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Social and Solidarity Economy in the International Labour Conference General Discussion on a Just Transition – June 2023

By Hamish Jenkins, RIPESS

Introduction

At its 111th session (5-16 June 2023), the International Labour Conference (ILC) of the ILO held a General Discussion on a Just Transition with a view to arrive at agreed Conclusions between governments, workers, and employers on the subject. The final Conclusions were endorsed in a <u>Resolution</u> adopted by the Conference on 16 June 2023. RIPESS participated in this meeting with the goal to integrate SSE in the just transition discussion. This report describes the challenges encountered in the process, what were the final achievements on this front, some of the drawbacks, and lessons learnt from this experience.

SSE and Just Transition

In its presentation to the Conference, the ILO Office unpacked the concept of "just transition" in the following terms:

"Promoting environmentally sustainable economies in a way that is fair and inclusive to everyone concerned – workers, enterprises and communities – by creating decent work opportunities and leaving no one behind. Maximizing the social and economic opportunities of climate and environmental action, while minimizing and carefully managing any challenges, including through effective social dialogue and stakeholder engagement and respect for the fundamental principles and rights at work."

SSE has much to contribute to a just transition, as reflected in 2022 ILC Resolution/Conclusions and the 2023 UN General Assembly (UN GA) Resolution (see Box 1). Its potential to transform production and consumption patterns and contribute to a green economy framed in terms of "just transition" is also detailed in the Position Paper of the United Nations Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSE): Advancing the 2030 Agenda through the Social and Solidarity Economy; Chapter 7. Green and Fair Transition (SDGs 7, 12 AND 13).



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Box 1. Multilaterally agreed Decisions on SSE and Just Transition

ILC.110/Resolution II concerning decent work and the social and solidarity economy (10 June 2022): 7. (c) "fostering the contribution of the SSE entities and sustainable enterprises to a just transition towards environmentally sustainable economies and societies for all, promoting sustainable consumption and production patterns taking into account challenges, particularly climate change."

Resolution A/RES/77/281 adopted by the UN General Assembly: "Promoting the social and solidarity economy for sustainable development" (18 April 2023):.... "Recognizing further that the social and solidarity economy contributes to more inclusive and sustainable economic growth by finding a new balance between economic efficiency and social and environmental resilience that fosters economic dynamism, encourages a just and sustainable digital transition, social and environmental protection and sociopolitical empowerment of individuals over decision-making processes and resources,"....

Challenges encountered

The theme of just transition is a very complex and crowded agenda with many competing and often conflicting issues put forward by the very large number participants engaged in the process with their own set of priorities. Besides **RIPESS**, there were only three other organizations that were proactively promoting SSE in the negotiations. These were: **WSM** (We Social Movements – an NGO set up to promote workers' rights, social protection, and poverty eradication in several continents), **WIEGO** (Women in Informal Employment: Globalizing and Organizing – a global network that has recently embraced SSE in their strategic approach) and **ACV-CSC** (The Confederation of Christian Trade Unions, the largest of Belgium's three trade union federations). Throughout the negotiating process this "SSE group" participated in the Workers meetings that were held back-to-back with the negotiations.

As is custom at the ILO, the initial negotiations were held behind closed doors in a drafting group composed of governments, workers, and employers. From the outset, Workers' participants in the drafting group noted with concern that the negotiations were going very slowly and that it was extremely difficult to get any of the priorities of the Workers Group included in the draft text.

SSE in the agreed Conclusions on just transition

On 9 June, the <u>first negotiated draft</u> was released. It contained no reference to SSE. The next step was for all tripartite constituents to submit amendments which would be negotiated in Plenary the following week. The pro-SEE group made, among others the following proposal to integrate SSE in the text (in bold):

"20 g) [formulate and implement sustainable industrial and sectoral [as well as productive development] policies to facilitate and manage a just transition to environmental sustainability and the circular economy, including for the social and solidarity economy (SSE) entities, as per the conclusion of ILC.110 (2022): Resolution II, Resolution concerning decent work and the social and solidarity economy, paragraph 7c;]"



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The Bureau of the Workers Group did not use this amendment but submitted another amendment consisting of a new clause on SSE which was later adopted with only a minor sub-amendment by Employers (replacing "create" with "promote") and which reads: "21. (m) promote a conducive environment for social and solidarity economy entities to strengthen their capacity to contribute to the just transition;"

All regional government groups endorsed the SSE amendment, with the representative of the Group of Latin America and Caribbean Countries (or GRULAC) stating that the inclusion of SSE "brings value" to these Conclusions.

On the one hand, it is undoubtedly a good achievement that SSE has its standalone paragraph, which gives it more visibility (and from a negotiating strategy, probably a safer course of action given the gruesome dynamics of trying to agree on sub-amendments with the Employers). On the other hand, it is a pity that SSE was not also included in para 20 g) (now 21. (h)) since the content of that para was pasted verbatim in the final section on the role of the ILO to "provide technical support and assistance to governments and employers' and workers' organizations to…" (para. 23. (b))

Other SSE-related achievements

Since SSE is now officially part of the just transition agenda, the nature and form of policymaking and implementation processes going forward will be key. One clear achievement was to keep processes much more open than what some of the ILO constituents wanted, which was to restrict them to "tripartite" social dialogue only. The Workers as well as some of the regional groups of governments insisted on the more flexible approach, in which the tripartite social dialogue should be complemented by consultations with all stakeholders. The committee eventually reached a consensus on the following para which reads: "15. Strong social commitment and consensus is fundamental. Social dialogue must be integral to policymaking and implementation. Engagement and consultations should take place with all relevant stakeholders." In the final section on the role of the ILO, the need for this broader approach in policymaking and implementation was reinforced thus: "23. (f) encourage and promote the full development and utilization of effective and inclusive social dialogue in all its forms and at all levels to seize opportunities and overcome barriers to a just transition;". Para 23 (I) also calls on the ILO to develop and strengthen partnerships with civil society and academia to advance a just transition.

Another key achievement was to strengthen considerably the role of indigenous and tribal people. This was a priority of the Workers Group and some governments. Not only should Governments "consult with affected communities, including indigenous and tribal peoples" (para 21. (r)), but also the ILO should "establish a mechanism for dialogue with indigenous and tribal peoples so as to acquire knowledge and develop a roadmap for a just transition;" (23. (d)). This is actually a major step forward from the ILO Resolution/Conclusions on decent work and SSE of 2022. One critique on this front was that the reference to indigenous and tribal peoples (para. 6 (j) was only in terms of respecting their traditional knowledge and cultures, rather than also their "inspiring conceptions to contribute to the elaboration of the SSE" (UNRISD 2023). This new mechanism opens the scope to integrate indigenous peoples' visions of SSE in the just transition process.



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Some drawbacks

At the early stage of the negotiations, the SSE group had proposed to amend a para on promoting sustainable enterprises (then para 17) to add "and social and solidarity economy entities" as fundamental elements of a just transition. This proposal did not end up in the amendments for review. During the negotiations this para morphed into a discussion on the fact that sustainable enterprises are not only private, but also public. The Workers also added "social enterprises" to the list. This features now in para 19 "The promotion of sustainable public, private and social enterprises by fostering an enabling environment...". It is unfortunate that there was only mention of social enterprises rather than SSE entities as originally proposed, since social enterprises are only part of SSE to the extent that they are in line with basic SSE democratic governance and substantive characteristics and are in any event only a subset of SSE entities defined in the UN and ILO universal definitions. At best, this could be seen as a pyrrhic victory.

Probably the most controversial paragraph during the negotiations was preambular para 7 which Employers put forward, emphasizing the "pivotal role" of the private sector in the just transition. There were countless sub-amended iterations based on this text. At one point, it could have been hoped that public, private and SSE entities would have been lined on a par in terms of principal sources of innovation, but in the end only public and private sectors are mentioned, with the private sector being described as "a principal driver of innovation, economic growth, and job creation and in the transition towards sustainable and inclusive economies;".

Another drawback is the absence to any reference to food security and the fundamental role of small farmer organizations in the transition to agro-ecological farming practices – two essential (or one could say existential) dimensions of a just transition. This absence cannot only be explained by a crowded agenda (no specific sectors were mentioned, but the emphasis was primarily on industrial policy). Historically, the ILO has underserved and been underrepresented by farmers and agricultural workers, even though the overwhelming majority of poor people worldwide live in rural areas and work in agriculture. There was a General Discussion on promoting rural employment for poverty reduction in 2008 in the wake of the global food crisis (wherein incidentally the Conclusions noted that "Cooperatives are often a major source of employment in rural areas [and]... can be an important element of local economic development"), but this was the first time that an ILO Conference discussed agriculture and rural employment in 20 years! The closest one gets to small farmers is the mention of "rural communities" among the "persons belonging to one or more vulnerable groups or groups in situations of vulnerability" that governments should ensure "can participate in the development of and benefit from gender responsive, inclusive just transition measures" (para 21.(v)).

Lessons learnt

The SSE dimension of a just transition could have been much better reflected in the Conclusions, showcasing its strategic transformative role in a just transition as detailed in the UNTFSSE position paper. But the outcome may have been much worse in the absence of the small group of organizations proactively promoting SSE amidst so many competing priorities. At least, the inclusion of SSE in the just transition agenda is now secured. Much will depend on how the SSE movement seizes the opportunities opened in terms of participation in follow up policymaking and implementation processes.



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It is clear that the SSE community engaged in this ILO process far too late in the game. Key members and observers of UNTFSSE had been engaged for months in preparation of the 2022 ILC and it took years to prepare the terrain for the 2023 UN GA resolution. For ILC 2022, alliances with key governments had been established well in advance. In the case of Governments, an expert observer of the UNTFSSE was part of the official EU delegation. In the case of the Workers Group, SEWA (Self-Employed Women's Association) was part of the Workers team in the drafting group. This year there was no direct access to the drafting group by SSE advocates. There were attempts to lobby governments on the spot, but while the governments in question were supportive of SSE, the proposals did not make it through the filter of their regional group deliberations.

Another decisive factor was the absence of SSE in the Office report, which to a large extent framed the discussion. The excellent Office report for the 2022 General Discussion on decent work and SSE was instrumental in enabling what for many delegations were completely novel ideas to be made acceptable for endorsement. It would appear that the drafting of the report on just transition did not take into account the Officewide strategy and action plan in follow-up to the 2022 ILC General Discussion, approved by the ILO Governing Body in November 2022, which clearly calls for inhouse policy and programmatic coherence for its successful implementation, including the contribution of SSE entities to a just transition. This illustrates the challenges for UNTFSSE members to mainstream SSE within their own respective organizations, even with an inter-governmental mandate – which arguably now through the UN GA resolution reaches all "relevant entities of the United Nations development system".