bank
- Ji, M and Robinson, T (2012) *Immigrant Worker Owned Cooperatives: A User's Manual* www.community-wealth.org/sites/.../WrkrCoopManual%205-31-12.pdf
- International Cooperative Alliance (2013) <http://ica.coop/en/whats-co-op/co-operative-facts-figures>
- ILO/ITC (2011) *Social and Solidarity Economy: Our Road to Decent Work* Turin: ITC/ILO
- ILO (2012) *A co-operative future for people with disabilities* Issue Brief Geneva: ILO
- ILO (2012a) *Matatu Industry Baseline Survey* Pretoria: ILO Available at <http://www.ilo.org/public/english/region/afpro/pretoria/pdf/baseline.pdf>
- ILO (2013) *Resource guide on cooperatives Selected Statistical Data Relevant to Cooperatives* Geneva: ILO
- ILO (nd) *The Social Economy* Factsheet Geneva: ILO
- International Raiffeisen Union (2013) <http://www.iru.de/index.php/iru/was-ist-die-iru?lang=en>
- Jones, E., Smith, S and Wills, C (2012) "Women producers and the benefits of the collective form of enterprise" *Gender and Development* 20:1
- Kwapong, N. A. and Korugyendo (2010), "Revival of Agricultural Cooperatives in Uganda", Washington: International Food Policy Research Institute Policy Note No. 10, December
- Lemaitre, A and Helmsing, A (2012) "Solidarity Economy in Brazil: movement, discourse and practice analysis through a Polanyian understanding of the economy" *Journal of International Development* 24 745-762

- Levi, Y and Davis, P (2008) "Cooperatives as the Enfants Terribles of Economics: Some Implications for the Social Economy" *The Journal of Socio Economics* 37: 6 pp 2178 -2188.
- Lima, J (2007) 'Workers' Cooperatives in Brazil: Autonomy vs Precariousness' *Economic and Industrial Democracy* 28 589- 621
- Lund, M (2011) *Solidarity as a Business Model: A Multistakeholder Cooperatives Manual* Ohio: Kent State University
- Machakos Co-operative Union, 2012, Fact Sheet
- Majoor and Manders, 2009 *Women's Empowerment* Amersfoot: Oikocredit
- Mangnus, E and Pipers, B (2010) *Dealing with small scale producers* Amsterdam: KIT
- Mather, C (2012) *Informal Workers Organising* Research Report to the Solidarity Centre
- Maturin, E (2012) *How women fare in East Africa co-operatives: the case of Kenya, Tanzania and Uganda* Dar Es Salaam: ILO
- Mehotra, S., Gandhi, P., Saha, K and Sahoo, B (2012) *Joblessness and Informalisation; Challenges to Inclusive Growth* New Delhi: Institute of Applied Manpower Research
- Misra, B (2010) *Credit Cooperatives in India: Past, Present and Future* London: Routledge
- Motala, S (2002): *Organising in the informal economy: a case study of street trading in South Africa* SEED Working Paper Geneva: ILO
- Münkner H-H. (2012), "Co-operation as a Remedy in Times of Crisis. Agricultural Co-operatives in the World" Their Roles for Rural Development and Poverty Reduction", *Marburg Studies on Cooperation and Cooperatives* Nr. 58.
- Nabar, V (2007) *The State, Cooperatives and Cooperative Legislation in India: Changing Contexts and Emerging Trends*. Available at www.socialeconomyhub.ca/sites/...ca/files/.../G1%20-%20Nabar.pdf
- OCDC (2010) *Cooperatives: Pathways to Economic, Democratic and Social Development in the Global Economy* Falls Church, Virginia: OCDC
- Orero, R., McCormick, D., Mitullah, W., Chitere, P and Ommeh, M (nd) *Assessing Progress With The Implementation Of The Public Transport Policy In Kenya* Nairobi: Kenya Methodist University
- Pinto (2011) *Leadership, capacity and governability in co-operatives* available at <http://www.un.org/esa/socdev/social/meetings/egm11/documents/Costa%20Pinto-Leadership,%20capacity%20building.pdf>
- Proctor, F and Lucchesi, V (2102) *Small scale farming and youth in an era of rapid change* London/ the Hague: IIED/HIVOS
- Rose, Kamila, (1992), *Where women are leaders: The SEWA movement in India*, Vistaar Publications, New Delhi
- Rawlings, B and Shaw, L (2013) *A continuing challenge: women and leadership in Co-operatives* Paper presented at ICA Research Conference Cyprus, June 2013.
- Samson, M (ed) (2009) *Refusing to be Cast Aside: Wastepickers Organising Around the World* Cambridge, Mass: WIEGO
- Saner, Raymond, Yiu, L & Filadoro Mario (2012), *Cooperatives – Conspicuously absent in trade & development discourse* Available at http://www.wto.org/english/forums_e/ngo_e/CSEND_cooperatives_inclusive_growth.pdf
- Schurman, S and Eaton, A (2011) *Trade Union Organising in the Informal Economy: A Review of the Literature on Organizing in Africa, Asia, Latin America, North America and Western, Central and Eastern Europe* Report to the Solidarity Centre, Capetown Rutgers University
- SEWA (2008), SEWA Annual Report

- Shepherd, A (2005) *Associations of market traders, their roles and potential for further development* AGSF Occasional Paper 7 Rome: FAO
- Spear, R (2010) The social economy in Europe: trends and challenges. In: Mook, Laurie; Quarter, J and Ryan, S (eds.) *Researching the Social Economy Matters*. Toronto: University of Toronto Press, pp. 84–105.
- Smith, S (2004) *Promoting Co-operatives, A Guide to ILO Recommendation 193* Geneva: ILO
- Streetnet, (2012) Summary report: Case studies of collective bargaining and representative forums for street traders Available at <http://www.streetnet.org.za/docs/research/2012/en/composite.pdf>
- Smith, S and Ross, C (2006) *Organizing Out of Poverty: Stories from the Grassroots: how the SYNDICOOP Approach Has Worked in East Africa*. Manchester: Co-operative College
- Takaki, N (2009) *The Emergence of Trash Picker Cooperatives in Brasília and the Challenges to Good Governance in Waste Management* available at http://environment.yale.edu/hixon/files/pdf/2008_Norio_Takaki.pdf
- Tchami, G (2007) *Handbook on cooperatives for use of Workers' Organizations*. Geneva: ILO
- Theron, J (2010) *Options for Organizing Waste-Pickers in South Africa* WIEGO Organising Brief 3.
- Transaid (nd) *Technical Case Study: Transport and Trade for Market Women in Accra* <http://www.transaid.org/projects/ghana-accra-transport-and-trade-for-market-women,-2006--present>
- Vicari, S (2013 – forthcoming) “The Co-operative as an Institution for Human Development: the Case study of Coopalj, a primary co-operative In Brazil” *Journal of International Development*
- Wanjohi, M (2011) “An Analysis of Socio-Economic Impact of the New Integrated National Transport Policy: Fourteen Seater Transport SACCOS” Nairobi: The Co-operative College
- Whyman, P (2012) ‘Cooperative principles and the evolution of the dismal science: the historical interaction between co-operative and mainstream economics’ *Business History* 54:6 pp 834-853
- World Bank (2007) *World Development Report 2008: Agriculture for Development* Washington: World Bank
- World Co-operative Monitor (2012) *Exploring the Co-operative Economy* ICA/Euricse available at www.monitor.coop
- World Council of Credit Unions (2013) <http://www.woccu.org/about/intlcusystem>
- Zhao, L (2011), *Capital Formation in New Co-operatives in China: Policy and Practice* Euricse Working Papers, no 15 11