



“Training and Mentoring Programme for Women-Led Business in Liberia, South Africa, Democratic Republic of Congo, Mozambique, Senegal, and Rwanda”

Partnering with International Labour Office (ILO) on the theme of social economy

On the margins of the 17th Pre-Summit Consultative Meeting on Gender Mainstreaming in the African Union

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CONCEPT NOTE**

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I. Introduction

According to the most accepted definitions, the concept of *social economy* refers to cooperatives, mutual associations, economic interest groups, associations, unions, foundations and social enterprises that function on the principles of solidarity among members and economic independence. Social enterprises differ from profit-making enterprises because they do not solely aim to make financial profits but also seek to generate social benefits by virtue of the type of products or services that are marketed, the profile of the workers involved (e.g. low-skilled workers or workers employed under vocational integration schemes) and the allocation of the financial profits that are generated.

The social economy plays an important and growing role in our economies and societies by providing employment and social protection, as well as other social and economic benefits. Social enterprises and organizations are supported by an increasing number of States. Policy frameworks for the development of the social economy at the national and regional levels are being implemented across all regions of the world. Several African countries have realized that the social economy provides an alternative to the economic crisis and especially to the crisis of the job market subsequent to the end of the welfare state.

In the Acts published after the international conference in South Africa in October 2009, entitled "The Social Economy: Africa's response to the global crisis", the International Labour Organization (ILO) identified the social economy as "a reality, often theoretically, on the borders of the state, private sector and civil society." Further to the recommendations of the Conference, ILO organized in October 2010 in Turin, with a lot of success, the first Academy of the Social economy which grouped 80 participants of all the continents to share knowledge and experiences.

Social economy has demonstrated that entrepreneurship can be based on the values of solidarity, equality, liberty and social responsibility, focusing first on employees rather than on mere profit, and that it can favourably contribute gender equality and the empowerment of African women through access to knowledge, decision-making, and services. The ILO considers the social economy as one of the key factors in its Decent Work agenda due to the potential it creates for employment, respect of fundamental rights at work, social protection, and social dialogue. Furthermore, social economy entities have proven that they can be prosperous based on their economical efficiency and their social viability.

In emerging market countries, the most critical need for harnessing the power of diversity concerns women. The inclusion of women in the economic process is a fundamental catalyst for dynamic social and economic development at the macro level, and would simultaneously help make companies more competitive at the micro level. Yet too many women remain excluded from the economic mainstream to the detriment of their societies and their individual lives. All social categories are represented in the structure of the social economy, but women occupy an important place in this economy in terms of numbers and activities.

In this context ILO and FAS are renewing their partnership and propose a session discussion on gender and social economy. The partnership is being developed within the framework of the "Training and Mentoring Programme for Women-Led Business in Liberia, South Africa, Democratic Republic of Congo, Mozambique, Senegal, and Rwanda" (WLB) initiated by FAS PanAfrican Centre for Gender, Peace and Development, funded by the Government of Spain, and technically supported by Instituto de Empresa Business School of Madrid.

The objective of the WLB programme is to provide and assist in the capacity building, composed of management and business growth training, of 24 African businesses in their economic areas and in particular in post conflict and developing countries. It also aims to develop their skills as social

entrepreneurs through training, networking and mentoring, in order to transfer the knowledge in their respective communities.

Set on the margins of the 17th Pre-Summit Consultative meeting on gender mainstreaming in Africa, the session aims to strengthen the awareness of African women on the significant role that the social economy can play on women's economic, social and political empowerment. It will also contribute in defining actions to ensure gender mainstreaming into the global movement of social economy. The Pre-Summit consultative meeting offers a platform for discussion with the members of the "Gender is My Agenda Campaign" (GIMAC). Key GIMAC networks and partners represent civil society organizations that advocate for the rights of women and their integration in decision-making spheres at national, regional and international levels.

FAS has 15 years of experience in the field of gender in Africa and has first-hand knowledge of the needs and initiatives of African women and their networks on the continent. Its PanAfrican Centre for Gender, Peace, and Development was established as a Centre of Excellence to provide advanced training and research in peacebuilding and development issues with a focus on gender. The programmes of the Centre borrow from the expertise and knowledge of different partners with whom FAS has built sustainable relations.

The ILO has been involved in the promotion of the social economy since its establishment. In 1920, the ILO Director-General created a Cooperative Branch, now the ILO Cooperative programme (EMP/COOP). The first ILO official document referencing the social economy dates back to the proceedings of the 11th Session of the Governing Body (January 1922). In the 1980's the ILO developed the concept of 'social finance', which covers a broad variety of microfinance institutions and services. In 2001, the ILO set a New Consensus on social security, giving the highest priority to extending coverage to those that have none. Subsequently, the ILO has further increased its support to community-based protection schemes and mutual benefit societies.

The concept of social economy is already an integral part of many ILO initiatives and programmes, such as labour-intensive programmes, the promotion of eco-tourism and fair trade, support to indigenous minorities, local economic development projects, ILO/AIDS, green jobs and, more broadly, sustainable enterprises and the social protection floor. The ILO has developed over decades an extensive expertise in social economy and comprehensive set of strategies and tools for serving people in their quest of social justice through its Decent Work agenda.

II. Previous partnership

FAS and the ILO previously worked together at the 13th Consultative Meeting on Gender Mainstreaming in the Africa Union, which took place in January 2009 in Addis Ababa, Ethiopia on the issue of "Decent Work".

At this meeting, the GIMAC network and the ILO convened in a session on gender equality in the workplace. FAS and ILO also collaborated during the 16th Consultative Meeting in July 2010 in Kampala, Uganda on the theme of "Social Economy". In addition to those meetings, ILO and FAS met last November in Geneva to discuss new opportunities of collaboration, the result of which is this current partnering to promote social economy.

III. Rational

The African continent remains by and large marginalized in the world economy, with over half of the population living under US\$2 a day per person. If the major Millennium Development Goals (MDGs) of reducing poverty by half by the year 2015 is to be achieved in Africa, a major policy shift is required to help boost growth and development in Africa, especially since the impact of the global

economic crisis has multiplied the challenges in the attainment of the MDGs. Africa's development will largely depend on its sustained economic growth and the development of its productive capacities; the empowerment of women will be a crucial part of this process.

Aware that women represent 40% of the world labour force and that 75% of people living in poverty are working women, the ILO advocates against all forms of discriminations based on sex, which deny or limit equal opportunities. In a number of African countries, gender disparities in labor markets are very important. The majority of women are less likely to be in paid jobs, they are disproportionately concentrated in informal and precarious employment

The ILO's commitment to gender equality has led to numerous conventions to protect women from discrimination in the workplace. It also strives for social economy in Africa to be recognized as an alternative of "normal economics", more beneficial in the face of market crisis. Its importance is derived instead from the distinctive social goals and rationale aspects.

The social economy is not, by definition, an economy of the poorest or most vulnerable. It is, in fact, a choice that is made. Enterprises can choose to combine - economic, social, environmental or other - objectives, maximize the financial return on investment and establish participatory governance. Through their social values and participatory operations, the social economy can indeed play a role in promoting labour standards and realizing labour rights.

By creating inclusive networks, social entrepreneurs actors and promoters are better able to map their economic importance and demonstrate their contribution to socio-economic development. By coming together, they are better able to create their own identity and resist being forced into silos that do not reflect their complex reality and double mission - social and economic goals - in a world that generally considers economic and social development as two separate endeavours. Thus, despite the fact that actors from the social economy create wealth and employment while responding to the needs of their members and the community (social output), their dual role is rarely fully recognized.

It has been demonstrated that social economy is a fundamental scheme for the empowerment of women through access to knowledge, decision-making, and services. More concretely, women can:

- Have access to financial resources by setting up collective saving mechanisms and benefit as a corporate entity to a bank;
- Reinforce their competences and learning by exchanging expertise and knowledge and by having access to educational services, training and information to improve the level of productivity;
- Access opportunities offered by public and private markets like the other companies;
- Benefit from equity and social justice through the values and principles of social economy.

Women entrepreneurs in Africa often face dire socio-economic positions that limit their access to resources and decision-making. Through solidarity, ingenious business developments are created by these women to gain small revenues, but these are often too small to have a great social impact on their communities. Providing access to resources, knowledge, and services is a way to empower these entrepreneurs so they may fully develop their business in order to benefit from market opportunities, and in consequence increase the positive impact on the economy of their communities.

In the African context it is also important to take into account the specific problems women face in post-conflict economies. Economic empowerment of women can address these issues in reconstruction societies by creating sustainable peace and increasing human security.

The entrepreneurs partaking in the WLB programme have received the skills to develop their businesses in order to have a greater social impact. The capacity building provided to these women

contributes to the economic development of Africa and the alleviation of poverty, especially of women and youth. The businesses in question employ women and youth and give them the skills necessary to be involved in social and economic life.

Furthermore and considering the challenges faced by African women in the sustainability of their communities it is important to promote the social economy as a viable and fair economy of development.

In conclusion:

- It is necessary to promote the social economy as a viable and fair alternative to the future economic and social development of the African continent;
- The potential of the social economy's entities to significantly participate in the design of a new economic system that is more just and equitable must be used by women to improve their social status and economic situations;
- By their tradition of mutual help and solidarity, often imperative for the survival of the community, women have the capacities and certainly the capabilities to participate actively in the social economy movement;
- There is still a need to support, sustain and encourage women for more sustainable and durable businesses.

IV. Methodology and beneficiaries

As part of its advocacy activities, FAS includes the Women-Led Business programme into the "17th Pre-Summit Consultative Meeting on Gender Mainstreaming in the AU", taking place in January 2011. It will hold a session on the margins of the main event on Social Economy in partnership with the International Labour Organization (ILO). This half day session is a great opportunity for the Women-Led Business programme of Femmes Africa Solidarité PanAfrican Centre for Gender, Peace and Development to share best practices in social impact of women entrepreneurs in post conflict and developing countries to GIMAC network. The participation of the beneficiaries of the WLB programme will bring critical and field-based expertise during the session. WLB session is part of the ILO's Agenda on Social Economy, which aims to highlight future challenges faced by the Social Economy in the social, political and economic empowerment of women.

The session ILO-FAS will benefit the following targets:

- WLB participants
- The respective International Mentors
- WLB partners
- GIMAC network
- ILO programmes and experts
- African Union and its organs
- UN agencies

V. Objectives

The general objective of the session is to create a synergy through the collaboration of ILO, GIMAC, and WLB programme.

Specifically, and according to ILO guidelines, the session aims to:

- Show how the concept of maximization of the profit and social interests can be complementary;

- Show how a managerial approach including principles from social economy, such as solidarity, mutuality, reciprocity, cooperation and proximity, can positively affect the entire business;
- Illustrate the social impact on employment, health, community, women empowerment, and education;
- Link the social economy programmes of the ILO with the GIMAC through the WLB programme.
- Discuss the contribution of civil society to ILO's commitment to the advancement of the social economy;
- Advocate for social economy at a high level;
- Increase the body of academic knowledge on the specific challenges women entrepreneurs face in African countries;
- Share the constraints and strategic problems faced by the women during the organization and development of their businesses;
- Show the social impact on employment, local communities and women's economic empowerment, through real business cases;
- Reinforce WLB programme to create a mass of supporters.
- Publication of a best practices booklet containing successful women entrepreneurs stories developed by ILO and supported by FAS.

VI. Expected Results

The key expected outcomes of this session are the following:

1. Strengthen knowledge on women and social economy.
2. Demonstrate social economy as an alternative way for women's entrepreneurship.
3. Present business cases from ILO and WLB programmes.
4. Explore new partnerships on capacity building and women economic empowerment.
5. Strengthen networking with ILO, WLB participants and GIMAC.
6. Share of best practices with social impact of business led by women.