

Cooperation among workers in the informal economy: Focus on home-based worker and waste pickers

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ILOCOOP
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ILO – WIEGO initiative

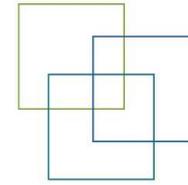
Aims to deepen understanding of the nature and role of cooperatives and other SSE organizations and enterprises in formalizing the informal economy

Initial focus on waste pickers and home workers, with a view to expand to other target groups such as domestic workers and street vendors

Methodology:

Survey & interviews with 50 respondents (21 HBWs from 10 countries, 29 WPs from 6 countries), mainly by WIEGO staff and through WIEGO/ILO partners

Literature review – conceptualization of cooperatives of HBWs & WPs, as well as case studies



International
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COOPERATION AMONG WORKERS IN THE INFORMAL ECONOMY:

A focus on home-based workers and waste pickers

A Joint ILO and WIEGO Initiative



Key findings I - Characteristics

Legal status:

Most entities legally registered. Under various laws (coop, micro-enterprise, association, etc.)

Reasons for registering:

Access to incentives & support from local and national governments and private sector;

HBWs: Financial reasons are the most important

WPs: Access to social benefits and social protection are the priorities

Coop structure:

Adherence to coop values & principles, regardless of the organizational type

Structures such as BoD, committees in place

Sources of funding:

Member dues relatively small & often times insufficient - Therefore need financial support from external actors



Key findings II - Activities

Activities and functions:

WPs: Collecting, sorting, recycling of waste

HBWs: Diverse activities e.g. garment production, clothing, crafts; food, catering, farming through subcontracting and own-account work

Economic benefits:

Coops support market access, work space, training and skills upgrading

Skills training:

Technical and legal training, accounting, business planning

HBWs: production skills, marketing, use of equipment, also leadership training

WPs: technical skills and advocacy skills

Financial service provision:

Crucial for members' livelihoods & for cooperatives

Through government or credit unions in form of e.g. microloans

Some coops provide microloans to members for equipment or raw materials as well



Photo: Juan Arredondo/Getty Images Reportage

Key findings III – Voice & recognition

Voice & recognition:

Fighting stigma & marginalization through negotiation, creating alliances & mobilization

Negotiations and sales:

Support of larger organizations increases negotiation power

Negotiations with buyers (enterprises, middlemen), NGOs, other coops

Sales often through intermediaries

Negotiate with state for social benefits and improved conditions – advocacy efforts

Economies of scale:

HBWs: Supply of materials at lower costs; sharing of work space & equipment

WPs: Negotiate with big waste generators

Alliances and affiliations:

With other coops, trade unions, social movements at different levels

WPs: Strong national, international affiliations

HBWs: Some national & subregional networks



Key findings IV - Challenges

Economic & market-related

Difficulties in achieving real economies of scale

Weak institutional infrastructure

WPs: Privatization of waste management systems

HBWs: Competition with larger companies

Policy-related

Old laws that do not reflect the current realities

Laws that may not be pro-poor or recognizing informal economy workers' rights

Lack of enforcement of existing laws & local regulations that can facilitate access to available infrastructure & services

Internal

Weak structure, internal tensions, lack of a common vision, absence of strategic planning, lack of technical & political know-how & capacity building, blurred division of work

