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## **The Social and Solidarity Economy (SSE) in the African Union**

### **Ten-year SSE Strategy and Implementation Plan (2023-2033)**

## Abbreviations and acronyms

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AfCFTA	African Continental Free Trade Area
AU	African Union
AUC	African Union Commission
BDS	business development services
ILO	International Labour Organization
KPAs	key priority areas
NGO	non-governmental organisation
RECs	Regional Economic Communities
OHADA	Organization for the Harmonization of Business Law in Africa
RAESS	African Network of Social Solidarity Economy
ROSCAs	rotating savings and credit associations
SDGs	Sustainable Development Goals
SSE	Social and Solidarity Economy
SSEOs	social and solidarity economy organisations
STC-SDLE	Specialised Technical Committee of Social Development, Labour and Employment
TVET	technical and vocational education and training
UEMOA	West African Economic and Monetary Union
UNTFSSSE	UN Inter-Agency Task Force on the Social and Solidarity Economy

# Introduction

1. This Ten-year (2023-2033) SSE Strategy and Implementation Plan aims to provide a comprehensive, coordinated and mutually reinforcing policy framework for actions to legitimise, support and expand the Social and Solidarity Economy (SSE) in Regional Economic Communities (RECs) and Member States.

2. There is global recognition that the SSE can address economic, demographic, social, technological and environmental challenges innovatively, in the process contributing to creating decent work. It improves the quality of life and wellbeing of people, communities and places, and shifts economic values from profit-seeking towards cooperation, reciprocity and mutual care.

3. The SSE is an **umbrella term** that covers a wide range of institutional units. The term has been adopted by the United Nations (via the UNTFSE<sup>1</sup>) and in official International Labour Organization (ILO) documents following the first regional conference in 2009 in Johannesburg<sup>2</sup>. Although there is not yet a universal definition, SSE legislation and decrees adopted in several countries converge towards a common understanding on the basis of **two building blocks**, which we have also adopted in this document:

4. The SSE refers to all economic activities by institutional units operating on the basis of **five general principles**:

Building block 1



social, cultural or environmental purpose



limited or prohibited distribution of surplus



democratic governance



voluntary membership



autonomy and independence

Building block 2

5. The SSE encompasses **diverse organisational forms**. Depending on national circumstances, SSE units may include cooperatives, associations, mutual societies, foundations, social enterprises, community-based organisations, self-help groups and other units operating in accordance with **SSE values and principles**, including those entities that are **unregistered and in the informal economy**.

1 UN Inter-Agency Task Force on Social and Solidarity Economy (<https://unsse.org/>).

2 ILO Regional Conference. 2009. The social economy – Africa's response to the global crisis, Johannesburg, 19-21 October 2009.

6. The hallmark of social and solidarity economy organisations (SSEOs) is that they are **organisations that “do good”**. They are established and managed to achieve common good outcomes. They operate on principles of solidarity, democracy and mutualism – a values base that favours collective gain over individual benefit.

7. Research demonstrates the relevance of SSEOs to **promote decent work creation in Africa**, frequently for young people, women and marginalised people and groups<sup>3</sup>. They are often **community-based** enterprises and organisations and as they address socio-economic and environmental challenges and needs in communities and countries, their scope of work is wide and their impact is far-reaching.

8. For example, SSEOs are found in education, health, finance, care and support to young and older people, as well as to people living with disabilities. They address food security and energy solutions, such as solar power systems to off-grid rural communities. They deliver skills development for young and marginalised people and innovate with affordable education initiatives in colleges, schools and crèches. They **complement government interventions** and introduce innovative approaches that directly address deprivation and inequity. As such, they encourage **active citizenship**, promote **social cohesion** and **societal resilience**.

9. With its people-centred and planet-sensitive approach, the SSE is widely recognised as a model for **inclusivity**. The SSE is therefore an important mechanism through which to realise the **build-forward-better** philosophy of a world that is still coming to terms with the impact of the COVID-19 pandemic<sup>4</sup>.

10. As SSE interventions deliver social, environmental and economic change, the impact cuts across government departments and entities. This creates an opportunity for **policy coherence**, connecting the work of social, economic and environmental agencies towards building **inclusive economies** that are focused on wellbeing, decent work and prosperity for all. It realises the **protective, productive and redistributive functions of social protection to vulnerable, marginalised and excluded people**.

11. In a context where traditions of sharing, trust, mutual aid and collective work are rooted in social and cultural structures across Africa, it can be argued that the SSE constitutes the inclusive economy of Africa in the modern era.

“The SSE constitutes the inclusive economy of Africa in the modern era.”

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3 British Council. 2020. Social enterprise and job creation in Sub-Saharan Africa. <https://www.britishcouncil.org/society/social-enterprise>

4 UNTFSSSE. 2020. What role for the social and solidarity economy in the post covid-19 crisis recovery? June 2020.



**Women from a local production development unit in Tunisia.**

**12.** In the case of cooperatives alone, there are almost 400 000 organisations in Africa, serving over 50 million members<sup>5</sup>. The estimated number of jobs directly created by social enterprises in Sub-Saharan Africa ranges from 28 million to 41 million<sup>6</sup>. In South Africa, the SSE is regarded as a larger employer than the agricultural and transport sector and is conservatively estimated at 6% of jobs<sup>7</sup>. In Tunisia and Morocco respectively, the SSE represents around 4% and 5% of the economically active population. In both countries, associations are well-established, with 15 million members in Morocco and 12 million in Tunisia. In Morocco, mutual health insurance companies (with 7,5 million people covered) and cooperatives (with 35 000 organisations, two thirds of which are agricultural) have become a powerful market sector. In Egypt, the cooperative sector alone comprises 18 000 cooperatives and serves 12 million members. The added value generated by the sector is estimated at over 7% of the GDP<sup>8</sup>.

<sup>5</sup> CICOPA. 2017. Cooperatives and employment: Second global report.

<sup>6</sup> British Council. 2020) Social enterprise and job creation in Sub-Saharan Africa.

<sup>7</sup> Department of Economic Affairs, South Africa. 2019. National social economy draft Green Paper. [https://base.socioeco.org/docs/draft\\_green\\_social\\_economy](https://base.socioeco.org/docs/draft_green_social_economy). 25 February 2019.

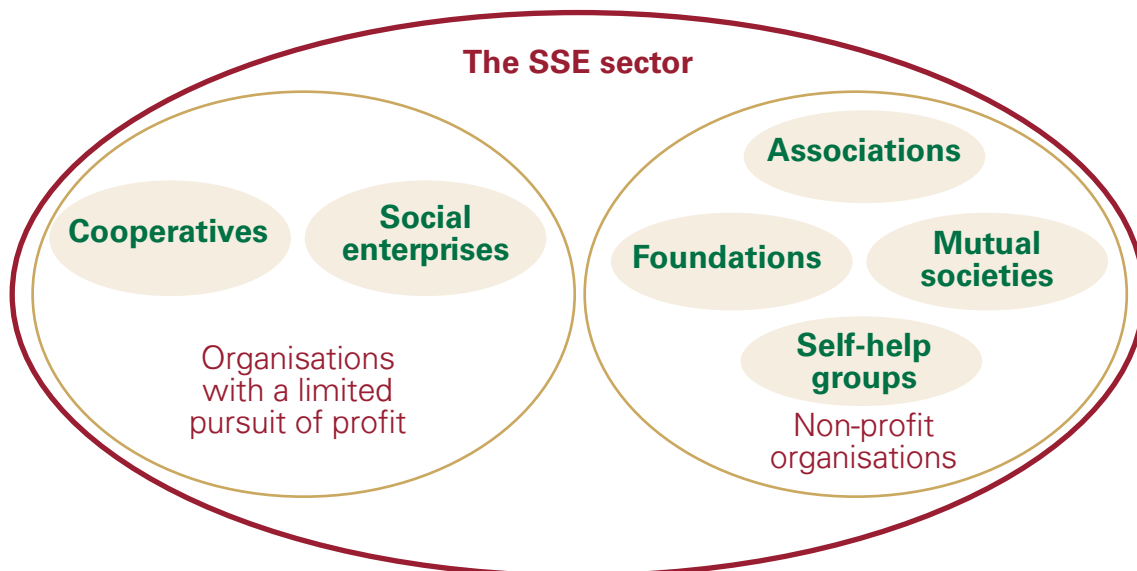
<sup>8</sup> BEI-FEMIP. 2014. Économie sociale et solidaire: Vecteur d'inclusivité et de création d'emplois dans les pays partenaires méditerranéens.

# Delineating the SSE – characteristics, values and principles

**13.** The SSE scope includes enterprises with a limited pursuit of profit (cooperatives, social enterprises) and non-profit organisations (mutuals, associations, foundations, self-help groups), as well as unregistered and informal groups. All SSEOs operate under a **common set of values and principles**.

## Legal forms of SSEOs

**14.** Many countries in Africa already have legal forms for SSEOs. The main legal forms are summarised in the figure below.



- **A cooperative** is an autonomous association of people who united voluntarily to meet their common economic, social and/or cultural needs and aspirations through a jointly owned and democratically controlled enterprise<sup>9</sup>.
- **A social enterprise** is an economic unit that uses market means and applies enterprising principles, primarily to serve social purposes. It might for instance employ and train disadvantaged people, such as people with disabilities and long-term unemployed people, produce products of special social value or serve disadvantaged people in other ways<sup>10</sup>. There is no legal form for social enterprises, which typically use other organisational structures like cooperatives, associations etc. The phrase social entrepreneurship is also used as an umbrella term to describe the sector.

<sup>9</sup> CICA. 1995. Statement on the cooperative identity. ILO 2002 Promotion of Cooperatives Recommendation 193.

<sup>10</sup> United Nations. 2018. Satellite account on non-profit and related institutions and volunteer work. New York, 2018.

- **A mutual society** is organised by people who aim to improve their economic situation through collective activity. It differs from a cooperative in that it is a mechanism for sharing risk, either personal or property, through periodic contributions to a common fund<sup>11</sup>.
- **An association** is a legal entity that is principally engaged in the production of non-market services for households or the community at large and whose main resources are voluntary contributions. A community-based or grassroots association is member-based and offers services to, or advocates for, members of a particular neighbourhood, community or village<sup>12</sup>.
- **A foundation** is an entity that has at its disposal assets or an endowment and, using the income generated by those assets, either makes grants to other organisations or carries out its own projects and programmes<sup>13</sup>.
- **A self-help group** is similar to a cooperative and a mutual society in that individuals join to accomplish goals of mutual support, such as technical and financial support, that would be unattainable on an individual level. It differs from both, however, in that it is not principally engaged in commercial activities<sup>14</sup>.

**15. Not all SSEOs are registered. Many are community-based micro-enterprises that bridge formal and informal sectors, tradition and modernity,** such as women's self-help groups, community forestry groups, pre-cooperatives, community-based irrigation systems, collective self-help systems for agricultural work, popular economic units, social provisioning organisations or "proximity services", associations of informal sector workers, burial societies, community currency and alternative finance schemes, including rotating savings and credit associations (ROSCAs). The SSE is frequently an important enabler for the transition from informality to formality, of individuals as well as of the type of economic activities in which they may engage to secure a livelihood.

### Common features

#### **16. Social, cultural or environmental purpose:**

The purpose of SSE units is to meet the needs of their members, the community in which they live or society as a whole, rather than maximising the profits of individual entrepreneurs or shareholders. Promoting internal and societal solidarity, they seek to **reconcile the interests of their members, users or beneficiaries** as well as **the general interest**.



<sup>11</sup> EC, IMF, OECD, UN and World Bank, System of National Accounts, 2008.

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.



**17. Limited or prohibited distribution of surplus:** In accordance with their purpose, SSE units either do not distribute surplus or do so on the basis of member activity, such as work, service, usage or patronage, rather than on capital invested. Some national laws refer to this principle as the **primacy of people and work over profit**.

**18. Democratic governance:** The rules applicable to SSE units provide for democratic, participatory and transparent governance, enabling member control, active participation in policy development and decision-making, and holding elected representatives accountable. In primary SSE units, members have equal voting rights, **with one member, one vote**. SSE units at other levels are also organised in a democratic manner.

**19. Voluntary membership:** Members join and remain in SSE units voluntarily and freely, without penalty or the threat of a penalty for non-membership. Membership in SSE units is not forced or compulsory and must involve a significant element of choice. SSE units may engage in voluntary cooperation and mutual support with other SSE units.

**20. Autonomy and independence:** SSE units are self-governed. They enjoy autonomy and independence from public authorities or any entities outside the SSE, and not be subject to undue interference or control. If they enter into agreements with other SSE units or public and private sector actors, or raise capital from external sources, they must do so on terms consistent with SSE values and principles.

## Shared values

**21.** The SSE is an **ethical and values-based approach to economic development** that prioritises humanism, democracy, solidarity, inclusiveness, subsidiarity, diversity, creativity, sustainable development, equality, equity and justice for all, respecting the integration of countries and people in a plural and solidarity-based economy<sup>15</sup>.



**A workshop in Niamey in Niger that provides employment opportunities to people with disabilities who produce support equipment.**

<sup>15</sup> RIPESS. 2008. Intercontinental network for the promotion of social solidarity economy, Charter, 2008.



## Agenda 2063 and broader policy context in relation to the SSE

**22.** The African Union's Agenda 2063, which the AU Assembly officially adopted in 2015, provides a collective vision and roadmap to build a prosperous and united Africa based on shared values and a common destiny. Agenda 2063 links the prosperity it envisions with full participation of all members of society.

**23.** This Ten-year SSE Strategy and Implementation Plan aligns with this inclusive mandate, directly realising **six of the seven aspirations of AU Agenda 2063**, their goals and priority areas, with the understanding that they may overlap. A women's agricultural self-help association may for instance be concerned with the fight against hunger, gender equality, decent work and poverty reduction.

**24.** In this regard, the declaration "Transforming our world – the 2030 Agenda for Sustainable Development" also has "Leaving no one behind" as its third key principle, alongside universality and integration. Here the vision of a "just, equitable, tolerant, open and socially inclusive world in which the needs of the most vulnerable are met" and "a world in which every country enjoys sustained, inclusive and sustainable economic growth and decent work for all"<sup>16</sup> (paragraphs 8 and 9) again aligns to this Ten-year SSE Strategy and Implementation Plan.

**25.** The SSE Strategy therefore **contributes to a number of international and continental policy instruments.**

"A women's agricultural self-help association may for instance be concerned with the fight against hunger, gender equality, decent work and poverty reduction."

### AU Social Agenda 2063 and the SSE

**26.** On request of the AU Executive Council, the AU Social Agenda 2063 and an accompanying implementation plan were developed, and subsequently adopted in February 2020<sup>17</sup>. Social Agenda 2063 articulates the social development content and context of Agenda 2063. It provides the strategic direction to achieve key social policy objectives of Agenda 2063 and other AU instruments operating in the social development arena, such as the Ouagadougou +10 Declaration and Plan of Action on Employment, Poverty Eradication and Inclusive Development of 2015.

<sup>16</sup> UN General Assembly. 2015. Transforming our World: The 2030 Agenda for Sustainable Development.

<sup>17</sup> African Union Commission. 2020. Social Agenda 2063. EX.CL Dec. 1074 (XXXVI), February 2020, AUC, Addis Ababa.

**27.** The social policy themes identified in Social Agenda 2063 signify ample space where the SSE can become operative. This is in addition to possibilities of **combining social and environmental products and services** among the social policy pillars and augmenting service delivery by public and private sector actors. In this regard, the SSE can assist in transitioning vulnerable informal SSE activities to the formal economy with their sustainability anchored in public and private support to the relevant service or product.



## Related AU policy instruments with direct bearing on the SSE in Africa

**28.** The Ouagadougou +10 Declaration and Plan of Action on Employment, Poverty Eradication and Inclusive Development (adopted in 2015)<sup>18</sup> outlines six key priority areas (KPAs). Inclusion is inherent in all six KPAs:



leadership, accountability and governance for inclusive economies



employment of women and young people



social protection for productivity and sustainable and inclusive growth



well-functioning and inclusive labour market institutions



labour migration and regional economic integration



partnership and resource mobilisation



**In 2019, the South African government facilitated consultations on its national SSE policy – this session was held in Gqeberha in the Eastern Cape province.**

<sup>18</sup> African Union Commission. 2015. The Ouagadougou +10 declaration and plan of action on employment, poverty eradication and inclusive development. Assembly/AU/Decl. 6 (XXIII), January 2018.



**A centre for children with disabilities in Kigali in Rwanda that focuses on their inclusion in society.**

**29.** The integration of the continent, including creating space in the SSE for migrant workers and returnees, has been facilitated by **three legal and policy instruments** AU policy organs adopted in 2018.

**30.** The **first** was the **Protocol on the Free Movement of People**, adopted on 29 January 2018 as an additional protocol to the treaty that established the African Economic Community. In Article 14, which focuses on the free movement of workers, it stipulates that:

- i) Nationals of a Member State shall have the right to seek and accept employment without discrimination in any other Member State in accordance with the laws and policies of the host Member State.
- ii) A national of a Member State who accepts and takes up employment in another Member State may be accompanied by a spouse and dependents<sup>19</sup>.

**31.** The **second** was the launch of the **Single African Air Transport Market** in January 2018, after 23 Member States participated in its adoption. The Open Skies launch improved connectivity between Member States and enhanced inter-African tourism, which has bearing on the SSE. Since then, COVID-19 has of course severely impacted tourism in Africa.

**32.** The **third** policy decision was the **African Continental Free Trade Area (AfCFTA)** that the Extraordinary Session of the AU Assembly of Heads of State and Governments adopted in March 2018 and which came into force in 2020. The AfCFTA agreement is key to facilitating the movement of people, services and goods on the continent. It is mostly women and young people who engage in cross-border trade activities and a large number provide their labour in the fields of agriculture and domestic work, frequently in precarious and low-paid work situations. The SSE may be an important tool to assist the growing migration populations on the continent so that they can organise among themselves and have their needs legitimately met by legal forms such as cooperatives or mutual assistance associations.

<sup>19</sup> African Union Commission. 2018. Protocol to the treaty establishing the African Economic Community relating to free movement of persons, right of residence and right of establishment. 29 January 2018.

## UN 2030 Sustainable Development Goals and the SSE

**33.** The UN resolution on the 2030 Agenda highlights the role that cooperatives, civil society organisations and philanthropic organisations can play in achieving the Sustainable Development Goals (SDGs).

**34. SSEOs contribute to ALL the SDGs:** They play a key role in the fight against poverty (SDG 1), by providing relevant solutions to basic needs in food (SDG 2), health (SDG 3), education (SDG 4), gender equality (SDG 5), water (SDG 6) and energy (SDG 7). SSE enterprises and organisations contribute to wealth creation for people and decent work and employment conditions (SDG 8) and have a strong capacity to be innovative and resilient (SDG 9), helping to reduce economic and social inequalities (SDG 10) and making cities more liveable (SDG 11). They also highlight the importance of responsible consumption and production (SDG 12), of action against climate change (SDG 13) and of protecting aquatic (SDG 14) and terrestrial life (SDG 15). Their participatory and democratic functioning makes them effective, accountable and inclusive institutions (SDG 16) and integrated into networks of cooperation and partnership (SDG 17).

**35.** In 2013, the United Nations established the inter-agency work group the UN Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSSE). In 2021, the UNTFSSSE joined together 18 members, specialised UN agencies as well as 15 observers and SSE networks. The UNTFSSSE's goal is to rethink development in the wake of multiple global crises and in the context of the post-2015 development agenda<sup>20</sup>.

## The ILO's Decent Work Agenda and the SSE

**36.** The Decent Work Agenda is based on **four pillars** – employment creation, social protection, rights at work and social dialogue, with gender equality as a crosscutting objective.

**37. SSEOs create and uphold decent work.** They pay particular attention to the quality of the jobs that are created, especially in terms of contract stability, salary levels and social coverage. They participate in the conversion to the formal economy and they are employers and supporters of vulnerable groups, such as long-term unemployed people, low-skilled workers, people with disabilities, rural young people and women. They contribute to strengthening autonomous economic units, and therefore to employment, through networking. This allows the development of common services, the exchange of experiences, the creation of commercial opportunities between users, and the opening of market access<sup>21</sup>.

<sup>20</sup> UNTFSSSE. 2019. Implementing the Sustainable Development Goals: What role for social and solidarity economy? October 2019.

<sup>21</sup> ILO. 2017. Social and solidarity economy and the future of work. EURICSE working paper for the ILO/International Labour Office, Geneva.



**38.** Cooperatives and social enterprises are examples of SSEOs that are **reforming the workplace**: worker cooperatives (including platform cooperatives) shift ownership to employees rather than shareholders and social enterprises promote for-good business models. The equal voting rights of cooperative enterprises, on the basis of one member, one vote, and good governance characteristics such as transparency, responsibility, accountability, participation, responsiveness to people's needs and respect for the rule of law, are also features of the cooperative identity that make them appealing to trade unions as a business model<sup>22</sup>.

**39.** In the **Abidjan Declaration of 2019** adopted by governments, workers and employers from 49 African countries, the SSE was specifically identified to promote inclusive and sustainable economic development and growth, full and productive freely chosen employment and decent work for all<sup>23</sup>.



**Dressmakers in a sewing cooperative in Senegal.**

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<sup>22</sup> ILO. 2017. Cooperation in a changing world of work: Towards a cooperative future. ILO briefing note number 6, March 2017.

<sup>23</sup> ILO Regional Conference. 2019. Advancing social justice: Shaping the future of work in Africa. Abidjan, Côte d'Ivoire, 3-6 December 2019.



# Enabling the Social and Solidarity Economy in Africa

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**40.** In its pursuit to supplement the inadequacies of social protection systems and basic services to the population, and while promoting social cohesion and citizenship, several steps can be taken to improve, strengthen and enable this dynamic, creative and innovative sector.

## Raise awareness of the SSE

### Enlighten political and administrative leadership

**41.** Awareness of the multisectoral and intersectoral potential contributions of the SSE among continental, regional and national elected officials is lacking, including international and national civil servants (officials at the AU Commission, RECs and national government ministries). **Lobbying for the recognition and wider understanding of SSE** is therefore required.

### Engage trade unions and informal economy organisations

**42.** Continental, regional and national trade unions' representatives and national informal economy organisations are important proponents of the SSE and many are involved as such. However, SSE actors need to lobby trade unions more directly regarding the **potential for job creation** and decent work that the SSE holds for workers in precarious employment and for unemployed people.

### Engage employers' organisations

**43.** Continental employers' organisations (Business Africa), regional and national chambers of commerce and industry lack information on regulations and business opportunities available in the SSE in different sectors, such as healthcare, education and agriculture. They should not only be enlightened about these opportunities, but also lobbied to make **infrastructure and resources available, including SSE-related training**.

## Conduct training on the SSE

### Provide training to leaders and managers in SSE enterprises

**44.** Established SSEOs should be engaged in identifying training needs (such as on business plans, bank financing, management training or legal advice) and their expansion into delivering additional goods or services in their sector. Providers of **business development services (BDS)** should **expand and adapt their services** to SSE organisations.

## Introduce SSE in educational and vocational training programmes

**45** The majority of educational institutions do not offer training programmes or include case studies on the SSE and an **entrepreneurial curriculum is recommended**. Young people, women and people with disabilities are currently not targeted specifically for SSE training. Tertiary education institutions should also be encouraged to offer educational programmes on the SSE.

## Secure the SSE legally and institutionally

### Strengthen the legal and administrative framework for the SSE

**46.** In many Member States the SSE is not secured due to a non-existing or weak legal and administrative framework for the sector. Lobbying actions are required to engage parliamentarians and ministries relevant to the sector to draft laws and regulations to **strengthen and incentivise the SSE** in Member States.

### Support the creation and development of governance structures for the SSE

**47.** Legislative or regulatory structures to support the governance and development of the SSE are neglected or absent in AU Member States. Relevant ministries are not represented and there are no incentives for experienced and **specialised actors in the SSE to make their contributions** in such structures, resulting in many missed opportunities for the sector.

### Encourage the formalisation of the informal economy through the SSE

**48.** A concerted effort to support the transition of informal economic units to formality is absent in many Member States. This gap should be addressed, especially in view of the rapidly expanding size of the informal economy in all countries (partially resulting from the pandemic). As the **informal economy is an important incubator for SSE activities**, a wide-ranging drive to formalise the activities of informal economic units will spill over to the SSE sector. Promoting tax regimes towards improved quality social protection services for workers in the informal and rural economy will further incentivise the transition to the formal economy by many SSEOs in the informal economy. Member States need to be supported to design policies dedicated to the transition to formalisation in line with the AUC-ILO Joint Programme on the Transformation of the Informal Economy.

### Consider traditional forms of SSE

**49.** There are community-based production and self-help groups based on **cultural, religious and customary norms**, specific to each country and rooted in their history. Good examples are the Zakat system in Sudan and the Kings Fields in Eswatini. These traditional organisations retain real economic, social and cultural importance. Their legal recognition is often imperfect and poses problems in terms of administrative and fiscal formalities. Their integration in the SSE regulation field can facilitate their actions.

## Establish financial and technical support to unlock the SSE's importance

### Promote public/private funding mechanisms

**50.** The issue of **funding for SSEOs** is essential, as the people involved frequently have limited capital and their projects are often too small to attract the interest of external investors and banks. The lack of knowledge about the SSE in financial institutions, administrations and communities can also block public aid and access to financial products. Implementing and securing hybrid financing systems (public, banking, philanthropic, NGO, crowdfunding) is therefore essential at all stages of SSEO development (start-up, creation, consolidation of activity, change of scale, transmission). People who are active in the sector also need access to financial as well as non-financial business development services, such as basic business management and operations training, to develop the ability and capacity to run their SSEOs as enterprising organisations.

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### Encourage the development of value chains

**51.** Transversal, territorial and national networks and partnerships facilitate the formation of value chains. These contribute to the development of synergies and exchanges of knowledge and good practices. This decompartmentalisation can make it possible to work on **joint development projects**, linking the phases of purchasing, financing, production, processing, distribution, transport and marketing. These partnership arrangements can be formed between organisations from different SSE categories, for example between cooperatives and associations, but also with companies from the for-profit sector, whether they are SMEs or larger businesses.

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### Facilitate access to markets, including public ones

**52.** SSEOs are generally limited in size and often lack the technical expertise and financial means to market their products where the majority of consumers are, both nationally and internationally. The promotion of **joint physical and electronic market platforms** should therefore be encouraged. Similarly, it is frequently impossible for SSEOs to participate in public and private procurement processes, where the benefits of their social and environmental mission is often not valued. SSE products and services should be promoted on **"Buy social" mechanisms** that are dedicated to social products, including online platforms. Where possible, the participation of SSEOs in public and private procurement should be facilitated by awarding contracts in the form of separate lots and giving priority to social and environmental clauses.

## Promote decent work and productive employment

**53.** The SSE has a **human-centred approach to work** and as such embodies principles that will likely become increasingly important in workplaces. The sector is based on rights at work, gender equality, social dialogue and empowerment and can therefore be a key contributor to achieving a “full and productive employment and decent work for all” (SDG 8). The SSE has a demonstrated potential to create jobs and income generating activities where they are needed most, especially for the continent’s most vulnerable people, including people in vulnerable areas. SSEOs’ participatory governance and local nature allows workers to contribute to defining effective policies on wages and earnings, job security, social protection, training, working hours and employment conditions. The SSE is essential to prevention, recovery, peace and resilience with respect to crises, offers a pathway from the informal to the formal economy for workers and economic units, and contributes to making digital and ecological transitions more equitable.

## Economic sectors where interventions may have a wider socio-economic impact

**54.** The **nine social policy thematic areas or pillars** identified in AU Social Agenda 2063 to achieve the social policy (and social development) objectives of Agenda 2063 hold vast potential for the SSE.

**55. Family policy** (keeping the African family together) **and gender equality** are the cross-cutting social policy pillars or thematic areas of Social Agenda 2063. The SSE is renowned for its gender-equalising role, while providing a range of services that support the care and family economy. The SSE strengthens economic participation and access by women through SSE products and services, and advances the human security of women and girls<sup>24</sup>.

**56.** Similarly, there are opportunities for the SSE in the other seven social policy pillars.

- **Social protection:** SSEOs augment public sector provisions to fulfil social protection guarantees. For example, they facilitate access to essential healthcare, support income guarantees for sick people, create income-generating activities for people with disabilities and unemployed people, and provide practical assistance around caring for older people and dealing with the death of family members.
- **Universal access to basic societal services and utilities:** SSEOs facilitate and strengthen service delivery where it is inadequate at local and rural government levels, for example by providing refuse removal, water distribution, energy, housing, transport, small-scale construction services.

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<sup>24</sup> Núñez, R. B. C., Bandeira, P. & Santero-Sánchez, R. 2020. The social economy, gender equality at work and the 2030 Agenda: Theory and evidence from Spain. Sustainability (Switzerland), 12(12). <https://doi.org/10.3390/su12125192>

- **Access to quality and inclusive education:** SSEOs are broadly involved in the education sector, which is particularly crucial for children, young people and people with disabilities. They provide transport services, ICT access and support (including computers and the internet), early childhood education, afterschool care and services such as tutoring, also for technical and vocational education and training (TVET) and tertiary education students.
- **Access to health and wellness:** SSEOs facilitate access for people with disabilities and older people to community healthcare centres. In the form of mutual associations or cooperatives, they can in fact manage these centres themselves, incorporating focused disciplines such as the treatment of substance use disorders. In leisure and sport clubs, SSEOs can help with skills development and to administer events for various sport codes.
- **Access to sufficient and nutritious food :** SSEOs are involved in the collection, safe storage and distribution of food to venues such as local food banks, schools, hospitals and low-cost community restaurants. In agricultural production, the SSE helps with pooling of equipment, maintenance and providing mutual aid in work.
- **Formal economy, labour markets and entrepreneurship:** SSEOs promote intermediation services for job placement, such as job matching programmes, provide internet services for job applications, assemble interview panels (also for formal SSE jobs) and facilitate business support services for aspiring entrepreneurs.
- **Informal and rural economy:** SSEOs help to categorise and organise sectors and provide support around informal units' transition to formalisation. They also provide TVET services and access to finance or market information, business development and skills training, science and technological support, and facilitate supporting services such as business registration and follow-up. **Cultural and artistic domains** can be enhanced by SSE inputs, for example through craft and traditional skills training. They can also help to safeguard landscape and cultural heritage, including through linkages with the **tourism and digital sector**.

**57.** In conclusion, it is clear that the SSE is multisectoral and cross-cutting, and responds to immediate needs in local communities.



**Members of a mushroom and hen house cooperative in Dar es Salaam, Tanzania. This was formed as an alternative to the stone breakage in nearby quarries, which used to be women's principal activity.**



## Improve dialogue between SSE stakeholders and public authorities

### Promote a joint or combined system of representation of actors

**58.** Networks are important to promote and enhance SSE principles and purposes, to encourage collaboration between its different segments, to support the creation and development of SSE entities and to train operators or actors in partnership with competent organisations. Several African countries have federative bodies with the same legal form, for example bodies that represent cooperatives, and/or networks that represent SSEOs in the same sector of activity, such as agriculture, crafts or trade. There are however very few **country networks and regional bodies** that represent the SSE, and they lack a singular voice.

### Coordinate and promote coherence among sectoral public policies

**59.** By nature, the SSE falls under different fields of public intervention. Various ministries, such as economy and finance, employment and vocational training, social affairs, young people, women, culture, health, agriculture, education, crafts and trade are involved. Establishing a specific and cross-sectoral governmental and administrative organisation allows the coherence and synergy of the various SSE-related national and regional public policies. It is important to set up an **advisory board** to enable the development of strategic co-construction between all private and public stakeholders in the SSE.

### Enhance knowledge relating SSE and develop inter-African research and development cooperation

**60.** With its economic weight throughout Africa and significant contribution to human, sustainable and inclusive development, the SSE has shown its resilience in recent economic, health and security crises. **As a sector, it is however invisible.** There is a lack of data on the number of existing organisations, jobs, members, income generated, sectors of activity and improvement of vulnerable people's living conditions. There are too few Pan-African networks of actors, experts, researchers and officials in charge of the SSE and these need to be expanded and galvanised to facilitate the exchange of experiences and practices in the sector. **National statistical offices** should be encouraged to **measure and analyse the SSE** as a specific subset of the economy, in particular through satellite accounts.

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“Establishing a specific and cross-sectoral governmental and administrative organisation allows the coherence and synergy of the various SSE-related national and regional public policies.”

## Policy perspectives on the SSE in AU Member States

**61.** Although the SSE as such is a relatively new concept to most AU Member States, many governments in Africa support some aspects of it and some have developed policy and legal frameworks to promote the sector.

**62.** At the Pan-African level, the Organization for the Harmonization of Business Law in Africa (OHADA) adopted the Uniform Act relating to Cooperative Societies in 2009, covering 17 countries. In the following year, the West African Economic and Monetary Union (UEMOA) adopted the Regulation on Social Mutuality, covering eight countries. Also in 2010, the African University for Cooperative Development (Benin) established the African Network of Social Solidarity Economy (RAESS), in association with the global network RIPESS, that joins together 22 country networks<sup>25</sup>.

**63.** The five African countries, among the 30 worldwide that have enacted **SSE legislation**, are Cape Verde in 2016, Cameroon and Djibouti in 2019, Tunisia in 2020 and Senegal in 2021. These frameworks delineate the scope of the SSE by describing the various legal forms and defining shared values and operating principles. They specify the procedures to register units as well as their administrative and statistical monitoring. They organise the dialogue between the public authorities and the organisations that represent the actors. They also specify the measures for sensitisation, support, financing, taxation and public markets.

**64. SSE-associated regulation** is underway in Morocco, Algeria, South Africa and Gabon. Mali adopted a National Policy for the Promotion of the SSE and Action Plan in 2014 and a law establishing the National Support Centre for the Promotion of the SSE in 2017. Ministries in charge of the SSE have been established in Morocco, Tunisia, Senegal and Cameroon. Countries such as Mali, Nigeria and Senegal have incorporated a commitment to develop an **SSE Academy**.

**65.** In Anglophone Africa, SSE promotion is addressed in **cooperative and non-profit legislation**, and is touched on in other broader policies on cross-cutting issues like poverty alleviation, gender, health promotion and environmental conservation. There are also various government departments that support SSEO development. For example, there are policies in Anglophone East Africa (Kenya, Tanzania and Uganda) that support the development of the cooperative movement and mutual benefit associations to provide health insurance. Social enterprise networks have also been created in Ethiopia, Kenya, Uganda, Ghana and Botswana.

“The five African countries, among the 30 worldwide that have enacted SSE legislation, are Cape Verde in 2016, Cameroon and Djibouti in 2019, Tunisia in 2020 and Senegal in 2021.”

<sup>25</sup> <http://www.ripest.org/reseaux-continentaux/afrique-et-moyen-orient/>

# Ten-year strategy for the SSE in Africa

## Vision

**66.** A prosperous Africa based on inclusive growth and sustainable development, democracy and respect for human rights, on common heritage, shared values and ethics, and whose development is people-driven, relying on the potential of African people, especially its women and youth (Agenda 2063, Aspirations 1, 3, 5 and 6).

## Mission

**67.** Increase the identity, visibility and recognition of the SSE in Africa in order to harness its potential to improve the quality of life of citizens, create decent work, facilitate empowerment, reduce poverty and inequalities in health, education and gender, to be resilient in the face of economic, health and environmental crises, and to employ social innovations and contribute to the African Cultural Renaissance.

## Goal

**68.** An enabling and supportive environment for the SSE that contributes to a more equitable, inclusive and sustainable development path for the African continent.

## Objectives

**69.** The Ten-year SSE Strategy for the African Union seeks to:

### Broadly

- Recognise and promote the SSE as a key trans-sectoral actor of the African Union's main socio-economic policies.
- Promote coordination among different ministries, offices and agencies involved in the trans-sectoral functioning of the SSE, resulting from the convergence of strategic objectives that are clearly defined and benchmarked.
- Foster a conducive ecosystem to grow the SSE in Africa in order to achieve Agenda 2063's aspirations and to take full advantage of the African Continental Free Trade Area Agreement to deliver services to citizens towards improving their quality of life.

## Specifically

- Increase **continental, regional and national awareness and political support** to the SSE.
- Raise the visibility of the SSE through **communication and training** to capture the interest of beneficiaries, operators and stakeholders in the SSE.
- Secure the SSE through effective **legal, administrative and institutional frameworks**.
- **Establish financial and technical support mechanisms** to unlock the potential of the SSE and **remove barriers to the development and financial viability** with regard to financing, value chains, market access and decent work.
- Pursue the SSE in **economic sectors where interventions may have wider socio-economic development and environmental sustainability** on the continent and **enrol emerging sectors**.
- Facilitate and promote **dialogue between stakeholders** and public authorities on the SSE at local, national, regional and continental level.
- Strengthen **financial and technical support mechanisms** for SSEOs.
- Promote **inter-African research and development cooperation** on the SSE.

## Guiding principles

**70.** This Ten-year SSE Strategy for the African Union is guided by the following **fundamental principles and focus areas**:



Human rights



Gender-sensitivity



Inclusivity – leaving no one behind



Decent work



Multisectoral and multidisciplinary



Multistatutes approach, integrating national particularities



Participation



Sustainability



Local development



Learners at a cooperative school in Rwanda.

## Expected outcomes

**71. Awareness, advocacy and continental policy:** The SSE is accorded political and administrative support by government and social partners at continental, regional and national levels based on evidence, awareness and appropriate policy frameworks.

**72. Communication and training:** Boosted visibility of the SSE attracts the interest of organisations and enterprises as well as investment by the public and private sector. Establishing inclusive training programmes on the SSE in technical and vocational training and at institutions of higher education leads to continuous capacity development of SSEO leaders and managers.

**73. Legal, policy, programmatic and governance frameworks:** The legal adoption and operationalisation of the SSE in Member States strengthens trans-sectoral policies, programmes and governance frameworks on the SSE. It includes traditional forms of community-based production and self-help groups.

**74. Economic viability, value chains and markets:** Financial and technical support mechanisms unlock SSEOs' economic and employment potential. This leads to their economic viability, improved participation in value chains and increased market access.

**75. Socio-economic development sectors and environmental sustainability:** SSEOs expand their impact in areas such as environmental sustainability, gender equality, social protection, universal access to societal services and utilities, education and health services, agriculture, the formal and informal economy, culture and tourism according to the social policy pillars of Social Agenda 2063 and the AU's comprehensive response to COVID-19.

**76. Dialogue, policy coherence and inter-African data collection, research and development cooperation:** Functional dialogue between government and public authorities and among SSE actors and stakeholders strengthens and sustains financial and technical support mechanisms to the SSE. Inter-African data collection and research inform policy coherence and development cooperation on the SSE.



## **Coordination and implementation of the Ten-year SSE Strategy for the African Union (2023-2033)**

### **Continental coordination and oversight**

**77.** Reporting to the Commissioner for Health, Humanitarian Affairs and Social Development, the Directorate Humanitarian Affairs and Social Development at the African Union Commission (AUC) will be responsible for coordinating and implementing the Ten-year SSE Strategy. As the scope of the strategy will involve other AUC departments, e.g. Agriculture, Trade, Private Sector Development (Economic Affairs), Health, Gender and Education, an internal coordinating mechanism will be established at director level, cascading to division heads. Meetings will relate to the SSE policy orientation, its implementation, expected outputs and anticipated impacts.

### **Monitoring**

**78.** All decisions or resolutions on the adoption of a policy document by the AU policy organs will contain the directive for the AUC to report back on its implementation regularly (annually or every two years). Subsequently, the AUC will distribute the newly adopted policy document to all Member States and partners, and it will also be available on the AU website. The AUC will furthermore develop a user-friendly tracking questionnaire for Regional Economic Communities (RECs), Member States and stakeholder partners, based on the outputs, activities and indicators covered in the implementation plan of the policy instrument.

**79.** The questionnaire will be distributed to SSE focal points in RECs and Member States. Where there is no dedicated ministry or directorate, it will be sent to relevant Ministries of Labour or Social Development/Affairs. It will simultaneously be disseminated to regional and national social partners' bodies, and to relevant UN agencies and other recognised stakeholder partners.

**80.** Once the completed questionnaires are received, the AUC will compile a report for consideration by the requisite AU Specialised Technical Committee of Social Development, Labour and Employment (STC-SDLE) that meets every two years.

### **Evaluation and further directives for implementation**

**81.** The meeting of experts (senior government officials and representatives of social partners) will deliberate the AUC's report on implementing the Ten-year SSE Strategy and propose decisions for the consideration of the relevant ministers, who will direct further actions. The report of the session with decisions will be adopted and distributed to Member States and stakeholder partners for additional concerted action that will be reported to the next biennial session of the STC-SDLE.



A woman who is part of a cooperative sells fried fish at her stall on the streets of Lilongwe in Malawi.





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